

CARLTON APPRAISAL COMPANY
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July 24, 2014

Mr. Jesse Dumas
East Region Lending Manager
Farm Credit of Northwest Florida
2015 Centre Pointe Boulevard, Suite 104
Tallahassee, Florida 32308

Dear Mr. Dumas:

In accordance with our agreement, I have completed an appraisal of a 147.43 acre multi-use tract of land to include irrigated and dry cropland, natural wooded areas, and recreational lands. There are four structures on the property to include an office building, a shop building, a storage building, and an open equipment shed. The property is located approximately 1.75 miles south of Havana and 11 miles north of Tallahassee, via four lane U. S. Highway 27.

The land types include:

<u>Land Type</u>	<u>Acreage</u>
Irrigated Argentine Bahia Sod	33 Acres
Non-Irrigated Argentine Bahia Sod	21 Acres
Irrigated Tifway 419 Bermuda Turf	35 Acres
Upland Hardwoods	37 Acres
Pine Woods, Horse Area Surrounding Pond	12 Acres
Irrigation Pond/Reservoir	2 Acres
Office, Shop, Storage, Equipment Shed	2 Acres
Roads	2 Acres
Other Lands	3.43 Acres
Total Land Area	147.43 Acres

Buildings appurtenances include:

<u>Building Type</u>	<u>Building Area</u>
Office Building	1,750 Square Feet
Shop Building	4,200 Square Feet
Storage Building	4,500 Square Feet
Open Equipment Shed	5,000 Square Feet

Most of the buildings were built in 2005.

There are approximately 68 acres under irrigation, broken down as two separate fields containing 33 total acres of Argentine Bahia sod and two separate irrigated fields containing 35 Acres of irrigated Tifway 419 Bermuda Turf. Two of the pivots are 464 feet in length, one pivot is 527 feet in length, and the remaining pivot is 329 feet in length. The pivots are driven by electric powered generators. Three of the pivots do a 360 degree rotation and one of the pivots does a 180 degree rotation. There is one 10" well that provides water for irrigation; this well is 380 feet deep and has been in operation since the late 1950's. The well pumps water into a two acre reservoir/pond. The pond provides the water source for the pivots and the water is sent to the pivots via a transferred pump at the reservoir through six inch underground pvc lines transferring water to the pivots. The pivots are in generally good condition and were put in place in 2005.

The property is located in an area that has good access and proximity to Tallahassee. There is a larger than typical amount of building improvements on the property. Consequently, when valuing the property "as improved", the building improvements are depreciated at a much higher rate than for physical deterioration alone because these building improvements are inconsistent with the highest and best use of the property. Although well built and in good condition, the building improvements are an "over-improvement" to the land. The land will not fully support the cost of the building improvements.

Access to the property is via Scotland Road, a county maintained, paved road.

According to Northwest Florida Water Management District Flood Maps, approximately 3.8 acres or 3.5% of the property is within the 100 year floodplain.

According to Wetlands Maps from the United States Department of Interior, there are appears to be approximately 3.8 acres or 2.5% of the property within in wetland areas.

By authority of the Gadsden County, the property carries two future land use classifications. The southwesterly 30 acres carries the future land use classification of Rural Residential, permitting agricultural and silvicultural uses plus residential density at one unit per acre. The remaining 117.43 acres has the future land use designation of Agricultural-1, that allows a residential density of one unit per 5 acres and agricultural and silvicultural uses.

The soils of the property are excellent. Approximately 97.4% or 143.60 acres are of the soils are of the Orangeburg-Norfolk complex, 2% to 5% slope (map symbol 49). The soils have moderate slope and are moderately well drained to well drained. These soils are Class II soils and classified as prime farmland soils. The soils are also very good for the growth of sod, turf, and pasture grasses. Site indexes for slash and loblolly pine are 90.

Utilities to the property include public electricity, water supply by well, and sewage disposal by septic tank. Talquin Electric Cooperative furnishes water to the office building and shop building from lines running along Scotland Road.

The purpose of the appraisal is to provide an opinion of the market value of the of the property.

The property rights appraised consist of the fee simple interest or estate.

The client and intended user of the report is Mr. Jesse Dumas, East Region Lending Manager, Farm Credit of Northwest Florida, in Tallahassee. Other than Farm Credit of Northwest Florida, no other party or entity is an intended user of this report and should not rely on the contents of the report for any purpose.

The intended use of the appraisal is periodic collateral evaluation on an existing loan.

To the best of my knowledge and to the extent that I have inspected the property, there do not appear to be any existing and/or potential environmental hazards affecting the property. However, I am not qualified and not an expert in the assessment of environmental hazards or existing/potential future hazards and suggest the district hire experts in the field of environmental science to conduct a study.

The marketing time is estimated to be approximately twelve months.

The report is prepared in accordance with Uniform Standards of Professional Practice, requirements of Farm Credit of Northwest Florida, the FIRREA Act of 1989, and Appraisal Institute Standards.

The report describes the property, its general neighborhood environment, and my method of approach to the valuation problem. All factors which are considered relevant to the value estimate have been thoroughly analyzed and investigated.

I have never prepared an appraisal on the property, and the owners, Mr. Bert and Mr. Shiver, have never been a client.

I physically inspected the property on July 17, 2014 with Mr. Rex Shiver, one of the owners.

Subject to the assumptions, limiting conditions, and certificate found elsewhere in this report, it is my opinion that the subject property has a market value as of July 17, 2014 of:

EIGHT HUNDRED THOUSAND DOLLARS*
\$822,000*

*Value estimate including land, irrigation systems, all building improvements thereon, and does not include crops (sod and turf).

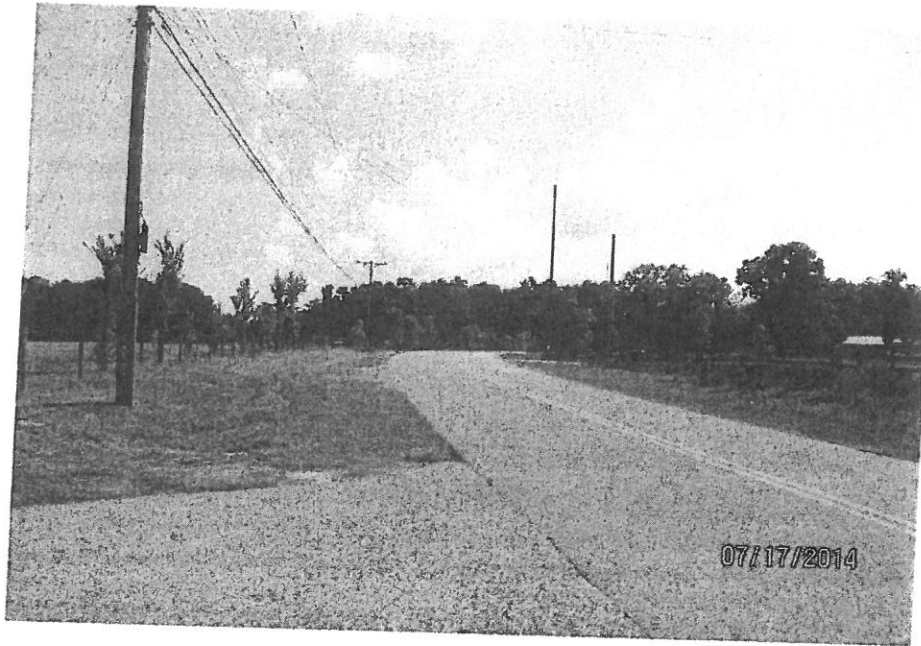
If I may be of further assistance, please call.

Sincerely,



William E. Carlton, III, MAI, SRA
State-Certified General Appraiser #RZ 0000692

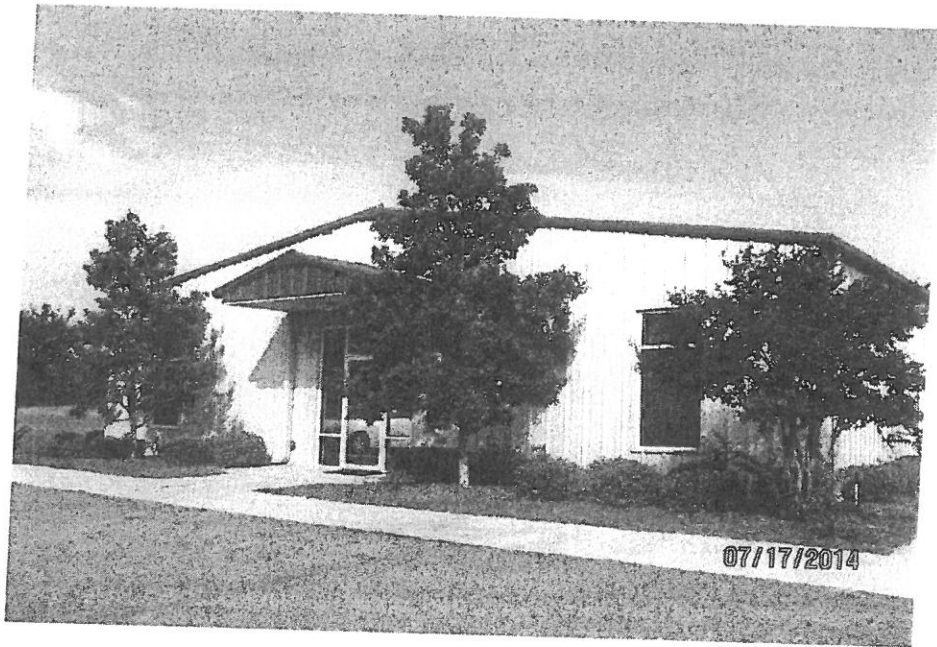
PHOTOGRAPHS OF PROPERTY
ALL PHOTOGRAPHS TAKEN BY WILLIAM E. CARLTON, III
JULY 17, 2014



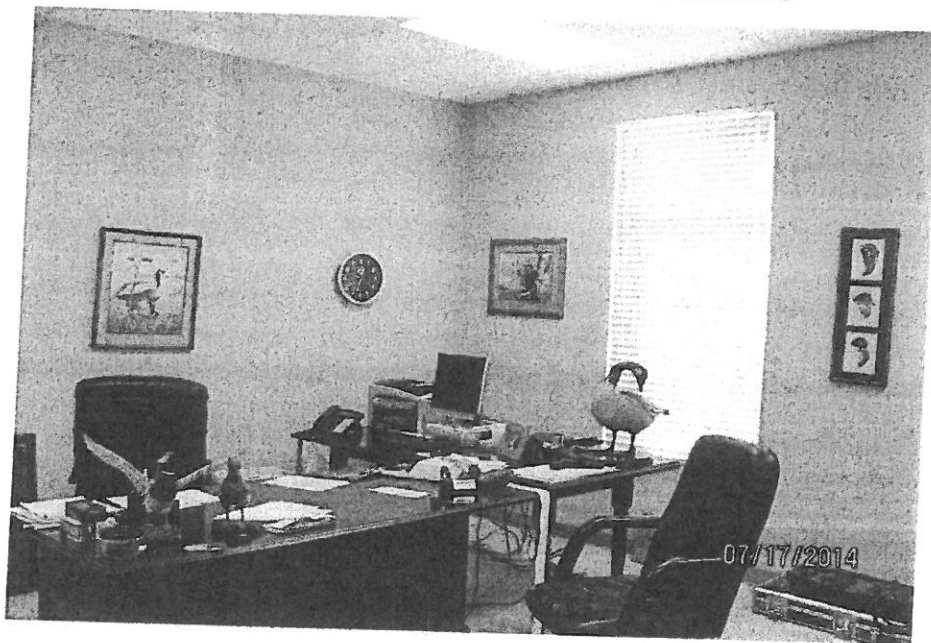
VIEW OF SCOTLAND ROAD LOOKING EAST



VIEW OF ENTRANCE TAKEN FROM SCOTLAND ROAD



FRONT ELEVATION OF OFFICE BUILDING



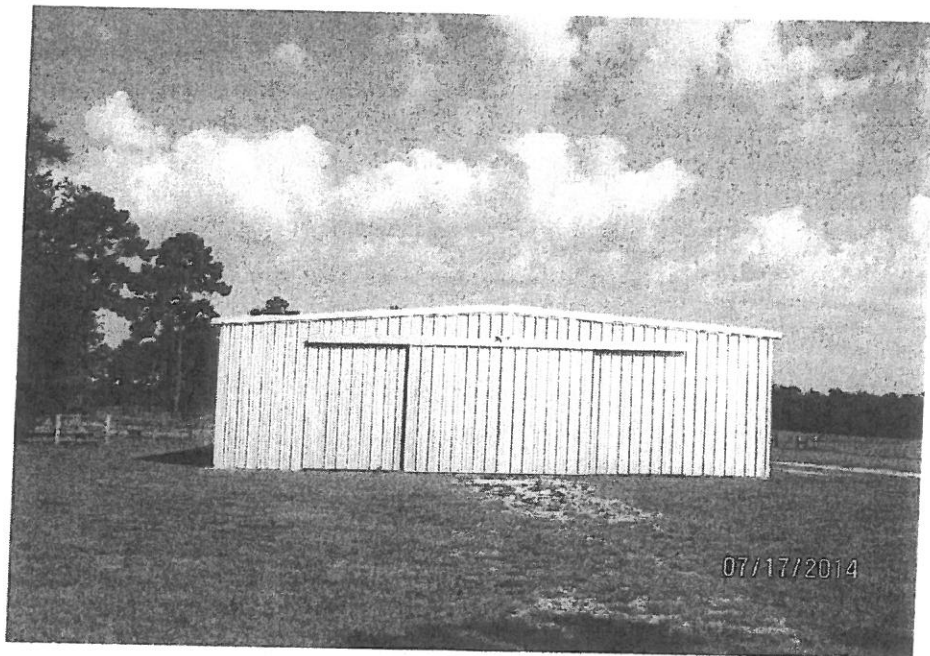
TYPICAL OFFICE



VIEW OF SHOP BUILDING



VIEW OF SHOP INTERIOR



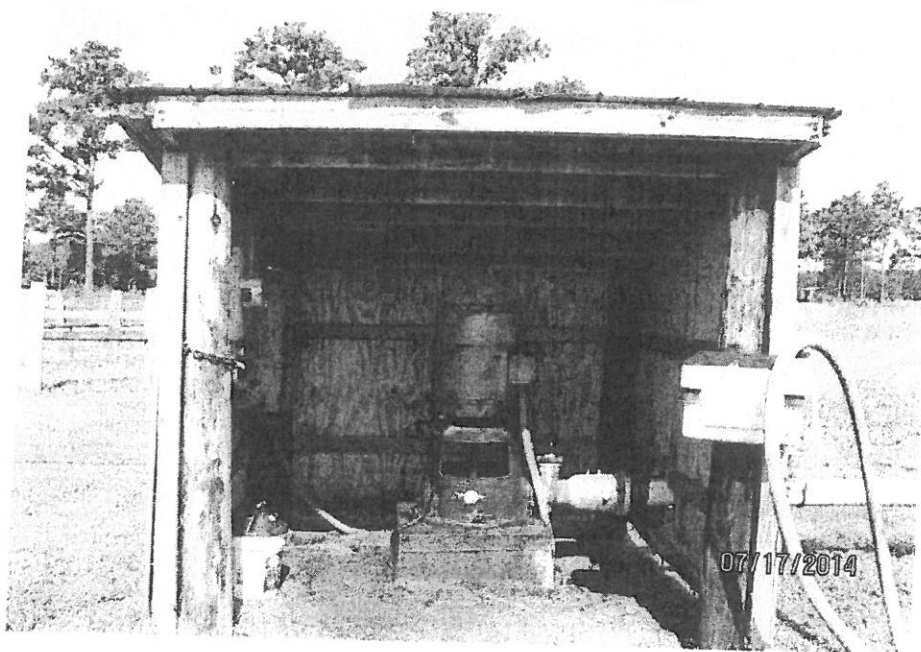
VIEW OF EQUIPMENT STORAGE BUILDING



VIEW OF EQUIPMENT STORAGE BUILDING INTERIOR



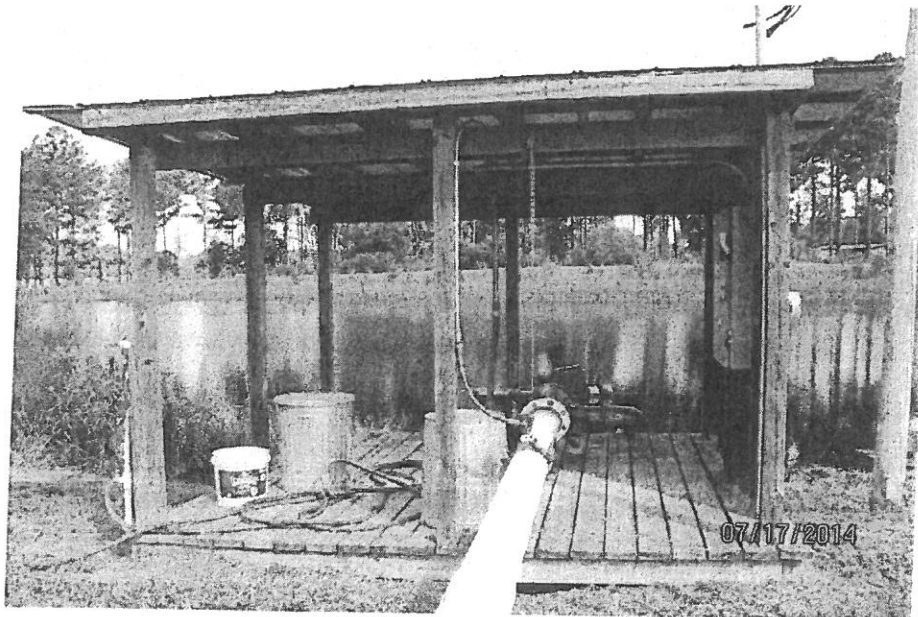
VIEW OF EQUIPMENT SHED



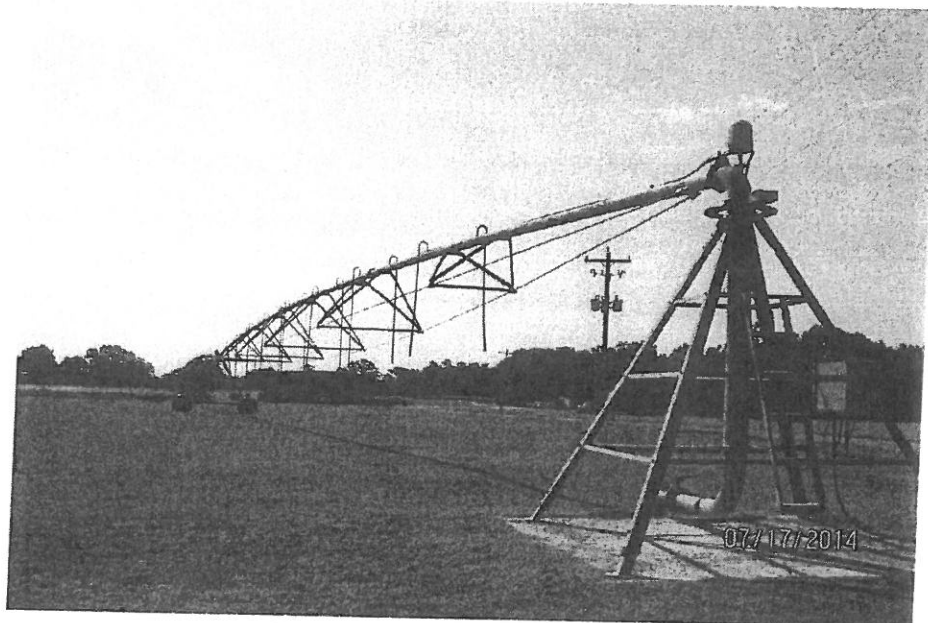
WELL AND GEARHEAD
THE WELL PUMPS WATER INTO RESERVOIR/POND



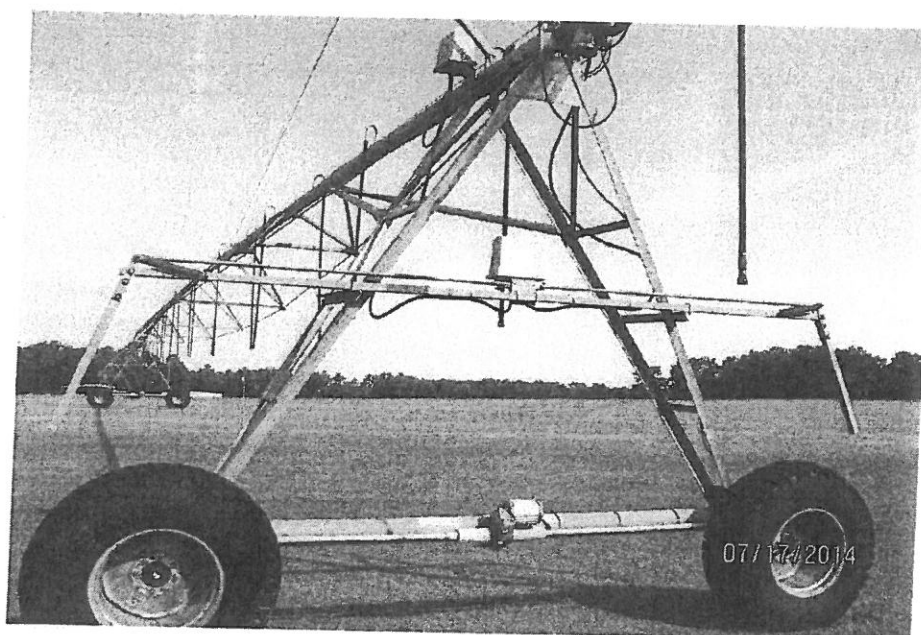
VIEW OF RESERVOIR/POND



VIEW OF TRANSFER PUMP
WATER IS PUMPED FROM THE RESERVOIR VIA UNDERGROUND LINES TO THE
PIVOTS



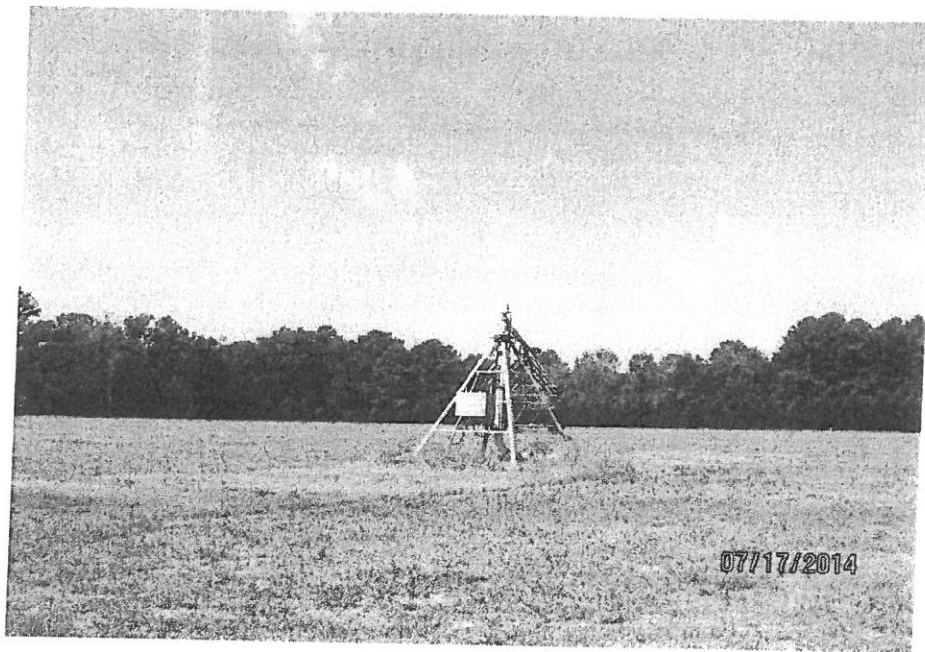
VIEW TAKEN AT BASE OF PIVOT SHOWING WATER SUPPLY LINE COMING OUT OF GROUND



VIEW TAKEN AT THE END OF PIVOT



BERMUDA GRASS FIELD



BAHIA GRASS FIELD



ARENA



NATURAL WOODS