



SUMMARY APPRAISAL REPORT

OF THE REAL PROPERTY LOCATED AT

Lot 8 Sandalwood
Santa Rosa Beach, Florida 32459

for

Whitney Bank
P.O. Box 61260
New Orleans, LA
70161

as of

December 13, 2010

by

Robert D. Mims, IV, SRA
P. O. Box 2447
Santa Rosa Beach, FL 32459

30-A Appraisal Group, Inc.

30-A Appraisal Group, Inc.
P. O. Box 2447
Santa Rosa Beach, FL 32459
850-835-4444

December 15, 2010

Whitney Bank
P.O. Box 61260
New Orleans, LA
70161

Property - Lot 8 Sandalwood
Santa Rosa Beach, Florida 32459
Borrower - John Freer
File No. - 20102515
Case No. -

Dear Ms Estes:

In accordance with your request, I have prepared an appraisal of the real property located at Lot 8 Sandalwood, Santa Rosa Beach, Florida.

The purpose of the appraisal is to provide an opinion of the market value of the property described in the body of this report.

Enclosed, please find the Summary Report which describes certain data gathered during our investigation of the property. The methods of approach and reasoning in the valuation of the various physical and economic factors of the subject property are contained in this report.

An inspection of the property and a study of pertinent factors, including valuation trends and an analysis of neighborhood data, led the appraiser to the conclusion that the market value, as of December 13, 2010 is :

\$60,000

The opinion of value expressed in this report is contingent upon the Limiting Conditions attached to this report.

It has been a pleasure to assist you. If I may be of further service to you in the future, please let me know.

Respectfully submitted,

30-A Appraisal Group, Inc.


Robert D. Mims, IV, SRA
FL Certification #St.Cert.Res.REA RD5668

Summary Appraisal Report

LAND APPRAISAL REPORT

File No.20102515

IDENTIFICATION	Borrower <u>John Freer</u>	Census Tract <u>9506</u>	Map Reference <u>Walton</u>
	Property Address <u>Lot 8 Sandalwood</u>		
	City <u>Santa Rosa Beach</u>	County <u>Walton</u>	State <u>Florida</u> Zip Code <u>32459</u>
	Legal Description <u>Lot 8 Magnolia Dune</u>		
	Sale Price <u>\$N/A</u>	Date of Sale <u>N/A</u>	Loan Term <u>N/A</u> yrs. Property Rights Appraised <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Leasehold <input type="checkbox"/> De Minimis PUD
	Actual Real Estate Taxes <u>\$583.52</u> (yr.)	Loan charges to be paid by seller <u>\$N/A</u>	Other sales concessions <u>N/A</u>
Lender/Client <u>Whitney Bank</u>	Address <u>P.O. Box 61260, New Orleans, LA, 70161</u>		
Occupant <u>Vacant</u>	Appraiser <u>Robert D. Mims IV</u>	Instructions to Appraiser <u>Estimate current market value of vacant lot.</u>	

NEIGHBORHOOD	Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural		
	Built Up	<input type="checkbox"/> Over 75%	<input checked="" type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%		
	Growth Rate	<input type="checkbox"/> Fully Dev.	<input checked="" type="checkbox"/> Rapid	<input type="checkbox"/> Slow		
	Property Values	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining		
	Demand/Supply	<input type="checkbox"/> Shortage	<input type="checkbox"/> In Balance	<input checked="" type="checkbox"/> Over Supply		
	Marketing Time	<input type="checkbox"/> Under 3 Mos.	<input type="checkbox"/> 4-6 Mos.	<input checked="" type="checkbox"/> Over 6 Mos.		
	Present Land Use	<u>65</u> % 1 Family	<u>20</u> % 2-4 Fam	<u>10</u> % Apts.	<u>5</u> % Condo	<u>5</u> % Commercial
	Change in Present Land Use	<input checked="" type="checkbox"/> Not Likely	<input type="checkbox"/> Likely (*)	<input type="checkbox"/> Taking Place (*)		
	Predominant Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<u> </u> % Vacant		
	Single Family Price Range	<u>\$ 84,000</u> to <u>\$ 920,000</u>	Predominant Value <u>\$ 225,000</u>			
Single Family Age	<u>New</u> yrs. to <u>70</u> yrs.	Predominant Age <u>5-20</u> yrs.				

	Good	Avg.	Fair	Poor
Employment Stability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recreational Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, noise) Santa Rosa Beach is a typical beach resort type community that runs along the Gulf of Mexico. The area is typical of resort-oriented neighborhoods along the Gulf of Mexico coast and includes a wide variety of improvements. *** See Additional Comments ***

SITE	Dimensions <u>27.87'x49.88'x57.61'x63.12'x79.70'x89.30'</u>	= <u>6000 +/- sf</u>	<input type="checkbox"/> Corner Lot
	Zoning Classification <u>VMU - Village Mixed Use</u>	Present improvements <input type="checkbox"/> do <input type="checkbox"/> do not conform to zoning regulations	
	Highest and best use: <input type="checkbox"/> Present use <input checked="" type="checkbox"/> Other (specify) <u>*** See Additional Comments ***</u>		
	Public <input checked="" type="checkbox"/> Other (Describe) <u> </u>	OFF SITE IMPROVEMENTS	Topo <u>Average elevation</u>
	Elec. <input checked="" type="checkbox"/>	Street Access: <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private	Size <u>Typical for area</u>
	Gas <input type="checkbox"/>	Surface <u>Asphalt</u>	Shape <u>Irregular</u>
	Water <input checked="" type="checkbox"/>	Maintenance: <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private	View <u>Interior/Avg</u>
	San. Sewer <input checked="" type="checkbox"/>	<input type="checkbox"/> Storm Sewer <input type="checkbox"/> Curb/Gutter	Drainage <u>Natural absorption and runoff</u>
	<input checked="" type="checkbox"/> Underground Elect. & Tel.	<input type="checkbox"/> Sidewalk <input type="checkbox"/> Street Lights	Is the property located in a HUD Identified Special Flood Hazard Area? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
	Comments (favorable or unfavorable including any apparent adverse easements, encroachments or other adverse conditions) <u>*** See Additional Comments ***</u>		

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

ITEM	Subject Property	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	Lot 8 Sandalwood Santa Rosa Beach	Lot 18 Sawgrass Lane Santa Rosa Beach, FL 32459	Lot 8 Sawgrass Lane Santa Rosa Beach, FL 32459	Lot 15 Palmeira Way Santa Rosa Beach, FL 32459
Proximity to Subj.		0.06 miles NE	0.06 miles NE	0.04 miles E
Sales Price	\$ N/A	\$ 54,000	\$ 55,000	\$ 59,900
Price	\$	\$ 17	\$ 17	\$ 19
Data Source	Plat/Insp/Cty Rec	MLS#536383, Insp, REO	MLS#536380, Insp., REO	MLS#533475, Insp, REO
Date of Sale and Time Adjustment	N/A	10/29/2010	7/23/2010	6/25/2010
Location	Magnolia Dune	Cott. @ Seagrove	Cott. @ Seagrove	Palmeira Villas
Site/View	Residential/Avg.	Residential/Avg.	Residential/Avg.	Residential/Avg.
Site Area	* 6000 +/- sf	3250 +/- sf	3200 +/- sf	3200 +/- sf
Elevation	Average	Average	Average	Average
DOM	N/A	170	84	52
Prior Sales	None in 3yrs	3/16/2010-100	3/2010-100-CofT	1/2010-300-CoT
Sales or Financing Concessions	N/A	Cash	Cash =	Conventional
Net Adj. (Total)		<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus \$ 5,000	<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus \$ 3,000	<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus \$ 1,500
Indicated Value of Subject		Gross 9.3% Net 9.3% \$ 59,000	Gross 12.7% Net 5.5% \$ 58,000	Gross 14.2% Net 2.5% \$ 61,400

RECONCILIATION	Comments on Market Data: <u>* The subject's effective area appears to be around 5000 sf. Most of the lots in the subject subdivision are 3300 to 4400 sf. Site adjustments are based on data extracted from the market using a surplus land spreadsheet. Range is \$2000 to \$6000 for surplus land difference. *** See Additional Comments ***</u>
	Comments and Conditions of Appraisal: <u>Prior sales of No. 4 include: 11/24/2009 for \$100 RS unqualified. Also 6/18/2009 for \$100 for quit claim to bank. Also 7/18/2008 for \$100 for WD unqualified and non-arms length. Prior sale of No. 1 was for certificate of title. Prior sales of Nos. 2 and 3 were for certificate of title.</u>
	Final Reconciliation: <u>The Sales Comparison Approach is the only applicable approach to value.</u>
	I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF <u>December 13</u> , 2010 to be <u>\$60,000</u>
	Appraiser(s) <u>Robert D. Mims, IV, SRA</u> Date <u>12/15/2010</u>
	Signature <u>Robert D. Mims, IV, SRA</u> State <u>FL</u> License <input checked="" type="checkbox"/> Certification # <u>St.Cert.Res.REA RD5668</u>

ADDITIONAL COMPARABLES

Borrower/Client John Freer
 Property Address Lot 8 Sandalwood
 City Santa Rosa Beach County Walton State Florida Zip Code 32459
 Lender Whitney Bank

MARKET DATA ANALYSIS	ITEM	Subject Property	COMPARABLE NO. 4		COMPARABLE NO. 5		COMPARABLE NO. 6	
	Address	Lot 8 Sandalwood Santa Rosa Beach	Lot 14 Sandalwood Dr Santa Rosa Beach, FL 32459		12 Robert Ellis St Santa Rosa Beach, FL 32459			
	Proximity to Subj.		0.09 miles S		0.15 miles N			
	Sales Price	\$ N/A	\$ 69,900		\$ 69,000			
	Price	\$	\$ 16		\$ 14			
	Data Source	Plat/Insp/Cty Rec	MLS#538486, Inspection		MLS#535441, Inspection			
	Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	+ (-) \$ Adjustment	DESCRIPTION	+ (-) \$ Adjustment	DESCRIPTION	+ (-) \$ Adjustment
		N/A	10/28/2010		4/7/2010 LD			
	Location	Magnolia Dune	Magnolia Dune		SRB			
	Site/View	Residential/Avg.	Residential/Avg.		Residential/Avg.			
	Site Area	* 6000 +/- sf	4400 +/- sf		5000 +/- sf			
	Elevation	Average	Average		Average			
	DOM	N/A	156		251			
	Prior Sales	None in 3yrs	See Comments		None in 3yrs			
	Sales or Financing Concessions	N/A	Contingent Contingent		Active Active			
	Net Adj. (Total)		Plus Minus \$		Plus Minus \$		Plus Minus \$	
	Indicated Value of Subject		Gross 0.0% Net 0.0% \$ 69,900		Gross 0.0% Net 0.0% \$ 69,000		\$	

Comments on Market Data Analysis No. 4 is in the subject S/D.

ADDITIONAL COMMENTS

Borrower or Owner	John Freer				
Property Address	Lot 8 Sandalwood				
City	Santa Rosa Beach	County	Walton	State	Florida
				Zip Code	32459
Lender or Client	Whitney Bank				

Neighborhood

Improvements tend to be in the upper-end of the price range with many homes and condominiums exceeding \$1,000,000. Many owners rent their homes in order to defray a portion of the cost of ownership. Major employment influences are beach resort and tourism related businesses, some military, real estate, and construction.

The tourism industry has two key elements: 1. Acquisition of residential units for rental, long term investment or seasonal use by non-resident owners. 2. The high number of visitors to the tri-county area, which includes: vacations, weekend getaways, visits to friends & relatives, business and social functions, and real estate inquiries.

Although the predominant value for detached single family residences in Santa Rosa Beach is \$225,000, there exists numerous dwellings in the \$225,000 to \$2,000,000 range. The predominant value is higher along the Hwy 30-A corridor. * For premium Gulf front properties.

Co. Hwy 30-A Corridor

The subject property is situated north of Co. Hwy 30-A. Hwy 30-A is an 18 mile stretch that runs along the Gulf of Mexico. This highway is a two-lane paved road that includes paved bike paths. It is the main east/west arterial through the area south of Highway 98. It runs from Inlet Beach to the east to Topsail Hill State Park to the west.

There are numerous separate communities along 30-A including Rosemary Beach, Watersound, Watercolor, Seaside, Grayton Beach, Seagrove, The Retreat, to name a few. Many of these communities are mixed use, live/work neighborhoods that feature commercial and retail services. There are 9 dune coastal lakes adjacent to the Gulf that have tributaries to it. These lakes are purportedly found nowhere else.

The area extends north from the Gulf inland 1 mile. A good portion of the surrounding land will remain vacant as it is part of a 21,000 acre state natural park and preserve that encompasses land in south Walton county. As a result, there can be large gaps between communities resulting in comparable sales data from several miles away.

The St. Joe Company is the largest single land owner of developable tracts along the 30-A corridor. There are numerous public beach access points along the corridor. These are county maintained. The economy supports year-round residents, however, the summer months are the peak season for vacationers and tourists. Most of the residential properties are used for second homes.

Neighborhood Conclusion

The immediate neighborhood is Magnolia Dune. Access is via Sandalwood Drive off 30-A. The subdivision comprises 24 homesites. Most are unimproved. There is a community pool. The subdivision features underground utilities, water and sewer. There are nine expired MLS listings of vacant lots in the S/D. All are bank-owned.

Three-to-five years ago, market conditions were very good. Primary reason were speculators whose emphasis was on beach related properties. Subsequently, market conditions worsened and the housing market became oversupplied. Conventional financing is available, however, recent significant events in the financial sector of the stock market indicates a tightening of credit.

ADDITIONAL COMMENTS

Page 2

Borrower or Owner	John Freer				
Property Address	Lot 8 Sandalwood				
City	Santa Rosa Beach	County	Walton	State	Florida
				Zip Code	32459
Lender or Client	Whitney Bank				

Overall, this is a neighborhood with an average existing transportation network. The subject property enjoys an average beach resort location. Property values for the subject property and neighborhood should stabilize in the future as the quality of neighborhood development progresses and market conditions rebound. The typical buyer in the local market place emphasis on beach access and views. Supply and demand are not in balance.

Market Conditions History

The beach resort market has been the driving force for South Walton county real estate for many years. Most resort properties in the subject area are located directly on the beach or Bay featuring very good Gulf and Bay views. The first significant decline in the beach resort market began with the condo sector in 1986 and was attributed to tax law changes which made condominium ownership less beneficial. Another factor was overbuilding.

After the initial decline, values remained stable with no new condos built. Values began to increase in the mid 1990's with annual appreciation rates of 5% to 10% being typical. Appreciation accelerated from 1999 to 2003 with values increasing 10% to 20% per year being typical. From 2003 to 2004 values increased at 40% to 80%. The primary buyer was speculators who bought pre-construction condos with little money down and 2-3 years construction time frame.

During this time frame, units would increase in value and contract holders would "flip" the unit for a huge profit prior to closing. Furthermore, this downturn has also resulted in some flattening and declines in pricing, extended marketing periods, and an overall sense of caution by investors and potential buyers. Much of the investor and flipping speculators buying segment has disappeared as many have a fear of rising interest rates and little upside is available in the market at present. The loss of this buyer segment has adversely impacted sales and absorption of existing product inventory.

It is important to note that the overall residential market has been slowing in absorption and sales of new and planned units since August of 2005. It is a general consensus that this mirrors the national picture somewhat, however, the catalyst for our region seems to be the string of natural disasters including Hurricanes Dennis, Rita and the massive devastating Katrina in 2005. Much of the coastal areas west of Destin including Navarre, Perdido Key, Orange Beach and Gulf Shores already suffered large losses associated with Hurricane Ivan in 2004.

The downturn in the residential housing market began in late 2005 and can be attributed to several factors. Primary factor is a supply and demand imbalance. Other factors are hurricane threats, increased insurance rates, increased property taxes, decreasing rental revenues, and an improving stock market. The rapid increase in supply of rental units has and will continue to erode rental income for property owners. Traditionally, property owners rent their homes in order to defray a portion of the cost of ownership.

The availability of favorable financing terms played a major role during peak market conditions. Financing terms and conditions such as 100% + financing, little or no money down, no document loans, stated income, adjustable rate mortgages, interest only loans, etc, allowed buyers to speculate with little or no risk. In some cases, buyers purchased multiple properties.

Numerous buyers in the subject neighborhood overextended themselves hoping to re-sell or "flip" their properties for a quick profit. These owners who were unable to sell their properties before market conditions began deteriorating, have contributed to the increase in foreclosures, short sales, auctions, etc.

Market Conditions Summary and Conclusion

ADDITIONAL COMMENTS

Page 3

Borrower or Owner	John Freer				
Property Address	Lot 8 Sandalwood				
City	Santa Rosa Beach	County	Walton	State	Florida
				Zip Code	32459
Lender or Client	Whitney Bank				

Market conditions are fair. Market conditions in the subject area were very good in 2003, 2004, and the first half of 2005 with property values experiencing unprecedented rates of increase primarily due to speculator influence.

The predominant buyer in the area was speculators whose emphasis was Gulf front and beach related properties. It was not unusual for properties to sell and then re-sell in a short period of time. The market began to stabilize towards the middle to latter half of 2005.

After a brief period of stabilization, values began to decline. Values have been declining over the last 45 +/- months, after an extended period of rapid and unprecedented appreciation. Demand is currently limited. Growth continues in the subject area although not at the pace previously experienced the past several years. Properties listed at or near market value typically sell in six months.

Interest rates are hovering around 4-5% for a fixed 30 yr loan. Conventional financing is available from a variety of sources, however, events in the financial sector of the stock market indicate a tightening of credit. There is a renewed interest in FHA financing. The subject area is experiencing seller concessions and/or financing.

Of the four main sectors of the local market; water front detached single-family residences, detached single-family residences, condos, and vacant lots, the vacant lot sector has suffered the most losses and declines since market peak. Foreclosures, short sales, auctions, and seller financing are putting downward pressure on properties in the neighborhood. Supply and demand are not in balance.

Site

While no adverse site conditions or external factors were observed, many site-related issues are beyond the scope of work in this assignment and the expertise of this appraiser. Unless otherwise noted, standard utility and right of way easements are insignificant to value.

No survey was provided. A current survey may reveal encroachments, easements, zoning violations, or other matters of interest such as site dimensions that could warrant modification of the appraiser's analysis and opinions. This appraisal is not an environmental assessment of the subject property and should not be relied on as such.

Highest and best use "As Vacant" and "As Improved" is evaluated through the analysis of a site in terms of four sequential criteria: physical possibility, legal permissibility, financial feasibility, and maximum productivity.

Based upon the foregoing analysis, the mix of permitted land uses reflected in the subject's zoning, the highest and best use "As Vacant" is considered holding until market conditions improve, supply decreases, and demand returns. The highest and best use "As Improved" is considered improving the subject lot with a detached single-family residence.

Flood maps often lack sufficient detail to enable accurate determinations on the part of the appraiser. Please note Limiting Condition 3 in the Statement of Limiting Conditions section of this report.

The subject site is irregular in shape. The effective area appears to be 5000 sf.

Comments on Market Data

Comparable Data Guidelines

ADDITIONAL COMMENTS

Page 4

Borrower or Owner	John Freer				
Property Address	Lot 8 Sandalwood				
City	Santa Rosa Beach	County	Walton	State	Florida
				Zip Code	32459
Lender or Client	Whitney Bank				

The neighborhoods are not what is typically found in urban or suburban areas. The improved properties are all different. In the Santa Rosa Beach market area, it is normally impossible to follow the typically desired guidelines. This is a seasonal resort area driven by varying motivating factors that are not present in the normal primary home market. As a result, the scope of work involved in the appraisal process and scope of assignment is different from the normal housing market.

The best comparables at times appear diverse from the subject property. They must be utilized because they are in the same development or in a comparable one where the economics of the development are similar and buyer attitudes dictate value. Intrinsic value exists in most all cases and it is reflected in site value. Comparable sales cannot be used based solely upon the expected range of sale price slightly above and below the appraised value.

Higher than typically desired line/net/gross adjustments, further than typically desired distance to sales, and high overall site to improved value ratios are not unusual for the area. These variances from typically desired guidelines do not diminish the validity of the sales comparison approach to value.

Knowledge of the market is essential to accurately estimate value. In reviewing this analysis, the reader must realize that what is stated and used as a basis for estimating value is market supported. The appraisal is not rendered inadequate because the format does not meet expected or recommended guidelines. The appraisal is a reflection of the market.

Site adjustments are made when warranted. Site adjustments are estimated contributory value of surplus land which is land not necessary to support the highest and best use of the existing improvement but, because of physical limitations, building placement, or neighborhood norms, cannot be sold off separately. Such land may or may not contribute positively to value and may or may not accommodate future expansion of an existing or anticipated improvement.

PHOTOGRAPH ADDENDUM

Borrower or Owner	John Freer				
Property Address	Lot 8 Sandalwood				
City	Santa Rosa Beach	County	Walton	State	Florida
				Zip Code	32459
Client	Whitney Bank				

**FRONT VIEW OF
SUBJECT PROPERTY****REAR VIEW OF
SUBJECT PROPERTY****STREET SCENE OF
SUBJECT PROPERTY**

SITE PLAN

Borrower or Owner	John Freer
-------------------	------------

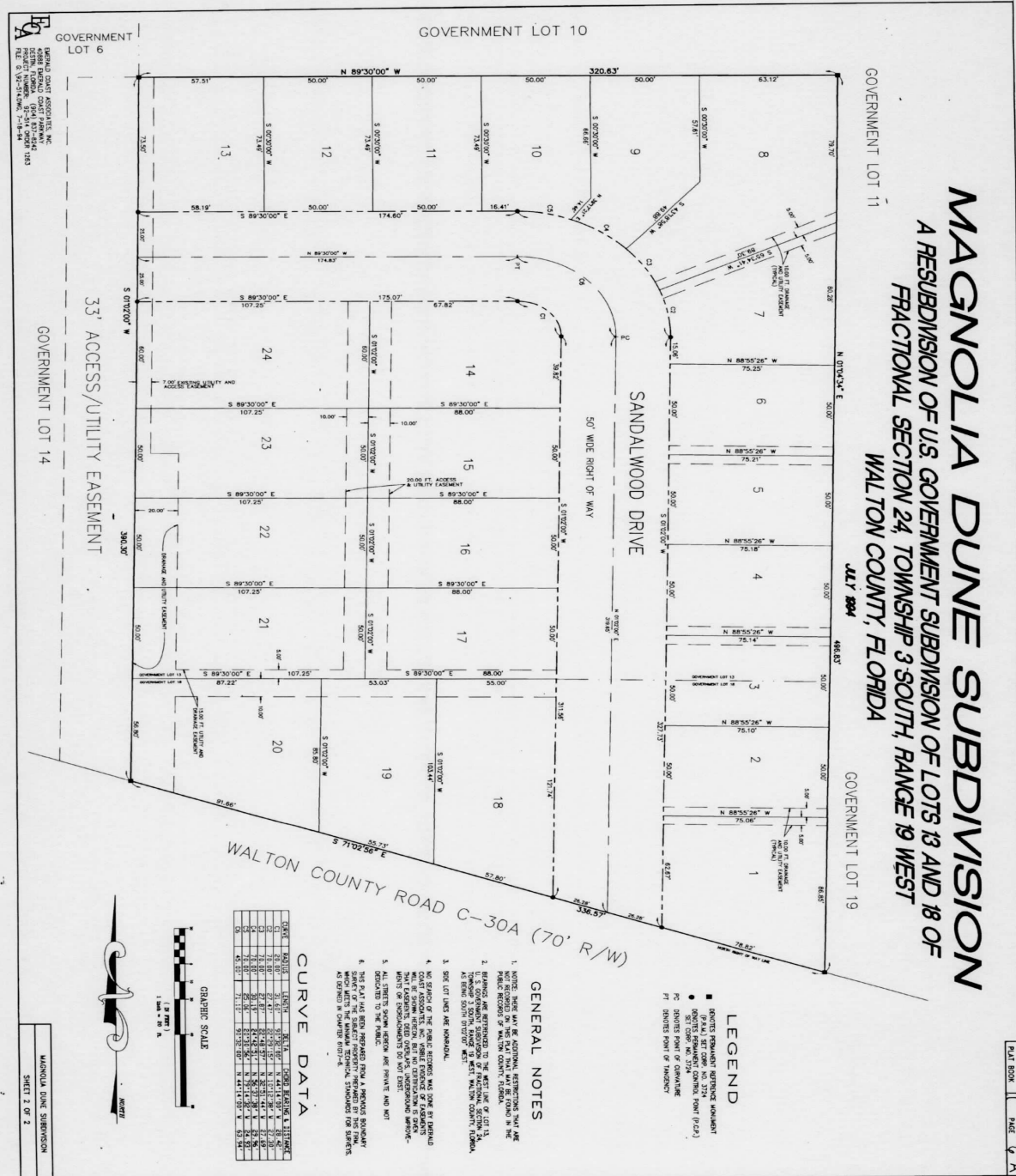
Property Address	Lot 8 Sandalwood
------------------	------------------

City	Santa Rosa Beach	County	Walton
------	------------------	--------	--------

State Florida

Zip Code 32459

Client Whitney Bank



FLOOD MAPBorrower or Owner **John Freer**Property Address **Lot 8 Sandalwood**City **Santa Rosa Beach** County **Walton**State **Florida**Zip Code **32459**Client **Whitney Bank****Flood Zones**

- | | |
|---|--|
| Areas inundated by 500-year flooding | Floodway areas |
| Areas outside of the 100- and 500-year flood plains | Floodway areas with velocity hazard |
| Areas inundated by 100-year flooding | Areas of undetermined but possible flood hazards |
| Areas inundated by 100-year flooding with velocity hazard | Areas not mapped on any published FIRM |

Flood Zone DeterminationLatitude: **30.311949**Longitude: **-86.109937**

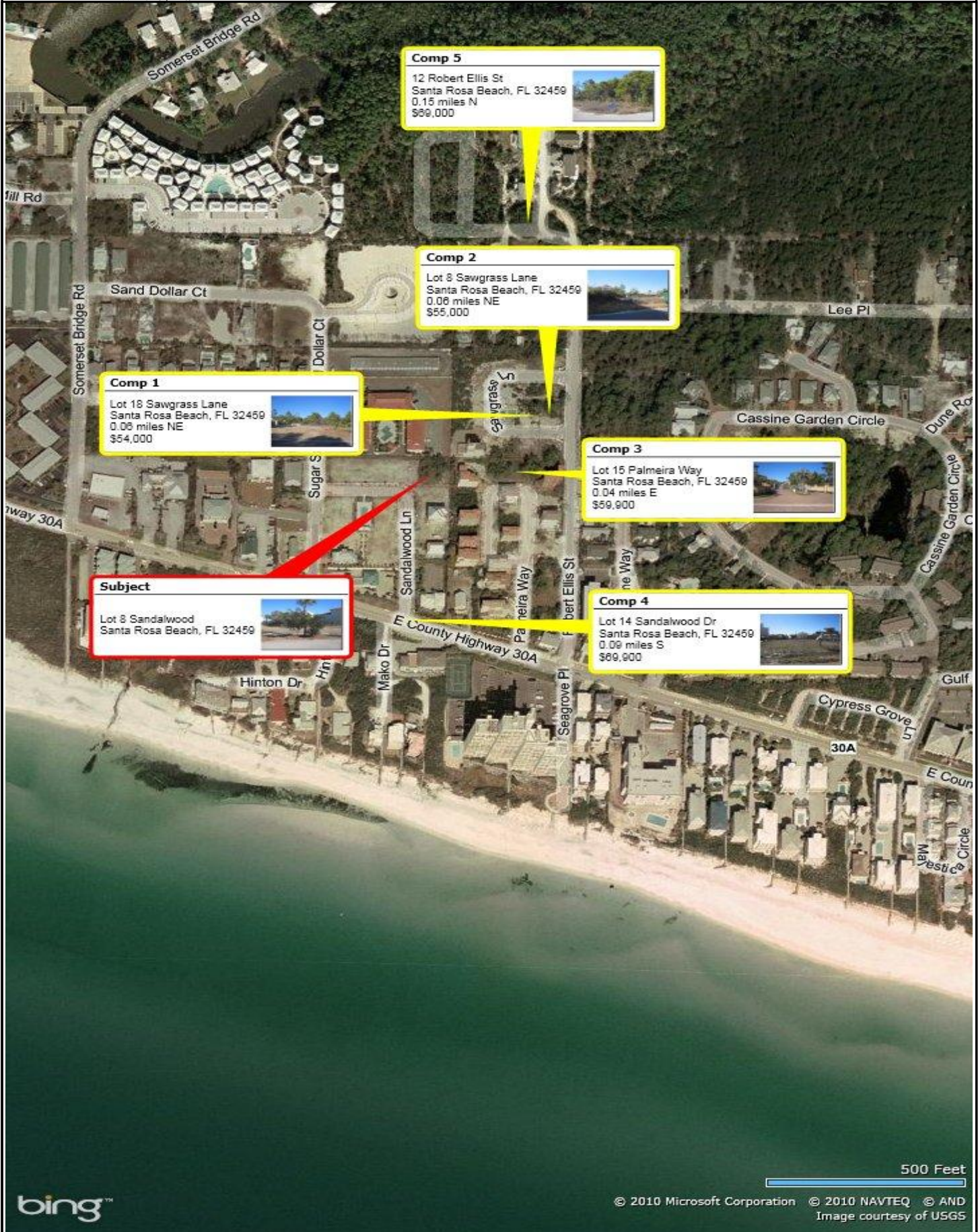
Community Name:

UNINCORPORATED AREACommunity: **120317**SFHA (Flood Zone): **Out**Within 250 ft. of multiple flood zones: **No**Zone: **X**Panel: **0711G**Panel Date: **2010-09-29**FIPS Code: **12131**Census Tract: **9506**

This Report is for the sole benefit of the Customer that ordered and paid for the Report and is based on the property information provided by that Customer. That Customer's use of this Report is subject to the terms agreed to by that Customer when accessing this product. No third party is authorized to use or rely on this Report for any purpose. NEITHER FIRST AMERICAN FLOOD DATA SERVICES NOR THE SELLER OF THIS REPORT MAKES ANY REPRESENTATIONS OR WARRANTIES TO ANY PARTY CONCERNING THE CONTENT, ACCURACY OR COMPLETENESS OF THIS REPORT, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Neither FARES nor the seller of this Report shall have any liability to any third party for any use or misuse of this Report.

Location Map

Borrower or Owner	John Freer				
Property Address	Lot 8 Sandalwood				
City	Santa Rosa Beach	County	Walton	State	Florida
Client	Whitnev Bank	Zip Code	32459		



PHOTOGRAPH ADDENDUM

Borrower or Owner	John Freer				
Property Address	Lot 8 Sandalwood				
City	Santa Rosa Beach	County	Walton	State	Florida
				Zip Code	32459
Client	Whitney Bank				

**COMPARABLE #1**

Lot 18 Sawgrass Lane
Santa Rosa Beach, FL 32459

Price	\$54,000
Price/SF	17
Date	10/29/2010

Site Area	3250 +/- sf
-----------	-------------

Value Indication	\$59,000
------------------	----------

**COMPARABLE #2**

Lot 8 Sawgrass Lane
Santa Rosa Beach, FL 32459

Price	\$55,000
Price/SF	17
Date	7/23/2010

Site Area	3200 +/- sf
-----------	-------------

Value Indication	\$58,000
------------------	----------

**COMPARABLE #3**

Lot 15 Palmeira Way
Santa Rosa Beach, FL 32459

Price	\$59,900
Price/SF	19
Date	6/25/2010

Site Area	3200 +/- sf
-----------	-------------

Value Indication	\$61,400
------------------	----------

PHOTOGRAPH ADDENDUM

Borrower or Owner John Freer

Property Address Lot 8 Sandalwood

City Santa Rosa Beach County Walton

State Florida

Zip Code 32459

Client Whitney Bank

**COMPARABLE #4**

Lot 14 Sandalwood Dr
Santa Rosa Beach, FL 32459

Price \$69,900
Price/SF 16
Date 10/28/2010

Site Area 4400 +/- sf

Value Indication \$69,900

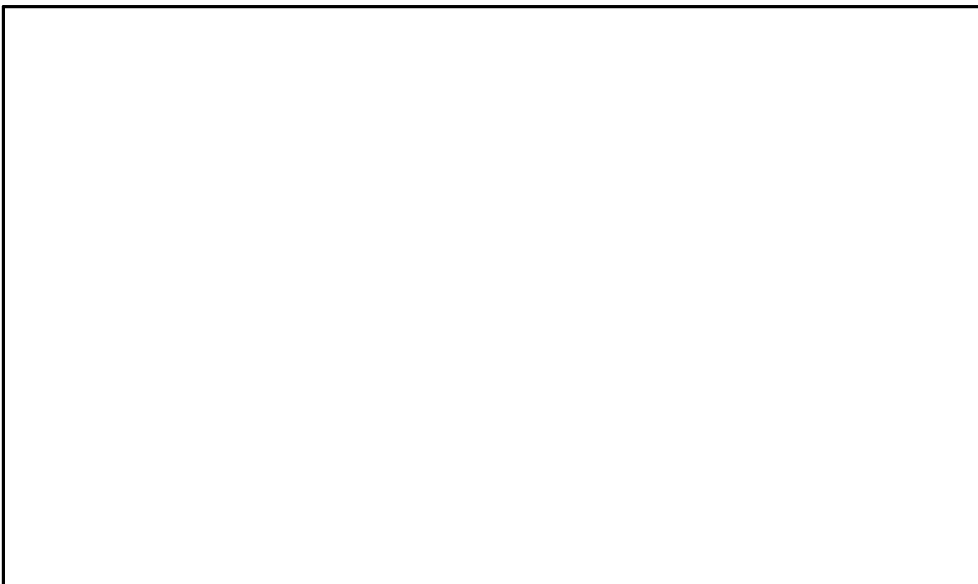
**COMPARABLE #5**

12 Robert Ellis St
Santa Rosa Beach, FL 32459

Price \$69,000
Price/SF 14
Date 4/7/2010 LD

Site Area 5000 +/- sf

Value Indication \$69,000

**COMPARABLE #6**

Price \$
Price/SF
Date

Site Area

Value Indication \$

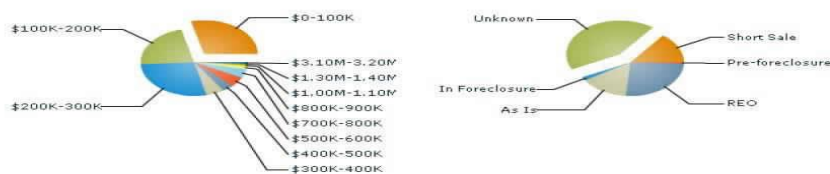
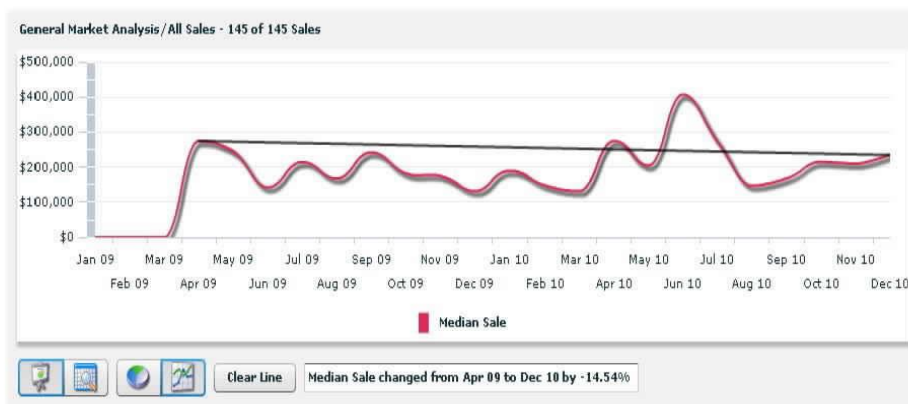
Borrower or Owner	John Freer				
Property Address	Lot 8 Sandalwood				
City	Santa Rosa Beach	County	Walton	State	Florida
				Zip Code	32459
Client	Whitney Bank				

Property Address: Lot 8 Sandalwood

City: SRB**County:** Walton**State:** Florida**Zip Code:** 32459

Market Conditions: The NAR (National Association of Realtors), Realty Trac, The S&P Case-Shiller Indexes and the OFHEO have all noted declining markets nationwide over the past 12 months. These indexes are broad in nature and typically cover an entire county, zip code or MSA. The current decline in the housing market is based on multiple factors including: Tightening credit standards for loans, increasing number of foreclosures and REO properties, and signs of a recession in the economy. The following graphs represent data extracted from MLS. This data is comprised of sales from the defined neighborhood boundaries for the 1 years preceding the date of this report. The data has been earmarked in 1, 3 or 6 month increments, providing the reader of this analysis an idea of when trends in the market may have appreciated or declined. Due to 're-listing' by real estate agents, the actual marketing time may be different than indicated below. The use of consistent data sets over time should reflect measurable relationships to one another and therefore reflect market trends. This data is based on information sources that real estate professionals and their peers in the market deem to be reliable. The accuracy of this analysis is solely dependent upon the accuracy of the data reported by users of the MLS system. The results are not to be considered as fact but rather to assist the readers of this report in understanding market conditions and trends.

Current Status: Data is supportive of declining values, an over supply, and the typical marketing time is 6+ months.



Borrower or Owner	John Freer			
Property Address	Lot 8 Sandalwood			
City	Santa Rosa Beach	County	Walton	State Florida Zip Code 32459
Client	Whitney Bank			

File: Borrower:**Subject:** Lot 8 Sandalwood

The following analysis includes 207 vacant lot properties extracted from MLS during the period beginning September 2009 and ending December 2010. The properties analyzed included all Active, Expired, Withdrawn, Canceled and Sold listings extracted from neighborhood boundaries as defined by the user. The 'General' or 'Macro Market' (all vacant residential property) and the 'Sub-Market' or 'Micro Market' (homes competing for similar buyers) have been segmented and analyzed.

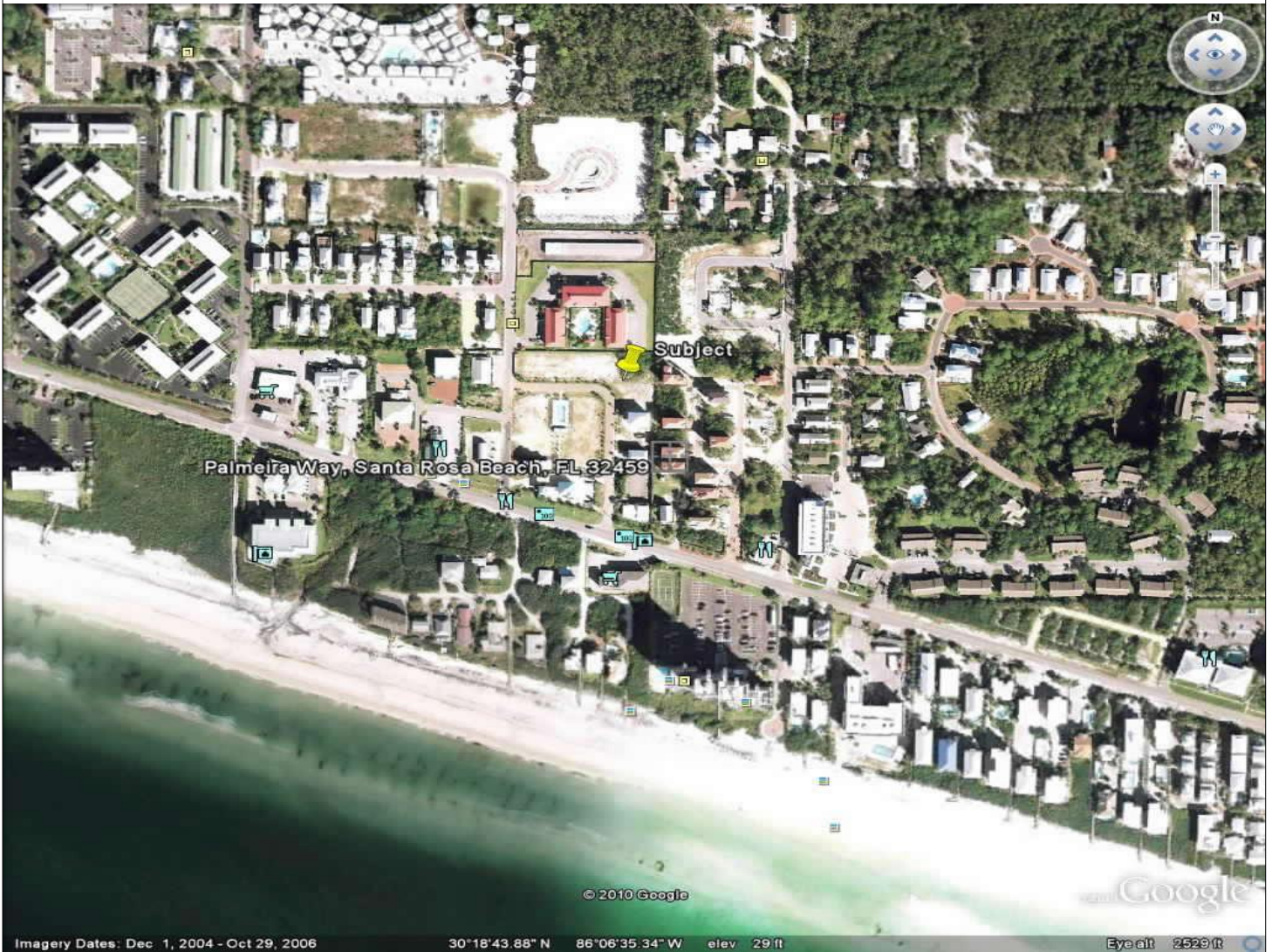
General Market: Since Dec 09 the median sale price of the general market has changed by 19.14%. Over the past 6 month cycle, the median sale price has changed by -19.23% while sales volume has changed by 0.00%. The current inventory level is 20.2 month(s) based on the number of current active listings vs. the number of closed sales over the past 3 months.

Sub-Market: Since Dec 09 the median sale price of competing homes has changed by -7.69%. Over the past 6 month cycle, the median sale price has changed by 14.89% while sales volume has changed by -50.00%. The current inventory level is 42.0 month(s) based on the number of current active listings vs. the number of closed sales over the past 3 months.

Market Segment	Age (Year Built)	GLA (if available in MLS)	# of Bedrooms	Price Range
General Market (All) 107 properties	0 - 0	0 - 0	0 - 0	\$7,499 - \$3,150,000
Sub Market (Competing) 22 properties	0 - 0	0 - 0	0 - 0	\$29,000 - \$75,000

Initial Values Dec 09			Mar 10		Jun 10		Sep 10		Dec 10	
Gen	Sub		Gen	Sub	Gen	Sub	Gen	Sub	Gen	Sub
\$342,766	\$60,400	Average \$	-44.64%	-18.17%	-4.22%	-22.18%	-20.70%	-5.49%	-31.45%	-10.59%
\$176,250	\$58,500	Median \$	-4.25%	-31.79%	47.51%	-19.65%	-7.23%	2.39%	19.14%	-7.69%
24	5	Volume %	0.00%	80.00%	-12.50%	-60.00%	-29.16%	0.00%	-12.50%	-80.00%
8.0	1.6	Absorption	8.0	3.0	7.0	0.6	5.6	1.6	7.0	0.3
12.5 month(s)	1.7 month(s)	Inventory	12.7 month(s)	1.3 month(s)	17.1 month(s)	9.0 month(s)	25.7 month(s)	6.6 month(s)	20.2 month(s)	42.0 month(s)





This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: 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, 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: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) 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.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. The appraiser has noted in this appraisal report any adverse conditions (such as the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent adverse conditions of the property (such as, but not limited to, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
5. If the appraiser has based his or her appraisal report and valuation conclusion for an appraisal subject to certain conditions, it is assumed that those conditions will be met in a satisfactory manner.


APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the subject property. I reported the site characteristics in factual, specific terms.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
9. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
10. I have knowledge and experience in appraising this type of property in this market area.
11. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
12. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
13. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
14. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
15. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
16. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
17. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
18. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
19. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
20. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
21. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
22. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature 
 Name Robert D. Mims, IV, SRA
 Company Name 30-A Appraisal Group, Inc.
 Company Address P. O. Box 2447
Santa Rosa Beach, FL 32459
 Telephone Number 850-835-4444
 Email Address _____
 Date of Signature and Report December 15, 2010
 Effective Date of Appraisal December 13, 2010
 State Certification # St.Cert.Res.REA RD5668
 or State License # _____
 or Other (describe) _____ State # _____
 State FL
 Expiration Date of Certification or License 11/30/2012

ADDRESS OF PROPERTY APPRAISED

Lot 8 Sandalwood
Santa Rosa Beach, Florida 32459
 APPRAISED VALUE OF SUBJECT PROPERTY \$ 60000
 LENDER/CLIENT
 Name Ms Estes
 Company Name Whitney Bank
 Company Address P.O. Box 61260
New Orleans, LA 70161
 Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

SUBJECT PROPERTY

- ☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
 Date of Inspection _____
☐ Did inspect interior and exterior of subject property
 Date of Inspection _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
 Date of Inspection _____

Borrower or Owner	John Freer		
Property Address	Lot 8 Sandalwood		
City	Santa Rosa Beach	County	Walton
		State	Florida
		Zip Code	32459
Lender or Client	Whitney Bank		

This appraisal report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice. 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 Appraisal Practice of the Appraisal Institute.

As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation that is not provided with the report concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated in the report. The appraiser is not responsible for unauthorized use of this report. I assume property's title is good and marketable, and will render no opinions about the quality of the title.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

Information, estimates, and opinions furnished to the appraiser and contained in this report were obtained from sources considered reliable and believed to be true and correct. However, the appraiser can assume no responsibility for the accuracy of such items furnished to the appraiser. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

The Intended User of this appraisal report is the Lender/Client. The Intended Use is to evaluate the property that is the subject of this appraisal for asset management purposes, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended users identified by this appraiser. Use of this report by others is not intended by the appraiser.

As of the date of this report, Robert D. Mims, IV, SRA has completed the continuing education program of the Appraisal Institute.

Borrower or Owner	John Freer				
Property Address	Lot 8 Sandalwood				
City	Santa Rosa Beach	County	Walton	State	Florida
				Zip Code	32459
Lender or Client	Whitney Bank				

The Scope of this assignment is specific to the needs of the client and only intended user, Whitney Bank. All other parties that choose to rely on the appraisal report should recognize that the assignment results were not developed or reported in a manner consistent with the needs or uses of parties other than those identified by the intended user.

The Scope of this assignment does not include any attempt at discovery (or reporting) of potentially adverse neighborhood influences such as, but not limited to: interim rehabilitative facilities for felonious offenders, registered sex offenders, or nearby criminal activity.

Statements regarding zoning compliance are intended in the most general sense. Zoning and building ordinances can vary significantly from one municipality to another and are applied on a case by case basis. The scope of this assignment does not include a detailed analysis of every characteristic of the subject property's site and improvements relative to current zoning and building ordinances. In determining the zoning, the appraiser may rely on a county's on line interactive GIS mapping system, a phone call to the local county or city planning and zoning office, and other reasonable sources and/or methods.

DEFINITION OF INSPECTION:

The term "Inspection", as used in this report, is not the same level of inspection that is required for a "Professional Home Inspection". The appraiser does not fully inspect the electrical system, plumbing system, mechanical systems, foundation system, floor structure, or subfloor. The appraiser is not an expert in construction materials and the purpose of the appraisal is to make an economic evaluation of the subject property. The appraiser's viewing of the property was limited to surface areas only and can be compromised by landscaping, dense vegetation and/or underbrush, placement of personal property, or weather conditions. The appraiser is not an expert in other fields such as, but not limited to home inspection, building construction, pest control, or structural engineering. If the client needs a more detailed inspection of the property, a home inspection, by a Professional Home Inspector, is suggested.

DIGITAL SIGNATURES:

The signature(s) affixed to this report, and certification, were applied by the original appraiser(s) or supervisory appraiser and represent their acknowledgements of the facts, opinions and conclusions found in the report. Each appraiser(s) applied his or her signature electronically using a password encrypted method. Hence these signatures have more safeguards and carry the same validity as the individual's hand applied signature. If the report has a hand-applied signature, this comment does not apply.