

UNIFORM COMMERCIAL / INDUSTRIAL APPRAISAL REPORT - SMALL PROPERTY

Property Type: . . . Office☐ Commercial ☒ Industrial ☐ N/A ☐ File Number 508comm

Property Address . 6032 Highway 90

City . . . Milton County Santa Rosa State FL Zip Code 32570

Building Name . . . Food World Census Tract 107.04

Owner / Occupant Vacant APN

Client Santa Rosa County School Board Map Reference M10/S1

Typical Buyer: Owner/User ☐ Investor ☒

Legal Description Metes & Bounds, Section 8, Township 1 North, Range 28 West, PID #08-1N-28-0000-02003-0000

Property Rights Appraised Fee Simple Function of Report Determine Fair Market Value

Scope of Appraisal . . The scope of appraisal was limited to both commercial improved properties and commercial vacant land sales. No income information was given for the subject property. Therefore, all weight will be given to the market and cost approaches to value.

THREE YEAR OWNERSHIP HISTORY

Owner	Recording Reference	Date	Price Paid	Terms of Sale
Most Recent Milton, LLC	Bk.2738/Pg.1275	05/08/2007	\$ 10	Special Warranty Deed
Previous			\$	
Previous			\$	
Previous			\$	
Current Contract <input type="checkbox"/> Option: <input type="checkbox"/>		Listing Price	\$ N/A	N/A
Buyer N/A		Contract Price	\$ N/A	N/A
Seller N/A		Closing Date	N/A	N/A
Analysis / Comments: The subjects past sales/transfer history has no negative affect on the marketability of the subject property.				

NEIGHBORHOOD DESCRIPTION

Boundaries: Pace to the west, County Line to the east, State Line to the north, Highway 98 to the south.

Neighborhood Built Up 75%	Current Vacancy 2-3%	Location <input type="checkbox"/> Rural <input checked="" type="checkbox"/> Suburb <input type="checkbox"/> Urban				
Land Use: Single Family 80%	Office 1%	MultiFamily 1%	Development Trend . . <input type="checkbox"/> Up <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Down			
Industrial 3%	Retail 15%	Vacant 0%	N/A 0%	Value Trend. <input type="checkbox"/> Up <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Down		
	Ex	Gd	Av	Fr	Pr	Vacancy Trend <input type="checkbox"/> Up <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Down
Maintenance / Condition.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Population Trend <input type="checkbox"/> Up <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Down
Property Compatibility	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Employment <input type="checkbox"/> Up <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Down
Appeal / Appearance.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Change In Land Use:
Protection / Adverse Influence.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Unlikely <input type="checkbox"/> Likely <input type="checkbox"/> Taking Place
Development Potential	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	From N/A To N/A
Rental Demand	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Rental Rate Range (Exclude Extremes):
Transportation / Access	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	From \$ 0.75 /SF To \$ 2.10 /SF
Police / Fire Protection.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Age Range (Exclude Extremes):
	Undersupply	Balanced	Oversupply			From 10 To 30
Single Family	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>			Utilities
Multifamily.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>			<input checked="" type="checkbox"/> Water <input checked="" type="checkbox"/> Gas
Office	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>			<input checked="" type="checkbox"/> Sewer <input checked="" type="checkbox"/> Telephone
Retail.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>			<input checked="" type="checkbox"/> Electric <input checked="" type="checkbox"/> Storm Drain
Industrial.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>			Distance-CBD 1 Miles
						Distance-Freeway 3
						Distance-Public Trans. . 1

Neighboring Property Use: Located in Milton, the subject and neighborhood properties are a mixed use consisting of residential, commercial, retail, restaurants, entertainment, schools, churches, hospitals, as well as service industry facilities.

Analysis / Comments: The town of Milton is a well established community. Located inside the city limits of Milton, the subject and surrounding properties are mixed use such as retail, commercial and residential use currently in balance with supply and demand levels. Over the last year demand for residential and commercial properties are considered to be stable and in balance at this time.

ZONING, ASSESSMENT AND TAXES

Current Zoning HCD-Highway Commercial Development Legally Conforming Yes ☒ No ☐

Zoning Change: Likely ☐ Not Likely ☒ To N/A

Uses Allowed with Current or Likely Zoning . Commercial, Professional, Retail, Office, Other determined by city.

Assessment Year 2015 APN # Tax Rate Year Taxes

Total \$ 2,022,577 Total0169682 Current Taxes . . . 2015 \$ 34,319.49

Analysis / Comments: The subject taxes are currently paid and up to date according to the Santa Rosa Tax Collector.

SITE DESCRIPTION

Site Size 8.98+/- acres Environmental Problems Observed or Known To Appraiser YES ☐ NO ☒
Site Dimensions Irregular Apx. 8.98 Acres
Street Frontage 307 Feet

	Ex	Gd	Av	Fr	Pr		Type	Pub	Pvt	Topography:					
Access	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Street	Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Level	<input checked="" type="checkbox"/>	Mod Slope	<input type="checkbox"/>	Steep Slope	<input type="checkbox"/>
Street Frontage . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Curb & Gutters. .	Concrete	<input checked="" type="checkbox"/>	<input type="checkbox"/>	At Grade	<input type="checkbox"/>	Above Grade	<input type="checkbox"/>	Below Grade	<input checked="" type="checkbox"/>
Shape	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lighting	Yes	<input checked="" type="checkbox"/>	<input type="checkbox"/>					Yes	No
Function Utility . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Electric	Yes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Corner Lot	<input type="checkbox"/>			<input type="checkbox"/>	<input checked="" type="checkbox"/>
Visibility	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Gas	Electric	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Undergrd Utilities	<input type="checkbox"/>			<input type="checkbox"/>	<input checked="" type="checkbox"/>
Landscaping	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Water	Yes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Railroad Access.	<input type="checkbox"/>			<input type="checkbox"/>	<input checked="" type="checkbox"/>
Drainage	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sewer	Yes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Earthquake Zone	<input type="checkbox"/>			<input type="checkbox"/>	<input checked="" type="checkbox"/>
Adequacy of Utilities	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Storm / Drain. . .	Yes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Flood Zone Code X	<input type="checkbox"/>			<input type="checkbox"/>	<input checked="" type="checkbox"/>
Traffic Pattern	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sidewalks	Yes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Map # 12113C0427G				Date 12/19/2006	

Easements . No easements or special assessments at the time of inspection.
Encroachments . No encroachments or special assessments at the time of inspection.
Analysis / Comments: The subject site location and features are well suited for a broad range of use.

IMPROVEMENTS DESCRIPTION

Property Type Commercial Construction Type Frame/Metal/Conc. Block #Buildings 1 #Stories 1

Building	Floor	Gross SF	*Net SF	Use Type	Net Rentable SF	Use %
1	1	48,210	36,799	Office		
				Retail	36,799	100.0
				Warehouse		
				Manufacturing		
				Distribution		
				Research / Development		
Total		48,210	36,799			
*Useable Area <input checked="" type="checkbox"/>		Rentable Area <input type="checkbox"/>				

Year Built 1994	Building Efficiency Ratio 76.3 %	Parking	Yes	No	Industrial Only	
Effective Age 22	Economic Life 45	On Site	<input checked="" type="checkbox"/>	<input type="checkbox"/>	# Overhead Doors	
Physical Life 50	Remaining Economic Life 23	Adequacy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Floor Height	FT
Repairs Needed No physical depreciation noted other than normal wear/tear for a property of this age.		Covered	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Ceiling Height . . .	FT
		Parking Garage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Column Spacing	
		Paved	<input checked="" type="checkbox"/>	<input type="checkbox"/>	FT x	FT
Cost of Repairs. \$		Number of Spaces 270			Railroad Spur	
Floor Area Ratio 12.3 %	Ground Coverage Ratio 12.3 %	Spaces / 1000SFBA 5.60			Yes	No

Building Description	Improvement Rating
Foundation. Concrete Block	Ex Gd Av Fr Pr
Frame Concrete Block/Steel Frame	Appeal / Appearance
Floor / Cover. Vinyl Tile	Floor Plan / Design
Ceiling Panel	Construction Quality
Exterior Walls Concrete Block	Exterior Condition
Interior Partitions Panel	Interior Condition
Roof Cover. Metal	Roof Cover
Plumbing. Gender Bathrooms	Plumbing
Heating. Central Heat	Heating
Air Conditioning Central Air Conditioning	Air Conditioning.
Electrical. Yes	Electrical
Elevators. None	Elevators
Parking. Open	Parking Area.
Insulation Unknown	Insulation.
Sprinkler Yes	Sprinkler
Roof Support N/A	Landscaping
Exterior Lighting Yes	

Analysis / Comments: No physical depreciation noted other than normal wear/tear for a building this age. The subject property is currently in overall average condition.

HIGHEST AND BEST USE

Highest and Best Use (As Currently Improved): Yes
Analysis / Comments: The subject property is well suited for a Grocery Store and is considered to be utilized at its highest and best use.

COMPARABLE SITE DESCRIPTION

Comp Sheets Att <input type="checkbox"/>	Subject	Comparable #1	Comparable #2	Comparable #3
Location/Address	6032 Highway 90	5765 Jade Moon Circle	2026 Garcon Point Road	5105 Carmell Ridge Circle
Proximity to Subject		2.45 miles S	6.72 miles S	1.45 miles NE
Map Reference	M10/S1	M10/S1	M10/S3	M10/S3
Deed Reference	N/A	N/A	N/A	N/A
Date of Sale	05/08/2007	12/11/2013	08/22/2013	04/29/2013
Data Source	Official Public Record	MLS#457774/Pub.Rec	MLS#424284/Pub.Rec	MLS#422319/Pub.Rec
Actual Price	N/A	\$ 615,000	\$ 500,000	\$ 350,000
Site Size SF <input type="checkbox"/> Acres <input checked="" type="checkbox"/>	8.98+/- acres	4.5 +/- Acres	20.0 +/- Acres	7.56 +/- Acres
Frontage	307'	450'	45'	105'
Zoning	Commercial	Residential	Residential	Residential
Utilities	Water/Sewer/Electric	Water/Electric	Water/Electric	Water/Electric
Site Improvements	Parking Lot/Lights	None	None	None
Terms and Conditions	N/A	Conv. % Unk. Mtg.Amt.Unk.	Conv. % Unk. Mtg.Amt.Unk.	Conv. % Unk. Mtg.Amt.Unk.

COMPARABLE SITE COMPARISON ANALYSIS

Actual Sale Price	\$ 615,000	\$ 500,000	\$ 350,000
Financing Adjustment	N/A	N/A	N/A
Cash Equivalent Price	\$ 615,000	\$ 500,000	\$ 350,000
Cash Equivalent Price Per Unit Acre	\$ 136,666.67	\$ 25,000.00	\$ 46,296.30
Time Adjustment	N/A	N/A	N/A
Time Adjusted Cash Equivalent Price Per Unit	\$ 136,666.67	\$ 25,000.00	\$ 46,296.30
Location	Inferior	Inferior	Inferior
Topography	Equal	Equal	Equal
Size	Inferior	Superior	Equal
Shape / Utility	Equal	Equal	Equal
Utilities	Equal	Equal	Equal
Total Adjustments	0.00	0.00	0.00
Indicated Value Per Unit	\$ 136,666.67	\$ 25,000.00	\$ 46,296.30

Analysis / Comments: Equal weight was given to all three sales. No sales of vacant land was available for consideration that was zoned similar to the subjects zoning. As such residential sales were utilized.

Land Units: 8.98+/- acres Value / Unit: \$ 110,000.00 Land Value Indication: \$ 987,800

COST APPROACH

Cost Source <u>Marshall & Swift Valuation Service</u>					
Component	No.	Size	Unit Cost		Cost
<u>Building</u>	<u>1</u>	<u>36,799</u>	\$ <u>45</u>		\$ <u>1,655,955</u>
			\$		\$
Reproduction <input checked="" type="checkbox"/>	Replacement <input type="checkbox"/>	Cost New of Improvements			\$ <u>1,655,955</u>
Plus: Indirect (Soft) Costs					\$
Plus: Entrepreneurial Profit			<u>10.0</u> %	\$	<u>165,596</u>
Total Cost New					\$ <u>1,821,551</u>
Less: Physical Deterioration			<u>45.0</u> % . .	<u>819,698</u>	
Less: Functional Obsolescence			<u>0.0</u> % . .		
Less: External Obsolescence			<u>0.0</u> % . .		
Total Accrued Depreciation (Deterioration & Obsolescence)					(\$ <u>819,698</u>)
Depreciated Value of Building(s)					\$ <u>1,001,853</u>
Plus: Contributing Value of Site Improvements					\$ <u>14,000</u>
Depreciated Value of Improvements					\$ <u>1,015,853</u>

Analysis / Comments:

Land Value Indication: \$ 987,800 Cost Approach Indication: \$ 2,003,653
Depreciated Value of Improvements \$ 1,015,853 Rounded \$ 2,003,700

INCOME APPROACH / RENTAL COMPARABLE BUILDING DESCRIPTIONS

Comp Sheets Att <input type="checkbox"/>	Subject	Comparable #1	Comparable #2	Comparable #3
Address	6032 Highway 90			
Proximity to Subject				
Year Built	1994			
Gross Building Area	48,210			
Net Building Area	36,799			
Current Vacancy %	2-3			
Construction Type	Frame/Metal/Conc. Block			
Construction Quality	Average			
Condition	Average			
Parking	270			

Comparable #/Bldg. # . . .	Subject / 1	Comparable #1 /	Comparable #2 /	Comparable #3 /
Tenant Name	School Board			
Beginning Date / Term. . .	N/A / N/A	/	/	/
Lease Type*	N/A			
Tenant Size (SF).				
Rent Per SF	\$ N/A	\$	\$	\$
Rent Concessions Adj.. . .	N/A			
Adjusted Rent Per SF. . .	\$ N/A	\$	\$	\$
Time Adjustment	N/A			
Adjusted Rent Per SF. . .	\$ N/A	\$	\$	\$
Location	Fair			
Quality	Average			
Size.	Typical			
Condition.	Average			
Total Adjustments. . . .	0.00			
Indicated Market Rent . .	\$ 0.00	\$	\$	\$

*Lease Types: Gross Lease (G), Net Lease (N), Absolute Net Lease (A), Expense Passthroughs (P), Sales Overage Rents (O), Common Area Maintenance (C), Renewal Options (R)

Analysis / Comments: No income information was given for the subject property. Therefore the income approach to value was not utilized.

SUMMARY OF SUBJECT LEASES

Tenant Name	Rented Area (SF)	Beginning Date	Mths	*Lease Types	Current Rent	Effective Rent / SF	Estimated Market Rent / SF
N/A	N/A	N/A		N/A	N/A	N/A	N/A
Totals							

Analysis / Comments: No lease information was supplied for the subject property.

Income:	Actual Year	Comments and Calculations	Estimated
From N/A to N/A			
Gross Potential Income . . . \$			\$
Vacancy 4-5%. ()			()
Other Income \$			\$
Effective Gross Income . . . \$	0		\$

Property Taxes. \$	N/A		\$
Insurance. \$			\$
Property Management. . . \$			\$
Utilities \$			\$
Janitorial \$			\$
Maintenance \$			\$
			\$
Reserves \$			\$
Total Expenses. \$	0	Expense / SF \$ Expense Ratio %	\$
Net Operating Income (NOI) \$	0	Fee Simple <input type="checkbox"/> Leased Fee <input type="checkbox"/> Leasehold <input type="checkbox"/>	\$

Analysis / Comments: No operating expense information was given for the subject property.

CAPITALIZATION TECHNIQUES

Overall Rate Range <u> N/A </u> to <u> N/A </u> Overall Rate (Ro) = _____ NOI (Ro) Value \$ _____ / _____ = \$ _____	Cash Flow Analysis Attached Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Forecast Holding Period _____ Beginning NOI \$ _____ NOI Pattern _____ Reversion Assumption _____ Loan Amount _____ Interest Rate _____ Loan Term / Payments Per Year _____ / _____ Before-Tax Yield Rate (IRR). _____ Value Estimate \$ _____
Equity Dividend Rate Range _____ to _____ Mortgage _____ x _____ = _____ Equity _____ x _____ = _____ Overall Rate (Ro) _____ = _____ NOI (Ro) Value \$ _____ / _____ = \$ _____	

Analysis / Comments: Overall capitalization rates, equity dividend rates, internal rates of return or cash flow analysis were not utilized for this report at the request of the client.

Income Approach Indication: \$ _____ N/A Rounded: \$ _____ N/A

DIRECT SALES COMPARISON APPROACH / COMPARABLE BUILDING DESCRIPTIONS

Comp Sheets Att <input type="checkbox"/>	Subject	Comparable #1	Comparable #2	Comparable #3
Address	6032 Highway 90	5689 Industrial Boulevard	6586 Caroline Street	3968 Highway 4
Proximity to Subject		5.73 miles NE	1.76 miles NE	24.52 miles N
Map Reference	M10/S1	M10/S1	M10/S1	M10/S3
Deed Reference	N/A	O.R.Bk.3376/Pg.1502	O.R.Bk.3375/Pg.565	O.R.Bk.3272/Pg.1695
Year Built	1994	2004	1986	1996
Gross Building Area	48,210	35,000	48,416	6,194
Net Building Area	36,799	35,000	48,416	6,194
Site Size SF <input type="checkbox"/> AC <input checked="" type="checkbox"/>	8.98+/- acres	3.99 +/- Acres	11.11 +/- Acres	1.23 +/- Acres
Construction Type	Frame/Metal/Conc. Block	Frame/Metal/Conc. Block	Frame/Metal/Conc. Block	Frame/Metal
Construction Quality	Average	Average	Average	Average
Condition	Average	Average	Average	Average

Source of Data	MLS#475254&PR	MLS#452785&PR	MLS#428851&PR
Terms	Conv. % Unk.	Conv. % Unk.	Conv. % Unk.
and	Mtg.Amt.Unk.	Mtg.Amt.Unk.	Mtg.Amt.Unk.
Conditions	N/A	N/A	N/A
Property Rights Purchased	Fee Simple	Fee Simple	Fee Simple
Date of Sale	09/30/2014	09/24/2014	07/27/2013
Sale Price	\$ 800,000	\$ 2,000,000	\$ 850,000
Financing Adjustment	0	0	0
Excess Land Adjustment	0	0	0
Non-Realty Interest Adjustment	0	0	0
Adjusted Price	\$ 800,000	\$ 2,000,000	\$ 850,000
Market Rent Equivalency Adjustment	0	0	0
Adjusted Price (Fee Simple)	\$ 800,000	\$ 2,000,000	\$ 850,000

Analysis / Comments: _____

COMPARABLE BUILDING (PRICE PER UNIT OF COMPARISON ANALYSIS)

Unit of Comparison Acre	Comparable #1	Comparable #2	Comparable #3
Adjusted Price	\$ 800,000	\$ 2,000,000	\$ 850,000
Adjusted Price / Unit	\$ 22.86	\$ 41.31	\$ 137.23
Time Adjustment	0.00	0.00	0.00
Adjusted Price / Unit	\$ 22.86	\$ 41.31	\$ 137.23
Location	0.00	0.00	0.00
Quality / Appeal	0.00	0.00	0.00
Condition	0.00	0.00	0.00
Effective Age	0.00	0.00	0.00
Size	1.00	1.00	10.00
Quality of Construction	0.00	0.00	0.00
Land Size	5.00	0.00	10.00
Total Adjustment	6.00	1.00	20.00
Indicated Value / Unit	\$ 28.86	\$ 42.31	\$ 157.23

Analysis / Comments: All differences were adjusted accordingly.

FEE SIMPLE OR LEASED FEE OPERATING DATA

	Comparable #1	Comparable #2	Comparable #3
Fee Simple or Leased Fee	Fee Simple	Fee Simple	Fee Simple
Gross Potential Income	\$ N/A	\$ N/A	\$ N/A
Vacancy %	4-5	4-5	4-5
Effective Gross Income	\$	\$	\$
Operating Expenses	\$ N/A	\$ N/A	\$ N/A
Expenses / SF Gross Building Area	\$ N/A	\$ N/A	\$ N/A
Expense Ratio	N/A	N/A	N/A
Net Operating Income	\$	\$	\$
EGIM	N/A	N/A	N/A
Overall Rate			

Building Units ... 48,210	Effective Gross Income	NOI
Value / Unit x ... 42	EGIM x N/A	Overall Rate ÷ N/A
Value Estimate . 2,024,820	Value Estimate	Value Estimate

Analysis / Comments: The comparable sales utilized were some of the best sales available considering size, age, location and features available from the public records and multiple listing service. All three sales are considered to be good indicators of value for the subject property with average marketability.

Direct Sales Comparison Approach Indication: \$ 2,024,820	Rounded \$ 2,025,000
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RECONCILIATION AND FINAL VALUE ESTIMATE

Cost Approach Indication	\$ 2,004,000
Income Approach Indication	\$ N/A
Direct Sales Comparison Approach Indication	\$ 2,025,000

Reconciliation: The comparable sales utilized in this report were the most current sales with similar size, style, and features available from the public records, and are considered to be good indicators of value for the subject property. The subject property and all three sales are located in competing areas. Therefore, all were relied upon in the final value estimate analysis, with all three sales being given equal consideration with sale #2 given most weight due to its similar land size and improvements size. The subject and all three comparable sales are considered to be a typical commercial properties for this neighborhood, with average marketability and compatibility.

Conditions of Appraisal: Most weight was given to the market approach to value due to recent sales. Although I have good cost data, the cost approach to value should be given secondary consideration in support of value.

Effective Date of Valuation	April 7, 2016
Value Estimate - Real Estate (As Repaired)	N/A
Less Cost of Repairs or Additions	N/A
Final Market Value "As Is" - Real Estate	2,025,000

Appraiser #1	Property Inspection	Date	Qualifications Attached
Signature 	Yes <input checked="" type="checkbox"/>	04/18/2016	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Name David B. Combs			
Appraiser #2	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>
Signature			
Name			
Appraiser #3	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>
Signature			
Name			

CONTENTS OF ADDENDA

Subject Photographs <input checked="" type="checkbox"/>	Land Lease <input type="checkbox"/>	Copy of Easement <input type="checkbox"/>
Area Map <input checked="" type="checkbox"/>	Segregated Cost Sheet <input type="checkbox"/>	
Neighborhood Map <input checked="" type="checkbox"/>	Soils Survey Map <input type="checkbox"/>	
Zoning Map <input type="checkbox"/>	Subject Leases <input type="checkbox"/>	
Flood Zone Map <input checked="" type="checkbox"/>	Comparable Rents <input type="checkbox"/>	
Topographic Map <input type="checkbox"/>	Rent Location Map <input type="checkbox"/>	
Site Sketch <input type="checkbox"/>	Improved Property Sales <input checked="" type="checkbox"/>	
Site Plan <input type="checkbox"/>	Building Sales Location Map <input checked="" type="checkbox"/>	
Building Plans <input type="checkbox"/>	Copy of Deed <input type="checkbox"/>	
Tax Assessment Card <input type="checkbox"/>	Contract of Sale <input type="checkbox"/>	
Land Sales Sheets <input type="checkbox"/>	Construction Cost Contract <input type="checkbox"/>	
Land Sales Map <input type="checkbox"/>		

PURPOSE OF THE APPRAISAL

It is to estimate the current market value of the Subject Property.

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 considers his 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 adjustments should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

CERTIFICATION

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

- 1. The statements of fact contained in this report are true and correct. The appraiser has not knowingly withheld any pertinent information.
- 2. The reported analysis, opinions, and conclusions are limited only by the reported Assumptions and Limiting Conditions, and are my personal, unbiased professional analysis, 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 analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- 6. I have (or have not) made a personal inspection of the property that is the subject of this report. (If more than one person signs the report, this certification must clearly specify which individuals did, and which individuals did not make a personal inspection of the appraised property.)
- 7. No one provided significant professional assistance to the person signing this report. (If there are exceptions, the name of each individual providing significant professional assistance must be stated.)
- 8. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the prospective owners or occupants of the property appraised or of the properties in the vicinity of the property appraised.
- 9. All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analysis, opinions, and conclusions contained in this report).
- 10. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the appraiser whose signature appears on the appraisal report. No change of any item in the appraisal report shall be made by anyone other than the appraiser, and the appraiser shall have no responsibility for any such unauthorized change.
- 11. This form has not been altered, except for the possible expansion of the analysis/comments areas.
- 12. The appraiser has read and understands the instruction manual that accompanies this form.
- 13. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

STATEMENT OF CONTINGENT AND LIMITING CONDITIONS

This appraisal report is subject to the following Assumptions and Limiting Conditions.

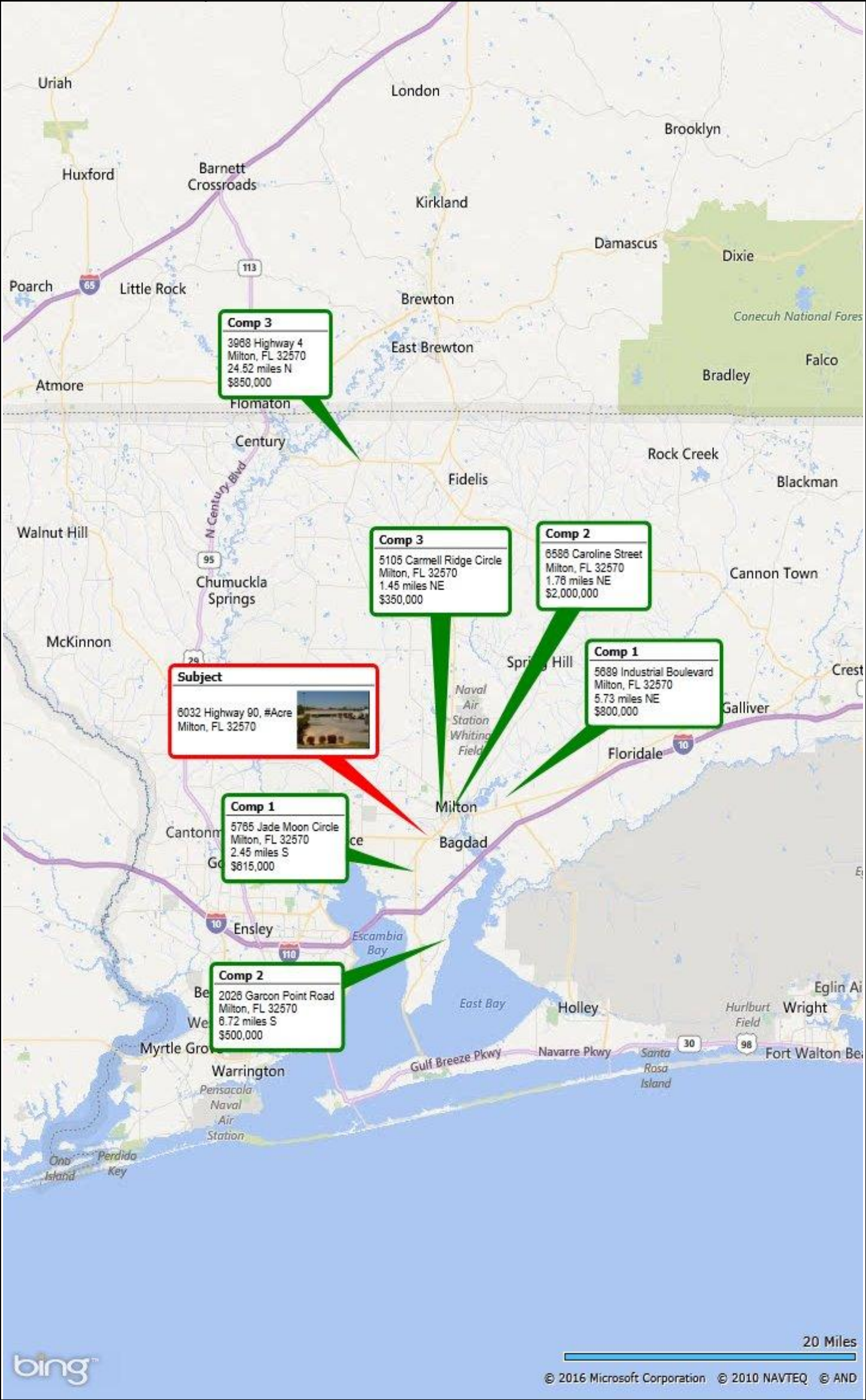
- 1. The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
- 2. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The Appraiser has made no survey of the property.
- 3. The Appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therfor.
- 4. Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
- 5. The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions or for engineering which might be required to discover such factors.
- 6. 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, no responsibility for accuracy of such items furnished the Appraiser can be assumed by the Appraiser.
- 7. Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraiser is affiliated.
- 8. Neither all, nor any part of the contents of the report, or copy thereof (including conclusions as to the property value, the identity of the Appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the Appraiser is connected), shall be used for any purposes by anyone but the client specified in the report, the borrower if appraisal fee paid by same, the mortgagee or its successors and assigns, mortgage insurers, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency, or instrumentality of the United States or any state or the District of Columbia, without the previous written consent of the Appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the Appraiser.
- 9. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.

☐ See Attached

Date: April 18, 2016
Appraiser(s): David B. Combs

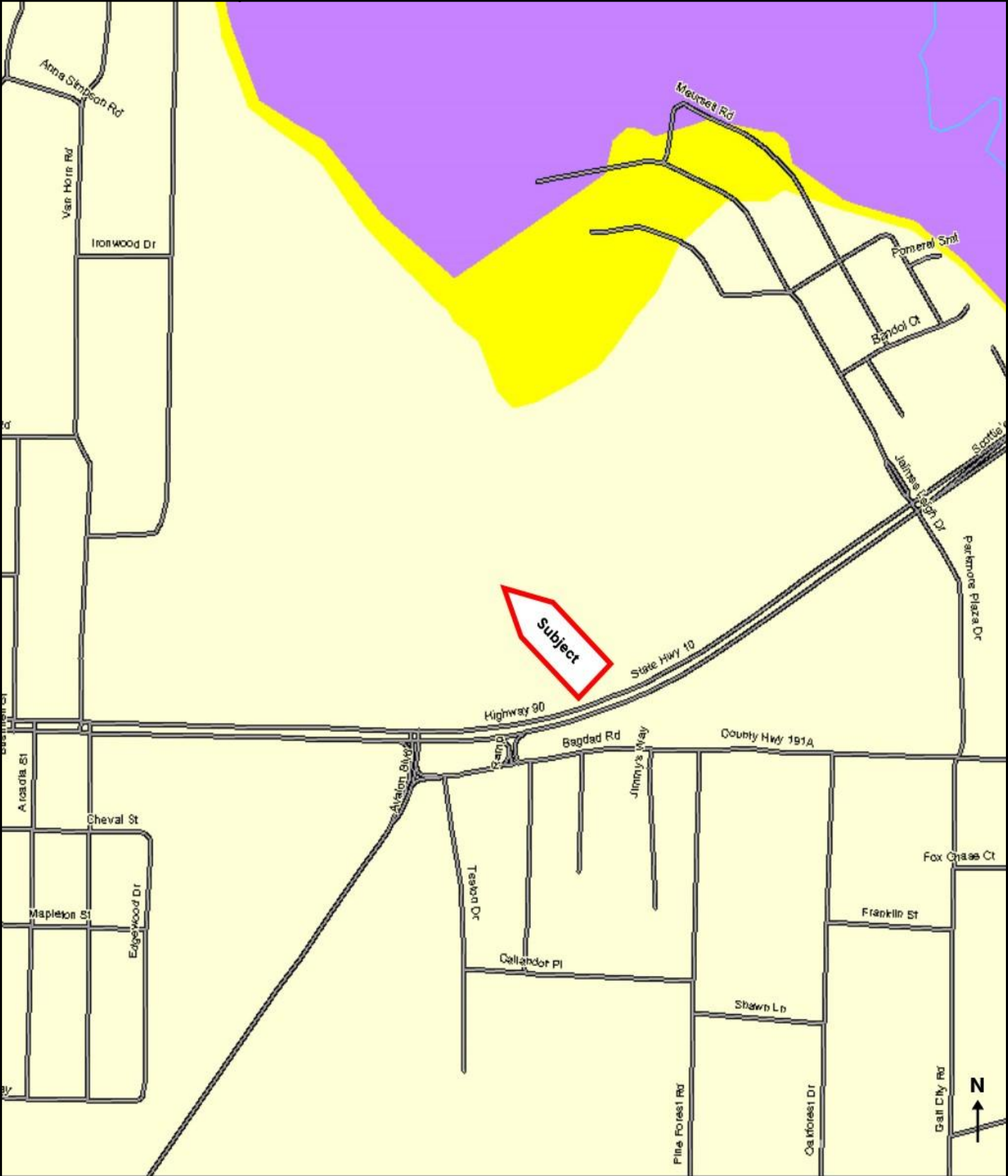
LOCATION MAP

Borrower or Owner	Vacant				
Property Address	6032 Highway 90				
City	Milton	County	Santa Rosa	State	FL
				Zip Code	32570
Client	Santa Rosa County School Board				



FLOOD MAP

Borrower or Owner	Vacant				
Property Address	6032 Highway 90				
City	Milton	County	Santa Rosa	State	FL
				Zip Code	32570
Client	Santa Rosa County School Board				



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 Determination

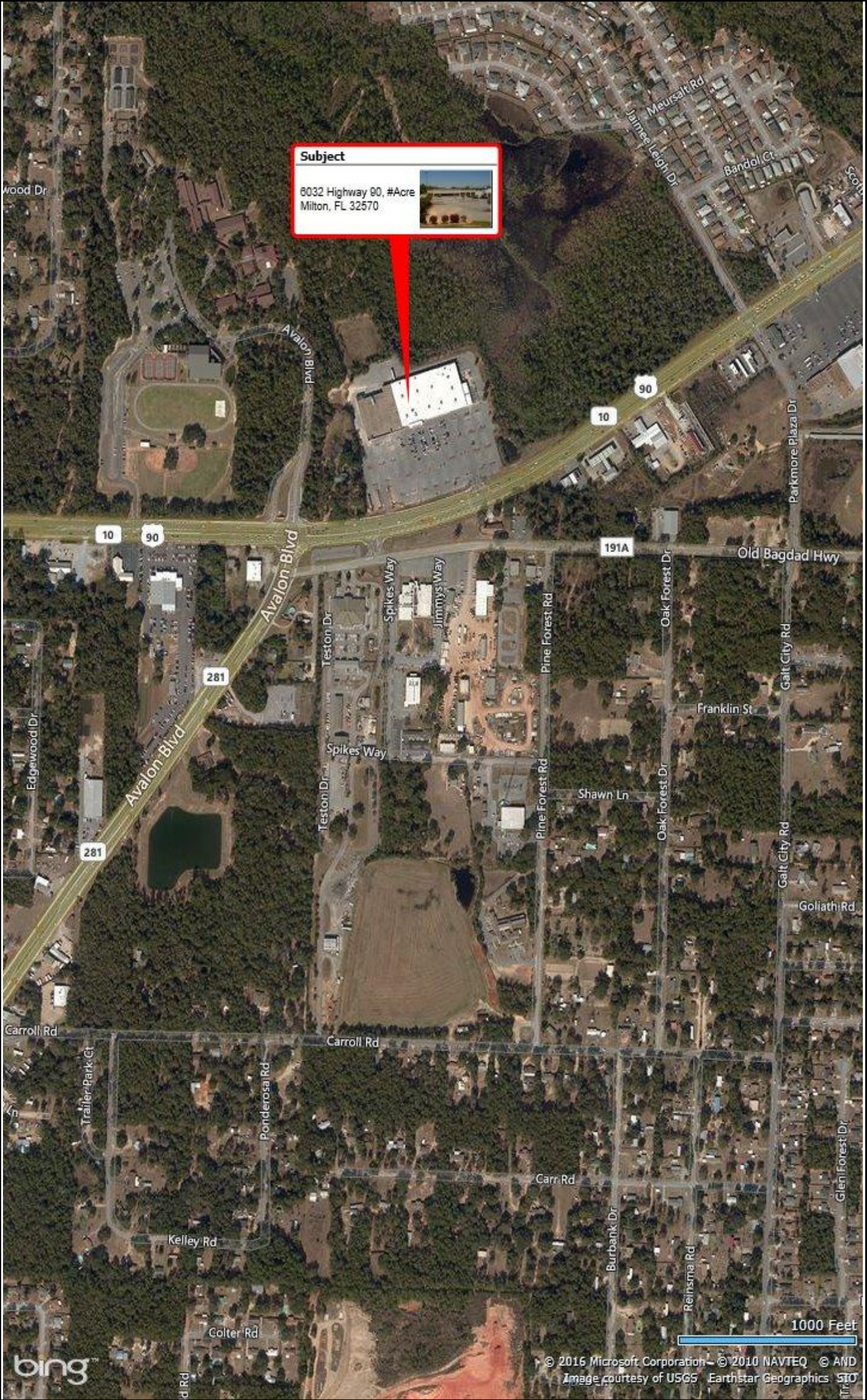
Latitude: 30.604361
Longitude: -87.072311
Community Name: MILTON, CITY OF
Community: 120276
SFHA (Flood Zone): No
Within 250 ft. of multiple flood zones: No
Zone: X
Panel: 0427G
FIPS Code: 12113

Map #: 12113C0427G
Panel Date: 12/19/2006
Census Tract: 107.04

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. THE SELLER OF THIS REPORT MAKES NO 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. The seller of this Report shall not have any liability to any third party for any use or misuse of this Report.

General Map 1

Borrower or Owner	Vacant			
Property Address	6032 Highway 90			
City	Milton	County	Santa Rosa	State FL
				Zip Code 32570
Client	Santa Rosa County School Board			



PHOTOGRAPH ADDENDUM

Borrower or Owner	Vacant				
Property Address	6032 Highway 90				
City	Milton	County	Santa Rosa	State	FL
				Zip Code	32570
Client	Santa Rosa County School Board				



FRONT VIEW OF
SUBJECT PROPERTY



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE OF
SUBJECT PROPERTY

PHOTOGRAPH ADDENDUM

Borrower or Owner	Vacant				
Property Address	6032 Highway 90				
City	Milton	County	Santa Rosa	State	FL
				Zip Code	32570
Client	Santa Rosa County School Board				



Subject Left Side



Subject Ingress/Egress



Subject Parking Lot

PHOTOGRAPH ADDENDUM

Borrower or Owner	Vacant				
Property Address	6032 Highway 90				
City	Milton	County	Santa Rosa	State	FL
Zip Code	32570				
Client	Santa Rosa County School Board				



Subject Interior/Front View



Subject Interior/Rear View



Support Areas

PHOTOGRAPH ADDENDUM

Borrower or Owner	Vacant				
Property Address	6032 Highway 90				
City	Milton	County	Santa Rosa	State	FL
Zip Code	32570				
Client	Santa Rosa County School Board				



Support Areas



Support Areas



Support Areas

PHOTOGRAPH ADDENDUM

Borrower or Owner	Vacant				
Property Address	6032 Highway 90				
City	Milton	County	Santa Rosa	State	FL
Zip Code	32570				
Client	Santa Rosa County School Board				



Support Areas



Support Areas



Support Areas

PHOTOGRAPH ADDENDUM

Borrower or Owner	Vacant				
Property Address	6032 Highway 90				
City	Milton	County	Santa Rosa	State	FL
Zip Code	32570				
Client	Santa Rosa County School Board				



Support Areas



Support Areas



Support Areas

Borrower/Client Vacant			
Property Address 6032 Highway 90			
City Milton	County Santa Rosa	State FL	Zip Code 32570
Lender/Client Santa Rosa County School Board			

APPRAISAL AND REPORT IDENTIFICATION

This Appraisal Report is one of the following types:

☒ **Appraisal Report**

This report was prepared in accordance with the requirements of the Appraisal Report option of USPAP Standards Rule 2-2(a).

☐ **Restricted Appraisal Report**

This report was prepared in accordance with the requirements of the Restricted Appraisal Report option of USPAP Standards Rule 2-2(b). The intended user of this report is limited to the identified client. This is a Restricted Appraisal Report and the rationale for how the appraiser arrived at the opinions and conclusions set forth in the report may not be understood properly without the additional information in the appraiser's workfile.

N/A

ADDITIONAL CERTIFICATIONS

- I certify that, to the best of my knowledge and belief:
- The statements of fact contained in this report are true and correct.
 - The report analyses, opinions, and conclusions are limited only by the reported assumptions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
 - I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or specified) personal interest with respect to the parties involved.
 - I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
 - My engagement in this assignment was not contingent upon developing or reporting predetermined results.
 - My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
 - My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
 - This appraisal report was prepared in accordance with the requirements of Title XI of FIRREA and any implementing regulations.

PRIOR SERVICES

- ☒ I have **NOT** performed services, as an appraiser or in any other capacity, regarding the property that is the subject of the report within the three-year period immediately preceding acceptance of this assignment.
- ☐ I **HAVE** performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

PROPERTY INSPECTION

- ☐ I have **NOT** made a personal inspection of the property that is the subject of this report.
- ☒ I **HAVE** made a personal inspection of the property that is the subject of this report.

APPRAISAL ASSISTANCE

Unless otherwise noted, no one provided significant real property appraisal assistance to the person signing this certification. If anyone did provide significant assistance, they are hereby identified along with a summary of the extent of the assistance provided in the report.

N/A

ADDITIONAL COMMENTS

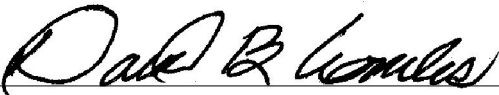
Additional USPAP related issues requiring disclosure and/or any state mandated requirements: N/A

MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

- ☒ A reasonable marketing time for the subject property is 450 day(s) utilizing market conditions pertinent to the appraisal assignment.
- ☒ A reasonable exposure time for the subject property is 350 day(s).

APPRAISER

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature 	Signature _____
Name David B. Combs	Name _____
Date of Signature 04/18/2016	Date of Signature _____
State Certification # RD1619	State Certification # _____
or State License # _____	or State License # _____
State FL	State _____
Expiration Date of Certification or License 11/30/2016	Expiration Date of Certification or License _____
Effective Date of Appraisal April 7, 2016	Supervisory Appraiser Inspection of Subject Property: <input type="checkbox"/> Did Not <input type="checkbox"/> Exterior-only from Street <input type="checkbox"/> Interior and Exterior

RICK SCOTT, GOVERNOR

KEN LAWSON, SECRETARY

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA REAL ESTATE APPRAISAL BD

LICENSE NUMBER	
RD1619	

The CERTIFIED RESIDENTIAL APPRAISER
Named below IS CERTIFIED
Under the provisions of Chapter 475 FS.
Expiration date: NOV 30, 2016

COMBS, DAVID B
2567 OLEANDER LANE
NAVARRE FL 32566



ISSUED: 10/15/2014

DISPLAY AS REQUIRED BY LAW

SEQ # L1410150003024