

**REAL ESTATE APPRAISAL REPORT**  
**Of**  
**Commercial Land with Portable Building**



1 Corporate Drive  
Palm Coast, Florida 32164

**As of**  
May 3, 2018

**Prepared For**  
Ms. Jill Poolman  
Purchasing Coordinator  
Flagler County Public School Board  
1769 E Moody Blvd BLDG #2  
Bunnell, FL 32110  
Client File: 0011718081

**Prepared by**  
COOKSEY & ASSOCIATES, INC.

T. James Cooksey, MAI, CCIM  
State-Certified General Real Estate Appraiser  
RZ343

File Number: 8660

May 10, 2018

Ms. Jill Poolman  
Purchasing Coordinator  
Flagler County Public School Board  
1769 E Moody Blvd BLDG #2  
Bunnell, FL 32110

Re: Appraisal Report, Real Estate Valuation  
*Commercial Land with Portable Building*  
1 Corporate Drive  
Palm Coast, Florida 32164

File Number: 8660

Dear Ms. Poolman:

At your request, I have appraised a real property interest for the above real estate. My objective was to form one or more opinions about the market value for a 100% ownership interest in the subject property's fee simple estate assuming no liens or encumbrances other than normal covenants and restrictions of record. The property may be briefly described as follows:

The subject property is a previously improved commercial site totaling approximately 7.44 acres in size. It currently houses a 6,992 sq.ft. modular commercial building. The most probable buyer would not keep the modular on site.

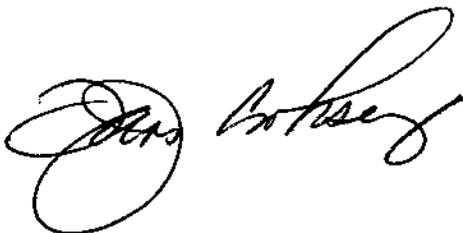
Please reference page 2 of this report for important information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis and valuation methodology.

Your attention is directed to the Limiting Conditions and Assumptions section of this report (page 8). Acceptance of this report constitutes an agreement with these conditions and assumptions.

After careful consideration of all factors pertaining to and influencing value, the data and analyses thereof firmly supports the following final value opinion(s) for the subject as of May 3, 2018:

**\$1,750,000**  
**One Million Seven Hundred Fifty Thousand Dollars**

Respectfully submitted,  
Cooksey & Associates, Inc.



T. James Cooksey, MAI, CCIM  
State-Certified General Real Estate Appraiser  
RZ343

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## Summary of Important Facts and Conclusions

<i>Property Type</i>	Land	
<i>Real Estate Appraised</i>	1 Corporate Drive Palm Coast, Florida 32164	
<i>Property Rights Appraised</i>	Fee Simple	
<i>Client</i>	Ms. Jill Poolman Flagler County Public School Board	
<i>Client File Number</i>	0011718081	
<i>Intended Use of Appraisal</i>	Selling Purposes	
<i>Intended User</i>	Client and its affiliated parties	
<i>Census Tract</i>	602.11	
<i>MSA</i>	Daytona Beach	
<i>Estimated Exposure Time:</i>	12 – 18 months	
<i>Land Size</i>	7.44 ± acres	324,155 ± square feet
<i>Flood Hazard</i>	X	
<i>Zoning Classification</i>	COM-2 General Commercial	
<i>Highest and Best Use</i>	As Though Vacant As Now Improved	Commercial N/A
<i>Effective Value Date</i>	May 3, 2018	
<i>Report Preparation Date</i>	May 10, 2018	
<i>Final Value Conclusion(s)</i>	<b>As Is</b>	
Value Conclusion(s)	\$1,750,000	

### **Noteworthy Issues:**

None

# Overview

## Scope of Work

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s). The elements to be considered are summarized below in addition to the typical client expectations and typical appraisal work by peers for similar assignments.

### Assignment Elements

The problem to be solved is to estimate the 'as is' market value of the subject property. This purpose necessitates identification of seven assignment elements listed below.

- |    |  |   |
|----|--|---|
| 1. | The Client <i>(the person who engaged the appraisal and an intended user)</i>  | Ms. Jill Poolman<br>Flagler County Public School Board                  |
| 2. | Other Intended Users   | None  |
| 3. | Intended Use of Report <i>(To aid)</i>   | Selling Purposes  |
| 4. | Standard / Definition of Value Used to Form the Value Opinion  | Market Value  |
| 5. | Key Dates  |   |
|    | Effective Value Date<br><i>(point in time the value applies)</i>   | May 3, 2018   |
|    | Report Preparation Date<br><i>(date the report was prepared)</i>   | May 10, 2018  |
|    | Date Property Appraised was Observed by One or More Appraisers Signing this Report   | May 3, 2018   |
| 6. | Assignment Conditions  |   |
|    | <b>Extraordinary Assumptions:</b>  | This appraisal employs the following extraordinary assumptions:<br>None |
|    | An extraordinary assumption is defined by USPAP to be " <i>an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinion or conclusions</i> ". Extraordinary assumptions presume as fact otherwise uncertain information. In other words, this type assumption <u>involves uncertainty</u> about an underlying premise. An example is a survey that displays a lot size. If the lot size is later found to be much smaller, then the value conclusion may be negatively affected. |   |
|    | USPAP Standard Rule 1-2(f) requires the identification of all extraordinary assumptions that are necessary for credible assignment results.  |   |

**Hypothetical Conditions:**

This appraisal employs the following hypothetical conditions:  
None

USPAP defines a hypothetical condition as “that which is contrary to what exists but is supposed for the purpose of analysis”. Hypothetical conditions assume conditions that are contrary to known fact. An illustration is the current valuation of a proposed home. For the purpose of a rational analysis, it is assumed the home exists on the effective value date, but it is known the home is nonexistent. Another example is a new zoning classification, that a property does not have today, but the new zoning is assumed for the purpose of a logical current valuation. Uncertainty is not involved with a hypothetical condition. An essential premise underlying the valuation is known not to exist on the date of value.

USPAP Standard Rule 1-2(g) requires the identification of all hypothetical conditions that are necessary for a credible value opinion.

Expected Public or Private On-Site or Off-Site Improvements Affecting Value	None
Assemblage of Estates or Component Parts Affecting Value	None
Information Not Available, If Any	None

## ***Relevant Characteristics***

The 7th assignment element is relevant characteristics about the property appraised. These characteristics are typically categorized as physical, legal, and economic.

Details about the physical attributes of the property appraised are presented later in the Subject section of this report. Some relevant characteristics considered are listed below. Atypical issues are detailed elsewhere herein.

Unless specifically stated otherwise, the estate appraised (listed below) assumes no adverse leases, liens or encumbrances other than normal covenants and restrictions of record.

### **7a. Physical**

Existing Property Use	Commercial Land
Property Use Reflected in One or More Value Opinions	Future Commercial Development
Sources of Information About the Property Appraised	Inspection, Public Records, Information provided by the client, etc.

### **7b. Legal**

Category of Property Appraised	Real Property
Property Rights Appraised	Fee Simple
Legal Issues Considered	No,
Environmental Concerns	No, None known; None assumed

### **7c. Economic**

Effect of Lease(s) on Value	Not Considered
Cost Information	
Type of Reconstruction Cost Used	None
Source of Reconstruction Cost Information	N/A

## ***Extent of Services Provided***

Number of Final Value Opinions Developed	1
Report Preparation Complies with Requirements Set Forth in USPAP Standard Rule	This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(A). This format provides a summary of the appraisal process, subject and market data and valuation analyses.
Format	Summary - Style
Other Client Requirements	None
Extent of Data Research	Adequate
Economic Data Sources	Moody's Analytics, CCIM Site To Do Business; CoStar; National Association of Realtors, MLS, local government, Appraisal Institute publications
Documents Considered	None

Data Verification  
Extent Of Subject Observation by One  
or More Appraisers Signing Report

Direct and Third Party  
An interior and exterior inspection of the subject  
property was made, and photographs taken.

*Other Intended Use Considerations*

Client's Prior Engagement of Appraisal Services	None
Loan to Value Ratio	N/A
Atypical Issues	None
Assignment Complexity	Typical
FIRREA Compliance	This appraisal fully complies with the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA), a federal law.
Insurable Value	Not Applicable

*Miscellaneous Matters*

Other Than Signatories, Name(s) of Person(s) Providing Significant Real Property Assistance to the Development of the Value Opinion(s)	John SL Engle, Registered Trainee Appraiser RI23865, assisted in the creation of this report.
Extent and Type of Real Property Assistance	Assistance included research, file set up, comparable research, report writing and reconciliation totaling 10 hours.
Scope of Work Agreement	Agreement in Addenda

## Appraisal Development

Appraisal development is the extent of research and analyses that produce one or more credible opinions of value for one or more specifically identified intended users and an explicitly stated intended use. In this context, credible is defined as "worthy of belief".

Depending upon the intended use, intended users, and agreements between the appraiser and the client, the appraisal development process may include several, but not necessarily all of the following tasks.

- observation of the property appraised
- research for appropriate market data
- data verification
- consideration of influential market area, physical, economic, and governmental factors
- determination of the subject's highest and best use(s), if appropriate
- development of one or more applicable approaches to value
- reconciliation of value indications
- preparation of this report

In most cases, the core valuation process begins with a highest and best use analysis. This is essential because it establishes a framework for the proper selection of comparables. Cited comparables should have the same highest and best use as the property appraised.

If some property modification like new construction is contemplated, a feasibility analysis may be appropriate. In some cases, feasibility may simply be justified by inferred market evidence like low vacancy or rising rents.

According to USPAP, all approaches that are applicable to the interest being appraised and necessary to produce credible results must be developed. The type of highest and best use; extent of feasibility considered; and the relevance of each major approach are listed below.

Highest and Best Use	Highest and best use analyses can be categorized into two different levels of detail - inferred and fundamental. A fundamental analysis forecasts demand from broad demographic and economic data like population and income. An inferred analysis is based on local trends and patterns from which inferences are made. Inferred analyses emphasize historical data while fundamental analyses are based on future projections. A(n) inferred analysis was prepared.
Cost Approach	A cost approach was not applied Not Applicable And Not Included In Report
Sales Comparison	A sales approach was applied as it most accurately reflects the actions of buyers and sellers in the competing market and is well-supported herein.
Income Approach	An income capitalization approach was not applied as it is not applicable in the case of the subject and thus not included in the report.

Applicable and necessary approaches were selected for development after consideration of available market data, intended use, and intended user(s). An approach considered not applicable was omitted because this methodology is not appropriate for the property interest being appraised, or sufficient data to properly develop the approach was not available.

## **Definitions**

**Definition of As Is Market Value:** As is market value is defined as, "The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal's effective date." (Source: *The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago, Illinois, 2010; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77471*)

*Per Interagency; Appraisal and Evaluation Guidelines, December 10, 2010, Federal Register, Volume 75 Number 237, Page 77472*

Market value means 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:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of 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.

A **Fee Simple** estate is defined as:

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.<sup>1</sup>

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<sup>1</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010).

## ***Limiting Conditions and Assumptions***

Acceptance of and/or use of this report constitutes acceptance of the following limiting conditions and assumptions; these can only be modified by written documents executed by both parties.

1. This appraisal is to be used only for the purpose stated herein. While distribution of this appraisal in its entirety is at the discretion of the client, individual sections shall not be distributed; this report is intended to be used in whole and not in part.
2. Real estate values are affected by many changing factors. Therefore, any value opinion expressed herein is considered credible only on the effective value date. Every day that passes thereafter, the degree of credibility wanes as the subject changes physically, the economy changes, or market conditions change
3. No part of this appraisal, its value estimates or the identity of the firm or the appraiser(s) may be communicated to the public through advertising, public relations, media sales, or other media.
4. All files, work papers and documents developed in connection with this assignment are the property of Cooksey & Associates, Inc. Information, estimates and opinions are verified where possible, but cannot be guaranteed. Plans provided are intended to assist the client in visualizing the property; no other use of these plans is intended or permitted.
5. No hidden or unapparent conditions of the property, subsoil or structure, which would make the property more or less valuable, were discovered by the appraiser(s) or made known to the appraiser(s). No responsibility is assumed for such conditions or engineering necessary to discover them. Unless otherwise stated, this appraisal assumes there is no existence of hazardous materials or conditions, in any form, on or near the subject property.
6. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, was not called to the attention of the appraiser nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the value of the property. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or in such proximity thereto, which would cause a loss in value. No responsibility is assumed for any such hazardous substances, nor for any expertise or knowledge required to discover them.
7. If this appraisal values the subject as though construction, repairs, alterations, remodeling, renovation, or rehabilitation will be completed in the future, it is assumed such work will be completed in a timely fashion, using non-defective materials, and proper workmanship. All previously completed work is assumed to substantially conform to plans, specifications, descriptions, or attachments made or referred to herein. It is also assumed all planned, in-progress, or recently completed construction complies with the zoning ordinance, and all applicable building codes. A prospective value opinion has an effective value date that is beyond or in the future and can be effected by unforeseen events.
8. Comments or descriptions about physical condition of the improvements, if any, are based solely on a superficial visual observation. Electric, heating, cooling, plumbing, water supply, sewer or septic, mechanical equipment, and other systems were not tested. No determination was made regarding the operability, capacity, or remaining physical life of any component in, on, or under the real estate appraised. All building components are assumed adequate and in good working order unless stated otherwise. Private water wells and private septic systems are assumed sufficient to comply with federal, state, or local health safety standards. No liability is assumed for the soundness of structural members since structural elements were not tested or studied to determine their structural integrity. The roof cover for all structures is assumed water tight unless otherwise noted. Comments regarding physical condition are included to familiarize the reader with the property. This document is not an engineering or architectural report.
9. Any estimate for repairs is a non-warranted opinion of the Appraiser
10. Good title, free of liens, encumbrances and special assessments is assumed. No responsibility is assumed for matters of a legal nature.

11. Necessary licenses, permits, consents, legislative or administrative authority from any local, state or Federal government or private entity are assumed to be in place or reasonably obtainable.
12. It is assumed there are no zoning violations, encroachments, easements or other restrictions which would affect the subject property, unless otherwise stated.
13. The appraiser(s) are not required to give testimony in Court in connection with this appraisal. If the appraisers are subpoenaed pursuant to a court order, the client agrees to pay the appraiser(s) Cooksey & Associates, Inc.'s regular per diem rate plus expenses.
14. Appraisals are based on the data available at the time the assignment is completed. Amendments/modifications to appraisals based on new information made available after the appraisal was completed will be made, as soon as reasonably possible, for an additional fee.
15. Cooksey & Associates, Inc. has not made a determination regarding the subject's American with Disabilities Act of 1990 compliance or non-compliance. Non-compliance could have a negative impact on value, however this has not been considered or analyzed in this appraisal.

## ***Disclosures***

### ***Professional Standards***

All leading professional appraisal organizations, the U.S. Congress, all state legislatures, and numerous legal jurisdictions recognize the Uniform Standards of Professional Appraisal Practice (USPAP), promulgated by the Appraisal Foundation. Revised biennially to keep it contemporary, these standards set forth ethical practices and proper procedures for a competent appraisal. This appraisal fully complies with all relevant portions of the USPAP version in effect on the date this report was prepared. It also complies with the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA), a federal law.

### ***Competency***

The person(s) signing this report are licensed to appraise real property in the state the subject is located. They affirm they have the experience, knowledge, and education to value this type property. They have previously appraised similar real estate.

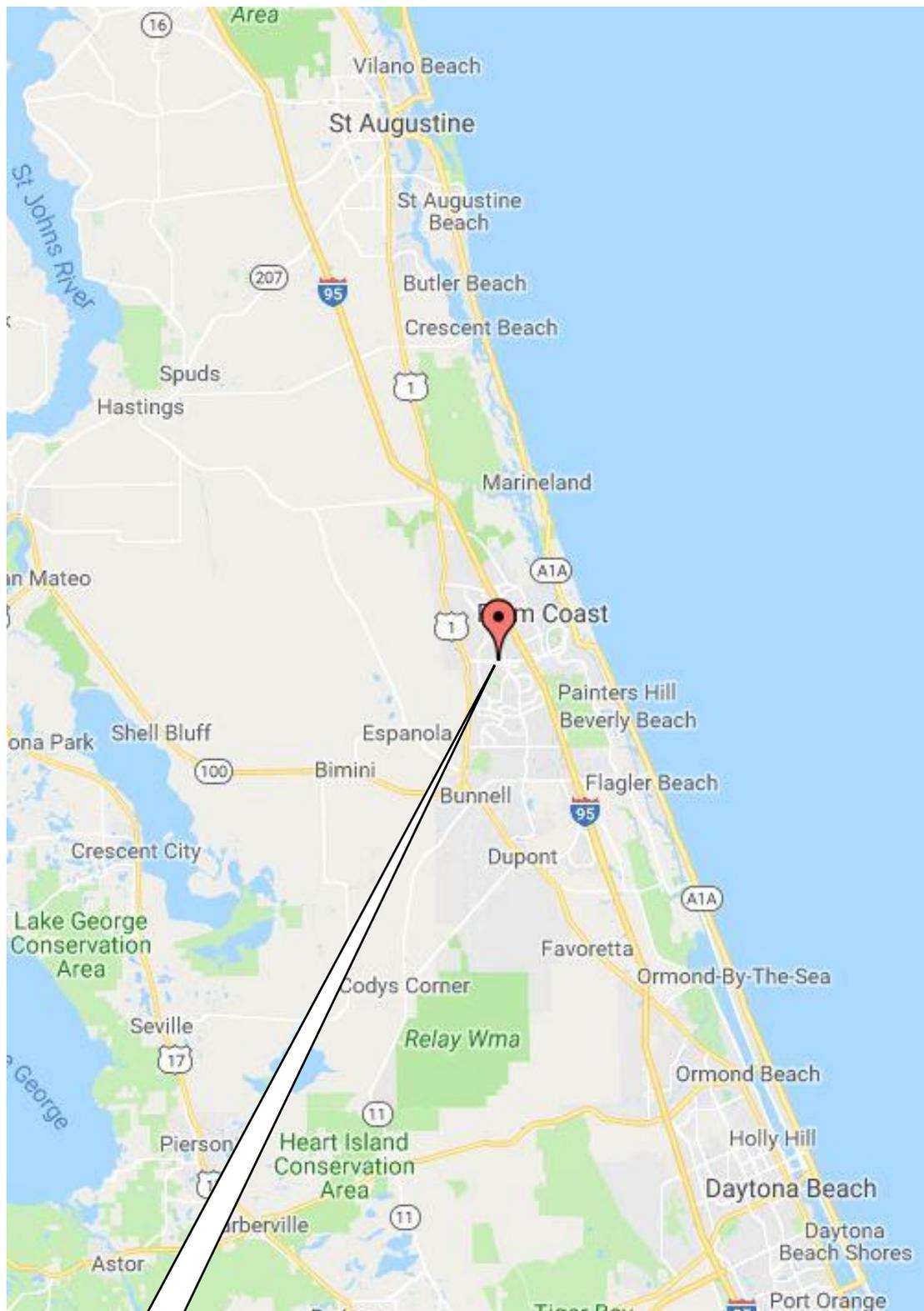
### ***Personal Property & Intangibles***

Personal property is movable and **not** permanently affixed to the real estate. Examples of personal property are freestanding ranges, refrigerators, tables, desks, chairs, beds, linen, silverware, hand tools, and small utensils. An intangible is a nonphysical asset like franchises, trademarks, patents, goodwill, and mineral rights.

The contributory value of the personal property included in the value conclusion is itemized as follows:

None Considered.

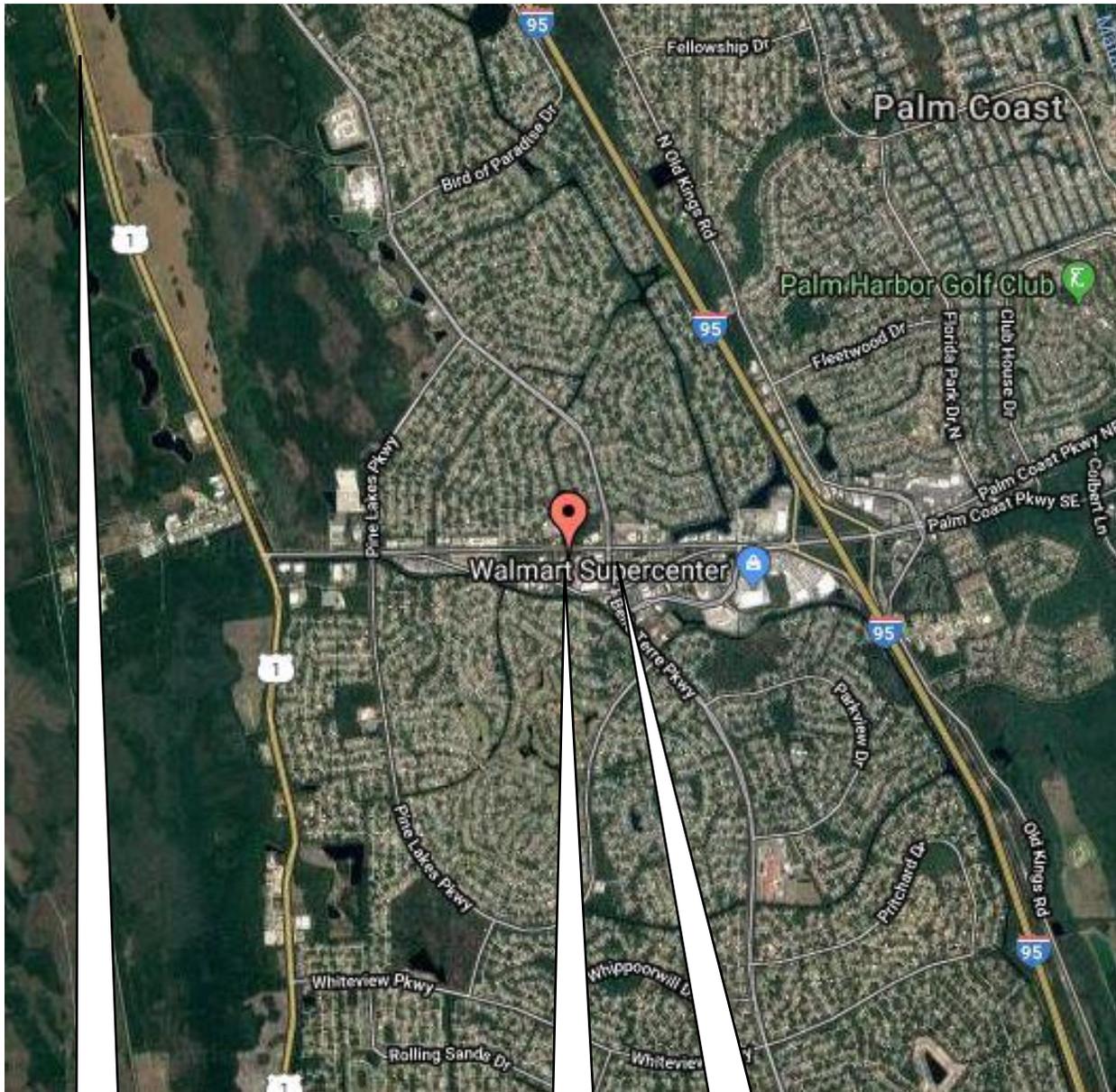
# Area Data



Subject Property

## Surrounding Market Area

This is the area that most directly influences the subject's real estate market. Typically a property's surrounding market area is a smaller geographic area than the region analyzed in the preceding section. A map of the surrounding area is shown below:

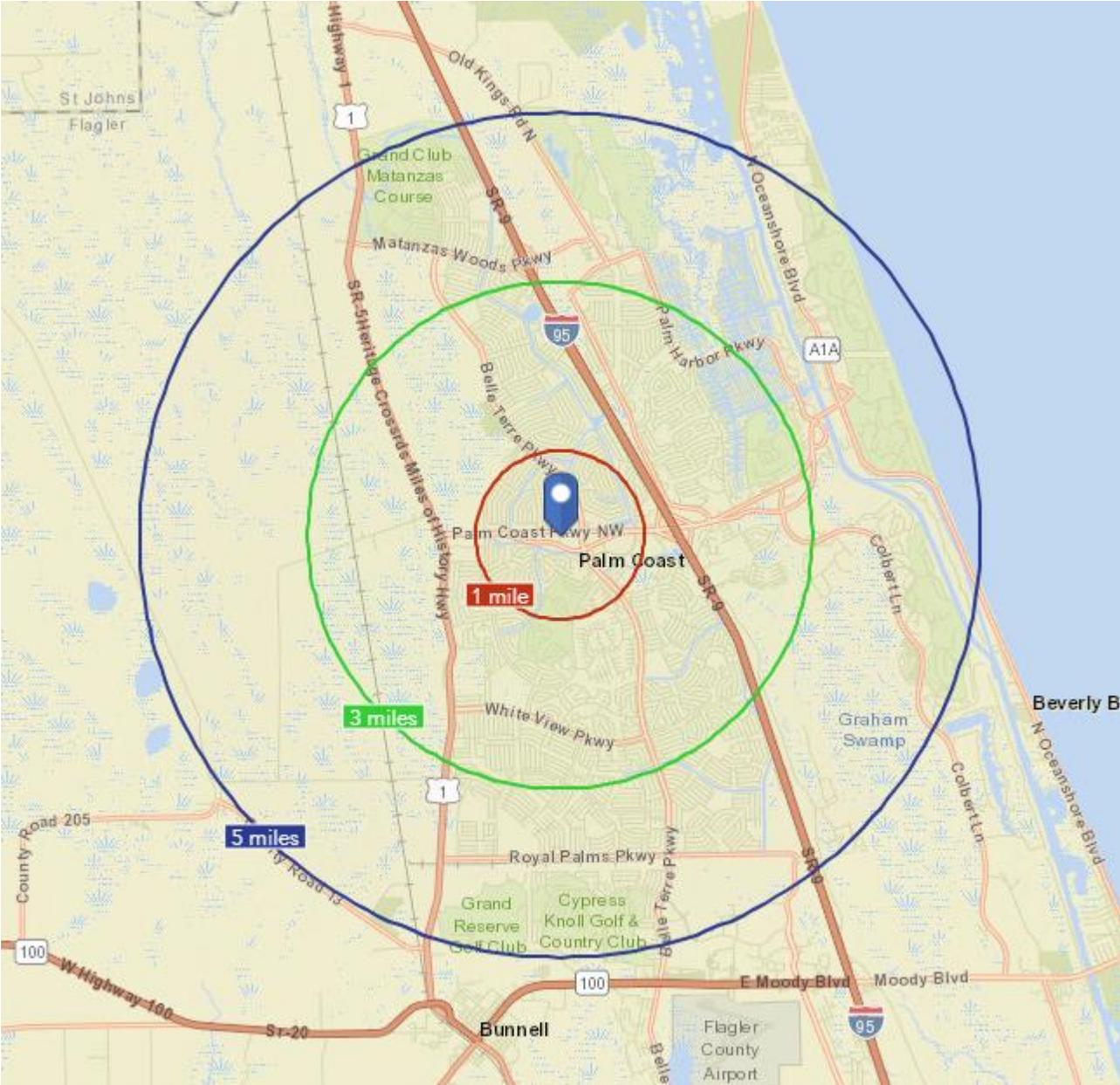


Future Growth Area

Subject

Palm Coast Commercial Center

**Demographic Profile**





# Cooksey & Associates Demographic Profile

1 Corporate Dr, Palm Coast, Florida, 32137  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
Latitude: 29.55243  
Longitude: -81.24123

	1 mile	3 miles	5 miles
<b>Census 2010 Summary</b>			
Population	7,397	43,880	68,973
Households	3,029	17,664	27,703
Families	2,151	12,674	20,279
Average Household Size	2.44	2.48	2.48
Owner Occupied Housing Units	2,344	13,696	21,335
Renter Occupied Housing Units	685	3,968	6,368
Median Age	48.7	47.3	47.2
<b>2017 Summary</b>			
Population	8,001	48,079	76,710
Households	3,234	19,087	30,345
Families	2,282	13,627	22,094
Average Household Size	2.47	2.51	2.52
Owner Occupied Housing Units	2,388	14,076	22,305
Renter Occupied Housing Units	846	5,011	8,040
Median Age	50.6	49.2	49.4
Median Household Income	\$43,200	\$46,944	\$51,092
Average Household Income	\$55,154	\$61,410	\$68,267
<b>2022 Summary</b>			
Population	8,662	52,875	85,122
Households	3,480	20,858	33,468
Families	2,447	14,846	24,305
Average Household Size	2.49	2.53	2.53
Owner Occupied Housing Units	2,551	15,305	24,506
Renter Occupied Housing Units	929	5,553	8,962
Median Age	51.0	49.9	50.2
Median Household Income	\$48,815	\$52,209	\$55,710
Average Household Income	\$63,357	\$70,611	\$77,855
<b>Trends: 2016-2021 Annual Rate</b>			
Population	1.60%	1.92%	2.10%
Households	1.48%	1.79%	1.98%
Families	1.41%	1.73%	1.93%
Owner Households	1.33%	1.69%	1.90%
Median Household Income	2.47%	2.15%	1.75%



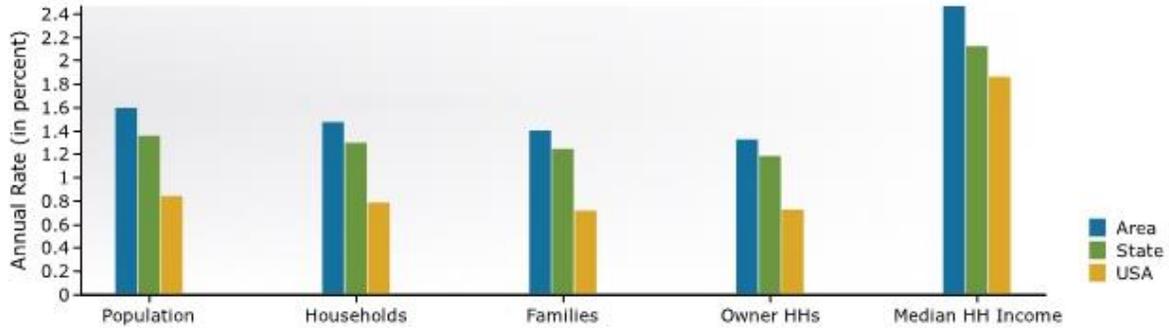
# Cooksey & Associates Demographic Profile

1 Corporate Dr, Palm Coast, Florida, 32137  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
Latitude: 29.55243  
Longitude: -81.24123

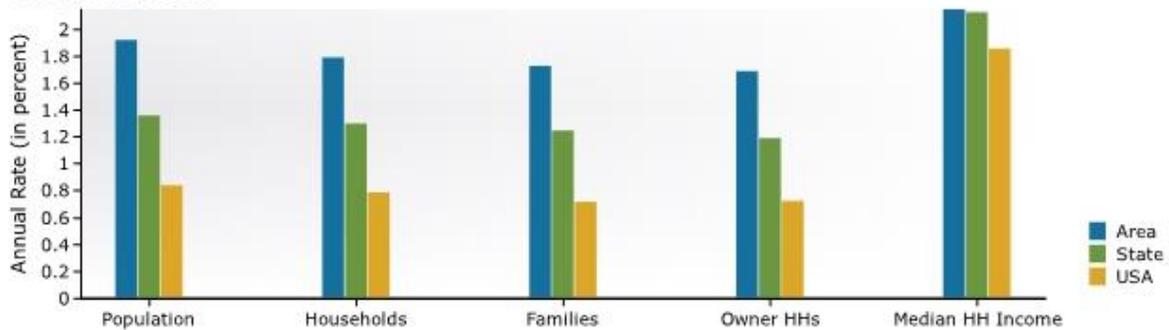
## 1 mile

Trends 2016-2021



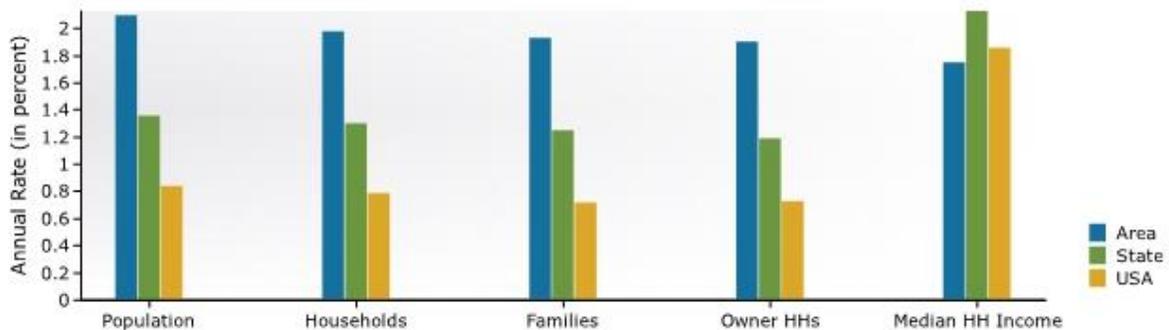
## 3 miles

Trends 2016-2021



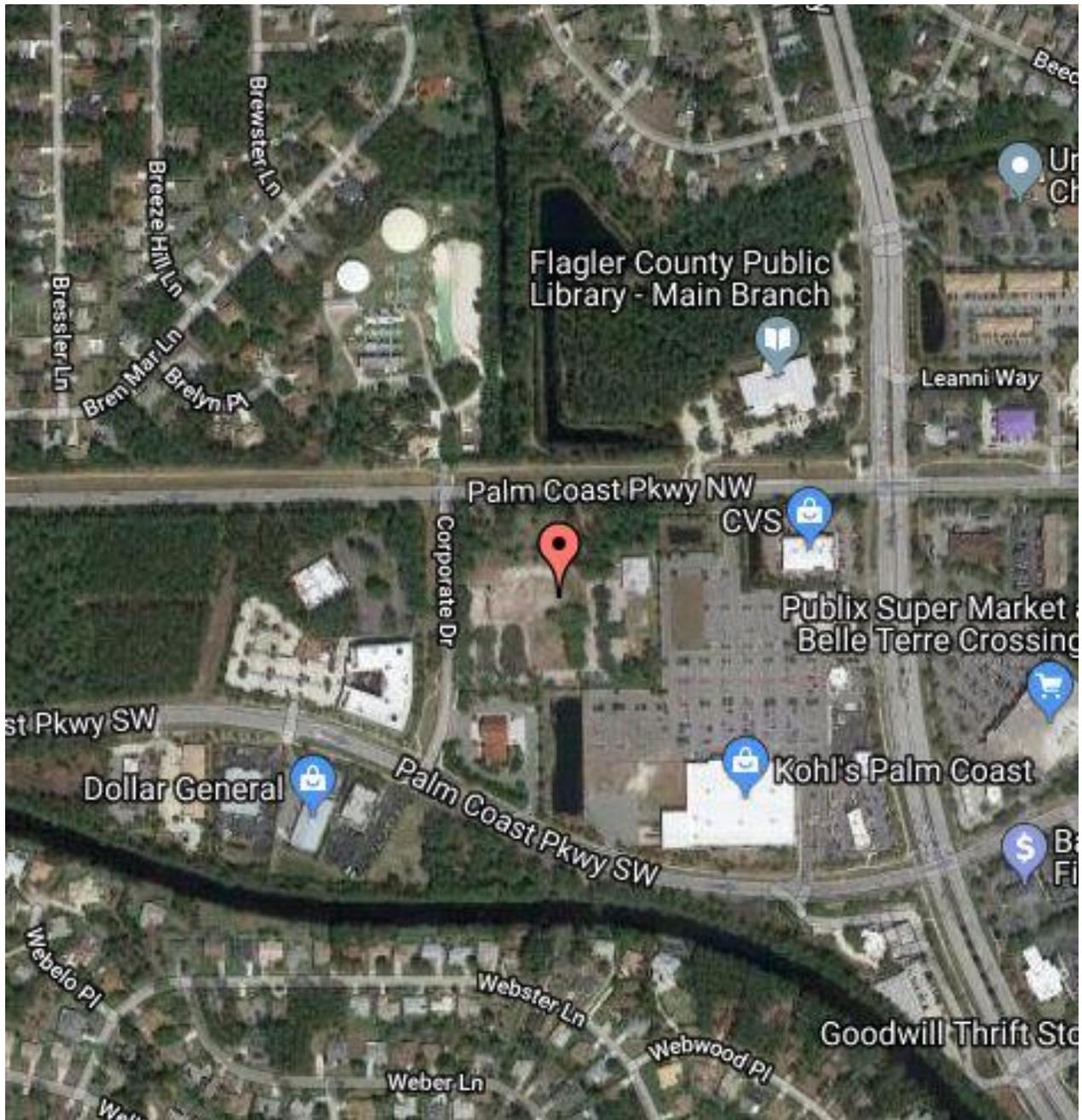
## 5 miles

Trends 2016-2021



## Immediate Environment

- North:** Woods, Drainage, City Utilities; Single family uses beyond
- South:** Bank, retail-commercial
- East:** Retail-Commercial
- West:** Offices and vacant land



## **Life Cycle Stage**

Growth

## **Demand Generators**

Palm Coast Parkway traffic; local residents.

## **Appraiser's Summary of Area Influences**

Future growth is forecasted to be relatively strong in Palm Coast. Median incomes are also relatively strong. New development is occurring in infill locations and in areas to the north and south of the city's center.

## **Access & Linkages**

The subject is located just west of the intersection of Palm Coast Pkwy and Belle Terre Pkwy, the east-west and north-south thoroughfares, respectively, in the City of Palm Coast. This area is the commercial center of the city. Palm Coast Pkwy runs west to US Highway 1 and east to its intersection with Interstate 95 and beyond to peninsular Flagler County and the Hammock Dunes area. Belle Terre Pkwy runs south to Moody Blvd and the Palm Coast Town Center, the new location for City Hall.

Subject Street traffic count	16,000
	PALM COAST PKWY.
Major East/West Street:	Palm Coast Pkwy
Major North/South Street:	Belle Terre Pkwy
Distance to I-95	1.3 Miles
Distance to I-4	31 Miles
Atlantic Ocean – Jungle Hut Rd Hammock Dunes	5.6 Miles
Daytona Beach International Airport	32 Miles
Carriers: Delta, American Airlines, JetBlue	
Municipal Airport – Flagler County	6.9 Miles
Palm Coast City Hall – Town Center	6.2 Miles
Jacksonville	62.5 Miles
Port Canaveral	99 Miles
Orlando	80 Miles

## **Subject Property**

### ***Identification of the Property***

The subject property is a previously improved commercial site totaling approximately 7.44 acres in size. It currently houses a 6,992 sq.ft. modular commercial building.

Southwest corner of Palm Coast Parkway NW and Corporate Drive.

### ***Legal Description***

**A parcel of land being a portion of Parcel 114, as recorded at OR Book 576, pages 1083 through 1085 and OR Book 0564, pages 1406 through 1408, of the Public Records of Flagler County, Florida, laying in Government Sections 13 and 14, Township 11 South, Range 30 East, Flagler County, Florida, being more particularly described as follows:**

**A POINT OF REFERENCE being the Northwest corner of the right-of-way of Belle Terre Parkway (150' R/W) as shown on the Subdivision Map Wynnfield Section 18, Palm Coast, recorded in Map Book 7, Pages 19 through 24, of the Public Records of Flagler County, Florida, thence South 00°51'33" East a distance of 20.00 feet to a point on the Southerly right-of-way line of Palm Coast Parkway (West) (124' R/W) as recorded in Official Records Book 305, Pages 184 through 217, of the Public Records of Flagler County, Florida, thence South 89°08'27" West along the Southerly line of Palm Coast Parkway (West) a distance of 625.00 feet to the Point of Beginning; thence departing Palm Coast Parkway South 00°51'33" East a distance of 540.00 feet; thence South 89°08'27" West a distance of 600.57 feet to a point on the East right-of-way line of Corporate Drive (100' R/W), said point being on a curve, thence Northerly 24.01 feet along the arc of a curve to the left (concave westerly) having a central angle of 02°44'35", a radius of 501.49 feet, a chord Bearing of North 00°30'45" East and a chord distance of 24.01 feet; thence N00°51'33"W along the East right-of-way of Corporate Drive, a distance of 516.00 feet to the Southerly line of Palm Coast Parkway (West); thence N89°08'27"E along the Southerly line a distance of 600.00 feet, to the Point of Beginning.**

**Containing 7.4381 acres, more or less**

### ***Current Ownership & Sale History***

The current owner of record is School Board Of Flagler County.

A search of public records indicates there has been no sale of the subject property in the previous three years.

I am not aware of any current listing or pending contract.

## Site Description

Location:	Southwest corner of Palm Coast Parkway NW and Corporate Drive.	
Current Use of the Property:	Modular office location	
Site Size:	Total: 7.44 acres; 324,155 square feet	
	Usable: 7.44 acres; 324,155 square feet	
Shape:	Rectangular	
Frontage/Access:	The subject property has access with frontage as follows: <ul style="list-style-type: none"><li>• 600' on the south side of Palm Coast Parkway NW, which are the westbound lanes of Palm Coast Parkway.</li><li>• 540' on the west side of Corporate Drive</li></ul> The site has an average depth of 600 feet. It is a Corner lot.	
Access:	Average	
Traffic Count:	16,000 Vehicles Per Day On PALM COAST PKWY.	
Exposure Rating:	Average	
Topography:	Generally level, partly wooded	
Soil Conditions:	Typical for Area	
Landscaping:	Average	
Utilities:	Electricity:	Private Utility
	Sewer:	City Sewer
	Water:	City Water
	Natural Gas:	Unknown
	Underground Utilities:	No
	Adequacy:	Adequate
Site Improvements:	Average. The site is currently improved with a 6,992 sq.ft. modular commercial building constructed in 2000 as well as a parking lot with 184 spaces and landscaping. This improvement adds no contributory value to the site.	
Flood Zone:	The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA), identified as flood zone X.  The subject is located in a flood plain: No  FEMA Map Number: 12035C0136D FEMA Map Date: 07-17-2006  According to the appropriate Federal Emergency Management Agency (FEMA) flood map, which is identified below, the subject property is located in a zone 'X' which is not an identified flood plain.  Flood Maps published by FEMA are not precise. If anyone desires a precise determination of the subject's flood hazard classification, a professional engineer, licensed surveyor, or local governmental authority should make an exact determination.	
Wetlands/Watershed:	None Noted	
Environmental Issues:	None known; None assumed	

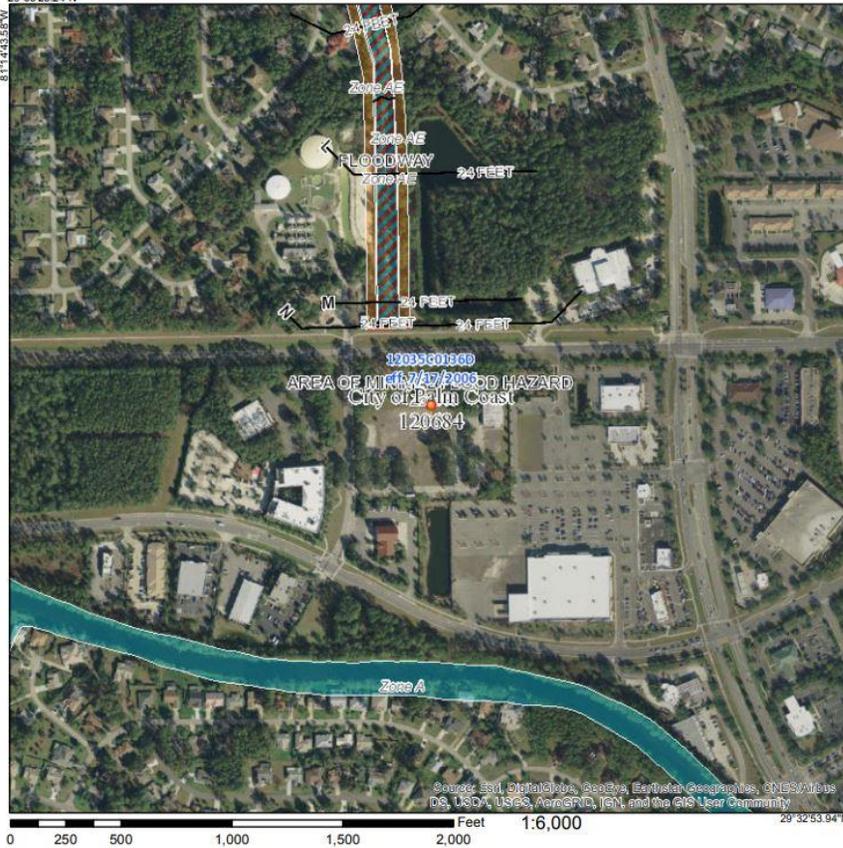
# Flood Map

## National Flood Hazard Layer FIRMette



29°33'25.24"N

81°14'43.58"W



### Legend

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

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

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

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 4/30/2018 at 11:25:20 AM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

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

# Survey



**Aerial Map**



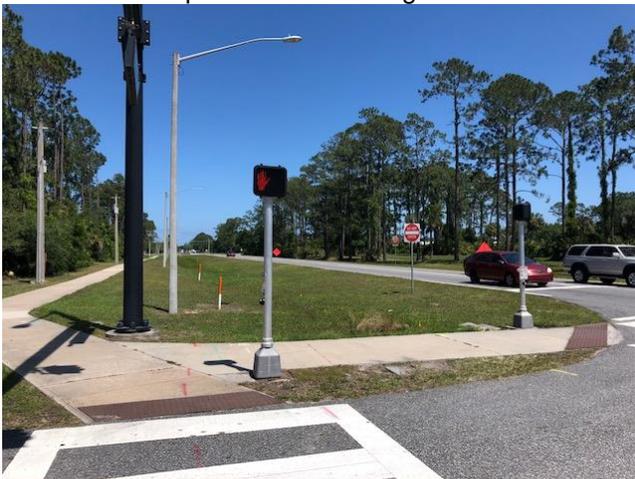
## Subject Photographs



Corporate Drive Facing South



Corporate Dr. Facing North



Palm Coast Pkwy Facing West



Palm Coast Drive Facing East



View from Palm Coast Parkway at NW Corner



Entry Drive on South Boundary Facing East



Modular office



Parking Lot in East Portion



New ALF at 2 Corporate Dr

## Assessment and Taxes

Taxing Authority      Flagler County  
Assessment Year      2017

Assessment Summary	
<b>County Appraised Value</b>	
Parcel Number	14-11-30-00000-0101-0020
Land	\$1,289,174
Improvements	\$84,471
Total Just Value	\$1,254,659
Taxable Value	\$0
Millage Rate	20.3891
Tax Rate Per	\$1,000
Real Estate Taxes	\$0
Special Assessments	\$0
Total Taxes	\$0
Payment Status	Current
Amount Due	\$0

### Comments

The target ratio of assessed value to market value is 85%. An analysis of recent sale transactions, however, indicate a wide range of ratios from 30% - 100%. This type of analysis generally does not yield a credible indication of value.

## Zoning

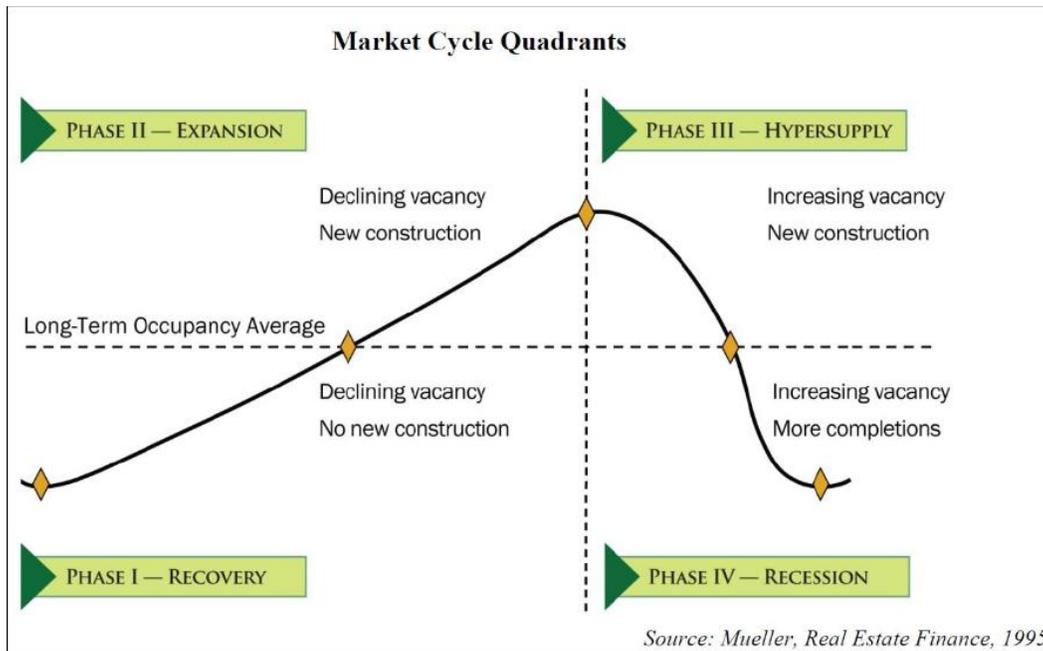
	Land Use Controls
Zoning Jurisdiction	City of Palm Coast
Zoning Code	COM-2
Future Land Use Designation	Mixed Use
Zoning Description	General Commercial. Permitted Uses include civic uses, hospitals, non-profits, schools, food/liquor sales/service, and a wide variety of office, professional, retail and medical uses..
Zoning Density	0.40 FAR
Current Use Legally Conforming	Yes
Zoning Change Likely?	Business PUD is typical
Minimum Lot Size	20,000
Set Back & Side Yard Distances	25' Road-Front, 10' Side, 10' Rear
Maximum Building Height	100'
Zoning Comments	The subject is a legal, conforming use.



# Analysis & Conclusions

## Real Estate Market Cycles

Phases, also referred to as quadrants, are illustrated:



It is my opinion that the subject market area is currently experiencing an **expansion** phase during which prices continue to increase. Construction activity increases dramatically, but at levels consistent with demand.

### Real Estate Like Subject

#### Sales Market

New Construction	Some
Inventory of Competing Property For Sale	Near equilibrium
Expected Near Future Price Change	Expected to remain about stable
Marketing Times	Stable
Overall Market Conditions	Stable

### Property Strengths & Weaknesses

**Strengths:** Good central Palm Coast Location, Large Site area

**Weaknesses:** None

## ***Highest and Best Use***

### **Process**

The highest and best use of the property must be determined for both the subject site as though vacant, and for the property as currently improved (if applicable). The highest and best use must be:

1. Physically possible for the site.
2. Permitted under the zoning laws and deed restrictions that apply to the site.
3. Economically feasible.
4. The use which will produce the highest net return on investment (i.e. highest value) from among the possible, permissible, and economically feasible uses.

### ***As Vacant***

#### **Possible Use**

As detailed in the site description section, the site's physical characteristics should reasonably accommodate any use that is not restricted by its size of 7.44 acres, or 324,155 square feet.

#### **Permissible Use**

Zoning codes, land use plans, easements, and private deed restrictions often restricts permitted uses. The site is zoned COM-2, General Commercial. Permitted uses include civic uses, hospitals, non-profits, schools, food/liquor sales/service, and a wide variety of office, professional, retail and medical uses.. Given prevailing land use patterns in the area, and recognizing the principle of conformity, only commercial uses have been given further consideration in determining highest and best use of the site, as if vacant.

#### **Feasible Use**

Recent development trends in the area would suggest subdividing into smaller commercial lots to facilitate mixed use office and/or retail users. Retirees are a significant portion of the population which has spurred medical related and assisted living development.

#### **Maximum Profitability**

Subdividing into smaller commercial lots to facilitate mixed use development would provided maximum profitability.

### ***As Improved***

The subject site has been developed with a 6,992 square foot modular office building that is currently leased. This improvement adds no contributory value to the site.

#### ***Most Probable Buyer:***

Investor/Developer

## ***Sales Comparison Approach – Land Valuation***

### ***Introduction***

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. It includes the following steps.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed and the data reconciled for a final indication of value via the Sales Comparison Approach.

### ***Comparable Sales***

I have researched five comparables for this analysis; these are documented on the following pages followed by a location map and analysis grid. They have been analyzed and compared with the subject property with consideration to adjustments in the areas of:

- Property Rights Sold
- Financing
- Conditions of Sale
- Market Trends
- Location
- Physical Characteristics

## Land Sale No. 1



### Property Identification

<b>Property ID</b>	7717
<b>Property Type</b>	Land
<b>Property Name</b>	1.08 Ac Land
<b>Address</b>	5006 Palm Coast Parkway NW
<b>City, State Zip</b>	Palm Coast, Florida 32137
<b>County</b>	Flagler
<b>Tax ID</b>	07-11-31-7013-RP N -0030

### Sale Data

<b>Seller</b>	Coastal Cabinets, Inc.
<b>Buyer</b>	Wayzer Properties, LLC
<b>Sale Status</b>	Closed
<b>Sale Date</b>	08-15-2017
<b>Deed Book/Page</b>	2225/0781
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's length
<b>Market Time</b>	Extended
<b>Financing</b>	Intracoastal Bank
<b>Verification</b>	Seller
<b>Comp Classification</b>	A - Confirmed by appraiser with principal/broker involved with transaction.
<b>Listing Price</b>	\$385,000
<b>Contract Price</b>	\$360,000
<b>Adjustments \$</b>	\$0
<b>Adjusted Price</b>	\$360,000

### Land Data

<b>Total Land Size</b>	1.09 acres or 47,457 SF
<b>Useable Land Size</b>	1.09 acres or 47,457 SF
<b>Number of Lots</b>	1
<b>Topography</b>	Generally level, wooded
<b>Front Footage</b>	150 150' on the north side of Palm Coast Parkway NW
<b>Depth (Feet)</b>	316
<b>Utilities</b>	Adequate
<b>Shape</b>	Rectangular
<b>Traffic Count</b>	16,500
<b>Access</b>	Average
<b>In Flood Plain?</b>	No. Zone X
<b>Zoning Code</b>	COM-2 Commercial - General

**Site Description**

Surrounding land uses include a multi-tenant office building and church to the west, automotive and retail properties to the east, single-family residential to the north, and retail & residential to the south. The Pine Lakes Industrial Park is located just southwest of the subject.

**Indicators**

<b>Sale Price/Gross Acre</b>	\$330,436 per Acre
<b>Sale Price/Useable Acre</b>	\$330,438 per Acre
<b>Sale Price/Gross SF</b>	\$7.59 per SF
<b>Sale Price/Useable SF</b>	\$7.59 per SF
<b>Sale Price/Front Foot</b>	\$2,400.00

**Remarks**

Pending contract of a wooded vacant lot which has been listed for sale By Owner for several years.

## Land Sale No. 2



### Property Identification

<b>Property ID</b>	8998
<b>Property Type</b>	Commercial Land
<b>Property Name</b>	Town Centre Lot Sale
<b>Address</b>	68 Park St
<b>City, State Zip</b>	Palm Coast, Florida 32164
<b>County</b>	Flagler
<b>Tax ID</b>	06-12-31-5825-00000-0110

### Sale Data

<b>Seller</b>	Florida Landmark Communities, LLC
<b>Buyer</b>	Valery & Olga Grigorieva
<b>Sale Status</b>	Closed
<b>Sale Date</b>	06-27-2017
<b>Deed Book/Page</b>	2215/1094
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's length
<b>Comp Classification</b>	C - Obtained by appraiser from 3rd party published sources and/or public records.
<b>Contract Price</b>	\$560,000
<b>Adjustments \$</b>	\$0
<b>Adjusted Price</b>	\$560,000

### Land Data

<b>Total Land Size</b>	2.90 acres or 126,237 SF
<b>Useable Land Size</b>	2.90 acres or 126,237 SF
<b>Number of Lots</b>	1
<b>Topography</b>	Clear, Level
<b>Front Footage</b>	660
<b>Depth (Feet)</b>	160
<b>Utilities</b>	All Available
<b>Shape</b>	Irregular
<b>Traffic Count</b>	Local Only
<b>Access</b>	Average
<b>In Flood Plain?</b>	No. Zone X
<b>Zoning Code</b>	PUD Planned Development
<b>Site Description</b>	Off-site retention

**Indicators**

<b>Sale Price/Gross Acre</b>	\$193,237 per Acre
<b>Sale Price/Useable Acre</b>	\$193,237 per Acre
<b>Sale Price/Gross SF</b>	\$4.44 per SF
<b>Sale Price/Useable SF</b>	\$4.44 per SF
<b>Sale Price/Front Foot</b>	\$848.48

**Remarks**

Sale of a cleared and level parcel at the center of Palm Coast Town Center, adjacent to the new Palm Coast City Hall. Site benefits from off-site retention and public street parking.

**Land Sale No. 3**



**Property Identification**

**Property ID** 8011  
**Property Type** Commercial Land  
**Property Name** Shoppes at Palm Coast  
**Address** 5013 State Hwy 100  
**City, State Zip** Palm Coast, Florida 32137  
**County** Flagler  
**Tax ID** 07-12-31-0650-000C0-0035

**Sale Data**

**Seller** Clear Lake holdings, Inc.  
**Buyer** PV-Palm Coast, LLC  
**Sale Status** Closed  
**Sale Date** 04-20-2015  
**Deed Book/Page** 2059/1968  
**Property Rights** Fee Simple  
**Conditions of Sale** Arm's length  
**Financing** Cash to Seller  
**Verification** Public Records - Newspaper Article  
**Comp Classification** C - Obtained by appraiser from 3rd party published sources and/or public records.  
**Contract Price** \$2,980,000  
**Adjustments \$** \$0  
**Adjusted Price** \$2,980,000  
**Proposed Use** Retail

**Land Data**

**Total Land Size** 12.91 acres or 562,360 SF  
**Useable Land Size** 12.91 acres or 562,360 SF  
**Topography** Fairly Level  
**Front Footage** 800 S.R. 100  
**Utilities** All Available  
**Shape** Rectangular  
**Traffic Count** 19,100  
**Access** Good  
**In Flood Plain?** No. Zone  
**Zoning Code** Com-2 Shopping Center  
**Proposed Use** Retail

**Indicators**

<b>Sale Price/Gross Acre</b>	\$230,829 per Acre
<b>Sale Price/Useable Acre</b>	\$230,829 per Acre
<b>Sale Price/Gross SF</b>	\$5.30 per SF
<b>Sale Price/Useable SF</b>	\$5.30 per SF
<b>Sale Price/Front Foot</b>	\$3,725.00

**Remarks**

This property has been subdivided into 5 commercial lots. An Aldi Grocery Store, Gate Petroleum Convenience Store and Tractor Supply company have gone to contract. Two restaurant sites are available

## Land Sale No. 4



### Property Identification

**Property ID** 8833  
**Property Type** Commercial Land  
**Property Name** Proposed SuperWash Land Sale  
**Address** 1565 N Clyde Morris Blvd & LPGA Blvd  
**City, State Zip** Daytona Beach, Florida 32117  
**County** Volusia  
**Tax ID** 5203-00-00-0042, 5203-00-00-0061, 5203-00-00-0045

### Sale Data

**Seller** Indigo Development, LLC; Consolidated Tomoka Land Co.  
**Buyer** Superwash IV, Inc.  
**Sale Status** Closed  
**Sale Date** 03-22-2017  
**Deed Book/Page** 7376/1201  
**Property Rights** Fee Simple  
**Conditions of Sale** Arm's length  
**Financing** \$555,000 from Intracoastal Bank  
**Comp Classification** C - Obtained by appraiser from 3rd party published sources and/or public records.  
**Contract Price** \$1,555,750  
**Adjustments \$** \$0  
**Adjusted Price** \$1,555,750  
**Proposed Use** Car Wash

### Land Data

**Total Land Size** 8.03 acres or 349,786 SF  
**Useable Land Size** 5.88 acres or 256,000 SF  
**Number of Lots** 3  
**Topography** Below Grade, Level, Cleared  
**Front Footage** 390  
**Utilities** All Available  
**Shape** L-Shaped  
**Traffic Count** 17900  
**Access** Average  
**In Flood Plain?** Yes. Zone X, Partial A  
**Zoning Code** PDG & M-4 Most likely to be amended to PDG  
**Proposed Use** Car Wash

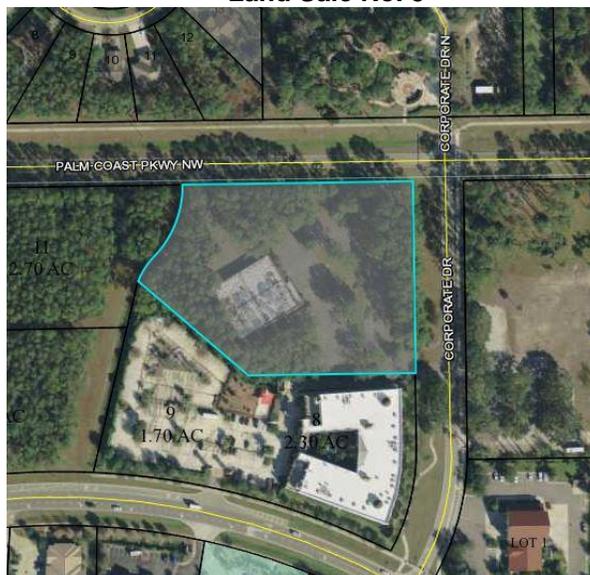
**Indicators**

<b>Sale Price/Gross Acre</b>	\$193,743 per Acre
<b>Sale Price/Useable Acre</b>	\$264,721 per Acre
<b>Sale Price/Gross SF</b>	\$4.45 per SF
<b>Sale Price/Useable SF</b>	\$6.08 per SF
<b>Sale Price/Front Foot</b>	\$3,989.10

**Remarks**

Superwash purchased three contiguous parcels at the SE corner of Clyde Morris and LPGA to develop a new carwash. Located across from the new outlet mall.

## Land Sale No. 5



### Property Identification

**Property ID** 9336  
**Property Type** Office Land  
**Property Name** Former ITT Building/Redevelopment to Memory Care Facility  
**Address** 2 Corporate Dr  
**City, State Zip** Palm Coast, Florida 32137  
**County** Flagler  
**Tax ID** 14-11-30-0000-01010-0010

### Sale Data

**Seller** ITT, LLC  
**Buyer** Market Street Palm Coast RE, LLC  
**Sale Status** Closed  
**Sale Date** 12-09-2016  
**Deed Book/Page** 2174/0725  
**Property Rights** Fee Simple  
**Conditions of Sale** Arm's length  
**Market Time** ~1 Year  
**Verification** Margaret Sheehan-Jones, Listing broker  
**Comp Classification** A - Confirmed by appraiser with principal/broker involved with transaction.  
**Listing Price** \$950,000  
**Contract Price** \$925,000  
**Adjustments \$** \$0  
**Adjusted Price** \$925,000  
**Proposed Use** Memory Care Facility

### Land Data

**Total Land Size** 3.90 acres or 169,884 SF  
**Useable Land Size** 3.90 acres or 169,884 SF  
**Number of Lots** 1  
**Topography** Generally level, wooded  
**Front Footage** 450  
**Utilities** All Available  
**Shape** Irregular  
**Traffic Count** 16,000  
**Access** Average  
**In Flood Plain?** No. Zone X  
**Zoning Code** OFC-2 Office  
**Proposed Use** Memory Care Facility

**Site Improvements**

The site was improved with a block/stucco 14,835 sq.ft. corporate headquarters/office building which has been occupied by ITT since its construction in 1984. The building was reportedly in good condition with all systems either new or in well-maintained condition.

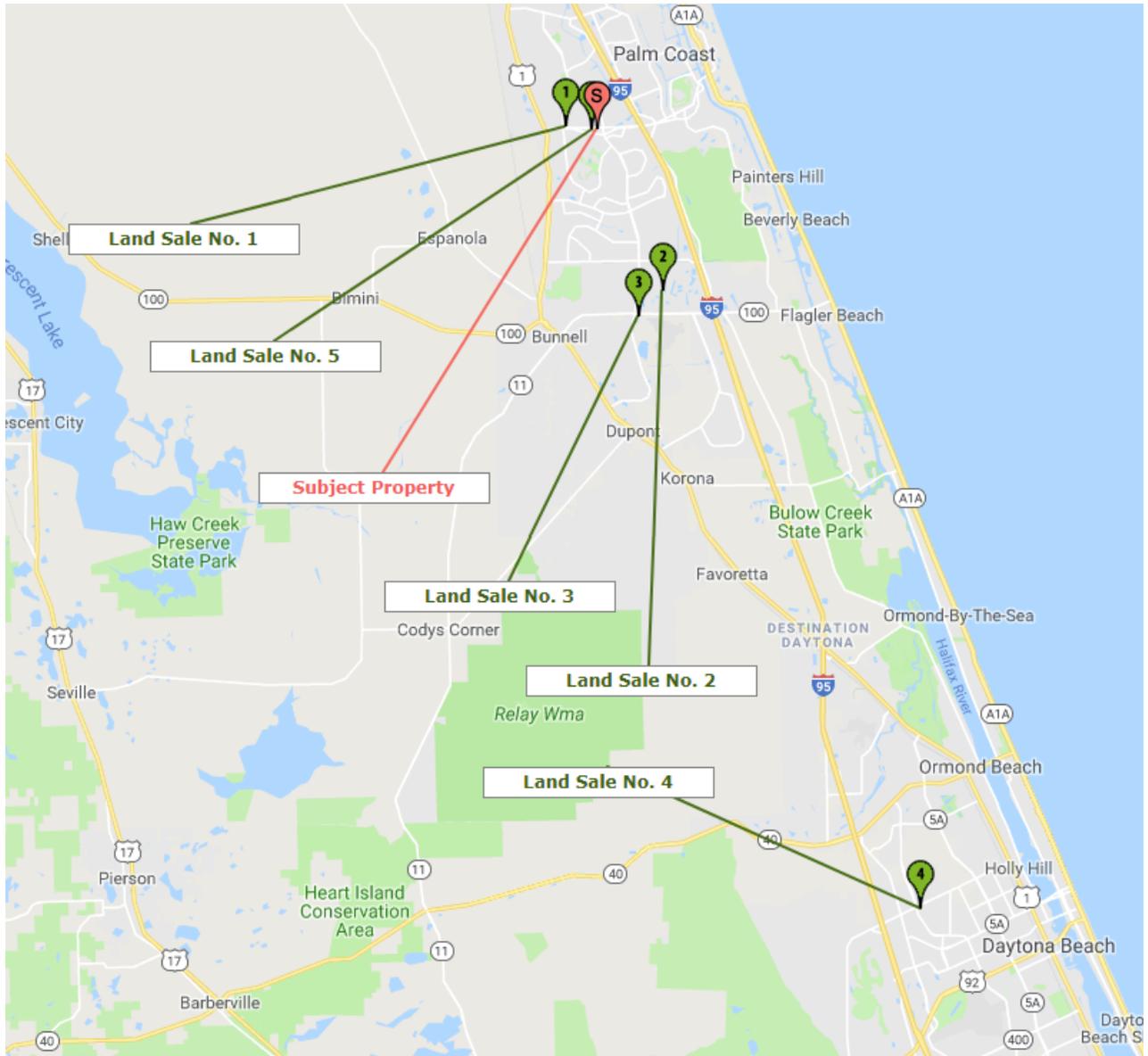
**Indicators**

<b>Sale Price/Gross Acre</b>	\$237,179 per Acre
<b>Sale Price/Useable Acre</b>	\$237,179 per Acre
<b>Sale Price/Gross SF</b>	\$5.44 per SF
<b>Sale Price/Useable SF</b>	\$5.44 per SF
<b>Sale Price/Front Foot</b>	\$2,055.56
<b>Sale Price Per Unit</b>	\$14,453

**Remarks**

Sale of the former ITT corporate office. Seller no longer needed the building. The 1984 office building was well-maintained and in good condition with a 4-year old roof and many upgrades. The listing broker reported that though several potential buyers were interested in the building, the ultimate buyer was not and the sale price was land value only, with no value contribution from the building. The broker felt that the sale price was fair. The buyer is redeveloping the site into a 46,000 sq.ft. 64-unit memory care facility for the elderly which is expected to open in summer 2018.

# Location Map



Land Sales Grid						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	1 Corporate Drive	5006 Palm Coast Parkway NW	68 Park St	5013 State Hwy 100	1565 N Clyde Morris Blvd & LPGA Blvd	2 Corporate Dr
City	Palm Coast	Palm Coast	Palm Coast	Palm Coast	Daytona Beach	Palm Coast
Property ID	6934	7717	8998	8011	8833	9336
OR Book/Page		2225/0781	2215/1094	2059/1968	7376/1201	2174/0725
Sale Date	N/A	8/15/2017	6/27/2017	4/20/2015	3/22/2017	12/9/2016
Sale Price	N/A	\$360,000	\$560,000	\$2,980,000	\$1,555,750	\$925,000
Sale Price/Useable Acre		\$330,439	\$193,237	\$230,829	\$264,721	\$237,179
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment		0%	0%	0%	0%	0%
Financing		Conventional	Cash	Cash	Conventional	Cash
Adjustment		0%	0%	0%	0%	0%
Conditions of Sale		Arm's length	Arm's length	Arm's length	Arm's length	Arm's Length
Adjustment		0%	0%	0%	0%	0%
Market Conditions		8/15/2017	6/27/2017	4/20/2015	3/22/2017	12/9/2016
Adjustment		0%	0%	9%	0%	3%
<b>Adj Price / Usable Acre</b>		<b>\$330,439</b>	<b>\$193,237</b>	<b>\$251,603</b>	<b>\$264,721</b>	<b>\$244,295</b>
Location	Central Palm Coast Thoroughfare	Central Palm Coast Thoroughfare	Palm Coast Town Center	Southern Palm Coast - Town Center	Daytona - LPGA Growth District	Central Palm Coast Thoroughfare
Comparison		Similar	Similar	Good Corner	Superior	Similar
% Adjustment		0%	0%	-10%	-10%	0%
\$ Adjustment		\$0.00	\$0.00	-\$25,160.34	-\$26,472.06	\$0.00
Access	Average	Average	Average	Good	Average	Average
Average Daily Traffic	16,000	16,500	Local Only	19,100	17,900	16,000
Exposure/Visibility	Average	Average	Average	Good	Good	Average
Comparison		Similar	Inferior	Similar	Similar	Similar
% Adjustment		0%	25%	0%	0%	0%
\$ Adjustment		\$0.00	\$48,309.18	\$0.00	\$0.00	\$0.00
Gross Land Size	7.44	1.09	2.90	12.91	8.03	3.90
Usable Land Size	7.44	1.09	2.90	12.91	5.88	3.90
Comparison		Smaller	Smaller	No Adj.	No Adj.	Smaller
% Adjustment		-25%	-10%	0%	0%	-5%
\$ Adjustment		-\$82,609.73	-\$19,323.67	\$0.00	\$0.00	-\$12,214.74
Main Frontage	540	150	660	800	390	450
Shape	Rectangular	Rectangular	Irregular	Rectangular	L-Shaped	Irregular
Comparison						
% Adjustment		0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	Adequate	Adequate	All Available	All Available	All Available	All Available
Comparison						
% Adjustment		0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Zoning	COM-2	COM-2	PUD	COM-2	PDG & M-4	OFC-2
Comparison						
% Adjustment		0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Topography	Generally level, partly wooded	Generally level, wooded	Clear, Level	Fairly Level	Below Grade, Level, Cleared	Generally Level, Mostly Wooded
Comparison						
% Adjustment		0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other		None	Off-Site Retention	None	None	None
Comparison			Superior			
% Adjustment		0%	-10%	0%	0%	0%
\$ Adjustment		\$0.00	-\$19,323.67	\$0.00	\$0.00	\$0.00
<b>Final Adjusted Price</b>		<b>\$247,829</b>	<b>\$202,899</b>	<b>\$226,443</b>	<b>\$238,249</b>	<b>\$232,080</b>
<b>Net Adjustments</b>		<b>-25%</b>	<b>5%</b>	<b>-10%</b>	<b>-10%</b>	<b>-5%</b>

## ***Comparable Land Sale Adjustments***

### Property Rights

Rights conveyed may be leased fee, fee simple, leasehold or partial interests. Unless noted otherwise, the property interests conveyed are similar.

### Financing

Seller financing or assumption of existing financing at non-market terms may have influenced the purchase price. No abnormal terms required adjustment.

### Conditions of Sale

Extraordinary motivations on the part of the seller or buyer may influence the sale price. All sales were arm's length transactions.

### Market & Economic Conditions

This considers changes in the economic environment of time that affect value. These include local, national and worldwide economies. Upward adjustments were applied to Sales 3 and 5 due to improving market conditions since their sale dates.

### Location

This considers influences in the market or submarket area and surrounding land uses. Sale 3 is located at the signalized intersection of two major roads and is across from a retail power center. It was adjusted downward. Sale 4 is located in a rapidly growing residential and commercial district and was adjusted downward as well.

### Access/Exposure

Linkages, ease of access, visibility and traffic counts are considered. Sale 2 is located with the Palm Coast Town Center development and sees limited exposure to passing traffic. It was adjusted upward significantly for this factor.

### Land Size

Generally an inverse relationship exists between land size and unit value. The smaller sales were adjusted down for their more limited development potential as compared to the subject. The larger sites did not show a need for upward adjustment.

### Physical Attributes

A myriad of physical characteristics can affect land value. Some examples are lot size, shape, site orientation, availability of utilities, and soil conditions. Those sales with superior physical qualities warrant downward adjustment and vice versa. Sale 2 benefits from off-site master retention and was adjusted down.

### Zoning

Zoning determines the allowable density and use of the property. In certain zones the cities may offer incentives for new development. No significant differences in zoning exist.

### Other Characteristics

These can include entitlements, impact fee credits, or other soft costs that may benefit or lower the cost of development for the buyer. Sale 5 was previously improved and we expect the associated demolition costs to be offset by impact fee credits towards new development.

## **Sales Comparison Approach Conclusion – Land Valuation**

The adjusted values of the comparable properties used in this analysis is shown in the chart below. All of the value indications have been considered, and in the final analysis, due to its location and redevelopment intended use, Comparable 5 was given most weight in arriving at our final reconciled value.

<b>Land Value Conclusion</b>	<b>Per Useable Ac</b>	<b>Value Indication</b>
Min. adj. Price/Useable Ac	\$202,899	\$1,509,900
Max. adj. Price/Useable Ac	\$247,829	\$1,844,200
Avg adj. Price/Useable Ac	\$229,500	\$1,707,800
Reconciled Value/Useable Ac	\$235,000	<b>\$1,749,000</b>

**Round To:**

**\$1,750,000**

**One Million Seven Hundred Fifty Thousand Dollars**

## Competitive Listings

We have researched active listings in the Palm Coast market area and have selected eight that are most similar to the subject. The listings offer a range of asking prices from \$205,000 - \$550,000 per acre and an average asking of \$320,000 per acre. Asking prices are typically negotiated downwards during sale negotiations. The asking prices of these relatively similar pieces of land generally support our value conclusion.

<b>1 BELLE TERRE Pky @ Matanzas Woods Parkway - Commercial space in Matanzas Woods</b>			
Palm Coast, FL 32137 Commercial space in Matanzas Woods	Sale Price: \$1,700,000 Price/AC: \$274,193.55	Parcel Size (AC): 6.20 AC Parcel Size (SF): 270,072 SF	
Property Type: Commercial	Zoning: COM-1	Retail, Convenience Store, Fast Food, Restaurant	
Sale Status: Active	Proposed Use:		
Days on Market: 58			
Sale Conditions: -			
<b>2 Central Ave - Town Center at Palm Coast, Town Center at Palm Coast - Lot 4 of Phase 8</b>			
Palm Coast, FL 32164 Town Center at Palm Coast, Town Center at Palm Coast - Lot 4 of Phase 8	Sale Price: \$2,250,000 Price/AC: \$228,891.15	Parcel Size (AC): 9.83 AC Parcel Size (SF): 428,195 SF	
Property Type: Commercial	Zoning: -	Retail	
Sale Status: Active	Proposed Use:		
Days on Market: 395			
Sale Conditions: -			
<b>3 1185 Central Ave - Town Center at Palm Coast, Town Center at Palm Coast - Lots 12 and 13</b>			
Palm Coast, FL 32164 Town Center at Palm Coast, Town Center at Palm Coast - Lots 12 and 13	Sale Price: \$2,500,000 Price/AC: \$297,619.05	Parcel Size (AC): 8.40 AC Parcel Size (SF): 365,904 SF	
Property Type: Commercial	Zoning: -		
Sale Status: Active	Proposed Use: -		
Days on Market: 701			
Sale Conditions: -			
<b>4 Colbert Ln - Shoppes at Grand Haven</b>			
Palm Coast, FL 32137 Shoppes at Grand Haven	Sale Price: \$1,646,000 Price/AC: \$205,750.00	Parcel Size (AC): 8 AC Parcel Size (SF): 348,480 SF	
Property Type: Commercial	Zoning: C2	Retail, Office	
Sale Status: Active	Proposed Use:		
Days on Market: 725			
Sale Conditions: -			

**5 4751 E Moody Blvd**

Bunnell, FL 32110      Sale Price: \$5,500,000      Parcel Size (AC): 10 AC  
 Price/AC: \$550,000.00      Parcel Size (SF): 435,600 SF

Property Type: Commercial      Zoning: C-2  
 Sale Status: Active      Proposed Use: Office, Self-Storage,  
 Days on Market: 2,311      Storefront, Retail/Office

Sale Conditions: -



**6 665 Palm Coast Pky SW - Palm Coast Parkway**

Palm Coast, FL 32137      Sale Price: \$1,800,000      Parcel Size (AC): 6.53 AC  
 Palm Coast Parkway      Price/AC: \$275,650.84      Parcel Size (SF): 284,447 SF

Property Type: Commercial      Zoning: C-2  
 Sale Status: Active      Proposed Use: Retail

Days on Market: 1,670

Sale Conditions: -



**7 60 Pinnacles Dr - Prime Parcel on the Corner of SR 100**

Palm Coast, FL 32137      Sale Price: \$1,450,000      Parcel Size (AC): 3.65 AC  
 Prime Parcel on the Corner      Price/AC: \$397,260.27      Parcel Size (SF): 158,994 SF  
 of SR 100

Property Type: Commercial      Zoning: -  
 Sale Status: Active      Proposed Use: -

Days on Market: 388

Sale Conditions: -



**8 6130 State Highway 100 - Kings Pointe Commercial**

Palm Coast, FL 32137      Sale Price: \$455,000-      Parcel Size (AC): 13.65 AC  
 Kings Pointe Commercial      \$4,500,000      Parcel Size (SF): 594,594 SF  
 Price/AC: \$33,333.33-  
 \$329,670.33

Property Type: Commercial      Zoning: COM3  
 Sale Status: Active      Proposed Use: Retail, Office,  
 Days on Market: 187      Medical

Sale Conditions: -



## Exposure Time

Terminology abounds in the real estate appraisal profession. Two related but different concepts that are often confused are Exposure Time and Marketing Time. USPAP specifically addresses the confusion.

Term	Definition	Explanation
Exposure Time (Statement 6)	<i>"... the estimated length of time the property interest being appraised would have been offered on the market <b>prior</b> to the hypothetical consummation of a sale at market value on the effective date of the appraisal".</i>	Backward looking; ends on the effective value date. Based on factual, past events.
Marketing Time (Advisory Opinion 7)	<i>"... an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value during the period immediately after the effective date of the appraisal".</i>	Forward looking; starts on the effective value date. A forecast based on expectancies of future occurrences.

Marketing time and exposure time are both influenced by price. That is, a prudent buyer could be enticed to acquire the property in less time if the price were less. USPAP Standard rule 1-2(c)(iv) requires an opinion of exposure time, not marketing time, when the purpose of the appraisal is to estimate market value. We estimate and "As Is" exposure time of approximately 12-18 months.

## **Certification Statement**

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective future interest in the property that is the subject of this report, and have no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions and conclusion were developed, and this report has been prepared in conformity with the requirements of the Code of Profession Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which includes the Uniform Standards of Professional Appraisal Practice.
- Use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- T. James Cooksey is a designated member of the Appraisal Institute and has completed the continuing education program prior to this preparation date.
- John SL Engle, Registered Trainee Appraiser RI23865, assisted in the creation of this report, including research, file set up, comparable research, report writing and reconciliation totaling 10 hours.
- I certify sufficient competence to appraise this property through education and experience, in addition to the internal resources of the appraisal firm.
- The subject was previously appraised in December 2014 for Flagler County Schools by T. James Cooksey.
- T. James Cooksey has personally inspected the subject property.

A handwritten signature in black ink, appearing to read 'T. James Cooksey', written in a cursive style.

T. James Cooksey, MAI, CCIM  
State-Certified General Real Estate Appraiser  
RZ343

# Addenda

## Client Engagement Letter

PAGE 1 OF 1

<b>PO DATE</b>
<b>04/17/2018</b>

**FLAGLER COUNTY PUBLIC SCHOOL DISTRICT**

386-437-7526  
 INVOICE TO: ACCOUNTS PAYABLE DEPARTMENT  
 PO Box 755  
 Bunnell, Florida 32110-0755  
 FLORIDA STATE TAX EXEMPTION # 85-8012621910C-7  
 ALL INVOICES, PACKING SLIPS, SHIPPING CONTAINERS  
 AND CORRESPONDENCE MUST HAVE PO # ON THEM.

<b>PURCHASE ORDER NUMBER</b>
<b>0011718081</b>

PRINTED 04/26/2018  
 DUPLICATE

VENDOR KEY : COOKSEY 000  
 SHIP DATE : 04/17/2018  
 FISCAL YEAR : 2017-2018  
 ENTERED BY : GROSSTAY000  
 ORIGINAL REQ # : 0000034289

**VENDOR:**  
 COOKSEY & ASSOCIATES INC  
 PO BOX 731559  
 ORMOND BEACH, FL 32173

**SHIP TO:**  
 FLAGLER COUNTY SCHOOL BOARD  
 1768 E. Moody Blvd BLDG #2  
 BUNNELL, FL 32110

PHONE: (386) 252-1293 FAX: (386) 254-6992

QUANTITY	UNIT	DESCRIPTION OF ITEMS OR MATERIALS	UNIT PRICE	AMOUNT
1		Appraisal for 1 Corp. Drive, Palm Coast per attached quote.	1600.00000	1,600.00
ACCOUNT SUMMARY (FOR INTERNAL USE)				
		ACCOUNT NUMBER	ACCOUNT AMOUNT	
		0160E9100 0390 0092 10000 00000 00000	1,600.00	
			<b>PAGE TOTAL</b>	1,600.00
			<b>TOTAL</b>	1,600.00

PARTIAL OR FINAL PAYMENT  
 "Flagler County School Board's performance and obligation to pay under this contract is contingent upon appropriation of funds by the legislature"

PURCHASE APPROVED BY:

COMPLIANCE WITH FEDERAL REGULATIONS: All contracts involving Federal funds will contain certain provisions required by applicable sections of Title 34, Section 80.36(1) and 85.51D. Code of Federal Regulations are included by reference herein. The vendor certifies by accepting this purchase order that the vendor and its principals are not presently debarred, suspended, proposed for disbarment, declared ineligible or voluntarily excluded from participation in federally funded transactions and may, in certain instances, be required to provide a separate written certification to this effect.



## **Qualifications of Appraiser**

*T. James Cooksey, MAI, CCIM, AI-GRS*

**State-Certified General Real Estate Appraiser RZ343**

Licensed Real Estate Broker

### *Education*

Bachelor of Arts Degree, Behavioral Science, University of South Florida, 1973 with minor studies in accounting & economics.

### *Partial List of Specialized Appraisal & Real Estate Education:*

Course 101 - Introduction to Appraising Real Property, 1976  
Course 102 - Applied Residential Property Valuation, 1984  
Course 201 - Principles of Income Property Appraising, 1984  
Course 202 - Applied Income Property Valuation, 1985  
Appraisal Regulations of the Federal Banking Agencies Seminar, 1991  
Case Studies, University of San Diego, Appraisal Institute, June 10-15, 1991  
Litigation Valuation, University of Colorado, Appraisal Institute, June, 1992  
Business Valuation Parts I & II, Appraisal Institute, 1996  
Market Analysis of Commercial Real Estate, CIREA, 1997  
Eminent Domain – September 27, 1998  
Highest & Best Use Applications – Appraisal Institute 1998  
Partial Interest Valuation, Divided – Appraisal Institute, September 8, 2000  
Marina Valuation – International Marina Institute, January 2002  
Separating Real & Personal Property from Intangible Business Assets, May 2002  
Subdivision Analysis-November 2003  
Eminent Domain Conference – CLE, Tampa October 2004  
Computer Enhanced Cash Flow Modeling, Appraisal Institute, February 2006  
Uniform Appraisal Standards for Federal Land Acquisitions, April 2007  
Analyzing Distressed Real Estate, December 2007  
Supervisor/Trainee Roles & Relationships, November 2010  
Ad Valorem Tax Consultation, 2010  
Small Hotel/Motel Valuation, Appraisal Institute, 2010  
Feasibility, Market Value, Investment Timing: Option Value, Appraisal Institute 2010  
Business Practices and Ethics, Appraisal Institute December 2012  
Appraisal Curriculum Overview – General, Appraisal Institute, November 2012  
Review Theory – General, Appraisal Institute July 2014  
Central Florida Real Estate Forum – Appraisal Institute – September 2014  
Central Florida Real Estate Forum – Appraisal Institute – September 2016  
Florida Law Update – Appraisal Laws & Rules – November 2016  
USPAP Update – November 2016  
The Nuts and Bolts of Green Building for Appraisers – McKissock November 2016  
A Review of Disciplinary Cases: How to Avoid a Visit with the Licensing Board - McKissock November 2016  
Appraisal Review of Residential Properties – Gold Coast School of Real Estate – November 2016

### *Employment History*

Military	1968-1970 USAF, Weather Observer
Banking	1974 – 1976 Florida National Bank, St. Petersburg, FI, Credit Analyst 1976 – 1981 Ellis Banking Corporation, Bradenton, Flagler County and Ormond Beach, FI; Holding Company Staff Auditor, Bank Operations & Vice President, Commercial Lending
Appraisal	1981 – Present. Cooksey & Associates, f/k/a Massie Appraisal Company acquired after retirement of founder E.R. Massie, Jr. MAI, JD in 1987
Teaching	Adjunct professor Daytona Beach Community College, Real Estate Appraisal State Certification (AB1) 1989 - 1992

## Appraisal Experience

Vacant land and acreage, subdivisions, farms, single family residences, mobile home parks, condominiums, motels, timeshare projects, banking facilities, warehouses, industrial facilities, apartment projects, retail stores, neighborhood and community shopping centers, office buildings, gas station/convenience stores, restaurants, condemnation/litigation and market/feasibility studies.

## Partial List of Clients:

In addition to area law and accounting firms we serve the following institutions:

Bank of America	Florida Community Bank	City of Port Orange
Fifth Third	PNC	City of Daytona Beach
National City Bank	Main Street Bank	Florida Power & Light
RBC Bank	Surety Bank	FDIC
Wells Fargo	Gateway Bank	Harbor Community Bank
Floridian Bank	Regions Bank	Dept. of Natural Resources
Intracoastal Bank	Prosperity Bank	International Speedway Corp
Flagler County School Board	BB&T	City of Flagler Beach
Halifax Health Systems	Flagler County Commission	Daytona State College
City of Ormond Beach	Volusia County Public Works	Embry Riddle University
Space Coast Credit Union	Florida Hospital – Adventist Health	Bethune- Cookman University

## Qualified Expert Witness

District Courts in Volusia, Flagler and Alachua Counties. Federal Bankruptcy Courts in Jacksonville and Tampa.

## Professional Memberships

- MAI - Member of the Appraisal Institute
- CCIM, Certified Commercial Investment Member - Commercial Investment Real Estate Institute
- AI-GRS, Appraisal Institute. General Review Appraiser
- State of Florida Certified General Real Estate Appraiser #0000343
- Licensed Real Estate Broker, Member of Daytona Beach, Board of Realtors
- Past President - Appraisal Institute, Volusia/Flagler Chapter, 1991; Current Chairman of the Admissions Committee of East Florida Chapter of Appraisal Institute
- Ormond Beach Rotary Club, Board of Directors

## Continuing Education Requirement

The Appraisal Institute conducts a program of continuing education for its designated members. Members who meet the minimum standards of this program are awarded periodic educational certification. I have completed the requirements under the continuing education program of the Appraisal Institute.

