

APPRAISAL OF:

Appraisal of property located on
Tuscan Avenue
Hattiesburg, Forrest County, Mississippi

Effective Date: March 27th, 2018
Date of Report: December 10th, 2018



APPRAISED FOR:

City of Hattiesburg
c/o Lamar Rutland
P.O. Box 1898,
Hattiesburg, MS 39401

APPRAISED BY:

Collins and Null Appraisals, Inc.
6760 US Highway 98, Suite 2
Hattiesburg, MS 39402
601-271-9044



6760 US Hwy 98, Suite 2 Hattiesburg, MS 39402
601-271-9044 (T) 601-271-9099 (F)

December 10th, 2018

City of Hattiesburg
c/o Lamar Rutland
P.O. Box 1898,
Hattiesburg, MS 39401

Re: 1.01 acres located on Tuscan Avenue, Hattiesburg, Forrest County, MS

Dear Mr. Lamar,

At your request and authorization, I have completed a real estate appraisal of the above referenced property. The property has been inspected, and an investigation of the current real estate market has been completed. All property rights were appraised, the purpose of which was to estimate the property's "Market Value." Based on my investigation, it is my opinion that the market value of the Fee Simple interest of the above referenced property as of March 27th, 2018 is:

INDICATED "AS-IS" VALUE			
	1.01 acres	\$13,000 per acre	\$13,130

The property is improved with a large concrete base/ pad, with supporting steel structure. During this report, I questioned Lamar Rutland, City engineer in regards to any potential salvage value in the remaining structure. Mr. Rutland stated that he was not aware of any salvage value, and stated that no salvage value report had been done.

On March 30th, 2018, I emailed Southern Recycling and Demolition in regards to any salvage value that may exist on the site. I received a return response from Southern Recycling on April 5th, 2018. I also spoke with Southern Recycling via telephone on April 5th, 2018.

The following statement was provided by Southern Recycling, which includes the subject property and the adjacent property owned by Habitat for Humanity

Southern recycling stated a demolition charge of \$150,000 was estimated, with a residual salvage value of \$25,000, after the cost of demolition considered. However, Southern Recycling stated that the demolition charge of \$150,000 did not included the entire concrete slab, and the remaining demolition would most likely cost the residual salvage value of \$25,000. Based on our email correspondence and phone conversations, there appears to be no salvage value, with any salvage value being generally offset by the demolition charge. Therefore, I have considered that any salvage value would offset the demolition charge, and I have valued the property as land only- with no value to the buildings.

I am not an expert in salvage value, demolition cost, remediation costs, manufacturing plant salvage values, etc. Therefore, I make no warranty as to there being any salvage value or guarantee to the demolition charges. I have used the email correspondence and conversations to derive a value opinion only. The use of the demolition charge or salvage value conclusions should not be used by the potential buyer or seller, without further investigation. It is understood that the seller or buyer will conduct their own salvage value investigation to verify the statements above.

This appraisal is intended to comply with the Uniform Standards of Professional Appraisal Practice. The appraisers certify that they are competent to document this assignment.
Respectfully submitted,



Jonathon Null, MAI
Licensed Certified General
Real Estate Appraiser, GA-799

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Highest and Best Use as Improved	N/A

APPRAISER'S CERTIFICATION

I certify, 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, 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 I have no personal interest or bias with respect to the parties involved.
4. My 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.
5. My analyses, opinions, and conclusions were developed, and this has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
6. Jonathon Null has made a personal inspection of the property that is the subject of this report.
7. No one provided significant professional assistance other than the person(s) signing this report.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the American Institute.
9. I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to reviews by its duly authorized representatives.
10. This appraisal assignment was not based on a requested minimum valuation, a specific valuation or the approval of a loan.
11. As of the date of this report, I have completed the Standards and Ethics education requirements for (Candidates or Practicing Affiliates) of the Appraisal Institute.

12. As of the date of this report, I Jonathon Null have completed the continuing education program for Designated Members of the Appraisal Institute.

13. Jonathon Null has not appraised the subject property in the past three years.

INDICATED "AS-IS" VALUE			
Parcel C	1.01 acres	\$13,000 per acre	\$13,130

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ASSUMPTIONS AND LIMITING CONDITIONS

The appraisal report has been made subject to the following general assumptions and limiting conditions:

1. Title to the property is assumed to be merchantable, unless otherwise stated, and no responsibility is taken for the legal description or for matters of legal or title consideration.
2. The appraisal assumes the property to be free of any liens or encumbrances and is analyzed as though free of indebtedness unless otherwise stated.
3. The appraisal assumes responsible and competent ownership and management of the subject property.
4. The information furnished by others and contained in the appraisal report is considered reliable and correct. However, no responsibility is assumed for its accuracy.
5. Any plot plans, sketches, drawings, or other exhibits in this report are included only to assist the reader in visualizing the property. The utilization of the land and improvements is assumed to be within the boundaries of the property described and that there are no encroachments unless otherwise stated in the report. No survey has been made for this report and any responsibility for such is assumed.
6. The site is assumed to be free of adverse soil conditions that would, in any way, affect the value of the property. No liability is assumed for these conditions or for engineering studies necessary to discover them.
7. Complete compliance with all federal, state, and local environmental regulations and laws are assumed, unless otherwise stated, defined, and considered in the appraisal report. The property was previously used as a large manufacturing plant, which has been closed

for an extended period. No environmental report was provided to the appraiser, and no known environmental conditions exist. For the purposes of this report, I have assumed that no environmental conditions or hazardous materials remain from the previous manufacturing operation.

8. Complete compliance with all applicable zoning and use regulations are assumed, unless otherwise stated, defined, and considered in the appraisal report.
9. The appraisal assumes that all required licenses, certificates, consent, or other legislative or administrative authority from any federal, state, or local government or private entity, has been or can be renewed for the use upon which the estimate of market value contained in this report is based.
10. Any distribution of the estimated market value contained in this appraisal report between land and improvements, applies only under the utilization program stated in the report. The separate allocations for land and improvements must not be used in conjunction with any other appraisal report or market study and, if used in this manner, are invalid.
11. Possessors of this report have no right of publication of it, and it may not be used for any purpose by any other person other than the person to whom it is addressed without written permission of the appraiser and, in the event of proper written permission, only in its entirety.
12. Employment and authorization to conduct this appraisal and the resulting appraisal report do not require further consultation or court testimony unless mutually satisfactory arrangements are made in advance.
13. This report, either all or in part, especially any value conclusions or reference to the identity of the appraiser or the firm with which the appraiser is associated, will not be disseminated to the public through advertising, public relations, news, sales, or other means without prior written consent of the appraiser.

**NOTICE REGARDING
HAZARDOUS WASTES OR
SUBSTANCES AND
UNDERGROUND STORAGE
TANKS**

Comprehensive federal and state laws and regulations have been enacted in the last few years in an effort to develop controls over the use, storage, handling, cleanup, removal and disposal of hazardous wastes or substances. Some of these laws and regulations, such as the so called "Superfund Act," provide for broad liability schemes wherein an owner, tenant or other user of the property may be liable for cleanup costs and damages regardless of the fault. Other laws and regulations set standards for the handling of asbestos or establish requirements for the use, modification, abandonment, or closing of underground storage tanks.

It is not practical or possible to list all such laws and regulations in this Notice. Therefore, owners, buyers, tenants, and lenders involved with the property which is the subject of this report, and any other user and/or users of this report are urged to consult legal counsel to determine their respective rights and liabilities with respect to the proposed transaction involving the subject of this appraisal. If hazardous wastes or substances have been, or are going to be used, or if underground storage tanks are present, it is essential that legal and technical advice be obtained in determining, among other things, what permits and approvals have been or may be required, if any, estimated costs and expenses associated with the use, storage, handling, cleanup, removal or disposal of the hazardous wastes or substances, and what contractual provisions and protections are necessary or desirable. It may also be important to obtain expert assistance for site investigations and building inspections. The past uses of the property typically provide valuable information as to the likelihood of hazardous wastes or substances, or underground storage tanks being on the property. The subject site is the centralized center of operations for the Warren Paving operation, and appears to have both underground and aboveground storage tanks of varying sizes, along with pumping systems at several locations.

The Appraisers have not made investigations or obtained reports regarding the subject matter of this Notice, except as may be specifically described within the body of this appraisal. The Appraisers made no representations

regarding the existence or nonexistence of hazardous wastes or substances or storage tanks on the property. The user and/or users of this report should contact a professional, such as a civil engineer, geologist, industrial hygienist or other persons with experience in these matters to provide advice concerning the property.

The term "hazardous wastes or substances" are used in this Notice in its broadest sense and includes, but is not limited to, petroleum base products, paints and solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonium compounds, asbestos, PCB's and any storage tanks that may be present on all types of real property. This Notice is therefore meant to apply to any type of real property, whether improved or unimproved.

POTENTIAL SALVAGE VALUE

The property is improved with a large manufacturing building, a large concrete base/ pad, with supporting steel structure. During this report, I questioned Lamar Rutland, City engineer in regards to any potential salvage value in the remaining structure. Mr. Rutland stated that he was not aware of any salvage value, and stated that no salvage value report had been done.

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SUMMARY OF SALIENT FACTS AND CONCLUSIONS

LOCATION: The property is located on Tuscan Avenue, Hattiesburg, Mississippi.

CURRENT OWNERSHIP: The current owners are Cleen Cote Inc., and according to the Tax Assessor's website, the property is listed as PPIN 26861.

PPIN	Owner	Size	Comments
26861	Cleen Cote Inc.	1.01 Ac	Dilapidated Steel Frame Structure

IMPROVEMENT DATA: The property is improved with several abandoned manufacturing buildings that have not been used in many years. The buildings are in various states of decay, and they do not appear to have any remaining economic life.

The value stated in this report is the land value only.

PURPOSE OF REPORT The purpose of this report is to formulate and express an estimate of the market value of the subject property as defined by FDIC Regulation 12 CFR Part 323.2(f). It is understood that the intended use of this report is for loan underwriting purposes.

PROPERTY RIGHTS APPRAISED: Fee Simple

CLIENT/INTENDED USER: The intended user of this report is City of Hattiesburg, and their duly authorized agents.

INTENDED USE: The intended use of this report is for loan underwriting and/or credit decisions by the client and/or participants. The intended use of this report has not affected the appraisal process nor any of the data used in this report.

CURRENT USE Abandoned manufacturing building

DATES OF INSPECTION: March 27th, 2018

DATE OF REPORT: December 10th, 2018 *

*This report is a revised report from a report previously done in April of 2018. The client requested a revised report in December of 2018. The property was not reinspected, and the property condition has assumed to remain the same.

EFFECTIVE DATE OF VALUATION: March 27th, 2018

MARKET VALUE:

INDICATED "AS-IS" VALUE			
Parcel C	1.01 acres	\$13,000 per acre	\$13,130

SCOPE OF WORK The Scope of Work included:

a) an inspection of the subject property and the research and collection of data pertaining to recent economic development and real estate sales activity in Hattiesburg, Mississippi, as well as other parts of the region. The Sales Comparison approaches to value were used. Information was collected from courthouse records, files of reliable real estate professionals, property owners and developers, the search of public records through the use of commercial sources of data such as printed comparable data services and computerized databases. Search parameters such as dates of sales, leases, locations, sizes, and types of properties were started with relatively narrow constraints and, if necessary, were expanded until the appraiser had either retrieved data sufficient (in the appraiser's opinion) to estimate market value, or until the appraiser believed that he had reasonably exhausted the available pool of data. Efforts were made to verify the data with persons directly involved in the transactions such as buyers, seller, brokers, or agents. At the appraiser's discretion, some data were used without personal verification if, in the appraiser's opinion, the data appeared to be correct. In addition, the appraiser considered any appropriate listings or properties found through observation during appraiser's data collection process. The appraiser reported only the data deemed to be pertinent to the valuation problem;

b) has investigated and analyzed any pertinent easements or restrictions, on the Fee Simple ownership of the subject property. It is the client's responsibility to supply the appraiser with a title report. If a title report is not available, the appraiser will rely on a visual inspection and identify any readily apparent easements or restrictions;

c) has analyzed the data found and has reached conclusions regarding the market value, as defined in the report, of the subject property as of the date of value using appropriate valuation approach(es) identified above;

d) has prepared the appraisal in compliance with the Uniform Standards of Professional Appraisal Practice as promulgated by The Appraisal Foundation and the Code of Professional Ethics and Certification Standard of the Appraisal Institute;

e) has prepared a Summary Appraisal Report, as defined in USPAP, which includes photographs of the subject property, descriptions of the subject neighborhood, the site, and any improvements on the site, a description of the zoning, a highest and best use analysis, a summary of the most important sales used in the appraiser's valuation, a reconciliation and conclusion, and other data deemed by the appraiser to be relevant to the assignment. Pertinent data and analyses not included in the report may be retained in the appraiser's files.

f) This appraisal report is an estimate of market value of the property, assuming quality materials, workmanship and properly functioning equipment and mechanics of the building. It does not serve as a home or building inspection, structural inspection, environmental or pest inspection. In preparing this report, the appraiser is not acting as a home or building inspector, engineer, surveyor, or pest inspector. In performing the limited inspection of this property, areas that were readily accessible were visually observed and the review is superficial only. This inspection is not technically exhaustive and does not offer warranties or guarantees of any kind. It is advised to have the structure inspected by an inspector or other suitable professional that offers such warranted or guaranteed

inspection of the structural, environmental aspects, or other areas of concern.

EXTENT OF INSPECTION

The subject property and neighborhood have been inspected and its characteristics and trends in development observed. All inspections and data collections were completed by Jonathon Null on March 27th, 2018. This included an interior and exterior visual inspection of the subject's readily accessible areas and an inspection of the general area.

APPRAISAL HISTORY

This property was appraised by Jonathon Null/ Collins and Null appraisals in March of 2018. This report was done for the same client, The City of Hattiesburg. This report is a revision of the previously submitted report.

COMPETENCY

The appraisers responsible for this appraisal report certify that we are competent to appraise property in the Hattiesburg area. This firm has appraised numerous retail, restaurant, office and industrial properties in the past. In the course of preparing this appraisal, we have searched the local and regional market for information pertaining to these type properties and to the conditions of the overall market. Therefore, through association, prior appraisal history and knowledge, current research and inspections, we certify that we are competent to appraise the subject property.

MARKETING PERIOD

In applying the market value definition of this appraisal, a reasonable exposure time of 24-48 months has been estimated. In arriving at this estimate we have considered the local economy and supply and demand; information gathered through comparable sales verification; and interviews with knowledgeable market participants. These individuals included real estate agents and brokers, bank loan officers and economic development officials.

Marketing time, however, is an estimate of the amount of time it takes to sell a property interest at the estimated market value during the period after the effective date of the appraisal. An estimate of marketing time is not

intended to be a prediction of a date of sale. It is inappropriate to assume that the value as of the effective date of an appraisal remains stable during a marketing period. Additionally, the appraiser(s) have considered market factors external to this appraisal report and have concluded that a reasonable marketing time for the subject is 24-48 months.

EXTRAORDINARY ASSUMPTIONS

Southern Recycling analyzed the subject property and the adjacent property in March of 2018. A response from them is shown below

Southern recycling stated that a demolition charge of \$150,000 was estimated, with a residual salvage value of \$25,000, after the cost of demolition considered. However, Southern Recycling stated that the demolition charge of \$150,000 did not included the entire concrete slab, and the remaining demolition would most likely cost the residual salvage value of \$25,000. Based on our email correspondence and phone conversations, there appears to be no salvage value, with any salvage value being generally offset by the demolition charge. Therefore, I have considered that any salvage value would offset the demolition charge, and I have valued the property as land only- with no value to the buildings.

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Furthermore, the property has been previously used for heavy manufacturing, no environmental survey has been provided to the appraiser. I assume that there are no environmental conditions or hazardous materials remaining from the previous manufacturing use. For the valuation of this report, I assume that the property is free and clear of any and all environmental issues.

The date of this report is December 10th, 2018, based on an inspection done in March of 2018. This report is a revision of the previous submitted report in March of 2018. I have not re-inspected the subject property, and I assume that the overall condition of the property is identical to what was observed in March of 2018.

**HYPOTHETICAL
CONDITIONS**

None

MARKET VALUE

Market Value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale, as of a specified date, and the passing of title from seller to buyer under conditions whereby:

- A) Buyer and seller are typically motivated;
- B) Both parties are well informed or well advised, and each acting in what he considers his own best interest;
- C) A reasonable time is allowed for exposure in the open market;
- D) Payment is made in terms of cash in U.S. dollars, or in terms of financial arrangements comparable thereto; and,
- E) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

SOURCE:

United States Treasury Department, Comptroller of the Currency 12 CFR part 34, §34.42(f)

TAXES

The property is located inside the city limits of Hattiesburg, in Forrest County, MS and is identified as PPIN 26861. PPIN# 26861 has \$301.29 due for 2018 taxes.

CURRENT OWNERSHIP AND HISTORY

The current owners are Cleen Cote Inc.

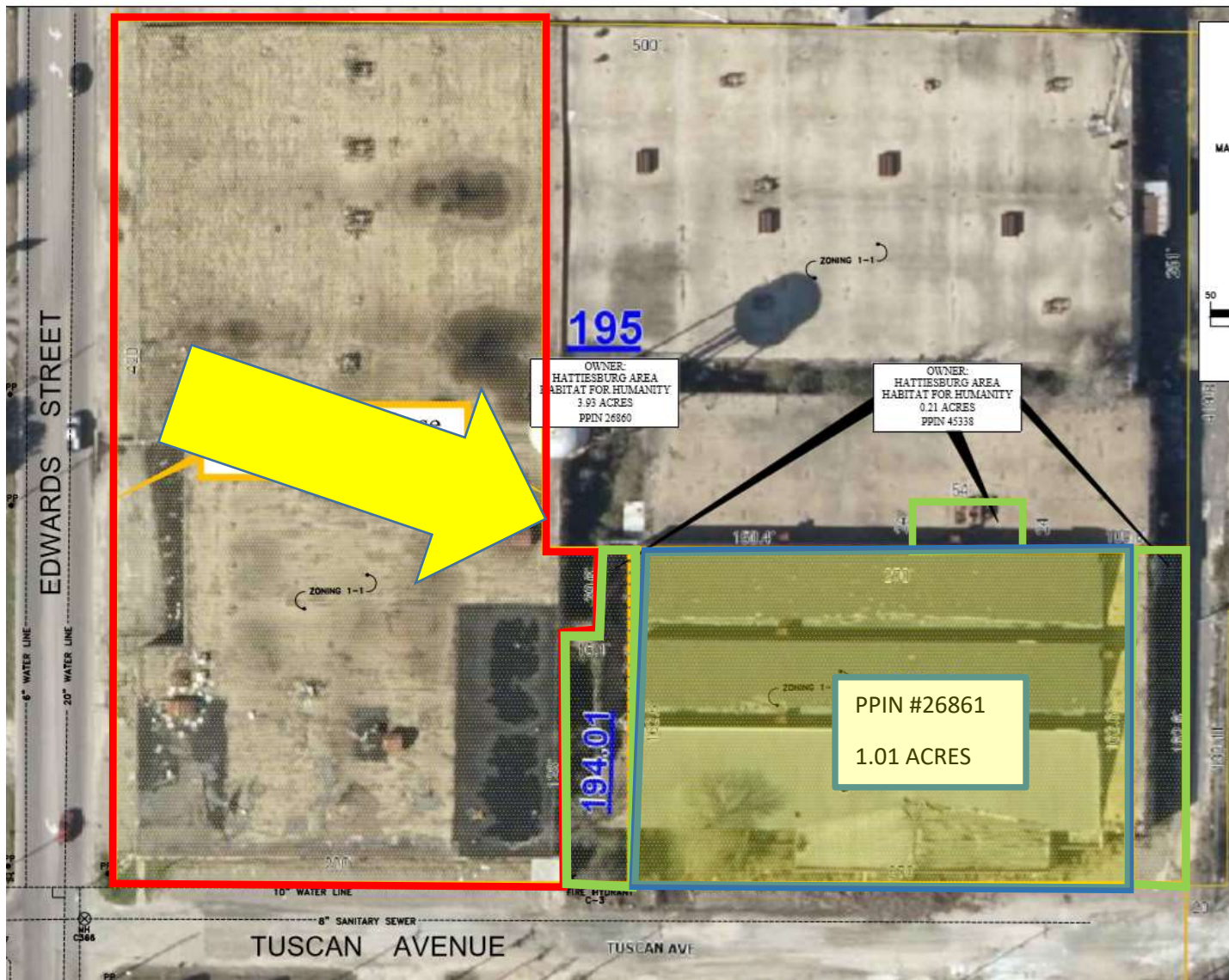
A title opinion was not provided to the appraiser, and the last transaction on the Cleen Cote property occurred more than three years ago. Therefore, there have been no other known changes in ownership in the last three years.

The client has provided a sketch of the proposed area to be appraised and subsequently purchased on the following page. Based on this drawing, the following acreages have been appraised.

PPIN #	OWNER	ACREAGE (From Client Drawings)	COMMENTS
26861	Cleen Kote inc	1.01 acres	Steel frame structure remains from warehouse building



PARCEL DESCRIPTION MAP



AREA ANALYSIS

LOCATION

Hattiesburg is centrally located to several major markets, thus its nickname the “Hub City.” Some of these markets include:



Distance From Hattiesburg MSA	
MS Gulf Coast	70 mi
Mobile, AL	86 mi
Jackson, MS	86 mi
New Orleans, LA	103 mi
Memphis, TN	301 mi
Atlanta, GA	382 mi
Dallas, TX	451 mi

POPULATION

The following statistics are available from the US Census Bureau. The chart exhibits the trend in population for the region from 2010 to 2020 (2010 for Forrest and Lamar Counties). The Hattiesburg MSA's population grew by 15.4% between 2000 and 2010. Lamar County led the way with a 42.5% growth rate during that time period. The diverse economy continues to grow as Hattiesburg MSA emerges as a leading area in the Gulf South.

Population				
(US Census Bureau, ESRI, 2015)				
Year	Lamar County	Forrest County	Perry County	Hattiesburg MSA
2020*	60,909	79,747	12,253	152,909
2015	57,492	77,259	12,245	146,996
2010	55,658	74,934	12,250	142,842

Area Demographics (ESRI, 2015)					
Age	Hattiesburg MSA	%	Ethnicity	Hattiesburg MSA	%
0-19	39,552	26.8	White	98,211	66.8
20-24	13,518	9.2	African American	42,667	29.0
25-44	41,556	28.3	Asian	1,525	1.0
45-64	33,472	22.7	American Indian/Native Alaskan	488	0.4
65+	18,8987	12.8	Other/Two+ Races	4,105	2.8

CLIMATE

The average elevation is 170 feet above sea level.

Average Temperature (Fahrenheit)	48 Degrees
Average High (Fahrenheit)	73 Degrees
Average Low (Fahrenheit)	18 Degrees
Average Humidity (percent)	Annually 74%
Average Precipitation (inch)	Annually 60"

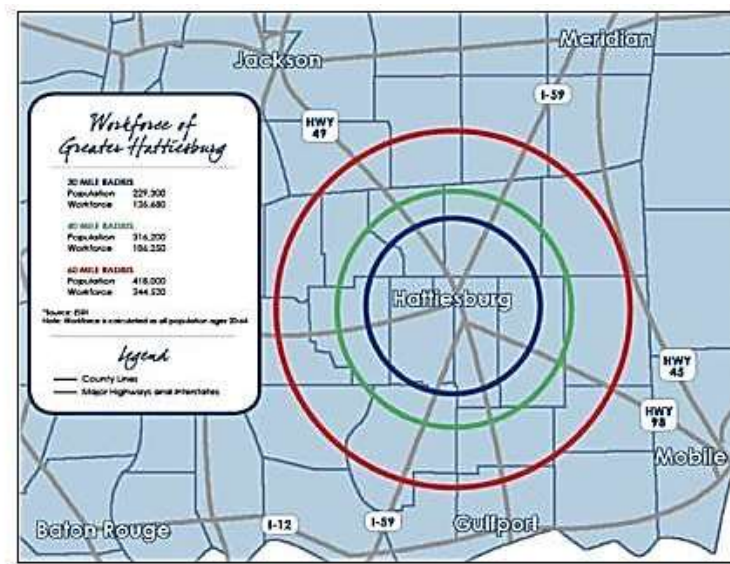
BUSINESS AND INDUSTRY

There are approximately 92 manufacturing firms in the county, employing 5,300 workers. Hattiesburg has a fully-developed industrial park with 325 available spaces.

The agriculture income for the county averages \$20 million annually. Forestry is the county's largest agri-business, producing about \$8 million in sales. Tables of the largest manufactures and employers are shown below.

The Hattiesburg MSA had a 2013 annual average unemployment rate of 7.3%.

Unemployment Rates (BLS, 2014)			
Year	Hattiesburg MSA (%)	Mississippi (%)	United States (%)
2014*	6.5	7.8	6.5
2013	7.3	8.6	7.4



ECONOMIC BASE

Hattiesburg, also known as the “Hub City,” is within 100 miles of the state capital, Jackson, as well as the Gulf Coast, New Orleans, LA, and Mobile, AL. The greater Hattiesburg area is the

educational, retail, and medical center for more than a quarter of a million people throughout southeast Mississippi. Hattiesburg MSA is the site of numerous small and several large corporations. The largest employers in terms of total employment in Hattiesburg MSA are summarized in the chart below.

2015-2020 Annual Growth Rates (ESRI, 2015)	
Area	%
Lamar County	1.16
Forrest County	0.64
Perry County	0.01
Hattiesburg MSA	0.79
Average Household Income (ESRI, 2015)	
Area	\$
Hattiesburg MSA	55,224
Mississippi	53,303
United States	74,699

Establishment Based Employment (MDES, 2014)				
Area	April 2013 (in thousands)	April 2014 (in thousands)		
Mississippi	1,124.0	1,123.8		
Greater Hattiesburg MSA	60.3	60.3		

Greater Hattiesburg MSA Employment by Sector (MDES, 2014)				
Sector	April 2013 (in thousands)	% of Overall Employment Base	April 2014 (in thousands)	% of Overall Employment Base
Manufacturing	4.3	7.1	4.2	7.0
Trade, Transportation & Utilities	12.8	21.3	13.1	21.9
Leisure and Hospitality	7.7	12.8	7.6	12.6
Government	14.5	24.1	14.3	23.9
Other	20.9	34.7	20.9	34.60

EDUCATION

The Hattiesburg area has 22 public schools. The Hattiesburg Area Education Foundation provides private funding and special programs to most of these schools to enhance the fundamental curriculum. The business community takes an active role in augmenting the school system through the Adopt-A-School program.

Hattiesburg is home to the University of Southern Mississippi with an enrollment of more than 12,000 students and William Carey College with an enrollment of about 2,000 students. U.S.M. has recently opened a new \$19 million Polymer Science Research

Facility that is paralleled by no other in the United States. Jones County Junior College and Pearl River Community College are both within easy driving distance.



GOVERNMENT

Hattiesburg has a mayor/council type of government. Forrest County has a five-member board of supervisors.

COMMUNICATIONS

Newspaper - *Hattiesburg American* (daily) and *Advertiser News* (weekly) is two papers serving Hattiesburg.

Radio Station -

Hattiesburg has ten AM/FM stations.

Television -

There are two local TV stations and one cable TV company serving the Hattiesburg area.

LAW ENFORCEMENT AND

EMERGENCY SERVICES Hattiesburg has a force of 90 officers in the city and 33 in the county. The fire department includes 96 firefighters located at 7 stations.

MEDICAL SERVICES

Hattiesburg serves as the medical hub of South Mississippi, with two hospitals with 704 beds, the largest multi-specialty clinic in the state, a full service regional reference laboratory, 230 doctors and 43 dentists.



TRANSPORTATION

Highways - Interstate Highway 59, U.S. Highways 49, 98 and 11, and State Highway 42 serve Hattiesburg.

Airports -

Pine Belt Airport is for commercial use and has a 6,500 foot runway. Bobby Chain Municipal Airport, noncommercial, has a 6,250 foot runway.

Railroads -

Hattiesburg is served by Amtrak, Midsouth Rail, Illinois Central Gulf and Norfolk Southern.

Motor Freight Carriers -

Serving Hattiesburg is 17 truck lines and 15 local terminals.

PARKS AND RECREATION

Kamper Park and Zoo, Pep's Point Water Park, Camp Shelby War Museum, Hattiesburg Historical Society, Paul B. Johnson State Park, seven local golf courses;

U.S.M. - Natural Science Museum and Woods Art Gallery; and William Carey College - Lucille Parker Gallery.

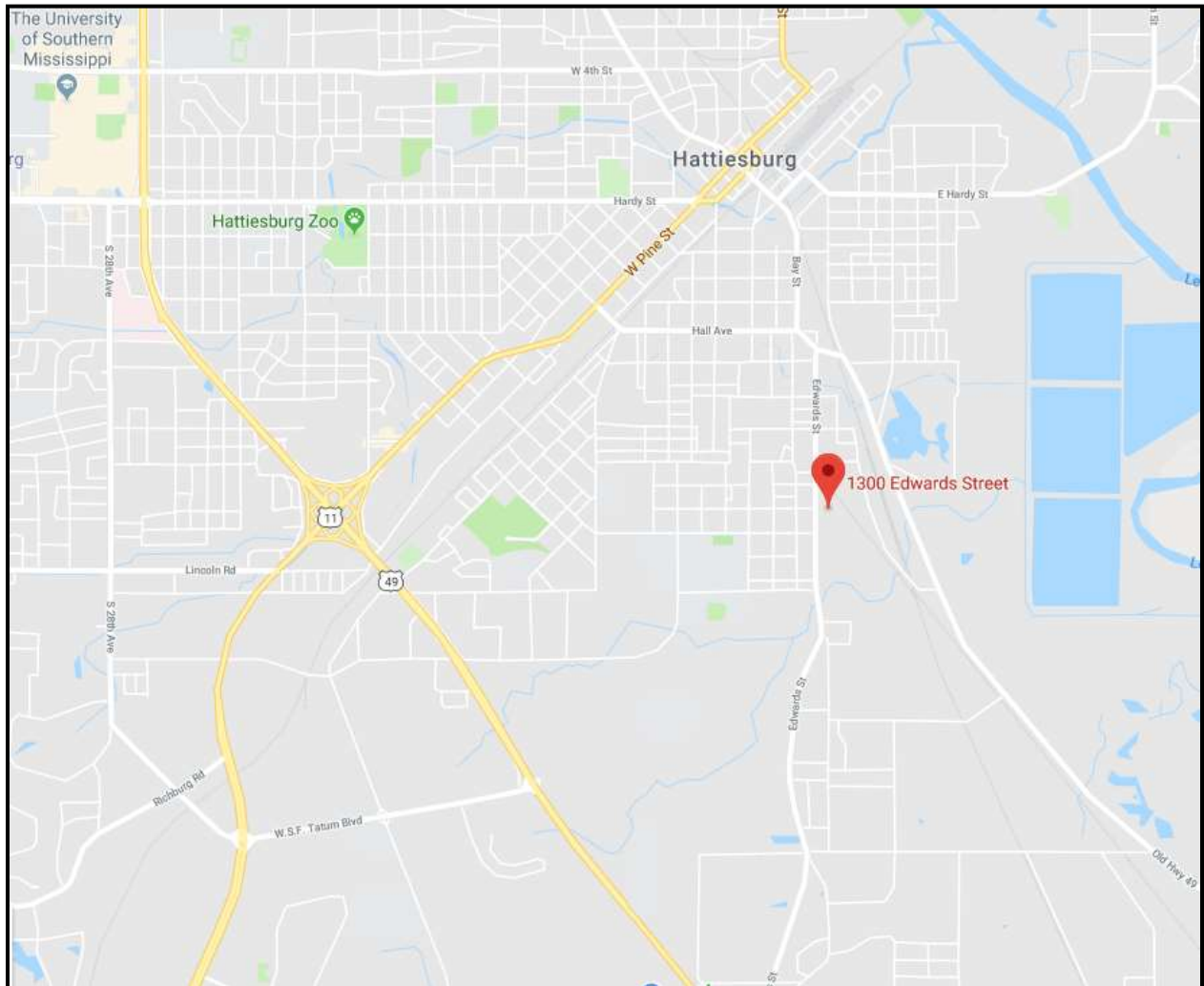
NEIGHBORHOOD SUMMARY

The subject is located along the Edwards street corridor to south of downtown Hattiesburg. It is located within the city limits, and among a variety of industrial uses. Other uses have developed in the area in the past prior to more restrictive zoning codes, and as a result, the area is primarily a mixed use area.

In past several years, there has been some amount of industrial activity in the City of Hattiesburg. However, little recent activity has been noted in the area.

In conclusion, the industrial market in the older areas of the City of Hattiesburg has been inactive in the past several years. The value outlook for the subject neighborhood would be poor to fair.

LOCATION MAP



AERIAL MAP



Cleen Cote property

1.01 ACRES

SITE DESCRIPTION

LOCATION	1.01 acres fronting on Tuscan Avenue, with +/- 270' of frontage, with 163' of depth, being part of Sections 15, and 22 Township 4 N, Range 13 W, Forrest County, Mississippi.
SIZE, SHAPE AND FRONTAGE	Rectangular in shape, with dimensions of 270 x 162.6
TOPOGRAPHY AND DRAINAGE	The topography of the +/-1.01 site is mostly level. Drainage for the site appears to be adequate.
FLOOD INFORMATION	According to Flood Insurance Rate Map Community panel number 28035C0116D, dated March 2 nd , 2010, the subject property is not located in a designated flood zone
ZONING	The site is zoned I-1 (Light Industrial District) by the City of Hattiesburg.
ACCESS AND VISIBILITY	The property has visibility from Edwards Street, but no frontage. The property only has access from Tuscan Avenue, which lies along the southern border.
HIGHEST AND BEST USE	<p>The 1.01 acres fronts on Tuscan Avenue, and is large enough for a wide variety of uses. The property is encumbered by an abandoned manufacturing building that needs to be demolished/ removed. This building is too far depreciated to be considered to have any value as a remodeled structure. This area of Hattiesburg has low demand for new development, and any proposed use may require extended marketing periods.</p> <p>Overall, the site is physically large enough to accommodate a new industrial use, and the site is limited by zoning for industrial uses. Therefore, considering the large size, the industrial zoning, the access to rail services, and the location, the only feasible use would be for some sort of Industrial type use. This use would require demolition of the existing manufacturing building.</p>

PARCEL C MAP





Remnant steel structure and wood floors from former warehouse building on the subject property



Remnant steel structure and wood floors from former warehouse building on the subject property



Remnant steel structure and wood floors from former warehouse building on the subject property



Remnant steel structure and wood floors from former warehouse building on the subject property

**VALUATION PROCESS OF
THE REAL ESTATE:**

In order to estimate the market value of a property, three approaches to value are typically used. The three approaches are the Cost Approach, the Sales Comparison Approach, and the Income Capitalization Approach.

The Cost Approach develops an estimate of value by first estimating the reproduction or replacement cost of the building and site improvements. Once this is completed, depreciation due to physical, functional, and external factors is estimated and subtracted from the cost new of the improvements to yield the depreciated cost. The existing buildings on the site are far too depreciated to have any contributory value, and the buildings require demolition. Therefore, the cost approach to value would not apply.

The Sales Comparison Approach develops a value estimate by comparing similar properties that have recently sold to the subject property. Adjustments are quantified and applied to the comparables to account for any dissimilarities between them and the subject property. The Sales Comparison Approach reconciles the adjusted prices into a value estimate. Due to the highest and best use being for some sort of industrial use, I researched local industrial land sales, and included these sales in my valuation.

The Income Capitalization Approach is based on a concept which suggests that the value of a property tends to be set by the cost of acquiring an equally desirable substitute property offering similar economic benefits. The value estimate is predicated upon discounting these benefits (cash flows and reversion) using one of several capitalization methods employing a market derived investment return rates. In addition to return rates, the element of cash flow is a market derived or supported, including rents, expenses, and vacancy rates. Therefore, as with the other approaches, the validity of the Income Capitalization Approach depends on adequate data.

The buildings were too far depreciated to produce any rental income. The Income Approach was not done.

The value estimates from each approach are reconciled into a final value estimate. The reconciliation entails a review of the entire appraisal and consideration of the relative strengths and weaknesses of each approach to value. In the final value estimate, the greatest weight is given the approach which is deemed the most reliable and appropriate for the subject property.

LAND SALE NO. 1

Property Identification

Record ID	4368
Property Type	Commercial Land
Address	1809 Edwards St., Hattiesburg, Forrest County, Mississippi
Location	Hattiesburg Southeast

Sale Data

Grantor	Mississippi District Council Assemblies Of God
Grantee	Clarence Sanders and Charlotte Sanders
Sale Date	May 16, 2006
Deed Book/Page	1008/430
Financing	Owner financing

Sale Price	\$18,000
Cash Equivalent	\$18,000

Land Data

Topography	Wooded
Utilities	All available
Shape	Irregular

Land Size Information

Gross Land Size	2.000 Acres or 87,120 SF
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Indicators

Sale Price/Gross Acre	\$9,000
Sale Price/Gross SF	\$0.21

Remarks

Wooded lot located along Edwards Street. Property was owner financed.

Land Sale No. 2**Property Identification**

Record ID	2737
Property Type	Industrial
Address	130 JM Tatum Industrial Drive, Hattiesburg, Forrest County, Mississippi

Sale Data

Grantor	Forrest County
Grantee	RJ Young Company or Crunk Copy Products
Sale Date	May 01, 2004

Sale Price	\$24,507
Cash Equivalent	\$24,507
Adjusted Price	\$24,507

Land Data

Zoning	I-1, Light Industrial
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Land Size Information

Gross Land Size	2.450 Acres or 106,722 SF
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Indicators

Sale Price/Gross Acre	\$10,003
Sale Price/Gross SF	\$0.23

Remarks

The tract is improved with 13,500 sf of office and warehouse facility for Copy Graphics. This facility serves as a service, distribution and sales office for a copy business.

LAND SALE NO. 3Property Identification

Record ID	5908
Property Type	Industrial
Property Name	Walters Stock Pile Site
Address	104 Faulkner Road, Hattiesburg, Forrest County, Mississippi

Sale Data

Grantor	Thomas Hickman
Grantee	George Walters
Sale Date	August 22, 2014
Deed Book/Page	1190 p.531, Inst#727583
Verification	George Walters; 601(580-1198)

Sale Price	\$25,000
Cash Equivalent	\$25,000

Land Data

Zoning	A-1 and A-2, Agricultural
Topography	level
Shape	Rectangular
Rail Service	Abandoned spur along west line
Flood Info	Leaf River

Land Size Information

Gross Land Size	2.730 Acres or 118,919 SF
Useable Land Size	2.700 Acres or 117,612 SF , 98.90%

Indicators

Sale Price/Gross Acre	\$9,158
Sale Price/Gross SF	\$0.21

Remarks

This site was purchased for use as a stock pile facility. The buyer stated he needed a site away from buildings and other areas where the dust could be a problem. The stock piled concrete is crushed and used for base material for parking lots and road work. The site had an old cemetery on the SE corner that reduced the useable area to around 2.70 acres. The site was used by the purchaser as a stockpile area (by verbal agreement) prior to the purchase and he had a large amount of material on the site at the time of purchase, which may warrant a conditions of sale adjustment.

Land Sale No. 4

Property Identification

Record ID	6604
Property Type	Industrial
Property Name	Industrial Land
Address	Kola Road , Collins, Covington County, Mississippi 39428
Location	Southern side Kola Road immediately past Kinder Morgan plant
Tax ID	089K32 00101
User 1	Section: 32
User 2	Township: 8N
User 3	Range: 15W

Sale Data

Grantor	Kola Recreation, LLC
Grantee	Southern Pine Electric Power Association.
Sale Date	September 10, 2013
Deed Book/Page	B-305 P-277
Property Rights	Fee simple
Verification	Confirmed by Allen Williford & Seale Inc. ; Larry Griffin, SMEPA

Sale Price	\$60,000
Cash Equivalent	\$60,000
Adjusted Price	\$60,000

Land Data

Zoning	X-28031C0260C , Industrial
Topography	Level
Utilities	Elect.
Shape	Irregular

Land Sale No. 4 (Cont.)

Land Size Information

Gross Land Size 2.890 Acres or 125,888 SF

Indicators

Sale Price/Gross Acre \$20,761 Actual or \$20,761 Adjusted

Sale Price/Gross SF \$0.48 Actual or \$0.48 Adjusted

Remarks

This property is located on the south side of Kola Road, just past the Kinder Morgan Plant.

Land Sale No. 5



Land Sale No. 5 (Cont.)



Property Identification

Record ID 6267
Property Type Industrial, Industrial
Property Name Industrial Business

Address 6215 Spector Street , Meridian, Lauderdale County, Mississippi
 39307
Tax ID 077260000000001501 or 12192
User 1 Section: 26
User 2 Township: 06N
User 3 Range: 15E
MSA Meridian
Market Type Industrial

Sale Data

Grantor David Bailey
Grantee Structural Steel Services
Sale Date April 29, 2009
Deed Book/Page DB-1365 P-556
Property Rights Fee simple
Conditions of Sale Arm's length
Financing Cash seller
Verification Not confirmed

Sale Price \$75,150
Cash Equivalent \$75,150
Adjusted Price \$75,150

Land Data

Zoning I-1, Heavy Industrial
Topography Flat

Utilities	All available
Dimensions	390 x 564
Shape	Rectangular
Landscaping	Grassed yard areas
Depth	564

Land Size Information

Gross Land Size	5.010 Acres or 218,236 SF
Front Footage	390 ft Total Frontage:

Indicators

Sale Price/Gross Acre	\$15,000 Actual or \$15,000 Adjusted
Sale Price/Gross SF	\$0.34 Actual or \$0.34 Adjusted
Sale Price/Front Foot	\$193 Actual or \$193 Adjusted

Remarks

This property it's located inside South Lauderdale County Industrial Park, a heavily developed local industrial park operation with a wide mix of new and long standing industrial business occupants. It is in close proximity to the Meridian Municipal Airport, Interstate Highway, I-59/20, and local state and public roads.

LAND SALE NO. 6**Property Identification**

Record ID	3548
Property Name	Glenn Machine Works
Address	Forrest County, Mississippi

Grantor	Robert H. Mordica & Betty J. Mordica (10.00 acres @ \$180,000)
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	Evelyn Parker (0.60 acres @ \$10,671)
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Grantee	Glenn Machine Works, Inc.
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Sale Date	July 19, 2007
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Sale Price	\$190,671
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Gross Land Size	10.600 Acres or 461,736 SF
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Indicators

Sale Price/Gross Acre	\$17,988 Actual
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Remarks

Glenn Machine Works purchased the site for the construction of a service building with offices. This site is along J. M. Tatum Drive in close proximity to Highway 49. After purchase the building site was filled with select fill, and the footprint of the building was excavated to +/-10' in depth and filled with select fill. The storage yard site was treated with a lime stabilization process (crushed lime and #57 limestone rock to provide a load-bearing area for heavy equipment.

SW corner of SW1/4, of NW1/4, of Section 35, T4N, R13W, Forrest County, MS.

Land Sale No. 7

Property Identification

Record ID	5753
Property Type	Industrial
Property Name	Industrial Park Lot C3
Address	Old Hwy 49 South, Richland, Rankin County, Mississippi
Tax ID	D8A53C

Sale Data

Grantor	City of Richland Mississippi
Grantee	Long Haul Properties, LLC
Sale Date	September 10, 2013
Deed Book/Page	2013/18851
Recorded Plat	18851
Property Rights	Fee Simple
Conditions of Sale	arms length
Verification	Mark Scarbrough

Sale Price	\$229,167
Cash Equivalent	\$229,167
Upward Adjustment	\$131,561
Adjusted Price	\$360,728

Land Data

Zoning	Heavy Industrial
Topography	mostly level
Utilities	all available
Shape	Rectangular
Flood Info	Flood Zone AE

Land Sale No. 7 (Cont.)**Land Size Information****Gross Land Size** 13.370 Acres or 582,397 SF**Indicators****Sale Price/Gross Acre** \$17,140 Actual or \$26,980 Adjusted**Sale Price/Gross SF** \$0.39 Actual or \$0.62 Adjusted**Remarks**

This property is located along the west side of Old Hwy 49 South and the north side of Aero Smith Drive, within the City of Richland. At the time of sale the property was unimproved and mostly level and at road grade. The property is part of a large tract of land previously obtained by the City of Richland and was subdivided into smaller industrial sites. These properties were subject to a special tax assessment for previous unpaid taxes. The buyer had the option of paying a lump sum payment or annual payments over a defined term. Per the confirming source the additional cost for the delinquent taxes was approximately \$1,640/acre for the following six years or as a lump sum one time payment could be made at the time of sale at \$131,561. This additional cost is being added to the price for the indicated total sales prices of this property.

Land Sale No. 8

Property Identification

Record ID 4043
Address Hattiesburg, Forrest County, Mississippi
Location Between Lakeview Road and Highway 42

Sale Data

Grantor Harry Frierson, Jr. and Terral J. Frierson
Grantee MS Power Company
Sale Date December 16, 2003
Deed Book/Page 923/544
Property Rights Fee Simple
Conditions of Sale Arm's Length
Financing Cash to Seller
Verification Claude Sanders - MS Power by Pat Hodo

Sale Price \$150,000
Cash Equivalent \$150,000

Land Data

Zoning I-1, Light Industrial
Topography Sloping
Shape Rectangular
Flood Info Approximately 25% in flood zone

Land Size Information

Gross Land Size 14.320 Acres or 623,779 SF

Indicators

Sale Price/Gross Acre \$10,475
Sale Price/Gross SF \$0.24

Land Sale No. 8 (Cont.)

Remarks

This is a rectangular tract of land located at the rear of the MS Power site. The NE corner of the tract is located in a flood zone. After purchase, a metal shop building with gravel parking was built on the area located outside of the flood zone. The tract has no frontage, but the parent tract was a larger parcel with frontage on Lakeview Road. There was minimal regrowth timber on the property with no assigned value.

Legal: SW1/4, of Section 32, 5N, 13W, Forrest County

LAND SALE NO. 9

LOCATION: Hattiesburg Industrial Park,
457 J.M. Tatum Drive, Forrest Co, Hattiesburg, Ms

GRANTORS: Joseph F. Tatum Jr. and Mary Tatum

GRANTEES: U.S.A. Yeast Company, LLC

DATE: December 18, 2001

SALE PRICE: \$362,785

PRICE/ACRE: \$11,280

SIZE: 32.16 Acres

LEGAL DESCRIPTION A part of the NE 1/4 of Section 36, Township 4 North,
Range 13 West, City of Hattiesburg, Forrest County,
Mississippi.

SOURCE: Grantee

COMMENTS: The property is the site of the new USA Yeast plant, located at 457 J.M. Tatum Drive, in the city limits of Hattiesburg, Forrest County, Mississippi. It is triangular in shape with approximately 1481.38 feet of frontage on J.M. Tatum Drive. The topography of the site is basically level and appears to have adequate surface drainage. No detrimental easements or other conditions which would adversely affect the subject site were visually apparent. The property has good access from Highway 49 to J.M. Tatum Drive. Zoned I-1, Light Industrial

LAND SALE NO. 10

Property Identification	
Property Name	WIS-PAK, Inc.
Address	Hattiesburg, Forrest County, Mississippi
Location	John Tatum Industrial Drive and W.L. Runnels Drive
Sale Data	
Grantor	Forrest County Industrial Park Commission
Grantee	Wis - Pak, Inc.
Sale Date	October 08, 2008
Sale Price	\$190,000
Adjusted Sale Price	\$205,000
Land Data	
Zoning	I-1, Light Industrial
Topography	Level to Gently Rolling
Land Size Information	
Gross Land Size	40.000 Acres or 1,742,400 SF
Indicators	
Adjusted Sale Price/Gross Acre	\$5,125
Verification	Buyers agent and sales contract dated October 7, 2008
Remarks	<p>This property is located at the intersection of John Tatum Industrial Drive and W.L. Runnels Drive. W.L. Runnels drive provides access along the eastern border of the tract. The southern border of the tract is accessible via Quality Drive. This tract was purchased for \$190,000, plus \$15,000 in options.</p> <p>Part of the E1/2 of Section 35, Township 4 North, Range 13 West, also all of Lots 4 and 5, and parts of Lots 2, 3, and 6, of the Hattiesburg Industrial Park Subdivision, all in Unit 4, in the City of Hattiesburg, Forrest County, MS.</p>

LAND SALE NO. 11

Property Identification

Property Name	Vacant land
Address	Hattiesburg, Forrest County, Mississippi
Location	Sullivan Kilrain Road

Sale Data

Grantor	Joseph R. Kinton, Jr. and Lynda F. Kinton Lingle
Grantee	Darla R Arnett
Sale Date	February 26, 2009

Sale Price	\$424,340
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Land Data

Zoning	None
Topography	Level

Land Size Information

Gross Land Size	43.30 Acres
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Indicators

Adjusted Sale Price/Gross Acre	\$9,800
Verification	MLS# 69416

Remarks

This property is located along Sullivan Kilrain Road to the south of exit 60 on Interstate 59 and Highway 11. It is located to the west of a heavy equipment dealership with limited visibility to I-59. A 6" water line runs along the roadway at the property, and city sewer is located to the north.

Part of Section 6, Township 3 North, Range 13 West.

Land Sale No. 12

Property Identification

Record ID	6611
Property Type	Industrial
Property Name	Industrial
Address	Hwy. 49 N. , Collins, Covington County, Mississippi 39428
Location	West side o Hwy. 49 N. of Collins. Industrial Park Road.
Tax ID	132110 00302
User 1	Section: 10 & 11
User 2	Township: 8N
User 3	Range: 16W

Sale Data

Grantor	City Of Collins
Grantee	Sanderson Farms, Inc.
Sale Date	February 02, 2006
Deed Book/Page	B-268 P-063
Property Rights	Fee simple
Conditions of Sale	Arms-Length
Verification	Confirmed by Allen Williford & Seale Inc; November 16, 2016; V. O. Smith, Mayor , 601-765-4491

Sale Price	\$727,020
Cash Equivalent	\$727,020
Adjusted Price	\$727,020

Land Data

Zoning	X and AE-Panel 28031C165C , Industrial
Topography	Rolling
Utilities	All City
Shape	Irregular

Land Sale No. 12 (Cont.)

Land Size Information

Gross Land Size 51.930 Acres or 2,262,071 SF

Indicators

Sale Price/Gross Acre \$14,000 Actual or \$14,000 Adjusted

Sale Price/Gross SF \$0.32 Actual or \$0.32 Adjusted

Remarks

This property is located west side of Hwy. 49N. north of Collins Industrial Park In Covington County, MS. From inspection, it appears that this property fronts Hwy. 49. From the tax map the property does not and the City of Collins still owns the front. There was no easement conveyed at the time of sale. Sanderson Farms installed a circular railroad spur after the sale. Bob Shumate, Collins Public Works Director, indicated the spur was all on the Sanderson property. The tax map indicated that part of the spur is on property still owned by the City of Collins.

Direction: Take Hwy. 49 north from Collins; go approx. 1.5 miles north from Hwy. 84; property is on the east side approx. 1/4 mile north of Collins Industrial Park Rd.

Land Sale No. 13**Property Identification**

Record ID	7079
Property Type	Industrial, Industrial lot
Property Name	Industrial land
Address	1300 Edwards street, Hattiesburg, Forrest County, Mississippi 39401
Tax ID	PPIN 26860-45338

Sale Data

Grantor	Habitat for Humanity
Grantee	City of Hattiesburg
Sale Date	January 01, 2018 Pending
Property Rights	Fee Simple
Conditions of Sale	Normal
Verification	JN confirmed with L. Rutland (City Engineer) on 12-10-18

Sale Price	\$31,650
Cash Equivalent	\$31,650

Land Data

Zoning	Industrial, I-1
Topography	Flat, level
Utilities	All city services
Dimensions	420x220
Shape	Rectangular
Landscaping	None
Parking	None
Rail Service	Railroad in the rear- no spur
Fencing	Minimal
Flood Info	No flood zone

Land Size Information

Gross Land Size	2.180 Acres or 94,961 SF
Front Footage	640 ft Total Frontage: 420 ft Edwards; 220 ft Tuscan;

Indicators

Sale Price/Gross Acre	\$14,518
Sale Price/Gross SF	\$0.33
Sale Price/Front Foot	\$49

Remarks

Property located on Edwards street in Hattiesburg, under contract for a proposed new fire station to be built. The property is improved with several abandoned manufacturing buildings that have not been used in many years. The buildings are in various states of decay, and they do not appear to have any remaining economic life. The property has several very large industrial manufacturing buildings. The salvage value was considered to generally offset the demolition value, and was confirmed with a salvage company. The purchase was for the land only, after the salvage/demolition was considered. The property was purchased based on an appraisal, which valued 1.97 acres (main parcel) at \$15,000/acre, and a small, oddly shaped assemblage parcel (0.21 acres) at \$10,000/acre.

Reportedly pending purchase as of December 10th, 2018

COMPARABLE LAND SALES SUMMARY TABLE

No.	Location	Zoning- Use	Sale Date	Price	Size in Acres	Price/ Acre
1.	Edwards Street	A-1	05/16/2006	\$18,000	2.0 acres	\$9,000
2.	130 Tatum drive	A-1	05/01/2004	\$25,507	2.45 acres	\$10,003
3.	104 Faulkner	I-1	08/22/2014	\$25,000	2.70 acres	\$9,158
4.	Kola Road, Collins	Industrial	09/10/2013	\$60,000	2.89 acres	\$20,761
5.	Spector Street, Meridian	I-1 Industrial plant built	04/29/2009	\$75,150	5.01 acres	\$15,000
6.	JM Tatum Drive	I-1	07/19/2007	\$190,671	10.60 acres	\$17,988
7.	Old Hwy 49	Heavy industrial	09/10/2013	\$229,167	13.37 acres	\$17,140
8.	Lakeview and Hwy 42	Industrial	12/16/2003	\$10,475	14.32 acres	\$10,475
9.	JM Tatum Drive	I-1	12/18/2001	\$362,785	32.16 acres	\$11,280
10.	John Tatum Drive	I-1	10/08//2008	\$205,000	40 acres	\$5,125
11.	Sullivan Kilrain	None	02/26/2009	\$424,340	43.30 acres	\$9,800
12.	Hwy 49, Collins	Industrial- Plant Built	02/02/2006	\$727,020	51.93 acres	\$14,000

ANALYSIS OF LAND SALES

The array of data suggests possible adjustments for various characteristics of each transaction in comparison with the subject site. This comparison of land sales to the subject property is the basis for determining a value indication of the subject site as though vacant. The analysis of these adjustments is found in the following paragraphs.

PROPERTY RIGHTS

All comparables convey or propose to convey fee simple rights; therefore, no adjustment is required for this factor.

FINANCING TERMS

The adjustment for financing considers the effect that seller financing has on the purchase price of a property. Below market interest rates or seller financing are typically reflected in higher prices per square foot. No adjustment for financing is was required.

CONDITIONS OF SALE

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. Sales 6 and 9

were tracts of land in local industrial parks that were sold for development. These tracts were marketed by a development organization, and although incentives for land purchases are often considered to attract development, these sales were all considered indicative of typical conditions for industrial tracts of land. No adjustments are required.

LOCATION

This category accounts for differences in access, visibility, and exposure between the comparables and the subject. Several of the sales are located in established industrial parks, which have quicker and more convenient access to major traffic corridors.

SIZE

The subject is 1.01 acres, which differs from many of the sales. A size adjustment would apply.

ACCESS

The subject site is a +/-1.01 acre parcel located along Tuscan Avenue, in an area that has been developed over a period of time and is no longer a primary industrial area in Hattiesburg. The access was considered to be handled in the location adjustment.

MARKET CONDITIONS

The majority of the sales are older sales, which reflect some demand for industrial uses in the past. The most recent developments in the industrial market has been related to utility and municipal demand. We have considered the market conditions and the sales dates of the land sales relative to the current market and made some minor adjustments.

CORRELATION

We have contacted the Hattiesburg Area Development Partnership (ADP), and have been informed that additional land is available in the Hattiesburg Industrial Park. In the past, any available land has been traditionally listed at \$10,000 per acre. Based on the principle of substitution, this would typically reflect market value for industrial land that mirrored the available industrial park sites. However, the most recent sale in the industrial park indicates that land is often sold at lower than list price as incentives for new operations.

PROPOSED FIRE STATION IN HATTIESBURG, MS

No.	Location	Zoning- Use	Sale Date	Size in Acres	Price/ Acre	Adjustments
1.	Edwards Street	A-1	05/16/2006	2.0 acres	\$9,000	Similar location, size
2.	104 Faulkner	A-1	08/22/2014	2.70 acres	\$9,158	Similar location, size
3.	130 Tatum drive	I-1	05/01/2004	2.45 acres	\$10,003	Similar size, superior location
4.	Kola Road, Collins	Industrial	09/10/2013	2.89 acres	\$20,761	Similar size, superior location
5.	Spector Street, Meridian	I-1 Industrial plant built	04/29/2009	5.01 acres	\$15,000	Similar size, better access and location
6.	JM Tatum Drive	I-1	07/19/2007	10.60 acres	\$17,988	Superior location, larger
7.	Old Hwy 49	Heavy industrial	09/10/2013	13.37 acres	\$17,140	Larger, superior location
8.	Lakeview and Hwy 42	Industrial	12/16/2003	14.32 acres	\$10,475	Similar location, larger, inferior topo
9.	JM Tatum Drive	I-1	12/18/2001	32.16 acres	\$11,280	Larger, superior location
10.	John Tatum Drive	I-1	10/08//2008	40 acres	\$5,125	Larger, superior location
11.	Sullivan Kilrain	None	02/26/2009	43.30 acres	\$9,800	Larger, superior location
12.	Hwy 49, Collins	Industrial-Plant Built	02/02/2006	51.93 acres	\$14,000	Larger, superior access and location

The sales were analyzed based on their location, access, uses, and size. Generally speaking, those sales that were located in established industrial parks sold for \$11,000-\$20,000 per acre, and were considered superior in access, location, and market potential.

The most similar sales were the industrial type sales which occurred on Edwards and Faulkner street in Hattiesburg, which sold for \$9,000-\$9,158 per acre. These sales were given some consideration.

Finally, due to the quantity of data, I analyzed the entire data set in relation to all of the sales, as well as the “small”

industrial sales (2.0-5.01 acres). A summary of these findings is shown in the table below.

Sale #	Acres	Price Per Acre
1	2	\$ 9,000
2	2.7	\$ 9,158
3	2.45	\$ 10,003
4	2.89	\$ 20,761
5	5.01	\$ 15,000
6	10.6	\$ 17,988
7	13.37	\$ 17,140
8	14.32	\$ 10,475
9	32.16	\$ 11,280
10	40	\$ 5,125
11	43.3	\$ 9,800
12	51.93	\$ 14,000
Average	18.39	\$ 12,478
Ave. of Smal Sales	3.01	\$ 12,784

The sales had price per acre values ranging from \$9,000-\$20,761 per acre, with an overall average of \$12,478/acre. The average industrial sale was 18.39 acres.

The “small” industrial sales (2.0-5.01 acres) had an average size of 3.01 acres, with an average price per acre value of \$12,784 per acre.

PENDING SALES

I have been made aware that the adjoining 2.18 acres (Habitat for Humanity) parcel is under contract for \$14,518 per acre. This property is very similar in location and use, although has superior frontage/ access on Edwards Street . Although not a closed transaction, this pending sale was given some consideration.

RECONCILIATION AND FINAL VALUE ESTIMATE

Overall, the sales indicate values ranging from \$9,000-\$20,761 per acre, , with the average smaller sales having a unit value of \$12,784 per acre. Additionally, the adjacent parcel is under contract for \$14,518 per acre. However, this sale is slightly superior with frontage on Edwards Street. A negative 10% charge for location would equate to \$13,066/acre.

In conclusion, considering the range of sales from \$9,000-\$20,761 per acre, and the adjacent pending sale adjusted to \$13,066/acre, a unit value of \$13,000/acre was concluded for the subject property.

INDICATED "AS-IS" VALUE		Per acre	
Cleen Cote property	1.01 acres	\$13,000	\$13,130

The property is improved with a large manufacturing building, a large concrete base/ pad, with supporting steel structure. During this report, I questioned Lamar Rutland, City engineer in regards to any potential salvage value in the remaining structure. Mr. Rutland stated that he was not aware of any salvage value, and stated that no salvage value report had been done.

On March 30th, 2018, I emailed Southern Recycling and Demolition in regards to any salvage value that may exist on the site. I received a return response from Southern Recycling on April 5th, 2018. I also spoke with Southern Recycling via telephone on April 5th, 2018.

Southern recycling stated that a demolition charge of \$150,000 was estimated, with a residual salvage value of \$25,000, after the cost of demolition considered. However, Southern Recycling stated that the demolition charge of \$150,000 did not include the entire concrete slab, and the remaining demolition would most likely cost the residual salvage value of \$25,000. Based on our email correspondence and phone conversations, there appears to be no salvage value, with any salvage value being generally offset by the demolition charge. Therefore, I have considered that any salvage value would offset the demolition charge, and I have valued the property as land only- with no value to the buildings.

I am not an expert in salvage value, demolition cost, remediation costs, manufacturing plant salvage values, etc. Therefore, I make no warranty as to there being any salvage value or guarantee to the demolition charges. I have used the email correspondence and conversations to derive a value opinion only. The use of the demolition charge or salvage value conclusions should not be used by the potential buyer or seller, without further investigation. It is understood that the seller or buyer will conduct their own salvage value investigation to verify the statements above.

ADDENDA

APPRAISAL ASSUMPTIONS

This appraisal report has been made with the following assumptions:

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state, local environmental regulations and laws unless a noncompliance is stated, defined and given consideration in the appraisal report.
8. It is assumed that all applicable zoning/use regulations and restrictions have been complied with, unless it has been otherwise stated, defined and considered in the appraisal report.
9. It is assumed that all required licenses, certificate of occupancy, consents, or other legislative or administrative authority from any local, state, or

national government or private entity or organization has been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

10. It is assumed that the utilization of the land and/or improvements are within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

LIMITING CONDITIONS

This appraisal has been made with the following limiting conditions:

1. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. 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 appraiser, and in any event only with proper written qualification and only in its entirety.
3. The appraiser herein by reason of this appraisal is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) will be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.
5. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, was not called to the attention of 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 such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde

foam insulation, or other hazardous substances or environmental conditions, any effect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. 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 the field of environmental impacts upon real estate if so desired.