

Date: October 16, 2015

Subject property: 40 East Main Street, Dahlonega, Georgia

Re: Building Evaluation for Code Compliance Benefit Cost Analysis

Provided by: Gary Mullinix, CBCO CFM  
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### Background and Qualifications

I am currently serving in the capacity of Building Official for Safebuilt Corporation managing five metro Atlanta municipal government construction permitting duties including: Cities of Decatur, Stone Mountain, Pine Lake, Lithonia and Madison. My previous employment duties include: the Building Official for East Point GA and the Development/Planning and Zoning Director for the City of Canton and have over 30 years of experience in the construction field.

As to certifications, I am a qualified building inspector as defined by the State of Georgia. I hold the following professional certifications: ICC Certified Building Code Official, ICC Certified Plumbing Code Official, ICC Certified Mechanical Code Official, ICC Certified Building Plans Examiner, ICC Certified Combination Residential Inspector, ICC Certified Commercial Combination Inspector, and ASFPM Certified Floodplain Manager. My inspection experience includes managing well over 30,000 structures of various types, including numerous commercial properties.

I am familiar with and have administered applicable International Code Council (ICC), national, state, and local building codes and municipal ordinances with which the City of Dahlonega requires compliance (hereinafter "the applicable codes"). Based on such experience, I am familiar with the condition a property must be in to comply with the applicable codes and municipal ordinances.

My job as Building Official and Building Inspector involves reviewing plans and specifications for new and remodeled construction projects as well as the renovation of structures suffering from neglect, lack of maintenance, damages, and lack of upkeep. My reviews and inspections have included numerous historic structures and I have been accepted by the Fulton County Court system as an Expert Witness on matters related to building code compliance and costs of rehabilitation.

Based on the above-described experience, I am familiar with the costs of renovating buildings in the State of Georgia in urban, rural, and suburban areas, including buildings that have not been properly maintained, damaged and/or are in a state of deterioration. I am also familiar with the value of buildings within these areas, both before and after the above-described renovations.

## Scope of Review

**I visited the subject property referenced above on 10/15/15 for the purpose of investigating the condition of the structure thereon as it may relate to its compliance with building code provisions and the cost of any necessary repairs, and the relation of those repairs to the fair market value of the building less the land value.**

**The structure is in a state of disrepair likely resulting from deferral of necessary maintenance over a period of years. As part of this report I have prepared a list of findings regarding the condition of the structure. Those findings are as follows:**

1.

I have inspected the property located at 40 E Main Street, Dahlonega, Georgia, as well as the interior and exterior of the building located thereon (the "Subject Building"). Such inspection consisted of traveling to and examining the Subject Building. I examined the general condition of the structure and specific examples of deterioration and non-compliance with applicable building codes.

2.

The Subject Building is in an advanced state of disrepair and deterioration, and is not in compliance with applicable codes.

3.

The Subject Building is so badly deteriorated that its present fair market value is very low. The County tax assessment value of the building (excluding the underlying real property) is listed as \$37,767. Based on my inspection of the interior and exterior of the building and the condition of the building as observed, the assessed value is on the high end of the actual fair market value of the Subject Building. In my opinion, it would be more benefit/cost effective to demolish the Subject Building and subsequently construct a new building versus attempting to re-use or rehabilitate the Subject Building.

4.

I was able to inspect the Subject Building from both the exterior and interior perspectives, so I have examined or determined the general extent of the repairs that may be needed. As observed, the Subject Building would require major foundation, structural beam, exterior siding/exterior surface, roof system, exterior access, and mold/environmental remediation repairs to manage the known observable deficiencies. The building lists and is out of plumb and has out of level floors such that major structural corrective action would be necessary to bring the building to a safe state of renovation. At present it is in danger of structural failure and should not be used or occupied for any purpose. Great care should be exercised if salvage or deconstruction efforts are implemented.

5.

I estimate the total cost to repair the basic elements of the Subject Building (including: foundation, superstructure, interior and exterior treatments and roof) and to bring the Subject Building up to Code compliance based upon my inspection to be in the range of \$500,000-\$750,000. Costs to stabilize, dismantle, relocate it and rebuild it elsewhere would be higher, unless volunteer labor were used. Other costs may be applicable if any proposed occupancy and/or use of the property requires additional provisions.

#### Conclusion

Because the cost of necessary repairs far exceeds the fair market value of the Subject Building, it is my professional opinion that: (a) reasonable measures cannot be taken to save the Subject Building from further structural failure; and (b) the Subject Building cannot be repaired,

altered and/or improved in order to bring it into compliance with the applicable codes, at a reasonable cost in relation to the present fair market value of the Subject Building.

Despite these conclusions and with knowledge of the significant cost and limited benefit, the building owner should be given the option at his or her discretion to be permitted by the City to acquire permits it may require so as to effect required repairs in lieu of demolition.

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GARY MULLINIX, CBCO CFM