



JLL

*Achieve
Ambitions*

Appraisal of William Burgess Extension Parcel
US Highway 17, Yulee, Nassau County, FL 32097

Date of Report: March 27, 2018

JLL File Number: 1605-18-137717

Valuation and Advisory Services



William Burgess Extension Parcel
US Highway 17
Yulee, FL 32097



6278 Dupont Station Court, Unit 2
Jacksonville, FL 32217

Phone: 904-296-8995
Fax: 904-296-8996

March 27, 2018

Mr. Taco Pope
Director
Nassau County Department of Planning & Economic Opportunity
96161 Nassau Place
Yulee, Florida 32097

Re: Appraisal

William Burgess Extension Parcel
US Highway 17
Yulee, Nassau County, FL 32097

File Number: 1605-18-137717

Dear Mr. Pope:

JLL Valuation and Advisory Services is pleased to submit the accompanying appraisal of the referenced property. The client and intended user of the appraisal is the Nassau County Department of Planning & Economic Opportunity and the Nassau County BoCC, and its authorized representatives. The intended use of this appraisal is for use in connection with a proposed right-of-way. The purpose of the appraisal is to develop an opinion of "Full Compensation" due the property owner as a result of the proposed partial acquisition of the subject.

The subject property has been identified as Phases 1B/1C of The Hideaway PUD, a residential subdivision located in Nassau County, Florida. Nassau County proposes a partial acquisition of the subject to accommodate the extension of William Burgess Road. As will be discussed, the subject is considered to be developable with 155 single-family lots prior to the acquisition.

It is our opinion that the market value of the full compensation for the property and property rights acquired, as described herein as of March 9, 2018 is:

\$538,000

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and applicable state appraisal regulations. To report assignment results, we use the Appraisal Report option of Standards Rule 2-2(a) of USPAP.

Your attention is directed to the Limiting Conditions and Assumptions section of this report. Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, we note the following:

Extraordinary Assumptions & Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. For the purposes of this appraisal, we have considered the subject property to be Phases 1B and 1C of The Hideaway, a single-family residential subdivision. The subject is currently planned for 150 lots; however, according to information provided by the client, there is a reasonable probability of a development approval for five (5) additional lots. As such, we have considered the subject to be developable with a maximum of 155 lots.
2. The areas of acquisition is shown to be a 9.694± acre fee simple parcel per information provided by the client. The taking acquires 32 planned lots in the provided information. We have not been provided with a separate survey of the areas of acquisition and have relied on the lot count provided to us.
3. There is an area of wetlands located immediately east of the subject property. The property owner reported that there are no wetlands located on the subject property, however we were not provided a formal wetland delineation to review. This appraisal assumes that there are no wetlands located on the subject property.

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. The purpose of the remainder appraisal is to provide an opinion of the market value of the remainder property after the taking, assuming the roadway improvements associated with the William Burgess Road extension have been completed.
2. The subject property is Phases 1B and 1C of The Hideaway. Phase 1A is currently built out and the subject includes Phase 1B, development of which began in mid-2017. For the purposes of this analysis, we analyze this portion of the property as if it was undeveloped raw land and that development of home sites has not yet commenced.

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

JLL Valuation & Advisory Services, LLC



John Mullen, MAI
State-Certified General Real Estate Appraiser
RZ3496
Senior Vice President
Telephone: 904.296.8995 x 213
Email: Sean.Mullen@am.jll.com



Patrick R. Phipps, MAI
State-Certified General Real Estate Appraiser
RZ2954
Executive Vice President
Telephone: 904.296.8995 x 205
Email: Patrick.Phipps@am.jll.com



James R. Schwartz
State-Certified General Real Estate Appraiser
RZ3866
Senior Analyst
Telephone: 904.296.8995 x 216
Email: Jim.Schwartz@am.jll.com

Contents

Certification Statement	1
Introduction and Premises of The Appraisal	3
Summary of Salient Facts and Conclusions	3
Type of Report Format	5
Purpose, Intended Use, Intended User of the Appraisal	5
Definition of Market Value	6
Property Rights (Interest) Appraised	6
Scope (Extent of Process of Collecting, Confirming and Reporting Data)	6
Appraisal Problem	8
Presentation of Data	9
Identification of Property and Legal Description	9
Description of Area and Neighborhood	9
Surrounding Area Analysis	17
Description of Property, Photographs, and Sketches	20
Existing Transportation Facility Description	26
Zoning, Land Use Plan, Concurrency	26
Assessed Value, Taxes and Special Assessments	28
History of Property	29
Exposure Time	30
Public and Private Restrictions	30
Analysis of Data and Conclusions	31
Highest and Best Use Analyses	31
Highest and Best Use Conclusion	32
Approaches to Value Used and Excluded	33
Land Valuation	35
Collection of Comparable Sales	35
The Sales Adjustment Grid	37
Analyses of Comparable Sales and Explanation of Adjustments	38
Indicated Value by the Sales Comparison Approach	40

Description and Valuation of Part Acquired	42
Description of Part Acquired	42
Valuation of Part Acquired	44
Valuation of Remainder as Part of Whole	45
Premises of The Appraisal – The Remainder Valuation	46
Purpose of Appraisal of Remainder after the Acquisition	46
Appraisal Problem	46
Presentation of Data – The Remainder	47
Description of Remainder Uncured	47
Zoning, Land Use Plan, Concurrency	47
Proposed Transportation Facility Description	47
Effect of Acquisition on Remainder Uncured	47
Analysis of Data and Conclusions – The Remainder	48
Highest and Best Use	48
Highest and Best Use Conclusion	48
Approaches to Value Used and Excluded	48
Land Valuation	49
Collection of Comparable Sales	49
The Sales Adjustment Grid	50
Analyses of Comparable Sales and Explanation of Adjustments	51
Indicated Value by the Sales Comparison Approach	51
Support for Damages/No Damages to the Remainder	52
Cost to Cure Damages	53
Special Benefits	54
Summary of Values	55
Limiting Conditions and Assumptions	56

Appendices

- A. Appraiser Qualifications
- B. Definitions
- C. Property Information
- D. Comparable Data
 - Land Sales
- E. Engagement Letter

Certification Statement

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions and conclusions.
3. We have no present or prospective future interest in the property that is the subject of this report, and have no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our 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 estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
8. 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.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. We certify sufficient competence to appraise this property through education and experience, in addition to the internal resources of the appraisal firm.
11. The appraisers have not performed any prior services regarding the subject within the previous three years of the appraisal date.
12. John Mullen, MAI, has made an inspection of the subject property. Patrick R. Phipps, MAI and James R. Schwartz have not inspected the subject property.
13. Significant real property appraisal assistance was provided by Drake DeRango, State Registered Trainee Appraiser RI 24126, who has not signed this certification.
14. I, Patrick R. Phipps, MAI, the supervisory appraiser of the registered appraiser trainees who contributed to the development or communication of this appraisal, hereby accept full and complete responsibility for any work performed by the registered appraiser trainees named in this report as if it were my own work.

15. As of the date of this report, John Mullen, MAI and Patrick R. Phipps, MAI, have completed the continuing education program for Designated Members of the Appraisal Institute.



John Mullen, MAI
State-Certified General Real Estate Appraiser
RZ3496
Senior Vice President
Telephone: 904.296.8995 x 213
Email: Sean.Mullen@am.jll.com



Patrick R. Phipps, MAI
State-Certified General Real Estate Appraiser
RZ2954
Executive Vice President
Telephone: 904.296.8995 x 205
Email: Patrick.Phipps@am.jll.com



James R. Schwartz
State-Certified General Real Estate Appraiser
RZ3866
Senior Analyst
Telephone: 904.296.8995 x 216
Email: Jim.Schwartz@am.jll.com

Introduction and Premises of The Appraisal

Summary of Salient Facts and Conclusions

Property Name	William Burgess Extension Parcel		
Address	US Highway 17 Yulee, Nassau County, Florida 32097		
Property Type	Subdivision-Residential		
Current Use of Property	Undeveloped residential subdivision		
Owner of Record	Semanik Equity Development & Acquisition, Inc.		
Tax ID	42-2N-27-0000-0001-0210		
Date of Report	March 27, 2018		
Effective Date of Appraisal	March 9, 2018		
Inspection Date	March 9, 2018		
Inspection Type	On-site		
Acquisition Type	Partial		
Property Rights Acquired	Fee Simple		
Full Compensation	\$538,000		
	<u>Parent Tract</u> (Phases 1B & 1C)	<u>Acquisition</u>	<u>Remainder Property</u>
Number of Lots	155 Lots	32 Lots	123 Lots
Gross Land Area	48.580 acres; 2,116,145 SF	9.694 acres, 422,271 SF	38.886 acres, 1,693,874 SF
Usable Land Area	48.580 acres; 2,116,145 SF	9.694 acres, 422,271 SF	38.886 acres, 1,693,874 SF
Zoning Designation	PUD 2014-24 'The Hideaway', PUD allowing development of a residential subdivision		
	<u>Subject Property</u>	<u>Remainder Property</u>	
Highest & Best Use - As If Vacant	Residential Subdivision Development	Residential Subdivision Development	
Highest & Best Use - As Improved	Not Applicable	Not Applicable	

Extraordinary Assumptions & Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. For the purposes of this appraisal, we have considered the subject property to be Phases 1B and 1C of The Hideaway, a single-family residential subdivision. The subject is currently planned for 150 lots; however, according to information provided by the client, there is a reasonable probability of a development approval for five (5) additional lots. As such, we have considered the subject to be developable with a maximum of 155 lots.
2. The areas of acquisition is shown to be a 9.694± acre fee simple parcel per information provided by the client. The taking acquires 32 planned lots in the provided information. We have not been provided with a separate survey of the areas of acquisition and have relied on the lot count provided to us.
3. There is an area of wetlands located immediately east of the subject property. The property owner reported that there are no wetlands located on the subject property, however we were not provided a formal wetland delineation to review. This appraisal assumes that there are no wetlands located on the subject property.

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. The purpose of the remainder appraisal is to provide an opinion of the market value of the remainder property after the taking, assuming the roadway improvements associated with the William Burgess Road extension have been completed.
2. The subject property is Phases 1B and 1C of The Hideaway. Phase 1A is currently built out and the subject includes Phase 1B, development of which began in mid-2017. For the purposes of this analysis, we analyze this portion of the property as if it was undeveloped raw land and that development of home sites has not yet commenced.

Summary of Values

Partial Acquisition	
[1] Before Value	\$2,405,000
[2] Part Acquired	\$500,000
[3] Remainder (As Part of Whole Property) [1]-[2]	\$1,905,000
[4] Remainder (Appraised, Uncured)	\$1,867,000
[5] Damages (Total, Uncured) [3]-[4]	\$38,000
[6] Special Benefits	\$0
[7] Damages [5]-[6]	\$38,000
Feasibility of Cost to Cure Damages	
[8] Remainder (Appraised as Cured)	\$1,905,000
[9] Remainder (Appraised, Uncured) [4]	\$1,867,000
[10] Damages, Curable [8]-[9]	\$38,000
[11] Damages, Incurable [7]-[10]	\$0
[12] Cost to Cure (or Reestablish)	\$38,000
[13] Improvements Cured but Paid For in [2]	\$0
[14] Net Cost to Cure [12]-[13]	\$38,000
Summary of Compensation	
Part Taken [2]	\$500,000
Damages, Incurable [11]	\$0
Cost to Cure, Net [14], or Minor	\$38,000
Full Compensation	\$538,000

Type of Report Format

Based on the intended users understanding of the subject's physical, economic and legal characteristics, and the intended use of this appraisal, an appraisal report format was used, as defined below.

Appraisal Report	This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a summary or description of the appraisal process, subject and market data and valuation analyses.
------------------	---

Purpose, Intended Use, Intended User of the Appraisal

The purpose of the appraisal is to develop an opinion of “Full Compensation” due the property owner as a result of a partial acquisition of the subject property by Nassau County.

The client and intended user of the appraisal is the Nassau County Department of Planning & Economic Opportunity Nassau County, and its authorized representatives. The intended use of this appraisal is for use in connection with a proposed right-of-way. The appraisal is not intended for any other use or user. No party or parties other than Nassau County may use or rely on the information, opinions, and conclusions contained in this report.

Definition of Market Value

Market Value The following market value definition is found in Florida case law and is the acceptable and preferred definition of market value:

“Value” as used in eminent domain statute, ordinarily means amount which would be paid for property on assessing date to willing seller not compelled to sell, by willing purchaser, not compelled to purchase, taking into consideration all uses to which property is adapted and might reasonably be applied.”

Source: Florida State Road Dept. v. Stack, 231 So.2d 859 Fla., 1st DCA 1969

The willing buyer/seller test includes consideration of the following by the appraiser: a fair sale resulting from fair negotiations; neither party acting under compulsion (this would typically eliminate forced liquidation or sale at auction); both parties having knowledge of all relevant facts; a sale without peculiar or special circumstances; and a reasonable time to find a buyer.

Property Rights (Interest) Appraised

Fee simple estate 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.

Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015)

Scope (Extent of Process of Collecting, Confirming and Reporting Data)

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser’s responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s).

Scope of work is the type and extent of research and analyses involved in an assignment. To determine the appropriate scope of work for the assignment, we considered the intended use of the appraisal, the needs of the user, the relevant characteristics of the subject property, and other pertinent factors. Our concluded scope of work is summarized below, and in some instances, additional scope details are included in the appropriate sections of the report.

Summary

Research

We inspected the property and its environs. Physical information on the subject was obtained from the property owner's representative, public records, and/or third-party sources.

Regional economic and demographic trends, as well as the specifics of the subject's local area were investigated. Data on the local and regional property market (supply and demand trends, rent levels, etc.) was also obtained. This process was based on interviews with regional and/or local market participants, primary research, available published data, and other various resources.

Other relevant data was collected, verified, and analyzed. Comparable property data was obtained from various sources (public records, third-party data-reporting services, etc.) and confirmed with a party to the transaction (buyer, seller, broker, owner, tenant, etc.) wherever possible. It is, however, sometimes necessary to rely on other sources deemed reliable, such as data reporting services.

Analysis

Based upon the subject property characteristics, prevailing market dynamics, and other information, we developed an opinion of the property's Highest and Best Use.

We analyzed the data gathered using generally accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value.

The results of each valuation approach are considered and reconciled into a reasonable value estimate.

Applicable Requirements

This appraisal is intended to conform to the requirements of the following:

- Uniform Standards of Professional Appraisal Practice (USPAP);
- Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute;
- Applicable state appraisal regulations.

Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services.

We have not performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Process of Collecting, Confirming and Reporting Data

Numerous resources were relied on for data research and pertinent information of the subject property. These include:

- Acquisition sketches and engineering plans provided by client.
- Public records and online resources of various counties and other websites and services.

Within appropriate areas of the appraisal report the above information is reported. Market data sheets were prepared with the information obtained during the research and verification process and are included in the Addenda of this appraisal. The type and extent of our research and analysis is detailed in individual sections of the report. This includes the steps we took to verify comparable sales, which are disclosed in the comparable sale profile sheets in the addenda to the report. Although we make an effort to confirm the arms-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

Inspection

John Mullen, MAI, performed an on-site inspection on March 9, 2018. Patrick R. Phipps, MAI and James R. Schwartz have not inspected the subject property.

Significant Appraisal Assistance

It is acknowledged that Drake DeRango, State Registered Trainee Appraiser RI 24126 made a significant professional contribution to this appraisal, consisting of conducting research on the subject and transactions involving comparable properties, performing appraisal analyses, and assisting in report writing, under the supervision of the persons signing the report. The time claimed in the trainee's log is 65 hours.

Appraisal Problem

Nassau County proposes a partial acquisition of the subject property to accommodate the extension of William Burgess Road. Accordingly, we estimate the market value of the fee-simple interest in the property before the proposed right-of-way acquisition, the market value of the proposed acquisition and rights acquired, and the market value of the fee-simple interest in the remainder property after the acquisition, as of the effective date of the appraisal, March 9, 2018. The appraisal is valid only as of the stated effective date or dates.

Additionally, the appraisers considered, as applicable: an estimate of severance damages; an estimate of the partial mitigation of severance damages (cost-to-cure analyses); and an estimate of special benefits, if any, for the subject property.

Presentation of Data

Identification of Property and Legal Description

Name	William Burgess Extension Parcel
Address	US Highway 17, Yulee, Nassau County, FL 32097
Tax ID	Portion of 42-2N-27-0000-0001-0210
Owner of Record	Semanik Equity Development & Acquisition, Inc.
Legal Description	Hideaway Phase 1B & 1C, Nassau County

Location Description

The subject is a portion (Phases 1B and 1C) of The Hideaway, a single-family residential subdivision. The Hideaway is located east of U.S. 17, south of State Road 200, in eastern Nassau County. Nassau County is a coastal county located in the extreme northeast corner of Florida.

Description of Area and Neighborhood

Nassau County is located in northern Florida, approximately fifteen miles north of Jacksonville. It is 649 square miles in size and has a population density of 121 persons per square mile. Nassau County is part of the Jacksonville, FL Metropolitan Statistical Area, hereinafter called the Jacksonville MSA, as defined by the U.S. Office of Management and Budget.

Population

Nassau County has an estimated 2017 population of 78,738, which represents an average annual 1.0% increase over the 2010 census amount of 73,314. Nassau County added an average of 775 residents per year over the 2010 - 2017 period, and its annual growth rate is greater than that of the state of Florida.

Population Trends

	Population			Compound Ann. % Chng	
	2010 Census	2017 Est.	2022 Est.	2010 - 2017	2017 - 2022
Nassau County	73,314	78,738	83,447	1.0%	1.2%
Florida	18,801,310	20,108,440	21,436,087	1.0%	1.3%

Source: Esri 2018. Compiled by JLL Valuation & Advisory Services, LLC.

Looking forward, Nassau County's population is projected to increase at a 1.2% annual rate from 2017 - 2022, equivalent to the addition of an average of 942 residents per year. The Nassau County growth rate is expected to lag that of Florida, which is projected to be 1.3%.

Employment

The current estimate of total employment in Nassau County is 20,096 jobs. Since 2006, employment grew by 1,886 jobs, equivalent to a 10.4% gain over the entire period. There were gains in employment in seven of the past ten years despite the national economic downturn and slow recovery.

Nassau County's rate of change in employment significantly outperformed the state of Florida, which experienced an increase in employment of 1.4% or 110,500 over this period.

Employment Trends

Year	Total Employment (Annual Average)				Unemployment Rate (Ann. Avg.)	
	Nassau County	Change	Florida	Change	Nassau County	Florida
2006	18,210		7,982,900		2.9%	3.2%
2007	18,889	3.7%	7,998,300	0.2%	3.4%	4.0%
2008	19,205	1.7%	7,714,900	-3.5%	5.6%	6.3%
2009	17,546	-8.6%	7,232,300	-6.3%	9.6%	10.4%
2010	17,602	0.3%	7,172,900	-0.8%	10.6%	11.1%
2011	17,588	-0.1%	7,251,900	1.1%	9.6%	10.0%
2012	18,252	3.8%	7,396,900	2.0%	8.1%	8.5%
2013	18,852	3.3%	7,582,500	2.5%	6.8%	7.3%
2014	19,760	4.8%	7,824,900	3.2%	6.0%	6.3%
2015	20,096	1.7%	8,093,400	3.4%	5.0%	5.4%
Overall Change 2006-2015	1,886	10.4%	110,500	1.4%		
Avg Unemp. Rate 2006-2015					6.8%	7.3%
Unemployment Rate - December 2017					3.3%	3.7%

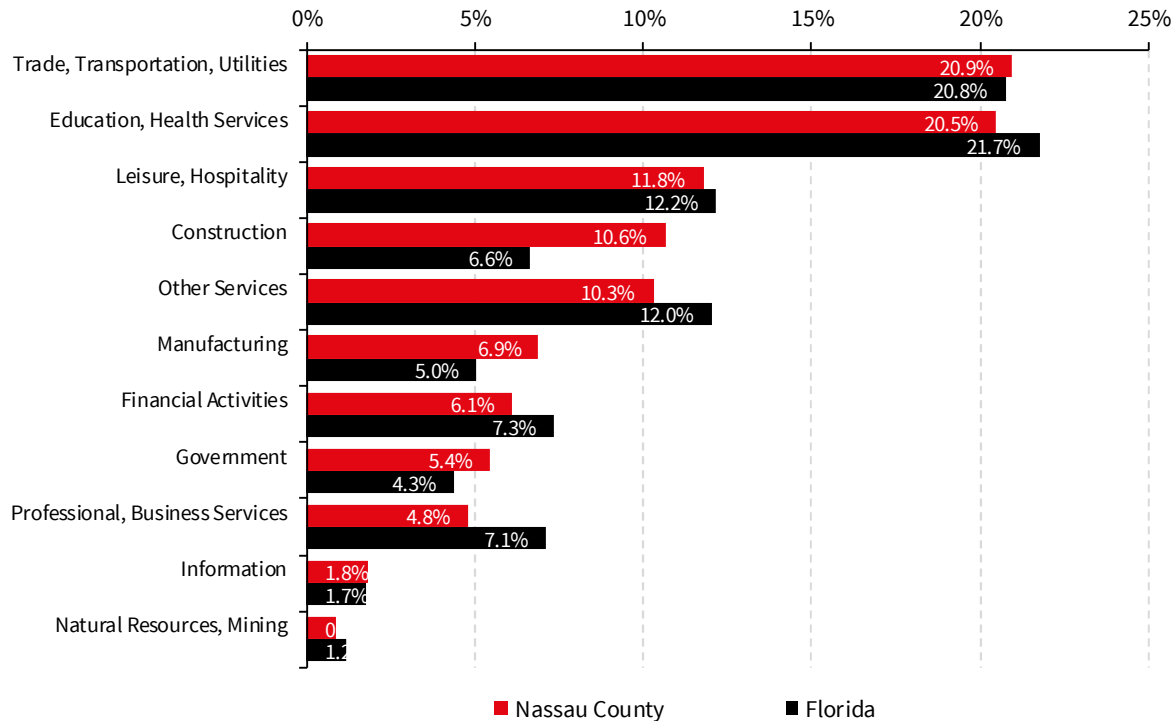
Source: Bureau of Labor Statistics. County employment is from the Quarterly Census of Employment & Wages (QCEW), all other areas use the Current Employment Survey (CES). Unemployment rates use the Current Population Survey (CPS). Data is not seasonally adjusted.

A comparison of unemployment rates is another way of gauging an area’s economic health, where a higher unemployment rate is a negative indicator. Over the past decade, the Nassau County unemployment rate of 6.8% has been lower than the Florida rate of 7.3%. In the latter half of the decade that trend has continued, as Nassau County has consistently outperformed Florida. Recent data shows that the Nassau County unemployment rate is 3.3%, in comparison to a 3.7% rate for Florida, a positive sign for Nassau County economy but one that must be tempered by the fact that Nassau County has underperformed Florida in the rate of job growth over the past two years.

Employment Sectors

The composition of Nassau County job market is illustrated in the chart below, paired with that of Florida. Total employment for the two areas is stratified by eleven major employment sectors, ranked from largest to smallest based on the percentage of Nassau County jobs in each sector.

Employment Sectors - 2017



Source: Esri 2018. Compiled by JLL Valuation & Advisory Services, LLC.

Nassau County has a greater percentage employment than Florida in the following categories:

Trade, Transportation, Utilities - which accounts for 20.9% of Nassau County payroll employment compared to 20.8% for Florida as a whole. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric/gas/water utilities.

Construction - which accounts for 10.6% of Nassau County payroll employment compared to 6.6% for Florida as a whole. This sector includes construction of buildings, roads, and utility systems.

Manufacturing - which accounts for 6.9% of Nassau County payroll employment compared to 5.0% for Florida as a whole. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.

Government - which accounts for 5.4% of Nassau County payroll employment compared to 4.3% for Florida as a whole. This sector includes public administration at the federal, state, and county level, as well as other government positions.

Nassau County is underrepresented in the following categories:

Education, Health Services - which accounts for 20.5% of Nassau County payroll employment compared to 21.7% for Florida as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.

Leisure, Hospitality - which accounts for 11.8% of Nassau County payroll employment compared to 12.2% for Florida as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.

Other Services - which accounts for 10.3% of Nassau County payroll employment compared to 12.0% for Florida as a whole. This sector includes establishments that do not fall within other defined categories, such as private households, churches, and laundry and dry cleaning establishments.

Financial Activities - which accounts for 6.1% of Nassau County payroll employment compared to 7.3% for Florida as a whole. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.

Major Employers

The table below contains major employers in Nassau County.

Major Employers - Jacksonville MSA*

Name	Number of Employees
1 Baptist Health	9,800
2 Bank of America Merrill Lynch	8,000
3 Florida Blue	6,000
4 Mayo Clinic	6,000
5 Southeastern Grocers	5,700
6 JP Morgan Chase	3,900
7 Citi	3,700
8 CSX Corp.	3,600
9 UF Health	3,600
10 Wells Fargo	3,500
11 Florida State College	3,300
12 Gate Petroleum Co.	3,125
13 St.Vincent's HealthCare	3,000
14 AT&T	2,600
15 University of North Florida	2,507
16 Johnson & Johnson Vision Care	2,200
17 Catholic Diocese of St. Augustine	2,100
18 Deutsche Bank	1,800
19 Memorial Hospital	1,800
20 Flagler Hospital	1,800

Source(s):

Jacksonville Business Journal, Book of Lists, 2016; Jacksonville USA Partnership, 2016; JAXUSA Partnership, 2017

*Nassau County is encompassed at least partially within the boundary of the Jacksonville MSA

Gross Domestic Product

Although Gross Domestic Product (GDP) figures are not available at the county level, data reported for the county's MSA is considered meaningful as Nassau County is part of the MSA and subject to its influence.

Economic growth, as measured by annual changes in GDP, has been somewhat lower in the Jacksonville MSA than Florida overall during the past nine years. The Jacksonville MSA has contracted at a 0.4% average annual rate while the state of Florida has declined at a 0.1% rate. As the national economy improves, the Jacksonville MSA continues to underperform Florida. GDP for the Jacksonville MSA rose by 2.6% in 2015 while Florida's grew by 3.1%.

The Jacksonville MSA has a per capita GDP of \$41,613, which is 7.0% greater than Florida's GDP of \$38,950. This means that the Jacksonville MSA industries and employers are adding relatively more value to the economy than their peers in Florida.

Gross Domestic Product

Year	(\$ mil)		(\$ mil)	
	Jacksonville	Change	Florida	Change
2006	\$62,752		\$799,957	
2007	\$62,678	-0.1%	\$803,119	0.4%
2008	\$59,665	-4.8%	\$770,159	-4.1%
2009	\$56,178	-5.8%	\$721,928	-6.3%
2010	\$56,602	0.8%	\$722,295	0.1%
2011	\$55,967	-1.1%	\$717,109	-0.7%
2012	\$56,995	1.8%	\$729,727	1.8%
2013	\$57,423	0.8%	\$746,585	2.3%
2014	\$58,773	2.4%	\$765,840	2.6%
2015	\$60,317	2.6%	\$789,751	3.1%
Compound % Chg (2006-2015)		-0.4%		-0.1%
GDP Per Capita 2015	\$41,613		\$38,950	

Source: Bureau of Economic Analysis. The release of state and local GDP data has a longer lag time than national data. The data represents inflation-adjusted "real" GDP stated in 2009 dollars.

Gross Domestic Product is a measure of economic activity based on the total value of goods and services produced in a specific geographic area. The figures in the table above represent inflation adjusted "real" GDP stated in 2009 dollars.

Household Income

Nassau County has a much higher level of household income than Florida. Median household income for Nassau County is \$57,675, which is 19.2% higher than Florida.

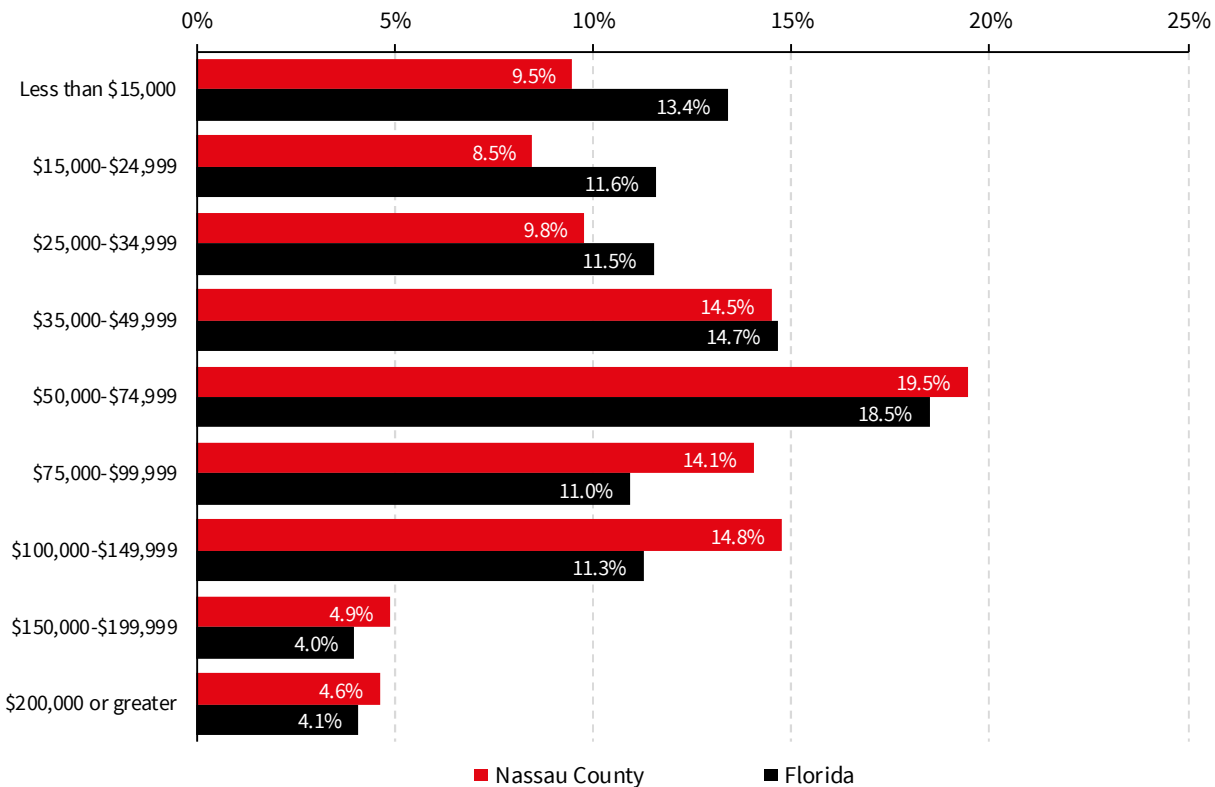
Median Household Income - 2017

	Median
Nassau County	\$57,675
Florida	\$48,377
Comparison of Nassau County to Florida	19.2%

Source: Esri 2018. Compiled by JLL Valuation & Advisory Services, LLC.

The following chart shows the distribution of households across nine income levels.

Household Income Distribution - 2017



Source: Esri 2018. Compiled by JLL Valuation & Advisory Services, LLC.

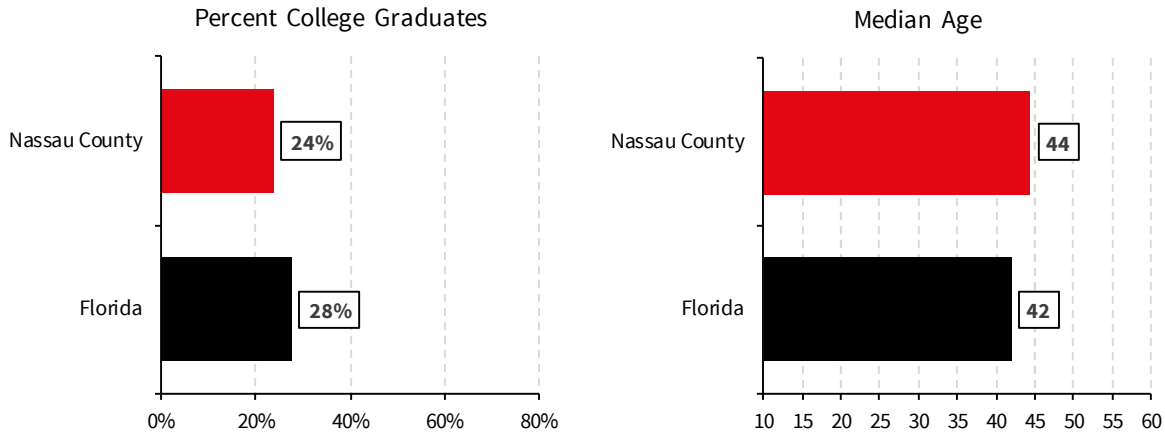
Nassau County has a smaller concentration of households in the lower income levels than Florida. Specifically, 28% of Nassau County households are below the \$35,000 level in household income as compared to 37% of Florida households. A greater concentration of households exists in the higher income levels, as 38% of Nassau County households are at the \$75,000 or greater levels in household income versus 30% of Florida households.

Education and Age

Residents of Nassau County have a lower level of educational attainment than those in Florida. An estimated 24% of Nassau County residents are college graduates with four-year degrees or higher, while Florida

residents have an estimated 28% with at least a four-year degree. People in Nassau County are older than their peers in Florida. The median age of Nassau County is 44 years, while Florida is 42 years.

Education & Age - 2017

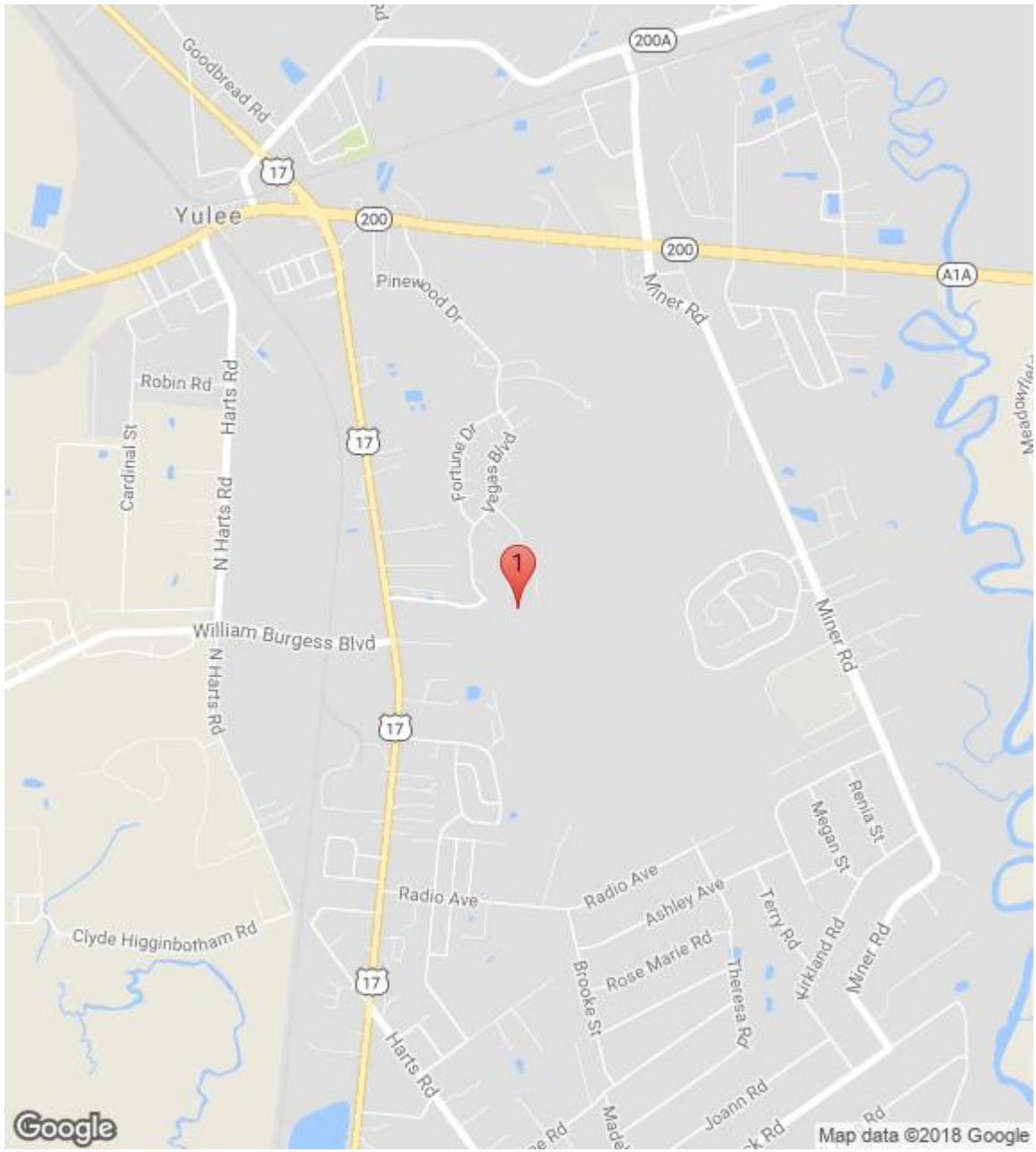


Source: Esri 2018. Compiled by JLL Valuation & Advisory Services, LLC.

Conclusion

Nassau County's economy will benefit from a rapidly growing population base and higher income levels. Nassau County saw an increase in the number of jobs in the past 10 years and has maintained a lower unemployment than Florida during the past decade. Furthermore, Nassau County is influenced positively from having a higher level of GDP per capita than Florida overall. We project that Nassau County's economy will improve and employment will grow, strengthening the demand for real estate overall.

Location Map



Surrounding Area Analysis

Boundaries

The subject is located east of U.S. 17, south of State Road 200, in eastern Nassau County. Nassau County is a coastal county located in the extreme northeast corner of Florida. The City of Fernandina Beach is the County Seat and occupies the northern two thirds of Amelia Island. The boundaries of the immediate market area are construed as follows:

North	Georgia State Line
South	Nassau Sound
East	Atlantic Ocean
West	Interstate 95

Surrounding Demographics

A snapshot of the surrounding area demographics, including population, households, and income data, is displayed in the following table.

Surrounding Area Demographics

2017 Estimates	1 mile radius	3 mile radius	5 mile radius	Nassau County	Florida
Population 2010	2,042	9,693	8,620	73,314	18,801,310
Population 2017	2,319	10,009	12,371	78,738	20,108,440
Population 2022	2,586	10,827	14,419	83,447	21,436,087
Compound % Change 2010 - 2017	1.8%	0.5%	5.3%	1.0%	1.0%
Compound % Change 2017 - 2022	2.2%	1.6%	3.1%	1.2%	1.3%
Households 2010	780	3,571	3,126	28,794	7,420,802
Households 2017	879	3,669	4,467	30,759	7,858,449
Households 2022	980	3,961	5,181	32,512	8,344,165
Compound % Change 2010 - 2017	1.7%	0.4%	5.2%	0.9%	0.8%
Compound % Change 2017 - 2022	2.2%	1.5%	3.0%	1.1%	1.2%
Median Household Income	\$58,739	\$58,557	\$63,632	\$57,675	\$48,377
Average Household Size	2.6	2.7	2.8	2.5	2.5
College Graduate %	8%	13%	19%	24%	28%
Median Age	38	41	39	44	42
Owner Occupied %	66%	68%	67%	75%	63%
Renter Occupied %	25%	23%	20%	25%	37%
Median Home Value	\$161,638	\$183,232	\$216,603	\$208,155	\$186,989
Median Year Structure Built	1997	1995	2003	1991	1985
Avg. Travel Time to Work in Min.	-	-	-	29	26

Source: Esri 2018. Compiled by JLL Valuation & Advisory Services, LLC.

As illustrated above, the current population within a three mile radius of the subject is 10,009, and the average household size is 2.7. Population in the area has risen since the 2010 census, and this trend is

expected to continue in the ensuing five years. The pace of population growth within a three mile radius is projected to exceed that of Nassau County overall.

Median household income is \$58,557, which is higher than the household income for Nassau County as a whole. The populace within a three mile radius has a notably lower level of formal college education than residents in Nassau County, and median home values in the area are also substantially lower.

Demand Generators

Major employers in the area include Nassau County Schools, Baptist Medical Center, Wal-Mart, and Ritz Carlton. The majority of employment centers are located on Amelia Island, east of the subject. The closest major commercial corridors to the subject are at the subject's location along SR 200; providing above average supporting retail and entertainment services. Development activity in the immediate area has been predominantly of commercial uses although there has also been ongoing residential development, mostly in the form of single-family residential subdivisions.

Nearby Retail Uses

The following nearby retail properties have significant drawing power that benefits the subject and other retail properties in the area: The subject's immediate area includes three retail centers at the intersection of SR 200 and Chester Road that further enhance demand for the subject. These include:

- Shoppes at Amelia Concourse is anchored by Home Depot and Target located at the northwest corner of SR 200 and Chester Road.

- Publix anchored retail center known as Villages of Amelia on the north side of SR 200, east of the subject; and adjacent Kohl's, Bealls, TJ Maxx, and Ross Dress for Less.

- Winn Dixie anchored retail center known Amelia Station located east of the subject.

- Coastal Cinemas 10-screen movie theater located east of subject

The shopping centers have anchor and local space with multiple outparcels for restaurant, convenience store and bank locations currently existing. The massing of these retail properties creates a significant gravitational pull that benefits the subject and other retail properties in the area.

Access and Linkages

Major north/south transportation routes through Nassau County include Interstate 95, U.S. Highway 17, U.S. Highway 301, U.S. Highway 1 and State Road A1A. Interstate 95 and U.S. Highway 17 extend north and south through the east/central portion of the county. Interstate 95 and Highway 17 cross each other in the northerly portion of the county. State Road A1A is a coastal highway originating in the northerly portion of Fernandina Beach and extending southerly through Fernandina Beach and Amelia Island and into northeast Duval County. These roadways provide direct access to downtown Jacksonville and other major employment centers located throughout the Jacksonville MSA.

The major east/west route in Nassau County is State Road 200 (A1A), which extends west from Fernandina Beach, through Yulee, bisects Interstate 95 (with full interchange), and extends to Callahan where it merges with U.S. Highway 301 and continues southwesterly into northwest Jacksonville and Baldwin.

Commercial air service is available at the Jacksonville International Airport, approximately 25 miles southwest of Amelia Island. Additionally Fernandina Beach Municipal Airport is located at the north end of Amelia Island just east of Amelia Parkway. This airport accommodates small aircraft and private charters. The Port of Fernandina Beach is the South Atlantic's deepest natural port and has 1,200 lineal feet of marginal wharf.

In general, the subject neighborhood provides for a variety of arterials and collectors which give the subject excellent access to various residential and residential support facilities in the area.

Outlook and Conclusion

The subject's area has experienced recent employment growth and construction activity has accelerated over the past several years contributing to our conclusion that the subject's area is in the growth stage of its life cycle. We expect property values to increase in the near to medium term future.

Description of Property, Photographs, and Sketches

Property Type: Land

Existing Use: Entitled Single-Family Residential Subdivision (under development)

Land Area Summary	Land Area (Acres)	Land Area (SF)
Parent Tract	48.580	2,116,145
Acquisition	9.694	422,271
Remainder	38.886	1,693,874

Land Description, Parent Tract

Shape	Irregular
Dimensions	The subject is irregular in shape, with a maximum length of 3,100± feet and a maximum depth of 1,650± feet.
Ingress/Egress	Physical access to the subject is via Nevada Avenue, Vegas Boulevard and Moonlit Walk Circle.
Topography	The site is generally level. The topography does not result in any particular development limitations.
Flood Zone Designation	X
Flood Zone	The subject is outside the 500 year flood plain. The appraiser is not an expert in this matter and is reporting data from FEMA maps.
FEMA Map Number	12089C0352G
FEMA Map Date	August 2, 2017
Drainage	No drainage problems were observed or disclosed to us during our inspection. This appraisal assumes that surface water collection is adequate. There is an area of wetlands located immediately east of the eastern boundary of the subject. The property owner has reported that there are no wetlands located on the subject property; however, we were not provided a formal wetland delineation to review. This appraisal assumes that there are no wetlands located on the subject property.
Soil Conditions	The soil conditions observed at the subject appear to be typical of the region and adequate to support development.
Utilities	All public utilities are available to the site including public water and sewer, gas, electric, and telephone
Utilities Adequacy	The subject's utilities are typical and adequate for the market area.
Site Improvements	None for the purposes of our analysis. Phase 1B is currently under development. See Hypothetical Conditions.

Subject Photographs



View west along William Burgess Road, west of subject
(Photo Taken on March 9, 2018)



View east along William Burgess Road (current terminus)
(Photo Taken on March 9, 2018)



Interior view within existing portion of Hideaway
(Photo Taken on March 9, 2018)



Ongoing Phase 1B development
(Photo Taken on March 9, 2018)



View of Phase 1C from 1B
(Photo Taken on March 9, 2018)



Ongoing Phase 1B development
(Photo Taken on March 9, 2018)



Ongoing Phase 1B development
(Photo Taken on March 9, 2018)



Interior view of Phase 1C site
(Photo Taken on March 9, 2018)



View of Phase 1C site
(Photo Taken on March 9, 2018)



Interior view within existing portion of Hideaway
(Photo Taken on March 9, 2018)

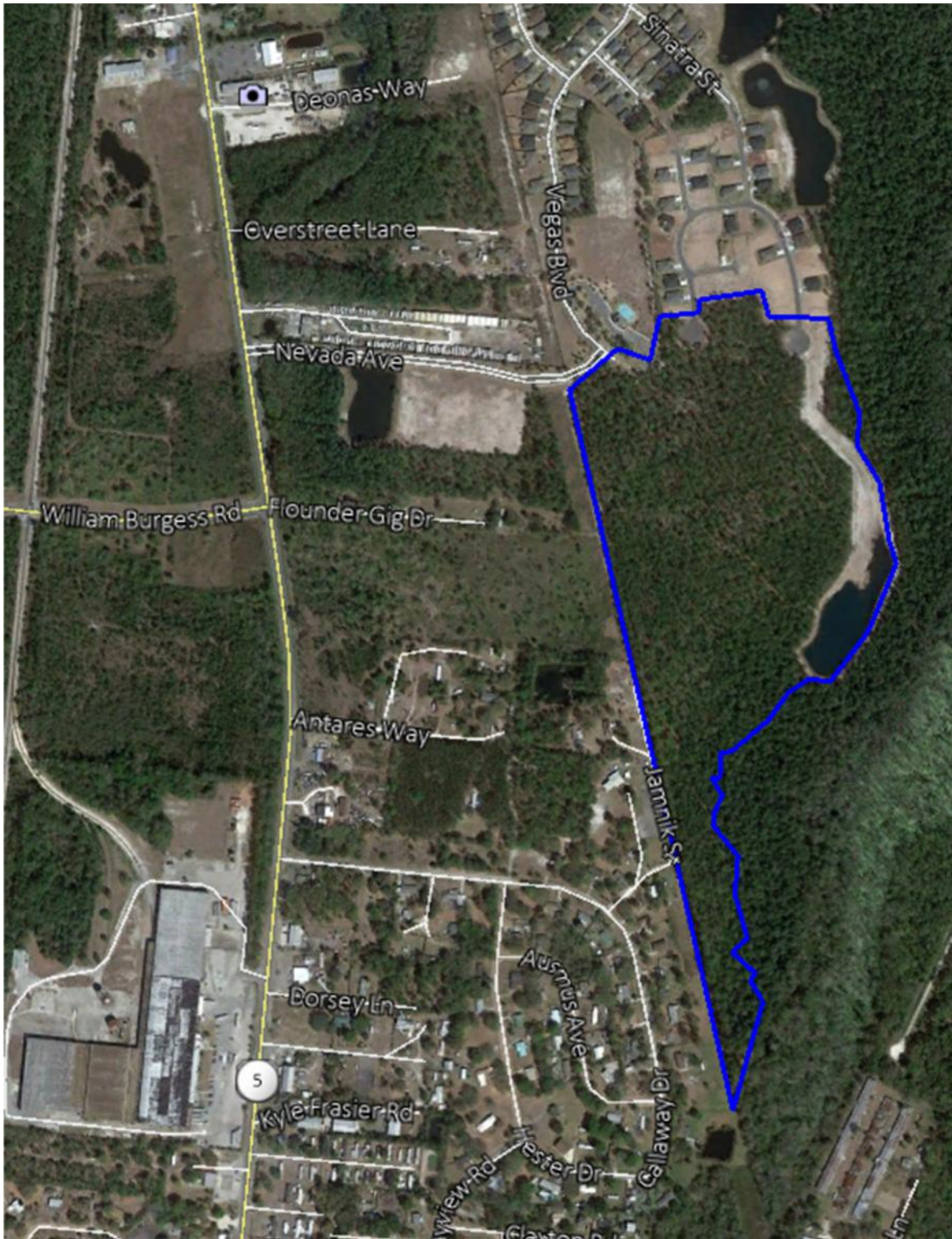


SEDA model home in existing portion of Hideaway
(Photo Taken on March 9, 2018)

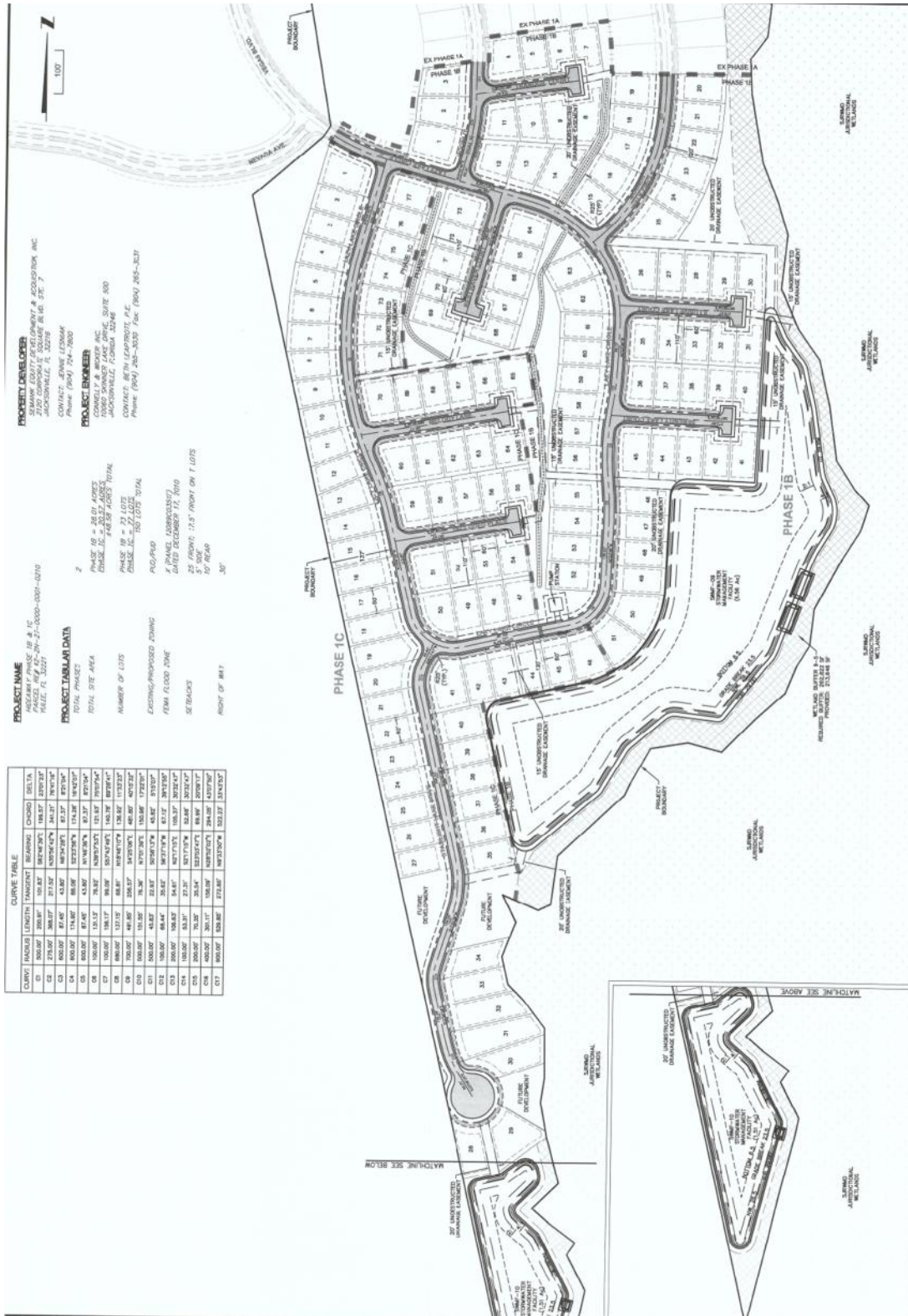


Main entrance to Hideaway
(Photo Taken on March 9, 2018)

Aerial Map (Parent Tract)



Site Plan



Flood Map

National Flood Hazard Layer FIRMette



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS		Without Base Flood Elevation (BFE) Zone A, V, A99
		With BFE or Depth
		Regulatory Floodway Zone AE, AO, AH, VE, AR
OTHER AREAS OF FLOOD HAZARD		0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
		Future Conditions 1% Annual Chance Flood Hazard Zone X
		Area with Reduced Flood Risk due to Levee. See Notes. Zone X
		Area with Flood Risk due to Levee Zone D
OTHER AREAS		Area of Minimal Flood Hazard Zone X
		Effective LOMRs
GENERAL STRUCTURES		Channel, Culvert, or Storm Sewer
		Levee, Dike, or Floodwall
OTHER FEATURES		Cross Sections with 1% Annual Chance Water Surface Elevation
		Coastal Transect Elevation
		Base Flood Elevation Line (BFE)
		Limit of Study
		Jurisdiction Boundary
MAP PANELS		Digital Data Available
		No Digital Data Available
		Unmapped



This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The base map shown complies with FEMA's base map accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 3/13/2018 at 1:57:54 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: base map imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

Existing Transportation Facility Description

The subject property is located just east of the terminus of William Burgess Road. William Burgess Road is a two-lane collector road which begins northwest of the subject at SR 200 approximately 0.5 miles east of I-95 and winds to the southeast providing access to Highway 17. The road crosses Highway 17 and becomes Flounder Gig Drive for a short time before terminating just west of the subject property.

Zoning, Land Use Plan, Concurrency

Zoning Summary

Zoning Jurisdiction	Nassau County
Zoning Code	PUD 2014-24 'The Hideaway'
Zoning Description	PUD allowing development of a residential subdivision
Permitted Uses	Single Family Residential Subdivision
Zoning Density/FAR	4.09 lots per acre
Current Use Legally Conforming	Yes
Zoning Change Likely	No
Maximum Building Height	35'
Minimum Lot Size	6,000 SF
Minimum Lot Width	60'
Set Back Distance (Feet)	25'
Side Yard Distance (Feet)	5'
Rear Yard Distance (Feet)	10'
Maximum Lot Coverage	50%
Other Land Use Regulations	We are not aware of any other land use regulations that would affect the property.
Zoning Comments	The subject property is within Nassau County PUD 2014-24
Source	Ordinance 2014-24, Nassau County Code of Ordinances

According to the local planning department, there are no pending or prospective zoning changes. It appears that the current use of the site is a legally conforming use.

The subject's PUD is for development of The Hideaway, a single-family residential subdivision. Phase 1A of The Hideaway is already constructed, Phase 1B is currently under development, and Phase 1C is planned.

The subject property is currently approved for construction of 150 units; however, according to the client, there is a reasonable probability that 5 additional lots would be approved, thus bringing the total developable units on the subject to 155. This appraisal has considered 155 lots as the maximum legally allowable.

We are not experts in the interpretation of zoning ordinances. An appropriately qualified land use attorney should be engaged if a determination of compliance is required.

Concurrency

In accordance with Florida Statutes Section 163.3180, as approved June 2, 2011, the premise of concurrency is that public facilities will be provided in order to achieve and maintain the adopted level of service standard. Sanitary sewer, solid waste, drainage and potable water public facilities and services are subject to concurrency requirements on a statewide basis. The law provides local governments the option to determine concurrency standards for other public facilities such as transportation (roads), mass transit, parks and recreation facilities, and schools. In order for local governments to rescind any optional concurrency provisions, a comprehensive plan amendment is required.

Under a development scenario, dependent on the proposed density and intensity of the intended project a concurrency evaluation is currently required to determine if adequate levels of services are available. There are no known issues relating to concurrency that would negatively affect development of the subject property.

Assessed Value, Taxes and Special Assessments

Real estate tax assessments are administered by the Nassau County Property Appraiser and are estimated by jurisdiction on a county wide basis for the subject. Real estate taxes in this state and this jurisdiction represent ad valorem taxes, meaning a tax applied in proportion to value. The real estate taxes for an individual property may be determined by dividing the assessed value for a property by 100, then multiplying the estimate by the millage rate. The estimated taxes for 2017 are based upon the certified 2017 assessed value and millage rate. Real estate taxes and assessments for the current tax year are shown in the following table.

Real Estate Taxes

Taxing Authority	Nassau County
Assessment Year	2017

Real estate taxes and assessments for the current tax year are shown in the following table.

Real Estate Assessment and Taxes - 2017

Tax ID	Assessed Value				Total Assessment	Tax Rate	Taxes and Assessments		
	Land	Improvements	Other				Ad Valorem Taxes	Special Assessment	Total Taxes
42-2N-27-0000-0001-0210	\$23,122	N/A	\$0		\$23,122	1.513880%	\$350.04	N/A	\$350.04
Totals	\$23,122	\$0	\$0		\$23,122	1.513880%	\$350.04	\$0	\$350.04

State law requires that all real property be revalued each year. The subject was reviewed to determine a new working value effective January 1st. The millage rate is generally finalized in October of each year, and tax bills are received in late October or early November. If the taxes are paid prior to November 30th, the State of Florida allows a 4% discount. After March 31st, the taxes are subject to interest, penalties, and a tax lien sale.

Any change resulting from reassessment may not exceed 10% of the assessed value of the property for a prior year, for all levies other than school district levies. The property shall be assessed as just value as of January 1 of the year following a qualifying improvement or change of ownership or control. Thereafter, the annual changes in assessed value of the property may not exceed 10% of the assessed value of the property for the prior year. A qualifying improvement means any substantially completed improvement that increases the just value of the property by at least 25%.

According to the Nassau County Tax Collector’s Office, the 2017 taxes have been paid, and there are no delinquent taxes from prior years. The subject is a new tax parcel and there is no history to display. Based on the concluded market value of the subject, the assessed value appears low. The assessed value is based on the subject being assessed as “agricultural”. This is a holding designation and the subject will be re-assessed post development.

History of Property

The most recent closed sale of the subject is summarized as follows:

Most Recent Sale (Closed)

Grantor:	Decatur Properties, Inc.
Grantee:	Semanik Equity Development & Acquisition, Inc.
Sale Date:	February 26, 2015
Sale Price:	\$825,000
Document Number:	Deed Book 1966, Page 662 of the Nassau County Public Records

The above transfer included Phases 1A, 1B, and 1C of The Hideaway subdivision. The property was purchased by Semanik Equity Development & Acquisition, Inc. from Decatur Properties, Inc as an REO. At the time, Semanik was already active within Phases 2 and 3 of the PUD which are located north of the subject. The site was heavily treed undeveloped land at the time of sale which was zoned PUD and entitled for the development of 206 residential lots.

Since the purchase, the buyer has completed development of Phase 1A of the subdivision and has begun selling completed homes, and development of Phase 1B is underway with multiple reservations in place. As of the effective date of the appraisal, development of Phase 1C has not commenced.

Home sales in Phase 1A began closing in September of 2016, and 36 of the 51 homes have sold ranging in price from \$208,800 to \$275,000 with an average of about \$235,000. Four homes sold during the last three months of 2016, followed by 29 home sales in 2017. Three homes had sold in 2018 as of February 15th.

The buyer reported four reservations in place for homes in Phase 1B. Lot 51 sold for \$249,880, Lot 11 for \$245,367, Lot for A5 for \$246,700 Lot 22 for \$260,000. The buyer reported that the homes in Phase 1C will be slightly more expensive than those in 1B and lot prices for homes in Phase 1C are expected to increase by about \$10,000 per lot

Pending Transactions

To the best of our knowledge, the property is not subject to an agreement of sale or an option to buy, nor is it listed for sale, as of the effective appraisal date.

Exposure Time

Exposure time is defined within the FDOT Supplemental Standards of Appraisal, Effective April 15, 1999, revised: January 1, 2012, as:

“Exposure time is defined as the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical 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.”

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Exposure time is always presumed to precede the effective date of the appraisal. Based on our review of recent sales transactions for similar properties and our analysis of supply and demand in the local land market, it is our opinion that the probable exposure time for the subject at the concluded market values stated previously is 12 months.

Marketing Time

Marketing time is an estimate of the amount of time it might take to sell a property at the concluded market value immediately following the effective date of value. As we foresee no significant changes in market conditions in the near term, it is our opinion that a reasonable marketing period for the subject is likely to be the same as the exposure time. Accordingly, we estimate the subject’s marketing period at 12 months.

Public and Private Restrictions

We were not provided a current title report to review. We are not aware of any easements, encroachments, or restrictions that would adversely affect value. Our valuation assumes no adverse impacts from easements, encroachments, or restrictions, and further assumes that the subject has clear and marketable title.

Analysis of Data and Conclusions

Highest and Best Use Analyses

Highest and best use may be defined as the reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

Legally Permissible: What uses are permitted by zoning and other legal restrictions?

Physically Possible: To what use is the site physically adaptable?

Financially Feasible: Which possible and permissible use will produce any net return to the owner of the site?

Maximally Productive: Among the feasible uses which use will produce the highest net return, (i.e., the highest present worth)?

Highest and Best Use of the Site

Legally Permissible

The site is zoned PUD 2014-24 'The Hideaway'. This PUD allows for development of a residential subdivision. As currently phased, the subject has a maximum unit count of 150 lots. However, according to the client, there is a reasonable probability that the subject will be allowed five (5) additional lots, bringing the total unit count to 155-lots. To our knowledge, there are no legal restrictions such as easements or deed restrictions that would effectively limit the use of the property. Given prevailing land use patterns in the area, only residential subdivision development is given further consideration in determining highest and best use of the site, as though vacant.

Physically Possible

The physical characteristics of the site do not appear to impose any unusual restrictions on development. Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses.

Financially Feasible

Based on our analysis of the market, there is currently adequate demand for residential subdivision development in the subject's area. Phase 1A of the subject subdivision has been developed and development of Phase 1B is ongoing with multiple reservations in place. It appears that a newly developed residential subdivision development on the site would have a value commensurate with its cost. Therefore, residential subdivision development is considered to be financially feasible.

Maximally Productive

There does not appear to be any reasonably probable use of the site that would generate a higher residual land value than residential subdivision development. Accordingly, it is our opinion that residential subdivision development, developed to the normal market density level permitted by zoning, is the maximally productive use of the property.

Highest and Best Use as Improved

No improvements are situated on the subject. Therefore, a highest and best analysis as improved is not applicable.

Highest and Best Use Conclusion

Highest and Best Use as Vacant

Development of the site for residential subdivision development is the only use that meets the four tests of highest and best use. Therefore, it is concluded to be the highest and best use of the property as if vacant.

Highest and Best Use as Improved

This appraisal considers land only. Therefore, the highest and best use as improved is not applicable.

Most Probable Buyer

Taking into account the functional utility of the site and area development trends, the probable buyer is a local or regional developer seeking to develop a residential subdivision.

Approaches to Value Used and Excluded

Valuation Methodology

Three basic approaches may be applicable and utilized, then reconciled to arrive at an estimate of market value. An approach to value is included or eliminated based on its applicability to the property type being value and the information available. The reliability of each approach depends on the availability and comparability of market data as well as the motivation and thinking of purchasers. Applicable approaches and whether or not they were utilized are summarized below:

Cost Approach

The Cost Approach is based on the proposition that an informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. In the Cost Approach, the appraiser forms an opinion of the cost of all improvements, depreciation from physical, functional and external causes. The land value, entrepreneurial profit and depreciated improvement costs are then added, resulting in indication of value.

Sales Comparison Approach

The Sales Comparison Approach compares sales of similar properties with the subject property. Each comparable sale is adjusted for its inferior or superior characteristics. The values derived from the adjusted comparable sales form a range of value for the subject. A gross income multiplier and / or effective gross income multiplier may also be analyzed. By process of correlation and analysis, a final indicated value is derived.

Income Approach

In the Income Capitalization Approach the income-producing capacity of a property is estimated by using contract rents on existing leases and by estimating market rent from rental activity at competing properties for the vacant space. Deductions are then made for vacancy and collection loss and operating expenses. The resulting net operating income is divided by an overall capitalization rate to derive an opinion of value for the subject property. The capitalization rate represents the relationship between net operating income and value. This method is referred to as Direct Capitalization.

Related to the Direct Capitalization Method is the Yield Capitalization Method. In this method periodic cash flows (which consist of net operating income less capital costs) and a reversionary value are developed and discounted to a present value using a discount rate or an internal rate of return.

The Income Approach converts the anticipated flow of future benefits (income) to a present value estimate through a capitalization and or a discounting process.

Final Reconciliation

The appraisal process concludes with the Final Reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others.

Approaches to Value Used and Excluded

Applicability and utilization of the approaches in this assignment is described as follows.

Approach	Description	Applicability	Utilization
Cost	A cost approach is most applicable in valuing new or proposed construction when the improvements represent the highest and best use of the land and the land value, cost new and depreciation are well supported.	Not Applicable	Not Utilized
Sales Comparison	A sales approach is most applicable when sufficient data on recent market transactions is available and there is an active market for the property type.	Applicable	Utilized
Income	An income approach is most applicable when the subject is an income producing property or has the ability to generate income in the future as an investment.	Not Applicable	Not Utilized

Land Valuation

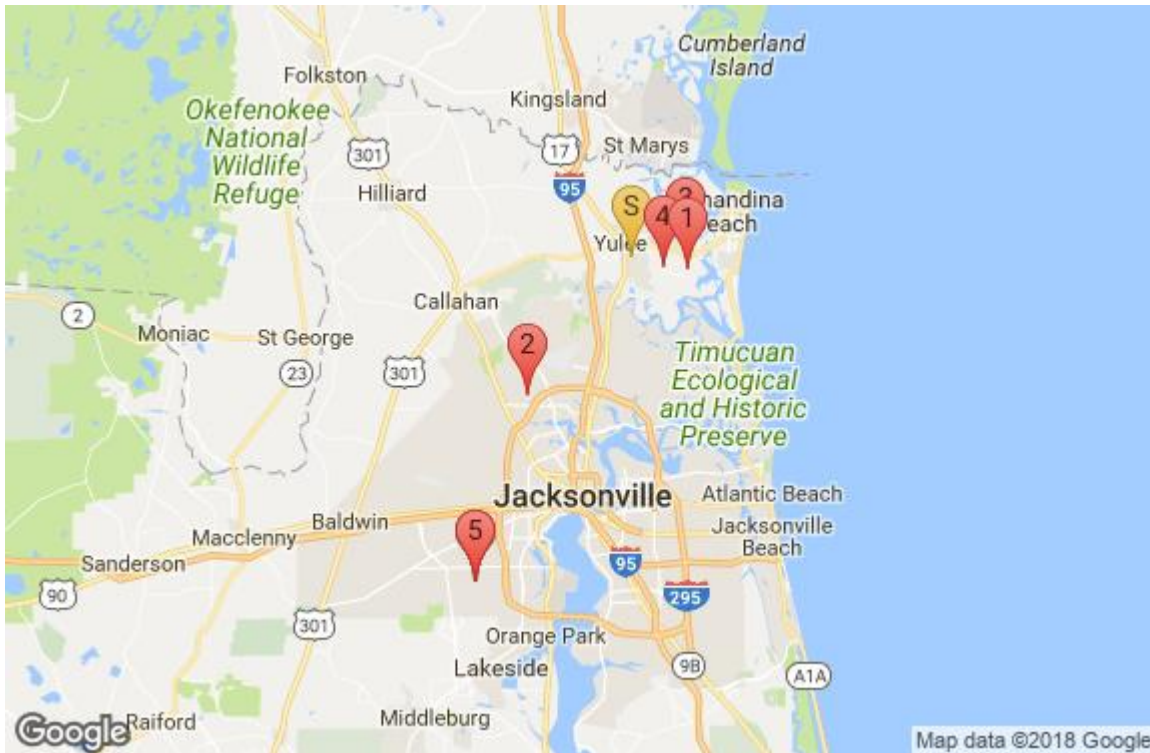
The subject's land value has been developed via the sales comparison approach.

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. This approach compares sales of similar properties with the subject property. Each comparable sale is adjusted for its inferior or superior characteristics. The values derived from the adjusted comparable sales form a range of value for the subject. By process of correlation and analysis, a final indicated value is derived.

Collection of Comparable Sales

We have researched comparables for this analysis, which are documented on the following pages followed by an analysis grid. All sales have been researched through numerous sources and, when possible, verified by a party to the transaction.

Comparables Map



Land Sales Comparables

Comp	Property Name City	Date Price	Land Units Price Per Land Unit	Acres Usable Acres	Comments
	William Burgess Extension Parcel Yulee	-	155	40.58	
1	Sandy Lake Preserve Yulee	Mar-2016 \$1,468,000	121 \$12,132	83.97 69.37	Sale of an 83.97 acre tract of vacant land located on the east side of Old Nassauville Road in Nassau County, Florida. The site is zoned RS-2 which allows for single family residential development with a 75' lot width. The deeded purchase price was \$1,380,000, and the buyer spent an additional \$88,000 after the sale to fully re-engineer the project. The buyer plans to develop a 121 lot subdivision on the site indicating a price per lot of \$12,132.
2	Hampton West Site Jacksonville	Mar-2017 \$1,700,000	139 \$12,230	57.71 48.00	The site is located on the west side of V C Johnson Road, just north of Ada Johnson Road in northwest Jacksonville. The buyer is a local developer and purchased the property with the intent of developing it into a single-family subdivision. The PUD was enacted in 2005 and allows for the development of 152 lots with a minimum width of 60 feet (density 2.9 lots/usable acre). However, the development agreement only allows for 139 lots as of the sale date. On-site retention required for development.
3	Barnwell Manor Yulee	Sep-2017 \$2,769,500	208 \$13,315	119.62 106.34	This is the sale of approximately 120 acres on the north side of State Road 200 in Yulee, FL. The seller acquired the site out of foreclosure in 2013 and had it zoned and entitled to RS-1 for single family residential. The seller agreed to sell the entire property to AV, the buyer, rather than individual lots due to the seller's previous relations with the buyer and their reputation in the area. The land was purchased to develop a single family residential neighborhood. The developer has planned 208 lots. The purchase price was \$2,769,000 or \$13,315 per planned lot.
4	Proposed Hampton Lakes Subdivision Yulee	Dec-2017 \$3,000,000	210 \$14,286	100.94 100.94	Sale of 3 parcels totaling 100.94 along Majestic Walk Boulevard and Spruce Run Drive in Yulee, Nassau County, Florida. The site is zoned PUD and is approved for the development of a 210-lot subdivision indicating a price per lot of \$14,286.
5	Sandler Oaks subdivision site Jacksonville	Jan-2018 \$2,240,000	165 \$13,576	43.79 41.50	January 2018 sale of four contiguous tax parcels located at the southeast corner of Old Middleburg Road and Sandler Road on the southwest side of Jacksonville. The property was an assemblage from two sellers. Each property had been marketed both separately, although the entire property was also marketed as a whole. Three of the parcels were sold by Audrey Campbell for an amount of \$1,445,000, while the fourth parcel was sold by Brenda Clower for a price of \$750,000. The combined price of the two deeds was \$2,195,000. The property was purchased by an entity related to Matovina and Company, a local developer. The overall site was placed under contract with RR-Acre zoning which would not allow intensive subdivision development. The buyer applied for and subsequently received approval for rezoning in April 2017 for PUD allowing development of up to 170 lots with minimum widths of 60 feet. The buyer plans to develop 165 lots on the site. Approximately \$10,000 was spent on the rezoning process. The property was also improved with two older residences and multiple barns that did not contribute to the value of the underlying land. They will be razed to allow redevelopment at a cost of approximately \$35,000. The combined rezoning and demolition costs are therefore \$45,000. Adding these to the land cost of \$2,195,000 reflects an effective price paid of \$2,240,000, which equates to \$13,576 per planned lot.

The Sales Adjustment Grid

Land Grid - Parent Tract

	Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
Name	William Burgess Extension Parcel	Sandy Lake Preserve	Hampton West Site	Barnwell Manor	Proposed Hampton Lakes Subdivision	Sandler Oaks subdivision site
Address	US HWY 17	Old Nassauville Road	V C Johnson Rd.	Barnwell Road	Spruce Run Drive	Old Middleburg Road S
City	Yulee	Yulee	Jacksonville	Yulee	Yulee	Jacksonville
County	Nassau	Nassau	Duval	Nassau	Nassau	Duval
State	FL	FL	FL	FL	FL	FL
Date	Mar-2018	Mar-2016	Mar-2017	Sep-2017	Dec-2017	Jan-2018
Price		\$1,468,000	\$1,700,000	\$2,769,500	\$3,000,000	\$2,240,000
Price Adjustment		\$0	\$0	\$0	\$0	\$0
Adjusted Price		\$1,468,000	\$1,700,000	\$2,769,500	\$3,000,000	\$2,240,000
Land Units	155	121	139	208	210	165
Price per Unit		\$12,132	\$12,230	\$13,315	\$14,286	\$13,576
Acres	48.58	83.97	57.71	119.62	100.94	44
Usable Acres	48.58	69.37	48.00	106.34	100.94	42
Units per acre	3.19	1.74	2.90	1.96	2.08	3.98
Zoning	PUD	RS-2	PUD	RS-1	PUD	PUD
Average Lot Width	60'	75'	60'	90'	50'	60'
Transaction Adjustments						
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		-	-	-	-	-
Financing		Conventional	Conventional	Conventional	Conventional	Cash to seller
% Adjustment		-	-	-	-	-
Conditions of Sale		Arm's Length	Cash	Arm's length	Arm's Length	Arm's length
% Adjustment		-	-	-	-	-
Expend. After Sale		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Market Trends Through	Mar-18 6%	12%	6%	3%	1%	1%
Adjusted Price per Unit		\$13,586	\$12,947	\$13,664	\$14,495	\$13,720
Location		-5%	15%	-5%	-5%	10%
Density/Planned Lot Size		-5%	-	-5%	5%	-
Size (# of Lots)		-	-	5%	5%	5%
Shape/Topography		-	-	-	-	-
Zoning		-	-	-	-	-
Utilities/Development Status		5%	5%	5%	5%	5%
Adjusted Price per Unit		\$12,907	\$15,537	\$13,664	\$15,944	\$16,463
Net Adjustments		6%	27%	3%	12%	21%
Summary Indicators						
Comparables - Unadjusted	Range	\$12,132 - \$14,286	Average	\$13,108	Median	\$13,315
Comparables - Adjusted		\$12,907 - \$16,463		\$14,903		\$15,537
Reconciled Unit Value:			\$15,500			

Analyses of Comparable Sales and Explanation of Adjustments

The previous sales have been analyzed and compared with the subject property. Adjustments are considered for the following factors, in the sequence shown below.

Land Adjustment Summary

Adjustment Factor	Accounts For	Comments
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.	No adjustments for real property rights were required.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.	No adjustments for financing terms were required.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale.	No adjustments for conditions of sale were required.
Expenditures After Sale	Atypical economics of a transaction, such as demolition cost, impact fees, remediation, or other expenditures by buyer at time of purchase.	No adjustments for expenditures after sale were required.
Market Conditions	Changes in the economic environment over time that affect the appreciation and depreciation of real estate.	The land sales took place from March 2016 to January 2018. Market conditions generally have been strengthening over this period through the effective date of value. As a result, we apply upward adjustments of 6.0% per year to account for this trend.
Location	Market or submarket area influences on sale price or rental rate; surrounding land use influences.	Comparables 1, 3, and 4 were adjusted downward for superior locations within Nassau County. Sales 2 and 5 are located in west and north Jacksonville and are adjusted upward for inferior locations.
Density/Planned Lot Size	Potential amount of developable lots on a property in relation to its size.	Comparables 1, 3, and 4 have lower densities and have received upward adjustments.
Size (# of Lots)	Inverse relationship that often exists between parcel size and unit value.	Comparables 3, 4, and 5 have been adjusted upward due to their larger size when compared to the subject property. Comparables 2 and 2 have not been adjusted.
Shape/Topography	Primary physical factors that affect the utility of a site for its highest and best use.	No adjustments for shape/topography were required.
Zoning	Government regulations that affect the types and intensities of uses allowable on a site.	No adjustments for zoning were required.
Utilities/Development Status	Considers availability of utilities to the property as well as existing site engineering and horizontal infrastructure.	All sales adjusted upward to reflect benefit the subject receives due to the existing infrastructure and engineering present from Phases 1 and 2 of the Hideaway development.

Additional Data Analyzed

In addition to the five sales analyzed within the grid, we are aware of two additional sales in the subject's immediate area that further support our value conclusion.

Woodbrier Subdivision Site – \$8,075/Lot - August 2015



August 2015 sale of the vacant development site for the Woodbrier subdivision. The community is planned for the development of 106 single family lots with a minimum width of 50 feet. The seller purchased the property in February 2015 for \$529,000 from Synovus Bank as a REO sale after it had been marketed for approximately three years, and then re-sold the property in August of 2015 for \$856,000. The property was originally marketed as a multifamily site. Rezoning from RG 1 to PUD was completed in 2014 to specifically allow the proposed development. The site sold for \$856,000, or \$8,075 per lot.

This sale was omitted due to the low sale price resulting from a quick sale/resale of the property.

Creekstone Subdivision Site – \$11,904/Lot - December 2016



Sale of 24.79± acres of vacant land located on the southeast corner of Old Nassauville Road and College Parkway. The site was previously zoned OR/Open Rural and was rezoned by the buyer to RS-2/Residential Single Family prior to closing on the property. Site plans filed with the Saint Johns River Water Management District indicate that the buyer plans to develop the site with a 43-lot single family residential subdivision. The site sold for \$500,000, or \$11,904 per lot. This sale is considered inferior to the subject due to the rezoning performed by the buyer to facilitate development.

Indicated Value by the Sales Comparison Approach

All of the value indications have been considered, and in the final analysis, each of the comparables have been considered in arriving at our final reconciled value. All of the comparables have been analyzed on a per lot basis, which is the typical analysis performed by market participants.

Indicated Value per Lot	\$15,500
x Subject Lots	x 155
Indicated Land Value	\$2,402,500
Rounded Land Value	\$2,405,000

Reconciliation of Value Indications and Final Value Opinion

The process of reconciliation involves the analysis of each approach to value. The quality of data applied, the significance of each approach as it relates to market behavior and defensibility of each approach are considered and weighed. Finally, each is considered separately and comparatively with each other.

As discussed previously, we use only the sales comparison approach in developing an opinion of value for the subject. The cost and income approaches are not applicable and are not used.

Based on the preceding valuation analysis and subject to the definitions, assumptions, and limiting conditions expressed in the report, our value opinion follows:

Summary of Value Indications - Before

Cost Approach	Not Utilized
Sales Comparison Approach	\$2,405,000
Income Capitalization Approach	Not Utilized
Reconciled	\$2,405,000

Value Conclusion

Based on the data and analyses developed in this appraisal, we have reconciled to the following value conclusion(s), as of March 9, 2018, subject to the Limiting Conditions and Assumptions of this appraisal.

\$2,405,000

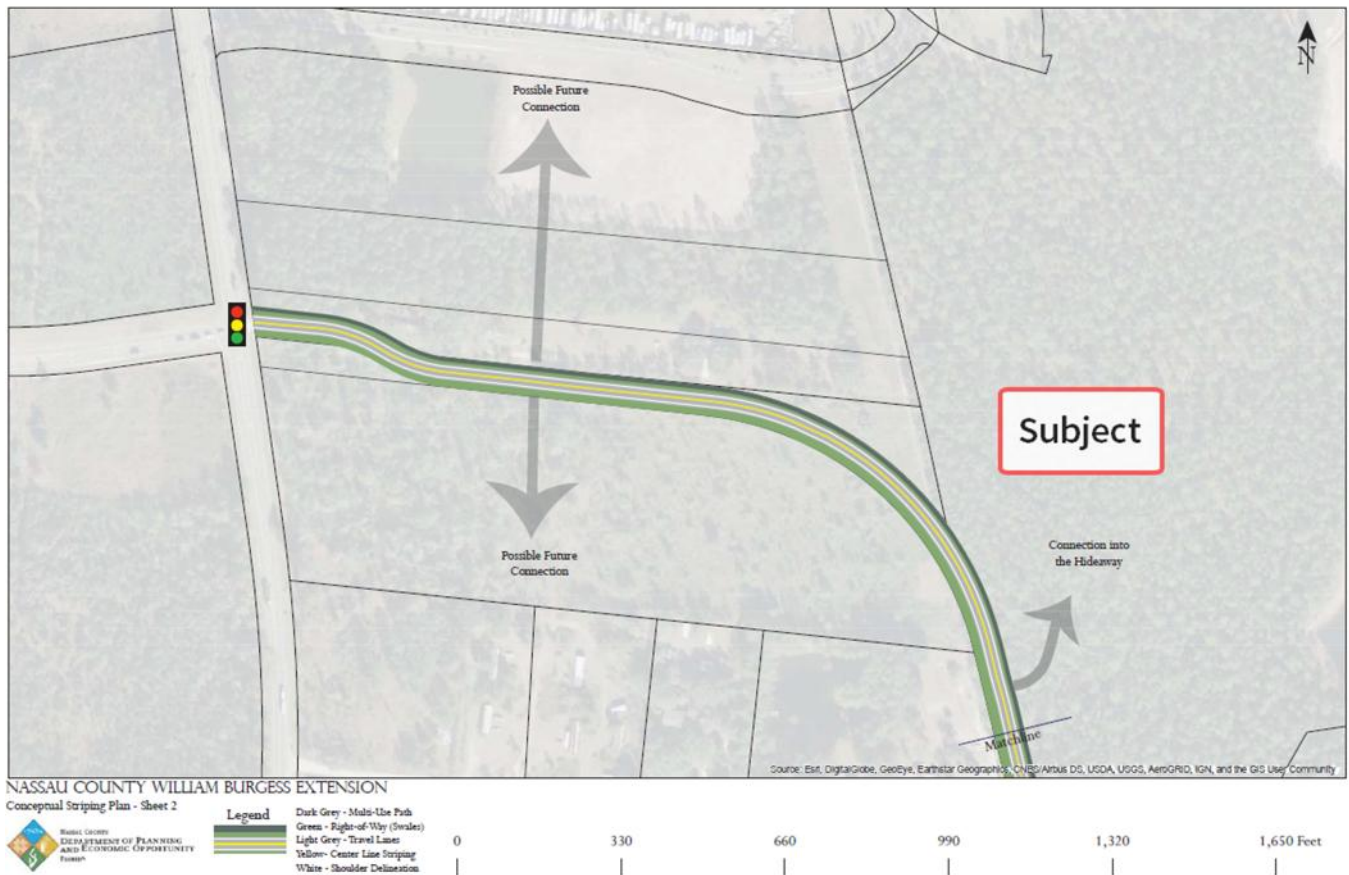
Allocation of Land, Site Improvements, Structures, and Other Improvements

Land	\$2,405,000
Site Improvements	\$0
Building Improvements	\$0
Total	\$2,405,000

Description and Valuation of Part Acquired

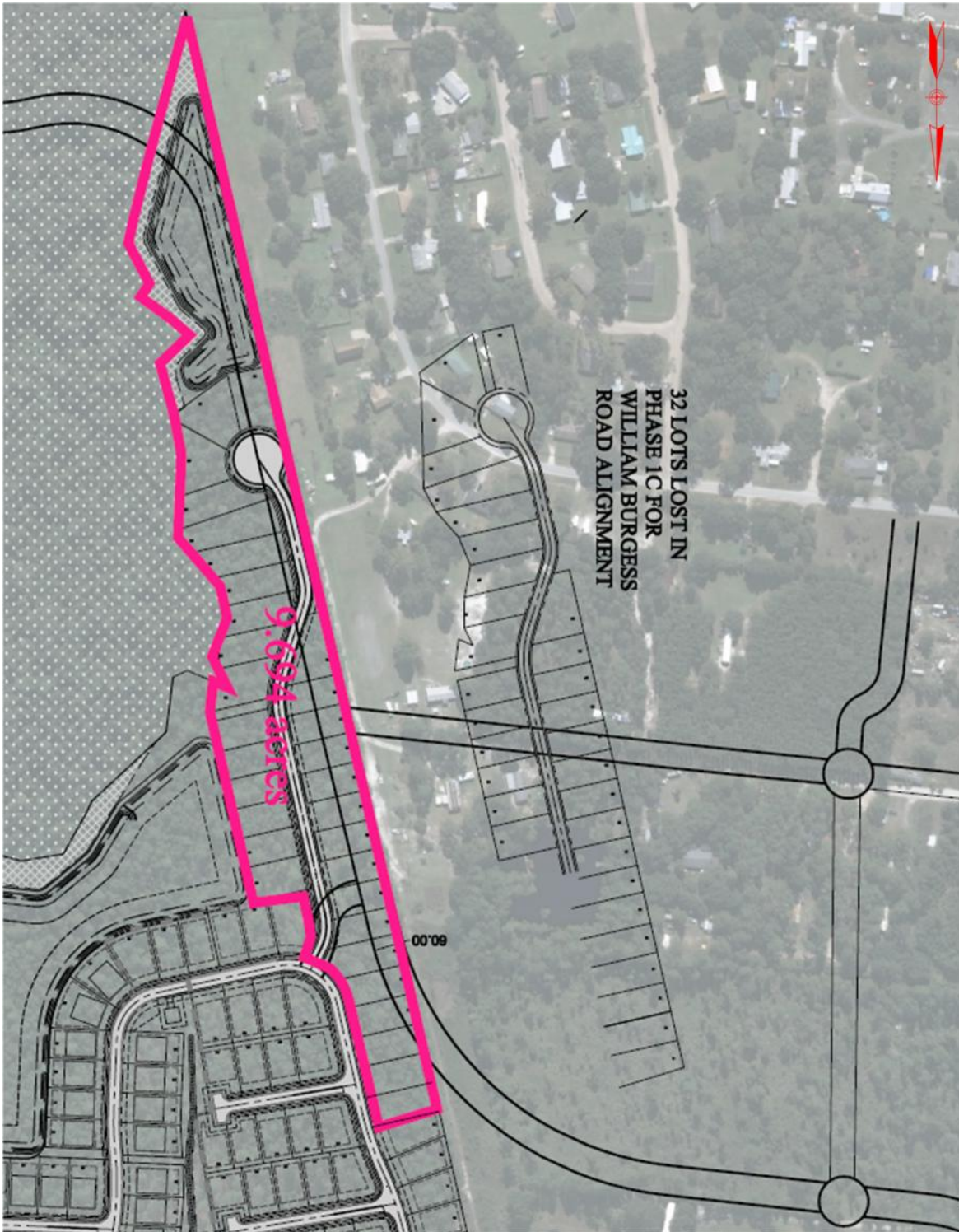
Description of Part Acquired

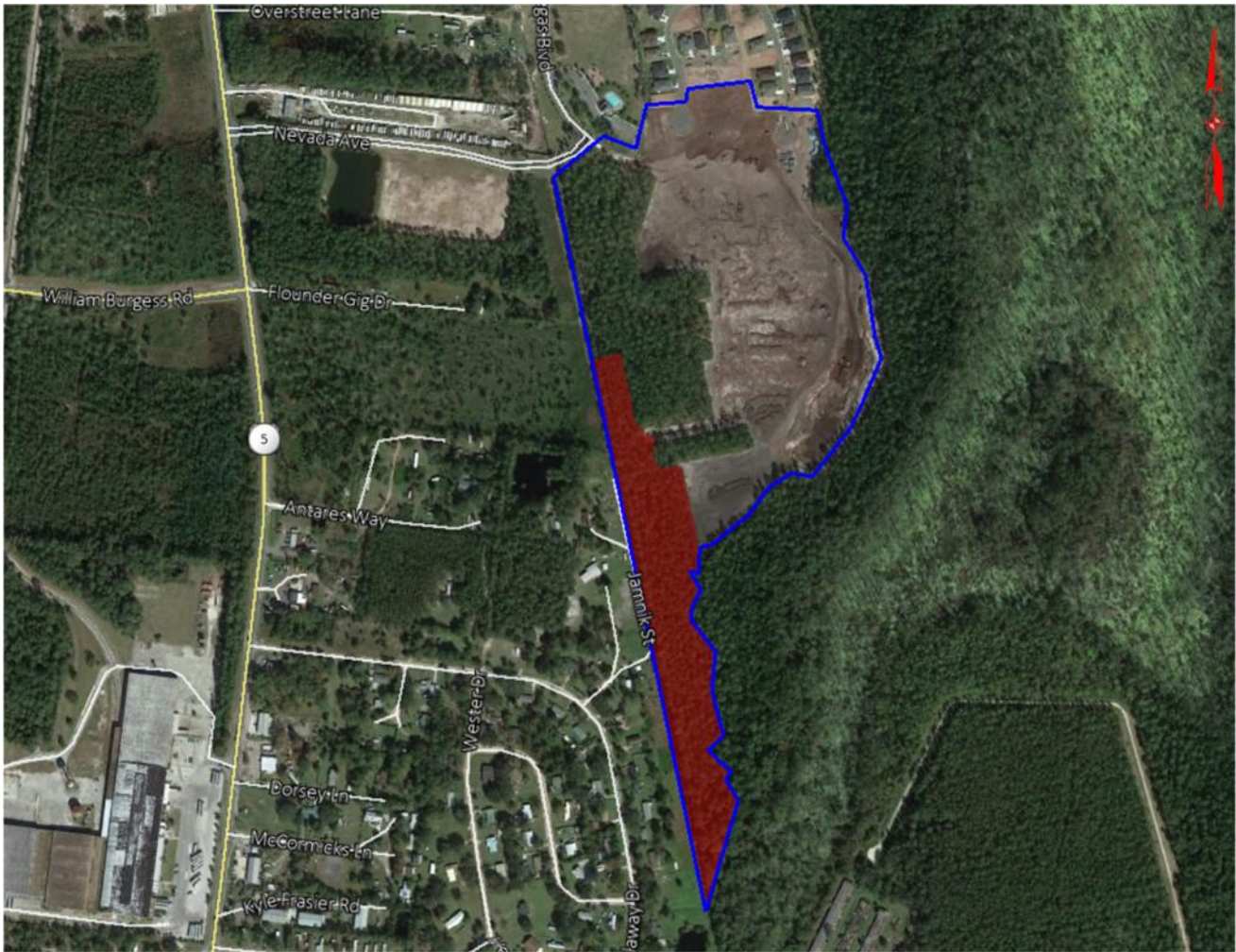
The subject property is located just east of the terminus of William Burgess Road. William Burgess Road is a two-lane collector road which begins northwest of the subject at SR 200 approximately 0.5 miles east of I-95 and winds to the southeast providing access to Highway 17. The road crosses Highway 17 and becomes Flounder Gig Drive for a short time before terminating just west of the subject property. The proposed acquisition is to facilitate the extension of William Burgess Road further south and east, where it will merge with Radio Ave to the south before proceeding east eventually reaching Miner Road. The extension is intended to provide an alternative route to SR 200 as well as additional access to Yulee Middle & High School. The graphic below shows the proposed extension as it relates to the subject.



Acquisition Sketch

The graphic below was provided by the client and illustrates the 9.694± acres that are to be taken for the roadway expansion. The following page shows a sketch of the acquisition as it relates to the d parent parcel.





Parent Tract outlined in blue; Acquisition shown in red.

Valuation of Part Acquired

The fee simple acquisition is for a 9.694 acre, or 422,271± SF irregularly shaped strip of land located along the property’s south and west boundaries. The land area acquired represents 27 lots on the approved development plans. However, the five (5) additional lots that have a reasonable probability of approval are located within the acquisition, bringing the number of lots within the acquisition to 32.

The following is a summary of the taking:

Lots in Acquisition	32
Indicated Value Per Lot	\$ 15,500
Value of Part Acquired	\$ 496,000
Rounded	\$ 500,000

Valuation of Remainder as Part of Whole

The value of the whole property less value of the part acquired equals the value of the remainder property as part of the whole. The following is that estimated value.

Before Value	\$2,405,000
Less Value of Part Taken	\$500,000
Remainder as Part of Whole	\$1,905,000

Premises of The Appraisal – The Remainder Valuation

Purpose of Appraisal of Remainder after the Acquisition

The purpose of the remainder appraisal is to provide an opinion of the market value of the remainder property, assuming the roadway improvements associated with William Burgess Road have been completed. This is a hypothetical condition.

Appraisal Problem

The problem to be addressed in this appraisal is the development of an opinion of market value of the remainder property in order to substantiate damages, lack of damages, or special benefits, etc., resulting from the acquisition.

Presentation of Data – The Remainder

Description of Remainder Uncured

The acquisition was for a fee simple area to be utilized in connection with the proposed extension of William Burgess Road. After the acquisition, the remainder property is a 38.886± acre tract of raw land, developable with 123 lots. The remainder property is similar in description to the before condition, with the exception of size, shape, and engineering/approval status.

Zoning, Land Use Plan, Concurrency

There were no changes from the before condition. Please refer to Presentation of Data: Zoning, Land Use Plan, Concurrency on page 26.

Proposed Transportation Facility Description

William Burgess Road is proposed for extension further south and east, where it will merge with Radio Ave to the south before proceeding east eventually reaching Miner Road. The extension is intended to provide an alternative route to SR 200, as well as additional access to Yulee Middle & High School.

Effect of Acquisition on Remainder Uncured

The remainder land is considered to maintain adequate size, shape, and other physical characteristics to be developed under its highest and best use. However, prior the acquisition the subject was fully entitled with approved site, utility, and drainage plans; whereas, in the remainder condition the subject's level of development approval is diminished.

Before the acquisition, the subject property was fully engineered in regards to stormwater retention and utility plans. The proposed acquisition includes land areas shown as retention on site plans. In effect, the proposed acquisition will sever the planned stormwater system's functionality, if not cured. After the acquisition, the remainder is considered to suffer a diminution in value equal to the cost necessary to revise the engineering plans.

A potential buyer of the subject would theoretically pay the market value for the property as cured, less a cost to cure. As a result, a minor cure is deemed necessary to re-engineer the subject's stormwater and utility plans, restoring the subject to a "fully engineered" status and accommodate continued build-out of the planned subdivision.

Analysis of Data and Conclusions – The Remainder

Highest and Best Use

There were no changes for the highest and best of the remainder for the after condition. Please refer to Analysis of Data and Conclusions: Highest and Best Use Analyses on page 31.

Highest and Best Use Conclusion

Land as if Vacant

The impact of the proposed acquisition is not expected to have a significant impact on the utility of the remainder property as compared to the before property. In the remainder condition, considering the remainder's size, shape, and other physical attributes, as well as the minimal impact of the proposed acquisition on the remainder property, the highest and best use "as vacant" continues to be for single-family residential subdivision, similar to the before condition.

Property as Improved

There are no improvements located on the subject property. Therefore, the highest and best use as improved is not applicable.

Approaches to Value Used and Excluded

The Sales Comparison Approach (Land Valuation) was considered applicable for the valuation of the remainder tract. The Cost and Income Capitalization Approaches were not applicable within this analysis.

Approach	Description	Applicability	Utilization
Cost	A cost approach is most applicable in valuing new or proposed construction when the improvements represent the highest and best use of the land and the land value, cost new and depreciation are well supported.	Not Applicable	Not Utilized
Sales Comparison	A sales approach is most applicable when sufficient data on recent market transactions is available and there is an active market for the property type.	Applicable	Utilized
Income	An income approach is most applicable when the subject is an income producing property or has the ability to generate income in the future as an investment.	Not Applicable	Not Utilized

Land Valuation

The Sales Comparison Approach develops an indication of value by comparing the subject to sales of similar properties. This approach to value is almost always essential in the appraisal of real property. Steps in this approach are as follows:

- Identify relevant property sales;
- Research, assemble, and verify pertinent data for the most relevant sales;
- Analyze the sales for material differences in comparison to the subject;
- Reconcile the analysis of the sales into a value indication for the subject.

Collection of Comparable Sales

Identical comparable improved sales used in the before valuation of the parent tract are used in the remainder valuation. Please refer to page 35 for the discussion of comparable sales.

The Sales Adjustment Grid

The following grid shows the most comparable sales data and any applicable adjustments.

Land Grid - Remainder

	Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
Name	William Burgess Extension Parcel	Sandy Lake Preserve	Hampton West Site	Barnwell Manor	Proposed Hampton Lakes Subdivision	Sandler Oaks subdivision site
Address	US HWY 17	Old Nassauville Road	V C Johnson Rd.	Barnwell Road	Spruce Run Drive	Old Middleburg Road S
City	Yulee	Yulee	Jacksonville	Yulee	Yulee	Jacksonville
County	Nassau	Nassau	Duval	Nassau	Nassau	Duval
State	FL	FL	FL	FL	FL	FL
Date	Mar-2018	Mar-2016	Mar-2017	Sep-2017	Dec-2017	Jan-2018
Price		\$1,468,000	\$1,700,000	\$2,769,500	\$3,000,000	\$2,240,000
Price Adjustment		\$0	\$0	\$0	\$0	\$0
Adjusted Price		\$1,468,000	\$1,700,000	\$2,769,500	\$3,000,000	\$2,240,000
Land Units	123	121	139	208	210	165
Price per Unit		\$12,132	\$12,230	\$13,315	\$14,286	\$13,576
Acres	38.89	83.97	57.71	119.62	100.94	44
Usable Acres	38.89	69.37	48.00	106.34	100.94	42
Units per acre	3.16	1.74	2.90	1.96	2.08	3.98
Zoning	PUD	RS-2	PUD	RS-1	PUD	PUD
Average Lot Width	60'	75'	60'	90'	50'	60'
Transaction Adjustments						
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		-	-	-	-	-
Financing		Conventional	Conventional	Conventional	Conventional	Cash to seller
% Adjustment		-	-	-	-	-
Conditions of Sale		Arm's Length	Cash	Arm's length	Arm's Length	Arm's length
% Adjustment		-	-	-	-	-
Expend. After Sale		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Market Trends Through	Mar-18 6%	12%	6%	3%	1%	1%
Adjusted Price per Unit		\$13,586	\$12,947	\$13,664	\$14,495	\$13,720
Location		-5%	15%	-5%	-5%	10%
Density/Planned Lot Size		-5%	-	-5%	5%	-
Size (# of Lots)		-	-	5%	5%	5%
Shape/Topography		-	-	-	-	-
Zoning		-	-	-	-	-
Utilities/Development Status		5%	5%	5%	5%	5%
Adjusted Price per Unit		\$12,907	\$15,537	\$13,664	\$15,944	\$16,463
Net Adjustments		6%	27%	3%	12%	21%
Summary Indicators	Range		Average	Median		
Comparables - Unadjusted	\$12,132 - \$14,286		\$13,108	\$13,315		
Comparables - Adjusted	\$12,907 - \$16,463		\$14,903	\$15,537		
Reconciled Unit Value:			\$15,500			

Analyses of Comparable Sales and Explanation of Adjustments

Identical comparable sales, reasoning, analyses, and adjustments used in the before valuation of the subject property are used in the remainder valuation, with the exception of an engineering adjustment.

A portion of land (9.694± Ac; or 422,271 SF) was acquired in fee simple with the remainder property having similar locational and physical characteristics as the before condition.

Indicated Value by the Sales Comparison Approach

The same sales and applicable adjustments required in the before valuation are applicable to the remainder valuation, with the exception of an engineering adjustment.

It is our opinion that the remainder subject land area has the same unit value as the before condition.

Indicated Value per Lot	\$15,500
Remainder Lots	123
Indicated Land Value	<u>\$1,906,500</u>
Indicated Land Value, Rounded	\$1,905,000
Adjustments	
Less, Engineering/Plan Approval Adjustment	-\$38,000
Indicated Adjusted Land Value	<u>\$1,867,000</u>
Remainder Land Value Conclusion	\$1,867,000

Compared to the before valuation, a deduction has been made to account for the effect of the acquisition on the subject’s engineering/approval status.

A cost analysis was performed to estimate the adjustment required and are based on figures provided by the land owner. An allocation has been made for entrepreneurial profit, as well as an allocation for contingencies:

Engineering Costs		\$30,000
Entrepreneurial Profit	15%	\$4,500
Contingency	10%	\$3,000
Total		<u>\$37,500</u>
Rounded		\$38,000

Reconciliation of Value Indications and Final Value Estimate

As discussed previously, we use only the sales comparison approach (land only) in developing an opinion of value for the subject. The sales comparison approach (as improved), cost, and income approaches are not applicable and are not used.

Based on the preceding valuation analysis and subject to the definitions, assumptions, and limiting conditions expressed in the report, our value opinion follows:

Cost Approach	Not Used
Sales Comparison Approach (Land Only)	\$1,867,000
Sales Comparison Approach (As Improved)	Not Used
Income Capitalization Approach	Not Used
Reconciled	\$1,867,000

Final Conclusion of the Remainder Property

Considering the foregoing analysis with other data discussed throughout this report, it is our opinion that the market value of the subject property (as vacant) as of March 9, 2018 is:

\$1,867,000

Support for Damages/No Damages to the Remainder

If there is a difference between the value of the remainder as part of the whole property, and the value of the remainder, the result will be reflected as damages or enhancements to the remainder.

Value of the Remainder as Part of the Whole Property	\$1,905,000
Less, Value of the Remainder Property	\$1,867,000
Damages or Enhancements	\$38,000

In this appraisal, there is a difference in the values estimated for the remainder as part of the whole property and the remainder after the acquisition, which is reflected as damages.

Cost to Cure Damages

After the acquisition, the remainder suffers a diminution in value equal to the cost necessary to revise the engineering plans. A potential buyer of the subject would theoretically pay the market value for the property as cured, less the cost to cure.

As a result, a minor cure is deemed necessary to re-engineer the subject’s stormwater and utility plans, restoring the subject to a “fully engineered” status and accommodate continued build-out of the planned subdivision and off-setting this diminution in value. Our estimate of a minor cost to cure is based on the land owner’s estimate. We have budgeted entrepreneurial profit at 15% to provide incentive to undertake the cure. A contingencies allowance has been considered to reflect the risk that costs or future values may prove greater or less than a knowledgeable buyer might assume. The cost to cure is calculated as follows:

Engineering Costs		\$30,000
Entrepreneurial Profit	15%	\$4,500
Contingency	10%	\$3,000
Total		\$37,500
Rounded		\$38,000

Remainder, Appraised as Cured

The same sales and applicable adjustments required in the before valuation are applicable to the remainder cured valuation. It is our opinion that the remainder subject land area has the same unit value as the before condition.

Once enacted, the minor cure will off-set the diminution in value as a result of the acquisition.

The valuation of the remainder cured is shown as follows:

Indicated Value per Lot		\$15,500
Remainder Lots		123
Indicated Value		\$1,906,500
Remainder Cured Land Value Conclusion (Rounded)		\$1,905,000

Curable/Incurable Damages Calculation

The difference between the value of the remainder as cured and the value of the remainder as uncured represents curable damages, calculated as:

Remainder (Appraised as Cured)	\$1,905,000
Remainder (Appraised, Uncured)	\$1,867,000
Curable Damages	\$38,000

In order to determine if any unmitigated damages, or incurable damages, would result to the remainder cured, the value of the remainder as cured is compared to the value of the remainder as a part of the whole, as shown below:

Remainder (Appraised as Cured)	\$1,905,000
Remainder as Part of Whole	\$1,905,000
Incurable Damages	\$0

As shown above, with the enactment of the proposed cure program, the remainder cured will not suffer from incurable damages.

Special Benefits

The improvements to William Burgess Road are a general benefit to the surrounding properties in the area. No Special Benefits were estimated.

Summary of Values

The value of the subject property before the acquisition, the value of the acquisition, the remainder as part of the whole property, the remainder value as appraised, and damages or enhancements (if any) were estimated in the preceding sections of this report.

Summary of Values

Partial Acquisition	
[1] Before Value	\$2,405,000
[2] Part Acquired	\$500,000
[3] Remainder (As Part of Whole Property) [1]-[2]	\$1,905,000
[4] Remainder (Appraised, Uncured)	\$1,867,000
[5] Damages (Total, Uncured) [3]-[4]	\$38,000
[6] Special Benefits	\$0
[7] Damages [5]-[6]	\$38,000
Feasibility of Cost to Cure Damages	
[8] Remainder (Appraised as Cured)	\$1,905,000
[9] Remainder (Appraised, Uncured) [4]	\$1,867,000
[10] Damages, Curable [8]-[9]	\$38,000
[11] Damages, Incurable [7]-[10]	\$0
[12] Cost to Cure (or Reestablish)	\$38,000
[13] Improvements Cured but Paid For in [2]	\$0
[14] Net Cost to Cure [12]-[13]	\$38,000
Summary of Compensation	
Part Taken [2]	\$500,000
Damages, Incurable [11]	\$0
Cost to Cure, Net [14], or Minor	\$38,000
Full Compensation	\$538,000

Within the scope of this appraisal, the appraisers have given consideration to the before and after valuation methods. In the instant case, after consideration of a minor cost to cure, application of this technique offers no measurable impact on the property as there is no material change to the highest and best use of the site. Damages were considered curable with the proposed cost to cure program and as a result of the acquisition the subject property does not suffer incurable severance damages.

Accordingly, it is our opinion that the market value of the full compensation for the property and property rights acquired, as described herein as of March 9, 2018 is:

\$538,000

Limiting Conditions and Assumptions

1. All reports and work product we deliver to you (collectively called “report”) represent an opinion of value, based on historical information and forecasts of market conditions. Actual results may vary from those forecast in the report. There is no guaranty or warranty that the opinion of value reflects the actual value of the property.
2. The conclusions stated in our report apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events. Assessed values may change significantly and unexpectedly over short periods. We are not liable for any conclusions in the report that may be different if there are subsequent changes in value. We are not liable for loss relating to reliance upon our report more than three months after its date.
3. There may be differences between projected and actual results because events and circumstances frequently do not occur as predicted, and those differences may be material. We are not liable for any loss arising from these differences.
4. We are not obligated to predict future political, economic or social trends. We assume no responsibility for economic factors that may affect or alter the opinions in the report if the economic factors were not present as of the date of the letter of transmittal accompanying the report.
5. The report reflects an appraisal of the property free of any liens or encumbrances unless otherwise stated.
6. We assume responsible ownership and competent property management.
7. The appraisal process requires information from a wide variety of sources. We have assumed that all information furnished by others is correct and complete, up to date and can be relied upon, but no warranty is given for its accuracy. We do not accept responsibility for erroneous information provided by others. We assume that no information that has a material effect on our appraisal has been withheld.
8. We assume the following, unless informed to the contrary in writing: Each property has a good and marketable title. All documentation is satisfactorily drawn and that there are no encumbrances, restrictions, easements or other adverse title conditions, which would have a material effect on the value of the interest under consideration. There is no material litigation pending involving the property. All information provided by the Client, or its agents, is correct, up to date and can be relied upon. We are not responsible for considerations requiring expertise in other fields, including but not limited to: legal descriptions, interpretation of legal documents and other legal matters, geologic considerations such as soils and seismic stability, engineering, or environmental and toxic contaminants. We recommend that you engage suitable consultants to advise you on these matters.
9. We assume that all engineering studies are correct. The plot plans and illustrative material in the report are included only to help the reader visualize the property.

10. We assume that there are no hidden or unapparent conditions of the property, subsoil or structures that render it more or less valuable. We are not responsible for such conditions or for obtaining the engineering studies that may be required to discover them.
11. We assume that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the report. We have not made or requested any environmental impact studies in conjunction with the report. We reserve the right to revise or rescind any opinion of value that is based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the report assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
12. Unless otherwise stated in the report, you should assume that we did not observe any hazardous materials on the property. We have no knowledge of the existence of such materials on or in the property; however, we are not qualified to detect such substances, and we are not providing environmental services. The presence of substances such as asbestos, urea-formaldehyde foam insulation and other potentially hazardous materials may affect the value of the property. Our report assumes that there is no such material on or in the property that would cause a loss in value. We do not assume responsibility for such conditions or for any expertise or engineering knowledge required to discover them. We encourage you to retain an expert in this field, if desired. We are not responsible for any such environmental conditions that exist or for any engineering or testing that might be required to discover whether such conditions exist. We are not experts in the field of environmental conditions, and the report is not an environmental assessment of the property.
13. We may have reviewed available flood maps and may have noted in the report whether the property is generally located within or out of an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property. Any opinion of value we include in our report assumes that floodplain and/or wetlands interpretations are accurate.
14. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether it is in compliance with the ADA. We claim no expertise in ADA issues, and render no opinion regarding compliance of the property with ADA regulations.
15. We assume that the property conforms to all applicable zoning and use regulations and restrictions unless we have identified, described and considered a non-conformity in the report.
16. We assume that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the opinion of value contained in the report is based.
17. We assume that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

18. We have not made any investigation of the financial standing of actual or prospective tenants unless specifically noted in the report. Where properties are valued with the benefit of leasing, we assume, unless we are informed otherwise, that the tenants are capable of meeting their financial obligations under the leases, all rent and other amounts payable under the leases have been paid when due, and that there are no undisclosed breaches of the leases.
19. We did not conduct a formal survey of the property and assume no responsibility for any survey matters. The Client has supplied the spatial data, including sketches and/or surveys included in the report, and we assume that data is correct, up to date and can be relied upon.
20. Unless otherwise stated, the opinion of value included in our report excludes any additional value attributable to goodwill, or to fixtures and fittings which are only of value, in situ, to the present occupier. We have made no allowance for any plant, machinery or equipment unless they form an integral part of the building and would normally be included in a sale of the building. We do not normally carry out or commission investigations into the capacity or condition of services being provided to the property. We assume that the services, and any associated controls or software, are in working order and free from defect. We also assume that the services are of sufficient capacity to meet current and future needs.
21. In the case of property where construction work is in progress, such as refurbishment or repairs, or where developments are in progress, we have relied upon cost information supplied to us by the Client or its appointed experts or upon industry accepted cost guides. In the case of property where construction work is in progress, or has recently been completed, we do not make allowance for any liability already incurred, but not yet discharged, in respect of completed work, or obligations in favor of contractors, subcontractors or any members of the professional or design team. We assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
22. Any allocation in the report of value between the land and the improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
23. The report is confidential to the party to whom it is addressed and those other intended users specified in the report for the specific purpose to which it refers. Use of the report for any other purpose or use by any party not identified as an intended user of the report without our prior written consent is prohibited, and we accept no responsibility for any use of the report in violation of the terms of this Agreement.
24. We are not required to testify or provide court-related consultation or to be in attendance in court unless we have agreed to do so in writing.
25. Neither the whole report, nor any part, nor reference thereto, may be published in any manner without our prior written approval.

26. We may rely on, and will not verify, the accuracy and sufficiency of documents, information and assumptions provided to it by the Client or others. We will not verify documents, information and assumptions derived from industry sources or that JLL or its affiliates have prepared in the regular course of business. We are not liable for any deficiency in the report arising from the inaccuracy or insufficiency of such information, documents and assumptions. However, our report will be based on our professional evaluation of all such available sources of information.
27. JLL IS NOT LIABLE TO ANY PERSON OR ENTITY FOR LOSS OF PROFITS, CONSEQUENTIAL, PUNITIVE, EXEMPLARY OR SIMILAR DAMAGES IN CONNECTION WITH THIS AGREEMENT. IN NO EVENT SHALL THE LIABILITY OF JLL AND ITS AFFILIATES IN CONNECTION WITH THIS AGREEMENT EXCEED THE FEE PAID TO JLL HEREUNDER.
28. Unless expressly advised to the contrary, we assume that appropriate insurance coverage is and will continue to be available on commercially acceptable terms.
29. We assume that no material changes in any applicable federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.

Appendix A

Appraiser Qualifications

JLL Biography

John "Sean" Mullen, MAI

Senior Vice President

Current Responsibilities

Sean specializes in the appraisal of vacant land, residential subdivisions and multifamily developments. Since beginning his real estate appraisal career in 2004, Sean has appraised properties including vacant land, subdivisions, condominiums, apartments (both conventional and student housing), industrial warehouses and manufacturing facilities, office buildings and both freestanding retail and multitenant retail properties.

Experience

Prior to joining JLL in May 2017, Sean served as Director of Integra Realty Resources' Jacksonville affiliate, which he joined in 2006.

Education and Affiliations

University of Georgia - Terry College of Business - Bachelor of Business Administration (BBA) in International Business 2003

Appraisal Institute - Member

Contact

T: +1 904 296 8995 ext. 213

E: sean.mullen@am.jll.com



Licenses:

Florida:

State-Certified General Real Estate Appraiser, RZ3496, Expires November 2018

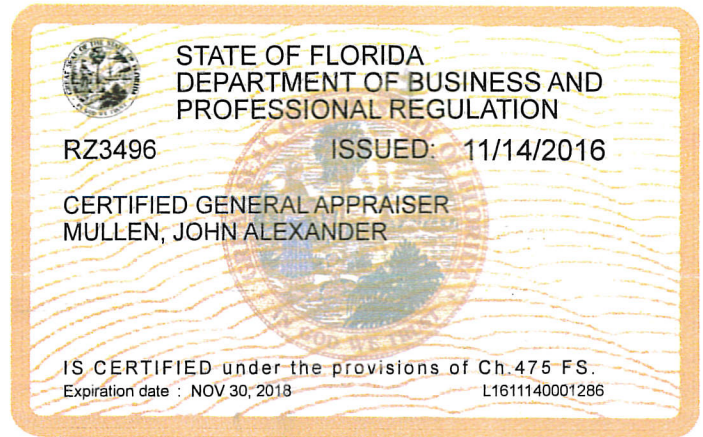
Georgia:

Certified General Real Property Appraiser, No. 291671, Expires July 2018

Congratulations! With this license you become one of the nearly one million Floridians licensed by the Department of Business and Professional Regulation. Our professionals and businesses range from architects to yacht brokers, from boxers to barbeque restaurants, and they keep Florida's economy strong.

Every day we work to improve the way we do business in order to serve you better. For information about our services, please log onto www.myfloridalicense.com. There you can find more information about our divisions and the regulations that impact you, subscribe to department newsletters and learn more about the Department's initiatives.

Our mission at the Department is: License Efficiently, Regulate Fairly. We constantly strive to serve you better so that you can serve your customers. Thank you for doing business in Florida, and congratulations on your new license!



DETACH HERE

RICK SCOTT, GOVERNOR



KEN LAWSON, SECRETARY

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

LICENSE NUMBER	
RZ3496	

The CERTIFIED GENERAL APPRAISER
Named below IS CERTIFIED
Under the provisions of Chapter 475 FS.
Expiration date: NOV 30, 2018

MULLEN, JOHN ALEXANDER
6278 DUPONT STATION COURT UNIT 2
JACKSONVILLE FL 32217



ISSUED: 11/14/2016 DISPLAY AS REQUIRED BY LAW SEQ # L1611140001286

Patrick Phipps, MAI
Executive Vice President

Current Responsibilities

Patrick specializes in the appraisal of lodging and hospitality properties. Since beginning his real estate appraisal career in 2002, Patrick has appraised properties including professional office buildings, apartments, shopping centers, marinas, industrial warehouses, gas stations, vacant land, golf courses, condominiums, assisted living facilities and hotels. Patrick currently works directly With Mark Williams, Managing Director, in running the day to day operations.

Experience

Prior to joining JLL in May 2017, Patrick served as Managing Director of Integra Realty Resources' Jacksonville affiliate, which he joined in 2002.

Education and Affiliations

Florida State University - College of Business
B.S. Finance and Real Estate

International Right-of-Way Association (IRWA)
Member

Achievements

- Integra Rising Star - 2012

Contact

T: 904-296-8995, ext. 205
E: patrick.phipps@am.jll.com



Florida:

State Certified General Real Estate Appraiser, RZ2954, Expires November 2018

Georgia:

Certified General Real Property Appraiser, No. 345195, Expires November 2018

Colorado:

Certified General Appraiser, CG.100038471, Expires December 2019

Nevada:

Certified General Appraiser, A.0206711 CG, Expires April 2019



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD
2601 BLAIR STONE ROAD
TALLAHASSEE FL 32399-0783

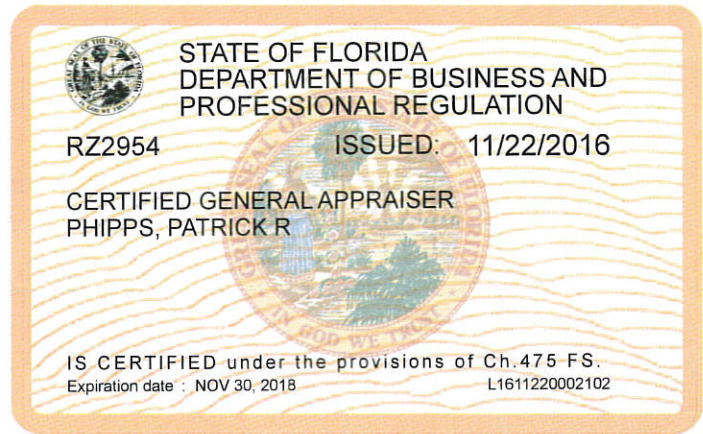
850-487-1395

PHIPPS, PATRICK R
6278 DUPONT STATION COURT
UNIT 2
JACKSONVILLE FL 32217

Congratulations! With this license you become one of the nearly one million Floridians licensed by the Department of Business and Professional Regulation. Our professionals and businesses range from architects to yacht brokers, from boxers to barbeque restaurants, and they keep Florida's economy strong.

Every day we work to improve the way we do business in order to serve you better. For information about our services, please log onto www.myfloridalicense.com. There you can find more information about our divisions and the regulations that impact you, subscribe to department newsletters and learn more about the Department's initiatives.

Our mission at the Department is: License Efficiently, Regulate Fairly. We constantly strive to serve you better so that you can serve your customers. Thank you for doing business in Florida, and congratulations on your new license!



DETACH HERE

RICK SCOTT, GOVERNOR

KEN LAWSON, SECRETARY

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

LICENSE NUMBER

RZ2954

The CERTIFIED GENERAL APPRAISER
Named below IS CERTIFIED
Under the provisions of Chapter 475 FS.
Expiration date: NOV 30, 2018

PHIPPS, PATRICK R
12736 CORMORANT COVE LANE
JACKSONVILLE FL 32223



ISSUED: 11/22/2016

DISPLAY AS REQUIRED BY LAW

SEQ # L1611220002102

Jim Schwartz Senior Analyst

Current Responsibilities

Jim Schwartz performs appraisal services for a variety of clients including institutional, municipal/governmental, and private sector entities and has experience with residential, multi-family, industrial, commercial and mixed-use property types. Special use properties appraised include gas station/convenience stores, hotels, fast food restaurants and outdoor advertising structures.

Jim specializes in appraisals for eminent domain and litigation procedures. Jim is experienced in a multitude of complex appraisal problems including partial acquisitions, valuation of easements, cost-to-cure analyses and assessment of damages and market studies.



Experience

JLL - Valuation & Advisory Services, LLC
Senior Analyst
May 2017 – Present

Integra Realty Resources – Jacksonville
Senior Analyst
April 2013 – May 2017

Education and Affiliations

Florida State University - College of Business
B.S. Finance and Real Estate; Double Major

International Right-of-Way Association (IRWA)
Member

Association of Eminent Domain Professionals (AEDP)
Member

Technical Education

Real Estate Feasibility
Legal Environment of Real Estate
Advanced Valuation and Market Analysis
Appraisal
Real Estate Principles
Real Estate Finance
Business Communications
Legal and Ethical Environment of Business
Uniform Standards of Professional Appraisal Practice
Valuation of Partial Acquisitions
Problems in Partial Acquisitions

Contact

T: 904-296-8995, ext. 216
E: jim.schwartz@am.jll.com

Florida:

*State-Certified General Real Estate
Appraiser RZ3866*

Licensed Real Estate Broker BK3292845

Georgia:

*Certified General Real Property Appraiser
373108*



**STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

FLORIDA REAL ESTATE APPRAISAL BD
2601 BLAIR STONE ROAD
TALLAHASSEE FL 32399-0783

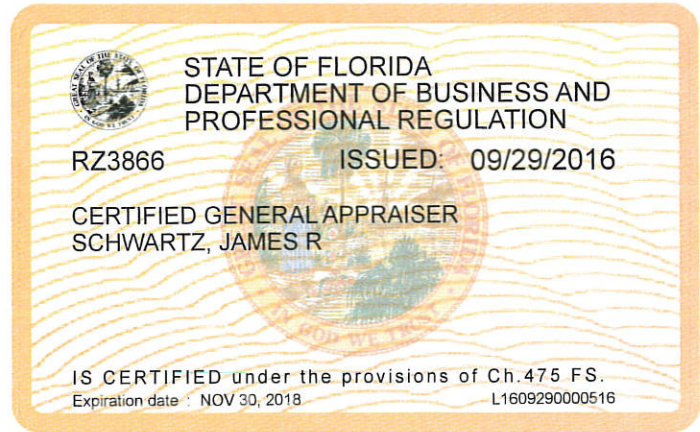
850-487-1395

SCHWARTZ, JAMES R
6278 DUPONT STATION COURT
UNIT 2
JACKSONVILLE FL 32217

Congratulations! With this license you become one of the nearly one million Floridians licensed by the Department of Business and Professional Regulation. Our professionals and businesses range from architects to yacht brokers, from boxers to barbeque restaurants, and they keep Florida's economy strong.

Every day we work to improve the way we do business in order to serve you better. For information about our services, please log onto www.myfloridalicense.com. There you can find more information about our divisions and the regulations that impact you, subscribe to department newsletters and learn more about the Department's initiatives.

Our mission at the Department is: License Efficiently, Regulate Fairly. We constantly strive to serve you better so that you can serve your customers. Thank you for doing business in Florida, and congratulations on your new license!



DETACH HERE

RICK SCOTT, GOVERNOR

KEN LAWSON, SECRETARY

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

LICENSE NUMBER

RZ3866

The CERTIFIED GENERAL APPRAISER
Named below IS CERTIFIED
Under the provisions of Chapter 475 FS.
Expiration date: NOV 30, 2018

SCHWARTZ, JAMES R
6278 DUPONT STATION COURT
UNIT 2
JACKSONVILLE FL 32217



Appendix B

Definitions

Definitions

The source of the following definitions is the Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015), unless otherwise noted.

Amenity

A tangible or intangible benefit of real property that enhances its attractiveness or increases the satisfaction of the user. Natural amenities may include a pleasant location near water or a scenic view of the surrounding area; man-made amenities include swimming pools, tennis courts, community buildings, and other recreational facilities.

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.

Condemnation

The act or process of enforcing the right of eminent domain.

Condemnee

The owner of the property right taken in eminent domain.

Condemnor

The taking agency; a federal, state, county, or municipal government, another public authority, or a utility vested with the right of eminent domain.

Cost Analysis

In the sales comparison approach, a quantitative adjustment technique in which adjustments are based on cost indicators, such as depreciated building cost, cost to cure, or permit fees.

Damages

- 1) Money claimed by, or ordered to be paid to, a person as compensation for loss or injury. (*Black's Law Dictionary*, tenth edition)
- 2) In condemnation, the loss in value to the remainder in a partial taking of property. Generally, the difference between the value of the whole property before the taking and the value of the remainder after the taking is the measure of the value of the part taken and the damages to the remainder. Note that different regions of the country and different courts may use terms such as consequential damages and severance damages differently.

Easement

The right to use another's land for a stated purpose.

Effective Date of Appraisal

The date on which the analyses, opinions, and advice in an appraisal, review, or consulting service apply.

Eminent Domain

The right of government to take private property for public use upon payment of just compensation. The Fifth Amendment of the US Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property.

Excess Land; Surplus Land

Excess Land: Land that is not needed to serve or support the existing improvement. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land may have the potential to be sold separately and is valued independently.

Surplus Land: Land that is not currently needed to support the existing improvement but cannot be separated from the property and sold off. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel.

Exposure Time

The time a property remains on the market.

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 on an analysis of past events assuming a competitive and open market.

Fee Simple Estate

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.

General Benefits

- 1) In eminent domain takings, the benefits that accrue to the community at large, to the area adjacent to the improvement, or to other property situated near a taken property.
- 2) Benefits that arise from the fulfillment of the public object that justified a taking.

Highest and Best Use

The reasonably probable and legal use of vacant land or an improved property that 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 productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.

Inverse Condemnation

An action brought by a property owner for compensation from a governmental entity that has taken the owner's property without bringing formal condemnation proceedings; also termed *constructive condemnation*, *reverse condemnation*. (*Black's Law Dictionary*, tenth edition)

Larger Parcel (also termed *Parent Parcel*, *Parent Tract*, and *Whole Property*)

In governmental land acquisitions and in valuation of charitable donations of partial interests in property such as easements, the tract or tracts of land that are under the beneficial control of a single individual or

entity and have the same, or an integrated, highest and best use. Elements for consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use. In most states, unity of ownership, contiguity, and unity of use are the three conditions that establish the larger parcel for the consideration of severance damages. In federal and some state cases, however, contiguity is sometimes subordinated to unitary use.

Lease

A contract in which rights to use and occupy land or structures are transferred by the owner to another for a specified period of time in return for a specified rent.

Market Value

Value as used in eminent domain statute, ordinarily means amount which would be paid for property on assessing date to willing seller not compelled to sell, by willing purchaser, not compelled to purchase, taking into consideration all uses to which property is adapted and might reasonably be applied. *Source: Florida State Road Dept. v. Stack, 231 So.2d 859 Fla., 1st DCA 1969*

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

Partial Taking

The taking of part of a property for public use under the power of eminent domain; requires the payment of compensation.

Remainder

In condemnation, that portion of a larger parcel remaining in the ownership of the property owner after a partial taking.

Set-Off Rule

In condemnation, a rule governing recognition of the monetary value of benefits. Federal courts and some state courts allow benefits to be set off against both the damages to the remainder and the value of the land taken; in other jurisdictions benefits are set off against damages to the remainder only.

Special Benefits

In condemnation, the benefits that arise from the peculiar relation of the land in question to the public improvement, usually resulting from a change in its highest and best use. Special benefits may accrue to multiple parcels (such as all four quadrants of a newly constructed free-way interchange) because the parcels are directly benefitted in a similar manner, in not to the same degree.

Taking

The acquisition of a parcel of land through condemnation.

Value After the Taking

In condemnation, the market value of the remainder parcel in a partial taking.

Value Before the Taking

In condemnation, the market value of the whole property prior to the taking.

Zoning

Public regulation of the use of private land through application of police power; accomplished by establishing districts or areas with uniform requirements relating to lot coverage, setbacks, type of improvements, permitted activities, signage, structure height, minimum lot area, density, landscaping, and other aspects of land use and development. Zoning regulations are established by enactment of a local (city, town or county) zoning ordinance.

Appendix C

Property Information

3/22/2018

Property Details

NASSAU

A. Michael Hickox, CFA, Cert. Res. RD1941
Nassau County Property Appraiser

Property Search | Sales Search | Nassau Home

OWNER NAME	SEMANIK EQUITY DEV & ACQU INC	PARCEL NUMBER	42-2N-27-0000-0001-0210
MAILING ADDRESS	2120 CORPORATE SQUARE BLVD SUITE 3	TAX DISTRICT	UNINCORPORATED COUNTY (DISTRICT 4)
LOCATION ADDRESS	JACKSONVILLE, FL 32216 US HWY 17 YULEE 32097	MILLAGE	15.1388
SHORT LEGAL	PT SEC 42-2N-27E IN OR 1966/662 BEING PARCEL A	PROPERTY USAGE	TIMBERLAND 80-89
		DEED ACRES	50.267
		HOMESTEAD	N
		PARCEL MAP RECORD	MAP THIS PARCEL
		TAX COLLECTOR SEARCH	NASSAU TAX COLLECTOR LINK
		PROPERTY RECORD CARD	LINK TO PROPERTY RECORD CARD (PDF)

2017 Certified Values	
JUST VALUE OF LAND	\$0
LAND VALUE AGRICULTURAL	\$23,122
TOTAL BUILDING VALUE	\$0
TOTAL MISC VALUE	\$0
JUST OR CLASSIFIED TOTAL VALUE	\$23,122
ASSESSED VALUE	\$23,122
EXEMPT VALUE	\$0
TAXABLE VALUE	\$23,122

Land Information

LAND USE	LAND UNITS	LAND UNIT TYPE	SEC-TWN-RNG
TIMBER 2 S 005500	50	AC	42-2N-27
MKT.VAL.AG 009910	50	AC	42-2N-27

Building Information

There is no Building Information for this record.

Miscellaneous Information

There is no Miscellaneous Information for this record.

Sales Information

SALE DATE	BOOK / PAGE	BOOK / PAGE	PRICE	INSTRUMENT	QUALIFICATION	IMPROVED? (AT TIME OF SALE)	GRANTOR	GRANTEE
02/26/2015	1966/662	1966/662	825000	SW	Q	N	DECATUR PROPERTIES INC	SEMANIK EQUITY DEVELOPMENT & ACQUISITION INC
08/31/2011	1757/1749	1757/1749	2227300	WD	U	N	HIDEAWAY DEVELOPMENT LLC	DECATUR PROPERTIES INC
05/28/2004	1234/224	1234/224	4500000	WD	Q	N	NASSAU HIDEAWAY LLC	HIDEAWAY DEVELOPMENT LLC
07/25/2002	1070/1847	1070/1847	1117000	WD	Q	N	Y P C INC	NASSAU HIDEAWAY LLC

INSTR # 201506438, Book 1966, Page 662 Doc Type D, Pages 2, Recorded 03/06/2015 at 01:26 PM, John A Crawford, Nassau County Clerk of Circuit Court, Deed Doc. D \$5775.00 Rec. Fee \$18.50

Prepared by:
Keith Watson Title Services, Inc.
208 Ponte Vedra Park Drive, Suite 101
Ponte Vedra Beach, FL 32052

Return to:
Semanik Equity Development & Acquisition, Inc.
2120 Corporate Square Boulevard, Suite 3
Jacksonville, Florida 32216

14 10 6759

For official use by Clerk's office only

STATE OF Florida) **SPECIAL WARRANTY DEED**
COUNTY OF Nassau)
)

THIS INDENTURE, made this February 26, 2015, between Decatur Properties, Inc., whose mailing address is: 3490 Piedmont Rd. NE Suite 1550, Atlanta, Georgia 30305, party of the first part, and Semanik Equity Development & Acquisition, Inc., whose mailing address is: 2120 Corporate Square Boulevard, Suite 3, Jacksonville, Florida 32216, party/parties of the second part,

WITNESSETH:

First party, for and in consideration of the sum of Eight Hundred Twenty Five Thousand AND NO/100 DOLLARS (\$825,000.00) and other valuable considerations, receipt whereof is hereby acknowledged, does hereby grant, bargain, sell, aliens, remises, releases, conveys and confirms unto second party/parties, his/her/their heirs and assigns, the following described property, towit:

PARCEL "A"

A portion of Section 42, Township 2 North, Range 27 East, Nassau County, Florida, being more particularly described as follows: BEGINNING at the most Southerly corner of Hideaway Phase II, as recorded in Plat Book 7, Pages 233 through 238, inclusive, of the Public Records of said County; thence the following seven (7) courses along the Southeasterly and Easterly boundary of said plat of Hideaway Phase II: Course No. 1: North 50°03'35" East, 208.79 feet; Course No. 2: North 32°53'18" East, along the Southerly terminus of Vegas Boulevard (a 30 foot right of way as shown on said aforementioned plat), a distance of 30.00 feet; Course No. 3: North 09°36'27" West 497.39 feet; Course No. 4: North 22°55'14" East, 396.10 feet; Course No. 5: North 60°33'39" East, 418.84 feet; Course No. 6: North 44°56'30" East, along the Southerly terminus of Sinatra Street (a 30 foot right of way), a distance of 30.00 feet; Course No. 7: North 53°36'06" East, 338.63 feet; thence departing from said boundary of Hideaway Phase II; run thence South 14°19'33" East, 85.61 feet; thence South 38°04'54" East, 53.16 feet; thence South 19°34'16" East, 27.02 feet; thence South 59°29'10" East, 62.01 feet; thence South 80°12'55" East, 57.45 feet; thence South 02°04'30" West, 119.10 feet; thence South 43°45'36" East, 79.85 feet; thence South 19°07'23" East, 105.85 feet; thence South 18°25'58" West, 94.83 feet; thence South 07°41'53" East, 114.54 feet; thence South 23°46'15" West, 96.46 feet; thence South 11°23'25" East, 100.36 feet; thence South 09°05'23" East, 64.38 feet; thence South 25°02'17" East, 82.08 feet; thence South 06°29'14" West, 73.98 feet; thence South 36°57'28" West, 62.48 feet; thence South 02°50'52" East, 80.00 feet; thence South 09°55'55" East, 159.15 feet; thence South 21°47'17" East, 95.51 feet; thence South 14°47'11" East, 77.33 feet; thence South 06°07'05" West, 122.72 feet; thence South 23°31'44" East, 102.18 feet; thence South 36°13'20" East, 81.88 feet; thence South 13°15'37" East, 107.91 feet; thence South 08°12'36" East, 127.01 feet; thence South 33°01'09" East, 75.93 feet; thence South 42°30'32" East, 49.34 feet; thence South 17°48'09" West, 62.63 feet; thence South 32°34'17" West, 73.60 feet; thence South 28°45'26" West, 130.68 feet; thence South 05°56'27" West, 82.66 feet; thence South 32°00'44" West, 51.07 feet; thence South 22°40'30" West, 72.45 feet; thence South 48°34'24" West, 88.46 feet; thence South 44°55'16" West, 107.54 feet; thence North 75°21'44" West, 78.70 feet; thence South 80°49'04" West, 85.80 feet; thence South 29°21'24" West, 90.97 feet; thence South 25°31'06" West, 30.34 feet; thence South 47°08'41" West, 203.94 feet; thence South 07°11'42" West, 111.83 feet; thence South 65°12'44" West, 31.38 feet; thence North 67°15'01" West, 87.79 feet; thence South 26°51'26" East, 68.82 feet; thence South 21°16'23" West, 84.86 feet; thence South 13°11'06" East, 65.30 feet; thence South 45°07'54" East, 50.42 feet; thence South 38°08'08" East, 78.53 feet; thence South 00°38'47" East, 114.13 feet; thence South 08°19'28" West, 54.67 feet; thence South 10°28'49" East, 80.75 feet; thence South 15°20'56" East, 107.04 feet; thence South 46°04'41" West, 82.73 feet;

thence South 49°37'24" East, 52.86 feet; thence South 54°04'26" East, 72.40 feet; thence South 34°23'15" West, 32.34 feet; thence South 27°48'39" East, 91.49 feet; thence South 12°09'33" West, 50.19 feet; thence South 14°47'21" West, 128.47 feet; thence South 13°23'53" West, 122.16 feet; thence South 14°01'01" West, 178.35 feet to the Easterly boundary of abandoned telephone and telegraph right of way, the same being the Easterly line of that certain 100 foot Florida Power and Light Company easement recorded in Official Records Book 106, Pages 738 and 739 of said Public Records; thence North 12°59'08" West, along said last mentioned line, 1000 feet to the POINT OF BEGINNING

PARCEL "B"

A part of Section 42, Township 2 North, Range 27 East, Nassau County, Florida, being more particularly described as follows:

COMMENCING at the at the most Southerly corner of Hideaway Phase II, as recorded in Plat Book 7, Pages 233 through 238, inclusive, of the Public Records of said County; thence North 12°58'20" West, along

the Westerly line of said plat of Hideaway Phase II, a distance of 42.60 feet to the POINT OF BEGINNING; thence North 12°59'29" West, 63.25 feet; thence North 83°59'15" West, along the Southerly boundary of

lands described in Official Book 786, Page 386, of the Public Records of said County, a distance of 1292.65 feet to a point on the Easterly right of way line of U.S. Highway No. 17 (a 75.00 foot right of way); thence South 08°08'21" East, along said Easterly right of way line, a distance of 93.99 feet; thence North 38°47'29" East, a distance of 13.69 feet; thence North 81°56'08" East, a distance of 44.25 feet to a point on a circular curve concave to the Southeast and having a radius of 295.00 feet and a chord bearing of North 88°58'26" East; thence run along the arc of said circular curve through a central angle of 14°04'38" for a distance of 72.48 feet; thence South 83°59'15" East, a distance of 728.86 feet to the beginning of a circular curve concave to the Southwest and having a radius of 1470.00 feet and a chord bearing of South 76°36'34" East; thence run along the arc of said circular curve through a central angle of 14°45'22" for a distance of 121.05 feet to a point on a circular curve concave to the Northeast and having a radius of 530.00 feet and a chord bearing of South 86°48'08" East; thence run along the arc of said circular curve through a central angle of 35°08'30" for a distance of 325.07 feet; thence North 12°59'29" West, a distance of 63.23 feet to the POINT OF BEGINNING.

Subject, however, to all covenants, conditions, restrictions, reservations, limitations, easements and to all applicable zoning ordinances and/or restrictions and prohibitions imposed by governmental authorities, if any.

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD the same in fee simple forever.

AND the party of the first part hereby covenants with said party of the second part, that it is lawfully seized of said land in fee simple: that it has good right and lawful authority to sell and convey said land; that it hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons claiming by, through or under the party of the first part.

IN WITNESS WHEREOF, first party has signed and sealed these present the date set forth on February 26, 2015.

Signed, sealed and delivered in the presence of:

Decatur Properties, Inc.

Witness signature: Gary Wetherholt
Print witness name: Gary Wetherholt
Witness signature: G. Andrew Inskip
Print witness name: G. Andrew Inskip

By: [Signature]
Print Name: Ted Skopinski
Title: Vice President

(Corporate Seal)

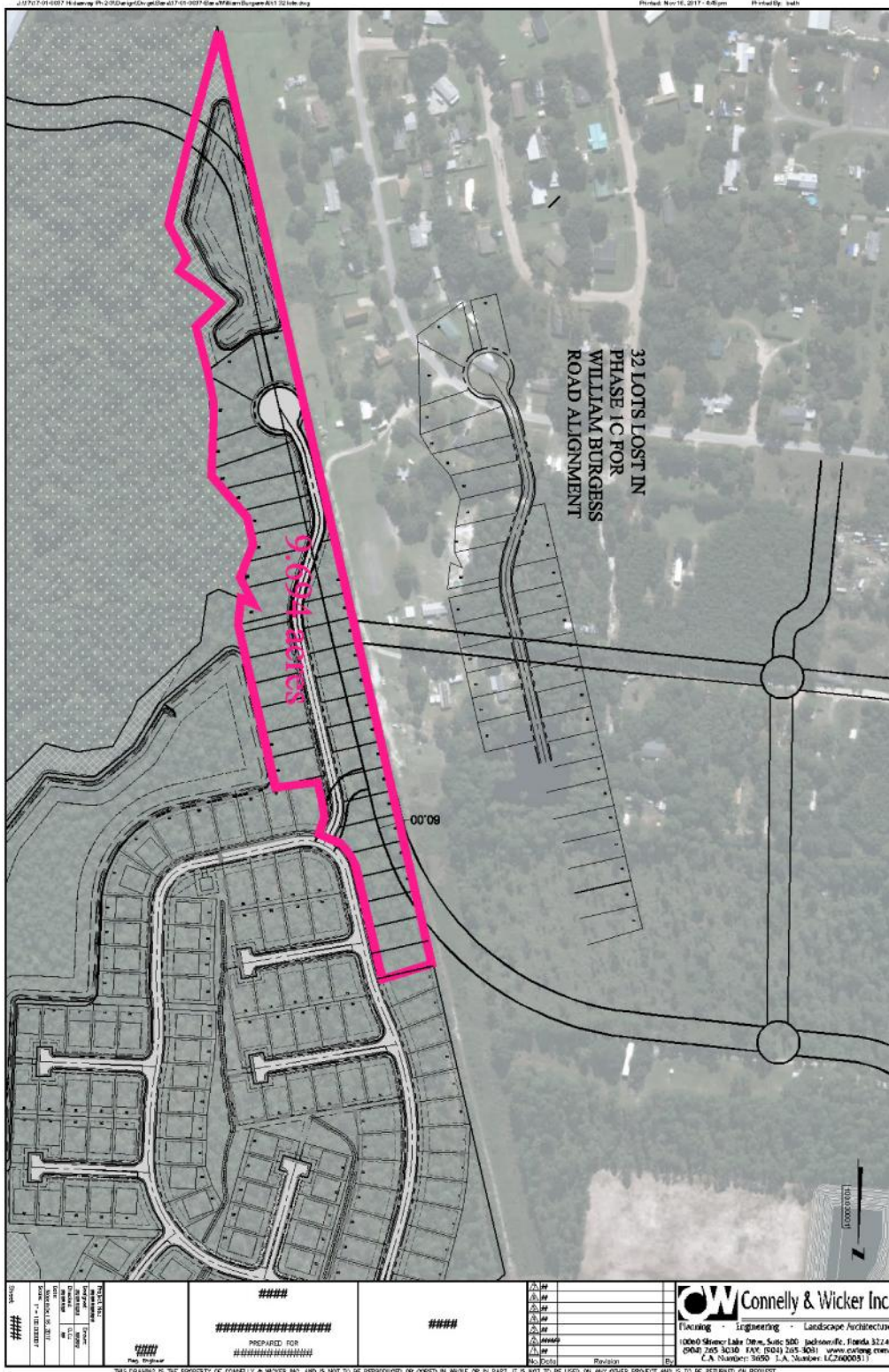
State of GA
County of Cobb

THE FOREGOING INSTRUMENT was acknowledged before me this 24th day of February, 2015 by Ted Skopinski, Vice President of Decatur Properties, Inc. who is personally known to me or who has produced as identification.

Notary Public: Travis Householder
Print Notary Name: Travis Householder
My Commission Expires: 3/17/17
Notary Seal







<p>#####</p> <p>PREPARED FOR</p> <p>#####</p> <p>THIS DRAWING IS THE PROPERTY OF CONNELLY & WICKER INC. AND IS NOT TO BE REPRODUCED OR COPIED IN WHOLE OR IN PART. IT IS NOT TO BE USED ON ANY OTHER PROJECT AND IS TO BE RETURNED ON REQUEST.</p>	<p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p>	<p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p>	<p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p> <p>#####</p>
--	---	--	--

CW Connelly & Wicker Inc.

Planning • Engineering • Landscape Architecture

10000 Silver Lake Drive, Suite 500 Jacksonville, Florida 32246
 (904) 725-3030 FAX (904) 725-4001 www.connelly.com
 C.A. Number: 3605 I.A. Number: LC20000811

Appendix D

Comparable Data

Land Sales

Land Comparable 1



Transaction

ID	278022	Date	3/30/2016
Property Name	Sandy Lake Preserve	Price	\$1,468,000
Property Type	Subdivision-Residential	Price per Acre	\$17,482
Address	Old Nassauville Road	Price per Land SF	\$0.40
City	Yulee	Property Rights	Fee Simple
State	FL	Financing	Conventional
Grantor	Corner Lot Properties LLC		
Grantee	SEDA Construction	Book/Page or Reference	O.R. 2038/950
		Verification	Jennie Lensiak 904.493.6909

Site

Acres	84.0		
Land SF	3,657,733	Zoning	RS-2

Utilities	All Available
Proposed Use	Residential Subdivision

Comments

Sale of an 83.97 acre tract of vacant land located on the east side of Old Nassauville Road in Nassau County, Florida. The site is zoned RS-2 which allows for single family residential development with a 75' lot width. The deeded purchase price was \$1,380,000, and the buyer spent an additional \$88,000 after the sale to fully re-engineer the project. The buyer plans to develop a 121 lot subdivision on the site indicating a price per lot of \$12,132.

Land Comparable 2



Transaction

ID	133580	Date	3/17/2017
Property Name	Hampton West Site	Price	\$1,700,000
Property Type	Subdivision-Residential	Price per Acre	\$29,458
Address	V C Johnson Rd.	Price per Land SF	\$0.68
City	Jacksonville	Property Rights	Fee Simple
State	FL	Financing	Conventional
Grantor	HH Hampton, LLC		
Grantee	Hampton West, LLC	Book/Page or Reference Verification	Book 17919, Page 1865 Chris Funk

Site

Acres	57.7	Topography	Level
Land SF	2,513,848	Zoning	PUD
Road Frontage	1,086 Feet V C Johnson	Flood Zone	AE
Shape	Rectangular	Encumbrance or	No
Utilities	Electricity, Water Public,	Environmental Issues	No
Proposed Use	Single Family Residential		

Comments

The site is located on the west side of V C Johnson Road, just north of Ada Johnson Road in northwest Jacksonville. The buyer is a local developer and purchased the property with the intent of developing it into a single-family subdivision. The PUD was enacted in 2005 and allows for the development of 152 lots with a minimum width of 60 feet (density 2.9 lots/usable acre). However, the development agreement only allows for 139 lots as of the sale date. On-site retention required for development.

Land Comparable 3



Transaction

ID	270172	Date	9/28/2017
Property Name	Barnwell Manor	Price	\$2,769,500
Property Type	Subdivision-Residential	Price per Acre	\$23,152
Address	Barnwell Road	Price per Land SF	\$0.53
City	Yulee	Property Rights	Fee Simple
State	FL	Financing	Cash to seller
Grantor	Corner Lot Dev Group LLC		
Grantee	AVH North Florida, LLC	Book/Page or Reference Verification	Book 2148 Page 1451 George Leone

Site

Acres	119.6	Topography	Level
Land SF	5,210,647	Zoning	RS-1
		Flood Zone	Flood Zone A and X
Shape	Irregular	Encumbrance or	None
Utilities	All available	Environmental Issues	None
Proposed Use	Subdivision		

Comments

This is the sale of approximately 120 acres on the north side of State Road 200 in Yulee, FL. The land sold for \$2,769,500, or \$23,152 per gross acre. Of the 119.62 gross acres, approximately 106.34 are considered usable. The price per usable acre is \$26,044.

The seller acquired the site out of foreclosure in 2013 and had it zoned and entitled to RS-1 for single family residential. The seller agreed to sell the entire property to AV, the buyer, rather than individual lots due to the seller's previous relations with the buyer and their reputation in the area.

The land was purchased to develop a single family residential neighborhood. The developer has planned 208 lots. The price per planned lot is \$13,315.

Land Comparable 4



Transaction

ID	278024	Date	12/8/2017
Property Name	Proposed Hampton Lakes	Price	\$3,000,000
Property Type	Subdivision-Residential	Price per Acre	\$29,721
Address	Spruce Run Drive	Price per Land SF	\$0.68
City	Yulee	Property Rights	Fee Simple
State	FL	Financing	Conventional
Grantor	AW Venture III, LLC		
Grantee	Patriot Ridge LLP	Book/Page or Reference	O.R. 2165/1390

Site

Acres	100.9		
Land SF	4,396,946	Zoning	PUD (Residential)

Utilities All Available

Proposed Use Residential Subdivision

Comments

Sale of 3 parcels totaling 100.94 along Majestic Walk Boulevard and Spruce Run Drive in Yulee, Nassau County, Florida. The site is zoned PUD and is approved for the development of a 210-lot subdivision indicating a price per lot of \$14,286.

Land Comparable 5



Transaction			
ID	276665	Date	1/2/2018
Property Name	Sandler Oaks subdivision	Price	\$2,240,000
Property Type	Residential (Single-Family)	Price per Acre	\$51,153
Address	Old Middleburg Road S	Price per Land SF	\$1.17
City	Jacksonville	Property Rights	Fee Simple
State	FL	Financing	Cash to seller
Grantor	Audrey Ann Campbell and		
Grantee	Patriot Ridge, LLP	Book/Page or Reference Verification	OR 18240/1672 and OR Jim George (listing agent)
Site			
Acres	43.8	Topography	Mostly level
Land SF	1,907,492	Zoning	PUD
		Flood Zone	Zone X
Shape	Generally rectangular	Encumbrance or	None known
Utilities	All available; retention to be	Environmental Issues	None known
Proposed Use	Single-family subdivision		

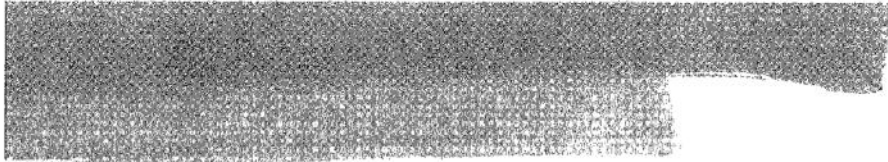
Comments

January 2018 sale of four contiguous tax parcels located at the southeast corner of Old Middleburg Road and Sandler Road on the southwest side of Jacksonville. The property was an assemblage from two sellers. Each property had been marketed both separately, although the entire property was also marketed as a whole. Three of the parcels were sold by Audrey Campbell for an amount of \$1,445,000, while the fourth parcel was sold by Brenda Clower for a price of \$750,000. The combined price of the two deeds was \$2,195,000.

The property was purchased by an entity related to Matovina and Company, a local developer. The overall site was placed under contract with RR-Acre zoning which would not allow intensive subdivision development. The buyer applied for and subsequently received approval for rezoning in April 2017 for PUD allowing development of up to 170 lots with minimum widths of 60 feet. The buyer plans to develop 165 lots on the site. Approximately \$10,000 was spent on the rezoning process. The property was also improved with two older residences and multiple barns that did not contribute to the value of the underlying land. They will be razed to allow redevelopment at a cost of approximately \$35,000. The combined rezoning and demolition costs are therefore \$45,000. Adding these to the land cost of \$2,195,000 reflects an effective price paid of \$2,240,000, which equates to \$13,576 per planned lot.

Appendix E

Engagement Letter



January 26, 2018

Taco E. Pope, AICP
Director, Department of Planning & Economic Opportunity
Nassau County BoCC

Re: Appraisal Proposal, William Burgess Road Alignment

Dear Mr. Pope:

JLL Valuation & Advisory Services, LLC appreciates the opportunity to provide this proposal for services regarding the Property to Nassau County (the "Client") with respect to the subject property. This proposal letter will become, upon your acceptance, our engagement letter to provide an appraisal of the subject property per the scope, fees and timeline outlined as follows:

The appraiser will develop an opinion of the "as-is" market value of the fee simple interest of the requested property. The reporting presentation will be a narrative Appraisal Report, which complies with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP).

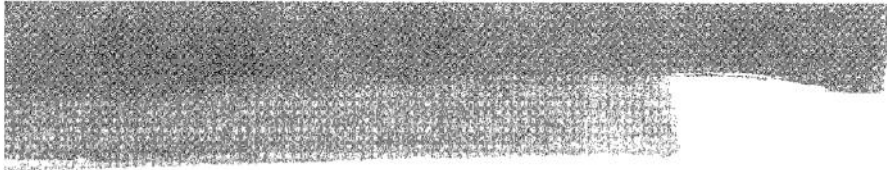
Identification of Appraisal Problem

The subject property was identified as a portion of Nassau County Parcel Number 42-2N-27-0000-0001-0210. According to the Nassau County Property Appraiser's website the property is under the ownership of Semanik Equity Development & Acquisition, Inc.



Nassau County proposes the acquisition of approximately 9.694± acres of the subject property, which according to the Nassau County Property Appraiser's records is a gross 50.267± acres. Currently, the

Taco E. Pope, AICP
January 26, 2018
Page 1 of 13



subject's overall parcel is shown to be proposed for development of an additional phase (1C) of the Hideaway, a single-family residential subdivision. As shown in the client provided drawing, the proposed acquisition for the William Burgess Road Alignment would acquire 32 proposed lots.



Before and After Analysis

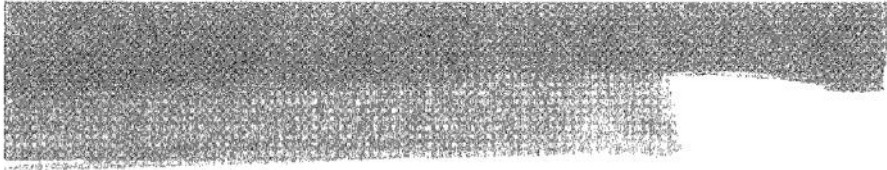
A full before and after analysis will include the entire 50.267± property and consider the subject's development potential as a single-family subdivision. The subject property will be analyzed in a before, part acquired, and remainder valuation scenarios. The before valuation will consider the subject's "as is" market value of the fee simple interest in the subject property as of the date of value. The part acquired will analyze the land impacted by the proposed acquisition. The remainder analysis will determine the potential diminution of value of the remainder tract as a result of the proposed acquisition.

Client agrees to compensate JLL Valuation & Advisory for Services rendered as follows:

JLL Valuation & Advisory shall be paid four thousand five hundred dollars (\$4,500) for providing the Services (the "Fee"), and the report will be delivered within three weeks of engagement. The Fee includes the expenses related to this engagement. The Fee will be billed upon completion of Services and delivery of the Appraisal Report. Payment of the Fee is due within forty-five (45) days of receipt.

In the event that our engagement is ended for any reason before we deliver our final report we shall, without limitation to our rights and remedies under this letter agreement or at law, be entitled to

Taco E. Pope, AICP
January 26, 2018
Page 2 of 13



receive from the Client a reasonable fee proportionate to the part of the Services performed to the date of termination.

Additional fees will be charged on an hourly basis for any work which exceeds the scope of the engagement, including litigation support services, performing additional valuation scenarios, additional research and conference calls or meetings with any party which exceed the time allotted for an assignment of this nature.

Billing rates for hourly services rendered in addition to the appraisal are as follows:

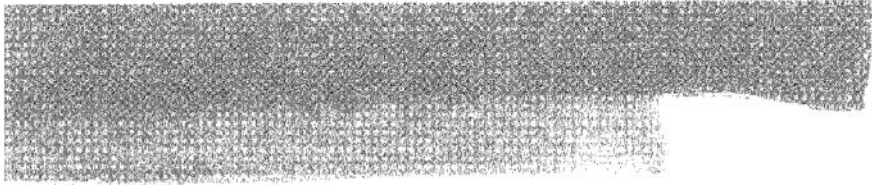
Managing Director	\$600 per hour
Executive Vice President	\$500 per hour
Senior Vice President	\$400 per hour
Vice President	\$300 per hour
Senior Analyst	\$200 per hour
Analyst	\$150 per hour
Administrative	\$80 per hour

The Ethics Rule of the Uniform Standards of Professional Appraisal Practice ("USPAP") requires us to disclose to you any prior services performed by the individual appraiser regarding the Subject Property within a three year period immediately preceding the acceptance of this assignment, either as an appraiser or in any other capacity.

The undersigned appraiser(s) has not provided prior services within the designated disclosure period. Further, to our knowledge, JLL Valuation & Advisory has not performed a previous appraisal, appraisal review or appraisal consulting assignment involving the Subject Property.

The intended use of the appraisal is for the County to use as a basis for establishing Recommended Compensation, as applicable, of the whole property, the property to be acquired, the remainder property, the damages and special benefits, if any, for acquisition by the County for use in connection with a transportation facility. The scope of work will provide the necessary research and analysis to prepare an appraisal report that will produce credible assignment results in accordance with its intended use, The Standards of Professional Practice of the Appraisal Institute, the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation, and any supplemental standards of Nassau County.

Taco E. Pope, AICP
January 26, 2018
Page 3 of 13



By signing below, the Client acknowledges and agrees that they have read and accept all of the terms herein, including the scope of work, Fee compensation and our General Terms and Conditions of Business for Valuation and Consulting Services.

We are enthusiastic about the opportunity to work with you and your colleagues on this project. If the foregoing is acceptable, please return an executed copy to me.

Sincerely,

A handwritten signature in black ink, appearing to be "JL" followed by a flourish.

John Mullen, MAI
JLL Valuation & Advisory Services, LLC
6278 Dupont Station Court, Unit 2
Jacksonville, FL 32217

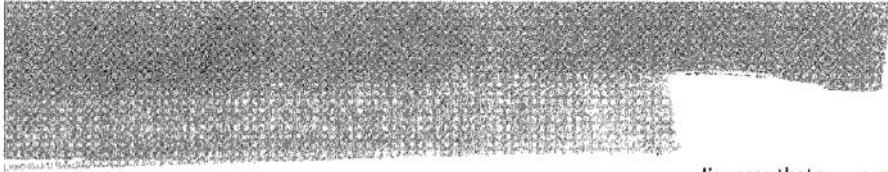
Its: Senior Vice President

READ, AGREED AND ACCEPTED BY:

Nassau County

By: A handwritten signature in black ink, appearing to be "Justin Stankiewicz".
Name: Justin Stankiewicz
Title: omb director / Asst. County Manager

Taco E. Pope, AICP
January 26, 2018
Page 4 of 13



1. INTRODUCTION

1.1 These Terms and Conditions supplement the proposal, agreement, letter of engagement or email (the "engagement") between JLL Valuation and Advisory Services, LLC and the Client indicated in the engagement that sets out details of the Services to be provided to the Client. All capitalized terms in this exhibit have the meanings given to them in the engagement unless given a different meaning in this exhibit. These Terms and Conditions, together with the engagement and all other exhibits, schedules and riders to the engagement, are collectively called the "agreement".

2. SERVICES

- 2.1 We will provide the Services using reasonable care and skill.
- 2.2 We may make changes to the Services if necessary to comply with any law or safety requirement. We will notify you if that happens. Otherwise, JLL and the Client must agree in writing to any changes to the Services, the Fees, or any other provision of the agreement.

3. CLIENT OBLIGATIONS

- 3.1 You agree to give us all documents and other information that we advise you are reasonably necessary for us to provide the Services.
- 3.2 You will maintain adequate property and public liability insurance to reasonably insure property that you own or occupy and any activities on that property. You will obtain all necessary licenses, permissions and consents which may be required to enable us to perform the Services (other than professional

licenses that we are required to maintain to perform the Services). You are responsible to keep your property in a safe conditions so that we may perform the Services in reasonable safety.

- 3.3 You will notify us promptly if you believe any information you have provided is incomplete or inaccurate.

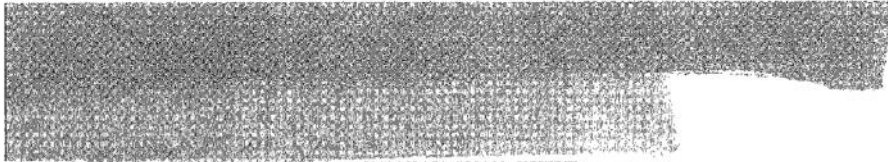
4. DELAY

We are not responsible for any delay in our performance of the Services if caused by any event beyond our reasonable control, or for any delay caused by your failure to comply with the agreement.

5. FEES, EXPENSES AND PAYMENT

- 5.1 You agree that your obligation to pay the Fee is not contingent upon the results, conclusions or recommendations we provide.
- 5.2 If we are asked to invoice any other party, you agree to settle our invoice immediately if the other party does not do so within 45 days of the date of the invoice.
- 5.3 Delinquent payments under the agreement will earn interest at the rate of one and one-half percent (1-1/2%) per month from the date due until paid, or if lower, the maximum rate permitted by law. If the Fee or any part of it remains unpaid 45 days after it was due, you may not use any report or work product we have delivered to you for any reason.
- 5.4 If you terminate this agreement before the Services are completed, you will pay us, no later than the termination date, a reasonable fee proportionate to the part of the Services performed to the date of termination.
- 5.5 Our rights under Section 5.3 and 5.4 are in addition to, and will not limit, our right to pursue any other rights and remedies under the agreement or at law or in equity.

Taco E. Pope, AICP
January 26, 2018
Page 5 of 13



6. INDEMNITY

We agree to indemnify and defend you and hold you harmless from any Loss that you suffer arising out of our negligent performance of Services under the agreement, other than Loss that is found by a court of competent jurisdiction to result from your negligence or willful misconduct.

7. EXCLUSIONS OF, AND LIMITATIONS ON, LIABILITY

7.1 EACH OF JLL AND THE CLIENT WAIVES ANY CLAIMS AGAINST EACH OTHER FOR LOSS OF PROFITS, CONSEQUENTIAL, PUNITIVE, EXEMPLARY OR SIMILAR DAMAGES IN CONNECTION WITH THE AGREEMENT. IN NO EVENT SHALL JLL'S LIABILITY IN CONNECTION WITH THE AGREEMENT EXCEED THE FEE PAID TO JLL HEREUNDER.

8. TERMINATION

- 8.1 Either of us may terminate the agreement without reason by giving 30 days' advance written notice to the other.
- 8.2 Either of us may terminate the agreement immediately if the other breaches the agreement and fails to remedy the breach within 10 days of notice by the non-breaching party.
- 8.3 We may terminate the agreement immediately for any of the following reasons:
 - (a) We cannot provide any of the Services due to conditions beyond our reasonable control.
 - (b) In our reasonable opinion, there is insufficient information available to provide a report or other work product that meets our standards.
 - (c) A conflict of interest arises which prevents us from acting for you.

- (d) You have asked us to provide reports or work product that we do not consider to be accurate.

9. APPRAISAL REPORT ASSUMPTIONS AND LIMITATIONS

9.1 Any report or other work product we deliver as part of the Services will be subject to our standard Statement of Assumptions and Limiting Conditions, provided as an exhibit and as part of the agreement, which will be incorporated into the report or work product.

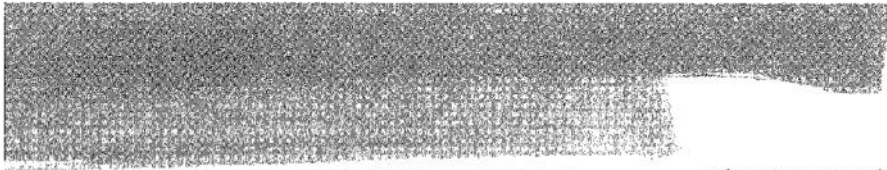
10. CONFIDENTIALITY

- 10.1 We each agree to maintain the confidentiality of each other's confidential information and will not disclose any information received in confidence from each other, until two years after termination or expiration of the agreement, except where required to do so by law.
- 10.2 Any report or other work product that we deliver to you in connection with the Services is confidential and may be used by only you, unless we agree otherwise in writing.

11. INTELLECTUAL PROPERTY RIGHTS

- 11.1 We retain all copyright (and other intellectual property rights) in all materials, reports, systems and other deliverables which we produce or develop for the purposes of the agreement, or which we use to provide the Services.
- 11.2 You will not reproduce or copy any part of any report or other work product we produce as part of the Services without our prior written consent.

Taco E. Pope, AICP
January 26, 2018
Page 6 of 13



12. GENERAL

- 12.1 The agreement may be modified only by a written agreement signed by both of us. Liability accruing before the agreement terminates or expires will survive termination or expiration.
- 12.2 The agreement states the entire agreement, and supersedes all prior agreements, between you and JLL with respect to the matters described in the agreement.
- 12.3 If a court determines that any part of the agreement is unenforceable, the remainder of the agreement will remain in effect.
- 12.4 The agreement is governed by the laws of the State of Florida. Each of us irrevocably submits to the exclusive jurisdiction of the courts of that State.
- 12.5 The agreement may be executed in multiple counterparts.
- 12.6 No director, officer, agent, employee or representative of either of us has any personal liability in connection with the agreement.
- 12.7 Neither of us may assign or transfer any rights or obligations under the agreement without the prior written approval of the other. We each agree to be reasonable in evaluating such a request for approval.
- 12.8 If there is any conflict between the terms of the letter and this exhibit, the terms of the letter will prevail.
- 12.9 If either of us fails to enforce any provision or exercise any right under the Agreement at any time, that failure will not operate as a waiver to enforce that provision or to exercise that right at any other time.
- 12.10 The agreement does not establish any partnership or joint venture between us, or make either of us the agent of the other.
- 12.11 A person who is not a party to the agreement does not have any rights to

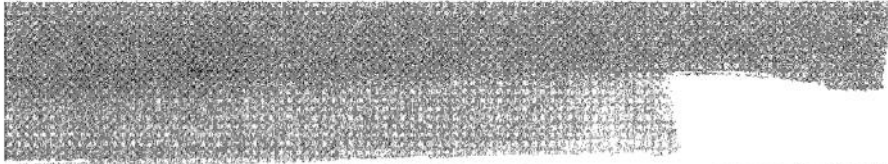
enforce its terms unless specifically agreed in writing.

- 12.12 Neither of us may publicize or issue any specific information to the media about the Services or the agreement without the written consent of the other.
- 12.13 Each of us represents to the other that it is not a person or entity with whom U.S. entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order or other governmental action. Each of us agrees to comply with all applicable laws, statutes, and regulations relating to anti-bribery and anti-corruption.
- 12.14 Sections 5, 6, 7, 10, 11, 12.1, 13, 17 and 18 will survive termination of the agreement.

13. USE OF DATA AND DATA PROTECTION

- 13.1 You agree as follows: (i) The data we collect in connection with the agreement will remain our property. (ii) We and our affiliates may utilize, sell and include data you have provided (either in the aggregate or individually) in the databases of JLL and its affiliates and for use in derivative products. (iii) We may utilize all data already in the public domain on an unrestricted basis.
- 13.2 In order for us to provide the Services, we may need to record and maintain in hard copy and/or in electronic form, information regarding the Client, its officers and any other individuals connected with the Client (collectively "Data Subjects"). We may also verify the identity of Data Subjects, which could include carrying out checks with third parties such as credit reference, anti-money

Taco E. Pope, AICP
January 26, 2018
Page 7 of 13



laundering or sanctions checking agencies.

agreement without penalty.

13.3 We may use all information that we hold regarding Data Subjects to provide the Services. We may also use and share it with third parties for other purposes as described in our Privacy Statement available at www.jll.com.

13.4 We may use both commercially available and proprietary software programs to perform the Services (web based and others).

14. SPECIAL EXPERTS

14.1 If you request our assistance in hiring a special expert to contribute to any assignment (such as a surveyor, environmental consultant, land planner, architect, engineer, business, personal property, machinery and equipment appraiser, among others), you will perform your own due diligence to qualify the special expert. You will be responsible to pay for the services of the special expert.

14.2 We not responsible for the actions and findings of any special expert. You agree to indemnify and defend us and hold us harmless from all damages that may arise out of your reliance on any special expert.

15. CONFLICTS POLICY

JLL adheres to a strict conflict of interest policy.

If we learn of a conflict of interest, we will notify you and recommend a course of action to resolve the conflict. If we learn of a conflict that we do not believe can be resolved, we may terminate the

16. FIRREA REQUIREMENTS

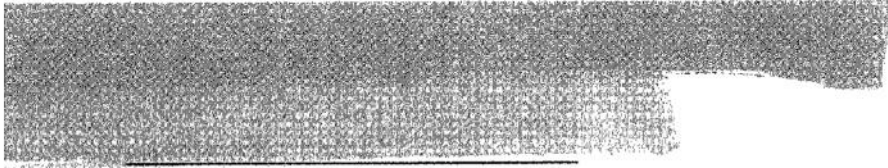
Federal banking regulations require banks and other lending institutions to engage appraisers where FIRREA compliant appraisals must be used in connection with mortgage loans or other transactions involving federally regulated lending institutions. Given that requirement, any report produced by JLL under the agreement, if ordered independent of a financial institution or agent, might not be FIRREA compliant or acceptable to a federally regulated financial institution.

17. USE OF WORK PRODUCT AND RELIANCE

17.1 You agree that any report or other work product we produce in connection with the Services are for your use only, and only for the purpose indicated in the agreement. No person or entity other than the Client may use or rely on any such report or work product unless we consent otherwise in writing, even if such reliance is foreseeable. Any person who receives a copy of any report or other work product we produce as a consequence of disclosure requirements that apply to the Client, does not become an intended user of this report unless the Client specifically identified them at the time of the engagement.

17.2 You will not use any such report or work product in connection with any public documents. You will not refer to JLL in any public documents without our prior written consent. We may give or withhold our consent in our sole discretion for any purpose under this Section 17.

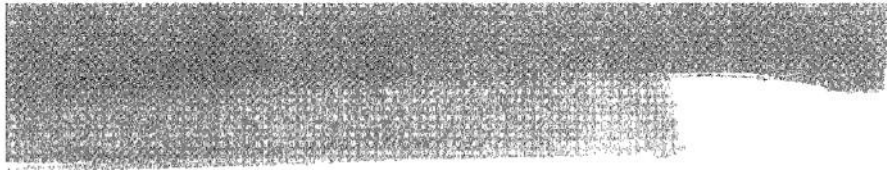
Taco E. Pope, AICP
January 26, 2018
Page 8 of 13



18. LITIGATION MATTERS

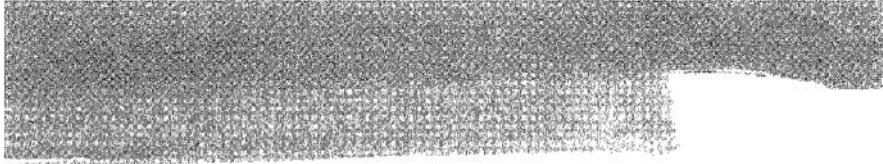
18.1 We are not required to testify or provide court-related consultation or to be in attendance in court unless we have agreed to do so in the agreement or otherwise in writing, or if required by law.

18.2 If we receive a subpoena or other judicial command to produce documents or to provide testimony in a lawsuit or proceeding regarding the agreement, we will notify you if allowed by law to do so. However, if we are not a party to these proceedings, you agree to compensate us for our professional time at the then prevailing hourly rates of the personnel responding to the subpoena or providing testimony, and to reimburse us for our actual expenses incurred in responding to any such subpoena or judicial command, including attorneys' fees, if any, as they are incurred.



1. All reports and work product we deliver to you (collectively called "report") represents an opinion of value, based on historical information and forecasts of market conditions. Actual results may vary from those forecast in the report. There is no guaranty or warranty that the opinion of value reflects the actual value of the property.
2. The conclusions stated in our report apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events. Assessed values may change significantly and unexpectedly over short periods. We are not liable for any conclusions in the report that may be different if there are subsequent changes in value. We are not liable for loss relating to reliance upon our report more than three months after its date.
3. There may be differences between projected and actual results because events and circumstances frequently do not occur as predicted, and those differences may be material. We are not liable for any loss arising from these differences.
4. We are not obligated to predict future political, economic or social trends. We assume no responsibility for economic factors that may affect or alter the opinions in the report if the economic factors were not present as of the date of the letter of transmittal accompanying the report.
5. The report reflects an appraisal of the property free of any liens or encumbrances unless otherwise stated.
6. We assume responsible ownership and competent property management.
7. The appraisal process requires information from a wide variety of sources. We have assumed that all information furnished by others is correct and complete, up to date and can be relied upon, but no warranty is given for its accuracy. We do not accept responsibility for erroneous information provided by others. We assume that no information that has a material effect on our appraisal has been withheld.
8. We assume the following, unless informed to the contrary in writing: Each property has a good and marketable title. All documentation is satisfactorily drawn and that there are no encumbrances, restrictions, easements or other adverse title conditions, which would have a material effect on the value of the interest under consideration. There is no material litigation pending involving the property. All information provided by the Client, or its agents, is correct, up to date and can be relied upon. We are not responsible for considerations requiring expertise in other fields, including but not limited to: legal descriptions, interpretation of legal documents and other legal matters, geologic considerations such as soils and seismic stability, engineering, or environmental and toxic contaminants. We recommend that you engage suitable consultants to advise you on these matters.
9. We assume that all engineering studies correct. The plot plans and illustrative material in the report are included only to help the reader visualize the property.
10. We assume that there are no hidden or unapparent conditions of the property, subsoil or structures that render it more or less valuable. We are not responsible for such conditions or for obtaining the engineering studies that may be required to discover them.
11. We assume that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the report. We have not made or requested any environmental impact studies in conjunction with the report. We reserve the right to revise or rescind any opinion of value that is based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the report

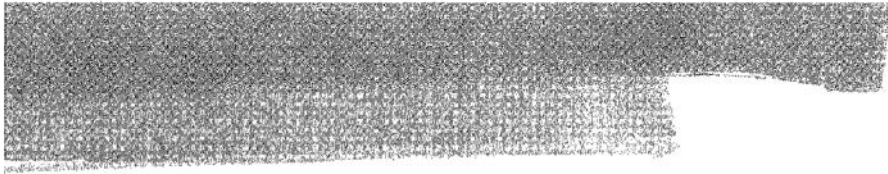
Taco E. Pope, AICP
January 26, 2018
Page 10 of 13



assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.

12. Unless otherwise stated in the report, you should assume that we did not observe any hazardous materials on the property. We have no knowledge of the existence of such materials on or in the property; however, we are not qualified to detect such substances, and we are not providing environmental services. The presence of substances such as asbestos, urea-formaldehyde foam insulation and other potentially hazardous materials may affect the value of the property. Our report assumes that there is no such material on or in the property that would cause a loss in value. We do not assume responsibility for such conditions or for any expertise or engineering knowledge required to discover them. We encourage you to retain an expert in this field, if desired. We are not responsible for any such environmental conditions that exist or for any engineering or testing that might be required to discover whether such conditions exist. We are not experts in the field of environmental conditions, and the report is not an environmental assessment of the property.
13. We may have reviewed available flood maps and may have noted in the report whether the property is generally located within or out of an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property. Any opinion of value we include in our report assumes that floodplain and/or wetlands interpretations are accurate.
14. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether it is in compliance with the ADA. We claim no expertise in ADA issues, and render no opinion regarding compliance of the property with ADA regulations.
15. We assume that the property conforms to all applicable zoning and use regulations and restrictions unless we have identified, described and considered a non-conformity in the report.
16. We assume that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the opinion of value contained in the report is based.
17. We assume that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
18. We have not made any investigation of the financial standing of actual or prospective tenants unless specifically noted in the report. Where properties are valued with the benefit of leasing, we assume, unless we are informed otherwise, that the tenants are capable of meeting their financial obligations under the leases, all rent and other amounts payable under the leases have been paid when due, and that there are no undisclosed breaches of the leases.
19. We did not conduct a formal survey of the property and assume no responsibility for any survey matters. The Client has supplied the spatial data, including sketches and/or surveys included in the report, and we assume that data is correct, up to date and can be relied upon.
20. Unless otherwise stated, the opinion of value included in our report excludes any additional value attributable to goodwill, or to fixtures and fittings which are only of value, in situ, to the present occupier. We have made no allowance for any plant, machinery or equipment unless they form an

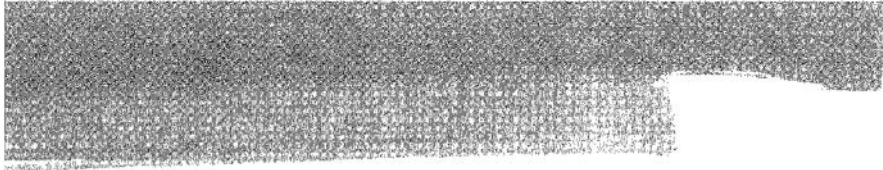
Taco E. Pope, AICP
January 26, 2018
Page 11 of 13



integral part of the building and would normally be included in a sale of the building. We do not normally carry out or commission investigations into the capacity or condition of services being provided to the property. We assume that the services, and any associated controls or software, are in working order and free from defect. We also assume that the services are of sufficient capacity to meet current and future needs.

21. In the case of property where construction work is in progress, such as refurbishment or repairs, or where developments are in progress, we have relied upon cost information supplied to us by the Client or its appointed experts or upon industry accepted cost guides. In the case of property where construction work is in progress, or has recently been completed, we do not make allowance for any liability already incurred, but not yet discharged, in respect of completed work, or obligations in favor of contractors, subcontractors or any members of the professional or design team. We assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
22. Any allocation in the report of value between the land and the improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
23. The report is confidential to the party to whom it is addressed and those other intended users specified in the report for the specific purpose to which it refers. Use of the report for any other purpose or use by any party not identified as an intended user of the report without our prior written consent is prohibited, and we accept no responsibility for any use of the report in violation of the terms of this Agreement.
24. We are not required to testify or provide court-related consultation or to be in attendance in court unless we have agreed to do so in writing.
25. Neither the whole report, nor any part, nor reference thereto, may be published in any manner without our prior written approval.
26. We may rely on, and will not verify, the accuracy and sufficiency of documents, information and assumptions provided to it by the Client or others. We will not verify documents, information and assumptions derived from industry sources or that JLL or its affiliates have prepared in the regular course of business. We are not liable for any deficiency in the report arising from the inaccuracy or insufficiency of such information, documents and assumptions. However, our report will be based on our professional evaluation of all such available sources of information.
27. JLL IS NOT LIABLE TO ANY PERSON OR ENTITY FOR LOSS OF PROFITS, CONSEQUENTIAL, PUNITIVE, EXEMPLARY OR SIMILAR DAMAGES IN CONNECTION WITH THIS AGREEMENT. IN NO EVENT SHALL THE LIABILITY OF JLL AND ITS AFFILIATES IN CONNECTION WITH THIS AGREEMENT EXCEED THE FEE PAID TO JLL HEREUNDER.
28. Unless expressly advised to the contrary, we assume that appropriate insurance coverage is and will continue to be available on commercially acceptable terms.
29. We assume that no material changes in any applicable federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
30. We may determine during the course of the assignment that additional Hypothetical Conditions and Extraordinary Assumptions may be required in order to complete the assignment. The report will be

Taco E. Pope, AICP
January 26, 2018
Page 12 of 13



subject to those Hypothetical Conditions and Extraordinary Assumptions. Each person that is permitted to use the report agrees to be bound by all the Assumptions and Limiting Conditions and any Hypothetical Conditions and Extraordinary Assumptions stated in the report.

Taco E. Pope, AICP
January 26, 2018
Page 13 of 13