MARITIME PARK PARCEL 2
80,005 SQUARE FOOT VACANT SITE
NORTHWEST CORNER OF CEDAR STREET & SPRING STREET
PENSACOLA, FLORIDA

PART ONE: INTRODUCTION

SELF CONTAINED
APPRAISAL REPORT

TITLE PAGE

PROJECT NAME

Maritime Park Parcel 2
80,005 Square Foot Vacant Site

LOCATION

Northwest Corner of Spring Street & Cedar Street
Pensacola, Florida

DATE OF VALUE

February 17, 2012

DATE OF REPORT

February 17, 2012

PREPARED FOR
Community Maritime Park Associates, Inc.
C/O Edward E. Spears
City of Pensacola
5th Floor, City Hall
222 West Main Street
Pensacola, Florida 32521-0062

Fruitticher Lowery Appraisal Group
3000 Langley Avenue, Suite 402
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FRUITTICHER - LOWERY
APPRAISAL GROUP

3000 LANGLEY AVENUE * SUITE 402 * PENSACOLA, FLORIDA 32504 * (850) 477-0419 FAX (850)477-7931

February 17, 2012

Community Maritime Park Associates, Inc.
C/O Edward E. Spears
City of Pensacola
5th Floor, City Hall
222 West Main Street
Pensacola, Florida 32521-0062

Letter of Transmittal

RE: A Self-Contained Appraisal Report of the Maritime Park Parcel 2

Dear Mr. Spears:

At your request, an inspection has been made of the above referenced property for the purpose of estimating the current market value of the fee simple interest. In compliance with the "Uniform Standards of Professional Appraisal Practice", this letter of transmittal is followed by a self-contained appraisal report in which all applicable approaches to value are used and with the value conclusion reflecting all known information about the subject property, current and projected market conditions, and other available data. This report contains to the fullest extent possible and practical, explanations of the data, reasoning and analysis used to develop the opinion of value. It also includes thorough descriptions of the subject property, the property's locale, the market for the property type, and my opinion of highest and best use.

Market value will be defined in the appraisal report, but basically assumes a willing buyer-seller, both knowledgeable of the subject real estate market and with the valuation at the property's highest and best use. Both exposure and marketing time periods are estimated to be between six to twelve months. Our office has not previously appraised the subject property in the last three years.

RODGER K.LOWERY, MAI
State-Certified General Real Estate Appraiser
FL #RZ0001922 * AL #G00445

TOM FRUITTICHER, MAI
State-Certified General Real Estate Appraiser
FL #RZ0002029 * AL #G00788

Subject to the above and the limiting conditions and certification as set forth herein, it is my opinion that the market value of the Fee Simple estate as of the last date of inspection, February 17, 2012, was:

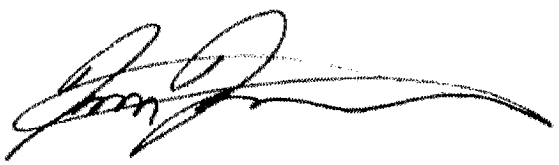
ONE MILLION SIX HUNDRED THOUSAND DOLLARS
$1,600,000
(Fee Simple Market Value)

The above value gives no consideration to the extraordinary foundation costs that might be associated with a specific building type, as this can vary widely depending on the structure constructed. In addition to the fee simple market value, I also conducted a survey of area developers who are active in land leasing. They identified their required returns and typical net lease structures which are identified within this report in an effort to give the Community Maritime Park Associates guidance for potential land lease negotiations. This information can be found on pages 69-72 of this report.

I hereby certify I have no interest, present or contemplated, in the appraised property. This appraisal has been prepared utilizing all of the requirements set forth as Standards for Real Estate Appraisals as established for federally related transactions and the State of Florida. The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP). The fee for this appraisal was not based on a minimum value nor was the assignment undertaken based on a pre-determined value or guaranteed loan amount.

I appreciate the opportunity of doing this work for you and your client. After your review, should you have questions, please call.

Respectfully submitted,



Tom Fruitticher, MAI
State-Certified General Real Estate Appraiser #2029
Email – Tom@flag1.net
Contact Phone – 850-477-0419

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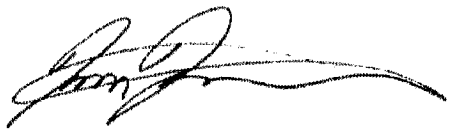
CERTIFICATION

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

- the statements of fact contained in this report are true and correct.
- 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.
- I have no present or prospective interest in the property that is the subject of this report and no 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 to 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.
- I have made a personal inspection of the property that is the subject of this report.
- no one provided significant real property appraisal assistance to the person signing this certification.
- I have not performed a previous appraisal of the subject property, an appraisal review involving the subject property nor an appraisal consulting assignment involving the subject property within the three years prior to this assignment.
- the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the continuing education program of the Appraisal Institute.
- As of the date of this report, I have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.
- The subject of this appraisal report is identified as the Maritime Park Parcel 2, located at the northwest corner of Spring Street and Cedar Street in Pensacola, Florida. The estimated fee simple market value of the real estate as of February 17, 2012, the last date of inspection, was $1,600,000.



Tom Fruitticher, MAI
State-Certified General Real Estate Appraiser RZ#2029

SUMMARY OF IMPORTANT CONCLUSIONS

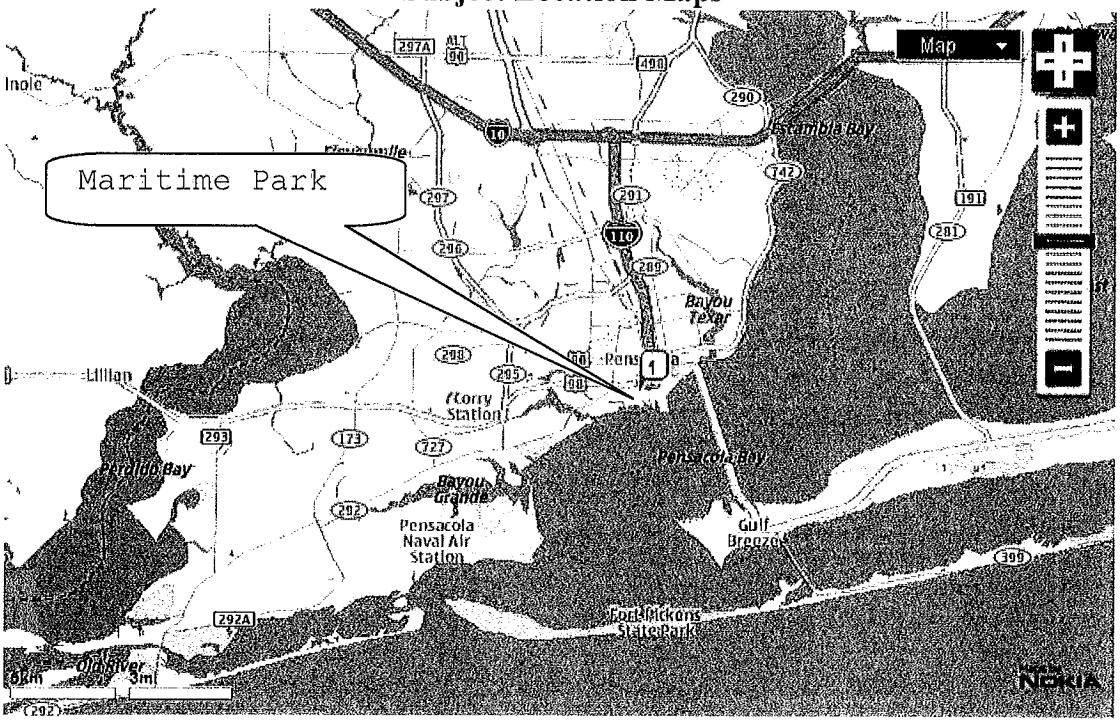
PREPARED FOR:	Community Maritime Park Associates, Inc.
OWNERSHIP:	The property is currently listed under the ownership of the City of Pensacola.
USE OF APPRAISAL:	This appraisal is being prepared for marketing purposes.
PROPERTY LOCATION:	The subject Maritime Park Parcel 2 is located between Spring Street and Reus Street along the north side of Cedar Street in the City of Pensacola, Florida.
SITE SIZE:	According to the information that was provided, the property includes a total land area of 1.84 acres or 80,005 square feet.
IMPROVEMENTS:	The land is currently vacant and can be developed to its highest and best use.
ZONING:	The site is zoned "WRD" Waterfront Redevelopment District allowing for a wide variety of residential and commercial uses including mixed uses.
ENVIRONMENTAL CONCERNS:	The subject property previously had storage tanks on the site that were said to have contaminated the land. The site includes a minimum 2 feet of "clean cap" that cannot be disturbed. The cap can be overlaid by foundations, parking lots or other impervious surfaces and an impervious surface can substitute for the cap if permanently installed during the construction of the cap.
HIGHEST AND BEST USE:	The highest and best use of the parcel would be a mixed use or commercial use that would take advantage of the available water views.
DATE OF VALUE:	February 17, 2012 (Last Date of Inspection)
ASSESSED VALUE:	The land is currently assessed as a portion of a larger parcel for $4,983,700 and since it is City owned land, no taxes are paid.

Summary of Important Conclusions (Cont'd.)

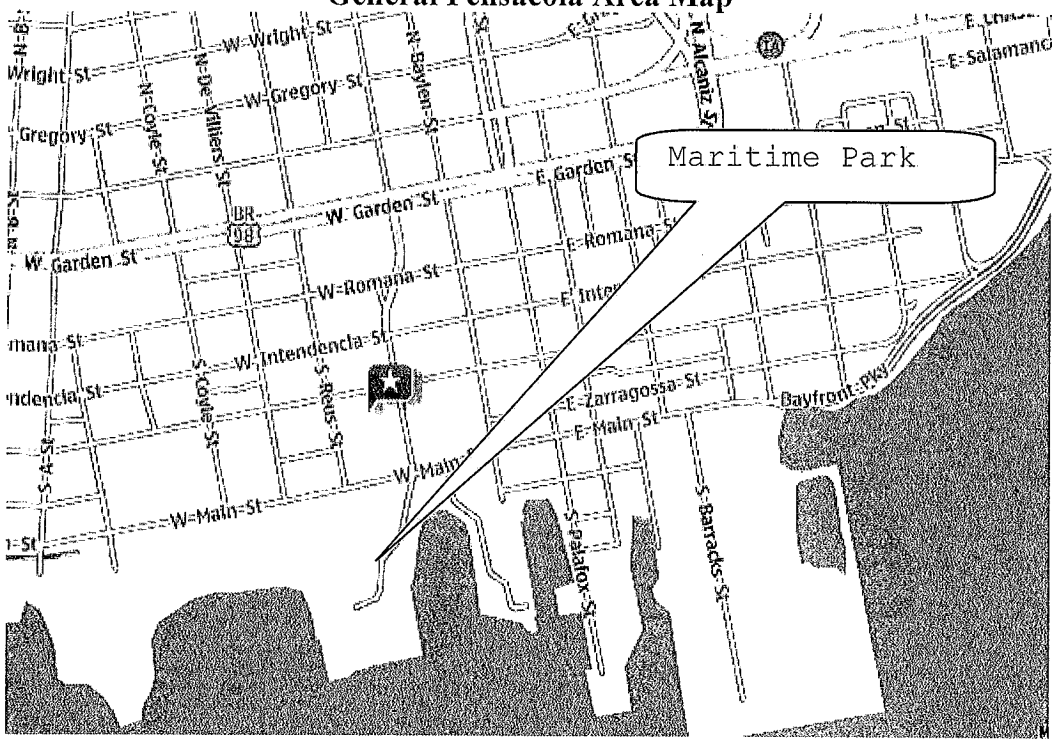
PROPETY RIGHTS APPRAISED:	Fee Simple
LAND FEE SIMPLE MARKET VALUE:	**$1,600,000**

The above value gives no consideration to the extraordinary foundation costs that might be associated with a specific building type, as this can vary widely depending on the structure constructed.

Subject Location Maps

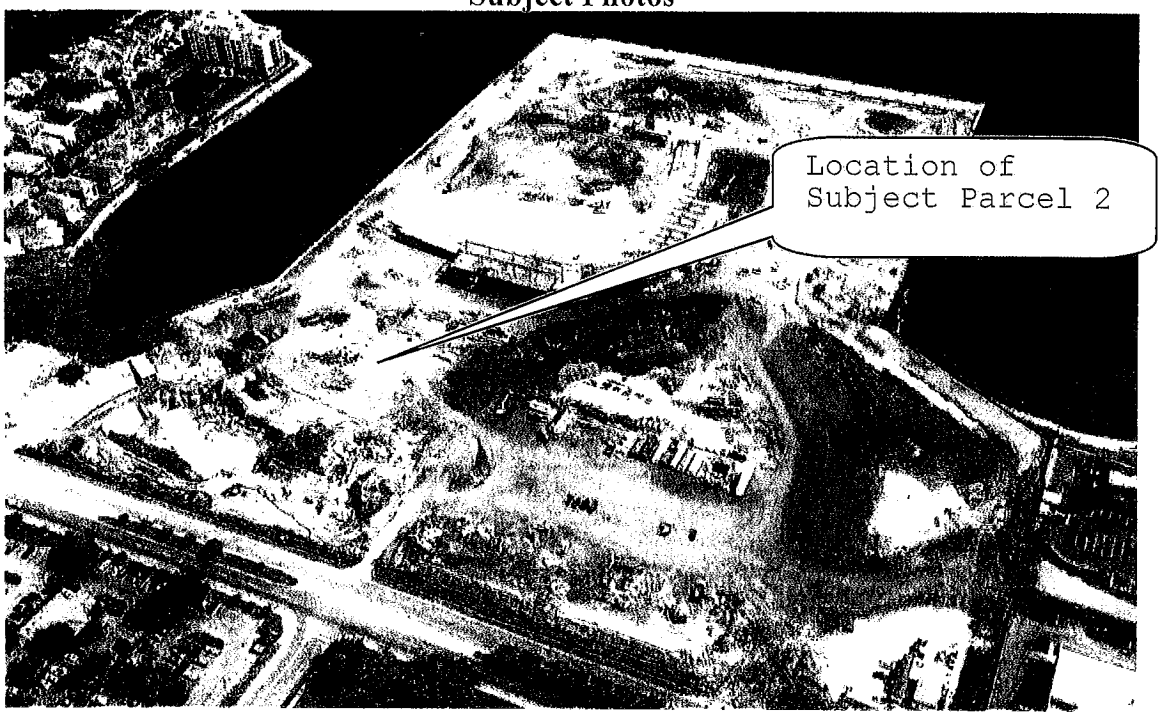


General Pensacola Area Map



Downtown Pensacola

Subject Photos



Aerial Photo

Subject Photo

PART TWO: PREMISES OF THE APPRAISAL

ASSUMPTIONS AND LIMITING CONDITIONS

1. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.
2. The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.
3. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.
9. It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
10. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
11. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
12. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.

ASSUMPTIONS AND LIMITING CONDITIONS (Cont'd.)

13. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
14. Any proposed improvements are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.
15. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations of land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
16. The value indication gives no consideration to the extraordinary foundation costs that might be associated with a specific building type, as this can vary widely depending on the structure constructed.

POLICY STATEMENT OF THE APPRAISAL INSTITUTE

1. It is improper to base a conclusion or opinion of value upon the premise that the racial, ethnic or religious homogeneity of the inhabitants of an area or of a property is necessary for maximum value.

2. Racial, religious, and ethnic factors are deemed unreliable predictors of value trends or price variance.

3. It is improper to base a conclusion or opinion of value or a conclusion with respect to neighborhood trends upon stereotyped or biased presumptions relating to the effective age or remaining life of the property being appraised or the life expectancy of the neighborhood in which it is located.

PURPOSE OF APPRAISAL

The purpose of this appraisal is to estimate the 'as is' market value of the subject property. The objective of this report is to present the data and reasoning used to form this opinion of value.

USE OF APPRAISAL

This appraisal is being prepared for use by the client and property owner for marketing purposes.

MARKET VALUE DEFINITION AND IMPLICATIONS

The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States:

> "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:
>
> A. Buyer and seller are typically motivated;
>
> B. Both parties are well informed or well advised and each acting in what they consider their own best interest;
>
> C. A reasonable time is allowed for exposure in the open market;
>
> D. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto;
>
> E. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."[1]

[1] Appraisal Institute, *The Appraisal of Real Estate*, 13th Edition. (Chicago, Illinois: Appraisal Institute, 2008), pg. 24-25 & 12 CFR Part 34.42 (g).

MARKET RENT DEFINITION AND IMPLICATIONS

Market rent is defined as:

> "The rental income that a property would most probably command in the open market. It is indicated by the current rents that are either paid or asked for comparable space with the same division of expenses as of the date of the appraisal"[2]

Net rent is further defined as:

"Refers to a lease in which the tenant pays all operating expenses for the real estate"[3]

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[2] Appraisal Institute, *The Appraisal of Real Estate*, 13th Edition. (Chicago, Illinois: Appraisal Institute, 2008), pg. 453

[3] Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 4th Edition. (Chicago, Illinois: Appraisal Institute, 2002), pg. 244.

DATE OF VALUE AND OF PROPERTY INSPECTIONS

The property was last inspected on February 17, 2012 which is also the date of value. This report is being prepared on February 17, 2012.

PROPERTY RIGHTS APPRAISED

The property rights appraised are those of a Fee Simple estate. "Fee Simple Estate" has been defined as:

> "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."[4]

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[4] Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 4th Edition. (Chicago, Illinois: Appraisal Institute, 2002), pg. 113.

SCOPE OF THE APPRAISAL

In an effort to meet your requirements as well as conforming to the Uniform Standards of Professional Appraisal Practice (USPAP), a visual inspection was made of the subject land and improvements. Notes were taken of the property for the description write-ups found within this report. Further, I was provided with land size information that is being relied upon as being accurate.

In addition to the physical inspection, research was conducted on a regional and neighborhood basis in an effort to identify trends and factors, which have an effect on area property values. Once these trends and factors were identified, a highest and best use analysis was conducted.

Upon determination of the land's highest and best use, similar land sales were researched for use in the sales comparison approach to value. The land sales were extracted from the public records information, confirmed with one of the parties to the sale, and then written up in detail. Various adjustments were made for differences and the values were then reconciled into a final value opinion of the fee simple interest. As this is the valuation of land, the cost and the income approaches to value will be eliminated. As no reasonable appraiser would utilize these two approaches in the valuation of land, their elimination would have no negative effects on the reliability of the final value opinion.

In addition to the fee simple market value, I also conducted a survey of area developers who are active in land leasing. They identified their required returns and typical net lease structures which are identified within this report in an effort to give the Community Maritime Park Associates guidance for potential land lease negotiations.

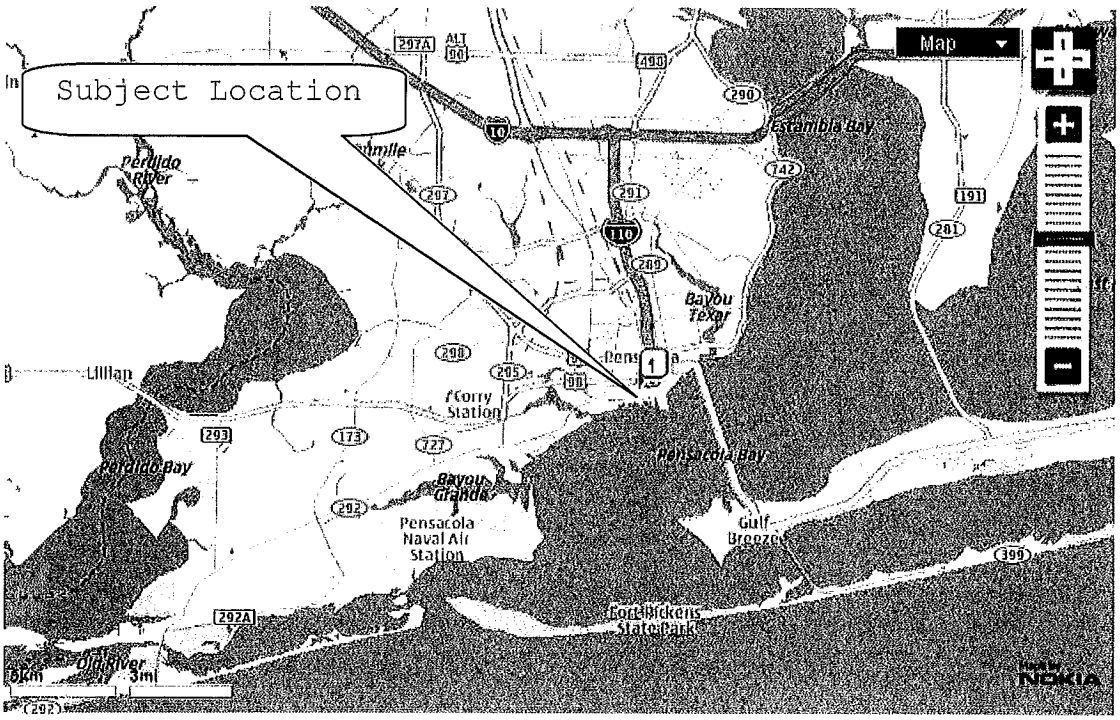
This report was prepared for the Community Maritime Park Associates, Inc. who is also the intended user. The intended use is for marketing. The date of value is the last date of inspection, which was February 17, 2012 and the value opinion is that of the Fee Simple interest.

PART THREE: PRESENTATION OF DATA

IDENTIFICATION OF THE PROPERTY

PROPERTY ADDRESS:	The subject Maritime Park Parcel 2 is located between Spring Street and Reus Street along the north side of Cedar Street in the City of Pensacola, Florida.
LEGAL DESCRIPTION:	I was not provided with a specific legal description but the subject property is referred to as Maritime Park Parcel Two including a total land area of 80,005 square feet.
CURRENT OWNER OF RECORD:	The current owner is identified as the City of Pensacola.
TYPE OF OWNERSHIP:	Fee Simple
PHYSICAL:	According to the information that was provided, the property includes a total land area of 1.84 acres or 80,005 square feet. It is currently vacant and can be developed to its highest and best use. The site is zoned "WRD" Waterfront Redevelopment District allowing for a wide variety of residential and commercial uses including mixed uses. The subject property previously had storage tanks on the site that were said to have contaminated the land. The site includes a minimum 2 feet of "clean cap" that cannot be disturbed. The cap can be overlaid by foundations, parking lots or other impervious surfaces and an impervious surface can substitute for the cap if permanently installed during the construction of the cap. The highest and best use of the parcel would be a mixed use or commercial use that would take advantage of the available water views.

GENERAL AREA LOCATION MAP



There are four basic interrelated forces that influence the value of a property: Social/population trends; economic changes and adjustments; governmental controls and regulations; and physical or environmental changes. These forces are considered in every phase of the evaluation and valuation process but are best discussed in the General Area Data and Neighborhood Data sections of the report. The subject's general area is considered the Pensacola Metropolitan Statistical Area (MSA), which includes the City of Pensacola and the nearby communities of Cantonment, Pace, Milton, and Gulf Breeze, located in Escambia and Santa Rosa Counties. The interrelated forces influencing this general area, as listed above, follow:

General Area Data (Cont'd.)

SOCIAL/POPULATION

Among the more important factors in a market study are the area population trends and the factors that affect the expected future population. The information obtained for the subject's market area of the Pensacola MSA, which consists of Escambia and Santa Rosa counties, was obtained from the United States Census Bureau.

The Pensacola MSA has a year 2010 population estimate of 463,704, based on projections by ESRI and quoted by the *STDB (Site to do Business)* which is up from the 2000 Census of 412,153. This average increase per year of 1.25% is expected to continue into the future with current estimates for the year 2015 being 477,280. The average household size is 2.5 people per residence and there currently are an estimated total of 174,044 households. The median income for 2010 is indicated to be $47,574.

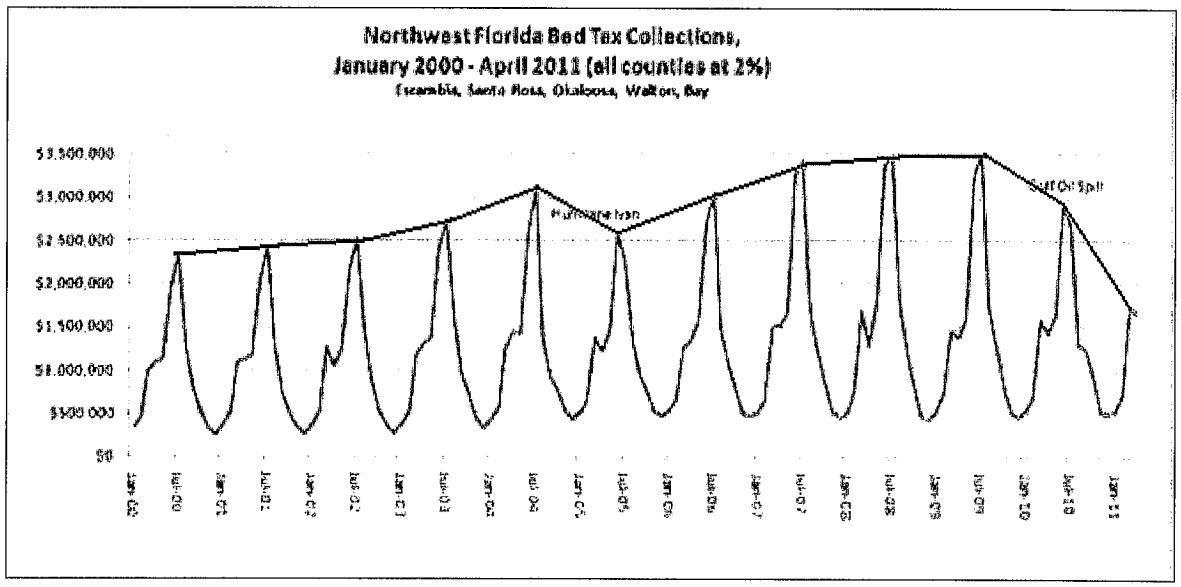
Some of the motivation behind the area population growth is the increasing size of the area military bases. The U.S. Government has been downsizing and closing military bases all over the world as well as within this country. Rather than being downsized, the Pensacola area bases have been realizing net gains as departments and personnel from closed bases are being relocated to this area. The Naval Air Station (NAS) Pensacola website http://www.globalsecurity.org/military/facility/pensacola.htm stated there were more than 9,600 military personnel and 6,800 civilians working in the Escambia and Santa Rosa County areas.

An additional explanation behind the Pensacola area growth is the location in the "Sunbelt" along the Gulf Coast of Florida. The sugar white beaches and clear waters of the Gulf of Mexico attract thousands of visitors every year. Realizing the area benefits (year-round sunshine, warm temperatures, no snow); many of these visitors choose to make Pensacola their permanent home.

Tourism in the general area is one of the largest industries in the area, along with the military. To capitalize from the growing number of tourist, the county has a local "bed tax" that produces additional revenue from the number of tourist staying in the various hotels and motels throughout the county.

General Area Data (Cont'd.)

As illustrated by graph below, bed tax collections in Northwest Florida have been increasing since 2000, with the only noticeable decline due to Hurricane Ivan, which struck the Gulf Coast in September 2004 and the most recent man made disaster, the BP Horizon Deep Well Oil Spill in April 2010.



Source: Haas Center for Business Research and Economic Development

After Hurricane Ivan, tourism rebounded in 2006 and was steadily increasing, reaching a decade high in 2009. The trend was expected to continue, even in lieu of the recent economic decline, that was affecting most of the country. However, when oil and tar balls began reaching the shore along Louisiana, Mississippi, Alabama and Florida (Gulf Coast region only), tourism was directly affected and the amount of bed taxes collected declined drastically. Prior to the oil spill, the early 2010 bed taxes collected were very similar to the record year of 2009. Both March and April of 2010 indicated a higher bed tax amount collected than in March and April of 2009. However, beginning in May 2010, the actual bed tax amount collected plummeted due to the oil spill. The Northwest Florida area has since rebounded and the 2011 bed taxes increased 20% over 2010.

General Area Data (Cont'd.)

In mid-July of 2010, the damaged well in the Gulf of Mexico had been capped and there was no longer any significant amount of oil flowing into the Gulf waters. The majority of oil that was spilled into the Gulf, was either collected or evaporated away before making land fall along the pristine beaches of the Gulf Coast. This was crucial, as it prevented long term damage to the tourism industry. As 2011 began, there was renewed hope for the return of tourism to the Gulf Coast area. In Escambia County, the early reports from 2011 (January through October) indicate a return of tourism, based on bed tax collections, to levels equivalent to the record breaking levels of 2009. Comparing the amount of bed taxes collected in Escambia County from January through June of 2009 with the bed taxes collected in that same time period in 2011 for Escambia County, bed taxes increased approximately 23% over the record levels set in 2009. This has renewed optimism and should aid in the overall outlook for the general area.

Considering the previously mentioned population growth estimates, the population increase for the Pensacola MSA over the next five years is expected to be 13,576 people. This represents an increase of 5,430 new households (1,086/Year) broken down as follows: 71% owner occupied, 24% Renter occupied, and 12% Vacant. This vacancy rate may be somewhat misleading as many of the coastal homes and condominiums are vacation homes that are only seasonally occupied.

The condominium market is largely made up of absentee owners. Looking at a list of owners from a typical development such as the Emerald Isle Condominium shows owners from Indiana, Louisiana, Florida, Virginia, Georgia, Washington, Tennessee, Arkansas, Alabama and Mississippi, to name a few. As the condominium market is made up of such a large segment of the United States population, local single-family housing occupancy statistics would have little impact on condominium prices. The real estate market, however, has been sluggish both on a local and national level recently, which has impacted second home-condominium purchases and consequently prices have decreased since their peaks that were realized between 2005 and 2006.

General Area Data (Cont'd.)

As with most markets, the Escambia County/Santa Rosa County general area experienced a housing bubble between 2004 and 2005. In an effort to demonstrate the current status of the Escambia and Santa Rosa housing market, statistical information was obtained from the Pensacola Association of Realtors' Multiple Listing Service (PARMLS). While the PARMLS does not account for all sales, it is a good representation of what is going on in the local market. PARMLS sales for condominiums, single-family homes, and residential lots (< 1/2 acre) were researched within the two-county area and included in the following chart.

Average Sales Trends						
Year	Condo Sales		Single-Family Sales		Resid. Land (< ½ Acre)	
	# Sales	Average $	# Sales	Average $	# Sales	Average $
1999	380	$159,713	4,637	$115,204	404	$42,527
2000	382	$161,598	4,613	$122,217	401	$45,957
2001	403	$168,911	4,985	$122,912	464	$46,960
2002	528	$200,121	5,848	$130,036	669	$53,323
2003	693	$270,403	6,548	$138,965	776	$59,831
2004	728	$362,597	7,145	$160,720	1,250	$77,397
2005	581	$433,302	7,363	$193,541	933	$117,890
2006	496	$466,266	6,181	$191,681	442	$74,570
2007	473	$464,035	5,053	$189,213	271	$80,055
2008	352	$457,653	4,035	$176,619	181	$97,985
2009	432	$320,678	4,213	$163,707	165	$68,990
2010	358	$290,072	3,843	$155,025	261	$75,167
2011	555	$278,018	4,064	$157,064	255	$68,656
1/2012 Active Listings	496	$364,658	2,922	$213,909	1377	$88,336

The number of sales and average sale price in each category indicated fairly consistent increases from 1999 through 2003 and then peaked between 2004 and 2005. After 2006, the number of sales in the condominium and housing markets began to return to pre-2003 trend levels while the average price per sale remained above the average from 2003. The number of

General Area Data (Cont'd.)

lots being sold in 2009 was lower than at any point in the last decade, but even in the lot market, the average sale price has remained above the level from 2003 and the number of sales in 2010 and 2011 showed a significant increases above the low point in 2009.

According to the PARMLS, in January of 2012 there were 2,922 single-family homes listed in the two-county area, which represents an inventory of about 9 months based on sales from 2011. Also in January of 2012 there were 496 condo units listed in the two-county area, which represents an inventory of about 11 months based on sales from 2011. Area economists indicate new home construction is necessary once housing inventories reach a nine-month supply, which would indicate new home construction is necessary and lot absorptions should see increases as a result.

There were 1,377 single-family lots (<1/2 acre) listed in the PARMLS in January of 2012 within the two-county area. Based on historical sales from 2011 in this category, the listings represent a five year inventory; however, with new home construction expected to speed up the area lot absorption, this supply may not take that long to be absorbed.

ECONOMIC CHANGE AND ADJUSTMENTS

In addition to considering the area's population and expected increases, a commercial study should also consider area economics. Even if the population continues to increase, the new population must be able to afford the area goods and services; therefore, it becomes necessary to look at the economic conditions and the projected economic future.

According to the U.S. Bureau of Labor Statistics, the Escambia County unemployment rates were 10.2% and the Santa Rosa County Rates were 9.2% as of November of 2011, while the State average was 9.8%. The services sector is the primary employer in the Pensacola MSA at 46.9%, as reported by the STDB's most recent information (2010). The retail trade is the secondary source of

General Area Data (Cont'd.)

employment with 12.8% of the workforce, construction is 11%, finance/insurance/real estate is 6.5%, and manufacturing makes up 5%. Area tourism is a component of both the services sector and the retail trade.

Some of the top area major employers in the Pensacola MSA include Baptist Health Care (3,500); Sacred Heart Health Systems (4,100); University of West Florida (2,400); Lakeview Center (1,500); Gulf Power Company (1,400); Solutia Inc. (1,300); West Florida Regional Medical Center (1,300); Navy Federal Credit Union (1,200); Pensacola Christian College (1,078); West Corporation (800); Medical Center Clinic (725); International Paper (600); Santa Rosa Medical Center (573); and Pensacola News Journal (520).

Gulf Power, the area's power company, is actively buying up 4,000 acres of land in the north end of Escambia County for a new power plant that will likely replace the existing coal burning Christie Plant found along the Escambia River in northern Pensacola. According to Sandy Sims, Gulf Power's Economic Development Manager, Gulf Power has already purchased 3,000 acres and has the remaining 1,000 acres under contract or identified for the new plant. It is not yet known if the new plant will be a natural gas plant or a nuclear plant but they expect to finalize their plans by 2014. Replacing the coal plant with a cleaner energy plant will aid in cleaning up Escambia Bay and will help the area's air quality.

The cost of living in the area is also one of the lowest in the country. National studies, which rate American cities for their desirability, commonly rate Pensacola's MSA near the top of the pack due to the low cost of living and high quality of life. The most recent report for the annual income per capita for the Pensacola MSA was $33,338 (2008), and the median household income was $47,932.

In conclusion, the Pensacola MSA is considered to have a strong economic base, which is expanding. The area's U.S. Naval and Air Force bases are considered to have a solid future. Tourism is a large factor in the economic success of the area, and, in spite of hurricane related

General Area Data (Cont'd.)

setbacks in the past decade, recovery efforts have proven successful. The after effects of the recent oil disaster in the Gulf of Mexico will hopefully dissipate now that the leak has been capped. The total economic impact of the oil disaster has yet to be measured; but area beaches have the appearance of being clean and, similar to the area's historical recovery success from hurricane related disasters, it is expected that the area will recover successfully from the oil disaster, as well.

GOVERNMENTAL CONTROLS AND REGULATIONS

A general area analysis of a growing area would not be complete without considering the area's government and its outlook on future expansion. If the local government is anti-growth, laws can be enacted which would stifle development and population growth. On the other hand, if the government is pro-growth, taxes, zoning, agencies, and personnel can be used by the government to promote new business development, creating a larger economic base and additional population growth, which would support the existing and planned development of income producing properties. The Pensacola MSA governing bodies are pro-growth organizations.

The Escambia County government is a five man Board of Commissioners elected every four years by their district. They appoint a County Administrator who oversees the county budget and operations.

Pensacola has a City Council and "Strong Mayor" government with 9 council members elected to two-year terms. The Mayor is also voted in for a two year term. The City and County currently have zoning ordinances in effect covering the southern region of the county. The County also has a State required Future Land Use Plan which is designed to ensure organized growth over its 20 year life. This plan is reviewed every five years to ensure that it is keeping up with area needs. The plan can also be petitioned for changes. The major topics handled in the plan include consistency, environmental, threatened and endangered species, land use approval on site plans, concurrency, and permitting.

General Area Data (Cont'd.)

General revenues are raised through an ad valorem tax system. The Escambia County Appraisers Office assesses the property at "just value" which is a percentage of market value that is supposed to be about 85% of market value; however, we have seen it range from 20% to 85%. The area property taxes are among the lowest in the state, which makes it more affordable for new business development. The City of Pensacola has established a Community Redevelopment Administration (CRA), which is responsible for improving the look of the city. The CRA receives a portion of the taxes collected in the downtown district and utilizes these funds for infrastructure improvements (streets, sewer lines, water lines, parks, etc.). By upgrading the look of the city, the appeal also increases attracting additional business development and tourist dollars increasing the economic and population base.

The County and City governments also work closely with private businesses in efforts to attract additional business to the area. The government's development of structures such as the Civic Center, the Saenger Theater and the Creative Arts Center aid in drawing convention business to the area. Over the past several years, convention traffic has increased at a rate of about 30% per year bringing new visitors to the area who aid in strengthening the area's economic base; however, with the down turn in the economy convention traffic has slowed. The economic base is also strengthened by the government's development of industrial parks in which the land is sold to "clean air" industries at very low rates in return for the creation of additional area jobs expanding the economic and population base.

The Emerald Coast Utilities Authority (ECUA) recently relocated their Pensacola downtown wastewater treatment plant to the northern area of Escambia County. This project was an estimated $316,000,000 new development project that started in 2007 and was completed in December of 2010. The new state of the art facility will create the ability for additional industrial development in the north end of the County and the water reclamation will be used for industrial purposes, greatly reducing overall water consumption. No affluent will be dumped into the area

General Area Data (Cont'd.)

bays, so area water quality will be expected to increase once the current plant that does dump into the bay is closed. The downtown sewer plant is now closed and improvements are being dismantled so that the site can be sold to private interests. This will also pave the way for a large redevelopment project in the downtown Pensacola area across the street from the Maritime Park project that is under construction.

On more of a regional basis, the Pensacola Regional Airport was recently renamed the Pensacola International Airport. There is also a new International Airport developed to the east in Bay County near the Walton County line. This project was constructed on about 2,000 acres donated by the Saint Joe Company and was completed in the fall of 2010. These airports will provide the region with direct flights that are expected to aid in increasing the tourist populations.

In conclusion, the local governmental agencies aid in the development of the Pensacola MSA. Zoning, along with the Future Land Use Plan, is used to insure organized, homogeneous growth, which adds to the area's appeal. The low taxes and affordable real estate are also enticing factors for future prospective businesses. The government's willingness to aid in the development of the economic base also creates a stronger population base.

LOCATION AND PHYSICAL FACTORS

The location and physical factors of the area are important, as they are a major impetus in the relocation of Navy personnel, as well as the growth of new businesses and the civilian population. Available land, good weather, water, and recreational aspects are all factors considered by a potential future resident of the area. If these factors are congenial, they will aid in the growth and stability of the area.

Escambia County has a land area of approximately 661 square miles and an additional water area of 100 square miles. The altitude ranges from sea level to 120 feet above sea level. The eastern boundary of the county is the Escambia River and Escambia Bay. The western boundary is the

General Area Data (Cont'd.)

Perdido River and Perdido Bay. Neither river is a navigable waterway to the extent of contributing to the economy. Santa Rosa County adjoins Escambia County to the east and has a similar size and physical characteristics. Escambia and Santa Rosa Counties are located in the extreme northwestern portion of the state, being in what is called the "Panhandle" of Florida. Geographically, this MSA is located approximately 230 miles east of New Orleans, Louisiana; 250 miles south of Birmingham, Alabama; 350 miles southwest of Atlanta, Georgia; and 375 miles east of Jacksonville, Florida.

The City of Pensacola covers approximately 23 square miles of land in the southeastern part of Escambia County and the smaller cities of Gulf Breeze, Milton, and Pace are bedroom communities for Pensacola. The annual mean temperature is 69 degrees with an average rainfall of 62 to 87 inches. With an abundance of clear skies and warm weather, Pensacola is considered part of the "Sun Belt" of the United States. The "Sun Belt" states, especially Florida, have been growing in population faster than other areas of the United States in recent years.

One of the probable reasons for continuous growth of the Pensacola MSA is its accessibility. Pensacola is served by four major highways, which provide access to the north, east, and west. U.S. 90 (which runs from the East Coast of Florida to Texas), Interstate 10 (which runs from the Atlantic Ocean to the Pacific Ocean), U.S. 98 (which runs from the East Coast of Florida to Mississippi) and U.S. 29 (which runs from Pensacola to Washington, D.C.). The Interstate 110 spur connects with Interstate 10 just west of Davis Highway and runs to downtown Pensacola's Business District, connecting with U.S. Highway 98.

Pensacola International Airport is owned and operated by the City of Pensacola. Handling over 1.5 million passengers in 2011, Pensacola International is the largest airport between New Orleans and Jacksonville, and the premier gateway to the Florida Gulf Coast.

The natural deep-water harbor of Pensacola Bay, along with the large expanse of protected waters and the Gulf of Mexico, create an ideal training area for the U.S. Navy. These waterways also add to the area's economy through the Pensacola's Municipal Port Facilities handling cargo

General Area Data (Cont'd.)

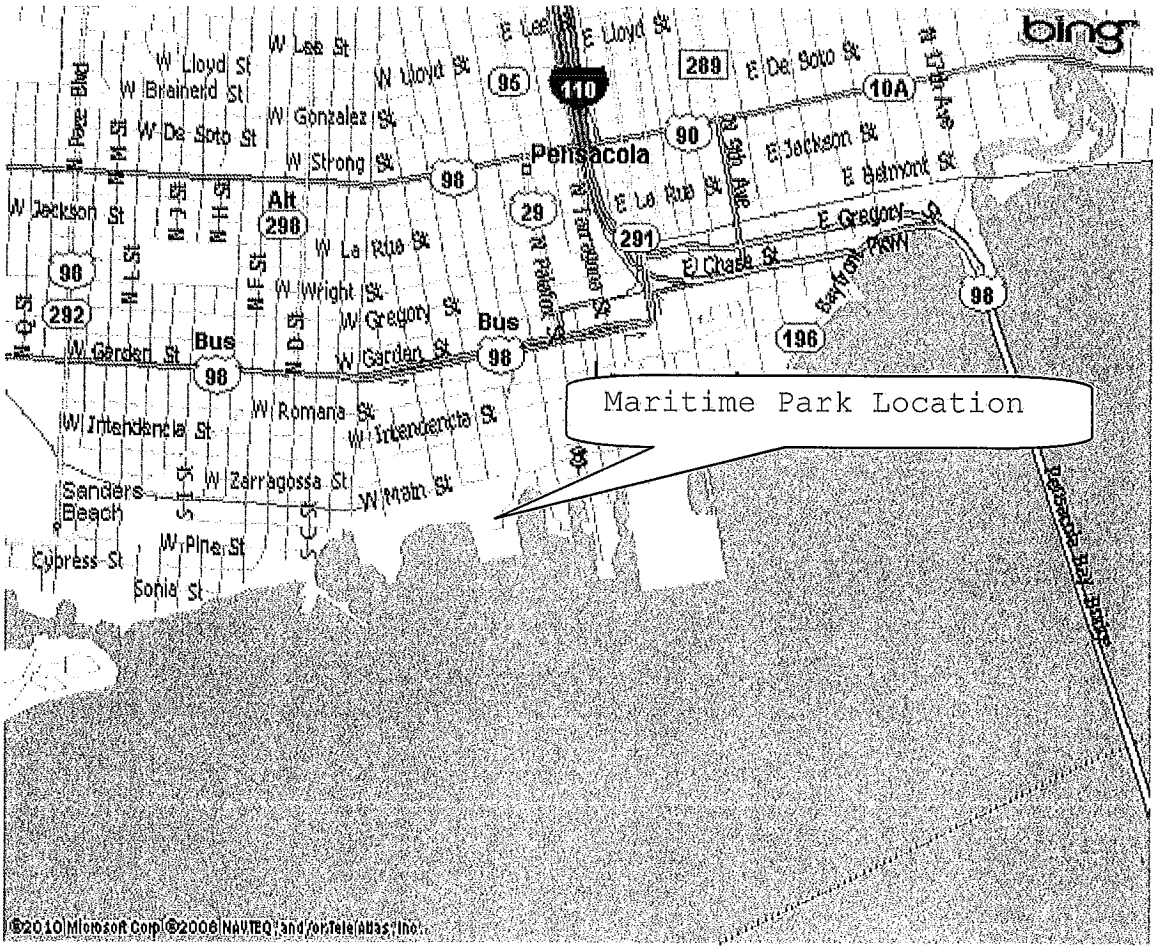
shipments to and from all parts of the world. Rail service also aids in the support of the port facilities with spurs running to the docks. While the southern and eastern most areas of Pensacola are nearly fully developed and are blocked from additional growth by the bays and Gulf of Mexico, there is plenty of developable land in the general area. The western and northern land areas of Escambia County and the Pace and Gulf Breeze areas of Santa Rosa County are the locations of current development and have proven to be popular among the new residents coming to the area. There is plenty of available land remaining for future growth for years to come.

Overall, the area's physical characteristics are considered a real asset for the general area of Pensacola. There is plenty of available land for additional business and residential development. The beaches and waterways create ideal recreational facilities for newcomers. The moderate temperatures and year-round sunshine also entice a large number of new businesses to the area, which aid in creating a larger population.

GENERAL AREA DATA CONCLUSION

In 2010, tourism in Northwest Florida had been hurt by the Gulf oil spill, but the beaches are still desirable and were only temporarily affected by the oil, as clean up efforts have been successful. The 2011 season realized increases of 20%, indicating the tourism trade is strongly rebounding and the area tourism councils are increasing marketing efforts to insure continued growth. The Pensacola MSA is considered to have a steady and positive outlook because of the expanding population and tourist industry. The re-development of the Maritime Park property and the Old Sewer Treatment property in downtown Pensacola will aid in creating additional new life to the area. Gulf Power and ECUA are expanding their operations to insure that growth can continue from an infrastructure standpoint.

Neighborhood Location Map



NEIGHBORHOOD ANALYSIS

A neighborhood is defined in *The Dictionary of Real Estate Appraisal*, Fourth Edition 2002 as: "A group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises."[5] Neighborhood boundaries are defined because properties within neighborhoods tend to be similar in characteristics with regard to land use, desirability, and are affected by similar physical, economic, governmental and social forces.

The subject neighborhood is considered to be the portion of the Pensacola area within the Pensacola City limits. This area's boundaries are considered to be, but are not limited to, Fairfield Drive to the west, Pensacola Bay to the south, Escambia Bay to the east, and Bayou Boulevard to the north.

Major north/south arterials within this area include I-110, Palafox Street, Pace Boulevard, Fairfield Drive, 9th Avenue, and Scenic Highway. Major east/west arterials include Bayou Boulevard, Cervantes Street, Garden Street, Main Street, and Bayfront Parkway. These arterials provide convenient and quick access within the subject neighborhood as well as other portions of the Pensacola MSA.

The subject property is located in the downtown Business District of Pensacola, which includes typical private office buildings, government office buildings, courthouses, restaurants, shops and bars. There is also an historic district that includes a variety of residential and commercial buildings constructed around 200 years ago around several public parks. The majority of the buildings have been completely renovated and act as an additional tourist draw for the community. Festivals are held throughout the year in the many downtown parks. The main tourist draw is Pensacola Beach, found about four miles to the south and provides white sand beaches, clear water and numerous hotels, shops, condominiums and homes.

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5 The Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 4th ed. (Chicago, Illinois: Appraisal Institute, 2002), pg. 193.

Neighborhood Analysis (Cont'd.)

There have been a number of new developments in the Downtown area of Pensacola, and a summary of the most significant of them follows. The proposed Vince Whibbs, Sr. Community Maritime Park, previously known as the Trillium property located between Main Street and Pensacola Bay, at the south end of Baylen Street. The project is currently under construction and will feature an expansive public waterfront park; a community multi-use facility suitable for baseball and other athletic events, festivals and other community activities; conference center; commercial; office; retail; residential; restaurant; entertainment; promenades; parking and all necessary ancillary uses, including infrastructure and site improvements.

Located to the northwest of the Maritime Park property is the old sewage treatment facility. The ECUA constructed a new state of the art treatment facility in the northern end of Escambia County and is now actively demolishing the old Main Street facility. This large parcel will eventually be sold for redevelopment purposes that should further enhance the desirability of the downtown area.

The Palafox Pier Restoration Project is a mixed use development located at the southern end of Palafox Street at the former location of the Municipal Auditorium. This project includes a 92-slip marina, a 7,200 square foot Harbormaster Building that is currently leased, the Icehouse Building with 21,000 square feet of office space currently leased and occupied by Merrill Lynch and EmCare. The City was said to have invested $1.2 million in public infrastructure improvements with the mixed-use development being a combination of public and private funds.

The Palafox Pier & Yacht Harbour condominium development built in 2002 consists of two 35,206 square foot, four story buildings and a pedestrian plaza (park). Each building includes 7,500 square feet of retail/office space on the ground floor with four parking garages, 10,606 square feet of office space on the second floor and one-story and two-story condo units on the third and fourth floors.

Neighborhood Analysis (Cont'd.)

In addition to the new development or redevelopment of this area downtown, several of the older buildings downtown were completely gutted and renovated for excellent quality office space. Two of the more recently redeveloped buildings are located along Main Street, west of Commandencia Street, purchased in 2000 and 2001 and redeveloped the following year. In addition, two other buildings are being completely renovated along Palafox and Main Streets for new commercial uses.

There are four large multi-story office buildings in the downtown area. These buildings include the SunTrust Bank Building containing approximately 103,955 square feet, Harborview containing approximately 74,240 square feet, Southtrust Bank building containing approximately 77,400 square feet and One Pensacola Plaza containing approximately 108,997 square feet. Average occupancy in these buildings is above 90%. There are also several other multi-tenant office buildings in the neighborhood that are reflecting occupancies from 80% to 90%.

With the exception of the redevelopment efforts along Palafox Street, new development in downtown Pensacola has been sluggish in recent years due to the down turned national economy. Several of the condominium and mixed-use projects that had been planned prior to 2006, have been put on hold as developers wait for the area real estate market to improve. Very little commercial waterfront land has been sold in the Pensacola area since January of 2007, and what has been sold was priced drastically below the prices being received prior to 2006. This is not unique to Pensacola, but has been the case all along the Northwest Florida coastline. Since January of 2009, the only waterfront sales that have taken place have been distressed, mostly forced by immanent foreclosure. Waterfront landowners who have the financial ability to hold their property for future development are not attempting to sell, and are waiting for the real estate market to improve before proceeding with their development plans.

Neighborhood Analysis (Cont'd.)

The Pensacola Community Redevelopment Agency has been working through this sluggish time to promote Pensacola and bring people into the downtown area daily. Among the initiatives recently introduced, a Facade Improvement Program targeted for ground floor retail storefronts began in 2008/2009. The Retail Storefront Facade Improvement Program is part of an overall redevelopment program to improve the quality of life in the downtown area of the City of Pensacola and is designed to assist property and business owners in rehabilitating the facades of ground floor retail storefronts. This effort is being promoted to create a positive visual impact, stimulate private investment, and complement other community revitalization efforts. Participants are eligible to receive a rebate in the form of a loan, forgivable over a five (5) year period, for rehabilitation purposes upon the completion of their Project.

The newest project that is ongoing in the downtown area is the Technology Park, which is located directly south of the Civic Center. The City of Pensacola, along with Escambia County has provided the land and will sell the land to private individuals who plan to develop the area with buildings designed for companies requiring the latest in technology and the needed infrastructure. In part with this development, the City of Pensacola created a large regional storm water retention lake located on the north side of Bayfront Parkway and on the east side of 9th Avenue at Admiral Mason Park. This will allow for vacant properties to the north to be fully developed without the requirement of storm water run-off on site. The overall design is a public park with the storm water retention lake landscaped and designed for public appeal and there is a walking path surrounding the lake and tasteful landscaping.

Overall, the subject's neighborhood is following the path of other downtown locations around the country, which have been revitalized and now project a positive image for the community. These past trends are expected to continue with the help of private developers and the City of Pensacola resulting in the new life cycle of the neighborhood. There are also several condominium buildings planned for the future in the downtown area, which will aid in the need

Neighborhood Analysis (Cont'd.)

for additional commercial support facilities. Continued revitalization efforts and increasing populations should place upward pressure on area property values and rents as the national economy recovers. With the past trends expected to continue, the subject neighborhood is considered to have a bright future.

SITE DESCRIPTION

For better visualization of this narration, please refer to the preceding drawings and following photographs.

PHYSICAL LOCATION:	The subject Maritime Park Parcel 2 is located between Spring Street and Reus Street along the north side of Cedar Street in the City of Pensacola, Florida.
AREA:	According to the information that was provided to me, the subject Parcel 2 includes a total land area of 80,005 square feet or 1.84 acres.
SHAPE:	The site has a slightly irregular shape that is roughly rectangular and offers good utility.
DIMENSIONS:	None of the information provided included property dimensions.
INGRESS/EGRESS:	As shown by photographs and maps, the property fronts along the north side of Cedar Street, the west side of Spring Street and the east side of Reus Street, all secondary access roads that provide access to Main Street a major access road. The subject property offers good ingress and egress and has good exposure to Main Street.
TOPOGRAPHY:	The subject has level topography above street grade and no areas of wetlands.
FLOOD DATA:	FEMA Map 12033C 0390G, effective September 29, 2006, Zone "AE" requiring a base minimal elevation of 7 feet. I am told that the elevation has been built up above this minimal required elevation but with all properties found near the water, flood insurance is suggested for any improvements.
DRAINAGE:	The land appears to be well drained with no standing water or wetlands noted.

SITE DESCRIPTION (Cont'd.)

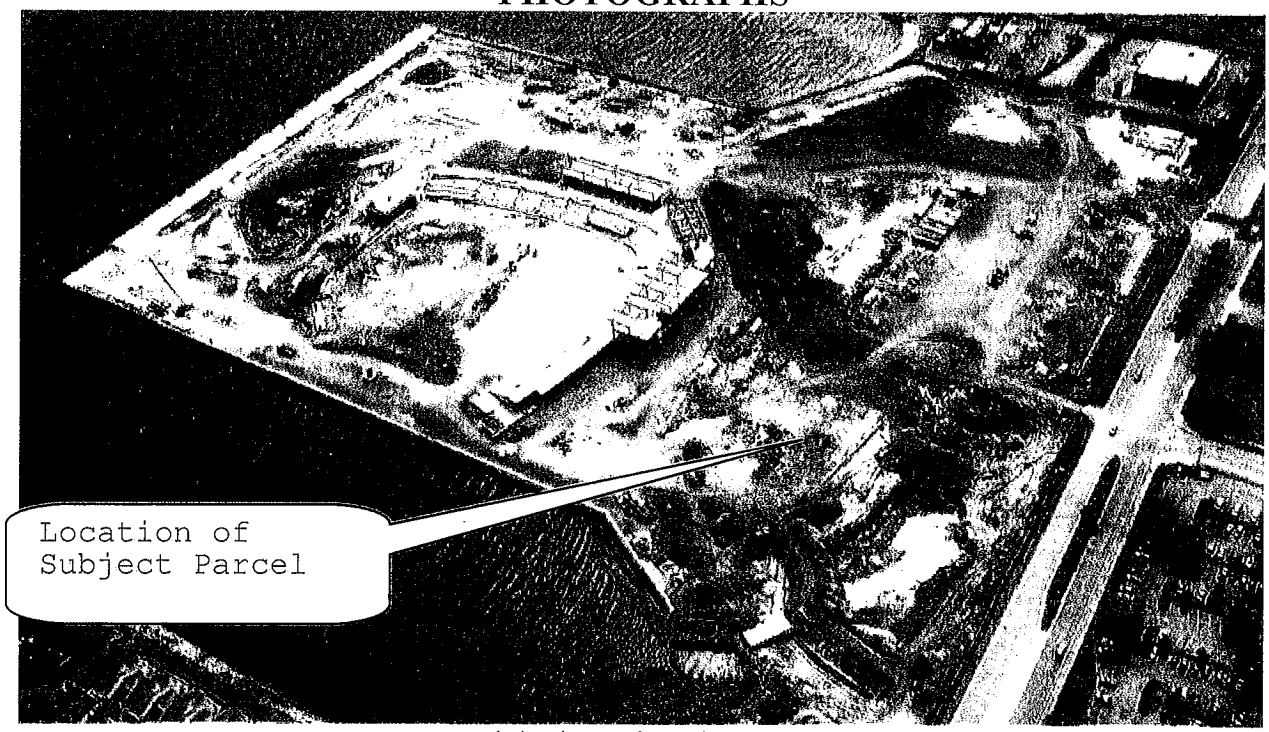
SOIL COMPOSITION:	The subject site has been filled with a red clay soil; however, I was informed that there is not a stable base and any multi-story structure constructed would require pilings that would have to extend down about 82 feet to connect to the hard pan. This could affect the lands value, as this could add to the cost of construction.
UTILITIES ON SITE:	All public and private utilities will be available to the subject site.
SITE IMPROVEMENTS:	The subject site is vacant and available to be developed to its highest and best use.
EASEMENTS:	I was not provided with a survey of the subject site nor a title report so it is assumed that there are no easements that would negatively affect the subject site's value.
ENCROACHMENTS:	I was not provided with a survey of the subject site nor a title report so it is assumed that there are no encroachments that would negatively affect the subject site's value.
RESTRICTIONS:	The site includes a minimum 2 feet of "clean cap" that cannot be disturbed. The cap can be overlaid by foundations, parking lots or other impervious surfaces and an impervious surface can substitute for the cap if permanently installed during the construction of the cap. The only other known restrictions are those imposed by zoning laws by the City of Pensacola.
CONCLUSION OF CONFORMITY:	The subject site is found within the Maritime Park development in the downtown area of Pensacola. The land is 1.84 acres or 80,005 square feet in size, offers good utility and is zoned for a mixed use development. While it has no water frontage, it offers views of Pensacola Bay and the new multi-use stadium. A mixed use development consisting of commercial and/or residential improvements that take advantage of the maximum heights allowed would mix well with the downtown area.

PHOTOGRAPHS

Developing Reus Street Looking South with Subject Parcel on the Left

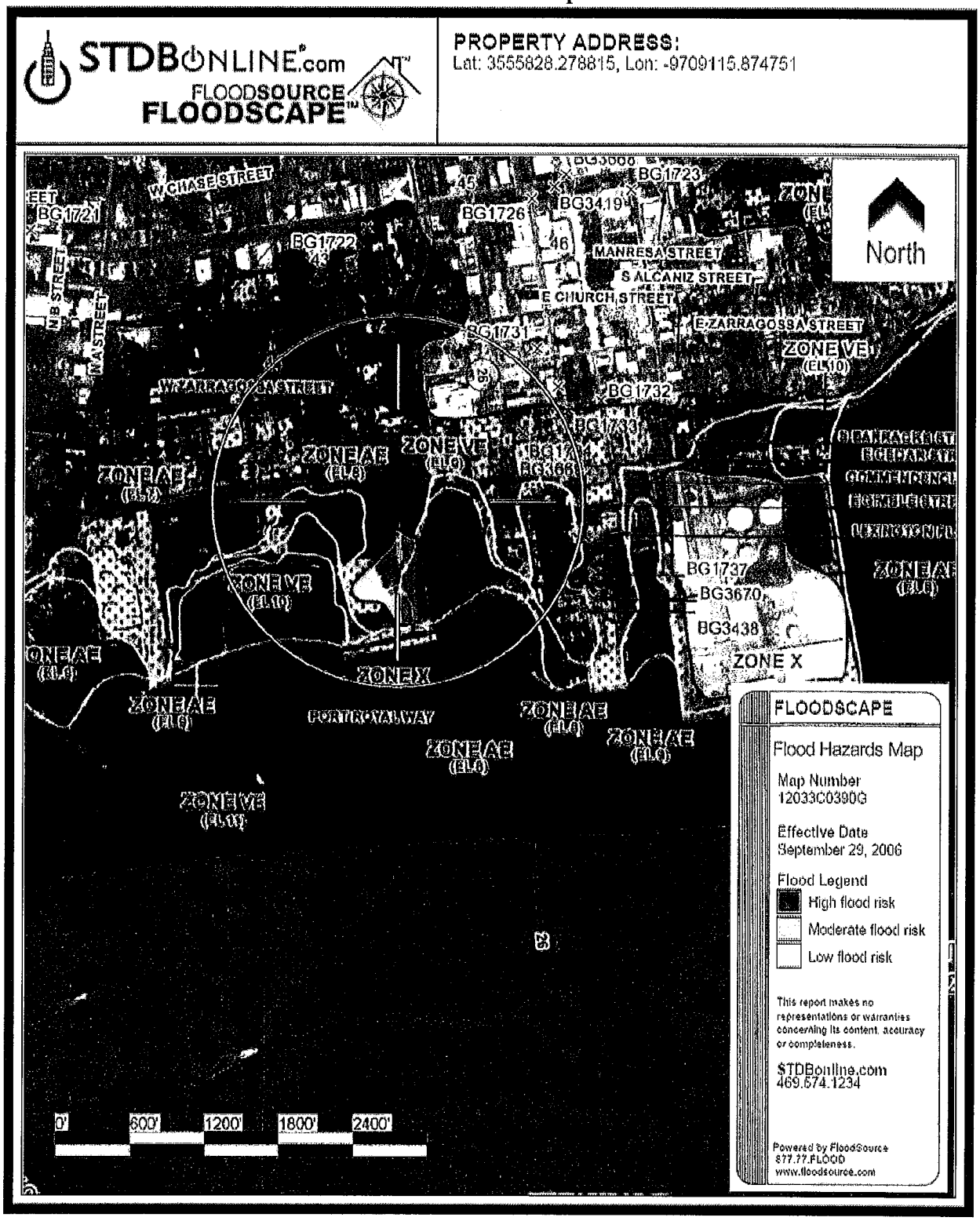
Developing Spring Street Looking South with Subject Parcel on Right

PHOTOGRAPHS

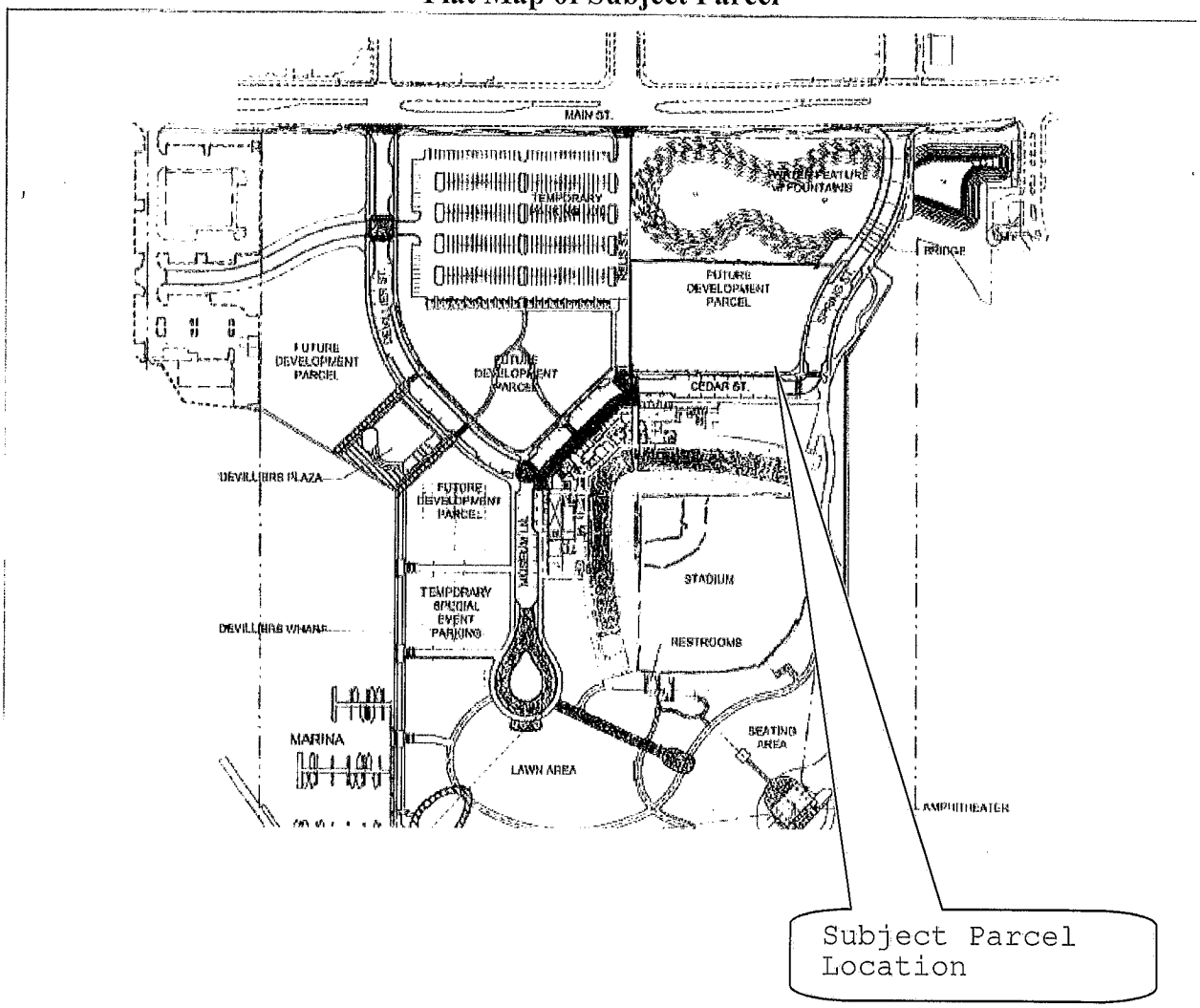


Aerial View of Subject Parcel

Flood Zone Map



Plat Map of Subject Parcel



LAND USE PLANNING & ZONING

Properties within the City limits of Pensacola are governed by the City's Zoning Ordinances. The City has typical zoning classifications with the subject property being within the "WRD" Waterfront Redevelopment District. The specific wording for this district follows.

(1) *Purpose of district.* The waterfront redevelopment district is established to promote redevelopment of the city's downtown waterfront with a compatible mixture of water-dependent and water-related uses which preserve the unique shoreline vista and scenic opportunities, provide public access, create a cultural meeting place for the public, preserve the working waterfront activities historically located in the waterfront area, and encourage a high quality of site planning and architectural design. Site specific analysis of each development proposal within the district is intended to ensure that the scenic vistas and marine-oriented image of the district are maintained, that the development character of the waterfront is upgraded and that the boundaries of the adjacent special districts are positively reinforced.

(2)Uses permitted.

(a) Single-family residential (attached or detached) at a maximum density of seventeen and four-tenths (17.4) units per acre. Multi-family residential at a maximum density of sixty (60) dwelling units per acre.

(b) Home occupations, subject to regulations in section 12-2-33

(c) Offices.

(d) Libraries and community centers opened to the public and buildings used exclusively by the federal, state, county and city government for public purposes.

(e) Hotels/motels.

(f) Marinas.

(g) Parking garages.

(h) The following retail sales and services:

1. Retail food and drug stores (including package liquor store).
2. Personal service shops.
3. Clothing stores.
4. Specialty shops.
5. Banks.
6. Bakeries whose products are sold at retail on the premises.
7. Antique shops.
8. Floral shops.
9. Health clubs, spa and exercise centers.
10. Laundromats.
11. Laundry and dry cleaning pick-up stations.

LAND USE PLANNING & ZONING (Cont'd.)

12. Restaurants.
13. Studios.
14. Art galleries.
15. Sale or rental of sporting goods or equipment including instructions in skiing, sailing, or scuba diving.
16. Boat rentals waterside only with limited upland storage.
17. Bars.
18. Commercial fishing.
19. Ferry and passenger terminals.
20. Cruise ship operations.

(i) Family day care homes licensed by the Florida Department of Children and Family Services as defined in the Florida Statutes.

In this zoning district, the maximum building height is 60 feet and the maximum lot coverage is 75%. The only noted setback requirements are 30 feet from the waterfront and 60 feet from main street. In summary, a wide variety of uses or mixed uses are possible for the subject site and it is large enough to accommodate any number of legally allowable uses.

PUBLIC AND PRIVATE RESTRICTIONS

Public restrictions as to "use" are discussed within the preceding zoning section. No plat, deed or other private restrictions are known to the appraiser.

ENVIRONMENTAL CONCERNS

I was informed by Edward Spears, Neighborhood & Economic Development Administrator with the Community Development Department of the City of Pensacola, that the subject property was once improved with oil tank facilities. These tanks were removed in the 1980's but were said to have contaminated the land. Mitigation work has been conducted and new fill dirt has been added. The site must include a minimum 2 feet of "clean cap" that cannot be disturbed. The cap can be overlaid by foundations, parking lots or other impervious surfaces and an impervious surface can substitute for the cap if permanently installed during the construction of the cap. It is assumed that this solves the contamination problem and that the land would be suitable for all varieties of commercial uses and residential uses. The above is a very important assumption and limiting condition to the appraisal.

TAXES AND ASSESSMENT ANALYSIS

The subject is assessed by Escambia County as a larger 60.69 acre parcel under parcel I.D. number 00-0S-00-9100-002-028 for $4,983,700 or $82,117.32/acre. With the subject site being 1.84 acres, its allocated portion of the overall assessment would be $151,095. As this is City owned property there are no taxes.

FIVE YEAR HISTORY

Past Sales – There have been no sales of the subject property in the past five years.

Listings – The property is currently not listed for sale.

Offers – There is a group currently interested in the subject property but to my knowledge no offers have yet been made.

Pending Sales – There are no pending sales.

Rents – The property has never been rented.

PART FOUR: ANALYSIS OF DATA AND CONCLUSIONS

HIGHEST AND BEST USE

A brief definition of the term "highest and best use" would be:

> "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."[6]

Implied within this definition is recognition of the contribution of that specific use to community environment or to community development goals in addition to wealth maximization. Also implied is that the determination of highest and best use results from the appraiser's judgement and analytical skills, i.e., that the use determined represents an opinion, not a fact.

The Highest and Best Use section of this report is the pivotal point in the appraisal process. All previous data is used to test the four criteria of: (1) legally permitted, (2) physically possible, (3) economically feasible, and (4) maximally productive.

LAND AS THOUGH VACANT

Legally Permissible - All legally permissible uses should be analyzed when considering a site's highest and best use. The existing zoning regulations allow for a mixed use that can include a wide variety of commercial uses to include retail, restaurants, bars, offices and multi-family residential uses or a combination of any of these uses. The height of any development would be restricted to 60 feet and the maximum impervious area of any development would be limited to 75% of the entire site.

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[6] American Institute of Real Estate Appraisers, *The Dictionary of Real Estate Appraisal*, Third Edition, 1993, pg. 171.

HIGHEST AND BEST USE (Cont'd.)

Physically Possible - Of the legally permissible adaptations of the site, those physically possible uses require consideration and analysis. The size and location of the parcel are important aspects of value. The appraised site (as a whole) contains 1.84 acres, or 80,005 square feet. The land has a slightly irregular shape but offers good utility. It offers no water frontage but has unobstructed and obstructed water views of Pensacola Bay and the new multi-use Maritime Park Stadium. The soils are said not to be stabile and could require a development to have pilings that extend down about 82 feet to reach a hard pan to insure settling will not occur. The maximum impervious area that can be developed on this site would be 60,003 square feet (75% of the total land area). All of the physical factors are conducive to a mixed use development but the piling requirement would be a negative factor that will have a negative effect on the property value.

Financial Feasibility - Of the legally permissible and physically possible adaptations of the site, only those uses which are financially feasible should be considered. Residential rental properties are currently in strong demand with occupancy rates and rental rates increasing. Additionally, downtown commercial properties are in strong demand with several recently renovated properties noted and several others in the process of renovation. Additionally, vacant parcels are actively being purchased for new development. These factors would indicate that a new commercial or mixed use development would be a financially feasible use of the subject site.

Maximally Productive - The financially feasible use which results in the greatest return to the land is the one which is considered to be the highest and best use of the land. A mixed use development consisting of commercial and residential uses that take maximum advantage of the land and its views would be considered the highest and best use of the subject property.

HIGHEST AND BEST USE (Cont'd.)

Conclusion – Highest and Best Use As Vacant

Probable Use:	Mixed Use consisting of commercial and residential uses taking maximum advantage of the available land and views.
Timing for use:	Immediately
Probable buyer/user:	The probable buyer would be a developer or end user.

HIGHEST AND BEST USE AS IMPROVED

The subject property is vacant and can be developed to its highest and best use as previously identified.

EXPOSURE TIME

A brief definition of the term "exposure time" would be:

> "The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market."[7]

Based on the sales found within this report and conversations with local market participants, the subject's exposure time is estimated to be from 6 to 12 months. This exposure time assumes the sale to have been handled by a knowledgeable real estate broker familiar with the subject real estate market.

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[7] Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 3rd ed. (Chicago: Appraisal Institute, 1993), pg. 220.

MARKETING TIME

A brief definition of the term "marketing time" would be:

> "The time it takes an interest in real property to sell on the market subsequent to the date of an appraisal."[8]

Based on the sales found within this report, current listings and conversations with local market participants, the subject's marketing time is estimated to be from six to twelve months. This marketing time assumes the sale to be handled by a knowledgeable real estate broker familiar with the subject real estate market. It also assumes aggressive real estate sales tactics and readily available contacts active in the subject real estate market.

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[8] Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 3rd ed. (Chicago: Appraisal Institute, 1993), pg. 220.

THE VALUATION PROCESS

There are three (3) commonly accepted approaches to value: The Cost Approach, Income Approach, and Sales Comparison Approach. All three utilize market derived information and are "market driven" approaches, as will be shown in the analysis.

The Cost Approach is a summation of land value and improvement value. The land is valued as though vacant and available for its highest and best use. The improvement is valued by first estimating the reproduction costs new from which all forms of depreciation are deducted. Depreciation can be both from deterioration and obsolescence. Obsolescence is further categorized as functional or external. The analysis of obsolescence, based on the highest and best use analysis, accounts for deductions necessary if the improvement is not adequate for the site.

The steps for the Income approach are to first estimate an economic rent for the subject. This analysis is made even if the property is owner occupied. From the gross potential income there is first deducted allowance for vacancy and collection loss with further deductions then made for the expenses applicable to the type property being valued. This net operating income is then capitalized into an indication of value through the use of an appropriate capitalization rate.

The Sales Comparison Approach is an estimation of the property value by comparison with recent sales of similar or competitive properties extracted from the subject's market. The "market", rather than being the immediate proximity to the subject, is considered that area, local, regional or even national that would be considered by a prospective buyer of the subject property.

These approaches do not make value. They are merely tools in the hands of the appraiser who must carefully weigh each value indication, give appropriate weight to the approach and reconcile into a final value conclusion. As this is the valuation of vacant land, the only applicable approach would be the sales comparison approach. The other two approaches would be eliminated but their elimination would not diminish the reliability of the final value opinion as they would not typically be considered in the valuation of vacant land.

SALES COMPARISON APPROACH

The sales comparison approach involves direct comparisons to the subject property of similar properties that have sold in the marketplace. The approach consists of searching the market for sales, qualifying the sales prices and terms with one of the participants in the sale, comparing the sales to the subject property for differences, adjusting the sales for those differences and formulating an opinion of value from the adjusted value indications. The improved sales which are utilized will be compared on a cost per unit basis depending on the "typical" unit used by market participants.

The market derived adjustments follow a specific, logical order so as not to skew the results. The adjustments listed in order include: Property rights, financing, condition of sale, date of sale or market conditions, location and various physical adjustments which can be considered together. While an adjustment for each may not be required, they are considered resulting in a comparable unit of measure.

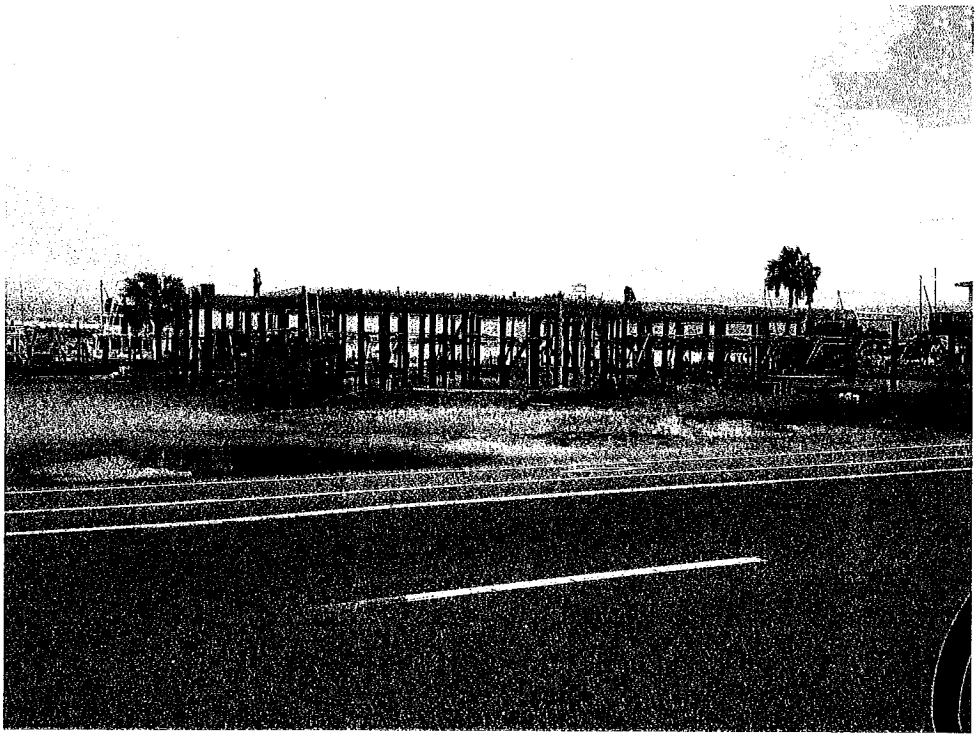
The units of comparison may be physical, such as dollars per square foot of area, or they may be economic, such as gross rent multipliers. These units of comparison yield a pattern which is reconciled and converted to a value indication for the subject via the sales comparison approach.

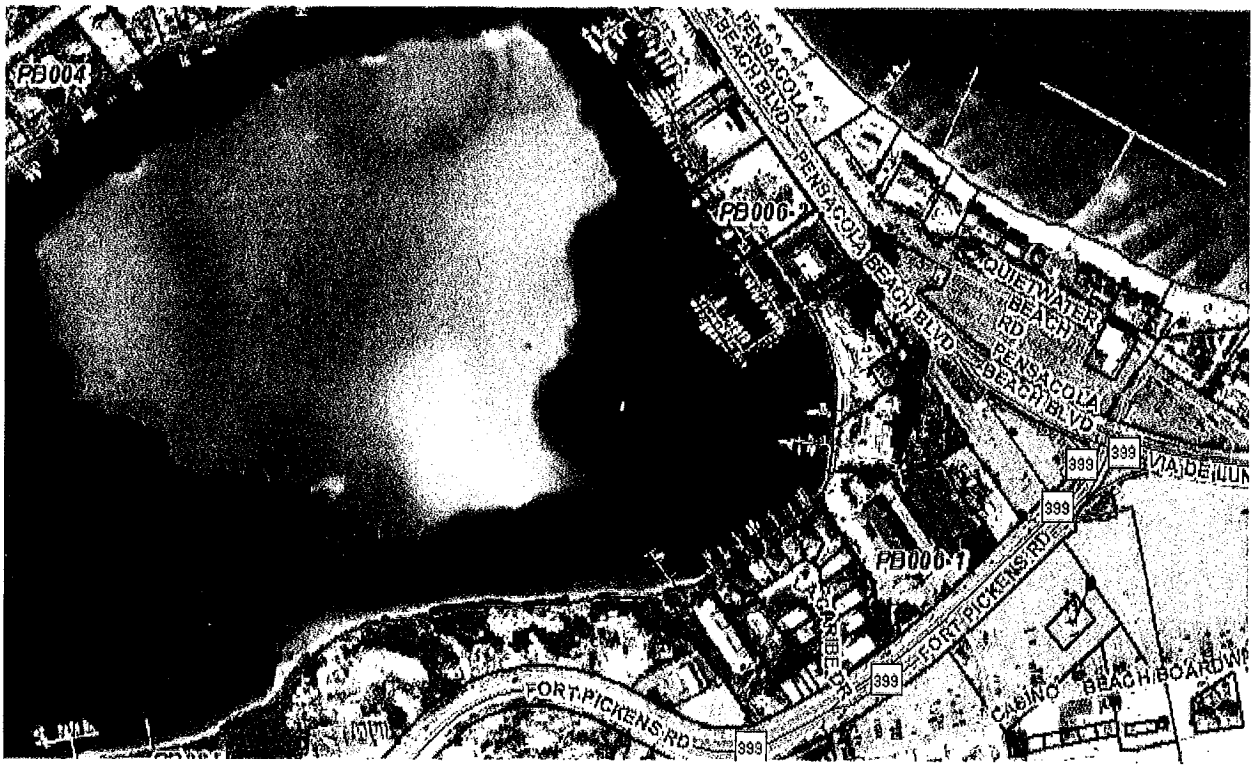
LAND VALUATION

COMPARABLE LAND SALE #1

Location	701 S. Pensacola Beach Boulevard, Pensacola Beach, FL		
Date	December 16, 2011		
Reference	O.R. Book 6798 Page 1005, Escambia County, Florida & MLS Closed Sale #404708		
Grantor	Banktrust		
Grantee	Shaggys Pensacola Beach, LLC		
Legal	Lengthy Parcel ID #28-2S-26-2000-002-001		
Sales Price	$1,000,000		
Rights Transferred	Leasehold with terms similar to Fee Simple		
Financing	Cash Sale		
Condition of Sale	Arm's-length transaction		
Dimensions	250' x 171' x 255' x 227'		
Zoning	"CH-PB", Commercial/Hotel-Pensacola Beach		
Utilities Available	All public and private utilities were available with the exception of gas.		
Size (Square Foot)	49,750 SF	***Price/Square Foot***	$20.10/SF
Size (Acre)	1.14 Acres	***Price/Acre***	$877,192/Acre
Size (Front Foot)	250 FF	***Price/Front Foot***	$4,000/FF
Size (D.U.)	57 DU	***Price/D.U.***	$17,543/Unit
Confirmation	Tom Fruitticher, MAI confirmed this information with Gerry Goldstein (Listing Realtor) (850-501-6262) in December of 2011.		

Comments This property includes 1.14 acres of uplands and an additional lease with the State of Florida for 0.62 acres (26,823 SF) of submerged land that can be used for boat docks. The property offers 250 feet of road frontage along the west side of Pensacola Beach Boulevard, the main entry road onto Pensacola Beach and a similar amount of meandering frontage along Little Sabine Bay, a well protected body of water providing access to the Intracoastal Waterway and the Gulf of Mexico. The land is cleared and has a very gradual slope down to the water. The uplands are all well drained and offer no wetlands. This location is directly across the street from the Portofino Boardwalk, one block from the Gulf of Mexico and in the heart of the commercial district of Pensacola Beach. The property was previously planned and approved for a 57 unit hotel but the buyer has plans to develop the property with a restaurant building, which has been approved. The construction required a piling foundation and the pilings had to be sunk 20 feet and another 15 feet extends above ground for a total piling length of 35 feet. Banktrust foreclosed on this property on 5/27/2010 and it was listed at $1,500,000 for 320 days prior to this sale taking place.

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QUIETWATER BEACH RD
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399
FORT PICKENS RD
FORT PICKENS RD
399
CASINO BEACH BOARDWA

COMPARABLE LAND SALE #2

File	Vacant Commercial Land
R.E. Zone	Pensacola, FL
Location	Southeast corner of Main Street and Palafox Street in Pensacola, Florida
Date	August 15, 2011
Reference	O.R. Book 6754, Page 7, Escambia County, Florida
Grantor	Palafox Quarter, LLC
Grantee	American Fidelity Life Insurance Company
Legal	00-0S-00-9100-010-001; 00-0S-00-9100-050-001; 00-0S-00-9100-070-001.
Sales Price	$840,000
Rights Transferred	Fee Simple
Financing	Cash Sale
Condition of Sale	Arms Length Transaction
Dimensions	Irregular with 123.17' on the south side of Main Street, 272.66' on the east side of Palafox Street and 121.5' on the north side of Cedar Street.
Zoning	"C-2A" Downtown Retail Commercial
Utilities Available	All public and private utilities were available.

Size (Square Foot)	33,105 SF	***Price/Square Foot***	$25.37/SF
Size (Acre)	0.76 Acres	***Price/Acre***	$1,105,263/Acre
Size (Front Foot)	517.33 FF	***Price/Front Foot***	$1,624/FF

Confirmation Tom Fruitticher, MAI confirmed this information on January 24, 2012 with Shawn Keenan of American Fidelity Life Insurance Company, Grantee (850-456-7401) and Brian Spencer, Grantor (850-432-7772).

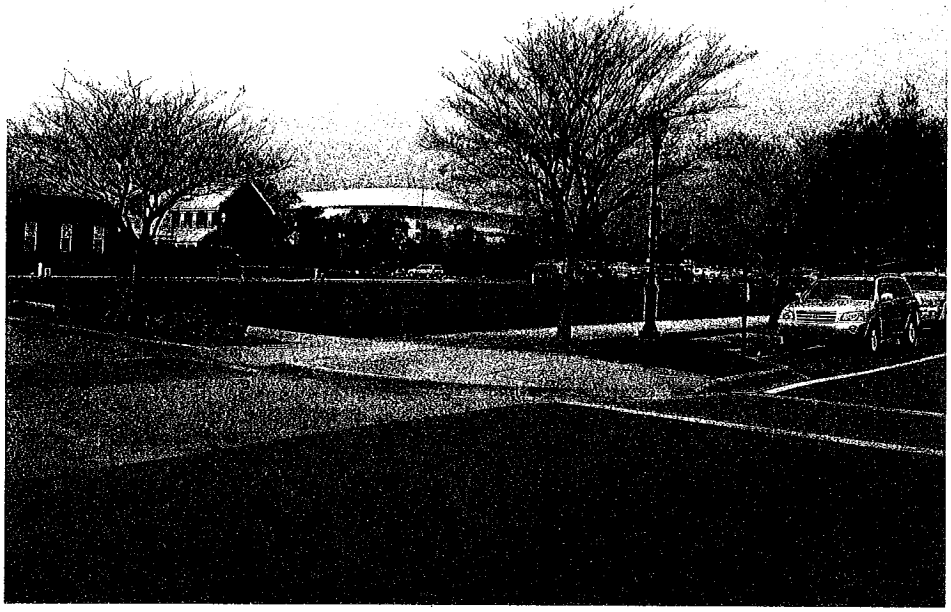
Comments This sale consisted of three adjoining tax parcels located at the southeast corner of Main Street and Palafox Street. Cedar Street also makes up its southern boarder. It is found 2 blocks east of the new Maritime Park property and across the street from a marina that lets out to Pensacola Bay. A development on this site would offer limited water views from the upper floors. The land is level and was cleared at the time of sale. Mr. Keenan stated that they purchased the property for development and at the present time they have not finalized plans but he ultimately expects some type of mixed use development in the future but for now there will be a bank developed on the corner of Palafox and Main. This property was originally purchased by Palafox Quarter, LLC in May of 2005 for $1,500,000 and comparing this 6 year old sale to the more recent one indicates the property value has dropped 44%.

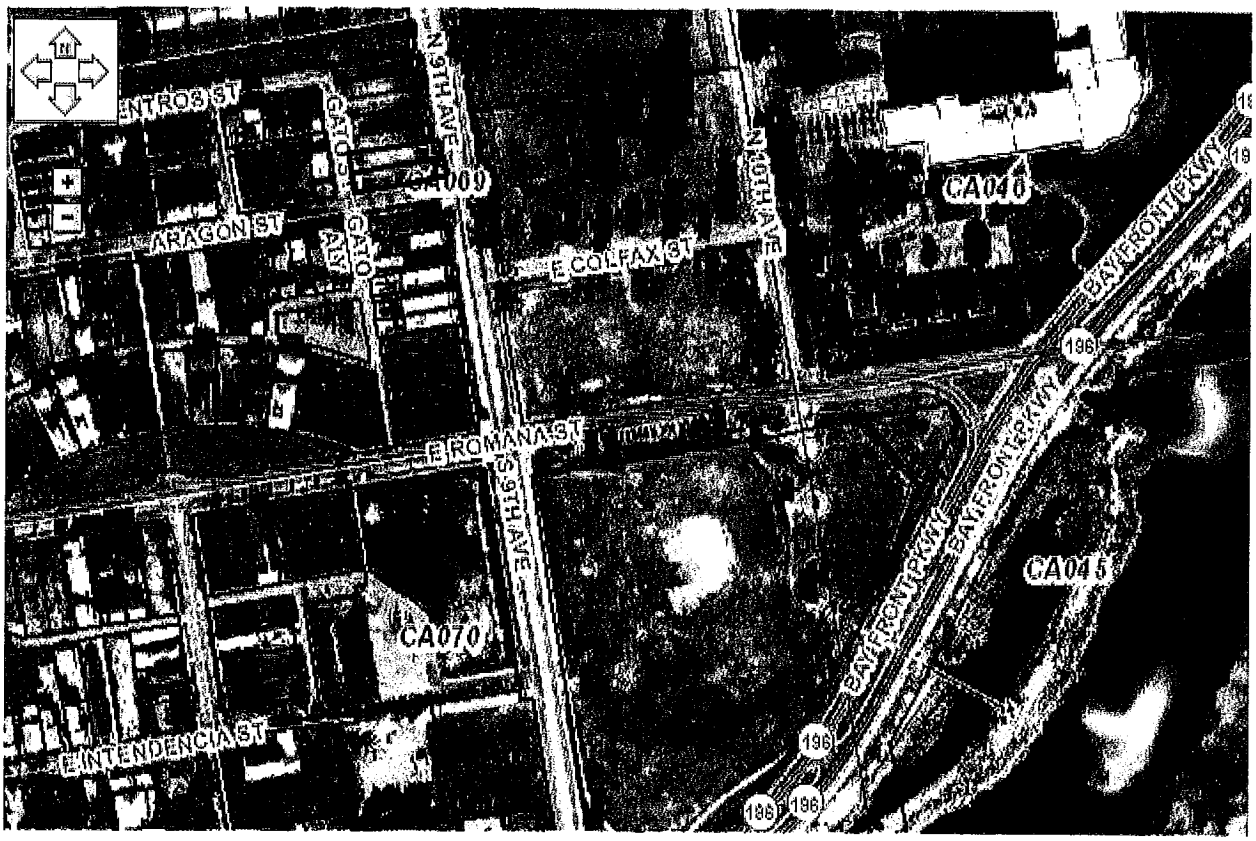
W ZARRAGOSSA
CA074
S BAYLEN ST
E MAIN ST
E CEDAR ST
W CEDAR ST
PORT ROYAL WAY
COMMENDENCIA ST
S BARRACKS ST
E GIMBLE ST
CA073
LEXINGTON PLZ
PINE ST
S JEFFERSON
CA071
A098

COMPARABLE LAND SALE #3

File	Vacant Commercial Land		
R.E. Zone	Pensacola, FL		
Location	Northwest corner of Aragon Street and 9th Avenue in Pensacola, Florida		
Date	February 2, 2011		
Reference	O.R. Book 6686, Page 1065 & 1068, Escambia County, Florida		
Grantor	Robert B. Montgomery		
Grantee	Samer Al-Shurieki		
Legal	Lots 6 & 7, Block "E" of Aragon.		
Sales Price	$170,000		
Rights Transferred	Fee Simple		
Financing	Cash Sale		
Condition of Sale	Arms Length Transaction		
Dimensions	59.38' x 120'		
Zoning	"GRD-1" Gateway Redevelopment District - Aragon		
Utilities Available	All public and private utilities were available.		
Size (Square Foot)	7,126 SF	***Price/Square Foot***	$23.86/SF
Size (Acre)	0.16 Acres	***Price/Acre***	$1,062,500/Acre
Size (Front Foot)	179.38 FF	***Price/Front Foot***	$948/FF
Confirmation	Tom Fruitticher, MAI confirmed this information on January 23, 2012 with Bob Montgomery, Grantor (850-232-7912).		

Comments This property is located within the mixed use area of the Aragon Court development and offers interior to limited water views of Pensacola Bay. The site can be improved with a commercial building, a residential building or a combination of both. This sale is of two adjoining lots that were purchased at the same time and the individual warranty deeds show individual purchase prices of $85,000 each for a combined sale price of $170,000. This property was originally listed for sale in October of 2009 at $160,000/lot. The price was lowered in October of 2010 to $109,900/lot until this sale occurred at $85,000/lot. No other sales were noted in the previous five years.

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E COLFAX ST
N 10TH AVE
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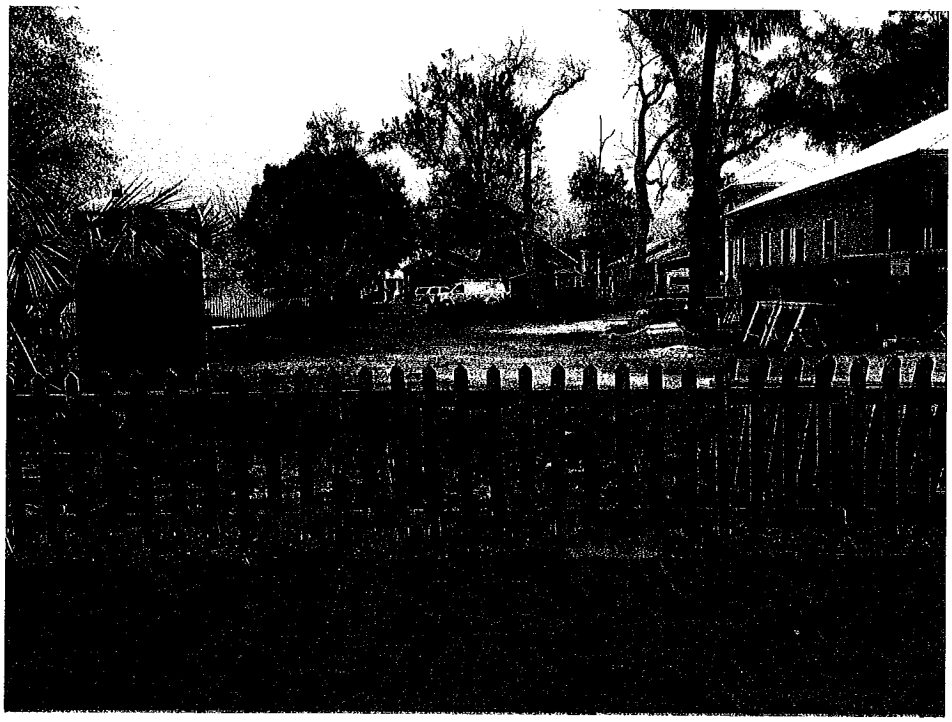
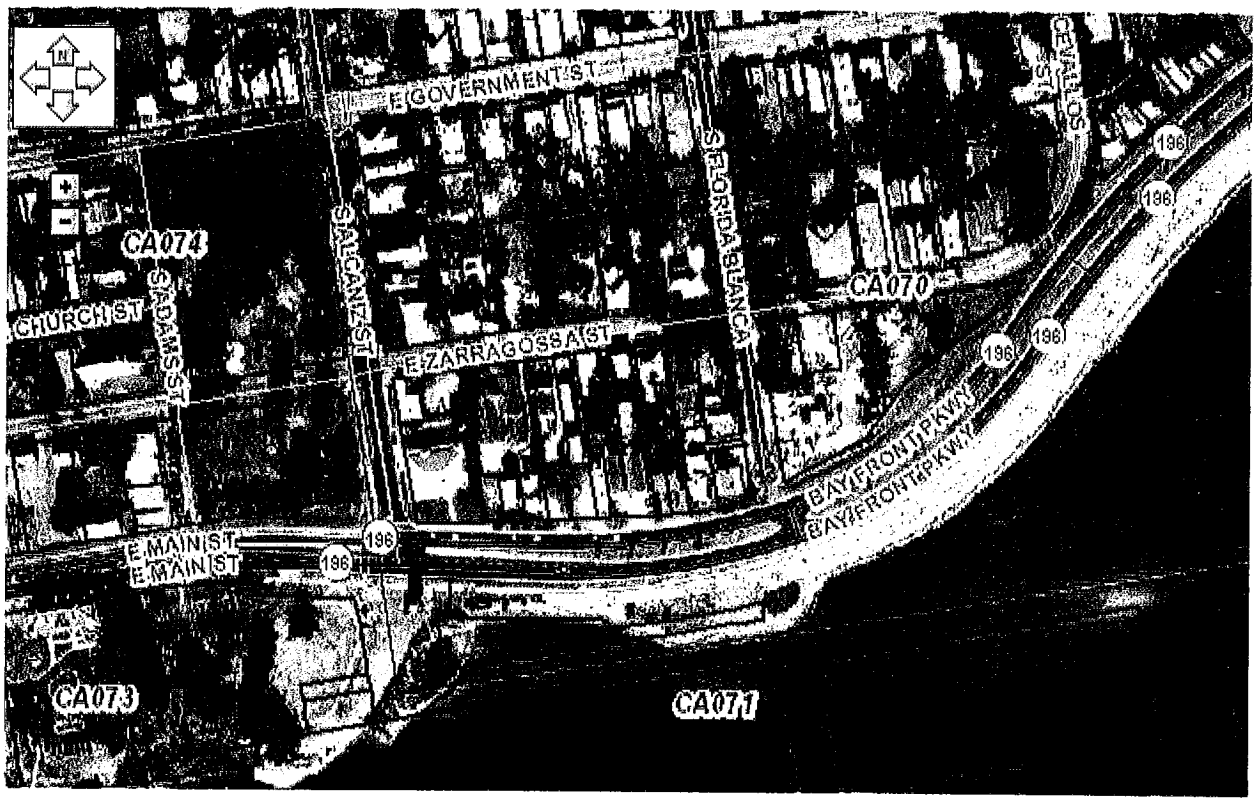
196
E ROMANA ST
S 9TH AVE
CA045
CA070
E INTENDENCIA ST

COMPARABLE LAND SALE #4

File	Vacant Commercial Land		
R.E. Zone	Pensacola, FL		
Location	400 East Zarragossa Street, north side Zarragossa Street between Florida Blanca and Alcaniz Street in Pensacola, Florida		
Date	August 27, 2010		
Reference	O.R. Book 6629, Page 689, Escambia County, Florida		
Grantor	Suzanne J. Wall Trust		
Grantee	Teresa Levin		
Legal	Lot 47 less E. 2 feet of S. 90 Feet and less W. 19 50/100 Feet, Block "9" Old City Tract.		
Sales Price	$225,000		
Rights Transferred	Fee Simple		
Financing	Cash Sale		
Condition of Sale	Arms Length Transaction		
Dimensions	71.5' x 170.97'		
Zoning	"HC-1" Historic Commercial		
Utilities Available	All public and private utilities were available.		
Size (Square Foot)	12,224 SF	***Price/Square Foot***	$18.41/SF
Size (Acre)	0.28 Acres	***Price/Acre***	$803,571/Acre
Size (Front Foot)	71.5 FF	***Price/Front Foot***	$3,147/FF
Confirmation	Tom Fruitticher, MAI attempted to confirmed this information on January 23, 2012 with Teresa Levin, Grantee but was unsuccessful so all of the information about this sale was obtained from public records.		

Comments This property is located within the mixed use area of the Historic Seville Square area. Surrounding and nearby land uses include offices, restaurants and single family homes. The site can be improved with a commercial building, a residential building or a combination of both. This property is located one block north of Pensacola Bay but offers no water views due to the improvements constructed between the Bay and this lot. The land is level and cleared and was previously used for additional parking for the adjoining Jamies Restaurant, which has since closed. No other sales were noted in the previous five years.




E GOVERNMENT ST
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E ZARRAGOSSA ST
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BAYFRONT PKWY
BAYFRONT PKWY
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196
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196
196

COMPARABLE LAND SALE #5

File	Vacant Commercial Land		
R.E. Zone	Pensacola, FL		
Location	434 East Intendencia Street in Pensacola, Florida		
Date	April 5, 2010		
Reference	O.R. Book 6577, Page 1143, Escambia County, Florida		
Grantor	Gail Robinson-Antoine		
Grantee	David & Ann Carver		
Legal	Lot 335, Block 21 less N. 95 feet, Old City Tract.		
Sales Price	$131,500		
Rights Transferred	Fee Simple		
Financing	This property was purchased with a conventional loan with terms indicated to be similar to a cash sale		
Condition of Sale	Arms Length Transaction		
Dimensions	75' x 80'		
Zoning	"HR-1" Historic Residential		
Utilities Available	All public and private utilities were available.		
Size (Square Foot)	6,000 SF	***Price/Square Foot***	$21.92/SF
Size (Acre)	0.14 Acres	***Price/Acre***	$939,286/Acre
Size (Front Foot)	155 FF	***Price/Front Foot***	$848/FF
Confirmation	Tom Fruitticher, MAI confirmed this information on January 23, 2012 with Leslie Banks, Listing Agent (850-380-8433).		

Comments This property is located within the mixed use area of the Historic Seville Square area. Surrounding and nearby land uses include offices, restaurants and single family homes. The site can be improved with up to two residential buildings. This property is located two blocks north of Pensacola Bay but offers no water views due to the improvements constructed between the Bay and this lot. The land is level and cleared and was previously improved with an old home that was badly damaged by Hurricane Ivan and contributed no value to the land. Ms. Banks indicated the cost to remove the structure was $4,500 and this was paid by the buyer after closing to create the vacant lot. No other sales were noted in the previous five years.

CA009
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E ROMANA ST
S 9TH AVE
CEVALLOS ST
CA070
S 9TH AVE
BAY FRONT PKWY
S ALCANIZ ST
E GOVERNMENT ST
BAY FRONT PKWY
BAY FRONT PKWY
196
196
CA074

COMPARABLE LAND SALE #6

File	Vacant Commercial Land
R.E. Zone	Pensacola, FL
Location	223 East Garden Street, Pensacola, Florida
Date	Contract June 1, 2009, Closed on July 10, 2009
Reference	MLS #508876 and O.R. Book 6488, Page 1187, Escambia County, Florida
Grantor	Seville Downtown Inn, Inc.
Grantee	Seville Centre, LLC
Legal	00-0S-00-9001-001-217; 00-0S-00-9001-001-319; 00-0S-00-9001-001-321; 00-0S-00-9001-002-213.
Sales Price	$3,150,000
Rights Transferred	Fee Simple
Financing	Conventional financing in the amount of $2,6310,000 with Hancock Bank of Florida
Condition of Sale	Arms Length Transaction
Dimensions	Irregular with 710' on Garden Street
Zoning	"C-2A" Downtown Retail Commercial and "HC-1" Historic Commercial
Utilities Available	All public and private utilities were available.

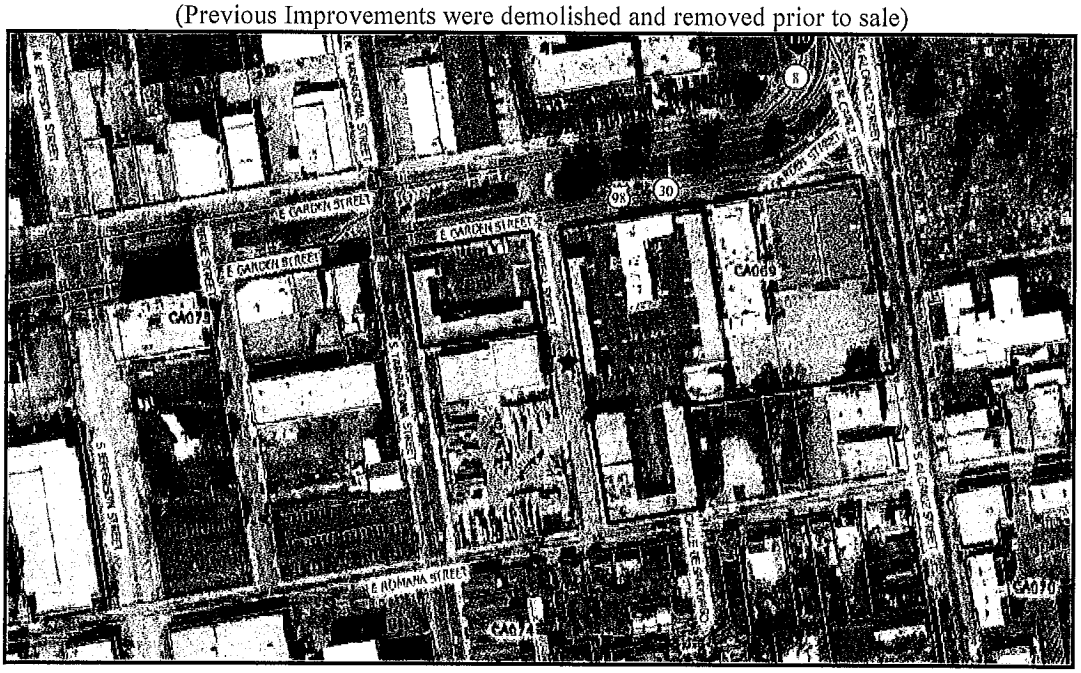
Size (Square Foot)	216,929 SF	***Price/Square Foot***	$14.52/SF
Size (Acre)	4.98 Acres	***Price/Acre***	$632,530/Acre
Size (Front Foot)	710 FF	***Price/Front Foot***	$4,437/FF

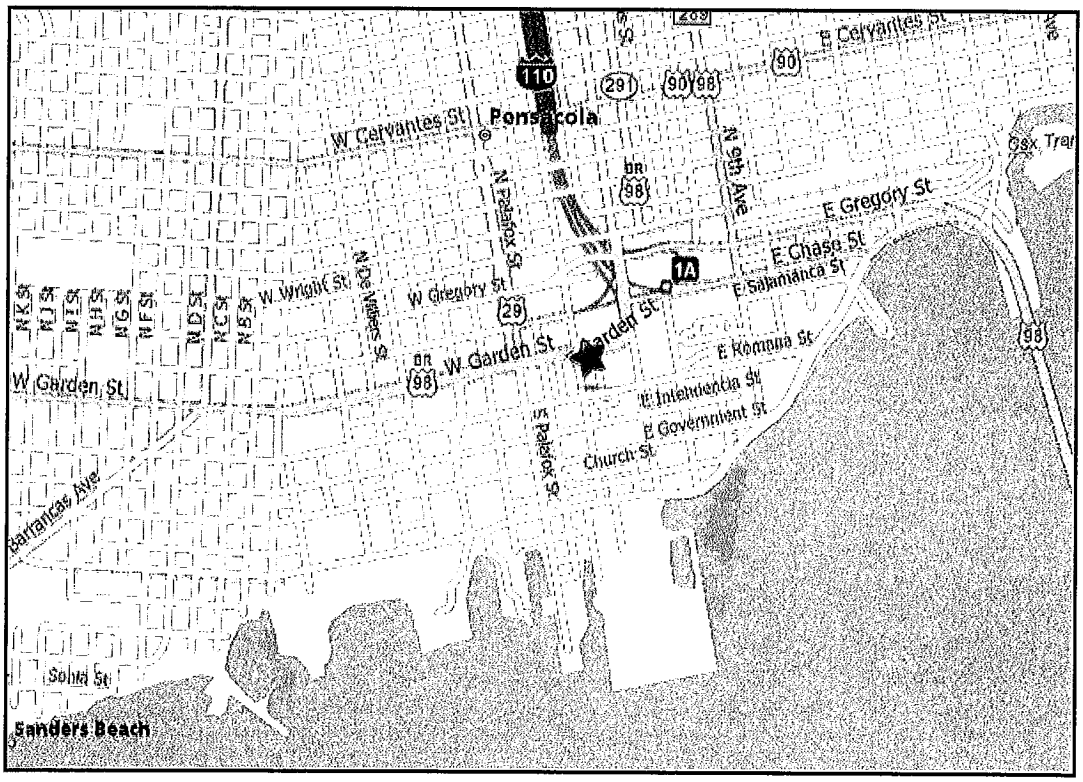
Confirmation Julie Schroeder confirmed this information on June 17, 2009 with Greg Clauson of Coldwell Banker – Destin (850-376-7289), the listing realtor.

Comments This property was previously improved with an older hotel that was demolished and removed prior to being listed for sale in January of 2009. After 135 days on the market, the property was contracted at $3,150,000 with short terms on sale. The property includes five parcels identified by Escambia County under four property ID numbers, with a total of 4.98 acres. The property is being purchased for investment, and will be held for a future purpose that has not been identified. While the aerial photo shows buildings, they have been removed.

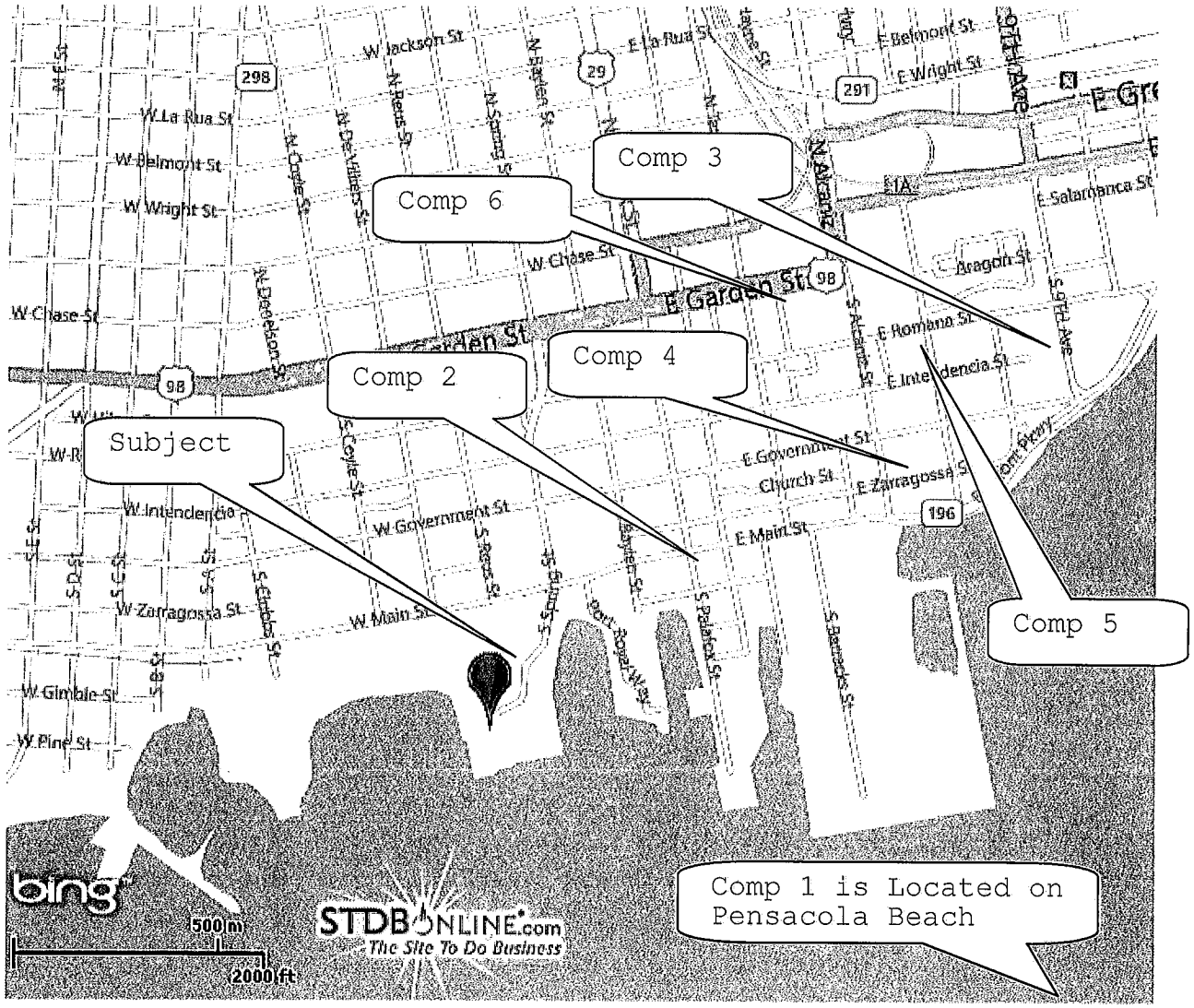
4.98 Acres of Vacant Land at 223 East Garden Street, Pensacola, FL

(Previous Improvements were demolished and removed prior to sale)





Sales Location Map



LAND VALUE ANALYSIS

Land Sales Summary Grid						
Item	**Comp Sale #1**	**Comp Sale #2**	**Comp Sale #3**	**Comp Sale #4**	**Comp Sale #5**	**Comp Sale #6**
Rights Transferred	Leasehold with terms similar to Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing	Cash Equivalent	Cash Equivalent	Cash Equivalent	Cash Equivalent	Cash Equivalent	Cash Equivalent
Condition of Sale	Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length
Location	Pensacola Beach	Main St. Pensacola	9th Ave. Pensacola	Zarragossa Pensacola	Intendencia Pensacola	Garden St. Pensacola
Date of Sale	12/2011	8/2011	2/2011	8/2010	4/2010	7/2009
Sale Price	$1,000,000	$840,000	$170,000	$225,000	$131,500	$3,150,000
Wetlands	None	None	None	None	None	None
View	Direct Water Frontage	Partial Bay View	Interior View to limited Water View	Interior View	Interior View	Interior View
Zoning	CH-PB	C-2A	GRD-1	HC-1	HR-1	C-2A
Shape	Irregular	Irregular	Rectangular	Rectangular	Rectangular	Irregular
Utility	Good	Good	Good	Good	Good	Good
Front Feet	250 FF	517 FF	179 FF	71.5 FF	155 FF	710 FF
Square Feet	49,750 SF	33,150 SF	7,126 SF	12,224 SF	6,000 SF	216,929 SF
$/FF	$17,543/FF	$1,624/FF	$948/FF	$3,147/FF	$848/FF	$4,437/FF
$/SF	$20.10/SF	$25.37/SF	$23.86/SF	$18.41/SF	$21.92/SF	$14.52/SF

SUBJECT SITE DESCRIPTION SUMMARY: The subject site is found within the Maritime Park development in the downtown area of Pensacola. The land is 1.84 acres or 80,005 square feet in size, offers good utility and is zoned for a mixed use development. While it has no water frontage, it offers views of Pensacola Bay and the new multi-use stadium. A mixed use development consisting of commercial and residential improvements that take advantage of the maximum heights allowed would mix well with the downtown area and would be considered the highest and best use of this site. The land has no wetlands but does have one major drawback in that a piling foundation would be required to keep settling of any improvement from occurring, as stabile soils are located about 82 feet down.

A search of the area was made for land sales that have a similar highest and best use to the subject resulting in the previous sales and/or listings. These properties will be compared to the subject property on a value per square foot basis as this is a common way for area buyers to consider purchases.

LAND VALUE ANALYSIS (Cont'd.)

PROPERTY RIGHTS SOLD - In all of the comparable sales, the property rights sold were those of the fee simple interest or leasehold interest wherein the terms of the lease equate to ownership similar to fee simple interest. As the interests sold are similar to the interest being appraised, no property rights adjustments are considered to be necessary.

FINANCING - The properties also sold for cash or terms considered to be similar to a cash sale requiring no financing adjustments.

CONDITIONS OF SALE - All of the sales were arms-length transactions requiring no conditions of sale adjustments.

EXPENDITURES IMMEDIATELY AFTER PURCHASE – None of the sales require an expenditure after the sale with the exception of sale five. At the time of purchase sale five was improved with an old home that was badly damaged by Hurricane Ivan and no longer contributed to the value of the land. The listing Realtor indicated the cost to remove the structure was $4,500 and the buyer paid for this expense immediately after purchase to have the house removed. Dividing this cost by the total land area of 6,000 square feet indicates a cost per square foot of $0.75/SF, which will be used as an upward adjustment.

MARKET CONDITIONS ADJUSTMENT – Sales one, two and three took place within the past year and are recent enough that no market conditions adjustments are necessary. Sales four, five and six are slightly older and should be considered for the changing market conditions.

I researched all of the commercial land sales in the south and southeast zones of the Pensacola Multiple Listing Service and found the average sale price per square foot for 2010 to be $4.40/SF. The average price per square foot increased slightly in 2011 to $4.55/SF, indicating an increase of about 3%. In addition to this MLS information, comparing the 2010 sale of comparable five $22.67/SF (after the expenditure after sale adjustment) to the similar sized and similar view 2011 sale of comparable three ($23.86/SF) would indicate the older sale

LAND VALUE ANALYSIS (Cont'd.)

would require an upward adjustment of about 5% to compare similar to the newer sale. This adjustment factor could be somewhat skewed by the fact that sale three has potential for a limited water view from upper floors but it would generally be supportive of the previously indicated 3% upward adjustment. Finally, I researched all of the residential lot sales under ½ acre in size in the south and southeast areas of Pensacola and found an average lot price in 2010 of $57,516 and an average lot price in 2011 was $60,839. Comparing the 2010 average to the 2011 average indicates an increase in these downtown lot values of about 5.8%, which would be supportive of the paired sales analysis increase of 5%. As these indicators are fairly similar, they will be given about equal weight and the 2010 sales four and five will be adjusted up 5% for market conditions.

Sale six is an older sale that took place in 2009 when values were still falling. There were not enough commercial land sales in 2009 to draw a reliable average comparison to the 2011 average sales and I could find no current sales as large as sale six from which a paired sales analysis could be obtained. According to the MLS statistical research, average residential lot sales from south and southeast Pensacola in 2009 were $73,376. This in comparison to the previously indicated 2011 average of $60,839 would indicate the 2009 sale six would require a downward 17% adjustment, which will be applied.

LOCATION/VIEW ADJUSTMENT – The subject site is located in downtown Pensacola in an area offering good water views. The comparable sales offer locations with direct usable water frontage, water views and interior views. The more desirable water front location of sale one would require a downward adjustment. The similar water view location of sale two would require no adjustment and the inferior interior view locations of sales three, four, five and six would require upward adjustments.

LAND VALUE ANALYSIS (Cont'd.)

Because of the size differences of the comparables, a direct pared sales analysis of the comparables is not possible, as size typically also affects value. In order to obtain a view adjustment, interior view, water view and water front residential lot sales from Pensacola Beach were researched. From January 1, 2011 to January 26, 2012 there were 5 sales of interior view properties that ranged in price from $9.07/SF to $10.43/SF and averaged $9.78/SF. There were several other sales of interior view properties that were eliminated due to the distressed nature of the sales. During this same time period there were eight water view property sales that ranged in price from $10.33/SF to $18.13/SF and averaged $15.03/SF. Comp one is located on little Sabine Bay and during this same period of time there were two Little Sabine Bay residential lot sales that ranged from $18.11/SF to $25.76/SF and averaged $21.94/SF.

Comparing the inferior interior view average to the water view average indicates the inferior view properties would require an upward 54% adjustment to compare to the water view properties. This will be applied to sales four, five and six, which offer interior views. Sale three is an interior site that offers an interior view but from an upper story this property has the potential for a water view making it somewhat of a hybrid. As such, half of the water view adjustment will be applied to sale three or 27%. In addition, comparing the superior water front sales' average to the water view average indicates these superior properties would require a downward 31% adjustment, which will be applied to sale one.

PHYSICAL CHARACTERISTIC ADJUSTMENTS – The sites are similar for all physical characteristics with the exception of size and soil conditions. These are considered as follows.

Soil Conditions – The subject soils are said to have a hardpan about 82 feet down. With no surface hardpan, building costs can increase based on foundation requirements associated with a building's dimensions and height/weight. The added foundation cost would not be the

LAND VALUE ANALYSIS (Cont'd.)

same for a single story restaurant building that utilizes only a portion of the site for the building footprint as opposed to a multi-story mixed use building that utilizes the entire allowable impervious area. As it is not known what the specific foundation costs would be, no adjustments will be made but I would reserve the right to amend this report once specific foundation costs are known.

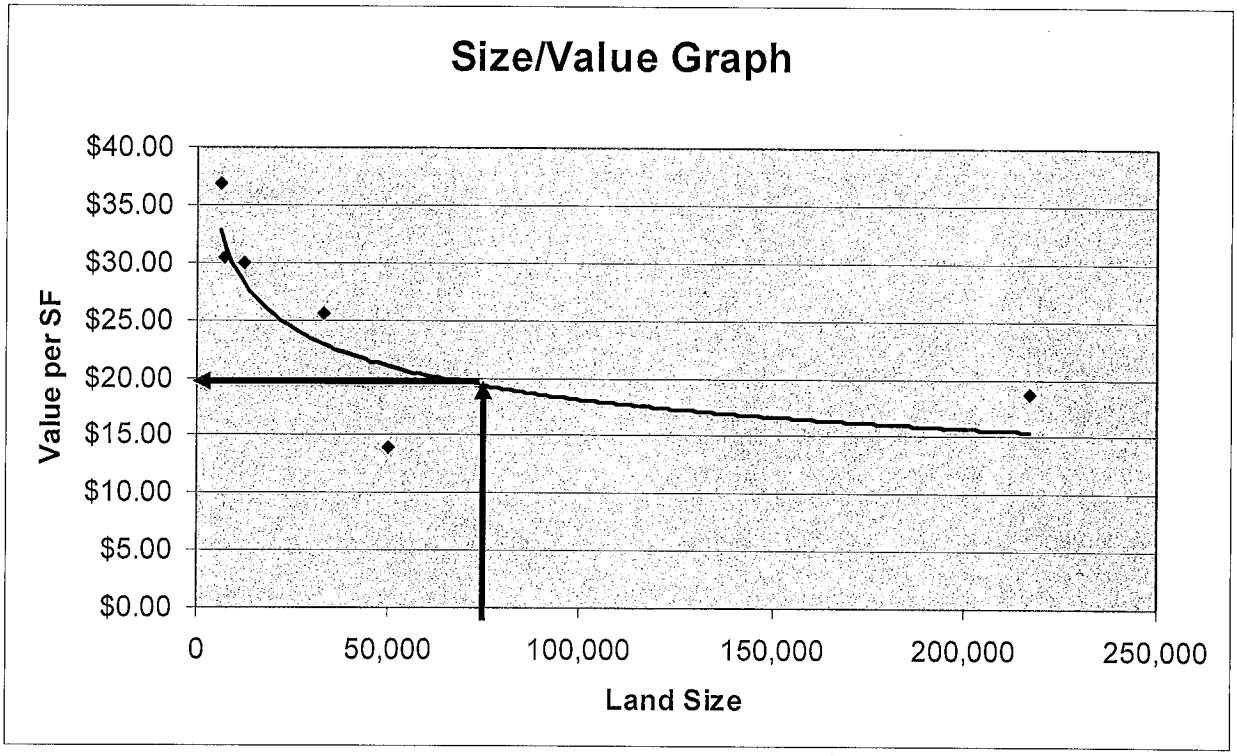
All other characteristics are considered to be similar enough to the subject's that no other adjustments are necessary, with the exception of size, which will be considered after the previous adjustments are considered. The previous adjustments are shown on the following adjustment grid.

Land Sales Summary Grid						
Item	Comp Sale #1	Comp Sale #2	Comp Sale #3	Comp Sale #4	Comp Sale #5	Comp Sale #6
$/SF	$20.10/SF	$25.37/SF	$23.86/SF	$18.41/SF	$21.92/SF	$14.52/SF
Expense After Purchase	----	----	----	----	+0.75/SF	----
Adjusted Sale $/SF	$20.10/SF	$25.37/SF	$23.86/SF	$18.41/SF	$22.67/SF	$14.52/SF
Market Conditions Adjustment	----	----	----	+5%	+5%	-17%
Market Conditions Adjusted $/SF	$20.10/SF	$25.37/SF	$23.86/SF	$19.33/SF	$23.80/SF	$12.05/SF
Location/View Adjustment	-31%	---	+27%	+54%	+54%	+54%
View Adjusted $/SF	$13.87/SF	$25.37/SF	$30.30/SF	$29.77/SF	$36.65/SF	$18.56/SF

After the previous adjustments are considered, the main driving force behind the remaining value differences is considered to be size. Typically, larger properties command lower values than do smaller properties, as there are longer development times and lease up times associated with larger properties which require developers to pay less for the larger land purchases, as their holding costs are greater. When the sales are considered for size it is noted that the smaller properties command the higher prices and the larger properties command the

LAND VALUE ANALYSIS (Cont'd.)

lower prices, which supports the common size rule of thumb. As such, the sales can be placed on a graph in relation to their size and adjusted value per square foot. A trend line can then be drawn and the subject can be placed on the trend line in relation to its size. The corresponding value per square foot can then be found by following the trend line back to the value per square foot. This is shown on the following graph.



RECONCILIATION – As shown on the above graph, based on the subject's size of 80,005 square feet, its value would correspond to about $20.00/SF. Applying this to the land area results in a final value opinion of $1,600,100, which can be rounded to $1,600,000.

LAND VALUE ANALYSIS (Cont'd.)

FINAL LAND VALUE OPINION

$1,600,000

The above value gives no consideration to the extraordinary foundation costs that might be associated with a specific building type, as this can vary widely depending on the structure constructed.

LAND RENTAL ANALYSIS

In addition to the land value, I have also been asked to provide a land rent analysis. Land rents are typically based on a percentage of the land value and in an effort to obtain an applicable percentage rate, I interviewed five area developers who are active in total net land leases (ie. all expenses are paid by the tenant and the rental rate is net of all expenses). The people interviewed and the interview results are as follows.

Peter Bos – Mr. Bos is the owner of Legendary, Inc. based out of Destin, Florida and is an active owner/developer of land lease sites as well as improved lease sites in the the Destin area as well as region. Some of his past and present developments of note in the Destin area include Sandestin Resort, Destin Commons, Destin's Harborwalk and the Emerald Grand. He indicated he would like to see an 8% return on his land leases but this is often too high for an entrepreneur to stay in business so he typically utilizes a base rental rate based on 6% of the land value. In addition to the base rent, he also charges a percentage rent that is tied to gross income derived from any development on the property that kicks in after a break even point. As an example, if the property was worth $1,000,000, the base annual rent would be $60,000 or 6% of the land value. After gross retail sales reach $750,000 (or a negotiated price), the percentage rent of 8% would kick in for any sales above $750,000. At certain points he would increase the percentage rent in steps to as much as 14%. As an example, gross sales from $2,000,000 to $3,000,000 would be charged a percentage rent of 9%, sales from $3,000,000 to $4,000,000 would be charged a percentage rent of 10% and so on. This is a creative way of making it easier for his tenants to afford the initial start up, while Legendary profits on their tenants' future success.

Jay Odom – Jay Odom is the owner of Crystal Beach Development and is an active developer in the southeast who also owns land lease sites. Some of Mr. Odom's developments of note include Fort Walton's Uptown Station, Destin's Crystal Beach, Destin's Uptown Station and Freeport's Hammock Bay. He indicated that he likes to see a 10% return on land

Land Rental Analysis (Cont'd.)

cost but this is commonly negotiated down with his last deal actually working out to about 8.7% of cost. He also includes a 10% increase every five years and stated that a 30 year lease would be a minimum required term. Mr. Odom also indicated that he utilizes percentage rents based on gross income of the business and these can range anywhere from 3.5% of gross sales up to 14% of gross sales.

Rick Olson – Mr. Olson is the owner of Olson Land Company with offices in Pensacola and Destin and is an active owner/developer of land lease sites and improved properties. He has developed properties throughout the southeast and his developments include shopping centers, condominiums and subdivisions. He indicated that his land leases are associated with restaurants and typically bases the rent on 10% of the land value. He stated ground leases are difficult because the land lease tenant can not use the ground as collateral in obtaining a loan and banks are currently very hesitant in providing loans to tenants of land lease deals. He further stated that if the deal is not structured right, the lease can drive the tenant out of business, which has happened to him in five separate lease deals. The restaurant business is very volatile with 60% of restaurants going out of business within the first three years of business and considering the failure rate at the 10% of land value level, this would be considered the extreme upper limit of income potential.

Greg Saad – Mr. Saad is the owner of Saad Development based out of Mobile, Alabama and is an active owner/developer of land lease sites as well as improved lease sites all over the United States. Mr. Saad was kind enough to look at the plat of the Maritime Park outparcels and indicated that each parcel should command differing rates of return ranging from 5% to 9.5% based on their location within the development with consideration to exposure, view, size and access. He further stated that he is familiar with the life cycle of double A ball parks, indicating that they are typically very popular for the first five years of their life but then attendance tends to drop off and adjoining and nearby land uses tend to

Land Rental Analysis (Cont'd.)

suffer as a result. The Pensacola site has an advantage in that it is water front and located in the Heart of the Downtown area, so properties associated with this development would likely survive the typical ballpark attendance decline. He indicated Parcel Two should command a rental rate that is from 7% to 7.5% of its market value, as it is slightly removed from Main Street, slightly lowering its exposure and is a larger parcel. Mr Saad stated that any land lease should have a term that allows the tenant the full economic life of the improvements and stated that a 40 year lease term should be a minimum. Once the lease rates are set, they should realize a 5% to 8% increase every 5 years with the specific rate of increase being negotiable. Finally, he indicated to insure a well planned master development a master leasehold owner would be preferable with the master lease being 200 basis points below the market lease rates.

Jeff Townsend – Jeff Townsend is the President of Innisfree, which is largely a hotel development company but they have also developed a strip shopping center on Pensacola Beach and have created a land lease for the Wings Shop on Pensacola Beach. Mr. Townsend indicated they structured the Wings land lease at 8.25% of the land value with no increases during the 18 year life of the land lease term.

The above information is summarized on the following grid. The following grid also considers this information and applies it to the previously indicated land value of $1,600,000 to indicate the potential rental range.

Land Rental Analysis (Cont'd.)

Rental Requirement Summary					
Developer	**Legendary**	**Crystal Beach Development**	**Olson Land Company**	**Saad Development**	**Innisfree**
Information Confirmed By	Mr. Bos	Mr. Odom	Mr. Olson	Mr. Saad	Mr. Townsend
Required Return Based on Land Value	6% Minimum with 8% Percentage Lease Clause Based on Gross Sales Above a Break Even Point	8.7% with 5 Year Increases of 10% of the Initial Rate	10% of Land Value	7% to 7.5% with 5 Year Increases of 5% to 8% of the Initial Rate	8.25% with no Increases
Typical Required Term	Not Given	30 Years Minimal	Not Given	40 Years Minimal	18 Year Minimum
Indicated Rent For Subject Property Based on the Value of $880,000 and Land Size of 80,005 SF	$96,000 Base Rent $1.20/SF Plus % Clause	$139,200 Beginning Rent $1.74/SF	$160,000 Beginning Rent $2.00/SF	$112,000 or $1.40/SF to $120,000 or $1.50/SF Beginning Rent	$132,000 Beginning Rent $1.65/SF

It would be most common to see a base rent plus percentage rent after a break even point, such as Mr. Bos's model, in association with a restaurant or retail building development. It would also be most common to see a flat rate rental such as the other suggested ranges for office or residential uses. Due to Mr. Olson's lack of success with his operations, I would consider a rate of 10% too high as a base rent. The final rental rate can be negotiated based on the expected land use and the above summaries give a good base from which negotiations can start. It should also be noted that the above rental rates give no consideration to the extraordinary foundation costs that might be associated with a specific building type, as this can vary widely depending on the structure constructed. This information is also supported by the following actual ground leases that were obtained in Mobile, Pensacola and Fort Walton Beach.

Land Rental Analysis (Cont'd.)

Actual Net Rent Summary				
Property/ Location	**Lease Term**	**Land Size**	**Annual Net Rent**	**Net Rent Per Square Foot**
Smokey Bones 321 Mary Esther Blvd Fort Walton Beach	30 Years	81,457 SF	$115,000	$1.41/SF
Logans Roadhouse 315 Mary Esther Blvd Fort Walton Beach	37.5 Years	79,715 SF	$123,750	$1.55/SF
Longhorns 544 Mary Esther Blvd Fort Walton Beach	30 Years	41,026 SF	$80,000	$1.95/SF
Smokey Bones 4952 Bayou Blvd Pensacola	12 Years Plus 4 – 5 Year Renewal Options	74,052 SF	$130,600	$1.76/SF
Logan's Roadhouse 4958 Bayou Blvd Pensacola	15 Years Plus 4 – 5 Year Renewal Options	65,340 SF	$121,000	$1.85/SF
Central Credit Union 4964 Bayou Blvd Pensacola	20 Years Plus 4 – 5 Year Renewal Options	35,000 SF	$68,040	$1.94/SF
Texas Roadhouse 6150 Airport Blvd Mobile	13 Years Remaining	87,120 SF	$100,000	$1.15/SF

ADDENDA

QUALIFICATIONS AS AN APPRAISER
TOM FRUITTICHER, MAI

State-Certified General Real Estate Appraiser #0002029

EDUCATION

B.A. Political Science, University of West Florida, Pensacola, Florida, 1986

APPRAISAL INSTITUTE COURSES SUCCESSFULLY COMPLETED

"Report Writing and Valuation Analysis", Florida State University, 1995; "Advanced Applications", University of Alabama, 1995; "Advanced Sales Comparison & Cost Approach", Orlando College, 1995; "Highest & Best Use and Market Analysis", Kissimmee, Florida, 1995; "Advanced Income Capitalization", University of Alabama, 1994; "General Applications", University of Colorado Boulder, 1994; "Basic Income Capitalization", University of Colorado Boulder, 1994; "Standards of Professional Practice, Part A & B, USPAP", Florida State University, 1993; "Basic Valuation Procedures", University of Alabama, 1990; "Real Estate Appraisal Principles", University of Georgia, 1989

CONTINUING EDUCATION & ADDITIONAL REAL ESTATE RELATED COURSES COMPLETED

Litigation Appraising 10/17/2011 (15 Hours), Business Practices and Ethics 10/13/2011 (4 Hours), Online Advanced Internet Search Strategies 8/24/2011 (7 Hours), USPAP Update 9/23/10 (7 Hours), Appraisal Laws and Rules 9/24/10 (3 Hours), Roles/Responsibilities Supervisor/Trainee 9/24/10 (3 Hours),The Appraiser as an Expert Witness 5/19/10 (15 Hours), Condemnation Appraising: Principles & Applications 5/1/09 (17 Hours), The New Residential Market Conditions Form 3/3/09 (3 Hours), USPAP Update 4/25/08 (7 Hours), Appraisal Laws and Rules 4/24/08 (3 Hours), Roles/Responsibilities Supervisor/Trainee 4/24/08 (3 Hours), Business Practices & Ethics 11/1/07 (8 Hours), Analytics with the Site to Do Business 8/3/07 (7 Hours), A Professional's Guide to Conservation Easements 7/15/07 (4 Hours), Residential Site Valuation & Cost Approach 4/12/07-4/13/07 (15 Hours), Residential Market Analysis & Highest & Best Use 4/10/07-4/11/07 (15 Hours), "USPAP Update" 8/18/06 (7 Hours), Florida Law Update 8/17/06 (3 Hours), Appraising Forestland and Timber 2/9/06 (7 Hours), Subdivision Valuation 1/27/06 (7 Hours), Appraising Environmentally Contaminated Properties 1/17/06 (7 Hours), "Uniform Standards for Federal Land Acquisitions" 3/23/04 (16 Hours), "Effective Appraisal Writing" 8/22/03 (7 Hours), Florida State Law & USPAP Review 11/8/02 (7 Hours), Appraisal Strategies 10/29/02-10/30/02 (15 Hours), Florida Broker Post-License – Management 2/14/02-2/16/02 (30 Hours), Florida Broker Post-License – Contracts 3/21/02-3/23/02 (30 Hours), Data Confirmation & Verification 3/30/01 (7 Hours), Multifamily Housing Development 3/8/01-3/9/01 (16 Hours), Florida Broker Pre-License 3/16/00 – 3/31/00 (72 Hours), Valuing Real Property – 3/31/00 (31 Hours), Partial Interest Valuation – Divided & Undivided 1/13/00 – 1/14/00 (14 Hours) 1999 Symposium-Val. & the Evolution of the RE Cap. Mkts. 10/5/99 – 10/6/99 (10 Hours), FHA Homebuyer Protection Plan & The Appraisal Process 10/15/99 (7 Hours), Standards of Professional Practice, Part "C" 4/29/99 - 4/30/99 (16 Hours), Advanced Techniques Using the Marshall Valuation Service: Segregated Method, New Orleans, Louisiana, 1990; Using the Marshall Valuation Service: Calculator Method, New Orleans, Louisiana, 1990; "Real Estate Principles and Practice", Pensacola, Florida, 1986; "Coastal Zone Management and Residential Development", University of West Florida, 1985; "Professional Selling", University of West Florida, 1986; "Real Estate Law", Pensacola Junior College, 1983

EXPERIENCE

1997-Present The Fruitticher - Lowery Appraisal Group - Co-Owner and Appraiser (Residential and Commercial Real Estate).

1987-1997 Gene Presley & Associates - Independent contractor of commercial and residential appraisals.

Properties Appraised: For over 26 years, I have appraised single-family residential properties in the Pensacola Metropolitan Area and a variety of commercial properties throughout Northwest Florida and South Alabama that includes Apartments, Offices, Strip Shopping Centers, Subdivisions, Condominium Complexes, Restaurants, Industrial Buildings, vacant commercial sites and large acreage tracts. I have also completed apartment project feasibility studies through the MAP program and office and hotel feasibility studies.

Principal Clients: Past clients include: The U.S. Army Corps of Engineers, The Florida Department of Environmental Protection, The City of Pensacola, The City of Fort Walton Beach, Emerald Coast Utility Authority, B.B.& T, Premier Bank, Trustmark Bank, Gulf South Bank, Bank of North Georgia, Empire Financial, Red Mountain Bank, Atlantic Bank, Deutsche Banc, Bear Sterns, Whitney Bank, First National Bank, Nations Bank, Commerce South Bank, Emerald Coast Bank, Compass Bank, Vanguard Bank, Regions Bank, GMAC Mortgage, Member's First Credit Union, Florida Communities Trust, Resort Mortgage to name a few.

PROFESSIONAL AFFILIATIONS/LICENSES

Member Appraisal Institute, MAI #11325 (North West Florida Chapter of the Appraisal Institute Ex-Officio – 2010, President 2009 and the 2008 & 2007 Vice President)
Florida State Certified General Appraiser License #RZ 0002029 (Expiration Date 11/30/2012)
Alabama State Certified General Real Property Appraiser #G00788 (Expiration Date 9/30/2013)
Florida Licensed Real Estate Broker License #BK 0491970 (Expiration Date 3/31/2012)
Member - Home Builders Association of West Florida
Member - Pensacola Association of Realtors (Florida & National Association of Realtors)
Member - Pensacola Area Chamber of Commerce

REFERENCES

1. Mr. Todd Seigle
   Trustmark National Bank
   Post Office Box 5736
   Destin, Florida 32540
   Phone (850) 337-0709
   Fax (850) 337-0719
2. Mr. Keith Parks, Vice President
   Beach Community Bank
   33 West Garden Street
   Pensacola, Florida 32501
   Phone (850) 202 - 9900
   Fax (850) 202-9901
3. Mr. Trice Dukes
   Coastal Bank and Trust
   400 West Garden Street
   Pensacola, Florida 32591
   Phone (850) 436-4372
   Fax (850) 436-4964
4. Mr. Karl Nixon, Review Appraiser
   U.S. Army Corps of Engineers
   P.O. Box 4970
   Jacksonville, Florida 32232-0019
   Phone (904) 232-2339
5. Mr. Clark Davis
   State of Florida. DEP
   3900 Commonwealth Boulevard
   Tallahassee, Florida 32399-3000
   Phone (850) 488-9025
   Fax (850) 488-3379
6. Mr. Rex McKinney - President
   Servis 1st Bank
   316 S. Baylen Street, Suite 100
   Pensacola, Florida 32502
   Phone (850) 266-9121
   Fax (850) 266-9101

EXPERIENCE (Cont'd.)

PARTIAL SUMMARY OF NOTABLE APPRAISAL PROJECTS COMPLETED

Motels

- Best Western Motel, Via Deluna Dr., Pensacola Beach, Florida
- Wingate Inn Hotel, Destin, Florida
- Hampton Inn, Hwy 98, Fort Walton Beach, Florida
- New World Landing, Pensacola, Florida
- Paradise Motel, Pensacola Beach, Florida
- Hilton Garden Inn (Proposed), Jacksonville Beach, Florida
- Ramada Inn, Highway 98, Fort Walton Beach, Florida
- Comfort Inn, Fort Pickens Road, Pensacola Beach, Florida
- Best Western Motel, Highway 98, Navarre, Florida
- Best Western Motel (Proposed), Santa Rosa Boulevard, Fort Walton Beach, Florida
- Best Western Motel (Proposed), I-10 at Bullard Avenue Exit, New Orleans, Louisiana
- Holiday Inn Express (Proposed), John Sims Parkway, Niceville, Florida
- Ramada Inn Limited (Proposed), I-10 at Highway 185 Exit, Defuniak Springs, Florida
- Ramada Inn Limited, I-10 at Pine Forest Road Exit, Pensacola, Florida
- Residence Inn (Proposed), Chase Street, Pensacola, Florida

Apartments

- Country Wood Apartments MAP Feasibility Study
- Austin Woods Apartments, Pensacola, Florida
- The Reserve Apartments, Gulf Breeze, Florida
- Indian Lakes Apartments, Destin, Florida
- Fairfield Villas Apartments, Pensacola, Florida
- Huntington Arms Apartments, Gulf Breeze, Florida
- Sugar Loaf Apartments, Airport Road, Destin, Florida
- Cayo Grande Apartments, Racetrack Road, Fort Walton Beach, Florida
- Briarwood Apartments, Olive Road, Pensacola, Florida
- Lakeside Apartments (Proposed), Highway 98 West, Pensacola, Florida
- Sandalwood Apartments, Highway 98 West, Pensacola, Florida
- Creekside Apartments, Creekside Drive, Pensacola, Florida

Golf Courses

- The Moors Golf Course, Avalon Boulevard, Pace, Florida
- Heritage Plantation Golf Course & PUD, Crestview, Florida
- Perdido Bay Golf Club, Pensacola, Florida
- Seascape Golf Course and Resort, Highway 98, Destin, Florida

Restaurants

- The Back Porch Restaurant, Old Highway 98, Destin, Florida
- Jubilee's Restaurant & Capt. Funs, Pensacola Beach, Florida
- Pat Obrien's Restaurant & Entertainment, Destin, Florida
- The Boardwalk Entertainment Facility, Fort Walton Beach, Florida
- Dempsey's Restaurant, Highway 182, Orange Beach, Alabama
- Flounder's Restaurant, Quiet Water Beach Boulevard, Pensacola Beach, Florida
- McGuires Irish Pub, Gregory Street, Pensacola, Florida
- Kooter Brown's Sport Bar, Highway 98 West, Pensacola, Florida
- Nobusei's Japanese Restaurant, 9th Avenue, Pensacola, Florida
- Trigger's Seafood Restaurant, Gulf Beach Highway, Pensacola, Florida
- Outrigger Restaurant (Proposed), Orange Beach, Alabama
- The 331 Restaurant, Santa Rosa Beach, Florida

EXPERIENCE (Cont'd.)

Planned Unit Developments/Condominiums

- Emerald Grand mixed use development (287 Units & 82,896 SF Commercial), Destin, Florida
- Lagrange Landing PUD, Freeport, Florida
- River Walk PUD, Freeport, Florida
- Portofino Condominiums (750 Units Proposed), Pensacola Beach, Florida
- Sterling Breeze Condominiums (145 Units), Panama City, Florida
- Water Mark Condominiums (339 Units Proposed), Fort Walton Beach, Florida
- Twin Palms Condominiums (90 Units Proposed), Panama City Beach, Florida
- Gulf Crest Condominiums (151 Units Proposed), Panama City Beach, Florida
- Villas at Seacrest Beach (Proposed) C-30A, South Walton County, Florida
- Celadon Condominiums (193 Units Proposed), Panama City Beach, Florida
- Beach Retreat Condominiums (44 Units Proposed), Destin, Florida
- Saint Martins Condominiums (Proposed), Highway 98, Destin, Florida
- South Harbour Condominiums (Proposed), Fort Pickens Road, Pensacola Beach, Florida
- Terrace Crest Subdivision (Proposed), Shoreline Drive, Gulf Breeze, Florida
- Sunsail Subdivision (Proposed), Indian Trail Drive, Destin, Florida
- Tiger Trace Subdivision (Proposed), Highway 98, Gulf Breeze, Florida

Shopping Centers

- Landmark Center (Proposed), Fort Walton Beach, Florida
- Target Shopping Center on Blue Angel (Proposed), Pensacola, Florida
- Cordova Collections Shopping Center, Pensacola, Florida
- Thursday's Plaza, Pensacola, Florida
- Six Palms at Gulf Place, Santa Rosa Beach, Florida
- Uptown Station Shopping Center, Eglin Parkway, Fort Walton Beach, Florida
- Fort Walton Market Place, Mary Esther Cut Off, Fort Walton Beach, Florida
- Cooper Plaza (Proposed), Highway 98, Navarre, Florida
- Palm Plaza Shopping Center, John Sims Parkway, Niceville, Florida

Industrial Use Properties

- 100,000 SF Manufacturing Warehouse, Ellyson Industrial Park, Pensacola, Fl.
- 33,119 SF Storage Warehouse, 8826 Grow Drive, Pensacola, Fl.
- 36,844 SF Mini Warehouse, 7054 N. Palafox Street, Pensacola, Fl.
- 12,000 SF Warehouse & Showroom, 58 Carson Ave., Fort Walton Beach, Fl
- 27,840 SF Manufacturing Warehouse, 1575 9th Street, DeFuniak Springs, Fl.
- 113,905 SF Climate Controlled Mini-Warehouse, 2999 Gulf Breeze Pkwy, Gulf Breeze, Fl.

Special Use Properties

- Legendary Marina Dry Storage Facility, Destin, Florida
- Perdido Key R.V. Resort, Perdido Key, Florida
- Portofino Spa, Gulf Breeze, Florida
- Gulf Breeze Stadium Seating Movie Theaters, Gulf Breeze, Florida
- Milton Stadium Seating Movie Theaters, Milton, Florida

EXPERIENCE (Cont'd.)

Expert Witness Testimony

Ward v. Priller (Escambia County Case #2001 CA 001520) - Trial
Antonetti v. Antonetti (Santa Rosa County Case #57-05-1446-DR01-DM-R) - Trial
Kaufmann v. Kaufmann (Santa Rosa County Case #041786) – Hearing
Ferrara v. Landbank Development Corp. (Santa Rosa County Case #2005-621-CA) - Trial
Kotlarz v. Kotlarz (Escambia County Case #2004 DR 2575) - Trial
BB&T v. Michael L. Iovieno, et.al. (Okaloosa County Case #2008 CA 001526s) - Appraisal
Ameris Bank v. W.G. Autrey, Jr. (Franklin County Case #08-000106-CA) - Appraisal
ECUA v. Palafox Partners, LTD (Escambia County Case #2007 CA 002319) - Deposition
Colonial Bank, N.A. v. R&B Construction (Walton County Case #08-CA-653) - Appraisal
Portofino HOA v. Chris Jones (Escambia County Case #2004 CA 2288) - Deposition
American Fidelity v. DKS Investments (Santa Rosa County Case #2008 CA 001335) - Trial
American Fidelity x. Navarre Comm. (Santa Rosa County Case #2008 CA 001583) - Trial
Clark, Partington v. W.W.P., LLC & Buckner Inv. (Okaloosa County Case #2010CA1417)–Trial
Petro, Jr. v Shelter Cove Condo (Escambia County Case #07-CA-1631) – Deposition
Eliason v. Bucklew (Escambia County Case #2008 CA 002112) – Appraisal & Affidavit
Forrest Daniell & Assoc. v. La Vista PK LLC (Escambia County Case #2008