

**Real Estate Appraisal Report**

Of

About 0.67 Acres Vacant Land

Located at

Southwest corner of A1A First Coast Highway and Ron Kolar Way, Fernandina Beach, FL  
32034

Date of Value: April 22, 2018

For

Ms. Shelley Caldwell  
Nassau County Public Works  
96161 Nassau Place  
Yulee, FL 32097

Client Purchase Order#18000262-00

Property Owner: Nassau County



**LETTER OF TRANSMITTAL**

April 30, 2018

Ms. Shelley Caldwell  
Nassau County Public Works  
96161 Nassau Place  
Yulee, FL 32097

Re: Appraisal of about 0.67 acres of Vacant Land located at the Southwest corner of A1A First Coast Highway and Ron Kolar Way, Fernandina Beach, FL 32034

Dear Ms. Caldwell:

As you requested, Buzz Wagand and Associates, Inc. (BWA) appraised the 0.67 acre (29,185 square feet) piece of vacant land located at Southwest corner of A1A First Coast Highway and Ron Kolar Way in Fernandina Beach, FL 32034. The site is the northern portion of parent parcel 01-6N-29-AICO-0013-0000 and is owned by Nassau County. There is a 3,010 square foot utility easement on the northeast portion of the subject site, but this is not considered to affect the value of the site because it is situated within the 25-foot setback from A1A and could not be developed. Because the majority of the subject site is situated within Flood Zone AE, vertical development would require extensive fill to bring the site above the elevation of Flood Zone AE. However, horizontal development as a parking lot would not require fill.

A summary of our analyses is as follows:

Appraisal Premise	Interest Appraised	Standard of Value	Date of Value	Approach	Value Indication
As Is	Fee Simple	Market Value	4/22/2018	Land Sales Comparison	\$100,000

In our opinion, the as is Fee Simple market value of the subject property as of April 22, 2018 was:

**\$100,000**  
**One Hundred Thousand Dollars**

Appraisal of Southwest corner of A1A First Coast Highway and Ron Kolar Way, Fernandina Beach, FL 32034

April 30, 2018

This transmittal letter is a part of this appraisal report and is inseparable from it. If this letter is separated from the attached report, then the value opinions set forth in this letter are invalid because the opinions cannot be properly understood.

This is an appraisal report prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and the requirements of our client as we understand them. This report presents discussions of the data, reasoning, and analyses that we used to develop our opinion of value. The depth of discussion contained in this report is specific to the needs of the client and the intended use of the appraisal. This appraisal was prepared exclusively for the client and solely for the specified use. No party other than the client may use this report for any purpose without the written authorization of both the client and the appraiser.

Our analyses, opinions, and conclusions were developed and this report has been prepared in accordance with standards set by the Appraisal Foundation and the Appraisal Institute. Our opinion of value is subject to the definition of value, general assumptions, extraordinary assumptions, hypothetical conditions, and limiting conditions/assumptions subsequently presented in this report. We certify that we have no interest, contingent or otherwise, in the property appraised and the assignment was not based on a requested minimum value, specific value, or the approval of a loan.

Respectfully,



Ronald C. Wagand, MAI, SRA, AI-GRS  
State-Certified General Real Estate Appraiser  
RZ810



Tobi A. Doering, Candidate for Designation, Appraisal Institute  
State-Certified General Real Estate Appraiser  
RZ3322

### **Executive Summary**

Property Address:	Southwest corner of A1A Fir
Property Location:	Fernandina Beach, FL 32034
Property Type:	Vacant Land
Owner of Record:	Nassau County
County:	Nassau County
County Parcel Number:	01-6N-29-AICO-0013-0000
Flood Zone:	Mostly AE
Land Area (SF):	29,185
Parent Parcel Land Area (SF):	111,078
Zoning:	PUD
Highest and Best Use:	Commercial
Value Interest:	Fee Simple
Valuation Approaches:	Sales Comparison
Extraordinary Assumption:	None
Hypothetical Condition:	None
Date of Value (As Is)	April 22, 2018
As Is Fee Simple Market Value:	\$100,000

<b>Appraisal Premise</b>	<b>Interest Appraised</b>	<b>Standard of Value</b>	<b>Date of Value</b>	<b>Approach</b>	<b>Value Indication</b>
As Is	Fee Simple	Market Value	4/22/2018	Land Sales Comparison	\$100,000

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## **CERTIFICATION**

Certification is required by the State of Florida, Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice (USPAP). We certify 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 my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with the respect to the parties involved.
4. We have performed no 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.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon the development or reporting predetermined results.
7. 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 opinion, the attainment of stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the State of Florida, and the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives and review by the State of Florida.
10. Buzz Wagand personally visited the property that is the subject of this report. Tobi Doering did not personally visit the property that is the subject of this report.
11. No one provided significant real property appraisal assistance to the person(s) signing this report.

12. As of the date of this report, Buzz Wagand has completed the continuing education program for Designated Members of the Appraisal Institute.
13. As of the date of this report, Tobi Doering has completed the Standards and Ethics Education Requirements for Candidates of the Appraisal Institute.



Ronald C. Wagand, MAI, SRA, AI-GRS  
State-Certified General Real Estate Appraiser  
RZ810



Tobi A. Doering, Candidate for Designation, Appraisal Institute  
State-Certified General Real Estate Appraiser  
RZ3322



## **ASSIGNMENT**

### Introduction

A thorough understanding of the assignment places the opinion of value in its appropriate context. Understanding the assignment is sometimes referred to as “definition of the problem.” According to the Appraisal Institute’s *The Appraisal of Real Estate, 14<sup>th</sup> Edition*, defining the problem “...sets the limits of the appraisal and eliminates any ambiguity about the nature of the assignment.” This appraisal was developed:

1. For a specific party;
2. For a specific use;
3. As of a specific point in time;
4. Using specific definitions of value and property rights; and
5. Using specific assumptions (including assumption regarding the subject’s characteristics and quality).

If a reader of this appraisal disagrees with any premise, definition, or assumption upon which this appraisal is based, then the reader should not use this appraisal.

### Statement of Competency

The appraisers' specific qualifications are included within this report. These qualifications serve as evidence of their competence for the completion of this appraisal assignment in compliance with the competency provision in USPAP. The appraisers' knowledge and experience, combined with their professional qualifications, are commensurate with the complexity of this assignment. The appraisers have previously provided consultation and value opinion for properties similar to the subject in Florida.

### Intended User(s) of this Appraisal & Client

The client in this assignment is Nassau County Public Works. The intended user of this appraisal report is Nassau County Public Works. This appraisal was prepared exclusively for the client and intended user(s). Use of this appraisal by any other party is prohibited.

Intended Use of this Appraisal

The intended use of this appraisal is this appraisal is for internal purposes by Nassau County Public Works. This appraisal was prepared exclusively for the stated intended use. Use of this appraisal for any other purpose is prohibited.

Effective Date of Value

April 22, 2018

Date of Inspection

April 22, 2018

Date of Report

April 30, 2018

Type of Report

This is a narrative appraisal report prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and the requirements of our client as we understand them. This report presents discussions of the data, reasoning, and analyses that we used to develop our opinion of value. The depth of discussion contained in this report is specific to the needs of the client and the intended use of the appraisal.

Property Rights Appraised

We appraised a fee simple interest in the subject property. The Appraisal Institute's *Dictionary of Real Estate Appraisal, 6th Edition*, defines fee simple interest as "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

Purpose of this Appraisal

The purpose of this appraisal is to form an opinion of the market value of the real property. The definition of market value provided by the Federal Deposit Insurance Corporation applies to this appraisal.

Definition of Value

**Market Value - Federal Deposit Insurance Corporation**

2000 – FDIC RULES AND REGULATIONS PART 323.2 - APPRAISALS

Market value is defined in the Code of Federal Regulation CFR 12, Page 34.32 as follows:

“The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sale concessions granted by anyone associated with the sale.”

Identification of the Subject Property

The subject of this appraisal was the 0.67 acres of vacant land located at the Southwest corner of A1A First Coast Highway and Ron Kolar Way in Fernandina Beach, FL 32034 in the southern Amelia Island area. The county property appraiser identifies the subject property parent parcel as Parcel Number(s) 01-6N-29-AICO-0013-0000, and the subject could be carved from the northern portion of the parent parcel. A current survey of the subject site was provided, so we used this information as well as information from the client, deed, owner, or county property appraiser to estimate the size of the land. According to information from the above sources, the subject site contains about 29,185 square feet (0.67 acres) of land and the parent parcel contains about 111,078 square feet. The subject’s zoning category is PUD Zoning District.

The preceding measures and information were provided by reliable sources, and we used them to develop our opinion of value. However, we do not guarantee the accuracy of those measures or information.

Owner of Record

According to the Public Records of Nassau County, Florida, the subject property is owned by Nassau County.

Transactions of the Subject Property

According to the Public Records of Nassau County, Florida, the subject property has not sold in the past three years. This property transaction history is not a title abstract, search, or opinion. Conducting a title abstract/search/opinion is beyond the skills of the appraisers and beyond the scope of the appraisal. We recommend that an attorney competent in researching property title complete a title abstract/search/opinion.

Current Listing/Contracts/Options

To the best of our knowledge, the subject is not listed on the market for sale.

### Legal Description

A PORTION OF TRACT 1, "MARSH CREEK VILLAGE, UNIT ONE", ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 4, PAGE 18, OF THE PUBLIC RECORDS OF NASSAU COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHEAST CORNER OF SAID TRACT 1; THENCE SOUTH 19°33'59" EAST, ALONG THE EASTERLY LINE OF SAID TRACT 1 AND ALONG THE WESTERLY RIGHT-OF-WAY LINE OF STATE ROAD NO. 105 (A-1-A), A DISTANCE OF 183.06 FEET; THENCE SOUTH 75°12'49" WEST A DISTANCE OF 168.20 FEET TO INTERSECT THE EASTERLY RIGHT-OF-WAY LINE OF SEA MARSH ROAD (A 60 FOOT RIGHT-OF-WAY) AS SHOWN ON SAID PLAT OF "MARSH CREEK VILLAGE, UNIT ONE" AND THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE EAST HAVING A RADIUS OF 120.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE AND ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF SEA MARSH ROAD THROUGH A CENTRAL ANGLE OF 29°54'57", AN ARC DISTANCE OF 62.66 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 21°32'35" WEST A DISTANCE OF 61.95 FEET TO THE POINT OF TANGENCY; THENCE NORTH 06°35'06" WEST, ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF SEA MARSH ROAD, A DISTANCE OF 14.36 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE WEST HAVING A RADIUS OF 255.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE AND ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF SEA MARSH ROAD THROUGH A CENTRAL ANGLE OF 12°58'03", AN ARC DISTANCE OF 57.71 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 13°04'03" WEST A DISTANCE OF 57.59 FEET TO THE POINT OF TANGENCY; THENCE NORTH 19°33'11" WEST, ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF SEA MARSH ROAD, A DISTANCE OF 10.96 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 25.00 FEET; THENCE NORTHERLY AND EASTERLY ALONG THE ARC OF SAID CURVE AND ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF SEA MARSH ROAD THROUGH A CENTRAL ANGLE OF 90°00'01", AN ARC DISTANCE OF 39.27 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 25°26'50" EAST A DISTANCE OF 35.36 FEET TO THE POINT OF TANGENCY; THENCE NORTH 70°26'50" EAST, ALONG THE NORTHERLY LINE OF SAID TRACT 1, "MARSH CREEK VILLAGE, UNIT ONE" AND ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF RON KOLAR WAY, ALSO KNOWN AS PARCEL "A" AS SHOWN ON THE PLAT OF "SEA MARSH VILLAGE, UNIT ONE", ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 4, PAGE 11, OF THE PUBLIC RECORDS OF NASSAU COUNTY, FLORIDA, A DISTANCE OF 135.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.67 ACRES MORE OR LESS.

### Exposure Time

The Appraisal Institute's *Dictionary of Real Estate Appraisal, 6th Edition*, defines exposure time as "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.

Exposure time is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort." Based on our discussions with

brokers/salespersons active in the local market, exposure time for the subject property is estimated at twelve months.

#### Marketing Time

The Appraisal Institute's *Dictionary of Real Estate Appraisal, 5th Edition*, defines marketing time as "The time it takes an interest in real property to sell on the market subsequent to the date of an appraisal.

Reasonable marketing time is an estimate of the amount of time it might take to sell an interest in real property at its estimated market value during the period immediately after the effective date of the appraisal; the anticipated time required to expose the property to a pool of prospective purchasers and to allow appropriate time for negotiation, the exercise of due diligence, and the consummation of a sale at a price supportable by concurrent market conditions." The marketing time for the subject property, if placed on the open market, aggressively marketed, and competitively priced, is estimated to be nine to twelve months.

#### Limiting Assumptions and Conditions

The opinion of value is subject to the limiting assumptions and conditions delineated in the Addenda.

#### Extraordinary Assumptions

The Appraisal Institute's *Dictionary of Real Estate Appraisal, 5th Edition*, defines an extraordinary assumption as "An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions.

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if: (1) It is required to properly develop credible opinions and conclusions; (2) The appraiser has a reasonable basis for the extraordinary assumption; (3) Use of the extraordinary assumption results in a credible analysis;

and (4) The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.” *There were no extraordinary assumptions applicable to this appraisal.*

### Hypothetical Conditions

The Appraisal Institute’s *Dictionary of Real Estate Appraisal, 5th Edition*, defines a hypothetical condition as “That which is contrary to what exists but is supposed for the purpose of analysis.

Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. A hypothetical condition may be used in an assignment only if: (1) Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison; (2) Use of the hypothetical condition results in a credible analysis; and (3) The appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.” *There were no hypothetical conditions applicable to this appraisal.*

### General Assumptions

We have made general assumptions in this appraisal, and we discuss general assumptions in the sections of the report to which the assumptions apply. General assumptions include assuming that information we obtain from other parties is reliable.

### Scope of Work

The appraisal process consists of acquiring, classifying, analyzing, reconciling, and presenting factors that affect the value of the subject property. This process includes identifying the real estate, the applicable property rights, the effective date of the value, and the property’s highest and best use.

The appraisal process includes analyzing the property using specific appraisal methods, which typically reflect the application of one or more of the primary approaches for analyzing real property. The primary approaches are the cost, sales comparison, and income approaches. One or

more of these approaches may be used depending on the type of property, the function of the appraisal, and the quality and quantity of available data.

The cost approach is based on the premise that the value of a property can be derived by estimating the current cost to construct a reproduction or replacement, including entrepreneurial profit, less the total estimated amount of depreciation in the improvements. Physical depreciation does not apply if the improvements are proposed or new construction. The estimated value of the site is then added to the estimated value of the improvements. The cost approach can also be useful as a test of the feasibility for constructing proposed improvements. Current costs for constructing improvements are derived from cost estimating publications, builders, and contractors. Depreciation is measured by physical observation and market research. Land value is typically estimated separately using a sales comparison analysis. The cost approach may be useful when applied to new or nearly new improvements that have minimal or no measurable depreciation. *The cost approach was not used to develop an opinion of market value because the subject is vacant land.*

The sales comparison approach is most applicable when an adequate number of similar properties have sold recently or are currently for sale in the subject market. The value from this approach results from comparisons of pricing information of similar properties adjusted for various dissimilar elements/features that affect value. *The land sales comparison approach was used to develop an indication of the subject's market value.*

The income approach measures the present value of the future benefits of property ownership (cash flow and reversion). Two methods commonly used in the income approach are direct capitalization and discounted cash flows. The indication of value by this approach is derived from analyses of the subject's historical operating data and comparable properties. Income and expenses are estimated for the subject, and the resulting net operating income is converted to present value through discounting or direct capitalization. The rates used for discounting/capitalization are derived from competing investment alternatives and comparable properties. *The income approach was not used to develop an indication of the subject's market value because the subject is vacant land that is not income producing.*



The scope of the appraisal encompasses the necessary research and analysis to prepare a report in accordance with the function, the Standards of Professional Practice of the Appraisal Institute, and USPAP. The scope of our analysis is discussed in more detail in various sections of this appraisal. Some of the specific steps in the process include the following:

1. We viewed and photographed the subject property.
2. We toured the subject's neighborhood, and we reviewed regional and neighborhood information provided by various government and private sources.
3. We developed an opinion of the subject's highest and best use.
4. We applied one or more of the various approaches to determining value. We may have used information from public records, brokers, owners, developers, builders/contractors, the Multiple Listing Service, commercial databases, transaction participants, lenders, other appraisers, and our own files of previous appraisals.
5. After acquiring, classifying, analyzing, and reconciling the available information we developed our opinion of value.

## **PROPERTY DESCRIPTION**

### **Site Description**

Street Address: Southwest corner of A1A First Coast Highway and  
Ron Kolar Way

Assessor Parcel Number  
(Parent Parcel): 01-6N-29-AICO-0013-0000

### Adjacent Land Uses:

North: Commercial Parking

South: Commercial Golf Course

East: Commercial Golf Course

West: Commercial Golf Course

### Physical Characteristics

Subject Site Area: 29,185 SF (0.67 Acres)

Subject Parent Parcel Area: 111,078 SF

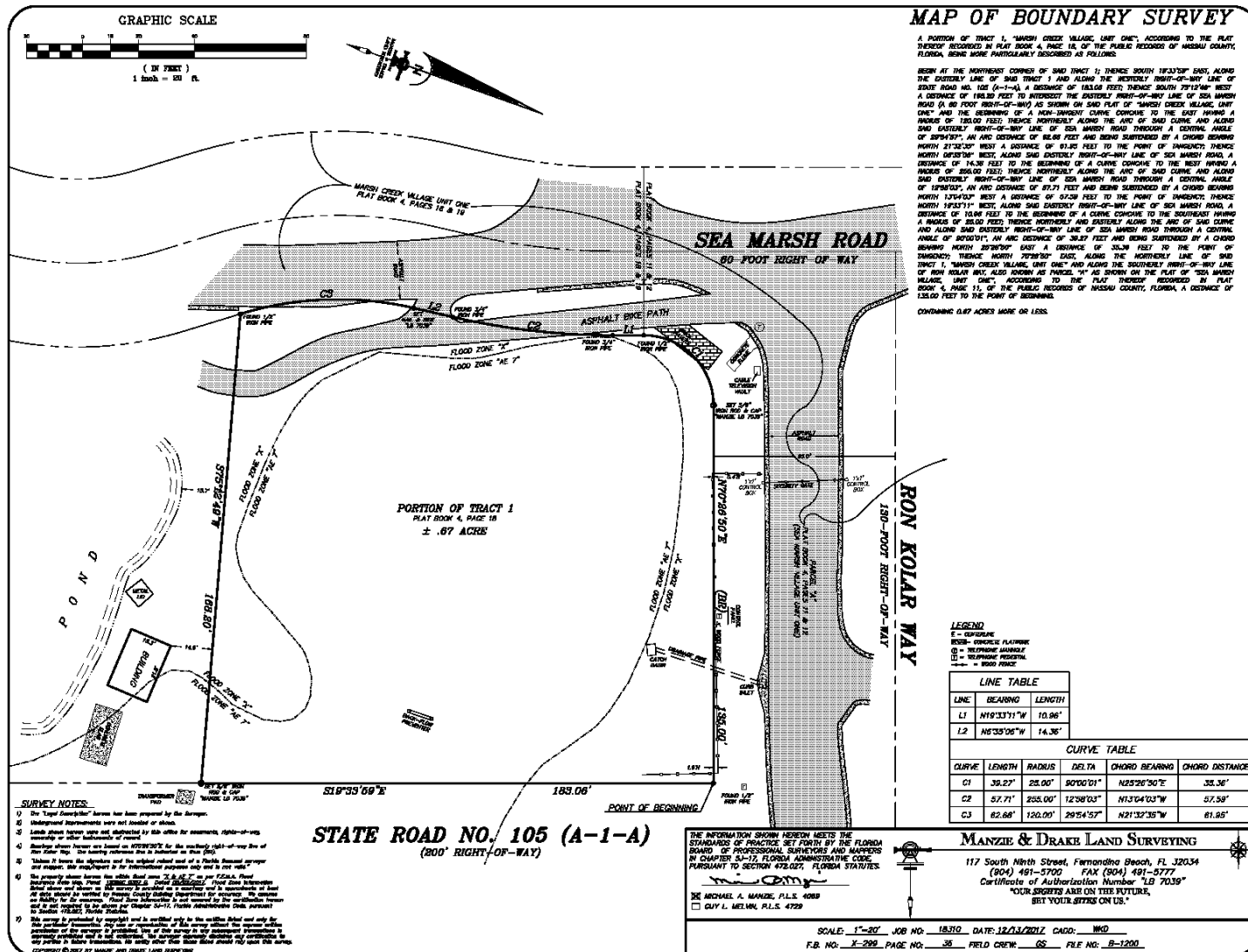
Shape: Irregular

Topography: Level at road grade

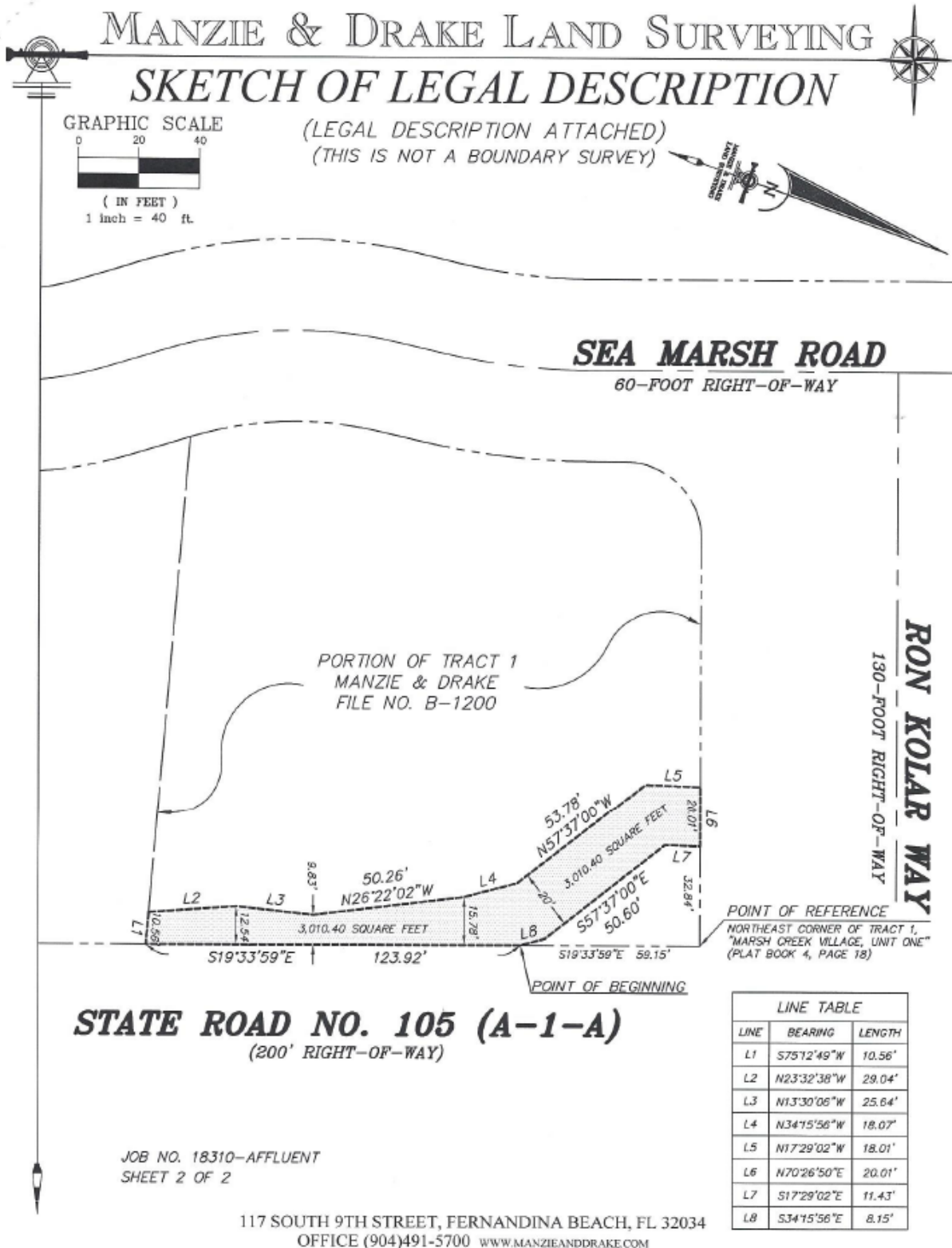
Parcel Situation: Corner

Easement/Encroachments: There is a 3,010 square foot utility easement in the northeast corner of the property that is not considered to have a detrimental effect on the value of the property due to its placement so near the boundary with A1A 1st Coast Highway. This easement area is within the 25-foot development set-back requirement from SR A1A 1st Coast Highway.

## Survey – Subject Site



Survey – Utility Easement



Access

Street Name (Primary):	Ron Kolar Way
Street Type:	Two-way, two-lane road
Curb Cuts:	None
Secondary Access Street:	Sea Marsh Road
Curb Cuts:	None
Signalized Intersection:	No
Visibility:	Fair

Site Improvements:

Off-Site Improvements:	Asphalt paved roads, concrete curbs
On-Site Improvements:	None

Flood Zone Data

Flood Map Panel:	12089C0387G
Flood Map Date:	August 2, 2017
Flood Zone:	Mostly AE

Site Ratings:

Location:	Good
Access:	Average

Zoning

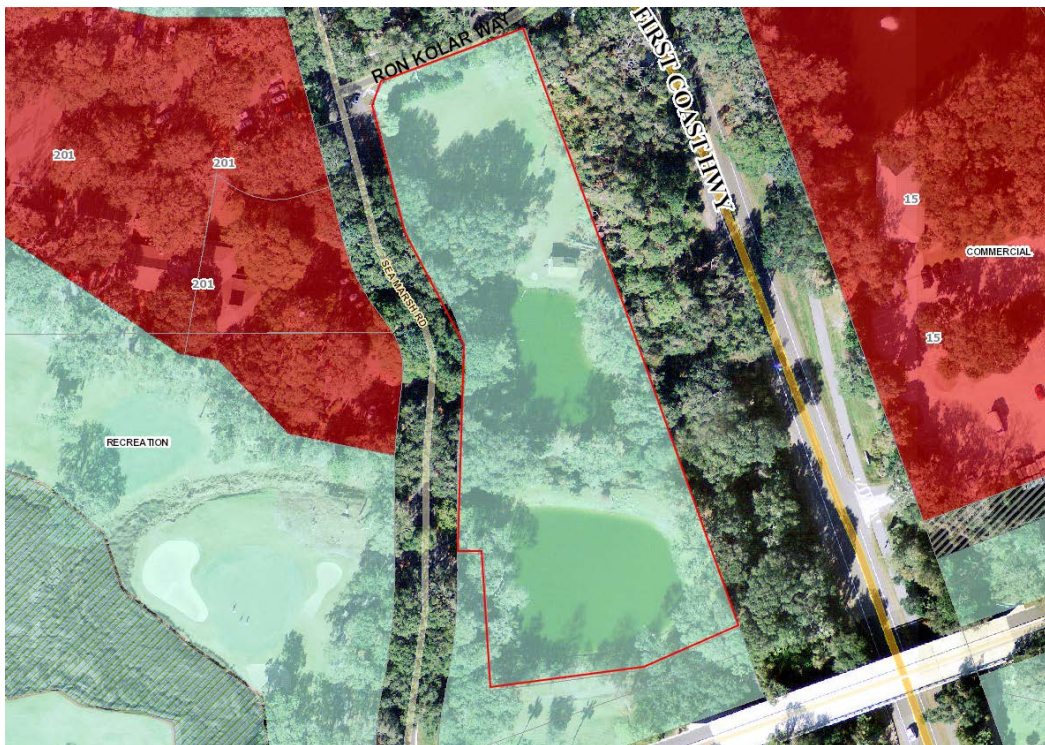
Zoning Jurisdiction:	Nassau County
Zoning Code:	PUD
General Zoning Use:	Commercial
Future Land Use:	Recreation
Permitted Uses:	Per Ordinance No. 2007-02, the subject is known as PUD-1, Amelia Links, within the Amelia Island Plantation PUD. The uses permitted within this area include hotel units, restaurant and other food service, bars, members' club, multi-family housing, golf facilities, swimming pool and other recreational uses, and parking.



**Zoning Map – Planned Unit Development – Amelia Island Plantation**



**Future Land Use Map (FLUM) – Recreation**







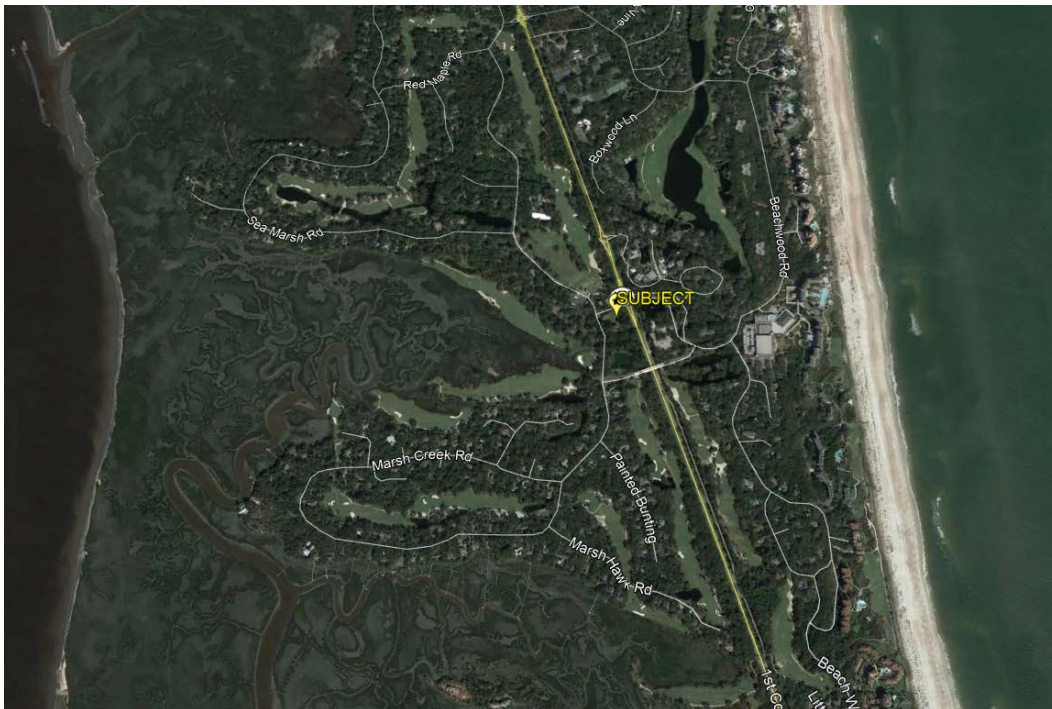




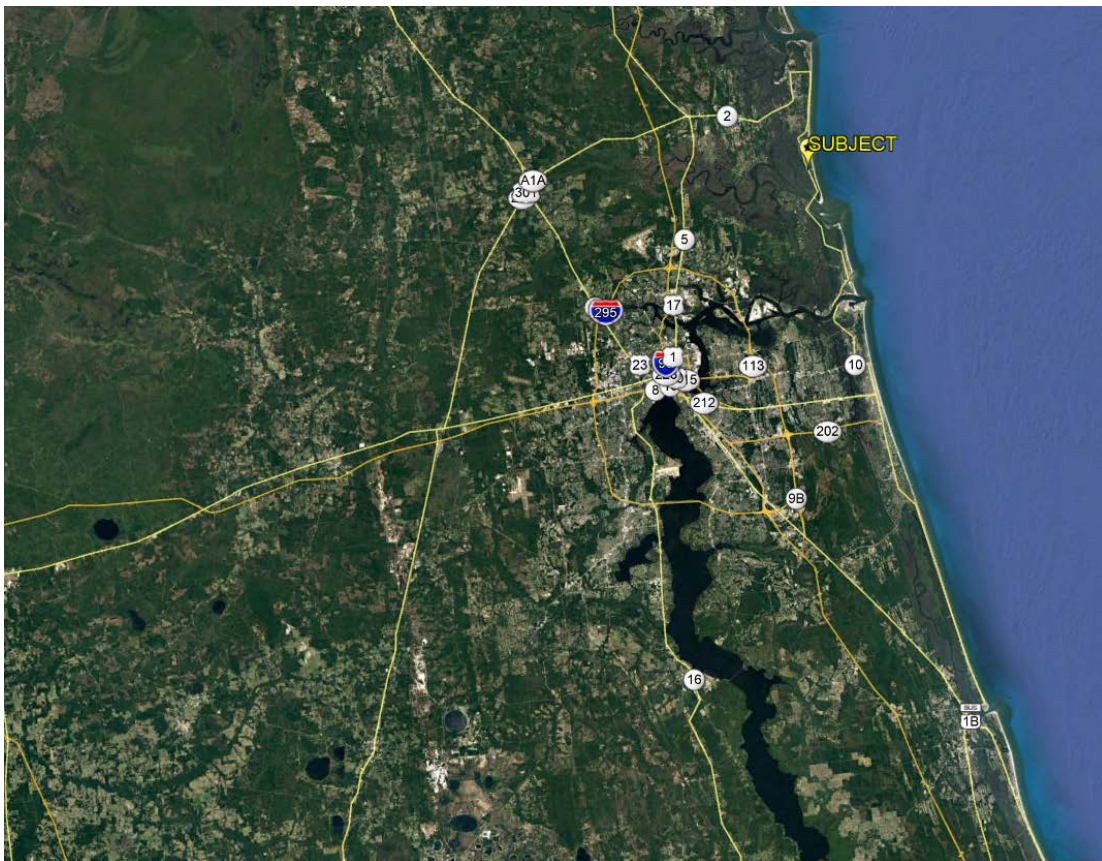
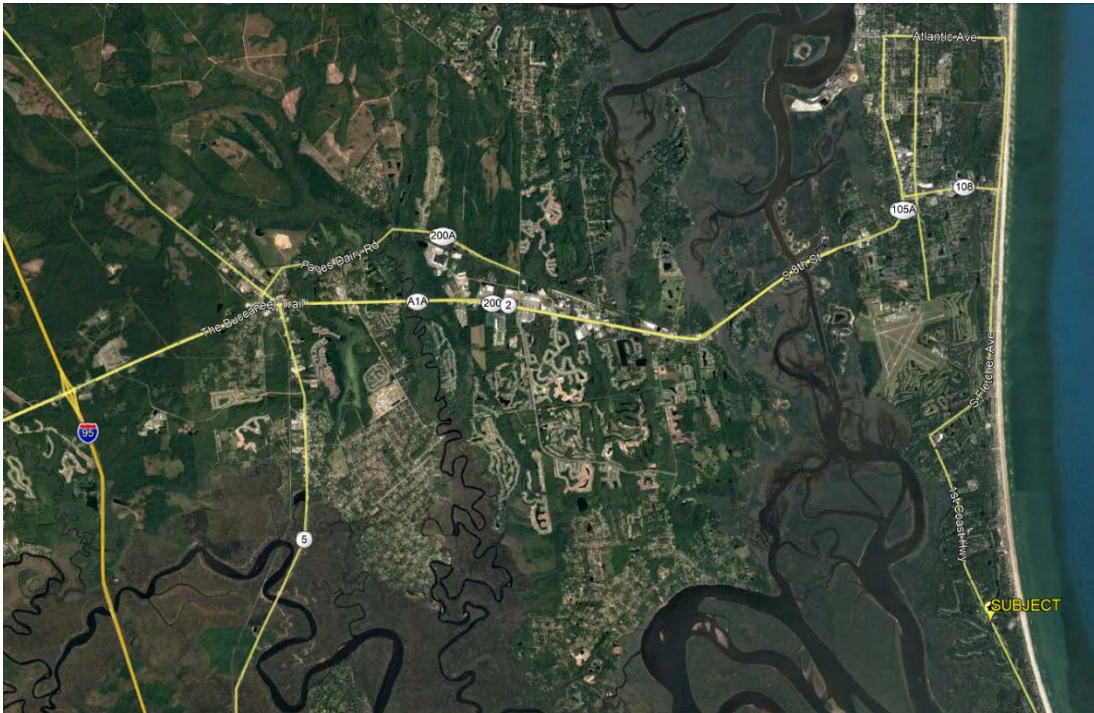
Nassau County GIS



## Aerial Photographs







**Assessed Value and Taxes**

The State of Florida mandates that the counties assess properties at 100% of market value but a minimum assessment of 85% market value is typically acceptable. The assessments are based on recent sales within an area. Florida counties are required to assess properties every three years. County assessments are periodically reviewed by the Florida Department of Revenue. A discount of 4% or 1% per month is given for early payment. Taxes are due on March 1, following the tax year.

There are no delinquent real estate taxes associated with the subject property. The subject currently benefits from real estate tax exemption because it is owned by Nassau County government.

<b>Ad Valorem Tax Schedule</b>	
Tax ID No.	01-6N-29-AICO-0013-0000
Nassau County County	Parent Parcel
<b>Year</b>	<b>2017</b>
Appraised Value	
Land:	\$306,000
Improvements:	\$0
Total:	\$306,000
Per Square Foot	\$2.75
Assessment Ratio	100%
<b>Assessed Value</b>	<b>\$306,000</b>
Government Exemption	-\$306,000
<b>Taxable Value</b>	<b>\$0</b>
Millage Rate	\$15.2883 per \$1,000
<b>Tax Expense</b>	<b>2017</b>
Ad Valorem Taxes:	\$0
Special Assessments:	\$0
<b>Total Taxes:</b>	<b>\$0</b>
Per Square Foot:	\$0.00

## County Property Appraiser's Information

# NASSAU

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

Property Search Sales Search Nassau Home

OWNER NAME NASSAU COUNTY  
MAILING ADDRESS 96135 NASSAU PLACE STE 1  
  
LOCATION ADDRESS YULEE, FL 32097  
A1A FIRST COAST HWY  
FERNANDINA BEACH 32034  
SHORT LEGAL PT TRACT 1 PT OR 1127/588 BEING  
PARCEL 4 (EX ESMT'S IN OR 266/475,

PARCEL NUMBER 01-6N-29-AICO-0013-0000  
TAX DISTRICT UNINCORPORATED SOUTH ISLAND (DISTRICT 5)  
MILLAGE 15.2883  
PROPERTY USAGE WATER MANAGEMENT  
DEED ACRES 2.55  
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	\$306,000
LAND VALUE AGRICULTURAL	\$0
TOTAL BUILDING VALUE	\$0
TOTAL MISC VALUE	\$0
JUST OR CLASSIFIED TOTAL VALUE	\$306,000
ASSESSED VALUE	\$306,000
EXEMPT VALUE	\$306,000
TAXABLE VALUE	\$0

### Land Information

LAND USE	LAND UNITS	LAND UNIT TYPE	SEC-TWN-RNG
COUNTY 008600	3	AC	22-3N-28E

### 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
12/22/1986	<a href="#">506/391</a>	506/391	392600	MS	U	N	SENIOR CORP	SOUTHERN STATE UTILITY
08/12/1980	<a href="#">319/408</a>	319/408	100000	SW	U	N	AMELIA DUNES INC	AMELIA ISLAND WATERWORKS INC



**Subject 2017 Tax Bill**

**JOHN M. DREW, CFC**

NASSAU COUNTY TAX COLLECTOR

**NOTICE OF AD VALOREM TAXES AND NON-AD VALOREM ASSESSMENTS**

ACCOUNT NUMBER	TAX YEAR	TYPE	ALT KEY	MILLAGE CODE	ESCROW
01-6N-29-AICO-0013-0000	2017	REAL ESTATE	16554	005	

NASSAU COUNTY  
96135 NASSAU PLACE STE 1  
YULEE, FL 32097

A1A FIRST COAST HWY

PT TRACT 1  
PT OR 1127/589 BEING PARCEL 4  
(EX ESMT'S IN O  
See Additional Legal on Tax Roll

**2017 Paid Real Estate**

AD VALOREM TAXES					
TAXING AUTHORITY	MILLAGE RATE	ASSESSED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	TAXES LEVIED
BOARD OF COUNTY COMMISSIONERS					
GENERAL FUND	5.9768	306,000	306,000	0	0.00
TRANSPORTATION	0.5902	306,000	306,000	0	0.00
MUNICIPAL SERV FUND (C120)	1.6694	306,000	306,000	0	0.00
SCHOOL BOARD					
BASIC DISCRETIONARY	0.7480	306,000	306,000	0	0.00
CAPITAL OUTLAY	1.5000	306,000	306,000	0	0.00
SCHOOL BOARD LOCAL EFFORT	4.3500	306,000	306,000	0	0.00
ST JOHN'S RIVER MGMT DIST	0.2724	306,000	306,000	0	0.00
FL INLAND NAVIGATION DIST	0.0320	306,000	306,000	0	0.00
MOSQUITO CONTROL DISTRICT	0.1495	306,000	306,000	0	0.00
TOTAL MILLAGE					15.2883
AD VALOREM TAXES					\$0.00

NON-AD VALOREM ASSESSMENTS		
LEVYING AUTHORITY	RATE	AMOUNT
NON-AD VALOREM ASSESSMENTS		
NON-AD VALOREM ASSESSMENTS		\$0.00
COMBINED TAXES AND ASSESSMENTS		\$0.00
If Received By	Apr 30, 2018	
Please Pay	\$0.00	

**JOHN M. DREW, CFC**

NASSAU COUNTY TAX COLLECTOR

**NOTICE OF AD VALOREM TAXES AND NON-AD VALOREM ASSESSMENTS**

ACCOUNT NUMBER	TAX YEAR	TYPE	ALT KEY	MILLAGE CODE	ESCROW
01-6N-29-AICO-0013-0000	2017	REAL ESTATE	16554	005	

RETURN WITH  
PAYMENT

NASSAU COUNTY  
96135 NASSAU PLACE STE 1  
YULEE, FL 32097

A1A FIRST COAST HWY

PT TRACT 1  
PT OR 1127/589 BEING PARCEL 4  
(EX ESMT'S IN O  
See Additional Legal on Tax Roll

**2017 Paid Real Estate**

PLEASE PAY IN U.S. FUNDS TO JOHN M. DREW, CFC TAX COLLECTOR - 46130 LICENSE ROAD, FERNANDINA BEACH FL 32034, OR ONLINE AT WWW.NASSAUTAXES.COM

If Received By	Apr 30, 2018				
Please Pay	\$0.00				

### **Tree Ordinance**

Some counties/municipalities have a tree ordinance for the preservation of certain species of trees. Other counties/municipalities may take similar actions in the future. Identifying trees that are subject to such ordinances is beyond the skills of the appraisers and beyond the scope of the appraisal.

### **Protected/Endangered Species**

There are several types of wildlife that are classified as protected/endangered species. Identifying wildlife and protected/endangered species is beyond the skills of the appraisers and beyond the scope of the appraisal.

### **Soil Survey**

Neither soil boring tests nor soil composition analyses were supplied to the appraisers. Such tests may indicate the developmental potential or the soil-carrying capacity of the subject property. Conducting soil boring test, soil composition analyses, and ascertaining the suitability of the soil for any purpose is beyond the skills of the appraisers and beyond the scope of the appraisal.

### **Hazardous Materials**

We were not informed of any hazardous materials on the subject site, nor did we see hazardous materials during our viewing of the subject property. Conducting an environmental audit is beyond the skills of the appraisers and beyond the scope of the appraisal.

### **Concurrency**

The State of Florida mandated that each county pass a concurrency law that establishes zoning for the county and various criteria for future development. The areas that must be reviewed include potable water, sanitary sewer, solid waste disposal, drainage, recreation, roads, and mass transit. All properties, in order to be developed, must meet a minimum level of concurrency. Upon submission of a concurrency review form and an accompanying fee, the county planning department will determine the status of a property's concurrency. It is our recommendation that this procedure be completed on any vacant land parcel or any parcel where the land use is going to be changed.

Analysis/Comments

The subject is located in an upscale resort area adjacent to the Omni Amelia Island Plantation Resort. It is surrounded by the resort's golf course and on the west side of SR A1A, First Coast Highway. Commercial uses in close proximity include hospitality, retail shops, a spa, and several restaurants. The majority of the subject is situated within Flood Zone A, and surrounding area improvements are all located within Flood Zone X. It appears that the development of the improvements required building up the site to be above the elevation for Flood Zone A. This would be required for development of vertical improvement on the subject site. However, it would not be required for horizontal parking lot improvements. Photos from our visit follow.

The structural integrity of the buildings and the condition of building systems (roofing, electrical, plumbing, heat, ventilation, air conditioning, etc.) cannot accurately be assessed from their appearance. The buildings and building systems could appear to be in reasonable condition when they actually are seriously flawed. A building inspection report was not provided to us. Determining the structural integrity of the building and the condition of building systems is beyond the skill of the appraisers and beyond the scope of the appraisal.



**Subject Photos**



Subject Site





View East on Ron Kolar Way, Toward A1A First Cost Highway



View West on Ron Kolar Way

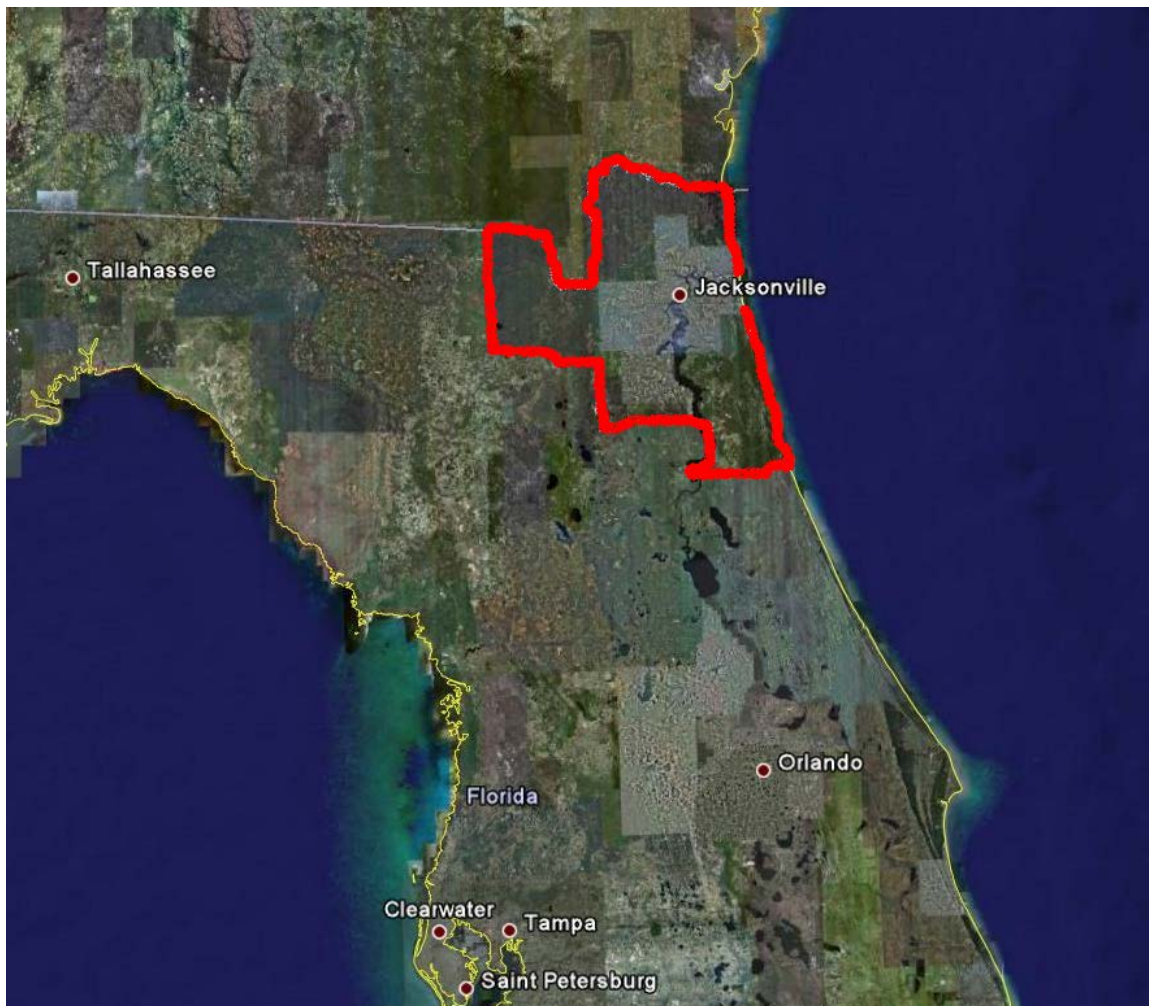
## REGION

### Introduction

An overview of the subject's region and city provides context for subsequent discussions of the subject, the market for the specific property type, the market area, and comparable properties.

### Region

The region is defined as the following five contiguous counties: Duval, Nassau, Baker, Clay, and St. Johns. These counties are located in northeast Florida, and together they constitute the Jacksonville, Florida Metropolitan Statistical Area (Jacksonville MSA). The region's location within the state of Florida is shown on the following map:



Population Trends

The following table shows historical and current population estimates for the Jacksonville Metropolitan Statistical Area:

<b>Population - Jacksonville MSA</b>					
			<b>Annual Growth Rate</b>	<b>2016</b>	<b>Annual Growth Rate</b>
	<b>2000 Census</b>	<b>2010 Census</b>	<b>2000 - 2010</b>	<b>Estimate</b>	<b>2010 - 2016</b>
<b>Baker County</b>	22,259	27,115	1.99%	28,091	0.57%
<b>Clay County</b>	140,814	190,865	3.09%	203,106	1.00%
<b>Duval County</b>	778,879	864,263	1.05%	911,944	0.86%
<b>Nassau County</b>	57,663	73,314	2.43%	78,738	1.15%
<b>St Johns County</b>	123,135	190,039	4.44%	226,679	2.86%
<b>Total Metropolitan Area</b>	1,122,750	1,345,596	1.98%	1,448,558	1.28%
<b>Florida Totals</b>	15,982,379	18,801,310	1.64%	20,108,440	1.08%

The Jacksonville MSA represents 7.2% of the total Florida population, and its population growth rate continues to outpace that of the State of Florida.

Financial Health

The following table shows the median household income and forecast income growth, for the Jacksonville Metropolitan Statistical Area:

	<b>Median Household Income</b>		<b>Forecasted Annual Growth Rate (%)</b>
	<b>2016</b>	<b>2021 Forecast</b>	<b>2016 - 2021</b>
<b>Baker County</b>	\$49,437	\$54,413	1.94%
<b>Clay County</b>	\$59,018	\$67,171	2.62%
<b>Duval County</b>	\$49,538	\$55,813	2.41%
<b>Nassau County</b>	\$57,675	\$66,902	3.01%
<b>St Johns County</b>	\$64,821	\$75,656	3.14%
<b>Total Jacksonville MSA</b>	\$53,133	\$60,347	2.58%
<b>Florida Totals</b>	\$48,377	\$54,799	2.52%

### Employment by Industry

Unlike many other Florida cities, which are dependent on tourism, Jacksonville's economic base is well diversified. The following table summarizes the most current employment by industry for the Jacksonville MSA:



Source: Florida Department of Economic Opportunity, Labor Market Statistics Center, Quarterly Census of Employment and Wages Program, 2011.

### Major Company Presence

Jacksonville is headquarters to six Fortune 1000 companies.

<u>Company</u>	<u>Revenue</u>	<u>Employees</u>
CSX	\$9,566,000,000	36,005
Fidelity National Finance	\$6,494,000,000	19,500
Fidelity National Information Svc	\$5,200,000,000	30,000
Landstar System	\$2,770,000,000	1,370
PSS World Medical	\$1,860,000,000	4,000
Winn Dixie	\$7,200,000,000	49,000

In addition, sixty-five companies are based out of Jacksonville, including five private companies ranked in the top 50 largest private companies in Florida.

### Healthcare

The region is served by 12 major hospitals: Baptist Medical Center, Baptist Medical Center Nassau, Mayo Clinic, Memorial Hospital, Wolfson Children's Hospital, Shands Jacksonville, St. Luke's Hospital, St. Vincent's Medical Center, Ed Fraser Memorial Hospital, Kindred Hospital – North Florida, Orange Park Medical Center, and Flagler Hospital.

### Education

The region is home to several major institutions of higher learning, as well as multiple smaller community colleges, and satellite offices of several other institutions.

<u>Institution</u>	<u>Classification</u>	<u>Control</u>	<u>Enrollment</u>
University of North Florida (UNF)	4-year	Public	16,372
Florida State College of Jacksonville	Community	Public	81,370
Jacksonville University	4-year	Private	3,741
Flagler College	4-year	Private	2,675
Florida Coastal School of Law	Specialty	Private	1,704
St Johns River State College	4-year	Public	7,291

### Military Presence

As the single largest employer of Northeast Florida, the United States Military plays a vital economic role in the local economy, employing over 38,000 people. The economic impact of installations in Duval County includes: \$737 million paid in salaries, \$860 million paid in pensions and transfers, \$5.7 billion of consumption, \$11.7 billion of sales activity, 110,713 jobs and a capital investment of \$1 billion.

<b>Installation</b>	<b>Number of Employees</b>
Naval Air Station Jacksonville	19,618
Naval Station Mayport	13,444
Camp Blanding Joint Training Center	889
Fleet Readiness Center Southeast	4,000
Marine Corps Blount Island Command	942
<b>Total</b>	<b>38,893</b>

Since its commissioning in December 1942, NS Mayport has grown to become the third largest naval surface fleet concentration area in the United States. The base is also anticipated to be the homeport of a nuclear-powered aircraft carrier. That move will bring approximately 3,200 new jobs to the area and an estimated \$426 million in capital improvements and necessary upgrades.

Naval Air Station Jacksonville is one of the Navy's fastest growing installations and is the recipient of the 2012 Presidential Excellence Award and 2013 Commander, Navy Installations Command Excellence Award. It is the largest Navy base in the Southeast Region and third in the nation. As a master air and industrial base, Naval Air Station Jacksonville supports U.S. and allied forces specializing in anti-submarine warfare and training of the best aviators in the world.

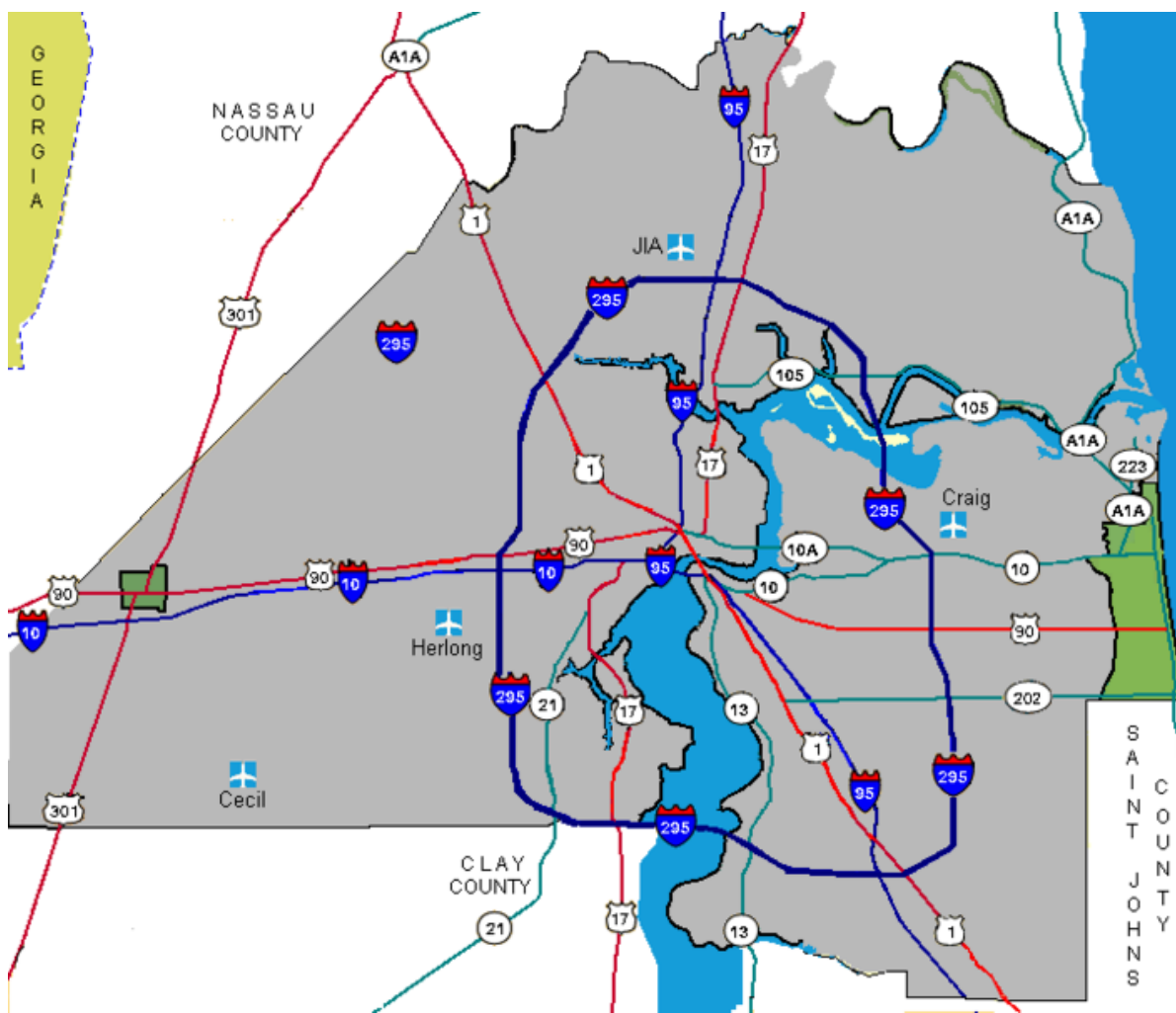


### Transportation

The Jacksonville transportation network includes ground, air, and sea options for passenger and freight transit.

Interstate 10 and Interstate 95 intersect in Jacksonville, creating the busiest intersection in the region with over 200,000 thousand vehicles daily. Interstate 10 stretches from this intersection in the east to Santa Monica, California in the west. Interstate 95 routes south to Miami and north to Washington D.C. This interstate access creates a favorable environment for over one hundred different trucking companies in the Jacksonville M.S.A.

The Jacksonville Aviation Authority owns and operates four airports in the Jacksonville M.S.A. The airports are the Jacksonville International Airport, Jacksonville Executive at Craig Airport, Herlong Recreational Airport, and Cecil Airport.





Jacksonville's Airports

**Jacksonville Executive at Craig Airport**

Daily Aircraft Operations

Total	434
Transient	50%
Local	35%
Military	9%
Air Taxi	5%

Aircraft Based on Field

Total	243
Single Engine	157
Multi Engine	45
Jet	16
Helicopter	7
Military	18

**Jacksonville International Airport**

Daily Aircraft Operations

Total	247
Transient	14%
Local	2%
Military	8%
Air Taxi	19%
Commercial	58%

Aircraft Based on Field

Total	60
Single Engine	5
Multi Engine	12
Jet	23
Military	20

**Herlong Recreational Airport**

Daily Aircraft Operations

Total	221
Transient	43%
Local	53%
Military	3%

Aircraft Based on Field

Total	174
Single Engine	125
Multi Engine	17
Jet	1
Helicopter	1
Gliders/Ultralight	30

**Cecil Airport**

Daily Aircraft Operations

Total	224
Transient	13%
Local	17%
Military	69%
Commercial/Air taxi	1%

Aircraft Based on Field

Total	90
Single Engine	14
Jet	5
Helicopter	2
Military	69

Source: AirNav.com

### Jacksonville's Seaports

The Jacksonville Port Authority (JAXPORT) is the independent government agency that owns and operates much of the seaport system at the Port of Jacksonville. JAXPORT owns and manages three public marine terminals and one passenger cruise terminal in Jacksonville Florida: the Blount Island Marine Terminal, the Talleyrand Marine Terminal, the Dames Point Marine Terminal, and the JAXPORT Cruise Terminal.



### Cargo

The Jacksonville Port Authority (JAXPORT) is a full-service, international trade seaport in the Southeastern United States. JAXPORT owns and manages three cargo terminals in Jacksonville, Florida. JAXPORT and its maritime partners handle containerized cargo, automobiles, recreational boats and construction equipment, dry and liquid bulks, break bulk commodities, and oversized and specialty cargoes. In 2013, JAXPORT's three cargo terminals handled a total of 8.2 million tons of cargo, including more than 926,000 TEUs – a new container record – and more than 630,000 vehicles. JAXPORT now ranks as the No. 1 vehicle export port in the United States, and Jacksonville is the top container port in the State of Florida.

A network of privately-owned maritime facilities also operates in Jacksonville's harbor, and in Northeast Florida, more than 65,000 jobs are related to port activity, which creates an economic impact of almost \$19 billion annually.

### Cruise

Carnival Cruise Lines offers passenger cruise service from Jacksonville, Florida to the Bahamas and Key West aboard the 2,052-passenger Carnival Fascination. The ship offers four-day and five-day cruises from the JAXPORT Cruise Terminal, located in North Jacksonville.

Source: JAXPORT.com

### Jacksonville's Railroads

Jacksonville is home to two significant freight railroads: CSX Transportation and Florida East Coast Railway. Amtrak also provides passenger service along the east coast via the Silver Star and Silver Meteor.

CSX Transportation is a Class I railroad that is headquartered in Jacksonville and owns approximately 21,000 route miles of track in 23 states.



CSX Transportation System Map

Florida East Coast Railway is a Class II railroad and owns approximately 786 route miles of track between Jacksonville and Miami.



Florida East Coast Railway Transportation System Map

Entertainment and Culture

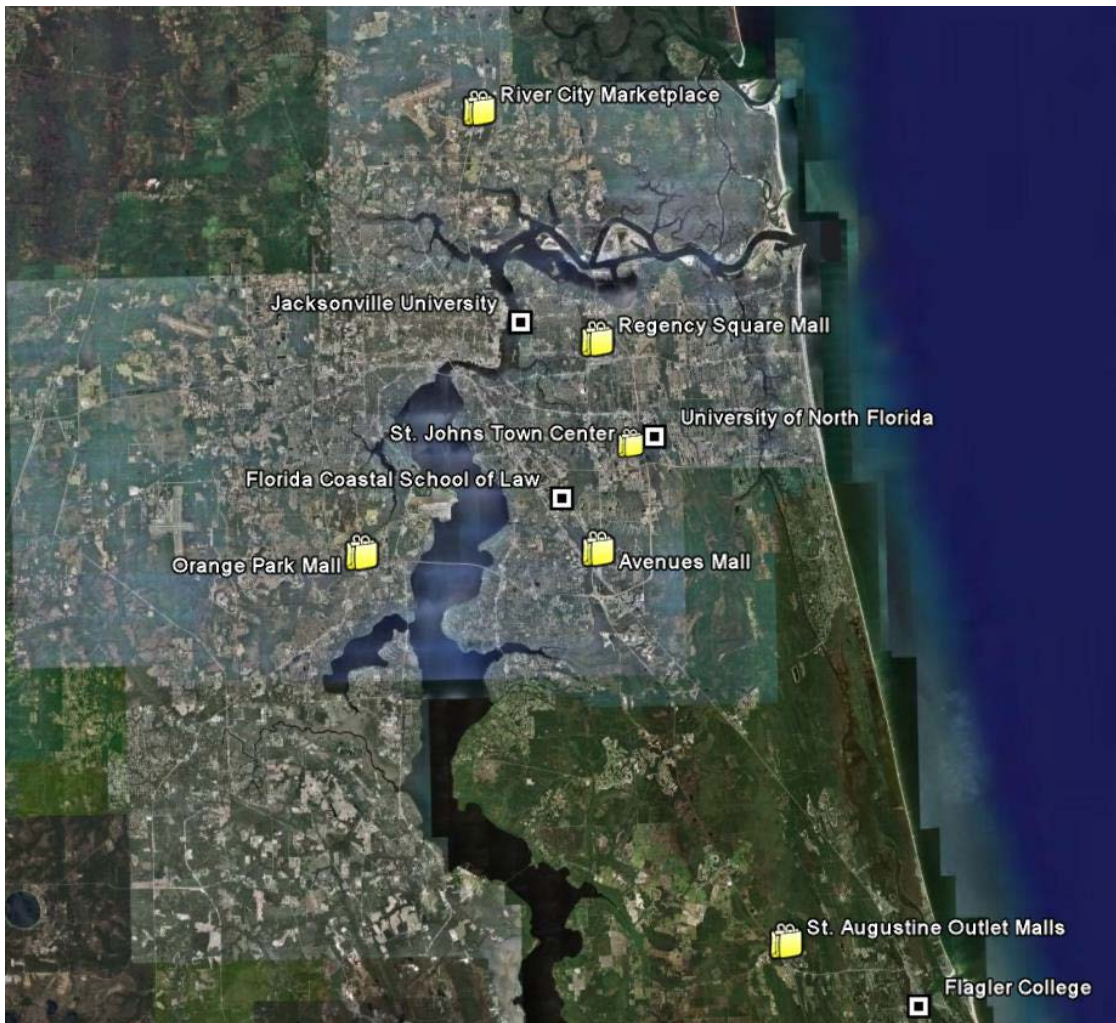
The region has several major sports organizations. The Jacksonville Jaguars are a National Football League team. The Jacksonville Suns are a minor league baseball team. The PGA Tour is headquartered in Ponte Vedra Beach and annually hosts The Players Championship at Sawgrass. The Association of Tennis Professionals also has its national headquarters in Ponte Vedra Beach.

The National Park Service operates four facilities in the region: Timucuan Ecological Reserve, Fort Caroline National Memorial, Castillo De San Marcos National Monument, and Fort Matanzas National Monument. The Florida Park Service operates 13 facilities in the region. The City of Jacksonville owns the Jacksonville Zoo and Gardens, which at 120 acres is one of the largest zoos in the southeastern U.S.

Two daily newspapers are located in the region: The Florida Times Union and the St. Augustine Record. The region has four commercial television stations and a public television station. There are more than thirty radio stations serving the Jacksonville MSA.

The region has numerous arts organizations, such as the Jacksonville Symphony Orchestra, Cummer Museum of Art and Gardens, and the Jacksonville Museum of Modern Art. The region has several small theatre production companies. National and international performers and productions routinely visit the region on their tours.

There are five super-regional shopping malls and one outlet shopping venue in the region. The Avenues Mall, Regency Square Mall, and Orange Park Mall are enclosed structures. St. Johns Town Center and River City Marketplace are open-air venues. In St. Augustine there are two outlet centers that effectively act as one large center. Major shopping venues and institutes of higher education are shown on the following map:



### Conclusion

The Jacksonville MSA has a diverse geography and demographics which has created a dynamic and prosperous area. Considering the diversity of the local economy and the growth in the market, the long-term outlook of the area is good.

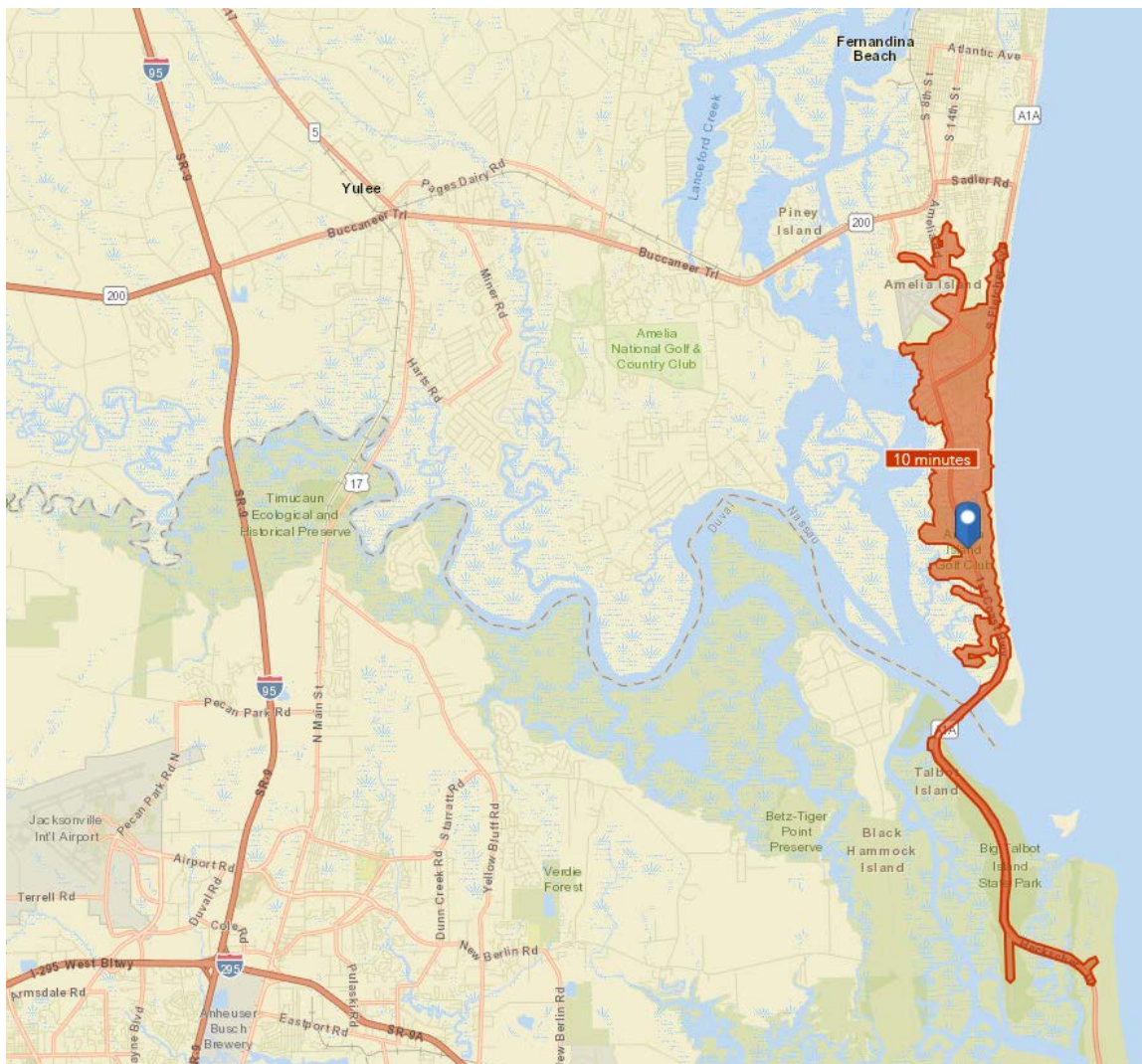


## NEIGHBORHOOD

### Introduction

The Appraisal Institute's *Dictionary of Real Estate Appraisal, 5<sup>th</sup> Edition*, defines neighborhood as "A group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises."

Following is a map delineating the neighborhood boundaries and information pertaining to the neighborhood





## Demographic and Income Profile

Beach Lagoon Rd  
Beach Lagoon Rd, Fernandina Beach, Florida, 32034  
Drive Time: 10 minute radius

Prepared by Esri  
Latitude: 30.55488  
Longitude: -81.44959

Summary	Census 2010	2017	2022
Population	4,191	4,376	4,624
Households	2,093	2,162	2,276
Families	1,477	1,513	1,586
Average Household Size	2.00	2.02	2.03
Owner Occupied Housing Units	1,718	1,711	1,787
Renter Occupied Housing Units	375	452	489
Median Age	61.4	64.0	66.2
Trends: 2017 - 2022 Annual Rate	Area	State	National
Population	1.11%	1.36%	0.83%
Households	1.03%	1.30%	0.79%
Families	0.95%	1.25%	0.71%
Owner HHs	0.87%	1.19%	0.72%
Median Household Income	0.97%	2.13%	2.12%
Households by Income	2017	2022	
	Number	Percent	Number
<\$15,000	149	6.9%	145
\$15,000 - \$24,999	118	5.5%	104
\$25,000 - \$34,999	93	4.3%	83
\$35,000 - \$49,999	189	8.7%	167
\$50,000 - \$74,999	267	12.3%	252
\$75,000 - \$99,999	253	11.7%	304
\$100,000 - \$149,999	400	18.5%	468
\$150,000 - \$199,999	243	11.2%	276
\$200,000+	450	20.8%	475
Median Household Income	\$100,987		\$106,002
Average Household Income	\$147,929		\$159,473
Per Capita Income	\$72,768		\$78,166
Population by Age	Census 2010	2017	2022
	Number	Percent	Number
0 - 4	91	2.2%	80
5 - 9	107	2.6%	81
10 - 14	119	2.8%	111
15 - 19	132	3.1%	105
20 - 24	120	2.9%	102
25 - 34	191	4.6%	217
35 - 44	231	5.5%	199
45 - 54	517	12.3%	347
55 - 64	1,002	23.9%	889
65 - 74	987	23.6%	1,462
75 - 84	529	12.6%	817
85+	165	3.9%	212
Race and Ethnicity	Census 2010	2017	2022
	Number	Percent	Number
White Alone	3,913	93.3%	4,069
Black Alone	169	4.0%	176
American Indian Alone	7	0.2%	7
Asian Alone	38	0.9%	41
Pacific Islander Alone	1	0.0%	1
Some Other Race Alone	25	0.6%	33
Two or More Races	39	0.9%	49
Hispanic Origin (Any Race)	98	2.3%	132

Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022.

April 15, 2018

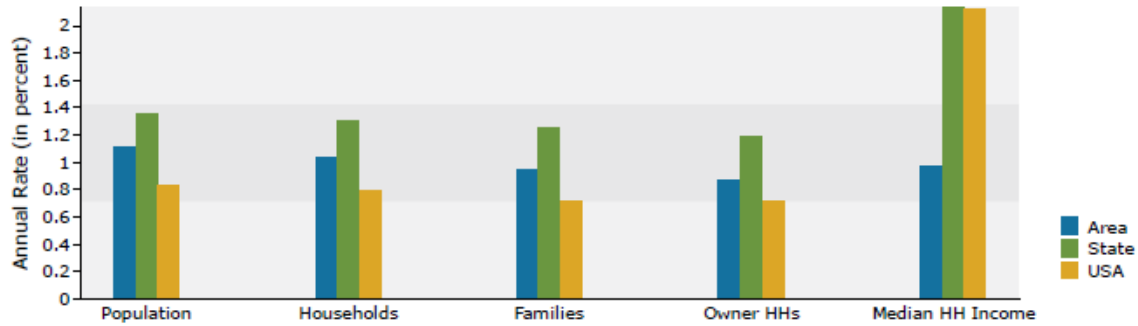


## Demographic and Income Profile

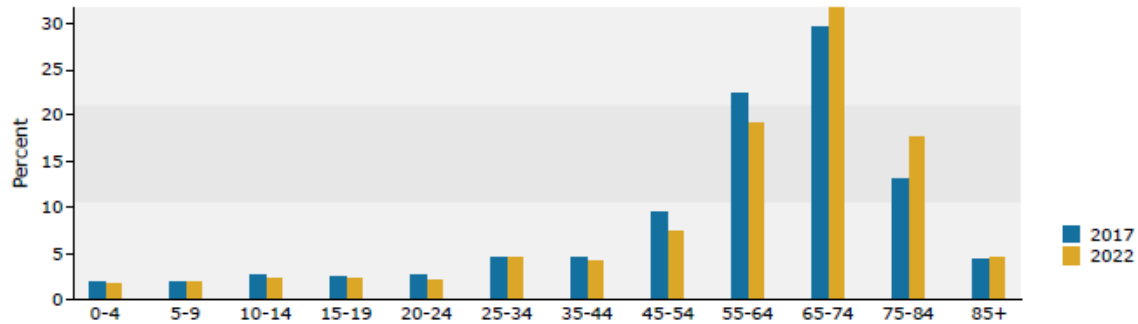
Beach Lagoon Rd  
Beach Lagoon Rd, Fernandina Beach, Florida, 32034  
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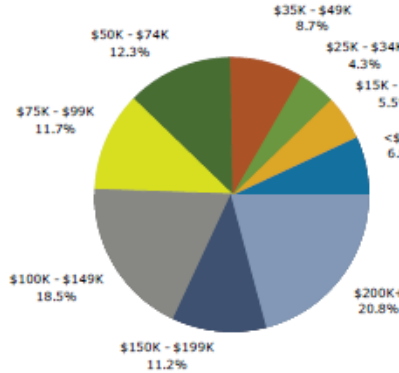
### Trends 2017-2022



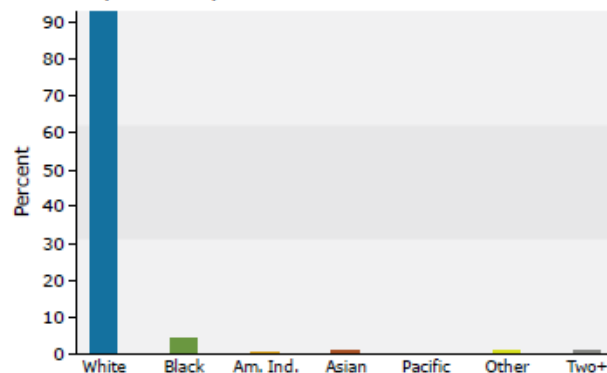
### Population by Age



### 2017 Household Income



### 2017 Population by Race



2017 Percent Hispanic Origin: 3.0%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022.

April 15, 2018



### Conclusion

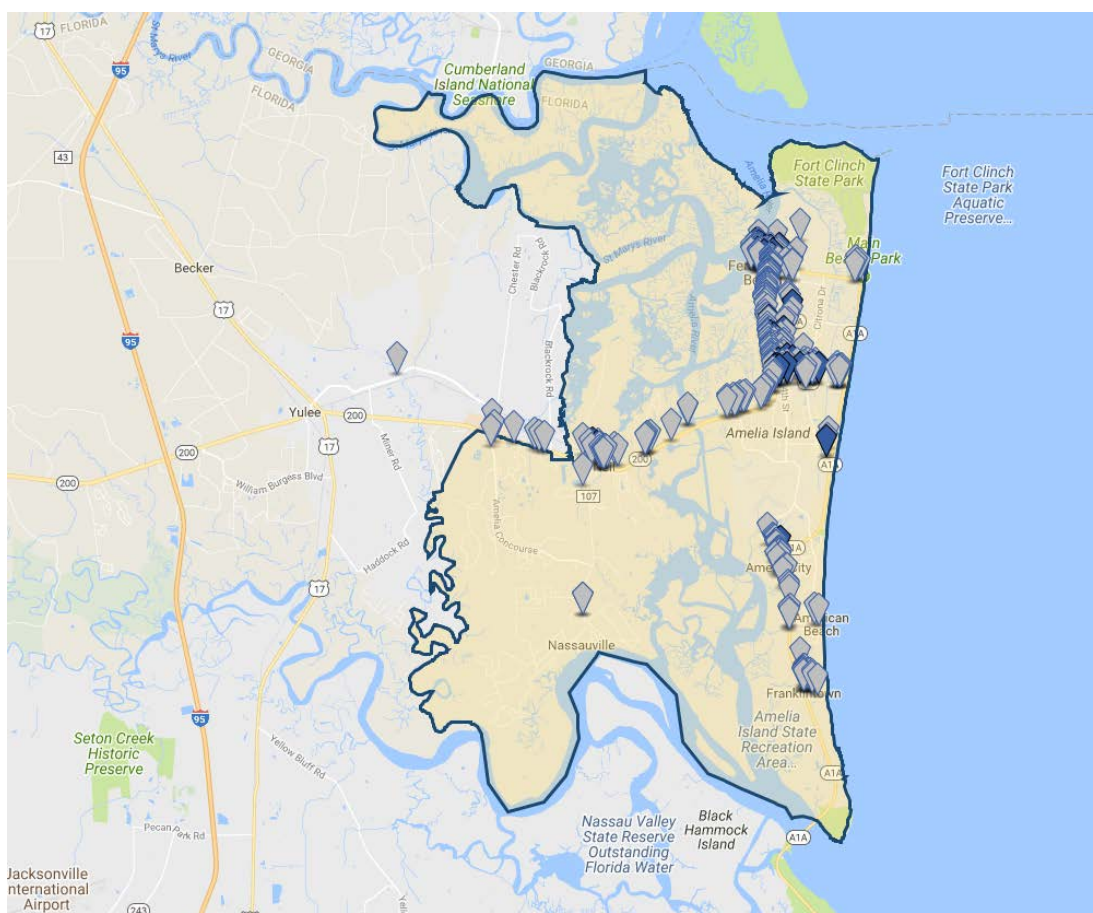
The economy is beginning to stabilize and there is evidence that property values are leveling off with some sectors beginning a recovery. Over the past several years, the unemployment rate in the Jacksonville MSA has decreased from a high of 11.4% in 2010 to the most recent reported rate of 3.4% as of December 2017. This increase in employment should bolster demand for both commercial and residential real estate.



## **MARKET ANALYSIS**

The CoStar Group is commercial real estate's leading provider of information, analytic, and marketing services. CoStar conducts ongoing research to produce and maintain a comprehensive database of commercial real estate information. One of their online services provides detailed information of real estate sectors broken down by regions and submarkets. We have included an analytical report of commercial market information for the Jacksonville area as well as the subject's submarket with the most recent data available. This submarket was defined by Costar as the Nassau County area.

### **Fernandina Beach Retail Market Map**



The total inventory of overall retail space in the overall Jacksonville market at the end of 2017 consisted of almost 94,000,000 square feet of space in about 8,200 buildings. According to the Year End 2017 Statistical Report prepared by CoStar, the overall Jacksonville retail market ended 2017 with a vacancy rate of only 4.5%, partially attributable to the net absorption of

almost 123,000 square feet of retail space in the 4<sup>th</sup> Quarter. Overall rental rates for all retail property types averaged \$13.50 per square foot at the end of 2017, a rise over 3<sup>rd</sup> Quarter 2017 of almost 8%. Twelve new retail buildings, totally about 80,000 square feet were added to the market in the 4<sup>th</sup> Quarter 2017, with almost 800,000 square feet of space still under construction.

Shopping Centers accounted for about 40,500,000 square feet within about 929 buildings. About 62,000 square feet were added to the market in the 4<sup>th</sup> Quarter of 2017, with about 175,000 square feet of space still under construction. The Jacksonville area shopping market ended 2017 with a vacancy rate of only 7.3%, partially attributable to the net absorption of almost 120,000 square feet of shopping center space in the 4<sup>th</sup> Quarter. Overall rental rates for shopping center properties averaged \$13.74 per square foot at the end of 2017, a rise over 3<sup>rd</sup> Quarter 2017 of just over 4%.

General retail properties, which includes all freestanding retail buildings, accounted for about 43,000,000 square feet within about 6,300 buildings. About 333,000 square feet were added to the market in the 4<sup>th</sup> Quarter of 2017, with about 175,000 square feet of space still under construction. The Jacksonville area general retail market ended 2017 with a vacancy rate of only 2.0%. Overall rental rates for general retail properties averaged \$13.63 per square foot at the end of 2017, a rise over 3<sup>rd</sup> Quarter 2017 of about 6%.

There were 24 retail sales transactions of over 15,000 square feet in the first 9 months of 2017 with a total volume of almost \$140,000,000, with an average price per square foot of about \$128.26. This indicates an increase in price per square foot of about 9% over sales 2016 figures. Reported cap rates fell in 2017 to an average of about 7.15%. about 44 basis points lower than average 2016 cap rates.

Below is a chart showing statistical information about the overall Jacksonville retail market, as well as Jacksonville retail sub-markets.

## Retail Submarket Statistics

Year-End 2017

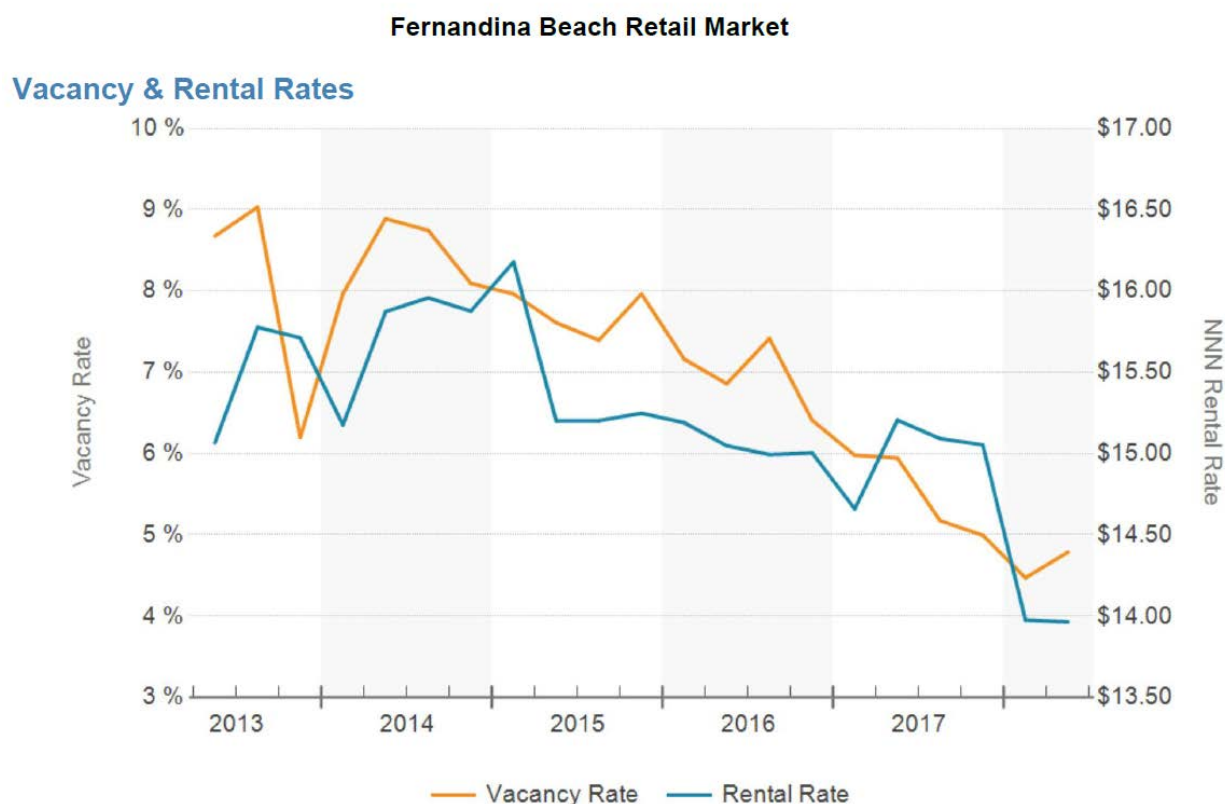
	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
Market	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
Arlington	439	7,985,163	300,304	300,304	3.8%	106,646	52,262	15,840	\$8.26
Baker County	142	1,164,078	35,668	35,668	3.1%	3,411	0	0	\$10.18
Beaches	523	5,310,455	195,108	195,108	3.7%	80,469	56,870	22,500	\$18.79
Butler/Baymeadows	194	5,162,593	158,725	158,725	3.1%	58,928	15,500	50,265	\$17.06
Downtown Northbank	553	3,905,246	243,873	243,873	6.2%	79,755	1,400	9,100	\$9.05
Downtown Southbank	120	638,194	40,273	43,545	6.8%	(17,243)	0	0	\$24.93
Mandarin	272	4,925,006	188,774	188,774	3.8%	77,413	5,500	3,300	\$15.70
Nassau County	642	5,780,310	210,558	210,558	3.6%	44,670	7,040	12,400	\$13.68
Northeast Jacksonville	276	3,570,914	151,664	210,084	5.9%	64,184	0	0	\$12.54
Northwest Jacksonville	660	4,326,284	167,795	167,795	3.9%	42,776	0	0	\$9.80
Orange Park/Clay Cnty	804	10,600,481	485,947	485,947	4.6%	70,300	20,524	54,904	\$14.08
Riverside	1,259	13,253,718	539,917	609,638	4.6%	77,365	129,381	181,100	\$12.55
San Marco	313	2,840,597	177,140	177,140	6.2%	22,945	0	0	\$11.06
South Side	953	14,595,724	923,517	934,609	6.4%	60,024	76,462	351,100	\$16.56
St Johns	1,061	9,854,075	271,150	271,150	2.8%	97,101	56,204	96,958	\$17.54
Totals	8,211	93,912,838	4,090,413	4,232,918	4.5%	868,744	421,143	797,467	\$13.50

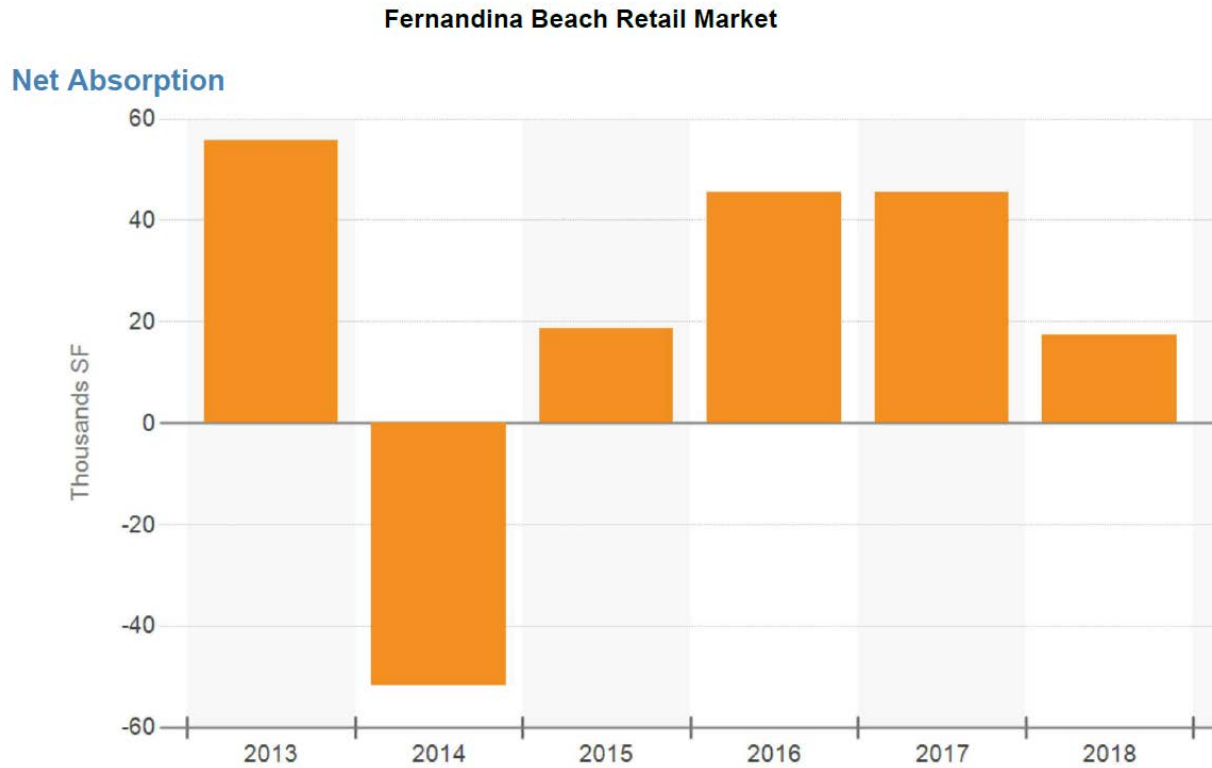
Source: CoStar Property®

The subject is located within the market area designated by CoStar in the chart above as the Nassau County submarket. The chart shows that this submarket, as of Year-End 2017, had about 5,780,310 square feet of retail space existing, under construction, or proposed within 642 buildings. The vacancy rate as of Year-End 2017 was about 3.6% and the average asking rental rate was about \$13.68 per square foot. Within the subject's market area, there is currently about 12,400 square feet of space under construction.

Nassau County Market Area

CoStar also provides graphical information about specific market areas. The preceding market area map includes the Fernandina Beach market areas. The graphs below depict vacancy and rental rates and net absorption over the past 5 years for this market. The vacancy rate has dropped a total of about 28% over the past two years. The graph below indicates that rental rates have also fallen, but this can be misleading because there have been few transactions and the quality of the leased improvements has varied.





#### Forecast

The commercial vacancy rate has been decreasing with struggling rental rates, indicating a generally strengthening commercial market. Assuming there are no further shocks to the system the subject's commercial market should continue to improve with the economy over the next 24 months.



## **HIGHEST AND BEST USE**

### Introduction

The Appraisal Institute's *Dictionary of Real Estate Appraisal, 5th Edition*, defines highest and best use as "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

The definition applies specifically to the highest and best use of the land. If there are existing improvements, the highest and best use may be different than the existing use. However, the existing use will continue until the value of the land in its highest and best use exceeds the total value of the property in its existing use.

Determination of highest and best use results from the appraiser's judgment and is an opinion, not a fact. In appraisal practice, the concept of highest and best use represents a premise upon which value is based. In the context of most probable selling price (market value), highest and best use would be the most probable use.

### Legally Permissible Uses

The Appraisal Institute's *Dictionary of Real Estate Appraisal, 6th Edition*, defines legal permissibility as "A property use that is either currently allowed or most probably allowable under zoning codes, building codes, environmental regulations, and other applicable laws and regulations that govern land use restrictions."

The subject's zoning category is PUD Zoning District. Per Ordinance No. 2007-02, the subject is known as PUD-1, Amelia Links, within the Amelia Island Plantation PUD. The uses permitted within this area include hotel units, restaurant and other food service, bars, members' club, multi-family housing, golf facilities, swimming pool and other recreational uses, and parking.. A copy of the zoning use regulation is located in the Addenda.

### Physically Possible Uses

The Appraisal Institute's *Dictionary of Real Estate Appraisal, 6th Edition*, describes physical possibility as "The land must be able to accommodate the size and shape of the ideal improvement."

The subject site contains about 29,185 square feet. Thus, the site is large enough to accommodate various types of development. The subject is readily accessible from Ron Kolar Way. The subject's shape is irregular, its elevation is approximately at road grade, and its topography is relatively level. The majority of the subject appears to be in Flood Zone(s) Mostly AE, an area that is inside the 100-year floodplain. Based on the subject's size, shape, and elevation, it appears that it is physically possible to construct improvements that are consistent with legally permissible/probable uses, but any portion of the site to bear vertical improvements would need to be filled to a level within Flood Zone X.

Other relevant issues include accessibility and soil load bearing capacity. Determining the utility of the soil regarding issues such as load bearing capacity is beyond the skill of the appraisers and beyond the scope of the appraisal. Questions regarding the utility of the subject's soil/terrain for development should be directed to a qualified engineer.

Nonetheless, nearby properties were developed without apparent problems. Thus, numerous development alternatives are likely possible in accordance with the current zoning. The subject's location on a major thoroughfare suggests commercial.

### Financially Feasible Uses

The Appraisal Institute's *Dictionary of Real Estate Appraisal, 6th Edition*, defines financial feasibility as "The ability of a property to generate sufficient income to support the use for which it was designed." The financially feasible uses are subject to the physically possible and legally permissible uses. The highest and best use is also a use that is logically consistent with other development in the neighborhood. The characteristics of, and the anticipated changes to, the neighborhood are considered in determining the highest and best use of the subject property.

Land in the immediate vicinity of the subject is retail (primary), hospitality (secondary), and recreational (tertiary). Any commercial use of the subject site would be compatible with surrounding land uses and the characteristics of the neighborhood thus commercial is most financially feasible given the previously mentioned physical characteristics of the subject site.

The commercial vacancy rate in the subject's market area as described earlier in this report is less than 5%. Typically, this would indicate that the current commercial market is in equilibrium, at least for the subject's market area. No significant change is anticipated throughout the remainder of 2018.

#### Maximally Productive Uses

The Appraisal Institute's *Dictionary of Real Estate Appraisal, 6th Edition*, describes maximum productivity as "The selected land use must yield the highest value of the possible uses." Maximally productive uses are subject to the physically possible, legally permissible, and financially feasible uses.

Within the preceding constraints, the maximally productive use is the use that results in the highest residual land value. The maximally productive use of the subject property would generate cash flow, use the property intensely, and remain consistent with the characteristics of the surrounding properties. As stated in the previous section, the commercial market is improving along with the overall economy. Due to the subject's location and its proximity to major roadways, the maximally productive use of the subject as though vacant is for commercial use.

#### Conclusion

The highest and best use analysis indicates that it is physically possible to develop the subject site. The uses for the subject site are limited by the legally permissible uses allowed under current zoning. Considering each of the four factors, it is our opinion that the highest and best use of the land as though vacant was for commercial use.

## **LAND SALES COMPARISON APPROACH**

### Introduction

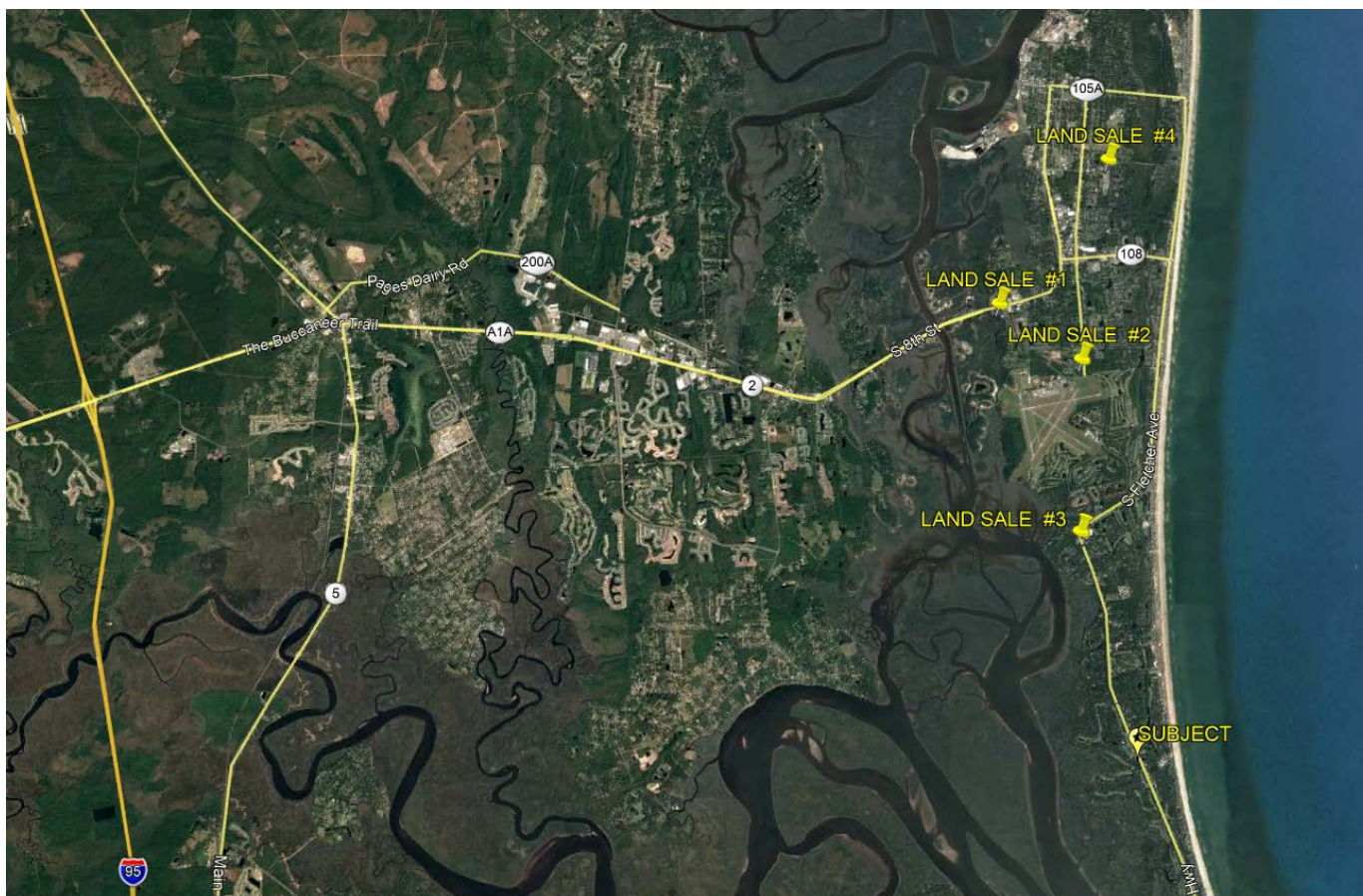
The Appraisal Institute's *Dictionary of Real Estate Appraisal, 5th Edition*, defines the sales comparison approach as "A set of procedures in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, then applying appropriate units of comparison and making adjustments to the sale prices of the comparables based on the elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant; it is the most common and preferred method of land valuation when an adequate supply of comparable sales is available."

The sales comparison approach is based on the principle of substitution. Substitution suggests that property values tend to be set by the cost of acquiring an equally desirable substitute. The primary steps of the sales comparison approach were as follows:

1. Sales of properties that were similar to the subject were identified. Ideally, the comparable properties would be equally desirable (identical attributes of market conditions, site, location, improvements, etc.). However, no two properties are identical – at a minimum the locations must be slightly different. Thus, sales of properties that were reasonable economic substitutes were identified.
2. Attributes of the each comparable (substitute) property were compared to the subject property's corresponding attribute. If there was a material difference between a comparable property and the subject regarding a value attribute, then we evaluated the degree of inferiority/superiority.
3. The sales prices of the comparable properties were adjusted to compensate for material inferiority/superiority between the comparable properties' attributes and the subject property's attributes. For example, if a comparable property's location was superior to the subject's location, then the price of the comparable property was adjusted downward to render its value equivalent to the subject property. Alternatively, if a comparable property's location was inferior to the subject's location, then the price of the comparable property was adjusted upward to render its value equivalent to the subject property.
4. After all adjustments were made, the comparable properties have theoretically been altered into a value duplicate of the subject property. The adjusted values of the comparables provide indications of the subject's value. Indications of the subject's value typically vary across a range. An opinion of value for the subject was developed based on the appraiser's level of confidence for the various adjusted values.

**COMPARABLE LAND SALES SUMMARY TABLE**

No.	Location	Sale Date	Price	Site Size (Gross SF)	Site Size (Useable SF)	Price/ Gross SF
1	192 West SR 200	11/14/2017	\$625,000	101,059	44,431	\$6.18
2	Amelia Island Parkway at Amelia Road	9/22/2017	\$250,000	103,237	103,237	\$2.42
3	First Coast Highway at Forrest Drive	6/29/2017	\$200,000	60,548	60,548	\$3.30
4	1705 Lime Street	1/27/2017	\$258,000	37,026	37,026	\$6.97





**Land Sale No. 1**



**Property Identification**

<b>Record ID</b>	6390
<b>Property Type</b>	Commercial Land
<b>Address</b>	192 West SR 200, Fernandina Beach, Nassau County, Florida 32034
<b>Tax ID</b>	00-00-30-044B-0090-0020
<b>MSA</b>	Jacksonville
<b>Market Type</b>	Commercial Land

**Sale Data**

<b>Grantor</b>	J. Twenty-Nine Eleven, LLC
<b>Grantee</b>	Kapil Bavabhai
<b>Sale Date</b>	November 14, 2017
<b>Deed Book/Page</b>	2158/511
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's Length
<b>Financing</b>	Cash to seller
<b>Sale History</b>	Seller purchased for \$435,000 on 9/13/2013
<b>Verification</b>	Public Records; Confirmed by Tobi Doering

<b>Sale Price</b>	\$625,000
<b>Cash Equivalent</b>	\$625,000

**Land Data**

<b>Zoning</b>	C-2, Commercial
<b>Topography</b>	Level at road grade

**Land Sale No. 1 (Cont.)**

<b>Utilities</b>	All available
<b>Shape</b>	Irregular
<b>Flood Info</b>	X & AE

**Land Size Information**

<b>Gross Land Size</b>	2.32 Acres or 101,059 SF
<b>Useable Land Size</b>	1.02 Acres or 44,431 SF

**Indicators**

<b>Sale Price/Gross Acre</b>	\$269,397
<b>Sale Price/Gross SF</b>	\$6.18

**Remarks**

This is the sale of a parcel of land located in the southwest corner of the Gateway to Amelia development. The parcel had no visibility from SR 200 or Amelia Island Parkway and was on the east side of the Nassau River. The site contained a total of about 2.32 acres, but about 1/2 acre was shared retention, about 0.8 acres was in Flood Zone AE, and the remaining 1.02 acres was developable uplands.

**Land Sale No. 2**



**Property Identification**

<b>Record ID</b>	6391
<b>Property Type</b>	Commercial Land
<b>Address</b>	Amelia Island Parkway at Amelia Road, Fernandina Beach, Nassau County, Florida 32034
<b>Tax ID</b>	00-00-30-044B-0105-0002
<b>MSA</b>	Jacksonville
<b>Market Type</b>	Commercial Land

**Sale Data**

<b>Grantor</b>	CBC National Bank
<b>Grantee</b>	Skyway Amelia, LLC
<b>Sale Date</b>	September 22, 2017
<b>Deed Book/Page</b>	2147/1012
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's Length
<b>Financing</b>	Cash to seller
<b>Sale History</b>	Seller Foreclosed 4/2013
<b>Verification</b>	Geoff Haynes, Listing Broker; Other sources: Public Records, CoStar, Confirmed by Tobi Doering

<b>Sale Price</b>	\$250,000
<b>Cash Equivalent</b>	\$250,000

**Land Data**

<b>Zoning</b>	C-1, City of Fernandina Beach, Commercial
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**Land Sale No. 2 (Cont.)**

<b>Topography</b>	Level at road grade
<b>Shape</b>	Irregular
<b>Flood Info</b>	X
<b><u>Land Size Information</u></b>	
<b>Gross Land Size</b>	2.370 Acres or 103,237 SF
<b>Front Footage</b>	440 ft NEC Amelia Island Pkwy & Amelia Rd;
<b><u>Indicators</u></b>	
<b>Sale Price/Gross Acre</b>	\$105,485
<b>Sale Price/Gross SF</b>	\$2.42

**Remarks**

This is the sale of about 2.37 acres of land located on the northeast corner of the intersection of Amelia Island Parkway and Amelia Road, just west of the intersection of South 14th Street with Amelia Island Parkway. The site was all developable uplands. It was in immediate proximity to the airport and to industrial and residential development.

The property was on the market for less than 2 months.

Land Sale No. 3



**Property Identification**

<b>Record ID</b>	6392
<b>Property Type</b>	Commercial Land
<b>Address</b>	First Coast Highway at Forrest Drive, Fernandina Beach, Nassau County, Florida 32034
<b>Tax ID</b>	00-00-30-0760-009-0020
<b>MSA</b>	Jacksonville
<b>Market Type</b>	Commercial Land

**Sale Data**

<b>Grantor</b>	TJB Properties, LLC
<b>Grantee</b>	Josep Genebriera de Lamo
<b>Sale Date</b>	June 29, 2017
<b>Deed Book/Page</b>	2129/1883
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's Length
<b>Financing</b>	Cash to seller
<b>Sale History</b>	Seller foreclosed 2/4/2013
<b>Verification</b>	Ben Bishop, Listing Broker; Other sources: Public Records, CoStar, Confirmed by Tobi Doering

<b>Sale Price</b>	\$200,000
<b>Cash Equivalent</b>	\$200,000

**Land Data**

<b>Zoning</b>	PUD, Commercial
<b>Topography</b>	Level at road grade

**Land Sale No. 3 (Cont.)**

<b>Shape</b>	Trapezoid
<b>Flood Info</b>	X
<b>Depth</b>	375

**Land Size Information**

<b>Gross Land Size</b>	1.390 Acres or 60,548 SF
<b>Front Footage</b>	170 ft West side of 1st Coast Highway;

**Indicators**

<b>Sale Price/Gross Acre</b>	\$143,885
<b>Sale Price/Gross SF</b>	\$3.30

**Remarks**

This is the sale of about 1.39 acres of commercial land located on the west side of 1st Coast Highway across from the Shops at Amelia Market shopping center anchored by Harris Teeter supermarket.

The property sold for \$900,000 in October 2001 and was foreclosed in February 2013. The site has been on the market since foreclosure. The adjacent parcel containing about 1.42 acres of commercial land was purchased by Regions Bank in August 2007 for a future bank branch for a price of \$1,100,000. The site was never developed and is currently on the market for \$640,000.



Land Sale No. 4



**Property Identification**

<b>Record ID</b>	6393
<b>Property Type</b>	Commercial Land
<b>Address</b>	1705 Lime Street, Fernandina Beach, Nassau County, Florida 32034
<b>Tax ID</b>	00-00-31-1600-0202-0010
<b>MSA</b>	Jacksonville
<b>Market Type</b>	Commercial Land

**Sale Data**

<b>Grantor</b>	Fernandina Beach Bedical Offices, LLC
<b>Grantee</b>	FB Med Land Trust
<b>Sale Date</b>	January 27, 2017
<b>Deed Book/Page</b>	2097/1767
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's Length
<b>Financing</b>	Cash to seller
<b>Sale History</b>	No other sales in prior 3 years
<b>Verification</b>	Public Records; Confirmed by Tobi Doering

<b>Sale Price</b>	\$258,000
<b>Cash Equivalent</b>	\$258,000

**Land Data**

<b>Zoning</b>	MU-1, Commercial
<b>Topography</b>	Level at road grade
<b>Utilities</b>	All available

**Land Sale No. 4 (Cont.)**

<b>Shape</b>	Irregular
<b>Flood Info</b>	X

**Land Size Information**

<b>Gross Land Size</b>	0.850 Acres or 37,026 SF
<b>Front Footage</b>	193 ft north side of Lime Street;

**Indicators**

<b>Sale Price/Gross Acre</b>	\$303,529
<b>Sale Price/Gross SF</b>	\$6.97

**Remarks**

This is the sale of a heavily treed 0.85 acre parcel of vacant commercial land located with the City of Fernandina Beach, across from the Baptist Medical Center.

## Buzz Wagand and Associates, Inc.

### Land Sales Comparison Approach - Adjustment Chart

Southwest corner of A1A First Coast Highway and Ron Kolar Way

April 22, 2018

	<u>Subject</u>	<u>Comparable 1</u>	<u>Comparable 2</u>	<u>Comparable 3</u>	<u>Comparable 4</u>
	Southwest corner of A1A First Coast Highway and Ron Kolar Way	192 West SR 200	Amelia Island Parkway at Amelia Road	First Coast Highway at Forrest Drive	1705 Lime Street
<b>Sale Date</b>		11/14/2017	9/22/2017	6/29/2017	1/27/2017
<b>Price</b>		<b>\$625,000</b>	<b>\$250,000</b>	<b>\$200,000</b>	<b>\$258,000</b>
<b>Transaction Issues:</b>					
Anticipated Post-Purchase Expenditures		0	0	0	0
Property Rights		0	0	0	0
Financing		0	0	0	0
Conditions of Sale		0	0	0	0
Price Adjusted for Transaction Issues		\$625,000	\$250,000	\$200,000	\$258,000
<b>Market Conditions</b>		5,625	3,750	3,400	6,450
Price Adjusted for Market Conditions		\$630,625	\$253,750	\$203,400	\$264,450
Size in SF	29,185	101,059	103,237	60,548	37,026
Intermediate Adjusted Price Per SF		\$6.24	\$2.46	\$3.36	\$7.14
<b>Property Attributes:</b>					
Location	Good	-15%	30%	15%	-15%
Access	Average	0%	0%	0%	0%
Zoning	PUD	0%	0%	0%	0%
Physical Characteristics	Mostly Flood Zone AE	-15%	-30%	-30%	-30%
Size Effect		0%	15%	5%	0%
Net Adjustments:		-30%	15%	-10%	-45%
<b>Adjusted Value Per SF</b>		<b>\$4.37</b>	<b>\$2.83</b>	<b>\$3.02</b>	<b>\$3.93</b>

### Listings

In addition to the comparable sales, we also considered the follow listings for sale of similar vacant land properties in the subject's submarket. Listing #3 was purchased in August of 2007 for \$1,100,000 by Regions Bank for development of a branch bank, which was never built.

Listings					
No.	Location	Asking Price	NRSF	Price/ NRSF	Months on Market
1	3300 Amelia Island Parkway	\$595,000	114,563	\$5.19	20
2	5456 First Coast Highway	\$1,300,000	139,828	\$9.30	10
3	First Coast Highway & Spring Blossom	\$650,000	61,855	\$10.51	72

### Land Sales Comparison Analysis

All of the land sale comparables have some characteristics similar to the subject. We used land sales data acquired from the county property appraiser, commercial databases, real estate brokers, and participants to the transactions.

### **Transaction Issues Adjustments:**

#### ***Property Rights***

Before a comparable sale property can be used in the Sales Comparison Approach, we must first ensure that the sale price of the comparable property applies to property rights that are similar to those being appraised.

In the case of the subject property, a Fee Simple interest is being appraised in the commercial land portion of the subject property. The sale comparables all reflect the Fee Simple interest as well, with no adjustments required.

#### ***Financing***

he transaction price of one property may differ from that of an identical property due to different financial arrangements. Sales involving financing terms that are not at or near market terms require adjustments for cash equivalency to reflect typical market terms. A cash equivalency procedure discounts the atypical mortgage terms to provide an indication of value at cash equivalent terms.

The sale comparables all reflect cash or cash equivalent terms with no adjustments required.

### ***Conditions of Sale***

When the conditions of sale are atypical, the result may be a price that is higher or lower than that of a normal transaction. Adjustments for conditions of sale usually reflect the motivations of either a buyer or a seller who is under duress to complete the transaction. Another more typical condition of sale involves the downward adjustment required to a comparable property's for-sale listing price, which usually reflects the upper limit of value.

All of the land sale transactions were arm's length market transactions with no adjustments warranted.

### ***Market Conditions***

Market conditions change over time as a result of inflation, deflation, fluctuations in supply and demand and other factors. Changing market conditions creates the need for adjustments to sale comparables that represent transactions during periods of dissimilar market conditions.

As discussed in the Market Analysis section of this report, vacancy rates for commercial space in the subject's market area have been declining over the past two years, indicating a strengthening market. It is typical for changes in land sale prices to lag changes in improved property sale prices. An upward adjustment of 2% annually was applied to the sale comparables for improving market conditions.

### **Property Attributes Adjustments:**

#### ***Location***

Location adjustments may be required when the locational characteristics of a comparable are different from those of the subject. These characteristics can include general neighborhood characteristics, freeway accessibility, street exposure, corner versus interior lot location, neighboring properties, view amenities, and other factors.

The subject is located on the west side of A1A First Coast Highway, a main road in the Amelia Island area, in immediate proximity to the upscale Omni Amelia Island Plantation Resort.

- Sale 1: was considered superior and a downward adjustment was warranted because this sale was located in a highly trafficked area at the entry to Amelia Island.
- Sale 2: was considered inferior and an upward adjustment was warranted because this sale was located in immediate proximity to the airport and industrial development.
- Sale 3: was considered inferior and an upward adjustment was warranted because this area was located in a less upscale area, distant from area resorts.
- Sale 4: was considered superior and a downward adjustment was warranted because this sale was located in a heavily trafficked area across from the local hospital.

### ***Access***

Typically, a property with good access is considered more valuable than a property with poor access.

The subject has typical access with accessible frontage on Ron Kolar Way. The sale comparables were all considered similar to the subject in terms of access with no adjustments warranted.

### ***Zoning***

Typically, a more intensive zoning category is considered more valuable than a less intensive zoning category.

The subject property is zoned PUD, which allows for commercial use. The sale comparables were all considered similar to the subject in terms of zoning with no adjustments warranted.

### ***Physical Characteristics***

Real estate values often increase with an increase in the superior physical characteristics such as shape, high frontage-to-depth ratios, higher percentage of useable land, etc. Therefore, it is sometimes appropriate to increase the price of comparables that have physical attributes that are inferior to the subject's location. Conversely, it is sometimes appropriate to decrease the price of comparables that have physical attributes that are superior to the subject's location.



The subject property is irregular in shape with a typical frontage-to-depth ratio. Because most of the site is situated within Flood Zone A, development of any vertical improvements would require extensive fill to bring the site to an elevation above Flood Zone A.

- Sale 1: was considered superior and a downward adjustment was warranted because only about 45% of this sale was useable uplands that were not in Flood Zone AE.
- Sale 2: was considered superior and a downward adjustment was warranted because 100% of this sale was located in Flood Zone X.
- Sale 3: was considered superior and a downward adjustment was warranted because 100% of this sale was located in Flood Zone X.
- Sale 4: was considered superior and a downward adjustment was warranted because 100% of this sale was located in Flood Zone X.

### ***Size Effect***

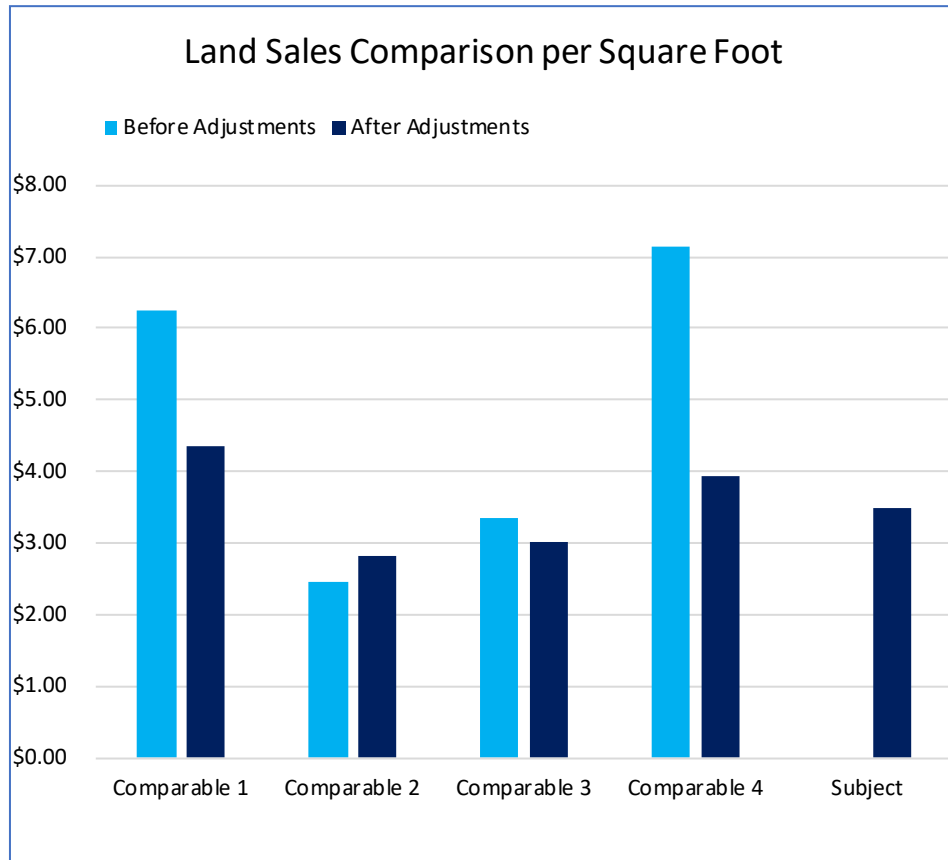
The size adjustment identifies variances in the physical size of the comparables and the subject improvements. Typically, the larger a parcel, the lower the sale price per unit. This inverse relationship is due, in part, to the principle of “economies of scale.”

The subject site contains about 29,185 square feet of land.

- Sale 1: was considered similar and no adjustment was warranted because the developable portion of this site was of similar size to the subject.
- Sale 2: was considered inferior and an upward adjustment was warranted because this sale was almost four times the size of the subject.
- Sale 3: was considered inferior and an upward adjustment was warranted because this sale was about twice the size of the subject.
- Sale 4: was considered similar and no adjustment was warranted.

### **Intermediate Reconciliation**

After adjusting the comparables to the subject’s characteristics, the values of the comparables ranged from approximately \$2.83 per square foot to \$4.37 per square foot, with an average of \$3.54 per square foot and a median of \$3.48 per square foot. Prices and adjusted values of the comparables and the indicated per unit value of the subject were as follows:



After making adjustments, the remaining variation in value per unit is explained by some combination of the following three factors:

- 1 There are some attributes of value for which adjustments were not made;
- 2 The magnitude of some adjustments made by the analyst are incorrect; and
- 3 The market for the asset exhibits price risk.

Assume that attributes of value for which adjustments were not made are immaterial and the magnitudes of the analyst's adjustments are approximately correct. If these two assumptions are reasonable, then the variation in the adjusted values provides a plausible indication of the asset's price risk. Note that the two assumptions do not have to be "true." The two assumptions merely need to be reasonable in order for the adjusted values to provide insight regarding the asset's price risk.

Nearly all asset markets exhibit some price risk. Short term Treasury Bills probably have the least price risk. Nonetheless, Treasury Bill prices fluctuate throughout the day. Treasury Bills with the same maturity have no difference in value attributes. Additionally, Treasury Bills are traded in an extremely efficient market. In contrast, real estate assets differ materially regarding value attributes and trade in a relatively inefficient market. If assets such as Treasury Bills exhibit price risk, then we should expect to observe price risk in real estate assets.

Real estate analysts often over-adjust the prices of land sale comparables. These over-adjustments tend to result in the adjusted values exhibiting an artificially tight range and a correspondingly false implied degree of certainty regarding possible market prices for the asset. Another effect of these over-adjustments is an obscuring of the asset's price risk. Knowing, or at least having a sense of an asset's price risk, is valuable information. We will examine the price risk of the subject by considering the range of indications of value for the subject.

We developed the low indication of value from the lowest adjusted value and we developed the high indication value from the highest adjusted value. The land sales comparison analysis indicates that it is likely the property would sell for an amount between about \$82,500 and \$127,000 .

**Land Sales Comparison Approach**  
**Range of Value Indications**

Southwest corner of A1A First Coast Highway and Ron Kolar Way

*April 22, 2018*

Range of Indications of Value

	Low Indication		High Indication
Indication of Value Per SF	\$2.83		\$4.37
Subject's Size - Useable SF	x 29,185	x	29,185
<b>Indication of Subject's Value</b>	<b>\$82,496</b>		<b>\$127,484</b>

Conclusion

Based on the preceding analysis, with equal weight given to the adjusted land sales, the value of the subject using the land sales comparison approach was reasonably supported at \$3.50 per square foot. The value per square foot was multiplied by the subject's size to obtain an indication of the subject's value, as outlined below.

<b>LAND SALES COMPARISON APPROACH VALUE INDICATION</b>	
	As of 4/22/2018
Indication of Value Per SF	\$3.50
Subject's Size - Useable SF	29,185
Preliminary Value Indication	\$102,148
<b>Indication of Subject's Value - As Is</b>	<b>\$100,000</b>

**Land Sales Comparison Approach Indication of Value:**

**As of April 22, 2018**

**\$100,000**

## **RECONCILIATION OF INDICATIONS OF VALUE**

We analyzed the subject property and market information, and we valued the subject using the land sales comparison approach. The indications of value as derived by the land sales comparison approach is as follows.

<b>Appraisal Premise</b>	<b>Interest Appraised</b>	<b>Standard of Value</b>	<b>Date of Value</b>	<b>Approach</b>	<b>Value Indication</b>
As Is	Fee Simple	Market Value	4/22/2018	Land Sales Comparison	\$100,000

We found and analyzed appropriate comparable land sales within the subject market area. There was ample data available to support value indications from the land sales comparison approach.

In our opinion, the as is Fee Simple market value of the subject property as of April 22, 2018 was:

**\$100,000**

**One Hundred Thousand Dollars**

## **ADDENDA**

### Assumptions and Limiting Conditions

Buzz Wagand & Associates (BWA) opinion of value is based on the assumptions and limiting conditions delineated below. Should any of the following assumptions or limiting conditions prove to be materially incorrect, an entirely new appraisal is probably required. Anyone considering an ownership or financial interest in the subject property is responsible for conducting their own due diligence regarding the correctness/appropriateness of the assumptions and limiting conditions. If a reader of this appraisal disagrees with any premise, definition, assumption, or limiting condition upon which this appraisal is based, then the reader should not use this appraisal.

1. The valuation process lead to the development on an opinion, not a finding of fact. BWA does not guarantee that others will accept our opinion. BWA is not a guarantor of value. Valuation of real estate or interests in real estate is an imprecise endeavor, and reasonable people can differ in their opinions of value.
2. Should anyone using this report possess information, which is not included in this document and may influence a prudent person, then this information must be considered also in their reliance on the results of this valuation.
3. An actual transaction of the subject property may be concluded at a higher or lower amount than our opinion of value depending on the circumstances surrounding the subject or the motivations and knowledge of the buyers and sellers at the time of the transaction. BWA makes no guarantee as to what value individual buyers and sellers may reach in an actual transaction.
4. Our opinion of value relates to the commercial value of the subject property. BWA has not considered value from a natural, cultural, recreational, or scientific perspective.
5. This appraisal was prepared exclusively for the intended user. Use of this appraisal by any other party is prohibited.
6. This appraisal was prepared exclusively for the stated intended use. Use of this appraisal for any other purpose is prohibited.
7. Our opinion of value is relevant only for the valuation date stated in this report.
8. This appraisal is valid only in its entirety. Excerpting portions of this report renders the excerpted portions invalid.



9. BWA assumed the legal description presented in this appraisal is correct.
10. BWA assumed that any surveys or plat maps used by us are correct. We made no surveys nor caused any surveys to be made.
11. BWA assumed that the utilization of the land and improvements is within the legal boundaries of the subject property unless stated otherwise in this report.
12. BWA's descriptions of the subject's elevation and topography are rough approximations. We recommend consultation with a qualified surveyor to establish a thorough understanding of the subject property's topographical characteristics.
13. BWA made no investigation into legal suits, encumbrances, liens, easements, or other legal entanglements of the subject property. Consequently, BWA makes no warranty or guarantee, either express or implied, as to the legal position of the subject property and the impact such position may have on the subject's ability to operate as assumed in the appraisal. No opinion is rendered regarding title to the subject property. Title to the subject property is assumed to be good and merchantable. BWA assumed that the property is free and clear of liens and encumbrances unless stated otherwise in this report.
14. BWA assumed the subject property is operated by responsible owners and competent management unless stated otherwise in this report.
15. We assumed all drawings (architectural, engineering, artist renderings) used by us are correct and appropriate for the subject property. Any site plans or drawing included in the report are for illustrative purposes. Anyone considering an ownership or financial interest in the subject property should conduct their own due diligence regarding the correctness/appropriateness of the drawing relied upon by the appraisers.
16. Information, estimates, and opinions in this appraisal were obtained from and based upon sources BWA considered reliable. BWA did not verify such information directly and assumes no liability for such information or the results from relying upon such information.
17. BWA assumed that there are no hidden or unapparent conditions of the subject property (site, improvements, soil, subsoil, neighboring properties, area above the property, etc.) that render it more or less valuable.
18. BWA assumed that the subject's soil is adequate for development unless stated otherwise in this report.

19. BWA assumed that there is adequate traffic capacity to permit development of the subject property.
20. This appraisal did not consider compliance with the American with Disabilities Act (ADA). If there are any costs associated with achieving ADA compliance, then the amount of those costs would reduce the subject's value as opined unless stated otherwise in this report.
21. BWA assumed that the subject property has existed in compliance with all environmental laws and regulations unless stated otherwise in this report. BWA assumed that the subject and surrounding properties are not contaminated with any hazardous materials unless stated otherwise in this report.
22. Subsurface rights (minerals, oil, etc.) were not considered in our opinion of value unless stated otherwise in this report.
23. BWA assumed that properties with bodies of water within their boundaries or waterfront parcels have riparian rights or littoral rights unless stated otherwise in this report.
24. BWA assumed that the subject property complies with land use and zoning regulations unless stated otherwise in this report.
25. BWA assumed that all required licenses, certificates of occupancy, consents, or other approvals can be obtained or renewed that would allow the subject property to be used or operated as outlined in this report.
26. The distribution, if any, of the total valuation in this report between land and improvements applies only under the program of utilization stated in this report. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
27. Possession of this report, or copy thereof, does not carry with it the right of publication or reproduction of all or any part thereof. An officer of BWA will sign authorized copies of our reports. Unsigned copies must be considered invalid.
28. The appraiser, by reason of this report, is not required to give testimony with reference to the property herein appraised, nor is he obligated to appear before any governmental body, board, or agent unless arrangements have been previously made thereto.
29. BWA's opinion of value is based on specific conditions and estimated events occurring during the near-term future. Our opinion was based on current market conditions, part market activity, anticipated short-term interaction of supply and demand, and a relatively stable economic environment. These various factors cannot be accurately forecast by appraisers. Additionally, any change in forecast

after the valuation date could materially change BWA's opinion of value. BWA is not responsible for updating this appraisal for events that occur after the valuation date.

30. The structural integrity of the buildings and the condition of building systems (roofing, electrical, plumbing, heating, ventilation, air conditioning, etc.) cannot accurately be assessed from their appearance. The buildings and building systems could appear to be in reasonable condition when they actually are seriously flawed. A building inspection report was not provided to us. Determining the structural integrity of the building and the condition of building systems is beyond the skills of the appraisers and beyond the scope of the appraisal. Thus, we take no responsibility for the structural integrity of the buildings and the condition of building systems and their affect on the value of the subject property. We recommend consultation with a qualified building inspector. Our opinion of value is subject to the actual condition of the improvements being as they appeared to us when we inspected the improvements. If the condition of the improvements is an issue, then users of this appraisal must make an appropriate adjustment to our opinion of value and we reserve the right, but are not obligated, to amend this report and our opinion of value.
31. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media, without the written consent of approval of the author, particularly as to valuation conclusions, the identity of the appraiser or firm with which he is connected, or any reference to the Appraisal Institute, or to the MAI or SRA designations.
32. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
33. None of the contents of this report shall be conveyed to any third party or to the public though any means without the express written consent of BWA. BWA is not a guarantor of value. The valuation of real estate and interests in real estate is an imprecise endeavor, and reasonable people can differ in their opinions of value. Anyone that has an interest or considering an interest in the subject property should conduct their own due diligence.

## **Qualifications**

Ronald C. “Buzz” Wagand, MAI, SRA, AI-GRS

Telephone: (904) 262-1130, Ext. 28

E-mail: [buzz@buzzwagand.com](mailto:buzz@buzzwagand.com)

Web Site: [buzzwagand.com](http://buzzwagand.com)

Facsimile: (904) 262-1232

## **Education**

- Master of Science in Real Estate Appraisal, University of St. Thomas
- Bachelor of Science in Business Management, Jones College
- Appraisal Institute – MAI, SRA, AI-GRS Designations
- Appraisal Institute Program Registry – Litigation
- Appraisal Institute – Appraisal Review
- Appraisal Institute – Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book)

## **Designations and Associations**

- MAI - Designated Member of the Appraisal Institute
- SRA – Designated Senior Residential Appraiser of the Appraisal Institute
- Member of the Northeast Florida Chapter of the Appraisal Institute

## **Licenses**

- State-Certified General Appraiser, State of Florida license RZ810
- State-Certified General Appraiser, State of Georgia license CG4032
- Licensed Real Estate Broker, State of Florida license BK92205

## **Experience**

- Owner; Buzz Wagand and Associates, Inc.; 2000 – Present
- Commercial Appraisal Manager/Appraiser; Hollis Wagand and Associates; 1988-2000
- Real Estate Appraiser; Associated Appraisers; 1984-1988
- Mortgage Banking; 1976-1984
- Real Estate Broker; 1971-1976

## **Types of Appraisal Assignments**

- Expert witness for government, financial institutions, condemnation, bankruptcy, property valuations
- General commercial properties including hotels, retail centers, professional and medical offices, industrial, restaurants, convenience stores, marinas, golf courses, and vehicle sales-service centers.
- Existing and proposed residential subdivisions, mixed-use properties, PUD's, DRI's
- Aviation related properties including hangars, warehouses, land, and affiliated properties
- Right-of-way, easements, conservation land, project land.
- Land-single and multi-family uses, residential lot inventories, and liquidation consulting.

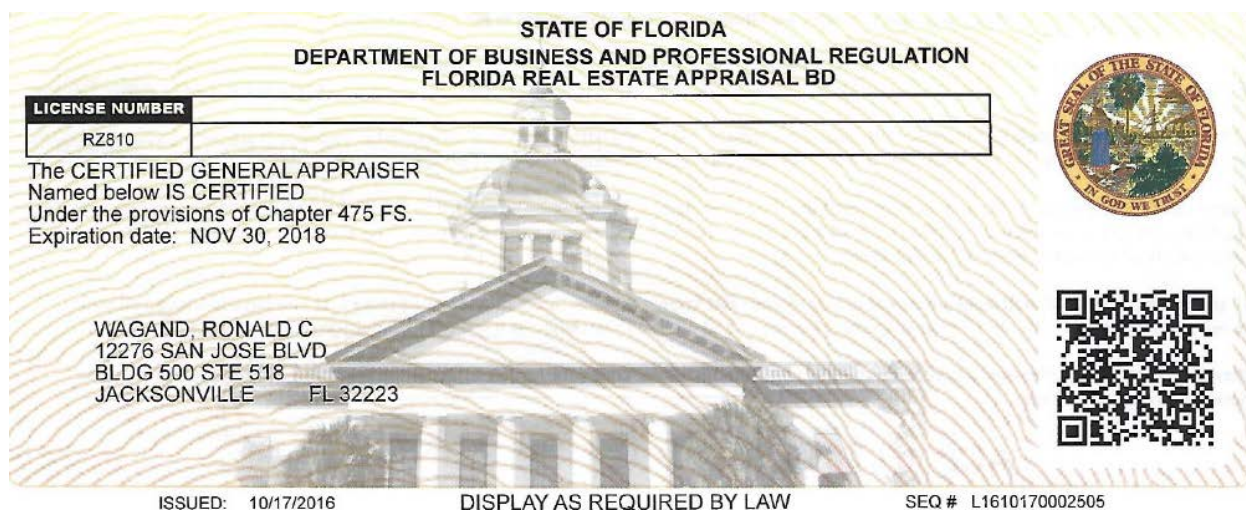
## Buzz Wagand and Associates, Inc.

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- Appraised land and 26 proposed phases of the King and Bear community at the World Golf Village
- Appraised several conservation projects and large tracts of land for multiple uses
- Appraised submerged land easements and leases, conservation properties
- United States Post Office in Fernandina Beach, Florida among other Federal properties
- Beach Re-nourishment Project Nassau County, Florida

### Partial Clientele Includes

- Financial Institutions
- Veterans Administration
- Small Business Administration
- Local, State, and Federal Governments
- Attorneys
- Property Owners Associations
- Insurance Companies



**Qualifications**

Tobi A. Doering, Candidate for Designation, Appraisal Institute

Telephone: (904) 716-2078

Facsimile: (904) 262-1232

E-mail: tobi@buzzwagand.com

**Education**

Ph.D. Candidate, Real Estate Finance, University of Florida, 1993

B.B.A., Magna cum Laude, Finance and Real Estate, University of North Florida, 1985

**Licenses**

State-Certified General Appraiser, State of Florida license RZ3322

**Experience**

**Appraiser**

Buzz Wagand & Associates 2001 – 2011; 2016 - Present

Valbridge Property Advisors | Armalavage Valuation, LLC 2013 - 2016

HealthTrust 2013

**Investment Manager**

Travelers Realty Investment Company 1985 – 1990

**Appraisal Specialties:**

Commercial Vacant Land, Hotels/Motels, Office Buildings, Apartments, Retail and Industrial Facilities, Land for Subdivision Development, Healthcare Facilities, and Distressed Properties.

**Appraisal Institute & Related Courses:**

Business Practices and Ethics

National USPAP Update Course

Florida Law Update

General Appraiser Site Valuation and Cost Approach

Analyzing the Effects of Environmental Contamination on Real Property

Florida Core Law Seminar

Florida Supervisory Appraiser Seminar

National USPAP Update Course

Developing and Growing an Appraisal Practice

Real Estate Finance Statistics and Valuation Modeling

Analyzing Distressed Real Estate

Florida Supervisory Appraiser Seminar



Florida Law Update Course

National USPAP Update Course

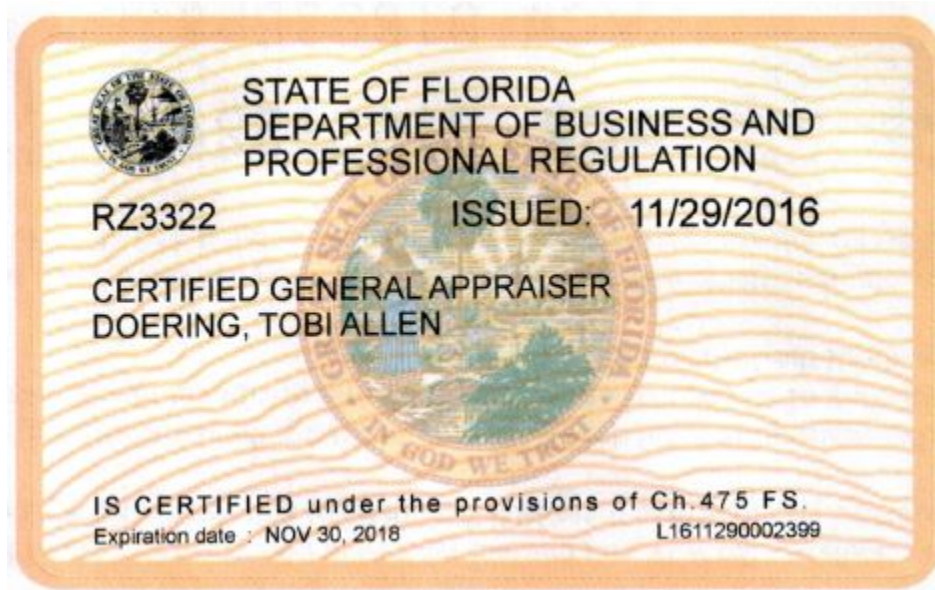
National Appraiser Qualifying Exam Prep Course

Florida Law Update Course

National USPAP Update Course

Subdivision Valuation: A Comprehensive Guide to Valuing Improvements

Post- Licensure Course for Real Estate Appraiser Trainees



Zoning

INSTR # 200702036, OR Book 1473, Page 124, Pages  
29, Recorded 01-22-2007 at 08:45 AM  
John A. Crawford, Nassau County Clerk of Circuit Court  
Rec. Fee \$248.00  
#1

**ORDINANCE NO. 2007-\_\_02**

**AN ORDINANCE AMENDING ORDINANCE 85-2 WHICH  
CREATED THE AMELIA ISLAND PLANTATION PUD AS  
AMENDED BY ORDINANCES 88-32, 96-02, 98-10, 2001-29 AND  
2004-43; PROVIDING FOR THE ADDITION OF ±33.87 ACRES  
TO THE PUD; AMENDING THE PRELIMINARY DEVELOPMENT  
PLAN AND DEVELOPMENT CONDITIONS; CONSOLIDATING  
ALL PRIOR AMENDMENTS; AND PROVIDING AN EFFECTIVE  
DATE.**

**WHEREAS**, on the 18<sup>th</sup> day of December, 1984, the Board of County  
Commissioners of Nassau County, Florida approved Ordinance No. 85-02  
creating the Amelia Island Plantation Planned Unit Development (PUD); and

**WHEREAS**, the Board of County Commissioners subsequently approved  
Ordinances No. 88-32, 96-02, 98-10, 2001-29 and 2004-43 amending and  
modifying the Amelia Island Plantation PUD; and

**WHEREAS**, the Amelia Island Company has duly filed Application R06-  
033 to amend and modify the Amelia Island Plantation PUD; and

**WHEREAS**, the Planning and Zoning Board of Nassau County considered  
said application and held a public hearing on the same after due notice on  
December 5, 2006 and made its findings and recommendations thereof; and

**WHEREAS**, the Board of County Commissioners has considered the  
findings and recommendations of the Planning and Zoning Board, and has held  
its own public hearings on the application after due notice and finds that the  
subject property described in the attached EXHIBIT A are suitable in location and  
character for the uses proposed in said application according to the criteria as set  
forth in Ordinance 97-19, as amended, Article 25, Planned Unit Development.

**NOW THEREFORE BE IT ORDAINED BY THE BOARD OF COUNTY  
COMMISSIONERS OF NASSAU COUNTY, FLORIDA:**

**SECTION 1. FINDINGS**

That this rezoning is:

- A. Consistent with the goals, policies and objectives of the Nassau County  
Comprehensive Plan;

- B. Consistent with applicable State of Florida law; and
- C. Meets the review criteria of Section 25.05C of the Nassau County Zoning Ordinance

**SECTION 2. PUD AMENDMENT**

The real property legally described in Exhibit A, owned by Amelia Island Company, Nassau County Board of County Commissioners and R & D Cooper, Ltd., constitutes the amended Amelia Island Plantation PUD. Development of the property shall proceed in accordance with the procedures and standards of the PUD district regulations and shall generally conform to the Preliminary Development Plan appended as Exhibit B to this Ordinance.

**SECTION 3. CONDITIONS:**

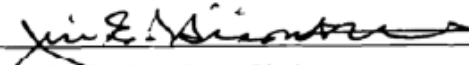
The PUD Development Conditions set forth as EXHIBIT C shall be made a part of this Planned Unit Development, and development and redevelopment of the subject property shall be subject to said Conditions. These conditions consolidate and amend those contained in Ordinances 88-32, 96-02, 98-10, 2001-29 and 2004-43.

**SECTION 4. EFFECTIVE DATE:**

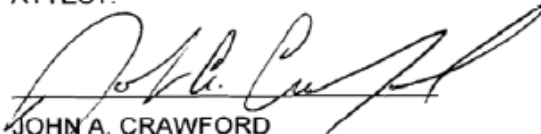
This Ordinance shall take effect upon its being filed in the Office of the Secretary of State.

**PASSED AND ADOPTED** this 8th day of January, 2007.

**BOARD OF COUNTY COMMISSIONERS  
NASSAU COUNTY, FLORIDA**

  
Jim B. Higginbotham, Chairman

**ATTEST:**

  
JOHN A. CRAWFORD  
Its: Ex-Officio Clerk

Approved as to form:

  
for MICHAEL S. MULLIN, County Attorney

**Attachments:**

**Exhibit A: Legal Description**

**Exhibit B: Preliminary Development Plan, Dated November 15, 2006**

**Exhibit C: PUD Development Conditions, Dated January 8, 2007**

3 of 3

- 6) Permitted uses within the respective PUD Parcels shall be as follows:
- a) Parcel PUD-1, Amelia Links: Permitted Uses: Hotel units; restaurant and other food service; bars; members' club; multi-family housing; golf facilities including fairways, driving range, putting green, pro shop, cart storage and other uses; swimming pools and other supportive game and recreational uses; parking, including parking within the building envelop; and related supportive uses.

**Table 3: Site and Building Development Standards**

PUD Parcel	Building Heights	Parking Structure Heights	Building Setbacks from A1A Right-of-Way	Parking Structure Setbacks from A1A Right-of-Way
PUD 1 Amelia Links	Five stories over one level of parking	Ground level plus two structured levels (1)	25 feet for first 2 stories; additional 5 feet for each additional story	15 feet

## **Glossary**

Definitions are taken from the Dictionary of Real Estate Appraisal, 5<sup>th</sup> Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP) and Building Owners and Managers Association International (BOMA).

### **Absolute Net Lease**

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (Dictionary)

### **Additional Rent**

Any amounts due under a lease that is in addition to base rent. Most common form is operating expense increases. (Dictionary)

### **Amortization**

The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

### **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. (Dictionary)

### **Base (Shell) Building**

The existing shell condition of a building prior to the installation of tenant improvements. This condition varies from building to building, landlord to landlord, and generally involves the level of finish above the ceiling grid. (Dictionary)

### **Base Rent**

The minimum rent stipulated in a lease. (Dictionary)

### **Base Year**

The year on which escalation clauses in a lease are based. (Dictionary)

### **Building Common Area**

The areas of the building that provide services to building tenants but which are not included in the rentable area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor,

concierge areas or security desks, conference rooms, lounges or vending areas food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common areas are; floor common areas, parking spaces, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

### **Building Rentable Area**

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

### **Certificate of Occupancy (COO)**

A statement issued by a local government verifying that a newly constructed building is in compliance with all codes and may be occupied.

### **Common Area (Public) Factor**

In a lease, the common area (public) factor is the multiplier to a tenant's useable space that accounts for the tenant's proportionate share of the common area (restrooms, elevator lobby, mechanical rooms, etc.). The public factor is usually expressed as a percentage and ranges from a low of 5 percent for a full tenant to as high as 15 percent or more for a multi-tenant floor. Subtracting one (1) from the quotient of the rentable area divided by the useable area yields the load (public) factor. At times confused with the "loss factor" which is the total rentable area of the full floor less the useable area divided by the rentable area. (BOMA)

### **Common Area Maintenance (CAM)**

The expense of operating and maintaining common areas; may or may not include management charges and



usually does not include capital expenditures on tenant improvements or other improvements to the property.

CAM can be a line-item expense for a group of items that can include maintenance of the parking lot and landscaped areas and sometimes the exterior walls of the buildings. CAM can refer to all operating expenses.

CAM can refer to the reimbursement by the tenant to the landlord for all expenses reimbursable under the lease. Sometimes reimbursements have what is called an administrative load. An example would be a 15 percent addition to total operating expenses, which are then prorated among tenants. The administrative load, also called an administrative and marketing fee, can be a substitute for or an addition to a management fee. (Dictionary)

### **Condominium**

A form of ownership in which each owner possesses the exclusive right to use and occupy an allotted unit plus an undivided interest in common areas.

A multiunit structure, or a unit within such a structure, with a condominium form of ownership. (Dictionary)

### **Conservation Easement**

An interest in real property restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may permit farming, timber harvesting, or other uses of a rural nature to continue, subject to the easement. In some locations, a conservation easement may be referred to as a conservation restriction. (Dictionary)

### **Contributory Value**

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries. (Dictionary)

### **Debt Coverage Ratio (DCR)**

The ratio of net operating income to annual debt service ( $DCR = NOI/Im$ ), which measures the relative ability to a property to meet its debt service out of net operating income. Also called Debt Service Coverage Ratio (DSCR). A larger DCR indicates a greater ability for a property to withstand a downturn in revenue, providing

an improved safety margin for a lender. (Dictionary)

### **Deed Restriction**

A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

### **Depreciation**

In appraising, the loss in a property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date. OR In accounting, an allowance made against the loss in value of an asset for a defined purpose and computed using a specified method. (Dictionary)

### **Disposition Value**

The most probable price that a specified interest in real property is likely to bring under the following conditions:

- Consummation of a sale within a exposure time specified by the client;
- The property is subjected to market conditions prevailing as of the date of valuation;
- Both the buyer and seller are acting prudently and knowledgeably;
- The seller is under compulsion to sell;
- The buyer is typically motivated;
- Both parties are acting in what they consider to be their best interests;
- An adequate marketing effort will be made during the exposure time specified by the client;
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

### **Easement**

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

### **EIFS**

Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

### Effective Date

The date at which the analyses, opinions, and advice in an appraisal, review, or consulting service apply. 2) In a lease document, the date upon which the lease goes into effect. (Dictionary)

### Effective Gross Income (EGI)

The anticipated income from all operations of the real property after an allowance is made for vacancy and collection losses and an addition is made for any other income. (Dictionary)

### Effective Rent

The rental rate net of financial concessions such as periods of no rent during the lease term and above- or below-market tenant improvements (TIs). (Dictionary)

### EPDM

Ethylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings. (Dictionary)

### Escalation Clause

A clause in an agreement that provides for the adjustment of a price or rent based on some event or index. e.g., a provision to increase rent if operating expenses increase; also called an expense recovery clause or stop clause. (Dictionary)

### Estoppel Certificate

A statement of material factors or conditions of which another person can rely because it cannot be denied at a later date. In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an estoppel letter. (Dictionary)

### 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 separately. (Dictionary)

### Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying any operating expenses above a stated level or amount. (Dictionary)

### Exposure Time

1) The time a property remains on the market. 2) 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. (Dictionary)

### Extraordinary Assumption

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary)

### 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. (Dictionary)

### Floor Common Area

Areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. (BOMA)

### Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a full service lease. (Dictionary)

### Going Concern Value

- The market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern.
- The value of an operating business enterprise. Goodwill may be separately measured but is an

integral component of going-concern value when it exists and is recognizable. (Dictionary)

### **Gross Building Area**

The total constructed area of a building. It is generally not used for leasing purposes (BOMA)

### **Gross Measured Area**

The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50 percent or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of the same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

### **Gross Up Method**

A method of calculating variable operating expense in income-producing properties when less than 100 percent occupancy is assumed. The gross up method approximates the actual expense of providing services to the rentable area of a building given a specified rate of occupancy. (Dictionary)

### **Gross Retail Sellout**

The sum of the appraised values of the individual units in a subdivision, as if all of the units were completed and available for retail sale, as of the date of the appraisal. The sum of the retail sales includes an allowance for lot premiums, if applicable, but excludes all allowances for carrying costs. (Dictionary)

### **Ground Lease**

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

### **Ground Rent**

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)

### **HVAC**

Heating, ventilation, air conditioning. A general term encompassing any system designed to heat and cool a building in its entirety.

### **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 1) legal permissibility, 2) physical possibility, 3) financial feasibility, and 4) maximally profitability. Alternatively, the probable use of land or improved –specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value. (Dictionary)

### **Hypothetical Condition**

That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary)

### **Industrial Gross Lease**

A lease of industrial property in which the landlord and tenant share expenses. The landlord receives stipulated rent and is obligated to pay certain operating expenses, often structural maintenance, insurance and real estate taxes as specified in the lease. There are significant regional and local differences in the use of this term. (Dictionary)

### **Insurable Value**

A type of value for insurance purposes. (Dictionary)  
(Typically this includes replacement cost less basement excavation, foundation, underground piping and architect's fees).

### **Investment Value**

The value of a property interest to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. (Dictionary)

### **Just Compensation**

In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the

owner in as good a position as he or she would be if the property had not been taken. (Dictionary)

### **Leased Fee Interest**

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease). (Dictionary)

### **Leasehold Interest**

The tenant's possessory interest created by a lease. (Dictionary)

### **Lessee (Tenant)**

One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

### **Lessor (Landlord)**

One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

### **Liquidation Value**

The most probable price that a specified interest in real property should bring under the following conditions:

- Consummation of a sale within a short period.
- The property is subjected to market conditions prevailing as of the date of valuation.
- Both the buyer and seller are acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider to be their best interests.
- A normal marketing effort is not possible due to the brief exposure time.
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

### **Loan to Value Ratio (LTV)**

The amount of money borrowed in relation to the total market value of a property. Expressed as a percentage of the loan amount divided by the property value. (Dictionary)

### **Major Vertical Penetrations**

Stairs, elevator shafts, flues, pipe shafts, vertical ducts,

and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included, however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations. (BOMA)

### **Market Rent**

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement including permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options and tenant improvements (TIs). (Dictionary)

### **Market Value**

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- a. Buyer and seller are typically motivated;
- b. Both parties are well informed or well advised, and acting in what they consider their own best interests;
- c. A reasonable time is allowed for exposure in the open market;
- d. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

### **Market Value As If Complete**

Market value as if complete means the market value of the property with all proposed construction, conversion or rehabilitation hypothetically completed or under other specified hypothetical conditions as of the date of the appraisal. With regard to properties wherein

anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this estimate of value shall reflect the market value of the property as if complete and prepared for occupancy by tenants.

### **Market Value As If Stabilized**

Market value as if stabilized means the market value of the property at a current point and time when all improvements have been physically constructed and the property has been leased to its optimum level of long term occupancy.

### **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 the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Standards Board of the Appraisal Foundation and Statement on Appraisal Standards No. 6, “Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions” address the determination of reasonable exposure and marketing time). (Dictionary)

### **Master Lease**

A lease in which the fee owner leases a part or the entire property to a single entity (the master lease) in return for a stipulated rent. The master lessee then leases the property to multiple tenants. (Dictionary)

### **Modified Gross Lease**

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property’s operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease. (Dictionary)

### **Operating Expense Ratio**

The ratio of total operating expenses to effective gross income (TOE/EGI); the complement of the net income ratio, i.e.,  $OER = 1 - NIR$  (Dictionary)

### **Option**

A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the optionee) to buy, sell, or lease real property for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

### **Partial Interest**

Divided or undivided rights in real estate that represent less than the whole (a fractional interest). (Dictionary)

### **Pass Through**

A tenant’s portion of operating expenses that may be composed of common area maintenance (CAM), real estate taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

### **Potential Gross Income (PGI)**

The total income attributable to real property at full occupancy before vacancy and operating expenses are deducted. (Dictionary)

### **Prospective Future Value Upon Completion**

Market value “upon completion” is a prospective future value estimate of a property at a point in time when all of its improvements are fully completed. It assumes all proposed construction, conversion, or rehabilitation is hypothetically complete as of a future date when such effort is projected to occur. The projected completion date and the value estimate must reflect the market value of the property in its projected condition, i.e., completely vacant or partially occupied. The cash flow must reflect lease-up costs, required tenant improvements and leasing commissions on all areas not leased and occupied.

### **Prospective Future Value Upon Stabilization**

Market value “upon stabilization” is a prospective future value estimate of a property at a point in time when stabilized occupancy has been achieved. The projected stabilization date and the value estimate must reflect the absorption period required to achieve stabilization. In addition, the cash flows must reflect lease-up costs, required tenant improvements and leasing commissions on all unleased areas.



### **Replacement Cost**

The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout. (Dictionary)

### **Reproduction Cost**

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, super-adequacies, and obsolescence of the subject building. (Dictionary)

### **Retrospective Value Opinion**

A value opinion effective as of a specified historical date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., “retrospective market value opinion.” (Dictionary)

### **Sandwich Leasehold Estate**

The interest held by the original lessee when the property is subleased to another party; a type of leasehold estate. (Dictionary)

### **Sublease**

An agreement in which the lessee (i.e., the tenant) leases part or all of the property to another party and thereby becomes a lessor. (Dictionary)

### **Subordination**

A contractual arrangement in which a party with a claim to certain assets agrees to make his or her claim junior, or subordinate, to the claims of another party. (Dictionary)

### **Substantial Completion**

Generally used in reference to the construction of tenant improvements (TIs). The tenant’s premises are typically deemed to be substantially completed when all of the TIs for the premises have been completed in accordance with the plans and specifications previously approved by the tenant. Sometimes used to define the commencement date of a lease.

### **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. (Dictionary)

### **Triple Net (Net Net Net) Lease**

A lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called NNN, triple net lease, or fully net lease. (Dictionary)

(The market definition of a triple net lease varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

### **Usable Area**

The measured area of an office area, store area or building common area on a floor. The total of all the usable areas on a floor shall equal floor usable area of that same floor. The amount of floor usable area can vary over the life of a building as corridors expand and contract and as floors are remodeled. (BOMA)

### **Value-in-Use**

The value of a property assuming a specific use, which may or may not be the property’s highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. (Dictionary)

Engagement Letter



**NASSAU COUNTY  
BOARD OF COUNTY COMMISSIONERS**  
76347 Veterans Way  
Suite 4000  
Yulee, FL 32097

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NASSAU COUNTY BOARD OF COMMISS  
76347 VETERANS WAY STE 1010  
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BZZ WAGAND & ASSOCIATES, INC  
3020 HARTLEY RD STE 200A  
JACKSONVILLE FL 32257

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NASSAU COUNTY ENGINEERING DEPT  
90161 NASSAU PLACE  
YULEE, FL 32097

## Purchase Order

Fiscal Year 2018      Page 1 of 0

THE NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.	
Purchase Order #	<b>18000262-00</b>

STATE SALES TAX CERTIFICATION NUMBER:  
35-8012550204C-5  
FEDERAL IDENTIFICATION NUMBER:  
53 1863042

Vendor Phone Number	Vendor Tag Number	Requisition Number	Delivery Reference
904-262-1130	504-262-1232		
Date Ordered	Vendor Number	Date Required	Freight Method/Terms
04/11/2018	5489		
Item #	Description of Work	Qty	Unit Price
1	APPRaisal - VAC PROP AT NAU The Above Purchase Order Number Must Appear On All Correspondence - Packing Sheets And Bills Of Lading APPRaisal FOR VACANT PROPERTY LOCATED AT NASSAU-AMELIA UTILITIES; A PORTION OF PARCEL 01-8N-29-AICQ-0013-0000 5.7 PROFESSIONAL SERVICES UNDER FLORIDA STAT. 287.055 ***** GL SUMMARY ***** 01001511 - 531016	1.0 EACH	\$1,800.00
			Extended Price
			\$1,800.00

RECEIVED IN GOOD ORDER  
BY:

DATE

<b>PQ Total</b>	<b>\$1,800.00</b>
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