



BOARD OF PORT COMMISSIONERS MEETING AGENDA

BRIAN HAMMAN
Vice Chair

LARRY KIKER
Chair

FRANK MANN

JOHN E. MANNING

CECIL L. PENDERGRASS

JEFF MULDER
Executive Director

RICHARD WM. WESCH
Port Attorney

June 27, 2019

**LEE COUNTY PORT AUTHORITY
BOARD OF PORT COMMISSIONERS
AND
AIRPORTS SPECIAL MANAGEMENT COMMITTEE**

**Training and Conference Center, Southwest Florida
15924 Air Cargo Lane, Fort Myers, Florida**

9:30 AM

Invocation: Pastor Russell Howard, McGregor Baptist Church

Pledge of Allegiance

Public Presentation:

- **Request Board accept an award from Jeannie Joy, president and CEO, United Way of Lee, Hendry, Glades and Okeechobee**

Public Comment on Consent and Administrative Agenda

Consent Agenda

- **Items to be pulled for discussion by the Board**
- **Motion to approve balance of items**
- **Consideration of items pulled for discussion**

Administrative Agenda

Convene as Board of County Commissioners

Reconvene as Board of Port Commissioners

Commissioners' Items/Committee Appointments

Comments from the Chair of the Airports Special Management Committee

Executive Director Items

Port Attorney Items

Adjourn

| | | | | |
|---------------------------------------|---------------|---------------------------------|-----------------------------------|------------|
| AIRPORTS SPECIAL MANAGEMENT COMMITTEE | | | | |
| NOEL ANDRESS | JOHN GOODRICH | ROBBIE ROEPSTORFF Vice Chair | RANDY KRISE Chair | FRAN MYERS |
| Dana W. Carr – Charlotte County | | | R. Scott Cameron – Collier County | |

PUBLIC PRESENTATION

1. Request Board accept an award from Jeannie Joy, president and CEO, United Way of Lee, Hendry, Glades and Okeechobee
Presenter:
Jeannie Joy

CONSENT AGENDA**ADMINISTRATION – Ben Siegel**

2. Request Board approve the minutes for the following meeting of the Board of Port Commissioners: May 16, 2019.
Term:
N/A
Funding Source:
N/A
3. Request the Board approve (1) the FY 2019-20 Lee County Port Authority Budget, (2) the Rates & Fees pursuant to the Airline-Airport Use and Lease Agreement for Southwest Florida International Airport, (3) the FY 2019-20 Compensation Plan, (4) the Page Field Rates and Fees for FY 2019-20, (5) an average 4% merit for all non-union employees and (6) the authorization for the Executive Director or his designee to make inter-fund transfers during the year, as necessary, to maintain proper cash flow. Staff requests tentative approval subject to Public Hearings and final Board approval during the month of September.
Term:
October 1, 2019 – September 30, 2020
Funding Source:
N/A
4. Request Board approve an “Off-Airport Parking Company Airport Use Permit Agreement” with Picoger LLC.
Term:
month-to-month beginning September 1, 2019
Funding Source:
n/a
5. Request Board approve a Second Amendment to “Airline-Airport Use and Lease Agreement” with Delta Air Lines, Inc.
Term:
October 1, 2008, to September 30, 2021
Funding Source:
n/a

CONSENT AGENDA- Continued**ADMINISTRATION – Ben Siegel**

6. Request Board approve a “Permit Agreement for Landside Ground Service at Southwest Florida International Airport” with Luggage Express RSW, LLC.
Term:
month-to-month, beginning April 1, 2019
Funding Source:
n/a
7. Request Board approve a “Lease of Terminal Space at Southwest Florida International Airport” with MN Airlines, LLC.
Term:
month-to-month, beginning May 1, 2019
Funding Source:
n/a
8. Request Board approve a “First Amendment to Lease of Portion of Parking Lot at Southwest Florida International Airport” with Gartner, Inc.
Term:
through February 28, 2022
Funding Source:
n/a
9. Request Board approve a First Amendment to “Land Lease for Construction of Corporate Hangar Building at Page Field General Aviation Airport” with Keystone Development Group, Inc.
Term:
20 years, plus two 5-year extension options
Funding Source:
n/a

AVIATION – Gary Duncan

10. Request Board approve a First Amendment and Extension to Service Provider Agreement for Elevator and Escalator Maintenance and Repair at Southwest Florida International Airport, with KONE, Inc., extending the initial term of Contract No. 7511 for a combined additional four (4) years as provided for in the original Agreement.
Term:
October 1, 2019 to September 30, 2023
Funding Source:
General Operating Revenues collected during the normal operation of RSW, Account WJ5422941200.503490, Other Contracted Services, contingent upon approval of associated annual operating budgets.

CONSENT AGENDA - Continued**AVIATION – Gary Duncan**

11. Request Board approve, after-the-fact, total project costs exceeding Board approved On-Call General Repair and Maintenance and Project Services, limited to \$300,000.00, for the Concourse-D restrooms renovation project in the amount of \$170,559.25.

Term:

June 1, 2018 to May 31, 2021

Funding Source:

General Operating Revenues collected during the normal operation of the SWFIA, Account WJ5422941200.503490, Other Contracted Services, contingent upon approval of associated annual operating budgets.

DEVELOPMENT – Mark Fisher

12. Request Board approve a federal grant (Other Transaction Agreement - OTA) between the United States of America, as represented by the Transportation Security Administration (TSA), and the Lee County Port Authority for \$3,249,358.02 to partially reimburse the Port Authority for costs related to the baggage handling system for the Midfield Terminal Complex.

Term:

N/A

Funding Source:

N/A

13. Request Board 1) approve a contract amendment with Kimley-Horn for the design of Interim Security Checkpoint Improvements at RSW; and 2) approve a Total Project Budget in the amount of \$1,727,652.

Term:

N/A

Funding Source:

Net revenues from the normal operation of the Airport. Account No 20861041234.506540.30

14. Accept informational update on the RSW Terminal Expansion design (60%).

Term:

n/a

Funding Source:

n/a

CONSENT AGENDA- Continued

DEVELOPMENT – Mark Fisher

15. Request Board accept presentation/information regarding the RSW Terminal Expansion Concessions Program.

Term:

N/A

Funding Source:

N/A

16. Approve Letter of Release from the Federal Aviation Administration for parcels of land within Southwest Florida International Airport’s inventory, commonly referred to as the “Commerce Lakes Parcel”.

Term:

N/A

Funding Source:

N/A

PORT ATTORNEY – Greg Hagen

17. Request Board award RFB #19-03, Sale of Surplus Real Property – Commerce Lakes Drive Parcel to 1227 Holdings, LLC, the sole bidder, in the amount of \$2,050,000.00 and recommend the Board of County Commissioners authorize the Chair or Vice-Chair to execute a real estate sales agreement and all necessary closing documents.

Term:

N/A

Funding Source:

N/A

ADMINISTRATIVE AGENDA

CONVENE AS BOARD OF COUNTY COMMISSIONERS

PORT ATTORNEY – Greg Hagen

18. Request Board convene as Board of County Commissioners to declare property as surplus and approve sale per award of RFB #19-03, Sale of Surplus Real Property – Commerce Lakes Drive Parcel to 1227 Holdings, LLC, the sole bidder, in the amount of \$2,050,000.00; authorize the Chair or Vice-Chair to execute a real estate sales agreement and all necessary closing documents for the sale; and direct Department of Community Development to initiate the necessary Comprehensive Plan amendments from Airport Lands Future Land Use Category to New Community Future Land Use Category (including any necessary text amendments) or other appropriate Category to reflect the change to the airport boundaries in accordance with Lee Plan Policy 1.1.12.

Term:

N/A

Funding Source:

N/A

RECONVENE AS BOARD OF PORT COMMISSIONERS

COMMISSIONERS' ITEMS/COMMITTEE APPOINTMENTS

COMMENTS FROM THE CHAIR OF THE ASMC

EXECUTIVE DIRECTOR ITEMS

PORT ATTORNEY ITEMS

ADJOURN

BOARD OF PORT COMMISSIONERS OF THE LEE COUNTY PORT AUTHORITY

- | | |
|---|---|
| <p>1. REQUESTED MOTION/PURPOSE: Request Board award RFB #19-03, Sale of Surplus Real Property – Commerce Lakes Drive Parcel to 1227 Holdings, LLC, the sole bidder, in the amount of \$2,050,000.00 and recommend the Board of County Commissioners authorize the Chair or Vice-Chair to execute a real estate sales agreement and all necessary closing documents.</p> <p>2. FUNDING SOURCE: N/A</p> <p>3. TERM: N/A</p> <p>4. WHAT ACTION ACCOMPLISHES: Authorize sale of approximately 22.14 acre Commerce Lakes Drive Parcel as surplus property following solicitation of competitive bids and receipt of May 2, 2019, Letter of Release (AIP Grant-Obligated Land), from the Federal Aviation Administration.</p> | <p>5. CATEGORY: 17. Consent Agenda</p> <hr/> <p>6. ASMC MEETING DATE: 6/11/2019</p> <p>7. BoPC MEETING DATE: 6/27/2019</p> |
|---|---|

- | | |
|---|---|
| <p>8. AGENDA:</p> <p><input type="checkbox"/> CEREMONIAL/PUBLIC PRESENTATION</p> <p><input checked="" type="checkbox"/> CONSENT</p> <p><input type="checkbox"/> ADMINISTRATIVE</p> | <p>9. REQUESTOR OF INFORMATION: (ALL REQUESTS) NAME <u>Gregory S. Hagen</u></p> <p>DIV. <u>Port Attorney</u></p> |
|---|---|

10. BACKGROUND:

On December 19, 2018, the Port Authority advertised Request for Bids (RFB) 19-03 seeking competitive bids for the Sale of Surplus Real Property, an approximately 22.14 acre Commerce Lakes Drive Parcel, located north of the Southwest Florida International Airport (“Airport”). The Parcel actually consists of two smaller parcels located on opposite corners of Commerce Lakes Drive and separated from the north side of the Airport by Daniels Parkway.

While the Parcel was acquired by Lee County as part of the original Airport land acquisition and has remained in the Airport lands inventory since its acquisition, Port Authority staff has determined it is not needed for aviation purposes and has been unsuccessful in leasing the Parcel for a non-aviation use. Staff has therefore requested and received a Letter of Release from the Federal Aviation Administration that releases the Parcel from the FAA’s Grant Obligations and authorizes its sale as surplus property on certain conditions.

RFB 19-03 was advertised in accord with Section 125.35, Florida Statutes and federal law. On January 15, 2019, the Port Authority received a single bid from 1227 Holdings, LLC, in the amount of \$2,050,000.00. The bid amount exceeds the minimum bid amount set out in the Request for Bids and the most recent appraised value for the Parcel.

Staff recommends the Board award the bid to 1227 Holdings, LLC, and recommend the Board of County Commissioners

11. RECOMMENDED APPROVAL

| | | | | | |
|-----------------------------|------------------------------|-------|---------|---------------|--|
| <u>DEPUTY EXEC DIRECTOR</u> | COMMUNICATIONS AND MARKETING | OTHER | FINANCE | PORT ATTORNEY | EXECUTIVE DIRECTOR <i>Jeffrey A. Mulder</i> |
|-----------------------------|------------------------------|-------|---------|---------------|--|

- | | |
|--|---|
| <p>12. SPECIAL MANAGEMENT COMMITTEE RECOMMENDATION:</p> <p>APPROVED X (6-0) APPROVED as AMENDED DENIED OTHER</p> | <p>13. PORT AUTHORITY ACTION:</p> <p>APPROVED APPROVED as AMENDED DENIED DEFERRED to OTHER</p> |
|--|---|

Background (continued)

authorize the Chair or Vice-Chair to execute a Real Estate Sales Agreement, in substantially the attached form, together with all closing documents necessary to complete sale of the Parcel. The FAA Letter of Release will be presented for Board approval as a separate Agenda item.

Attachment: Request for Bids 19-03
Bid Tabulation Sheet
Official Bid Form – 1227 Holdings, LLC
Draft Real Estate Sales Agreement



**11000 Terminal Access Road
Suite 8671
Fort Myers, Florida 33913**

**REQUEST FOR BIDS
(RFB)**

RFB #19-03

FOR

**SALE OF SURPLUS REAL PROPERTY
COMMERCE LAKES DRIVE PARCEL
FORT MYERS, FL 33913**

DATED: December 19, 2018

PURCHASING OFFICE

Melissa M. Wendel, CPPO, Purchasing Manager

Toni Elias, Senior Purchasing Agent

TELEPHONE: (239) 590-4558

FAX NUMBER: (239) 590-4539

SUBMITTALS DUE: January 15, 2019, TIME: 2:00 P.M., LOCAL TIME



PART A – GENERAL INFORMATION AND CONDITIONS

DOCUMENT NO: RFB #19-03

LEGAL NOTICE TO BIDDERS

NOTICE IS HEREBY given that sealed bids will be received by the LEE COUNTY PORT AUTHORITY, sometimes referred to hereafter as "Port Authority," or "Authority," from all interested and qualified parties for the sale of a vacant parcel located on opposite corners of the intersection of Commerce Lakes Drive and Daniels Parkway, Fort Myers, Florida.

BID OPENING: TUESDAY, JANUARY 15, 2019, 2:00 P.M., CONFERENCE ROOM, THIRD (3RD) FLOOR, 11000 TERMINAL ACCESS ROAD, SUITE 8671, FORT MYERS, FL 33913-8899

Opening of the Bids will occur immediately thereafter in a Conference Room on the third (3rd) Floor. The Lee County Port Authority reserves the right to extend the time and date of the Bid Opening in its sole discretion, when deemed to be in the best interest of the Authority.

1. INSTRUCTIONS TO BIDDERS

1.1 DELIVERY OF BIDS

- (a) **The delivery of the bid to the Lee County Port Authority prior to the deadline is solely and strictly the responsibility of the Bidder.** The deadline for delivery of all bids is 2:00 p.m., local time, **January 15, 2019**. One (1) original and one (1) electronic copy in PDF format as a single file on a USB flash/travel drive of bid shall be delivered. ***The original submittal will govern over USB flash/travel drive.*** All bids must be sealed and marked: **RFB #19-03, SALE OF SURPLUS REAL PROPERTY – COMMERCE LAKES DRIVE PARCEL**. All bids must be delivered to the LEE COUNTY PORT AUTHORITY, PURCHASING OFFICE, third (3RD) FLOOR, SOUTHWEST FLORIDA INTERNATIONAL AIRPORT, 11000 TERMINAL ACCESS ROAD, SUITE 8671, FORT MYERS, FLORIDA 33913-8899.
- (b) Electronically submitted or faxed bids will not be considered.
- (c) For informational purposes, the Bidder is advised that the United States Postal Service and even Express Mail Services may not deliver your bid in a timely manner. Bidders are cautioned to plan necessary delivery time accordingly.
- (d) The delivery of said bid to the Lee County Port Authority (LCPA) - Purchasing Office prior to the time stated in the previous section is solely and strictly the responsibility of the bidder. The Lee County Port Authority Purchasing Office will not be responsible for delays caused by any delivery services that may be used or for any other reason. The Bidder is hereby directed to cause delivery of their bid prior to the bid opening time. The bid delivery deadline will be scrupulously observed. **Any bid received after the bid opening time will not be considered.**



1.2 MINIMUM OFFER

The Port Authority will only consider Bids that are above the appraised value of \$2,042,695.00 for the entire Commerce Lakes Drive Parcel. The entire parcel consists of approximately 22.1 +/- acres and has been appraised as two (2) separate parcels as follows: Northeast Corner of Commerce Lakes Drive and Daniels Parkway (also called Skyplex Parcel 11a), Appraisal Report dated November 15, 2017, and prepared by Valbridge Property Advisors; and the Northwest Corner of Commerce Lakes Drive and Daniels Parkway (also called parcel Skyplex Parcel 11b), Appraisal Report dated November 10, 2017, and prepared by Maxwell, Hendry, Simmons. Copies of the two appraisals are attached as Exhibits "A" and "B".

1.3 INQUIRIES/RESULTS

Except during a scheduled prebid meeting, the Authority will not respond to oral inquiries concerning this Request for Bids ("RFB"). Bidders may submit written, faxed, or email inquiries regarding this RFB addressed to the Lee County Port Authority, Attn: Toni Elias, Senior Purchasing Agent, 11000 Terminal Access Road, Suite 8671, Fort Myers, FL 33913-8899, via fax: (239) 590-4558, or email: taelias@flylcpa.com. The Authority may choose not to respond to written, faxed or email inquiries received after 2:00 pm, local time, **January 3, 2019**.

The Authority utilizes Public Purchase to distribute information/specifications/addenda/results. Interested individuals or firms may register to receive this information free of charge by registering at <https://www.publicpurchase.com/gems/register/vendor/register> or contacting Public Purchase Vendor Support at (801) 932-7000 or accessing the electronic link available from the Port Authority website www.flylcpa.com or by calling the Purchasing Office at (239) 590-4556. It shall be the responsibility of the bidder, prior to submitting their bid, to contact the Purchasing Office to determine if addenda to this RFB have been issued and, if issued, acknowledging and incorporating them into their bid. All results concerning this Request for Bids will be posted via Public Purchase or by contacting the Purchasing Office.

1.4 COST OF PREPARATION

The cost of preparing a Bid in response to this RFB shall be borne entirely by the bidder.

2. AMERICANS WITH DISABILITIES ACT NOTICE

The Lee County Port Authority will not discriminate against individuals with disabilities. Any person needing special accommodations for attendance at a public bid opening or prebid meeting should contact Toni Elias, Senior Purchasing Agent, Lee County Port Authority, Purchasing Office, taelias@flylcpa.com, (239) 590-4539, fax (239) 590-4539 at least seven (7) days before the meeting.

3. NONDISCRIMINATION CLAUSE

Pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, the Restoration Act of 1987, the Florida Civil Rights Act of 1992, and as said Regulations may be amended, the Contractor/Consultant must assure that *"no person in the United States shall on the basis of race, color, national origin, sex, creed or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under*



any program or activity,” and in the selection and retention of subcontractors/subconsultants, including procurements of materials and leases of equipment.

The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.

4. **GENERAL CIVIL RIGHTS CLAUSE**

The Contractor agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the Contractor and subcontractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

5. **SUBMITTAL OF BIDS**

5.1 Submitted bids shall not be valid unless: sealed in an envelope marked "Sealed Bid"; identified by the name and address of the individual or firm bidding; project name; bid number; and the date and time of bid opening. Bids are to be accompanied by one (1) original and one (1) identical electronic copy in PDF format as a single file on a USB flash/travel drive of the following:

- Form 1 – Bidder’s Certification
- Form 2 – Official Bid Form
- Form 3 – Lobbying Affidavit
- Form 4 – Public Entity Crimes Form
- Form 5 – Bidder’s Scrutinized Companies Certification

5.2 A Bidder’s submittal will be considered a binding offer. The submission of a Bid shall be taken as prima facie evidence that the Bidder has familiarized itself with the contents of this RFB.

5.3 Bidders contracting in a corporate capacity must submit documentation from the Florida Department of State verifying that the entity is a Florida Corporation or other Florida business entity in good standing or is a foreign corporation which has registered and is authorized to do business in the State of Florida.

6. **EXAMINATION OF SPECIFICATIONS:**

Each bidder is required, before submitting a bid, to be thoroughly familiar with these specifications contained herein. No additional allowances will be made because of lack of knowledge of these specifications. Bidders shall fill in all information requested on the bid form.

7. **DISQUALIFICATION**

7.1 **RESPONSIVE BIDS**

The Lee County Port Authority reserves the right to reject, at its sole discretion, before or after opening, any bids that are determined to be nonresponsive.



The Lee County Port Authority may consider any bid informal, that is not prepared and submitted in strict accordance with the provisions of this Request for Bids, and may waive any minor informalities or irregularities, at its sole discretion.

The Lee County Port Authority also reserves the right to reject all bids in response to the Request for Bids, in its sole discretion.

7.2 AUTOMATIC DISQUALIFICATION

A bidder shall be disqualified from consideration for award under this bid, for any of the following reasons:

- Failure to submit bidder's Certification with bid Submittal
- Lobbying the Lee County Board of Port Commissioners, members of the Airports Special Management Committee, or employees of the Lee County Port Authority, individually or collectively, regarding this Port Authority Request for Bids
- Collusion with the intent to defraud or other illegal practices upon the part of any firm submitting a bid
- Being on the Convicted Vendors List
- Being on any Scrutinized Companies List or otherwise ineligible to submit a bid under Section 287.135, Florida Statutes
- Not being registered to do business in the State of Florida prior to submitting bid

The Port Authority, at its sole discretion, may request clarification or additional information to determine a bidder's responsiveness.

8. LOBBYING PROHIBITION

All interested parties are hereby given notice that the Lee County Port Authority, Board of Port Commissioners, members of the Airports Special Management Committee, all Lee County Port Authority employees (with the exception of the Purchasing Office personnel designated to receive requests for interpretations or corrections), do not wish to be lobbied, either individually or collectively regarding this Request for Bids. During the entire procurement process all firms, their partners, subcontractors, vendors and their agents are hereby placed on notice that they are not to contact any persons listed above for such purposes as holding meetings of introduction, dinners, etc., if they intend to submit or have submitted a bid for this project. All firms and their agents will be required to submit individual affidavits stating that they have not engaged in lobbying activities or prohibited contacts. **Any Person or Firm Contacting Individuals Mentioned Herein in Violation of this Warning Shall Automatically be Disqualified from Further Consideration.**

9. NOTICE REGARDING PUBLIC ENTITY CRIMES

Section 287.133(3)(a) F.S. requires the Authority to notify prospective Bidders of the provisions of Section 287.133(2)(a) F.S.

Section 287.133(2)(a) F.S. prohibits a person or affiliate who has been placed on the convicted vendor list maintained by the Florida Department of Management Services following a conviction for a public entity crime from:

- a. Contracting to provide goods or services to a public entity.
- b. Submitting a bid on a contract for construction or repair of a public building or public work.



- c. Submitting bids on leases of real property to a public entity.
- d. Being awarded or performing work as a contractor, supplier, subcontractor or consultant under a contract with any public entity in excess of twenty-five thousand dollars (\$25,000).

The prohibitions listed above apply for a period of thirty-six (36) months from the date a person or an affiliate is placed on the convicted vendor list.

10. SCRUTINIZED COMPANIES UNDER SECTION 287.135, FLORIDA STATUTES

Notwithstanding any provision of this RFB to the contrary, Authority will have the option to immediately terminate any Real Estate Sales Agreement, in the exercise of its sole discretion, if Bidder is found to have submitted a false certification under Section 287.135(5) F.S. or has been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List created under Section 215.473 Florida Statutes; is engaged in business operations in Cuba or Syria; or, has been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel.

The Bidder certifies, by submission of the certification attached as Form 5, that it is not listed on any Scrutinized Companies Lists described above; is not engaged in business operations in Cuba or Syria; is not engaged in a boycott of Israel and is not barred from submitting a bid or proposal under Section 287.135, Florida Statutes.

- 11. The Lee County Port Authority shall not be responsible for any cost incurred by any bidder in the preparation of these bid documents or bid.
- 12. All blanks on the bid must be completed in ink or by typewriter.
- 13. Where bid documents have erasures or corrections, such erasures or corrections must be initialed in ink by the bidder.
- 14. The Lee County Port Authority may cancel the Real Estate Sales Agreement upon giving thirty (30) days written notice to the bidder at its discretion.

15. PUBLIC RECORDS

Information and materials received by the Port Authority shall be deemed to be public records subject to public inspection upon the issuance of a notice to award, recommendation for award, or thirty (30) days after bid opening, whichever occurs first. However, certain exemptions to the public records laws are statutorily provided for in Section 119.07. If the bidder/Proposer believes any of the information contained in his or her response is exempt from the Public Records Law, then the Bidder/Proposer must specifically identify the material which is deemed to be exempt and cite the legal authority for the exemption. The Port Authority's determination of whether an exemption applies shall be final.

16. RIGHT TO PROTEST

Any bidder affected adversely by an intended decision with respect to the award of any bid shall file, with the Purchasing Office for the Lee County Port Authority, a written notice of intent to file a protest not later than forty-eight (48) hours (excluding Saturdays, Sundays, and legal holidays) after receipt of the notice of the intended decision with respect to a bid award. In those instances where the bidder with the highest bid is not selected, the same time frame to file a protest shall apply. For the purpose of computation, the initial notice of intent to file a protest shall be received by the Purchasing Manager, or designee, not later than four o'clock (4:00) p.m., on the second working day following the day of receipt of notice of the intended decision.



The initial notice of intent to file a protest shall state the basis of the protest and clearly indicate that its purpose is to serve as the initial notice of intent to file a bid protest. Failure to so clearly indicate bidder's intent shall constitute a waiver of the right to seek any remedy provided under the bid protest procedure.

The formal, written protest must be filed within five (5) Port Authority workdays after the date of filing of the initial notice of intent to file protest.

Details regarding the bid protest policy are contained within the Lee County Port Authority Purchasing Manual, which is available for inspection and/or copying at the Lee County Port Authority Purchasing Office, 11000 Terminal Access Road, Suite 8671, 3rd Floor, Fort Myers, Florida, 33913, telephone (239) 590-4558.

Failure to follow the Bid Protest Procedure requirements within the time frames prescribed herein as established by Lee County Port Authority shall constitute a waiver of your protest and resulting claims.

17. PAYMENT

Pursuant to the terms of any Real Estate Purchase Agreement, Attachment 1, awarded under this Request for Bids, the accepted bid purchase price must be paid to the Port Authority in full at closing.

18. COMPLIANCE WITH STATE AND FEDERAL REQUIREMENTS

To the extent the parcel offered for sale under this RFB was acquired in whole or in part by Federal or State grant funds, all requirements set forth in the grant documents or in the law, rules, and regulations governing the grant, including federal or state cost principles, shall be satisfied. To the extent that they differ from those of the Port Authority, the cost principles of the grantor shall be used.

19. BASIS OF AWARD

The bidder offering the highest bid for the entire specified parcel that meets all requirements of the Port Authority's Request for Bids will have the opportunity to negotiate a real estate sales agreement - Attachment 1, for the entire parcel.

20. WITHDRAWAL OR REVISION OF BIDS

Bids may be withdrawn by written or electronic (email) request at any time prior to bid opening if dispatched by the Bidder in time for delivery prior to the time fixed for the opening of Bids. Negligence on the part of the Bidder in preparing the Bid confers no right of withdrawal or modification after the Bid has been opened, at the appointed time and place by the Lee County Port Authority. Any such withdrawn Bid shall not be resubmitted. Bids will be in force for a period of one hundred-eighty (180) days after the opening date.

21. PUBLIC OPENING OF BIDS

Bids shall be opened, and read publicly at the time and place specified in the advertisement or request for bids. Port Authority reserves the right to extend this date and time at Port Authority's sole discretion. Bidders, their authorized agents and other interested persons are invited to attend the bid opening. Bids that have been properly withdrawn (by written request) prior to the scheduled opening time or received after the time specified for opening bids shall be returned to the bidder unopened.

22. REJECTION OF BIDS

The Port Authority, in its sole discretion, reserves the right to reject any or all bids; accept or reject any or all alternates; waive technicalities, if such waiver, in the sole judgment of the Port Authority, is in the best interest of the Port Authority and conforms to applicable state and local laws or regulations pertaining to the letting of contracts; or advertise for new bids; to make inquiries and request clarifications of any bid; or proceed with the work otherwise. All such actions shall promote the best interest of the Port Authority.



23. EXECUTION OF REAL ESTATE SALES AGREEMENT

Upon receiving notice of the Port Authority’s intent to accept its bid, the successful bidder(s) shall have thirty (30) calendar days to negotiate, execute and return a Real Estate Sales Agreement, Attachment 1, in the form acceptable to the Port Authority, along with a purchase price deposit as described below. Failure of the successful bidder to execute the Agreement and provide an acceptable deposit within the thirty (30) days from the date the notice is delivered shall be just cause for cancellation of the award.

Upon receipt of the agreement executed by the successful bidder, the Port Authority shall submit the agreement to the Port Authority Board of Port Commissioners for approval, and to the Board of County Commissioners for concurrence, and then complete execution of the agreement in accordance with local laws or ordinances, and return one fully executed original agreement, to the bidder. Delivery of the fully executed agreement to the bidder shall constitute the Port Authority’s approval to be bound by the successful bidder's bid and the terms of the Agreement.

Until the Port Authority's final execution and delivery of the Agreement, the Port Authority reserves the right to reject any or all bids, to waive technicalities and to advertise for new bids, or to proceed to do the work otherwise when the best interests of the Port Authority will be promoted. The Port Authority reserves the right to cancel the award without incurring liability to the bidder (except Port Authority's return of deposit, if appropriate) at any time before an Agreement has been fully executed by all parties and is approved by the Port Authority.

[THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK.]



PART B – SPECIAL INSTRUCTIONS AND REQUIREMENTS

All bidders are asked to carefully review the bid documents to become familiar with what is required and to review all forms addressed below.

1. **Conditions of Sale**

The sale and conveyance of this subject property is contingent upon the following:

- Approval of the sale and the Real Estate Sales Agreement by the Lee County Port Authority Board of Commissioners and the Lee County Board of Commissioners.
- FAA approval of the sale and release of the parcel as Surplus Property, subject to such conditions as the FAA may require. Purchaser must also agree to comply with any FAA conditions of the release, which will be incorporated into any sales agreement.
- Reservation by the Port Authority of Avigation and Aircraft over-flight rights above the surface of the subject property by the purchaser for all aircraft landing, taking off or operating in the vicinity of the Southwest Florida International Airport, including the right to generate noise in that airspace.
- Purchaser and its successors and assigns will restrict the height of structures, objects of natural growth, and other obstructions on the subject parcel to a height that complies with Federal Aviation Regulations, Part 77, applicable Florida Statutes, and the Lee County Land Development Code.
- Purchaser and its successors and assigns will not allow any use of the subject parcel that will interfere with the takeoff or landing of any aircraft at the Southwest Florida International Airport or constitute an airport hazard.
- Purchaser and its successors and assigns will not permit access from the subject parcel onto Airport property for any aeronautical purpose.
- Use of the subject parcel will be restricted to uses that are compatible with the noise levels generated by aircraft using the Airport.
- The subject parcel is offered for sale on an “as is” basis. No actual or implied warranties of habitability, condition, merchantability or fitness for any general or specific use are hereby given.

2. **Real Estate Sales Agreement**

- The execution of a Real Estate Sales Agreement, in substantially the attached form, by the successful Bidder shall be required for presentation to the Lee County Board of Port Commissioners.

3. **Conveyance**

- Conveyance of title shall be without warranties and in the form of a County Deed pursuant to Section 125.411 Florida Statutes. The property is subject to any easements, restrictions, reservations and rights of record.



4. **Brokerage Commission**

- The Port Authority is not being represented by a salesperson or broker in this transaction. The Bidder may be represented by a single agent broker; provided, however, that the Port Authority shall not be responsible for the payment of any real estate commission.

5. **Deposit**

- The successful bidder's executed real estate sales agreement must be accompanied by a deposit of U.S. dollars in the form of a certified check or cashiers check (made out to the Lee County Port Authority), a bid bond (in a form acceptable to the Port Authority) or cash in the amount of ten percent (10%) of the total amount bid. The Port Authority will have the right to retain as its own, such deposit, if the Bidder fails or refuses to complete the purchase per the specifications. The deposit shall be held by the Port Authority pending completion of sale.

6. **Due Diligence**

- Interested parties are encouraged to complete their own due diligence, including a site inspection prior to submitting a Bid. Failure to do so will be at the Bidder's risk. This specification was prepared with the best information available; however no warranties shall be implied.

7. **Buyer's Responsibilities**

- The successful bidder shall have ninety (90) days, or such other time as the parties may negotiate, following execution of the purchase agreement to complete the transfer process, pay the remainder of the purchase price, and all closing costs.

[THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK.]



PART C - PARCEL INFORMATION

RFB 19-03, SALE OF SURPLUS REAL PROPERTY COMMERCE LAKES DRIVE PARCEL

The Lee County Port Authority (“Authority”) invites the submission of Bids from all interested and qualified parties for the sale of a vacant parcel located at Commerce Lakes Drive, Fort Myers, Florida.

Parcel Name/Location:

The subject property is a 22.1 +/- acre parcel. The parcel is located 1,900 feet east of Gateway Boulevard and has approximately 3,000 feet of frontage on the north side of Daniels Parkway and is divided by Commerce Lakes Drive.

Site Description:

The parcel is vacant and divided with 20.6 acres to the east of Commerce Lakes Drive and 1.5 acres to the west. Commerce Lakes Drive, which serves as the access road to the adjacent Worthington Commerce Park, is in alignment with an existing curb cut in the Daniels Parkway median. Worthington Commerce Park is zoned Mixed Use Planned Development (MPD), which would allow industrial, office and retail development.

Land Use:

The Lee County Comprehensive Plan (2018 Lee Plan) designates the Existing Land Use as “Government” and the Future Land Use as “Airport”. If sold, the purchaser of this property will need to amend the Lee Plan to remove this parcel from “Government” and “Airport” Existing and Future Land Uses, respectively. The Federal Aviation Administration (FAA) Airport Layout Plan (ALP) approved on August 30, 2011, shows this area as Non-Aviation Support.

Zoning:

This parcel, as well as the rest of Airport property, is currently zoned Airport Operations Planned Development (AOPD) as approved by Zoning Resolution Z-14-030. This property is identified as Parcel 11 (a and b) on the Master Concept Plan and is designated for Commercial/Retail, Office, and Industrial. The currently approved Schedule of Uses with acceptable uses highlighted, is attached as Exhibit “C”. Any proposed changes in use would need to be submitted to Lee County and approved by the County through a rezoning application. Additionally, if the property is sold, the purchaser will be responsible for removing it from the AOPD zoning designation and updating the Master Concept Plan prior to any development. A minimum of six months should be expected for the rezoning process.

Permitting:

This parcel is currently undeveloped. It will be necessary to obtain local, state and federal permits if development is proposed. Required permits may include, but are not limited to, South Florida Water Management District (SFWMD), Lee County, U.S. Army Corps of Engineers (ACOE), U.S. Fish and Wildlife Service (USFWS), Florida Fish and Wildlife Conservation Commission (FFWC), Florida Department of Environmental Protection (FDEP), FAA and Florida Department of Transportation (FDOT) approvals. A minimum of six months should be expected for the permitting process if no wetland impacts are proposed. If wetland impacts are proposed, the permitting process is estimated to be approximately 18-24 months.

Tall Structures:

Depending on the height and location of proposed structures, the purchaser may need to submit an application to the FAA to determine the airspace impacts of any permanent structures and temporary construction equipment (cranes). A Port Authority airspace notification map is attached as Exhibit “D”. This map is in no way intended to authorize



or suggest allowable heights. However, it does serve as a guide and shows that permanent structures or temporary equipment greater than 50'-75' would need to be analyzed for potential airspace impacts.

Environmental:

Topography - The parcel is estimated to contain 13.29± acres of uplands, 8.65± acres of wetlands, and 0.16± acres of other surface waters (see FLUCFCS map attached). The wetlands consist of freshwater marsh with wax myrtle and melaleuca encroachment. The majority of the wetland extends off-site to the north. The approximate ground elevation (excluding wetlands) is 26± feet NGVD.

Noise Overlay Zone – The current noise zone is Airport Zone A/Airport Property. This would need to be changed/addressed if the property is sold.

Drainage - The parcel predominantly drains to the onsite wetlands. However, there is a remaining portion of a drainage ditch that had a southern terminus into a wetland on the south side of Daniels Parkway. The ditch was severed as a result of the Daniels Parkway extension.

Utilities:

Water –Lee County Utilities (LCU) has a 16” water main on the south side of Daniels Parkway that extends easterly up to the point where it crosses Daniels Parkway at the west property line of the Gateway PUD. The Gateway Services District ties into the 16” main at its easterly terminus with a 12” line, which provides water for the entire Gateway PUD. There is an existing 16” water main that runs along the front of the former terminal curb that continues to Fuel Farm Road where it has been extended to run northward along Fuel Farm Road to the north side of Daniels Parkway where it ties back into the Gateway system. This 16” extension has the capacity to provide potable water to the future Airport development (Skyplex) along Daniels Parkway. The distance from the parcel in question to the proposed 16” extension would be approximately 1100 feet.

Sewer/Septic – The adjacent development, Worthington Commerce Park, has a gravity sewer system that runs along Commerce Lakes Drive. The closest sewer manhole to the Airport’s subject parcel is approximately three hundred feet. There is also a LCU 24” force main that runs along the south side of Daniels Parkway that is approximately three hundred feet away.

Electric:

FPL power lines run along the subject parcel’s northern and eastern property lines.



PART D – FORMS Note: These forms must be submitted with the Bid submittal.

FORM 1 - BIDDER’S CERTIFICATION

I have carefully examined this Port Authority Bid (RFB 19-03) which includes scope, requirements for submission, general information and the evaluation and award process.

I acknowledge receipt and incorporation of the following addenda, and the cost, if any, of such revisions has been included in the price of the bid.

Addendum # _____ Date: _____ Addendum # _____ Date: _____
 Addendum # _____ Date: _____ Addendum # _____ Date: _____

I hereby propose to purchase the entire parcel that is the subject of this Request for Bids. I agree to hold pricing for at least 180 days so that the Authority will have time to properly evaluate this bid and obtain any necessary FAA, Board of Port Commissioners, and Board of County Commissioners approvals to sell the subject parcel. I agree that the Authority terms and conditions (<http://www.flylcpa.com/purchasing/>) herein shall take precedence over any conflicting terms and conditions submitted with the bid and agree to abide by all conditions of this document.

I certify that all information contained in the bid is truthful to the best of my knowledge and belief. I further certify that I am duly authorized to submit this bid on behalf of the company below (if applicable) as its agent and that the company is ready, willing and able to perform if awarded a contract.

I further certify, under oath, that this bid is made without prior understanding, agreement, connection, discussion, or collusion with any other person, company, or corporation submitting a bid for the same product or service; no officer, employee or agent of the Port Authority or of any other Company who is interested in said bid; and that the undersigned executed this Bidder’s Certification with full knowledge and understanding of the matters therein contained and was duly authorized to do so.

 NAME OF BUSINESS MAILING ADDRESS

 AUTHORIZED SIGNATURE CITY, STATE & ZIP CODE

 NAME, TITLE, TYPED TELEPHONE NUMBER / FAX NUMBER

 FEDERAL IDENTIFICATION # EMAIL ADDRESS

State of: _____

County of: _____

This foregoing instrument was acknowledged before me this _____ day of _____, 20__, by _____, who is personally known to me or produced _____ as identification.

 Signature of Notary Serial/Commission No.



FORM 2 - OFFICIAL BID FORM

BID NO. **RFB 19-03**

BIDDER'S NAME: _____

DATE: JANUARY 15, 2019

TIME: 2:00 P.M. LOCAL TIME

Purchasing
Lee County Port Authority
Southwest Florida International Airport
11000 Terminal Access Road, Suite 8671
Fort Myers, Florida 33913

Ladies/Gentlemen:

The Undersigned, hereinafter called "BIDDER," having become familiar with the local conditions, nature, and condition of the parcel offered for sale, and having examined carefully the bid documents, including but not limited to, General Information and Conditions, Special Instructions and Requirements, and the Parcel Information, and having fulfilled the bid requirements herein, hereby offer the following price to purchase the subject parcel in full in accordance with the terms of this Request for Bids and within the time limits specified herein for the sale of:

SURPLUS REAL PROPERTY – COMMERCE LAKES DRIVE PARCEL

in full accordance with the specifications prepared in accordance with the Port Authority Request for Bids, and all other documents related thereto on file in the Purchasing Office and, if awarded the contract, to negotiate and execute a Real Estate Sales Agreement within the time limits specified for the total bid price awarded, which is based on the following bid schedule:

BID OFFERED:

| | | |
|-----------|-----------------|----------|
| A. | Purchase Price: | \$ _____ |
| (written) | | |

| | |
|----|--|
| B. | Provide A Summary of proposed usage (Required by FAA): _____ |
| | |
| | |



FORM 3: LOBBYING AFFIDAVIT

STATE OF: _____

COUNTY OF: _____

_____,
being first duly sworn, deposes and says that he or she is the (sole owner) (general partner) (joint venture partner) (president) (secretary) or (authorized representative) (circle one) of _____ (bidder), maker of the attached bid and that neither the bidder nor its agents have lobbied to obtain an award of the Agreement required by this Port Authority Bid from the Lee County Board of Port Commissioners, members of the Airports Special Management Committee, or employees of the Lee County Port Authority, individually or collectively, regarding this Port Authority Bids. The prospective bidder further states that it has complied with the federal regulations concerning lobbying activities contained in 31 U.S.C. 1352 and 49 CFR Part 20 and the Lee County Lobbying Ordinance, No. 03-14.

AFFIANT

The foregoing instrument was acknowledged before me on _____, by _____ (name of person, officer or agent, title of officer or agent), of _____ (corporation or partnership, if applicable), a _____ (State of incorporation or partnership, if applicable), on behalf of the _____ (Corporation or partnership, if applicable). He/She is personally known to me or has produced _____ as identification.

Signature of person taking acknowledgment

Name typed, printed, or stamped

(Title or rank)

Signature of Notary (Serial or Commission No.)

NOTE: THIS FORM IS REQUIRED FROM ALL BIDDERS



FORM 4: PUBLIC ENTITY CRIMES FORM

SWORN STATEMENT PURSUANT TO SECTION 287.133(3)(a) FLORIDA STATUTES

A person, affiliate, or corporation who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a bidder, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of thirty-six (36) months from the date of being placed on the convicted vendor list.

The bidder certifies by submission of this form that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any State or Federal entity, department or agency.

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 (ONE) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

BIDDER'S NAME: _____



FORM 5: BIDDER’S SCRUTINIZED COMPANIES CERTIFICATION

Bidder/Proposer/Consultant hereby certifies under penalties of perjury as of the date of this bid, proposal or letter of qualifications to provide goods and services to the Lee County Port Authority that it has not been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List as defined in Section 287.135, Fla. Stat., is not engaged in business operations in Cuba and Syria; and will not engage in “Boycott Israel” activities, as defined in Section 215.4725 (1)(a) Fla. Stat. (2016) that result in bidder being placed on the Scrutinized Companies that Boycott Israel List created after October 1, 2016 and during the term of any contract awarded under this request for bids.

I further certify that I am duly authorized to submit this certification on behalf of the company as its agent and that the company is ready, willing and able to perform if awarded a contract.

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT FALSIFICATION OF THIS CERTIFICATION MAY RESULT IN TERMINATION OF THE CONTRACT, DEBARMENT OF THE COMPANY FROM SUBMITTING A BID OR PROPOSAL FOR A PERIOD OF THREE (3) YEARS FROM THE DATE THE CERTIFICATION IS DETERMINED TO BE FALSE, CIVIL PENALTIES, AND THE ASSESSMENT OF ATTORNEY’S FEES AND COSTS AGAINST THE COMPANY. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

[Signature]

Notary Public
State of _____
County of _____

Sworn to and subscribed before me this _____ day of _____, 20_____,
by _____ who produced the following as identification
_____ (Type of identification) or is personally known to me. My Commission
Expires_____.

[stamp or seal]

[Signature of Notary Public]

[Typed or printed name]

EMAIL (If Available)

EXHIBIT "A"
APPRAISAL REPORT
VALBRIDGE PROPERTY ADVISORS

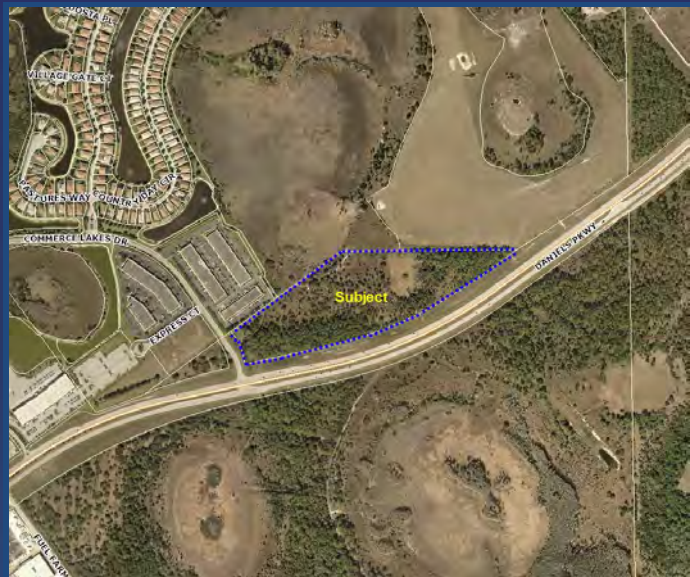


Valbridge
PROPERTY ADVISORS

Appraisal Report

Parcel P11a
NEC of Daniels Pkwy & Commerce Lakes Dr
Fort Myers, Lee County, Florida 33913

Report Date: November 15, 2017



FOR:

Lee County Port Authority
Mr. Ed Moran, Esq.
Director of Properties
11000 Terminal Access Rd. #8671
Fort Myers, FL 33913

Client Reference: Parcel P11a

**Valbridge Property Advisors |
Southwest Florida**

2240 Venetian Court
Naples, FL 34109
(239) 514-4646 phone
(239) 514-4647 fax
valbridge.com

Valbridge File Number:
FL01-2017-1077



2240 Venetian Court
Naples, FL 34109
(239) 514-4646 phone
(239) 514-4647 fax
valbridge.com

November 15, 2017

Christopher M. DelPo, MAI
cdelpo@valbridge.com

Mr. Ed Moran, Esq.
Director of Properties
Lee County Port Authority
11000 Terminal Access Rd. #8671
Fort Myers, FL 33913

RE: Appraisal Report
Parcel P11a
NEC of Daniels Pkwy & Commerce Lakes Dr
Fort Myers, Lee County, Florida 33913

Dear Mr. Moran, Esq.:

In accordance with your request, we have performed an appraisal of the above referenced property. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions. This letter of transmittal is not valid if separated from the appraisal report.

The subject property, as referenced above, is located at the northeast corner of Daniels Pkwy and Commerce Lakes Dr, about 4.5 east of the I-75 highway interchange and is further identified as part of Assessor's Parcel Number (APN) 19-45-26-00-00002.0000. The subject is an estimated 20.64 acre larger parcel identified as Parcel P11a, which for the purposes of this valuation has been subdivided into sub parcel A (0.90 acres), sub parcel B (6.27 acres), and sub parcel C (13.47 acres). The property is unimproved, vacant land that is designated as non-aviation support land area and located within an area identified as North of Runway 6/24 Proposed Parcels. The land is zoned as part of the Southwest Florida International Airport AOPD (Airport Operations Planned Development) and permitted for development of commercial/retail, office, and-or industrial uses. Per client instruction, valuation of the subject larger parcel has been subdivided into three valuation scenarios, more specifically being an estimation of fair market ground rent values for the following: 1) Sub parcel A (0.90 acres); 2) Sub parcels A & B (7.17 acres); and 3) Sub parcels A, B & C (entire 20.64 acres).

We developed our analyses, opinions, and conclusions and prepared this report in conformity 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.

The client in this assignment is Lee County Port Authority and the intended user of this report is Lee County Port Authority c/o Edward Moran and no others. The intended use is to assist the client in an internal analysis and no other use. The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are subject to the General Assumptions and Limiting Conditions contained in the report. The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

Extraordinary Assumptions:

- Information regarding the property was obtained from the client, aerial maps, Lee County Public records online documentation, as well as other online records, which we have relied upon and is an extraordinary assumption of this report.
- Physical observation of the subject property was limited to perimeter viewings from the street. The subject land is unimproved, vacant land that is heavily wooded and mostly inaccessible. For the purposes of our analysis, we have relied on aerial photography, public records, client information, as well as online information for characteristics and descriptions of the property, which are assumed accurate.
- Per the client, the subject property, identified as Parcel P11a, is a larger parcel and is comprised of about 20.64 acres, which we assume to be accurate.
- Per the client, portions of the subject property are identified for potential development of the Fort Myers Brewery, which is assumed a legal and conforming use.
- For the purpose of this analysis, we assume that future access to the site will be readily and easily available.
- We assume that access to public utilities is available to the site.
- According to the client provided Environmental Assessment & Protected Species Survey Report, performed by Bearpaws Environmental Consulting, Inc. and dated October 2017, portions of the subject property have been identified as wetlands, estimated at 12.66 acres. For purposes of this analysis, we have identified and refer to this as Wetlands Study A. We were also advised by the client of a separate, differing study that identifies 9.40 acres of wetlands on the property, which is supported by the client provided Overall AOPD FLUCFCS Map, performed by Johnson Engineering, dated August 2015, as well as a previous appraisal report, provided by the client, and performed by Maxwell, Hendry, and Simmons Real Estate Appraisers & Consultants, dated February 2016. We have identified these findings as Wetlands Study B. For this analysis, we have considered and weighed each study equally in order to estimate the amount of subject wetlands. We assume this information to be accurate and reserve the right to modify this report and-or valuation if found otherwise.
- We have assumed that the subject wetlands require mitigation prior to development, which is an extraordinary assumption of this report. If found to be otherwise, we reserve the right to modify this report and-or opinions of value.

Hypothetical Conditions:

- We assume that the subject sub parcels A, B & C can be legally separated from the larger, parent parcel, which is a hypothetical condition of this report.

Based on the analysis contained in the following report, our value conclusions are summarized as follows:

Value Conclusions

| As Is | Sub Parcel A Range | Sub Parcel A & B Range | Sub Parcels A, B, & C Range |
|--|-------------------------------|-------------------------------|-----------------------------------|
| Property Rights Appraised | Fee Simple | Fee Simple | Fee Simple |
| Effective Date of Value | 19-Oct-17 | 19-Oct-17 | 19-Oct-17 |
| Land Size (SF) | 39,204 | 312,325 | 899,078 |
| Market Value Range | \$125,000 to \$135,000 | \$915,000 to \$975,000 | \$1,765,000 to \$1,945,000 |
| Market Value Range per sq ft | \$3.19 to \$3.44 | \$2.93 to \$3.12 | \$1.96 to \$2.16 |
| Fair Market Rent - Non-Aviation Ground Lease | \$0.23 to \$0.25 | \$0.21 to \$0.23 | \$0.19 to \$0.21 |
| Annual Market Rent | \$9,017 to \$9,801 | \$65,588 to \$71,835 | \$170,825 to \$188,806 |
| Fair Market Rent (Annual, Rounded) | \$9,000 to \$10,000 | \$66,000 to \$72,000 | \$171,000 to \$189,000 |
| % of Market Rent to Market Value | 7.20% to 7.41% | 7.21% to 7.38% | 9.69% to 9.72% |

Respectfully submitted,
Valbridge Property Advisors | Southwest Florida



Christopher M. DelPo, MAI
State-Certified General Real Estate Appraiser
Florida License #RZ3483
License Expires 11-30-2018



Geri Fitapelli Armalavage, MAI, CBA, CVA, CMEA
State-Certified General Real Estate Appraiser
Florida License #RZ2072
License Expires 11-30-2018

Table of Contents

| | |
|--|-----|
| Cover Page | |
| Letter of Transmittal | |
| Table of Contents | i |
| Summary of Salient Facts | ii |
| Aerial and Front Views..... | iv |
| Location Map | vi |
| Introduction..... | 1 |
| Scope of Work..... | 5 |
| Regional and Market Area Analysis..... | 7 |
| City and Neighborhood Analysis | 13 |
| Site Description | 18 |
| Subject Photos..... | 28 |
| Assessment and Tax Data | 30 |
| Market Analysis | 32 |
| Highest and Best Use..... | 43 |
| Land Valuation..... | 45 |
| Market Rent Analysis | 79 |
| Valuation Summary | 84 |
| General Assumptions and Limiting Conditions | 85 |
| Certification – Christopher M. DelPo, MAI..... | 92 |
| Certification – Geri F. Armalavage, MAI, CBA, CVA, CMEA..... | 93 |
| Addenda | 95 |
| Subject Photographs..... | 96 |
| Wetlands Study A (Excerpt) | 97 |
| Wetlands Study B (Excerpt)..... | 98 |
| Glossary | 99 |
| Qualifications | 105 |
| Valbridge Property Advisors Information / Office Locations | 109 |

Summary of Salient Facts

Property Identification

| | |
|----------------------|--|
| Property Name | Parcel P11a |
| Property Address | NEC of Daniels Pkwy & Commerce Lakes Dr Fort Myers, Lee County, Florida 33913 |
| Latitude & Longitude | 26.559757, -81.742852 |
| Census Tract | 401.16 |
| Tax Parcel Number | Portion of 19-45-26-00-00002.0000 |
| Property Owner | Lee County |

Site

| | |
|----------------------------|---|
| Zoning | Airport Operations Planned Development (AOPD) |
| FEMA Flood Map No. | 12071C0475F |
| Flood Zone | Zone X |
| Uplands Area | 9.240 acres |
| Wetlands Area | 11.400 acres (reconciled) |
| Total Gross Land Area | 20.640 acres |
| Total Gross Land Area (SF) | 899,078 sf |

Valuation Opinions

| | |
|--------------------------------|------------------------|
| Highest & Best Use - As Vacant | Commercial development |
| Reasonable Exposure Time | 6 to 12 months |
| Reasonable Marketing Time | 6 to 12 months |

Value Conclusions

| As Is | Sub Parcel A Range | Sub Parcel A & B Range | Sub Parcels A, B, & C Range |
|--|-------------------------------|-------------------------------|-----------------------------------|
| Property Rights Appraised | Fee Simple | Fee Simple | Fee Simple |
| Effective Date of Value | 19-Oct-17 | 19-Oct-17 | 19-Oct-17 |
| Land Size (SF) | 39,204 | 312,325 | 899,078 |
| Market Value Range | \$125,000 to \$135,000 | \$915,000 to \$975,000 | \$1,765,000 to \$1,945,000 |
| Market Value Range per sq ft | \$3.19 to \$3.44 | \$2.93 to \$3.12 | \$1.96 to \$2.16 |
| Fair Market Rent - Non-Aviation Ground Lease | \$0.23 to \$0.25 | \$0.21 to \$0.23 | \$0.19 to \$0.21 |
| Annual Market Rent | \$9,017 to \$9,801 | \$65,588 to \$71,835 | \$170,825 to \$188,806 |
| Fair Market Rent (Annual, Rounded) | \$9,000 to \$10,000 | \$66,000 to \$72,000 | \$171,000 to \$189,000 |
| % of Market Rent to Market Value | 7.20% to 7.41% | 7.21% to 7.38% | 9.69% to 9.72% |

Our findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

Extraordinary Assumptions:

- Information regarding the property was obtained from the client, aerial maps, Lee County Public records online documentation, as well as other online records, which we have relied upon and is an extraordinary assumption of this report.
- Physical observation of the subject property was limited to perimeter viewings from the street. The subject land is unimproved, vacant land that is heavily wooded and mostly

inaccessible. For the purposes of our analysis, we have relied on aerial photography, public records, client information, as well as online information for characteristics and descriptions of the property, which are assumed accurate.

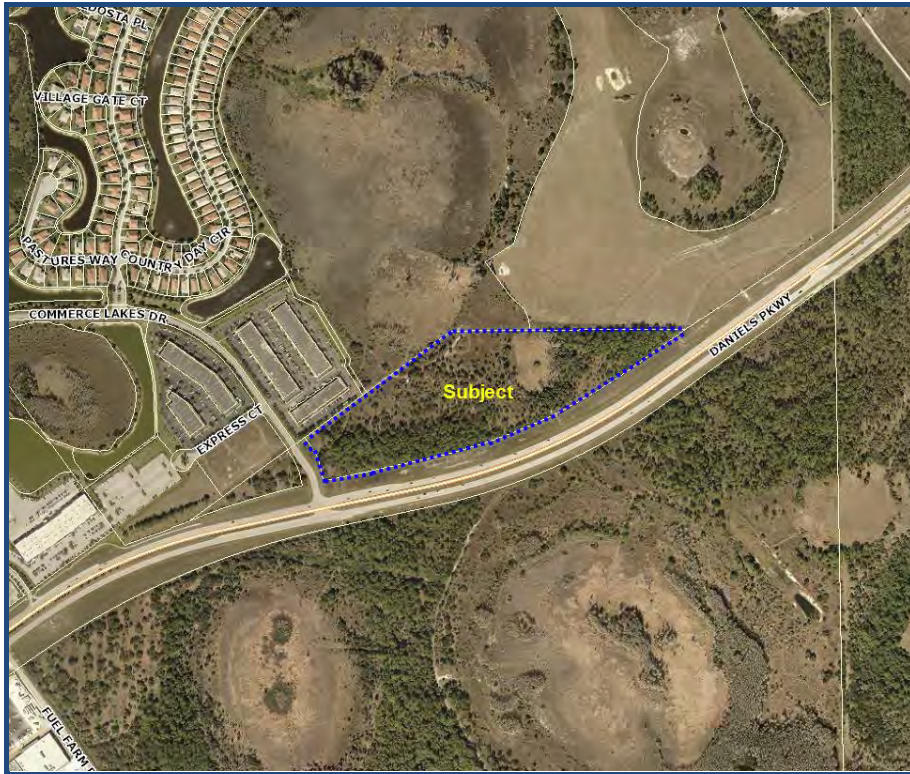
- Per the client, the subject property, identified as Parcel P11a, is a larger parcel and is comprised of about 20.64 acres, which we assume to be accurate.
- Per the client, portions of the subject property are identified for potential development of the Fort Myers Brewery, which is assumed a legal and conforming use.
- For the purpose of this analysis, we assume that future access to the site will be readily and easily available.
- We assume that access to public utilities is available to the site.
- According to the client provided Environmental Assessment & Protected Species Survey Report, performed by Bearpaws Environmental Consulting, Inc. and dated October 2017, portions of the subject property have been identified as wetlands, estimated at 12.66 acres. For purposes of this analysis, we have identified and refer to this as Wetlands Study A. We were also advised by the client of a separate, differing study that identifies 9.40 acres of wetlands on the property, which is supported by the client provided Overall AOPD FLUCFCS Map, performed by Johnson Engineering, dated August 2015, as well as a previous appraisal report, provided by the client, and performed by Maxwell, Hendry, and Simmons Real Estate Appraisers & Consultants, dated February 2016. We have identified these findings as Wetlands Study B. For this analysis, we have considered and weighed each study equally in order to estimate the amount of subject wetlands. We assume this information to be accurate and reserve the right to modify this report and-or valuation if found otherwise.
- We have assumed that the subject wetlands require mitigation prior to development, which is an extraordinary assumption of this report. If found to be otherwise, we reserve the right to modify this report and-or opinions of value.

Hypothetical Conditions:

- We assume that the subject sub parcels A, B & C can be legally separated from the larger, parent parcel, which is a hypothetical condition of this report.

Aerial and Front Views

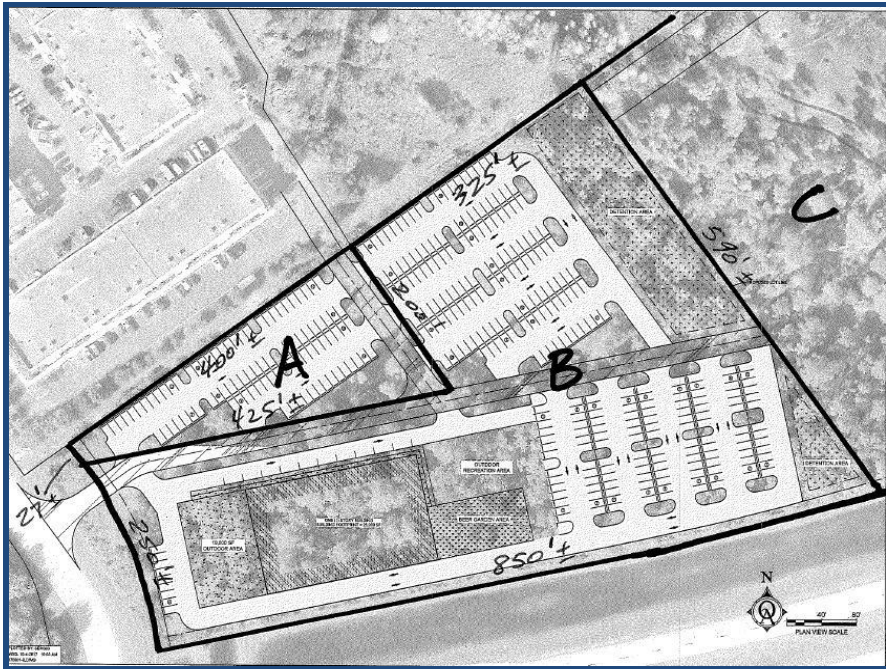
AERIAL VIEWS



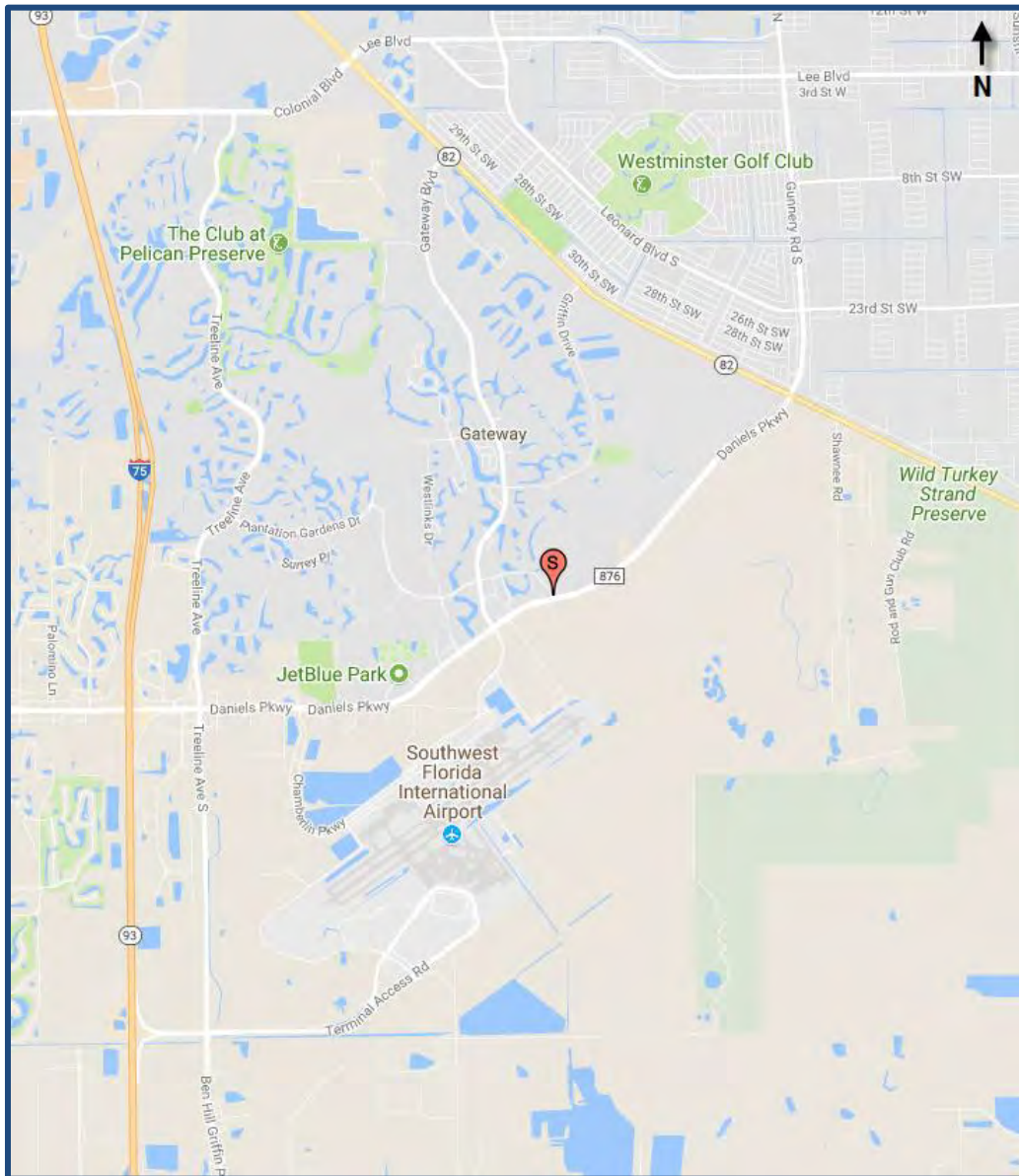
GROUND LEVEL VIEW



PARCEL SUBDIVISION



Location Map



Introduction

Client and Intended Users of the Appraisal

The client in this assignment is Lee County Port Authority and the intended user of this report is Lee County Port Authority c/o Edward Moran and no others.

Intended Use of the Appraisal

The intended use of this report is to assist the client in an internal analysis and no other use.

Real Estate Identification

The subject property is located at the NEC of Daniels Pkwy & Commerce Lakes Dr, Fort Myers, Lee County, Florida 33913. The subject property is further identified as part of Assessor Parcel Number 19-45-26-00-00002.0000. The subject is an estimated 20.64 acre larger parcel identified as Parcel P11a, which for the purposes of this valuation has been subdivided into sub parcel A (0.90 acres), sub parcel B (6.27 acres), and sub parcel C (13.47 acres). The property is unimproved, vacant land that is designated as a non-aviation support land area and located within an area identified as North of Runway 6/24 Proposed Parcels. The land is zoned as part of the Southwest Florida International Airport AOPD (Airport Operations Planned Development) and permitted for development of commercial/retail, office, and-or industrial uses. Per client instruction, valuation of the subject larger parcel has been subdivided into three valuation scenarios, more specifically being estimated ground rent values as follows: 1) Sub parcel A (0.90 acres); 2) Sub parcels A & B (7.17 acres); and 3) Sub parcels A, B & C (entire 20.64 acres).

Legal Description

Briefly described as a portion of a Multi Section, Township 45, Ranges 25 and 26, Southwest Florida International Airport, Lee County, Florida, and more specifically described in OR 3344, PG 2141 less 2012000114009 and 2016000106401, as recorded in the Lee County Clerk of Circuit Court.

Use of Real Estate as of the Effective Date of Value

As of the effective date of value, the subject was unimproved, vacant land property.

Use of Real Estate as Reflected in this Appraisal

The subject is unimproved, vacant land property.

Ownership of the Property

According to the public records of Lee County, title to the subject property is vested in Lee County.

History of the Property

Ownership of the subject property has not changed within the past three years.

Listings/Offers/Contracts

To the best of our knowledge, the subject is not currently listed for sale or under contract for sale.

Type and Definition of Value

Market Value

The appraisal problem (the term “Purpose of Appraisal” has been retired from appraisal terminology) is to develop an opinion of the market value of the subject property. “Market Value,” as used in this appraisal, is defined as “the most probable price that 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, each 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 sale concessions granted by anyone associated with the sale.”¹*

Market Rent

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

(Source: The Dictionary of Real Estate Appraisal, Sixth Edition, pg 140)

The value conclusions apply to the value of the subject property under the market conditions presumed on the effective date(s) of value.

Please refer to the Glossary in the Addenda section for additional definitions of terms used in this report.

Valuation Scenarios, Property Rights Appraised, and Effective Dates of Value

Per the scope of our assignment we developed opinions of value for the subject property under the following scenarios of value:

| Valuation Scenario | Effective Date of Value |
|---|--------------------------------|
| As Is Fair Market Rent of the Fee Simple Interest | October 19, 2017 |
| As Is Market Value of the Fee Simple Interest | October 19, 2017 |

We completed an exterior appraisal inspection of the subject property from the perimeter on October 16, 2017.

¹ Source: Code of Federal Regulations, Title 12, Banks and Banking, Part 722.2-Definitions

Date of Report

The date of this report is November 15, 2017, which is the same as the date of the letter of transmittal.

Assumptions and Conditions of the Appraisal

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are subject to the General Assumptions and Limiting Conditions contained in the report. The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

Extraordinary Assumptions

- Information regarding the property was obtained from the client, aerial maps, Lee County Public records online documentation, as well as other online records, which we have relied upon and is an extraordinary assumption of this report.
- Physical observation of the subject property was limited to perimeter viewings from the street. The subject land is unimproved, vacant land that is heavily wooded and mostly inaccessible. For the purposes of our analysis, we have relied on aerial photography, public records, client information, as well as online information for characteristics and descriptions of the property, which are assumed accurate.
- Per the client, the subject property, identified as Parcel P11a, is a larger parcel and is comprised of about 20.64 acres, which we assume to be accurate.
- Per the client, portions of the subject property are identified for potential development of the Fort Myers Brewery, which is assumed a legal and conforming use.
- For the purpose of this analysis, we assume that future access to the site will be readily and easily available.
- We assume that access to public utilities is available to the site.
- According to the client provided Environmental Assessment & Protected Species Survey Report, performed by Bearpaws Environmental Consulting, Inc. and dated October 2017, portions of the subject property have been identified as wetlands, estimated at 12.66 acres. For purposes of this analysis, we have identified and refer to this as Wetlands Study A. We were also advised by the client of a separate, differing study that identifies 9.40 acres of wetlands on the property, which is supported by the client provided Overall AOPD FLUCFCS Map, performed by Johnson Engineering, dated August 2015, as well as a previous appraisal report, provided by the client, and performed by Maxwell, Hendry, and Simmons Real Estate Appraisers & Consultants, dated February 2016. We have identified these findings as Wetlands Study B. For this analysis, we have considered and weighed each study equally in order to estimate the amount of subject wetlands. We assume this information to be accurate and reserve the right to modify this report and-or valuation if found otherwise.
- We have assumed that the subject wetlands require mitigation prior to development, which is an extraordinary assumption of this report. If found to be otherwise, we reserve the right to modify this report and-or opinions of value.

Hypothetical Conditions

- We assume that the subject sub parcels A, B & C can be legally separated from the larger, parent parcel, which is a hypothetical condition of this report.

Scope of Work

The elements addressed in the Scope of Work are (1) the extent to which the subject property is identified, (2) the extent to which the subject property is inspected, (3) the type and extent of data researched, (4) the type and extent of analysis applied, (5) the type of appraisal report prepared, and (6) the inclusion or exclusion of items of non-realty in the development of the value opinion. These items are discussed as below.

Extent to Which the Property Was Identified

The three components of the property identification are summarized as follows:

- Legal Characteristics - The subject was legally identified via research of Lee County official records.
- Economic Characteristics - Economic characteristics of the subject property were identified via local banks, county records, and other local, regional, and national sources of real estate data, as well as a comparison to properties with similar locational and physical characteristics.
- Physical Characteristics - The subject was physically identified via an exterior observation of the site.

Extent to Which the Property Was Inspected

We inspected the subject on October 16, 2017.

Type and Extent of Data Researched

We researched and analyzed: (1) market area data, (2) property-specific market data, (3) zoning and land-use data, and (4) current data on comparable listings and transactions. We also interviewed people familiar with the subject market/property type.

Type and Extent of Analysis Applied (Valuation Methodology)

We observed surrounding land use trends, the condition of any improvements, demand for the subject property, and relevant legal limitations in concluding a highest and best use. We then valued the subject based on that highest and best use conclusion.

There are four primary methodologies available for the estimation of land value: (1) Sales Comparison, (2) Land Residual Method, (3) Ground Rent Capitalization, and (4) Subdivision Development Method (Discounted Cash Flow). While other methods, such as Extraction and Allocation, are applicable under limited conditions, one or more of these approaches are used in most circumstances to derive an indication of land value.

- Sales Comparison Approach - In the sales comparison approach, value is indicated by recent sales and/or listings of comparable properties in the market, with the appraiser analyzing the impact of material differences in both economic and physical elements between the subject and the comparables.
- Direct Capitalization: Land Residual Method - The land residual methodology involves estimating the residual net income to the land by deducting from total potential income the portion attributable to the improvements, assuming development of the site at its highest

and best use. The residual income is capitalized at an appropriate rate, resulting in an indication of land value.

- Direct Capitalization: Ground Rent Capitalization – A market derived capitalization rate is applied to the net income resulting from a ground lease. This can represent the leased fee or fee simple interest, depending on whether the income potential is reflective of a lease in place or market rental rates.
- Yield Capitalization: Subdivision Development Method – Also known as Discounted Cash Flow Analysis (DCF), the methodology is most appropriate for land having multiple lot development in the near term as the highest and best use. The current site value is represented by discounting the anticipated cash flow to a present value, taking into consideration all necessary costs of development, maintenance, administration, and sales throughout the absorption period.

All of these approaches to value were considered. We assessed the availability of data and applicability of each approach to value within the context of the characteristics of the subject property and the needs and requirements of the client. Based on this assessment, we relied upon the sales comparison approach. Additionally, we have utilized a Rent Survey and Market Rent Analysis in order to determine the market rent of the ground lease for the subject property. Further discussion of the extent of our analysis and the methodology of each approach is provided later in the respective valuation sections.

Appraisal Conformity and Report Type

We developed our analyses, opinions, and conclusions and prepared this report in conformity 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 is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2a.

Personal Property/FF&E

All items of non-realty are excluded from this analysis. The opinion of market value developed herein is reflective of real estate only.

Regional and Market Area Analysis

REGIONAL MAP



Overview

The subject is located in Fort Myers, in Lee County and is part of the Cape Coral-Fort Myers MSA. The Cape Coral-Fort Myers MSA is comprised of one county, which is Lee County in its entirety, and is aptly named after its two most populous cities, Cape Coral and Ft Myers. The region is bound by the Charlotte County line to the north, Hendry County & Collier County lines the east, Collier County line to the south, and the Gulf of Mexico to the west. According to the US Census Bureau, Lee County has a total area of 1,212 square miles, of which 785 square miles is land and 427 square miles is water. Lee County is considered one of, if not the most populous county in the Southwest Florida region, with City of Cape Coral being the largest city in the region population wise (11th largest city in the state). In addition to the mainland area, there are multiple inhabited islands, the largest being Sanibel/Captiva Island, Estero Island (Ft Myers Beach), and Pine Island. The northern part of the county is bisected by the Caloosahatchee River, which separates Ft Myers from Cape Coral/North Ft Myers.

The majority of the region is best described as a coastal community, where tourism is a major economic driver and a population that varies with seasonal fluctuations. Most of the development is on the western half of the county, west of I-75 and closer to the river, bays, and gulf coastlines, with land uses and employment more in line with suburban communities. The City of Ft Myers has a small CBD district, starting along the Caloosahatchee riverfront, and expanding for about an eight block squared radius. Other notable sub-regions include the Village of Estero and City of Bonita Springs,

both of which experienced tremendous growth as development pushed further south prior to the last recession.

Further east of I-75, aside from the densely populated areas of the Lehigh Acres community, the region becomes more rural in nature and is dominated by low density housing and-or agricultural type uses/employment. The southeast corner of the county is mostly undeveloped, preserve land that is part of the Crew Flint Pen Stand or Corkscrew Swamp Sanctuary.

The age distribution of the region's population is skewed compared with the national distribution, with the region having a larger percentage of mature residents. As with other coastal communities throughout Florida, the area is influenced by seasonal swings in population in relation to retirees, as well as tourism. While not formally counted, the population increases about 20% during peak season (winter months); however, this projection would seem low when poling permanent residents who feel the effects of the annual population swell is much greater. For the most part, the infrastructure in place is able to accommodate the seasonal influx, but not without an overall increase in commuting times. The area is gaining in popularity, and statistically speaking, has been one of the fastest growing regions in the nation, ranked sixth in the nation in 2015 population percentage growth (2.7%).

Population

Population characteristics relative to the subject property are presented in the following table. Overall, population growth rates for the subject MSA are above the state as a whole.

POPULATION

| Population | | | | | | | |
|---------------------------|-------------|-------------|----------|-------------|-------------|----------|------|
| Area | 2000 | 2010 | Annual % | Estimated | Projected | Annual % | |
| | | | Change | | | | 2017 |
| United States of America | 281,421,906 | 308,745,538 | 1.0% | 327,514,334 | 341,323,594 | 0.8% | |
| Florida | 15,982,378 | 18,801,310 | 1.8% | 20,619,313 | 22,062,364 | 1.4% | |
| Cape Coral-Fort Myers MSA | 440,888 | 618,754 | 4.0% | 720,426 | 808,124 | 2.4% | |
| Subect - 5-mile radius | 12,971 | 49,444 | 28.1% | 63,333 | 73,371 | 3.2% | |

Source: Site-to-Do-Business (STDB Online)

Transportation

Highways/Roadways

Major transportation routes in the area include Interstate 75 (I-75) and S Tamiami Trail/Cleveland Ave (US-41) for points north/south, and Alico Rd, Daniels Pkwy, Colonial Ave, and State Rd 82. I-75 is a major highway, which connects the area to Sarasota, onto Tampa/St Petersburg, to the north, Naples to the south, and onto Ft Lauderdale/Miami/West Palm Beach to the east.

Access throughout most of the region is good, with an abundance of four and six-lane primary roadways traversing north/south and east/west throughout the county. Traffic counts along some of the more well-travelled roadways/intersections are noted below.

AADT

Annual Average Daily Traffic

| Intersection | 2015 |
|--|--------|
| S Tamiami Trl (US-41) & Bonita Beach Rd | 56,500 |
| S Tamiami Trl (US-41) & Daniels Pkwy | 63,500 |
| Cleveland Ave & Winkler Ave | 52,500 |
| Daniels Pkwy & 6 Mile Cypress Pkwy | 54,000 |
| Colonial Blvd & Forum Blvd | 84,000 |
| Colonial Blvd & Evans Ave | 65,000 |
| Dr Martin Luther King Blvd (SR-82) & Ortiz Ave | 41,500 |
| Cape Coral Pkwy Bridge | 54,000 |
| Del Prado Blvd & Veterans Pkwy | 57,500 |
| Alico Rd & Three Oaks Pkwy | 37,915 |
| I-75 & Alico Rd | 93,000 |
| I-75 & Daniels Pkwy | 89,417 |

Source: FDOT Traffic Online

Air Travel

The area is primarily serviced by three notable airports, SW Florida International (Commercial Airport), Naples Municipal (General Aviation), and Punta Gorda Airport (General Aviation). Airport traffic has been steady for the last five years despite less than favorable economic conditions during some of that time. The table that follows displays annual total traffic reports for the past few years for the major airports in the region. Recent airport statistics show improving numbers for Southwest Florida International Airport and Punta Gorda Airport, with the Punta Gorda Airport having the greatest traffic percentage increase in recent years (78% from 2014 to 2016).

AIRPORT TRAFFIC

Annual Airport Traffic

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Punta Gorda Airport | 182,423 | 291,626 | 219,357 | 333,611 | 628,075 | 836,472 | 1,118,303 |
| Naples Municipal Airport | 86,187 | 84,339 | 87,078 | 91,605 | 95,120 | 99,569 | 95,050 |
| SW Florida Int'l Airport | 7,514,316 | 7,537,745 | 7,350,625 | 7,637,801 | 7,970,493 | 8,371,801 | 8,604,673 |

Seaports

While the economic influence of cargo and cruise activity is substantial in other areas of Florida, the direct impact is not so great for this region as there are no major ports located in the immediate area; however, several notable seaports within 150 miles or so, listed as follows:

SEAPORTS

Distance to Seaports

| | Distance | Hours |
|-----------------|-----------|------------|
| Port Manatee | 99 miles | 1.5 hours |
| Port Tampa Bay | 131 miles | 2.0 hours |
| Port Everglades | 136 miles | 2.0 hours |
| Port Miami | 153 miles | 2.25 hours |

Employment

The top six employment categories are education/health services, leisure/hospitality, professional/business services, retail trade, and construction.

Statistically, the Educational Services, Health Care, and Social Assistance category is the highest employment sector in the region with about a 21.1% share. This area is supported by a growing population base and demand for premium healthcare related services. Notable employers include Lee Memorial Health System, Lee County School District, and Florida Gulf Coast University.

The leisure and hospitality industry make an important contribution to the local economy with services that include a variety of activities to attract tourists such as resorts, recreational parks/beaches, sporting events, concerts, restaurants/shopping districts, and hotel lodgings. The importance of leisure and hospitality in the region is evident by the large share of employment relative to the Nation as a whole (12.8% +/- for area vs. 9.6% for Nation). Notable employers include Hyatt Regency Coconut Point.

Because the resident population is supplemented by the large annual influx of seasonal residents (2nd home residents) and visitors who are mainly vacationers, there is added demand for several categories of consumer retail goods and personal services, especially in the food market retail trade. Notable employers include Publix Super Markets, Walmart and Home Depot.

Construction employment has fluctuated over the past several years, going from about 12.70% share in 2010 to about a 9% share over the past couple of years. New and renovation construction, mostly in the residential sector, supports this employment sector, a trend that is expected to continue into the near future. Notable employers include WCI Communities, Royal Corinthian Homes, and Crowther Roofing.

Employment share in the agricultural, forestry, fishing and hunting, and mining sector is relatively low at 1.20%; however, is around the state share of about 1%.

In addition to the employment/employers noted above, there are several key employers in the area, as identified by the Southwest Florida Economic Development Alliance, which include the following:

- Hertz, Inc. – Vehicle Rentals and Sales (Global Headquarters)
- Algenol Biofuels – Industrial Biotechnology (Global Headquarters)
- Chico's FAS – Women's Specialty Apparel Retailer (Global Headquarters)
- Gartner, Inc. – Global IT Research and Advising
- 21st Century Oncology – Healthcare (Global Headquarters)
- Fox Electronics – Specialty Electronics Manufacturer (Global Headquarters)

EMPLOYMENT BY SECTOR

Employment by Industry - Cape Coral-Fort Myers

| Industry | 2017 Estimate | Percent of Employment |
|--|----------------|-----------------------|
| Agriculture/Mining | 3,363 | 1.20% |
| Construction | 25,779 | 9.20% |
| Manufacturing | 8,967 | 3.20% |
| Wholesale trade | 5,884 | 2.10% |
| Retail trade | 39,790 | 14.20% |
| Transportation/Utilities | 12,329 | 4.40% |
| Information | 3,923 | 1.40% |
| Finance/Insurance/Real Estate Services | 20,455 | 7.30% |
| Services | 150,472 | 53.70% |
| Public Administration | 9,527 | 3.40% |
| Total | 280,209 | 100.1% |

Source: Site-to-Do-Business (STDB Online)

Unemployment

The table that follows exhibits current and past unemployment rates as obtained from the Bureau of Labor Statistics. Overall, the Region is above the state, and below the country, with an unemployment rate at 4.4 percent as of mid-2017.

Unemployment Rates

| Area | YE 2010 | YE 2011 | YE 2012 | YE 2013 | YE 2014 | YE 2015 | YE 2016 | 2017 YTD |
|---------------------------|---------|---------|---------|---------|---------|---------|---------|----------|
| United States of America | 9.1% | 8.3% | 7.6% | 6.5% | 5.4% | 4.8% | 4.5% | 4.6% |
| Florida | 10.7% | 9.0% | 7.8% | 6.3% | 5.5% | 4.9% | 4.7% | 4.3% |
| Cape Coral-Fort Myers MSA | 11.9% | 9.5% | 7.9% | 6.1% | 5.1% | 4.5% | 4.4% | 4.4% |
| City of Fort Myers | 11.5% | 10.1% | 7.9% | 6.2% | 5.2% | 4.9% | 4.9% | 4.8% |

Source: Bureau of Labor Statistics - Year End - National & State Seasonally Adjusted

Median Household Income

Total median household income for the region is presented in the following table. Overall, the subject's MSA and county compare favorably to the state and unfavorably the country.

Median Household Income

| Area | Estimated 2017 | Projected 2022 | Annual % Change 2017 - 22 |
|---------------------------|----------------|----------------|---------------------------|
| United States of America | \$56,124 | \$62,316 | 2.2% |
| Florida | \$50,606 | \$56,217 | 2.2% |
| Cape Coral-Fort Myers MSA | \$52,312 | \$58,351 | 2.3% |
| Subect - 5-mile radius | \$61,161 | \$68,864 | 2.5% |

Source: Site-to-Do-Business (STDB Online)

Conclusions

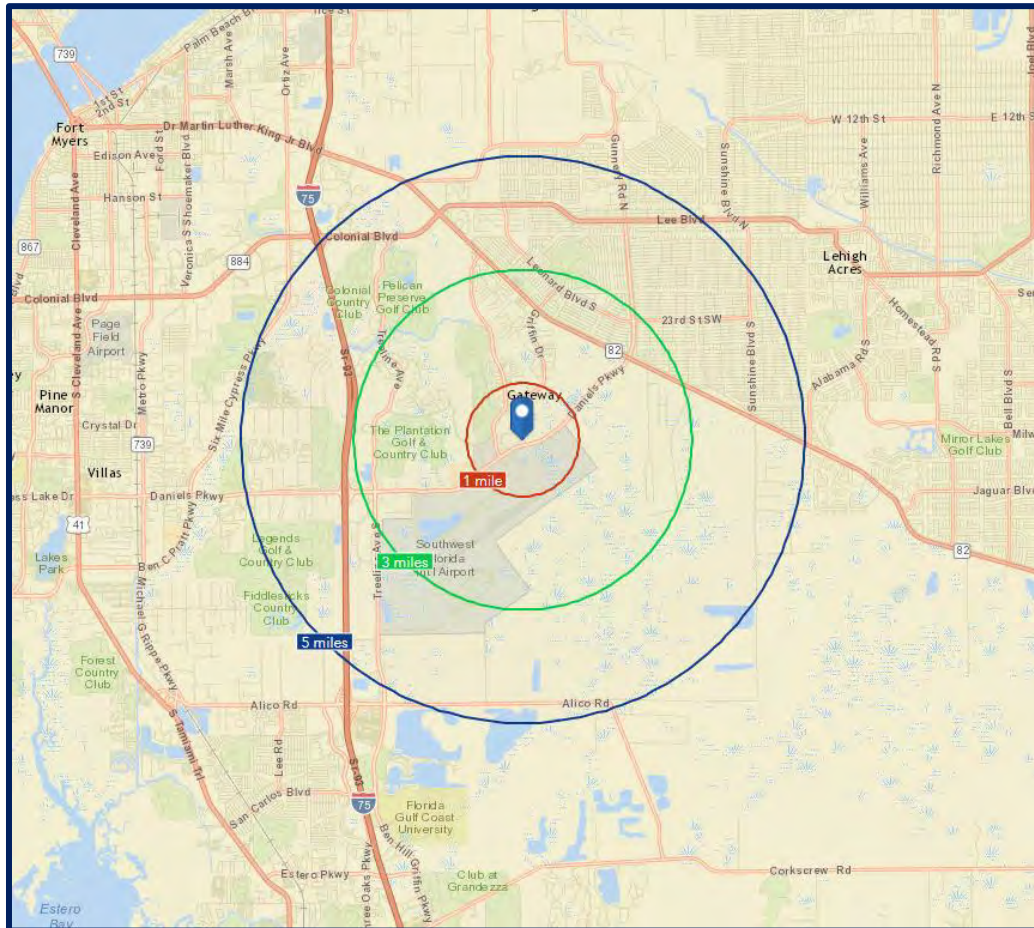
Southwest Florida has historically been an attractive place to live and work, providing businesses a chance to succeed supported based on demographics and population growth. Travel throughout the region is well-supported by a system of modern highways/roadways, with out-of-region accessibility via commercial and municipal airports. Land use growth patterns are monitored and supported on a regional, and-or, local basis through master development/future growth plans, as well as local zoning. Not surprisingly, the riverfront and coastal areas are densely developed, with most growth opportunity lying further inland to the east and north.

In the past several years, the Cape Coral-Ft Myers MSA has gained momentum with consistent improvements in employment growth, tourism, population growth, gross sales, building permits and inventory absorption. From a labor perspective, Lee County is well-positioned to support new and expanding businesses with a labor force that has been growing more rapidly than state and national averages over the past several years. Tourism is up as the previously weaker dollar benefited the region by bolstering foreign visitors, while the more recent strengthening of the national economy has increased tourism by residents of other parts of the state and-or nation.

The 2016 market greatly improved from previous years, a trend that is expected to continue for the remainder to 2017 and into 2018.

City and Neighborhood Analysis

NEIGHBORHOOD MAP



Overview

The subject property is located in South Fort Myers, which is in the central part of Lee County, Florida. To the north of this area is Fort Myers (Central and Downtown) and to the south are the neighborhoods of San Carlos and Estero. Cape Coral, Sanibel/Captiva and Pine Island are located to the West and Lehigh Acres is located to the East. As presented in the table in the table that follows, the city's population within a 10-mile radius as of 2016 was 279,676

Neighborhood Location and Boundaries

The subject neighborhood is located in the Gateway section of Fort Myers. The area is mostly suburban to rural in nature. The neighborhood is bounded by Lee Blvd to the north, State Road 82 to the east, Corkscrew Rd to the south, and US 41 to the west.

Demographics

The following table depicts the area demographics in Fort Myers within a one-, three-, and five-mile radius from the subject.

Neighborhood Demographics

| Radius | 1 mile | 3 miles | 5 miles |
|---------------------------------------|-----------|----------|----------|
| Population Summary | | | |
| 2000 Population | 130 | 3,065 | 12,971 |
| 2010 Population | 490 | 14,868 | 49,444 |
| 2017 Population | 648 | 21,190 | 63,333 |
| 2022 Population Estimate | 776 | 25,081 | 73,371 |
| Annual % Change (2017 - 2022) | 3.7% | 3.4% | 3.0% |
| Housing Unit Summary | | | |
| 2000 Housing Units | 70 | 1,297 | 6,093 |
| % Owner Occupied | 67.1% | 77.3% | 70.9% |
| % Renter Occupied | 5.7% | 8.7% | 9.4% |
| 2010 Housing Units | 348 | 7,008 | 24,879 |
| % Owner Occupied | 51.1% | 46.7% | 48.4% |
| % Renter Occupied | 11.2% | 27.1% | 22.4% |
| 2017 Housing Units | 382 | 10,279 | 32,116 |
| % Owner Occupied | 57.1% | 46.3% | 46.0% |
| % Renter Occupied | 15.4% | 27.5% | 24.7% |
| 2022 Housing Units | 460 | 12,219 | 37,339 |
| % Owner Occupied | 57.0% | 46.6% | 45.9% |
| % Renter Occupied | 15.4% | 27.0% | 24.7% |
| Annual % Change (2017 - 2022) | 3.8% | 3.5% | 3.1% |
| Income Summary | | | |
| 2017 Median Household Income | \$101,074 | \$68,550 | \$61,161 |
| 2022 Median Household Income Estimate | \$108,982 | \$78,099 | \$68,864 |
| Annual % Change | 1.5% | 2.6% | 2.4% |
| 2017 Per Capita Income | \$54,498 | \$40,003 | \$32,841 |
| 2022 Per Capita Income Estimate | \$61,925 | \$45,085 | \$36,981 |
| Annual % Change | 2.6% | 2.4% | 2.4% |

Source: Site-to-Do-Business (STDB Online)

Transportation Access

Access throughout the subject neighborhood is considered good. The primary north/south arterials in the subject's immediate neighborhood are McGregor Boulevard, Tamiami Trail (US 41), Metro Parkway/Michael G. Rippe Parkway, Treeline Avenue and Interstate 75 (I-75). The primary east/west arterials in the neighborhood are Cypress Lake Drive/Daniels Parkway and Alico Road. Summerlin Road, Gladiolus Drive, and Ben C. Pratt Parkway are also major roads that connect various parts of the neighborhood. Completion of an I-75 interchange access ramp now provided direct access to/from Southwest Florida International Airport. While this is good for airport travelers, it has taken

away some drive-by traffic along the previous access roadways being Alico Rd, Daniels Pkwy, and Treeline Ave. Access to the area is considered good.

Neighborhood Land Use

The subject neighborhood is located in an area with primarily commercial, residential, and municipal land uses. Public infrastructure is in place throughout most of the area, with the area adjacent to and west of I-75 being densely developed; however, the further east you get away from I-75, the more sparsely developed.

Southwest Florida International Airport – Information²

The following information was taken directly from marketing material as referenced in the Southwest Florida International Airport – Fast Facts marketing material, dated January 2017.³

About Southwest Florida International Airport

Southwest Florida International Airport (RSW), operated by the Lee County Port Authority (LCPA), was certified for operation in May 1983. In response to more than two decades of record-breaking growth, a bright, modern, state-of-the-art terminal opened in 2005. This award-winning facility was designed with today's traveler in mind and tomorrow's opportunities in view.

Nonstop service is offered throughout the U.S., as well as international service to Canada and Germany. With flights to major gateways like Atlanta, Chicago, New York and more, travelers have access to convenient connections worldwide.

Location

Located in Fort Myers, the airport is perfectly positioned to serve the greater Southwest Florida area as well as other points along Florida's Gulf Coast. Visitors can go from bag claim to beach in under 30 minutes. With quick access to Interstate 75 and U.S. 41, travelers will find the airport's location puts all the attractions of the region within easy driving distance.

Facilities

- Three passenger concourses with 28 gates
- International arrivals facility with two gates and customs/immigration services
- International transit lounge
- Skyplex, a site located north of the runway, offers more than 1,100 acres for commercial development, including 75 acres of prime ramp access.

Passengers

- Nearly 8.6 million annual passengers (2016)
- Approximately 24,000 daily passengers
- Average of 217 daily flights

² Lee County Port Authority, Southwest Florida International Airport Fast Facts. January 2017. Accessed November 2017. <http://www.flylcpa.com/uploads/pagesfiles/2230.pdf>

³ Ibid

Economic Impact

The Florida Department of Transportation 2014 Economic Impact Study shows the total contribution from airport operations to the region's economy through direct and indirect sources is \$4.3 billion annually.

Runway

Runway 6/24: 12,000 x 150 feet (3,658 x 46 meters) with asphalt surface. Accommodates wide-body international aircraft such as the Boeing 747 and Airbus A330. A 9,100-foot parallel runway is planned for the future.

Operating Budget

\$119.4 million for fiscal year 2016-17. LCPA operates as an enterprise fund with revenue generated from airport operations. No ad valorem (property) tax dollars support airport operations or construction.

Fast Facts about Southwest Florida International Airport

- Ranks among the top 50 airports for passenger traffic in the United States
- Class A Port of Entry with customs services on site
- Entire airport is a designated Foreign Trade Zone, which provides special customs procedures advantageous to U.S. companies engaged in international trade-related activities
- The terminal at Southwest Florida International Airport is expandable to 65 gates with the ability to serve more than 16 million passengers annually.

Conclusions

During the 25 years preceding 2006, the Ft Myers/South Ft. Myers neighborhood experienced substantial growth and increasing real estate values. The demand for this area was a result of the rapid build out of coastal areas located west of I-75 in the Naples and Fort Myers area, and this generated an increase in demand for housing and commercial development in Ft Myers/South Ft. Myers.

For the past couple of years, growth has been mostly relegated to well-located areas with a focus more on end-user/owner-occupancy product versus speculative development. The majority of this development has been retail in nature with the most, if not all of the investment type property pre-leased prior to construction. With substantial commercial development happening to the south (Estero/Bonita Springs) and west (Alico Rd/I-75 Corridor), it was expected that development will push outwards to the subject's surrounding area. More recently, we have seen this push with new vacant land sales for proposed development. As occupancy of existing buildings for all forms of commercial properties has increased, the need for new development has increased.

In March 2015, Lee Memorial Health System announced the expansion of the Gulf Coast Medical Center campus with the addition of 275 patient beds. Construction for the expansion would include a 3-story addition to the current hospital, and surrounding medical office building(s) and a 1,100-space parking garage. The hospital campus expansion is scheduled to be completed by 2020. In addition, plans were announced for construction of two privately owned assisted living facilities, independent of each other, to be built in close proximity to the hospital. And Whole Foods has announced plans to construct a 45,000-sf grocery store at the northwest corner of Daniels Pkwy and Six Mile Cypress. Most new construction has been occurring west of I-75, or directly east within a mile of the interstate, which would be west of the subject.

Yet while widespread, new development is generally lagging around the subject property, some new projects have been completed or are underway that are close in proximity. First and foremost, Gartner, Inc. has recently ground leased 19.11 acres of non-aviation airport land within Skyplex for construction of a new office campus. The initial Phase I plans are for a 120,000-sf, more or less, office project to be completed sometime in 2018. Phase II would be additional office space on adjacent land. The land was ground leased at a rate of Third, FedEx Ground built a 200,000+ square foot facility along Treeline Ave, a few miles west of the subject. Also, Headpinz completed construction on a 40,000 square foot entertainment facility just off of Treeline Ave and recently bought adjacent land for what is assumed to be future expansion. Additionally, retail and hospitality uses have been in development in and around the Gulf Coast Town Center, which is a regional outdoor mall to the southwest of the subject. Lastly, construction is nearly complete for the development of a Publix grocery store shopping center that will be constructed within Skyplex, at the corner of Daniels Pkwy and Paul J. Doherty Pkwy, which should be a positive influence on marketability for the Skyplex project and is further detailed below.

North American Properties – Southeast, Inc. (NAP) entered into a ground lease for about 10.4 acres of land in Skyplex, located at the southeast corner of Daniels Pkwy and Paul J. Doherty Pkwy. NAP plans on developing the land with a shopping center plaza anchored by a 45,000 square foot Publix grocery store, with an additional 20,000 square feet of retail space. As of now, the project is still in the planning/permitting stage with hopes to break ground in late 2016 and open in the second half of 2017. Prior to this ground lease, and the subsequent Gartner, Inc. ground lease previously mentioned, the only other ground lease of note at the airport involved the leasing of about 2 acres of well-located land located along the main terminal access road (midfield location). What began in 2011, and commenced in 2014 (upon completion of construction), involved the development of a retail C-Store with gas station sales d/b/a 7/Seven, and supporting site improvements (parking lot, etc.).

Recent trends have seen real estate increasing in value beginning in 2013, if not a little before. This includes all real estate, including residential, commercial, industrial, and land. This trend is expected to continue for the near future. New development will positively influence the South Ft Myers submarket and more than likely will stimulate additional development growth throughout the submarket and region.

Site Description

The subject site is located at the northeast corner of Daniels Pkwy and Commerce Lakes Dr, about 4.5 miles east of the I-75 highway interchange. The characteristics of the site are summarized as follows:

Site Characteristics

Location: NEC of Daniels Pkwy and Commerce Lakes Dr, Fort Myers, Lee County, FL 33913

Land Area –

Study A Study A

Uplands Area: 7.980 Acres or 347,609 SF

Wetlands Area: 12.660 Acres or 551,469 SF

Gross Land Area: 20.640 Acres or 899,078 SF

Study B Study B

Uplands Area: 11.24 Acres or 489,614 SF

Wetlands Area: 9.40 Acres or 409,464 SF

Gross Land Area: 20.640 Acres or 899,078 SF

Reconciled Wetlands Area: 11.03 Acres

** See wetlands comments below for further description.*

Shape: Irregular

Average Depth: 450.00 feet (based on gross land area)

Topography: Heavily wooded

Drainage: Unknown

Grade: At or below street grade

Utilities: Public Available

Off-Site Improvements: Paved roadways, buried utilities, drainage swales

Interior or Corner: Corner

Signalized Intersection: No: No traffic signal at, or near, the site

* Wetlands Comments: We were provided by the client with differing information on the size of subject wetlands. One report, which we have referred to as Study A, identifies 12.66 acres of wetlands. The other identifying information, which we have referred to as Study B, identifies 9.40 acres of wetlands.

For the purposes of this analysis, we have considered and relied on both studies equally, reconciling to a 50/50 split in our estimate of 11.03 acres of wetlands, which is an extraordinary assumption of this report. The table on the following page provides a wetlands breakdown per study, with our reconciled estimate. References/excerpts from each study has been provided in the addenda section of this report.

Wetland Area Breakdown - Reconciled

| Parcel | Gross Lot Size (AC) | Study A | Study B | Weighted (50/50) | Reconciled | Wetlands Type |
|--------------|---------------------|---------------|---------------|------------------|---------------|---------------|
| | | Wetlands (AC) | Wetlands (AC) | | Wetlands (AC) | |
| Sub Parcel A | 0.90 | 0.16 | 0.00 | 50% | 0.08 | Herbaceous |
| Sub Parcel B | 6.27 | 2.33 | 0.00 | 50% | 1.17 | Herbaceous |
| Sub Parcel C | 13.47 | 6.24 | 5.60 | 50% | 5.92 | Herbaceous |
| Sub Parcel C | Incl. above | 3.93 | 3.80 | 50% | 3.87 | Forested |
| Total | 20.64 | 12.66 | 9.40 | | 11.03 | |

Wetlands Classification

| Type | Description | Quality |
|-----------------------|----------------------|---------|
| Forested Freshwater | Cypress | High |
| Forested Freshwater | Mixed Wetland Forest | High |
| Herbaceous Freshwater | Freshwater Marsh | Low |
| Herbaceous Freshwater | Wet Prairie | Low |

Street Frontage / Access

| Frontage Road | Primary | Secondary |
|---------------------------|-------------------|-------------------|
| Street Name: | Daniels Pkwy | Commerce Lakes Dr |
| Street Type: | Primary; Arterial | Tertiary |
| Frontage (Linear Ft.): | 2,230.00 | 123.00 |
| Number of Curb Cuts: | 0; N/A | 0; N/A |
| Traffic Count (Cars/Day): | 39,000 (2016) | N/A |

Additional Access

| | |
|-----------------------|----|
| Alley Access: | No |
| Water or Port Access: | No |
| Rail Access: | No |

Flood Zone Data

| | |
|-------------------------|--|
| Flood Map Panel/Number: | 12071C0475F |
| Flood Map Date: | 08-28-2008 |
| Flood Zone: | Zone X |
| | This Zone X is an area determined to be outside the 0.2% annual chance floodplain. |
| Site Area in Flood: | 0.00% |

Other Site Conditions

| | |
|--------------------------|---|
| Soil Type: | Per the reviewed environmental assessment, the soil type is made up of Pineda fine sand, Malabar fine sand, and Felda fine sand, depressional, which is an extraordinary assumption of this report. |
| Wetlands Classification: | See the table above. |
| Environmental Issues: | Other than the presence of the previously described wetlands, no environmental problems were apparent and no information was |

provided, which is an extraordinary assumption and limiting condition of this report.

Easements/Encroachments: The appraisers were not provided with a recent title search indicating easements of record and based on the physical inspection, no noted adverse easements or encroachments are considered to exist.

Adjacent Land Uses

North: Industrial & Vacant Land
 South: Vacant Land
 East: Vacant Land
 West: Industrial & Commercial

Site Ratings

Access: Average
 Visibility: Good

Zoning Designation

Zoning Jurisdiction: Lee County
 Zoning Classification: AOPD, Airport Operations Planned Development
 General Plan Designation: Airport/Tradeport & Wetlands
 Permitted Uses: Commercial/retail, office, and industrial
 Zoning Comments: The purpose and intent of the Airport Operations Planned Development (AOPD) district is to accommodate and regulate those lands where public airports and ancillary facilities are conducted.

Development must be substantially consistent with the 4-page Master Concept Plan (MCP) entitled Southwest Florida International Airport AOPD, Lee County Port Authority, last revised February 2, 2015. Development must comply with the LDC at time of local development order approval, except as approved by deviation or variance in zoning resolution. Subsequent changes to the MCP will require further development approvals. Development intensity is limited to the development intensities set forth in Lee Plan Table 5(a). The permitted schedule of uses allows various types of office, industrial, retail, and hotel uses.

Within the AOPD, the subject is identified as being part of the Non-Aviation Support Land Area, and more specifically as part of the "North of Runway 6/24 Proposed Parcels" area. The subject is identified as Parcel P11a, which is designated for

commercial/retail, office, and-or industrial use. The C/O/I designation permits a variety of commercial and industrial uses. Additionally, the subject is part of a 7.17 acres parcel that has been identified for potential retail development of restaurant/brew pub facility d/b/a Fort Myers Brewery.

Analysis/Comments on Site

The subject site, identified as Parcel P11a, is a 20.64 acre parcel of land that is part of a larger development referred to and marketed as Skyplex. The subject site is currently unimproved, vacant land. The irregular shaped, corner parcel is well-located along a heavily trafficked, primary roadway and about 4.5 miles, more or less, from an I-75 interchange. The subject is adjacent to a mixed-use planned development that is commonly referred to as Gateway. To the immediate north, west, and northwest of the subject, the land is mostly developed with light industrial, office, and industrial flex type uses. To the immediate east, south, and northeast, the land is mostly undeveloped, vacant land. To the southwest is the Southwest Florida International Airport (RSW).

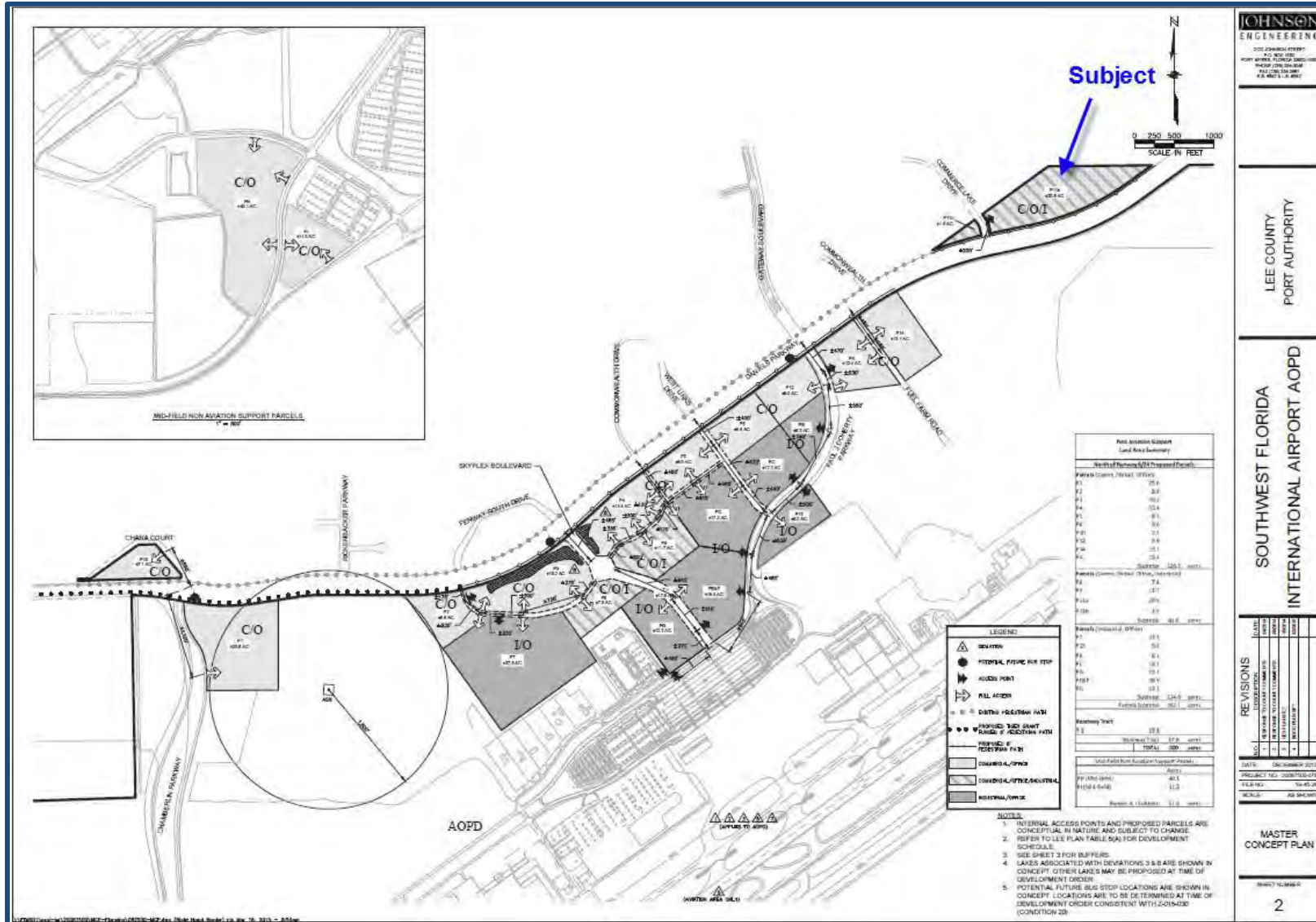
According to marketing materials, Skyplex is comprised of about 1,150 acres of land designated as aviation and non-aviation property. The subject is part of the 850 acres of non-aviation land that is targeted for commercial development, including, but not limited to, corporate headquarters and-or regional offices, office complexes, medical science and technology centers, warehouse and light industrial uses, retail centers, gas stations, convenience retail, self-storage, restaurants, and hotels. Skyplex is located in a Foreign Trade Zone at a commercial airport (Southwest Florida International Airport) in close proximity to an interstate highway (I-75).

The subject is zoned as part of the Airport Operations Planned Development (AOPD) with permitted uses that are commercial in nature (retail, office, or industrial). Based on the highest and best use of the property, commercial office, retail, or light industrial are the most appropriate uses, which is further detailed herein.

According to the client, wetlands exist on the subject property and would require mitigation prior to development. Based on the client provided information, which we have referred to as Wetlands Study A and B, we have reconciled that about 11.03 acres of wetlands exist and would require mitigation, which is an extraordinary assumption of this report.

The proximity to a commercial airport and interstate highway is a positive influence. The lack of non-aviation development within the AOPD is a negative influence, tempered by the recent ground leasing of two properties (Publix shopping center & Gartner office campus). The location along a primary roadway is a positive influence, tempered by the lack of construction in the immediate area. The heavily wooded condition is a negative influence. The wetlands and subsequent mitigation prior to development is a negative influence and extraordinary assumption of this report.

MASTER CONCEPT PLAN – AOPD



JOHNSON ENGINEERING
5015 JOHNSON STREET
PORT MYRTLE BEACH, FLORIDA 33951
PHONE: 334.244.8888
FAX: 334.244.8888
WWW.JE.US

LEE COUNTY
PORT AUTHORITY

SOUTHWEST FLORIDA
INTERNATIONAL AIRPORT AOPD

| NO. | DATE | DESCRIPTION |
|-----|----------|----------------------|
| 1 | 11/15/17 | ISSUE FOR PERMITTING |
| 2 | 11/15/17 | ISSUE FOR PERMITTING |
| 3 | 11/15/17 | ISSUE FOR PERMITTING |
| 4 | 11/15/17 | ISSUE FOR PERMITTING |

DATE: December 2017
PROJECT NO: 2016150017P
FILE NO: SW-40-17
SCALE: AS SHOWN

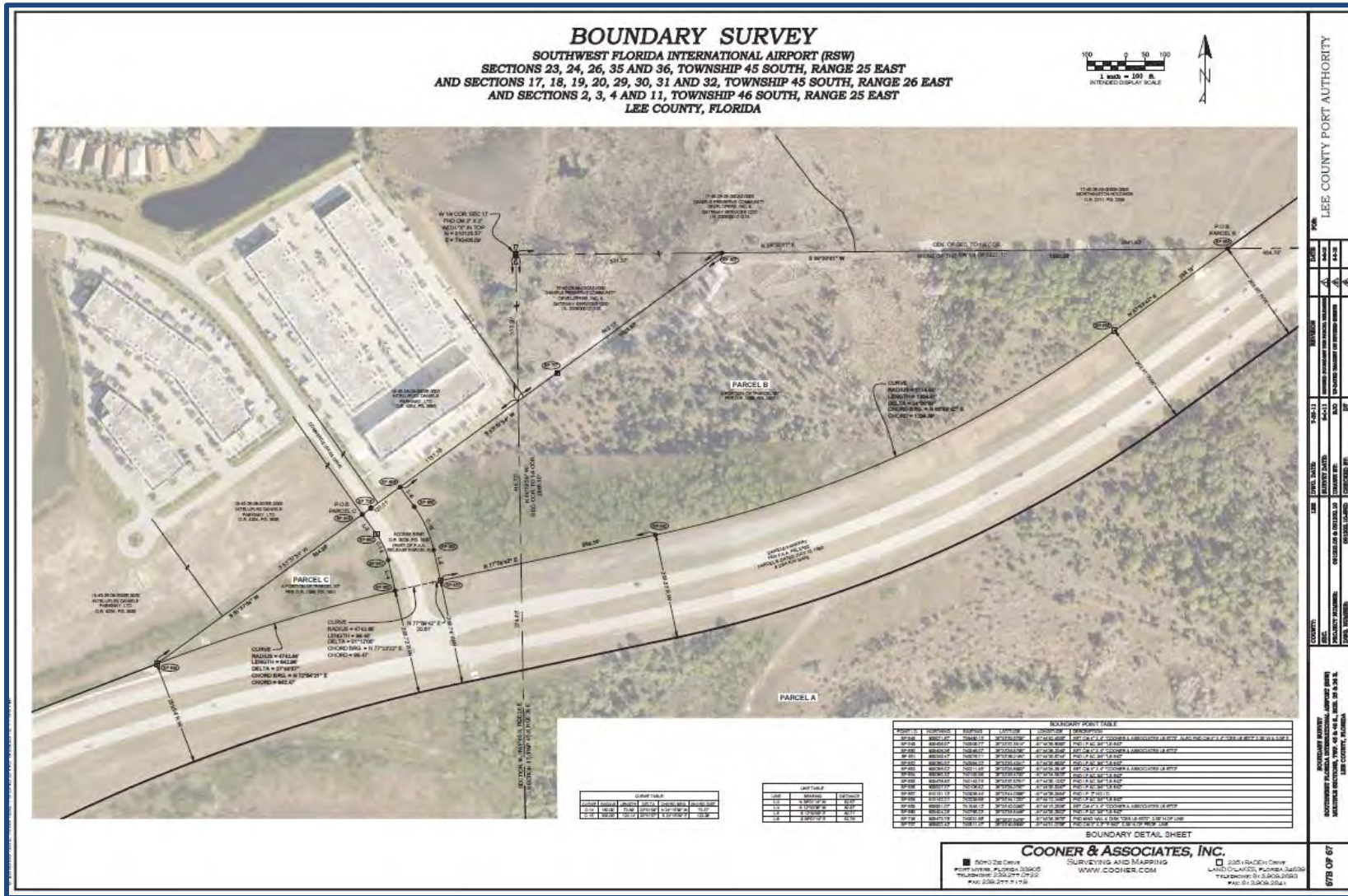
MASTER
CONCEPT PLAN

2

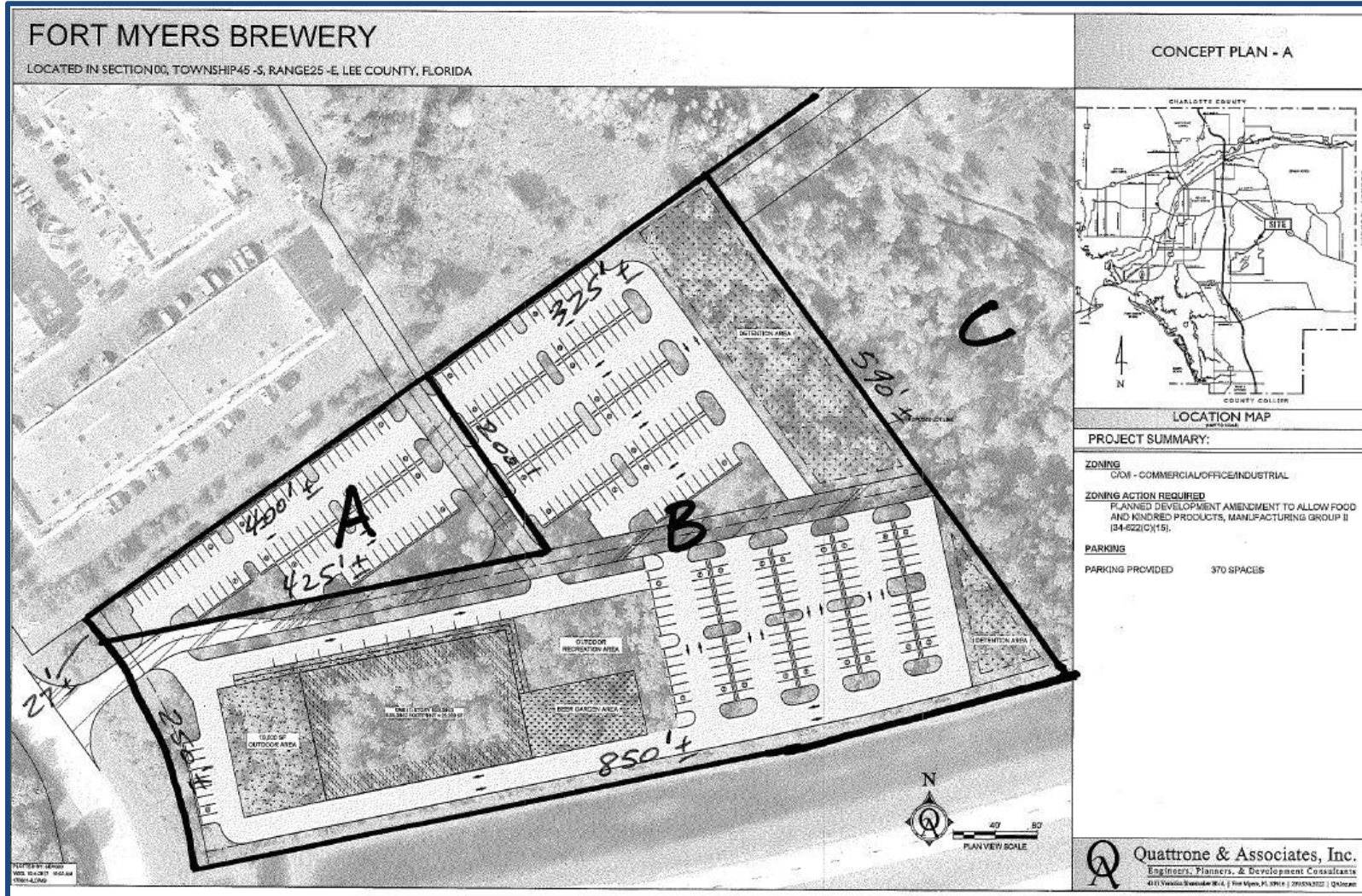
BIRD'S EYE VIEW



BOUNDARY SURVEY



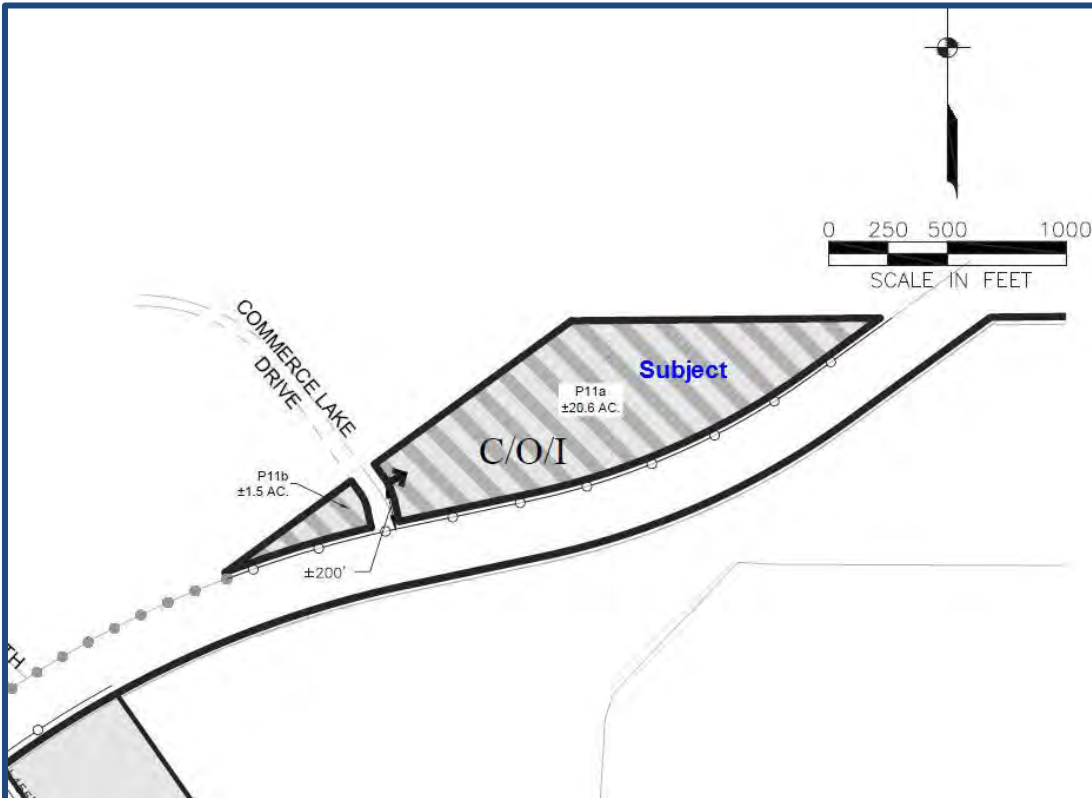
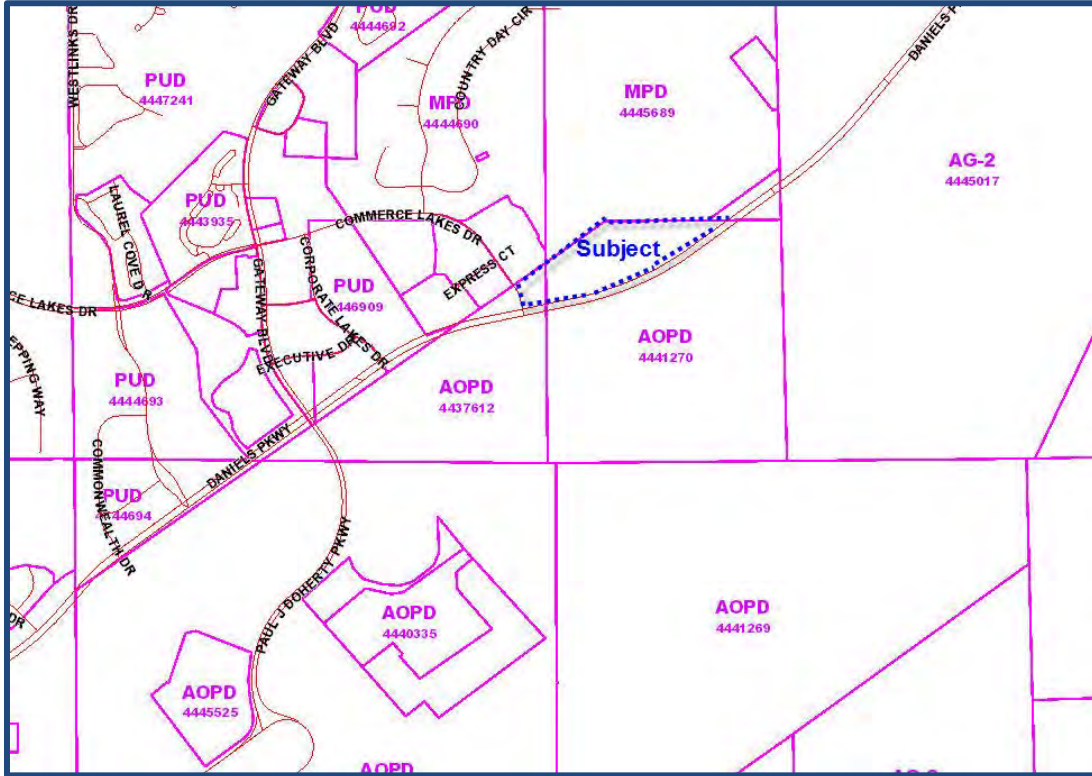
CONCEPT PLAN – FT MYERS BREWERY (SUB PARCEL BREAKDOWN)



FLOOD MAP



ZONING MAPS



Subject Photos



Unimproved, Vacant Land



Unimproved, Vacant Land



Unimproved, Vacant Land



Street View – Daniels Pkwy

Additional photos are included in the Addenda

Assessment and Tax Data

Assessment Methodology

In Florida, property taxes are based upon an appraisal of the property performed by the respective County Assessor's Office, with values updated annually. Under Florida law, the assessed value for commercial property (non-homestead property), is capped at a 10% increase over the prior year assessed value, unless an assessment limitation reset (reassessment) has been triggered. If capped, a capped assessed value could result in a lower assessed value versus just (market) value. Of note, the current 10% cap rule will sunset in 2018; however, there is a proposed constitutional amendment that will take place during the 2018 general election to permanently retain this 10% cap, subject to 60% approval.

For commercial property, or residential properties with ten units or more, reassessments can be triggered following a qualifying improvement or change of ownership or control (typically through sale). A qualifying improvement is any substantially completed improvement that increases the just (market) value of the property by at least 25%.

In calculating the ad valorem real property tax burden, a respective tax authority's millage is applied against the assessed value, except for the school board authority millage which is applied against the assessor's uncapped, full market value. If an assessment is uncapped, the assessed value and market value would be equal.

Assessed values are effective as of January 1 of the tax year. Taxes are payable anytime between November 1st and March 31st, with a 1% discount per month applied for early payment (4% discount if paid in November, 3% in December, 2% January, etc.).

Assessed Values and Property Taxes

The subject is a part of a larger, parent parcel and is not separately taxed. The subject's parent parcel assessed values, applicable tax rates and total taxes, including direct assessments, are shown in the table on the following page. Of note, the subject is exempt from ad valorem taxes and appears to be only liable for annual special assessments, if any.

Ad Valorem Tax Schedule

Tax Parcel Number: Portion of 19-45-26-00-00002.0000

| Lee County Year | Actual 2015 | Actual 2016 | Preliminary 2017 |
|------------------------|----------------|----------------|---------------------|
| Appraised Value | | | |
| Total: | \$210,334,030 | \$339,071,401 | \$336,794,913 |
| Per Square Foot: | \$233.94 | \$377.13 | \$374.60 |
| % Change: | N/A | 61.2% | -0.7% |
| Assessed Value | | | |
| Total: | \$210,334,030 | \$231,319,233 | \$254,441,256 |
| % Change: | N/A | 10.0% | 10.0% |
| Tax Rate | | | |
| Total: | \$13.600800 | \$13.180400 | \$12.888500 |
| % Change: | N/A | -3.1% | -2.2% |
| Millage Rate | | | |
| Total: | per \$1,000 | per \$1,000 | per \$1,000 |
| Tax Expense | | | |
| | Actual 2015 | Actual 2016 | Preliminary 2017 |
| Tax Amount: | \$0 | \$0 | \$0 |
| Special Assessments: | \$47,763 | \$0 | \$66,454 |
| Total Taxes: | \$47,763 | \$0 | \$66,454 |

Conclusions

The subject is a portion of larger, parent parcel and is not separately taxed; therefore, an assessment for the subject portion not concluded and was not considered germane to our valuation.

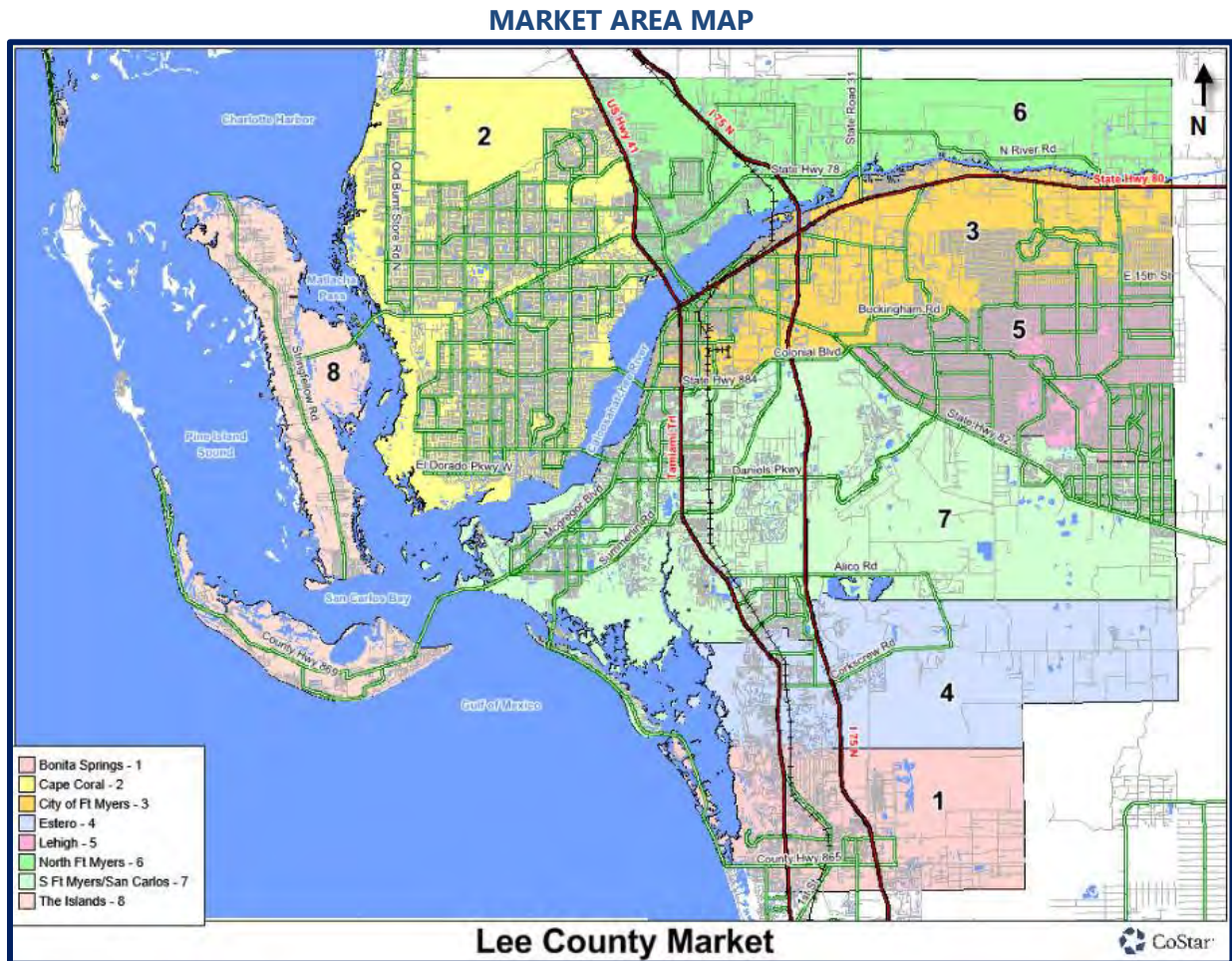
According to the Lee County the subject's parent property taxes are paid as of the date of value.

Market Analysis

The following market analysis of the Lee County industrial, retail, and office property market is based on data obtained from the CoStar Group, Inc., a leading provider of real estate information services. The analysis presents the subject property's macro markets (Lee Count) and includes a breakdown of all industrial, retail, and office space.

Lee County Metropolitan Market

The following is the Lee County metropolitan market map, as presented by CoStar Group, Inc. Of note, the subject submarket of South Ft Myers/San Carlos is numbered 7 below.



On the following pages are tables that illustrate the historical market performance of the Lee County Metropolitan and S Ft Myers/San Carlos submarket for Industrial, Retail, and Office properties.

Industrial

Industrial Market Statistics

Lee County Macro & S Ft Myers/San Carlos Submarket

| Quarter | Lee County - All Industrial Space | | | | | S Ft Myers/San Carlos - All Industrial Space | | | | |
|---------|-----------------------------------|--------------|------------|---------|--------------|--|--------------|------------|---------|--------------|
| | Square Feet | | Total | Total | Direct | Square Feet | | Total | Total | Direct |
| | Total | Under | Net | Percent | Rental Rate | Total | Under | Net | Percent | Rental Rate |
| Quarter | Square Feet | Construction | Absorption | Vacant | (Triple Net) | Square Feet | Construction | Absorption | Vacant | (Triple Net) |
| 2017 Q3 | 27,411,698 | 118,900 | -14,423 | 1.7% | \$6.62 psf | 11,586,185 | 0 | 3,959 | 1.2% | \$6.71 psf |
| 2017 Q2 | 27,411,698 | 106,000 | 148,253 | 1.6% | \$6.65 psf | 11,586,185 | 0 | 88,407 | 1.2% | \$6.71 psf |
| 2017 Q1 | 27,323,168 | 198,558 | 90,559 | 1.8% | \$6.66 psf | 11,586,185 | 0 | -24,827 | 2.0% | \$6.74 psf |
| 2016 Q4 | 27,323,168 | 92,558 | 114,185 | 2.2% | \$6.17 psf | 11,586,185 | 0 | -8,139 | 1.8% | \$6.28 psf |
| 2016 Q3 | 27,323,168 | 0 | 427,015 | 2.6% | \$6.10 psf | 11,586,185 | 0 | 329,817 | 1.7% | \$6.16 psf |
| 2016 Q2 | 27,029,861 | 293,307 | 282,033 | 3.1% | \$6.05 psf | 11,292,878 | 293,307 | 169,922 | 2.1% | \$6.25 psf |
| 2016 Q1 | 26,978,161 | 345,007 | 82,545 | 4.0% | \$5.78 psf | 11,252,878 | 333,307 | 53,212 | 3.2% | \$5.86 psf |
| 2015 Q4 | 26,989,061 | 265,372 | 228,128 | 4.3% | \$5.70 psf | 11,263,778 | 253,672 | 146,550 | 3.8% | \$5.73 psf |
| 2015 Q3 | 26,989,061 | 253,672 | 48,804 | 5.1% | \$5.48 psf | 11,263,778 | 253,672 | 31,539 | 5.1% | \$5.51 psf |
| 2015 Q2 | 26,989,061 | 0 | 114,315 | 5.3% | \$5.43 psf | 11,263,778 | 0 | 10,880 | 5.4% | \$5.44 psf |
| 2015 Q1 | 26,989,061 | 0 | 109,807 | 5.8% | \$5.19 psf | 11,263,778 | 0 | 97,494 | 5.5% | \$5.38 psf |
| 2014 Q4 | 26,817,061 | 172,000 | 41,913 | 5.6% | \$4.95 psf | 11,091,778 | 172,000 | 1,202 | 4.9% | \$5.15 psf |
| 2014 Q3 | 26,809,561 | 179,500 | 395,341 | 5.7% | \$4.88 psf | 11,084,278 | 179,500 | 94,373 | 4.8% | \$5.08 psf |
| 2014 Q2 | 26,809,561 | 179,500 | 40,932 | 7.2% | \$4.81 psf | 11,084,278 | 179,500 | 9,643 | 5.7% | \$5.01 psf |
| 2014 Q1 | 26,809,561 | 0 | -112,568 | 7.3% | \$4.63 psf | 11,084,278 | 0 | -3,321 | 5.8% | \$4.78 psf |
| 2013 Q4 | 26,809,561 | 0 | 264,117 | 6.9% | \$4.59 psf | 11,084,278 | 0 | 28,540 | 5.7% | \$4.83 psf |
| 2013 Q3 | 26,834,553 | 0 | 158,348 | 8.0% | \$4.51 psf | 11,084,278 | 0 | 91,054 | 6.0% | \$4.72 psf |
| 2013 Q2 | 26,830,353 | 4,200 | 357,389 | 8.5% | \$4.54 psf | 11,080,078 | 4,200 | 135,874 | 6.8% | \$4.77 psf |
| 2013 Q1 | 26,830,353 | 4,200 | 52,577 | 9.9% | \$4.34 psf | 11,080,078 | 4,200 | -45,807 | 8.0% | \$4.67 psf |
| 2012 Q4 | 26,835,445 | 0 | 146,560 | 10.1% | \$4.20 psf | 11,080,078 | 0 | 8,019 | 7.6% | \$4.53 psf |

Rental Rates

The Lee County Metro had a 2017 3rd Quarter average quoted rental rate of \$6.62 per square foot for all industrial space, compared to \$6.10 in the 2016 3rd Quarter, or a 9.4% increase over the last year. Quoted rental rates for the submarket were approximately 1% higher at \$6.71 per square foot.

Vacancy

The Lee County Metro has a 2017 3rd Quarter vacancy of 1.7% for all industrial space compared to 1.2% for the submarket space. Vacancy rates are relatively unchanged over the last year.

Construction and Absorption

There is currently 118,900 square feet of industrial space under construction in the market, of which 0.0% is in the submarket. Net absorption for the prior year was positive.

Retail

Retail Market Statistics

Lee County Macro & S Ft Myers/San Carlos Submarket

| Quarter | Lee County - All Retail Space | | | | | S Ft Myers/San Carlos - All Retail Space | | | | |
|-------------|-------------------------------|------------|---------|--------------|-------------|--|------------|---------|--------------|-------------|
| | Square Feet | | Total | Total | Direct | Square Feet | | Total | Total | Direct |
| | Total | Under | Net | Percent | Rental Rate | Total | Under | Net | Percent | Rental Rate |
| Square Feet | Construction | Absorption | Vacant | (Triple Net) | Square Feet | Construction | Absorption | Vacant | (Triple Net) | |
| 2017 Q3 | 46,079,722 | 260,742 | 25,329 | 4.8% | \$14.64 psf | 16,604,138 | 130,824 | 52,471 | 4.0% | \$16.53 psf |
| 2017 Q2 | 46,037,022 | 247,942 | 447,324 | 4.8% | \$14.33 psf | 16,574,938 | 104,524 | 221,469 | 4.1% | \$15.59 psf |
| 2017 Q1 | 45,831,490 | 424,389 | 121,499 | 5.4% | \$14.57 psf | 16,445,818 | 229,559 | -17,045 | 4.7% | \$16.48 psf |
| 2016 Q4 | 45,752,451 | 313,321 | 7,801 | 5.5% | \$14.25 psf | 16,443,918 | 174,770 | -13,327 | 4.6% | \$16.14 psf |
| 2016 Q3 | 45,710,958 | 323,197 | 165,691 | 5.4% | \$14.26 psf | 16,429,272 | 153,816 | 61,093 | 4.4% | \$16.06 psf |
| 2016 Q2 | 45,629,558 | 263,992 | 226,137 | 5.6% | \$14.42 psf | 16,417,384 | 84,102 | 75,274 | 4.7% | \$16.45 psf |
| 2016 Q1 | 45,586,041 | 118,689 | 203,381 | 6.0% | \$14.30 psf | 16,407,884 | 39,982 | 76,310 | 5.1% | \$16.05 psf |
| 2015 Q4 | 45,449,982 | 234,562 | 255,938 | 6.2% | \$13.53 psf | 16,375,867 | 68,674 | 197,861 | 5.4% | \$15.46 psf |
| 2015 Q3 | 45,312,128 | 341,959 | 325,571 | 6.4% | \$13.53 psf | 16,227,254 | 205,850 | 31,783 | 5.8% | \$15.13 psf |
| 2015 Q2 | 45,010,245 | 570,483 | 120,208 | 6.5% | \$13.47 psf | 16,207,336 | 204,343 | 75,773 | 5.8% | \$15.21 psf |
| 2015 Q1 | 44,925,333 | 551,561 | 131,124 | 6.6% | \$13.05 psf | 16,166,323 | 213,579 | 76,621 | 6.1% | \$14.08 psf |
| 2014 Q4 | 45,096,853 | 300,582 | 201,324 | 7.3% | \$12.80 psf | 16,335,308 | 58,985 | -65,725 | 7.5% | \$13.92 psf |
| 2014 Q3 | 44,756,551 | 389,227 | 197,621 | 7.0% | \$12.33 psf | 16,268,771 | 86,788 | 100,730 | 6.7% | \$12.89 psf |
| 2014 Q2 | 44,659,328 | 443,361 | 65,588 | 7.3% | \$12.41 psf | 16,188,006 | 141,178 | 3,498 | 6.9% | \$12.98 psf |
| 2014 Q1 | 44,661,328 | 431,002 | 156,357 | 7.4% | \$12.34 psf | 16,194,006 | 141,383 | 24,375 | 6.9% | \$13.22 psf |
| 2013 Q4 | 44,606,551 | 136,177 | 97,319 | 7.6% | \$12.42 psf | 16,191,716 | 74,730 | 122,353 | 7.1% | \$13.45 psf |
| 2013 Q3 | 44,556,981 | 119,734 | 12,234 | 7.8% | \$12.64 psf | 16,147,462 | 55,184 | 73,685 | 7.6% | \$13.86 psf |
| 2013 Q2 | 44,546,591 | 47,681 | 168,543 | 7.8% | \$12.65 psf | 16,147,462 | 12,748 | 44,515 | 8.0% | \$13.41 psf |
| 2013 Q1 | 44,578,686 | 55,930 | 105,834 | 8.2% | \$12.56 psf | 16,209,204 | 6,496 | -41,284 | 8.7% | \$13.32 psf |
| 2012 Q4 | 44,514,828 | 142,572 | 310,895 | 8.3% | \$12.66 psf | 16,194,079 | 34,909 | 121,485 | 8.3% | \$13.39 psf |

Rental Rates

The Lee County Metro had a 2017 3rd Quarter average quoted rental rate of \$14.64 per square foot for all retail space, compared to \$14.26 in 2016 3rd Quarter, or a 1.5% increase over the last year. Quoted rental rates for the submarket were approximately 13% higher at \$16.53 per square foot.

Vacancy

The Lee County Metro has a 2017 3rd Quarter vacancy of 4.8% for all retail space compared to 4.0% for the submarket space. Vacancy rates are relatively unchanged over the last year.

Construction and Absorption

There is currently 260,742 square feet of retail space under construction in the market, of which 50.2% is within the submarket. Net absorption for the prior year was positive.

Office

Office Market Statistics

Lee County Macro & S Ft Myers/San Carlos Submarket

| Quarter | Lee County - All Office Space | | | | | S Ft Myers/San Carlos - All Office Space | | | | |
|---------|-------------------------------|--------------|------------|---------|----------------|--|--------------|------------|---------|----------------|
| | Square Feet | | Total | Total | Direct | Square Feet | | Total | Total | Direct |
| | Total | Under | Net | Percent | Rental Rate | Total | Under | Net | Percent | Rental Rate |
| | Square Feet | Construction | Absorption | Vacant | (Full Service) | Square Feet | Construction | Absorption | Vacant | (Full Service) |
| 2017 Q3 | 19,891,115 | 60,622 | 158,455 | 6.6% | \$13.46 psf | 8,199,314 | 55,622 | 78,964 | 6.1% | \$13.95 psf |
| 2017 Q2 | 19,885,071 | 61,666 | 140,847 | 7.4% | \$13.36 psf | 8,193,270 | 61,666 | 36,278 | 7.0% | \$13.90 psf |
| 2017 Q1 | 19,868,901 | 63,646 | 119,703 | 8.0% | \$13.24 psf | 8,187,100 | 53,646 | 24,441 | 7.3% | \$13.68 psf |
| 2016 Q4 | 19,818,901 | 107,602 | 117,100 | 8.4% | \$13.88 psf | 8,187,100 | 47,602 | 37,198 | 7.6% | \$14.32 psf |
| 2016 Q3 | 19,813,361 | 61,710 | 181,078 | 8.9% | \$13.99 psf | 8,181,560 | 11,710 | 55,367 | 8.0% | \$14.90 psf |
| 2016 Q2 | 19,775,383 | 90,018 | 183,501 | 9.7% | \$13.96 psf | 8,150,082 | 33,518 | 130,200 | 8.4% | \$14.90 psf |
| 2016 Q1 | 19,696,384 | 119,017 | 117,228 | 10.2% | \$13.65 psf | 8,074,702 | 108,898 | 46,985 | 9.1% | \$14.60 psf |
| 2015 Q4 | 19,707,184 | 110,477 | 346,680 | 10.9% | \$13.86 psf | 8,074,702 | 106,858 | 4,256 | 9.7% | \$14.71 psf |
| 2015 Q3 | 19,412,184 | 401,858 | 89,533 | 11.3% | \$14.10 psf | 8,074,702 | 106,858 | 20,938 | 9.7% | \$14.71 psf |
| 2015 Q2 | 19,396,332 | 310,852 | 282,138 | 11.7% | \$14.10 psf | 8,058,850 | 15,852 | 227,426 | 9.8% | \$14.99 psf |
| 2015 Q1 | 19,255,882 | 443,302 | 52,207 | 12.5% | \$14.20 psf | 7,918,400 | 148,302 | 23,340 | 11.1% | \$14.86 psf |
| 2014 Q4 | 19,250,282 | 448,902 | 57,958 | 12.8% | \$14.03 psf | 7,918,400 | 148,302 | 42,724 | 11.4% | \$14.94 psf |
| 2014 Q3 | 19,252,505 | 440,452 | 73,290 | 13.1% | \$14.00 psf | 7,918,400 | 139,852 | -13,415 | 11.9% | \$14.62 psf |
| 2014 Q2 | 19,249,505 | 435,600 | 13,660 | 13.4% | \$14.05 psf | 7,915,400 | 135,000 | -36,649 | 11.7% | \$14.66 psf |
| 2014 Q1 | 19,229,162 | 26,369 | 108,548 | 13.4% | \$14.35 psf | 7,910,623 | 7,777 | 42,546 | 11.2% | \$14.71 psf |
| 2013 Q4 | 19,244,028 | 17,989 | 59,306 | 14.1% | \$14.52 psf | 7,917,947 | 7,777 | 50,138 | 11.8% | \$14.83 psf |
| 2013 Q3 | 19,243,869 | 22,386 | 153,429 | 14.4% | \$14.57 psf | 7,913,550 | 12,174 | 70,350 | 12.4% | \$14.62 psf |
| 2013 Q2 | 19,256,544 | 12,174 | 173,719 | 15.2% | \$14.85 psf | 7,913,550 | 12,174 | 71,704 | 13.3% | \$15.09 psf |
| 2013 Q1 | 19,328,454 | 10,469 | 11,484 | 16.4% | \$14.66 psf | 7,910,478 | 10,469 | 40,299 | 14.2% | \$15.20 psf |
| 2012 Q4 | 19,332,377 | 6,072 | -138,131 | 16.5% | \$15.24 psf | 7,910,478 | 6,072 | -63,168 | 14.7% | \$15.55 psf |

Rental Rates

The Lee County Metro had a 2017 3rd Quarter average quoted rental rate of \$13.46 per square foot for all office space, compared to 13.99 in 2016 3rd Quarter, or a 3.79% decrease over the last year. Quoted rental rates for the submarket were approximately 3.64% at \$13.95 per square foot.

Vacancy

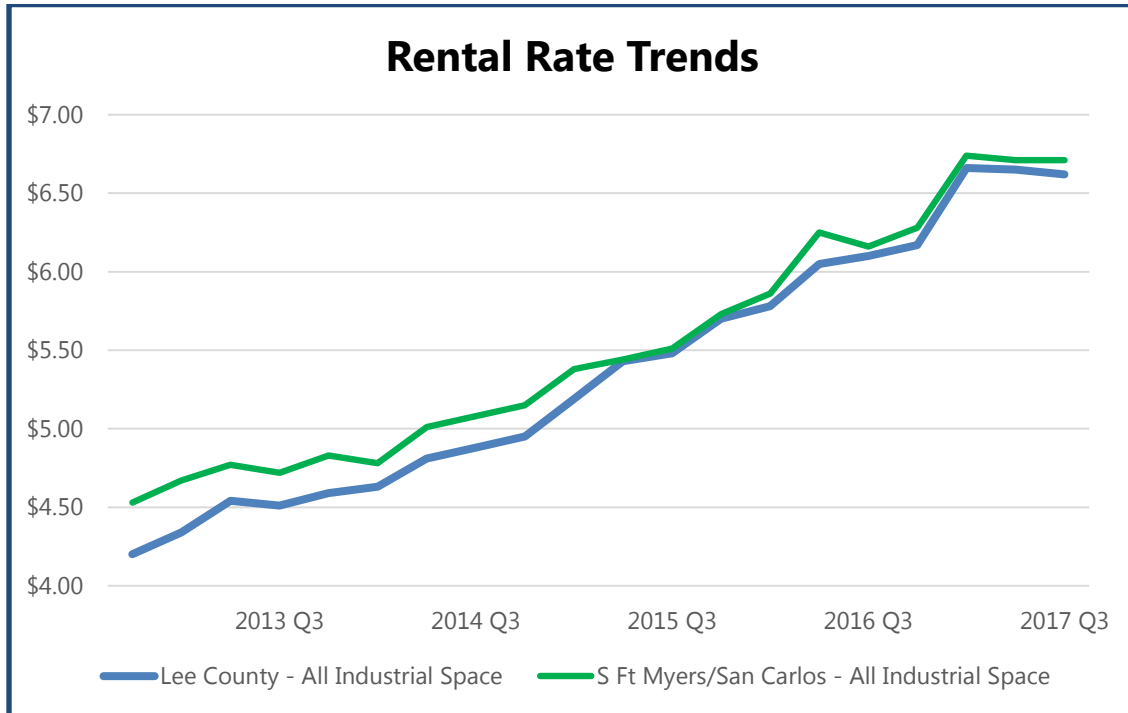
The Lee County Metro has a 2017 3rd Quarter vacancy of 6.6% for all office space compared to 6.1% for the submarket space. Vacancy rates declined over the last year.

Construction and Absorption

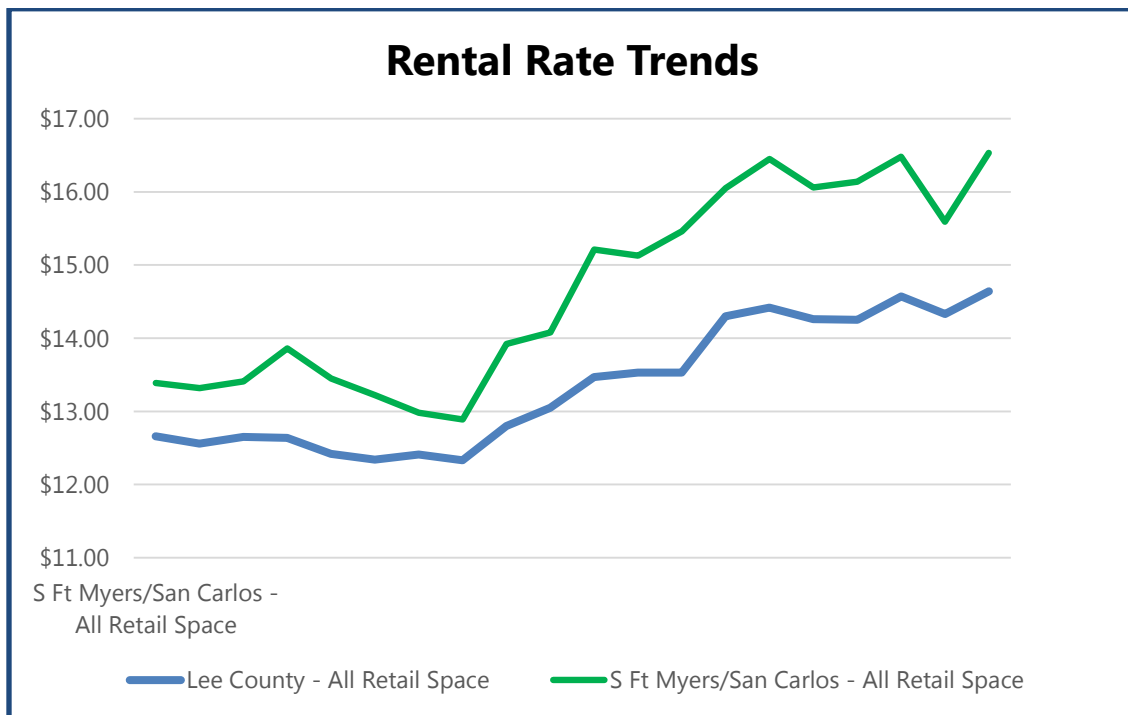
There is currently 60,622 square feet of office space under construction in the market, of which 91.8% is within the submarket. Net absorption for the prior year was positive.

Rental Rate Trends

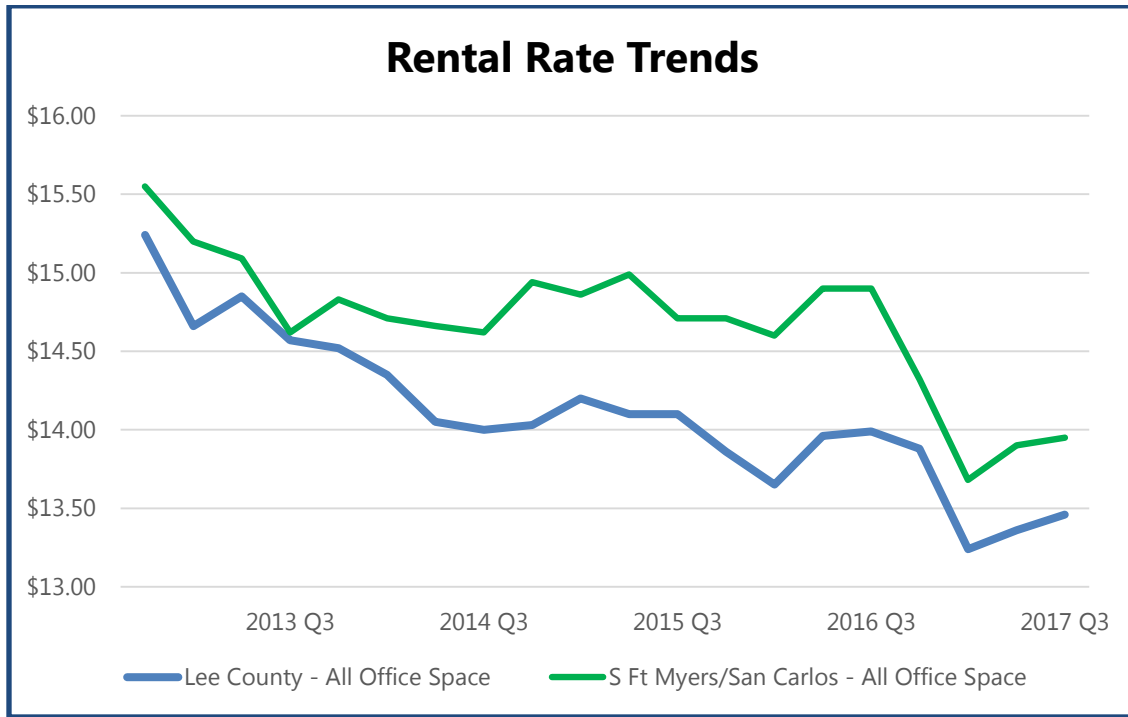
Industrial



Retail



Office



Airport Ground Rent Analysis

The following ground rent analysis and statistics were taken from the 2013 Public Use Airports’ Rates and Charges Analysis - Final Report, as published by the Florida Department of Transportation Aviation Office, and is the most recent published findings.⁴ The survey information is for commercial and general aviation airports throughout the state of Florida. A more recent survey has not been provided; however, market conditions from 2013 to current are considered relatively similar for airport property ground leases.

Commercial – Non-aeronautical Use

Average ground lease rates for commercial non-aeronautical use at the surveyed commercial and GA airports in Florida are presented in Table 3-26.⁵

⁴ Public Use Airports’ Rates and Charges Analysis; Florida Department of Transportation Aviation Office; Alexander Kolpakov; November 2013

⁵ Ibid

Table 3-26. Ground Lease Rates for Commercial Non-aeronautical Use, All Airports

| | Measure | Commercial Average | GA Average | All Airports |
|--------------------------|------------------|--------------------|--------------|--------------|
| Lease amount | Per sq. ft./year | \$1.759 (4) | \$1.774 (18) | \$1.771 (22) |
| | % of FMV | 12% (1) | 5% (1) | 8.5% (2) |
| Percent of gross revenue | % | | 14.4% (8) | 14.4% (8) |
| Periodic adjustment | | 80.0% (4) | 95.2% (20) | 92.3% (24) |
| How often adjusted | Annual | 28.6% (2) | 57.1% (12) | 50.0% (14) |
| | Every 5 years | 14.3% (1) | 14.3% (3) | 14.3% (4) |
| | Other | 57.1% (4) | 28.6% (6) | 35.7% (10) |
| Basis for adjustment | CPI | 42.9% (3) | 52.2% (12) | 50.0% (15) |
| | Appraisal | 14.3% (1) | 26.1% (6) | 23.3% (7) |
| | Other | 42.9% (3) | 21.7% (5) | 26.7% (8) |

**The number of airports that responded to each question is provided in parenthesis.*

The survey data show that ground lease rates for commercial non-aeronautical use at commercial at GA airports are practically identical. The difference in rates per square foot between commercial and GA airports is less than 1 percent. The comparison of commercial non-aeronautical ground lease rates (per square foot) at the surveyed Florida commercial and GA airports is presented in Figure 3-56.⁶

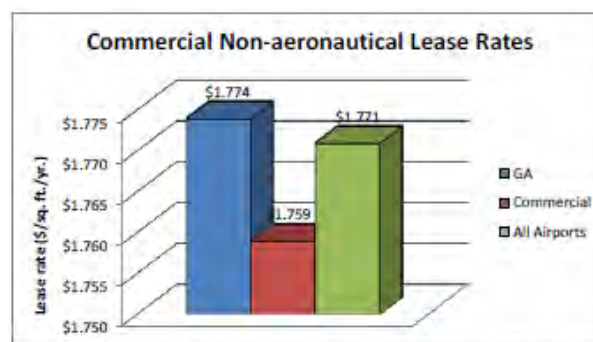


Figure 3-56. Ground lease rates for commercial non-aeronautical use, commercial vs. GA.

The rates vary, sometimes substantially, based on the geographic region of the airport. Due to a small number of responding commercial airports, it is not possible to provide a comparison of ground lease rates at commercial airports by geographic region; only the rates at GA airports could be presented. Ground lease rates for commercial non-aeronautical use at the surveyed GA airports by geographic region of the state are shown in Figure 3-57.⁷

⁶ Ibid

⁷ Ibid

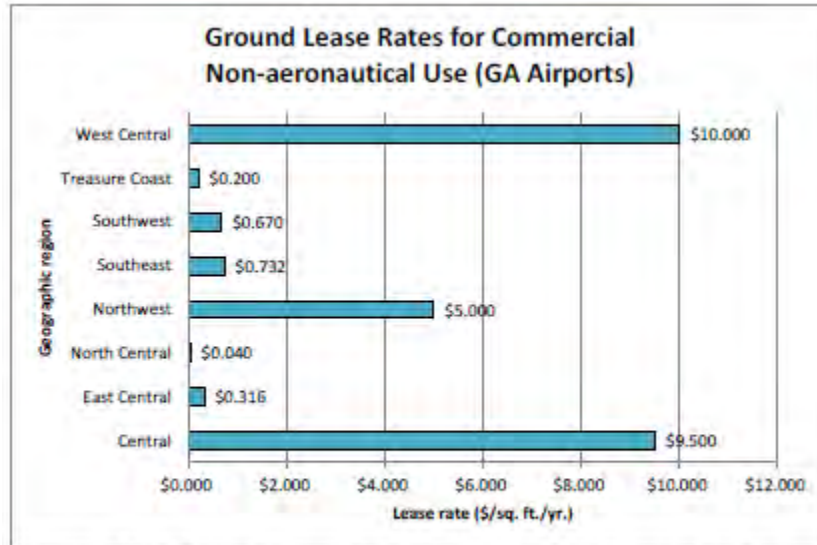


Figure 3-57. Ground lease rates for commercial non-aeronautical use at GA airports by region.

The highest average ground lease rates for commercial non-aeronautical use (\$10.00/sq. ft./yr.) were observed at GA airports located in the West Central region of the state. GA airports in the North Central region reported the lowest average ground lease rates for commercial non-aeronautical use (\$0.040/sq. ft./yr.). Due to a limited number of airports representing each region in the survey data, the results of the geographic comparison should be interpreted with caution.⁸

Industrial – Non-aeronautical Use

Average ground lease rates for industrial non-aeronautical use at the surveyed commercial and GA airports in Florida are presented in Table 3-27.⁹

Table 3-27. Ground Lease Rates for Industrial Non-aeronautical Use, All Airports

| | Measure | Commercial Average | GA Average | All Airports |
|--------------------------|------------------|--------------------|-------------|--------------|
| Lease amount | Per sq. ft./year | \$1.025 (1) | \$1.136 (8) | \$1.124 (9) |
| | % of FMV | 12% (1) | | 12% (1) |
| Percent of gross revenue | % | | 20.0% (4) | 20.0% (4) |
| Periodic adjustment | | 75.0% (3) | 100.0% (12) | 93.8% (15) |
| How often adjusted | Annual | 40.0% (2) | 66.7% (8) | 58.8% (10) |
| | Every 5 years | 20.0% (1) | 8.3% (1) | 11.8% (2) |
| | Other | 40.0% (2) | 25.0% (3) | 29.4% (5) |
| Basis for adjustment | CPI | 50.0% (2) | 80.0% (8) | 71.4% (10) |
| | Other | 50.0% (2) | 20.0% (2) | 28.6% (4) |

*The number of airports that responded to each question is provided in parenthesis.

The survey data show that ground lease rates for industrial non-aeronautical use at GA airports on average are 10.0 percent higher than at commercial airports. The comparison of industrial non-aeronautical ground lease rates (per square foot) at the surveyed Florida commercial and GA airports is presented in Figure 3-58.¹⁰

⁸ Ibid

⁹ Ibid

¹⁰ Ibid

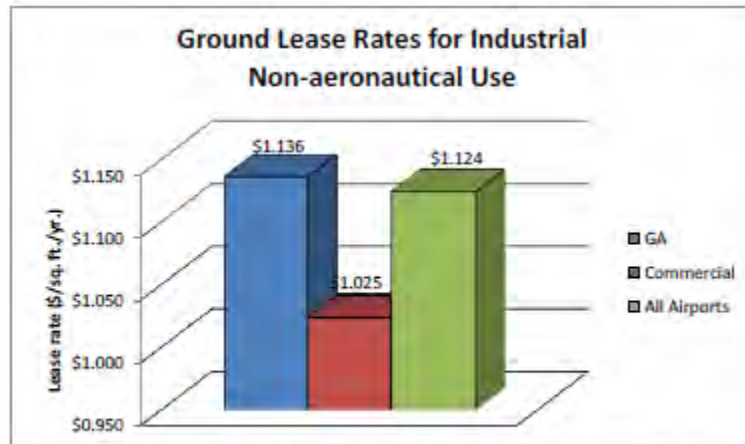


Figure 3-58. Ground lease rates for industrial non-aeronautical use, commercial vs. GA.

The rates vary, sometimes substantially, based on the geographic region of the airport. Due to a small number of responding commercial airports, it is not possible to provide a comparison of ground lease rates at commercial airports by geographic region; only the rates at GA airports could be presented. Ground lease rates for industrial non-aeronautical use at the surveyed GA airports by geographic region of the state are shown in Figure 3-59.¹¹

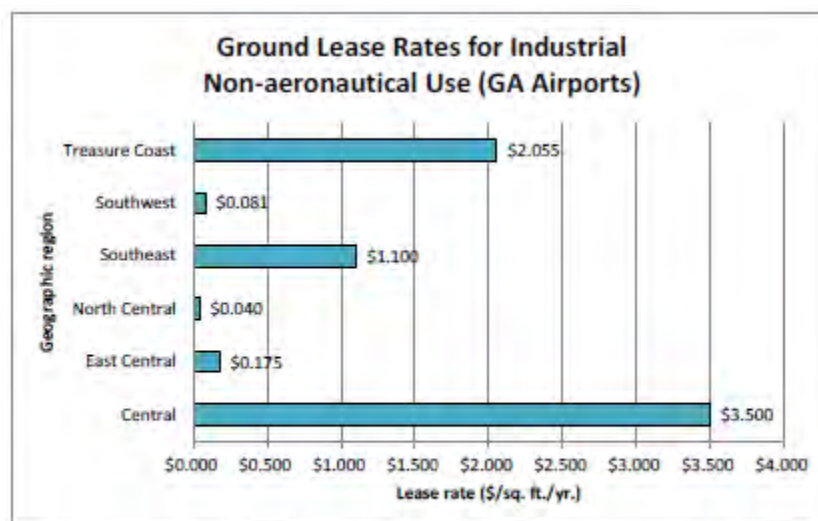


Figure 3-59. Ground lease rates for industrial non-aeronautical use at GA airports by region.

The highest average ground lease rates for industrial non-aeronautical use (\$3.50/sq. ft./yr.) were observed at GA airports located in the Central region of the state. GA airports in the North Central region reported the lowest average ground lease rates for industrial non-aeronautical use (\$0.040/sq. ft./yr.). Due to a limited number of airports representing each region in the survey data, the results of the geographic comparison should be interpreted with caution.¹²

¹¹ Ibid

¹² Ibid

General Conclusions

The subject is one of about 18 parcels within Skyplex that are designated as non-aviation land. The subject is further identified for retail, office and-or industrial use as per the master concept plan. All three properties type markets are considered relatively strong in the area, with industrial and retail showing the greatest gains. While occupancy rates are tightening for office space, the market may be showing signs of some pushback with declining asking rental rates; however, this could also be a reflection of little to no availability of higher quality, well-located office properties which would lower the average. Absorption rates for the sale and leasing of general commercial space in the overall market continues to stabilize gradually and it is estimated to continue for the next year or so. Absorption rates over the past twelve months have shown signs of improvement in particular market types and specific market areas. The demand for vacant land had been slower to recover, but in recent years is showing steady signs of improvement with recent announcements and-or activity of development in several Southwest Florida submarkets.

Rental rates vary and are most dependent on location, quality, and-or use. In addition, less developed airports, such as the subject, may have to be more aggressive in leasing than more developed airports regardless of classification (commercial vs. general aviation).

Ground leases are not as prevalent in Lee and Collier Counties as they are in other parts of the state. And most of those that do exist are for smaller, retail properties with national net product type tenancy (quick service restaurant, bank branch, convenience store, etc.). Those in place are typically for a 15 to 20-yr term, leased absolute net (no operating expense to ownership), with escalations every five years or so, if at all.

Over the past couple of years, the market has been relatively strong with the availability of favorable financing terms, increases in absorption and decreases in vacancy. Overall, market velocity is increasing with a tightening of vacancy rates and increase of quoted lease rates for well-located assets. As occupancy continues to increase, even poorly-located and-or poor quality properties will see an increase in demand.

Midfield Leasing

The Midfield area is comprised of about 51 acres of non-aviation designated land that is offered for commercial/office development. The Midfield area is well-located along the primary terminal access road, just west of the main terminal. Of the 51 acres, only about 2.24 acres has ground leased and developed. This 2.24 acre site was leased in 2011 for development of a C-store/gas station use, with construction completed in 2014. The land is ground leased for a 26-year term with five, 5-yr renewal options. The base rental rate of about \$1.55 psf escalates based on CPI index every three years. In addition, the tenant pays \$0.01 per gallon of fuel sold (additional rent). Per the lease, the tenant has an option to increase the area for restaurant development, at which time the base rate would be similar to the then existing rate, plus some percentage rent based on gross sales of C-store and restaurant (less fuel sales). To the best of our knowledge, the tenant has not extended interest in exercising this option.

There has been no other known leasing activity reported within Midfield area as of the date of value.

Skyplex Leasing

The Skyplex project is comprised of about 1,150 acres of non-aviation designated land that is offered for development. There are 18 parcels identified within the project that are offered for ground lease. To the best of our knowledge, only a few of the parcels are currently under ground lease. One parcel is a 10.4 acre site that was ground leased to North American Properties – Southeast, Inc. in 2015 for an initial term of 20 years with six, 5-yr renewal options. The initial base rate of \$0.17 psf is fixed for the first ten years, then increases 10% in Year 11 (7.2% increases in option periods). North American Properties – Southeast, Inc. is developing a 65,000 square foot, more or less, shopping center that will be anchored by a Publix grocery store (late 2017/early 2018 delivery).

Earlier this year, Gartner Inc. leased land for the development of an office campus with about 143,000-sf, and expandable up to 250,000-sf. The ground lease is for just of 19.11 acres for a 20-yr term, with six, 5-yr renewal options. There has been no other leasing activity reported within Skyplex as of the date of value. The initial annual ground rent is roughly \$156,000, or about \$0.19 psf, which is flat for the first ten years. The rent escalates, with a maximum of \$264,000, or about \$0.32 psf, in the last option period. The lease also allows for a Phase 2 option of an additional 13.05 acres within the first five years of the lease. The additional rent on the Phase 2 land is reported at about \$28,800 annually. Construction for Phase 1 is expected to be completed by late 2018.

Subject Analysis

The subject is located within a mix-used commercial project marketed as Skyplex, which is part of the Southwest Florida International Airport (commercial airport). The project is well-located off of a heavily trafficked primary roadway. The property fronts a primary, arterial roadway and adjacent to, albeit on the outer edge, of an industrial/business park oriented project that is commonly referred to as Gateway. Historically, the area has been negatively impacted by a lack of development with the Skyplex project and around the immediate area. Not only does the subject compete with other vacant, for lease properties within the project, it also competes with large amounts of vacant land in the immediate area that is available for immediate purchase. Still, an increase in demand for industrial space throughout the county, as well as recent developments within the immediate area show that there is growing demand for the area which bodes well for the subject. In 2017 three developments in the immediate area are either under construction and-or recently delivered, which include Summit Church building (14,440-sf and adjacent to subject), Skywalk neighborhood shopping center (65,000-sf and Publix anchored), and Gartner Campus office expansion (143,000-sf). The Skywalk and Gartner developments are part of Skyplex.

The subject property is undeveloped, vacant land which would require clearing and fill before development. The subject property benefits from having utilities available to the site at the street. As previously discussed, the property has about 12.66 acres of wetlands that would need to be mitigated for full development.

The location along a heavily trafficked, primary roadway is a positive influence, tempered by the lack of development. The amount of vacant land available for leasing/purchasing is a negative influence. The heavily wooded condition with wetlands is a negative influence. The recent development of nearby parcels is a positive influence. The improving market condition with higher occupancy rates and-or increasing rental rates is a positive influence. Overall market conditions in the short-term suggest the outlook for the property is relatively good.

Highest and Best Use

The Highest and Best Use of a property is the use that is legally permissible, physically possible, and financially feasible which results in the highest value. An opinion of the highest and best use results from consideration of the criteria noted above under the market conditions or likely conditions as of the effective date of value. Determination of highest and best use results from the judgment and analytical skills of the appraiser. It represents an opinion, not a fact. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

Analysis of Highest and Best Use As If Vacant

The primary determinants of the highest and best use of the property as if vacant are the issues of (1) Legal permissibility, (2) Physical possibility, (3) Financial feasibility, and (4) Maximum productivity.

Legally Permissible

The subject site is zoned AOPD, Airport Operations Planned Development which controls the general nature of permissible uses but is appropriate for the location and physical elements of the subject property, providing for a consistency of use with the general neighborhood. The location of the subject property is appropriate for the uses allowed, as noted previously, and a change in zoning is unlikely. There are no known easements, encroachments, covenants or other use restrictions that would unduly limit or impede development.

Physically Possible

The physical attributes allow for a number of potential uses. Elements such as size, shape, availability of utilities, known hazards (flood, environmental, etc.), and other potential influences are described in the Site Description and have been considered. There are no items of a physical nature that would materially limit appropriate and likely development.

Financially Feasible

The probable use of the site for commercial development conforms to the pattern of land use in the market area. A review of published yield, rental and occupancy rates suggest that there is a balanced supply and demand is sufficient to support construction costs and ensure timely absorption of additional inventory in this market. Therefore, near-term speculative development of the subject site is financially feasible.

Maximally Productive

Among the financially feasible uses, the use that results in the highest value (the maximally productive use) is the highest and best use. Considering these factors, the maximally productive use as though vacant is for commercial development use.

Conclusion of Highest and Best Use As If Vacant

The conclusion of the highest and best use as if vacant is for commercial development use.

Analysis of Highest and Best Use as Improved

N/A; Unimproved, vacant land.

Most Probable Buyer

As of the date of value, the most probable buyer of the subject property is local, regional or national developer/user.

Land Valuation

Methodology

Site Value is most often estimated using the sales comparison approach. This approach develops an indication of market value by analyzing closed sales, listings, or pending sales of properties similar to the subject, focusing on the difference between the subject and the comparables using all appropriate elements of comparison. This approach is based on the principles of supply and demand, balance, externalities, and substitution, or 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.

Analysis

Per client instruction, we have valued the property under three valuation scenarios as follows: 1) Sub parcel A (0.90 acres); 2) Sub parcels A & B (7.17 acres); and 3) Sub parcels A, B & C (entire 20.64 acres).

For the purposes of this analysis, we have used the Sales Comparison Approach with two sets of sales for comparison, first for sub parcels A (0.90 acres) and A & B (7.17 acres). In this first analysis, we considered and compared the comparables against the 7.17 acres of the subject property (A & B). We then applied a premium to our conclusion for sub parcel A (0.90 acres), considering smaller parcels trade at a higher rate based on economies of scale.

Our second sales comparison analysis is for sub parcels A, B & C (entire 20.64 acres). For this analysis, we considered and compared the subject's 20.64 acres against similarly sized, relatively speaking, land sales.

Wetlands Mitigation

At the end of this section, we have deducted the estimated cost of wetlands mitigation from our preliminary value conclusions.

Unit of Comparison

The unit of comparison depends on land use economics and how buyers and sellers use the property. The unit of comparison in this analysis is per gross square foot.

Elements of Comparison

Elements of comparison are the characteristics or attributes of properties and transactions that cause the prices of real estate to vary. The primary elements of comparison considered in sales comparison analysis are as follows: (1) property rights conveyed, (2) financing terms, (3) conditions of sale, (4) expenditures made immediately after purchase, (5) market conditions, (6) location, and (7) physical characteristics.

Comparable Sales Data

To obtain and verify comparable sales of vacant land properties, we conducted a search of public records, field surveys, interviews with knowledgeable real estate professionals in the area, and a review of our internal database.

We included four smaller land sales and three larger land sales in our analyses, as these sales were judged to be the most comparable to develop an indication of market value for the subject property.

Sales Comparison – Sub Parcels A & B (0.90 acres & 7.17 acres)

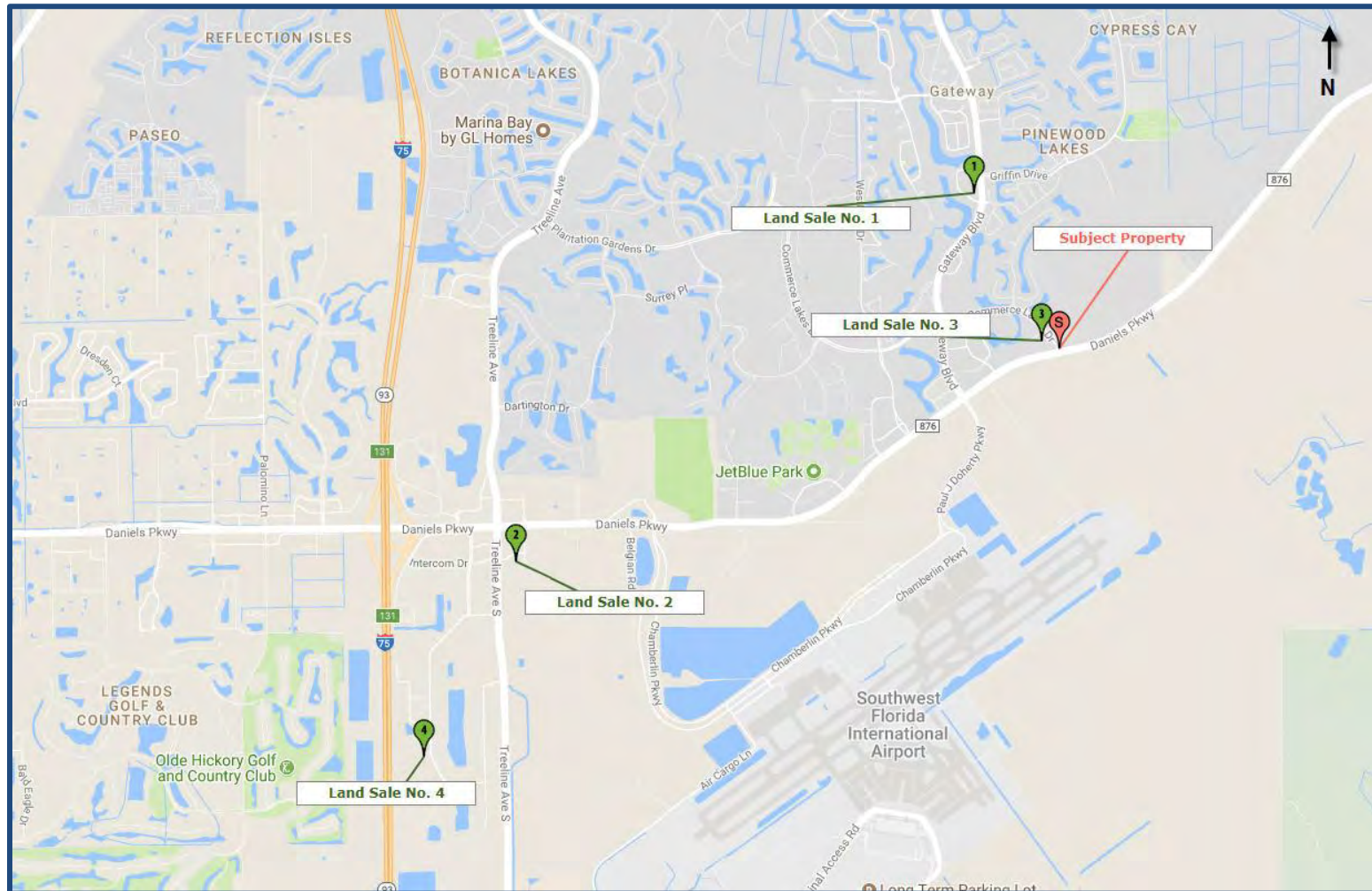
The table on the following page summarizes each sale comparable and a map illustrating the location of each in relation to the subject. Details of each comparable follow the location map.

Land Sales Summary – Sub Parcels A & B

Land Sales Summary

| Comp. No. | Date of Sale | Gross Sq. Ft. | Location | Zoning | Proposed Use | Sales Price Actual | Per Sq. Ft. |
|------------------|---------------------|----------------------|--|---------------|-----------------------|---------------------------|--------------------|
| 1 | June-17 | 82,677 | 11961 Fairway Lakes Dr Fort Myers, Florida | PUD | Creative World School | \$300,000 | \$3.63 |
| 2 | May-17 | 106,265 | 13600 Saddle Rd Fort Myers, Florida | CT | None reported | \$350,000 | \$3.29 |
| 3 | January-17 | 113,770 | 12941 Express Ct Fort Myers, Florida | MPD | Summit Church | \$425,000 | \$3.74 |
| 4 | December-16 | 300,812 | 14600 Jetport Loop Fort Myers, Florida | IPD | None reported | \$1,277,856 | \$4.25 |

COMPARABLE SALES MAP – SUB PARCELS A & B



LAND COMPARABLE 1 – SUB PARCEL A & B



Property Identification

| | |
|---------------------------|-----------------------------------|
| Property/Sale ID | 9620/10123 |
| Property Type | Commercial |
| Property Name | 1.90 acres; Creative World School |
| Address | 11961 Fairway Lakes Dr |
| City, State Zip | Fort Myers, Florida 33913 |
| County | Lee |
| MSA | Fort Myers-Cape Coral |
| Submarket | South Ft Myers/San Carlos Park |
| Latitude/Longitude | 26.570523/-81.749415 |
| Tax ID | 07-45-26-07-00008.0020 |

Transaction Data

| | | | |
|---------------------------|----------------------|-----------------------------|---------------|
| Sale Date | June 26, 2017 | Recording Number | 2017000139457 |
| Sale Status | Recorded | Sale Price | \$300,000 |
| Grantor | Baget Holdings, LP | Financing Adj. | \$0 |
| Grantee | CWS at Gateway, Inc. | Sale Conditions Adj. | \$0 |
| Property Rights | Fee Simple | Exp. Imm. After Sale | \$0 |
| Financing | Conventional | Non-Realty Adj. | \$0 |
| Conditions of Sale | Typical | Adjusted Price | \$300,000 |

Property Description

| | | | |
|---------------------|---------|---------------------------|------------------|
| Gross Acres | 1.898 | Density (Units/Ac) | 0.53 |
| Gross SF | 82,677 | Proposed Bldg SF | 13,000 |
| Usable Acres | 1.89800 | Street Access | Average |
| Usable SF | 82,677 | Visibility | Average |
| Front Feet | 360.00 | Corner/Interior | Corner |
| Depth | 330.00 | Shape | Irregular |
| No. of Lots | 1 | Topography | Level, cleared |
| No. of Units | 1 | Utilities | Public Available |

| | | | |
|----------------------------|------------|---------------------------|--------------------------------------|
| Flood Hazard Zone | Zone X | Zoning Description | Planned Unit Development; Gateway |
| Zoning Jurisdiction | Lee County | Traffic Count | N/A |
| Zoning Code | PUD | | |

Indicators

| | | | |
|-----------------------|-----------|---------------------------|-----------|
| \$/Gross Acre | \$158,061 | \$/FF | \$833.33 |
| \$/Gross SF | \$3.63 | \$/Lot | \$300,000 |
| \$/Usable Acre | \$158,061 | \$/Unit | \$300,000 |
| \$/Usable SF | \$3.63 | \$/SF of Bldg Area | \$23.08 |

Verification

Confirmed With Public Records; Internal Files

Remarks

The vacant land property is located along a moderately trafficked, secondary/connector roadway in the Gateway neighborhood. The non-signalized, corner parcel is rated average for exposure and access. The land is zoned as part of the Gateway PUD/DRI in an area that is designated for commercial uses. Adjacent uses include some office development, as well as undeveloped, vacant land. The northerly adjacent parcel is designated for future development of a fire station.

The national buyer purchased the land for future development of an owner-occupied daycare center d/b/a Creative World School. The buyer is a national operator of numerous schools for young children (preschool up to 10-yrs old) in Florida, Texas, Illinois, Missouri and Virginia.

The buyer financed the purchase through a construction loan with Atlantic Coast Bank. The land had a cleared condition at the time of sale.

LAND COMPARABLE 2 - SUB PARCEL A & B



Property Identification

| | |
|---------------------------|--------------------------------|
| Property/Sale ID | 9623/10126 |
| Property Type | Commercial |
| Property Name | 2.44 acres; Commercial Land |
| Address | 13600 Saddle Rd |
| City, State Zip | Fort Myers, Florida 33913 |
| County | Lee |
| MSA | Fort Myers-Cape Coral |
| Submarket | South Ft Myers/San Carlos Park |
| Latitude/Longitude | 26.545026/-81.784868 |
| Tax ID | 23-45-25-01-00033.0000 |

Transaction Data

| | | | |
|---------------------------|-------------------------------|-----------------------------|---------------|
| Sale Date | May 10, 2017 | Recording Number | 2017000115655 |
| Sale Status | Recorded | Sale Price | \$350,000 |
| Grantor | Orlando Acquisitions Two, LLC | Financing Adj. | \$0 |
| Grantee | Mohammed Kasham | Sale Conditions Adj. | \$0 |
| Property Rights | Fee Simple | Exp. Imm. After Sale | \$0 |
| Financing | Conventional | Non-Realty Adj. | \$0 |
| Conditions of Sale | Typical | Adjusted Price | \$350,000 |

Property Description

| | | | |
|---------------------|---------|--------------------------|------------------|
| Gross Acres | 2.440 | Street Access | Average |
| Gross SF | 106,265 | Visibility | Average |
| Usable Acres | 2.43951 | Corner/Interior | Corner |
| Usable SF | 106,265 | Shape | Irregular |
| Front Feet | 80.00 | Topography | Heavily wooded |
| Depth | 340.00 | Utilities | Public Available |
| No. of Lots | 1 | Flood Hazard Zone | Zone X |

| | | | |
|----------------------------|------------|---------------------------|--------------------|
| Zoning Jurisdiction | Lee County | Zoning Description | Tourist Commercial |
| Zoning Code | CT | | |

Indicators

| | | | |
|-----------------------|-----------|---------------------------|------------|
| \$/Gross Acre | \$143,471 | \$/FF | \$4,375.00 |
| \$/Gross SF | \$3.29 | \$/Lot | \$350,000 |
| \$/Usable Acre | \$143,472 | \$/Unit | \$0 |
| \$/Usable SF | \$3.29 | \$/SF of Bldg Area | \$.00 |

Verification

Confirmed With Public Records; Internal Files

Remarks

The vacant land property is located along a moderately trafficked, secondary connector roadway, just south of a signalized intersection. The irregular shaped, corner parcel is rated average for access and exposure. The irregular shape of the parcel limits construction towards the front of the lot, which also impact exposure (simply average exposure). Public utilities are available to the site.

The land is zoned Tourist Commercial, which promotes various commercial/retail type uses. The property is in close proximity to an I-75 highway interchange, which could influence future development. The land had previously been approved and marketed for hotel development; however, that was some time ago (2008 +/-). Across the street on the westerly side of Treeline Ave, the land is mostly developed with commercial and industrial type uses (C-store, retail, hotel, FedEx distribution facility, etc.). On the easterly side of Treeline, where this property is located, the land is mostly unimproved, vacant lots. Further to the east is a regional airport (Southwest Florida International Airport).

The buyer previously purchased the property as part of a two-property portfolio via a court ordered sale, which included this property as well as a C-store/gas station along Corkscrew Rd. The motivation of purchase by the Orlando based buyer was not reported; however, the buyer is associated with C-store/gas station operations. Future use as a C-store site is not unreasonable give the seller, buyer, and location.

This was assumed an all-cash transaction with no new mortgage recorded. The land had a heavily wooded condition at the time of sale.

LAND COMPARABLE 3 - SUB PARCEL A & B



Property Identification

| | |
|---------------------------|--------------------------------|
| Property/Sale ID | 9591/10107 |
| Property Type | Commercial |
| Property Name | 2.612 acres; Summit Church |
| Address | 12941 Express Ct |
| City, State Zip | Fort Myers, Florida 33913 |
| County | Lee |
| MSA | Fort Myers-Cape Coral |
| Submarket | South Ft Myers/San Carlos Park |
| Latitude/Longitude | 26.560285/-81.744237 |
| Tax ID | 18-45-26-08-0000E.0000 |

Transaction Data

| | | | |
|---------------------------|--------------------------------|-----------------------------|---------------|
| Sale Date | January 5, 2017 | Recording Number | 2017000004487 |
| Sale Status | Recorded | Sale Price | \$425,000 |
| Grantor | Temple-Drexel, LLC | Financing Adj. | \$0 |
| Grantee | Intelliflex Express Court, LLC | Sale Conditions Adj. | \$0 |
| Property Rights | Fee Simple | Exp. Imm. After Sale | \$0 |
| Financing | Conventional | Non-Realty Adj. | \$0 |
| Conditions of Sale | Typical | Adjusted Price | \$425,000 |

Property Description

| | | | |
|---------------------|---------|---------------------------|------------------------------|
| Gross Acres | 2.612 | No. of Units | 1 |
| Gross SF | 113,770 | Density (Units/Ac) | 0.38 |
| Usable Acres | 2.61180 | Proposed Use | Future site of Summit Church |
| Usable SF | 113,770 | Proposed Bldg SF | 14,440 |
| Front Feet | 250.00 | Street Access | Average |
| Depth | 255.00 | Rail Access | No |
| No. of Lots | 1 | | |

| | | | |
|--------------------------|--|----------------------------|------------------------------------|
| Water/Port Access | No | Flood Hazard Zone | Zone X |
| Visibility | Average | Use Designation | New Community |
| Corner/Interior | Interior | Zoning Jurisdiction | Lee County |
| Shape | Generally Rectangular | Zoning Code | MPD |
| Topography | Level | Zoning Description | Mixed-Use Planned Unit Development |
| Utilities | All are available to the site | Traffic Count | N/A |
| Drainage | Assumed adequate under normal conditions | | |

Indicators

| | | | |
|-----------------------|-----------|---------------------------|------------|
| \$/Gross Acre | \$162,723 | \$/FF | \$1,700.00 |
| \$/Gross SF | \$3.74 | \$/Lot | \$425,000 |
| \$/Usable Acre | \$162,723 | \$/Unit | \$425,000 |
| \$/Usable SF | \$3.74 | \$/SF of Bldg Area | \$29.43 |

Verification

Confirmed With Confidential; Informed Party

Remarks

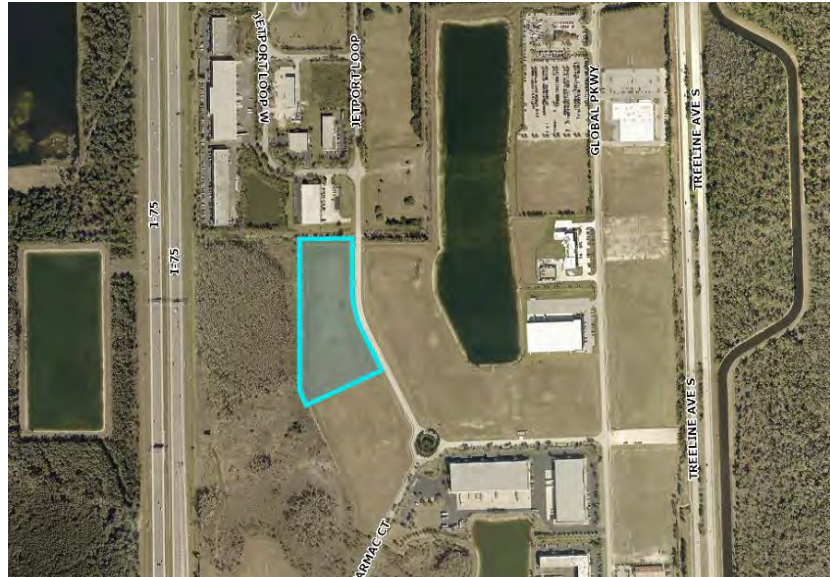
The vacant land parcel is located just on a secondary roadway, just off of a primary roadway (Daniels Pkwy). The rectangular shaped, interior lot is rated average for access and exposure. The property is located in the Gateway planned community, with the immediate area mostly developed with office/light industrial uses. The land is zoned MPD as part of the Daniels Preserve mixed planned development, which promotes commercial, industrial, and residential uses.

The buyer is a local developer/owner of multiple real estate assets in the Gateway area. They purchased the land to accommodate tenant relocation for Summit Church. The landlord (buyer) needed some more space to accommodate a different tenant's expansion and Summit Church agreed to relocate to a built-to-suit building at this location. Buyer saw it as a win-win for both existing tenants.

The property was not marketed for sale; however, was reported to be an arm's-length transaction at market terms. The property was in a cleared condition at the time of sale. Permitting in place shortly after purchase was approved for a 14,440-sf, 386-seat house of worship, with supporting site improvements. The buyer financed the purchase through a \$1,860,000 construction loan with Encore Bank.

This property previously sold in April 2014 for \$689,120, but included an additional 5.67 acre parcel that was split off after the transaction date.

LAND COMPARABLE 4 - SUB PARCEL A & B



Property Identification

| | |
|---------------------------|--------------------------------|
| Property/Sale ID | 9622/10125 |
| Property Type | Industrial |
| Property Name | 6.91 acres; Business Park Land |
| Address | 14600 Jetport Loop |
| City, State Zip | Fort Myers, Florida 33913 |
| County | Lee |
| MSA | Fort Myers-Cape Coral |
| Submarket | South Ft Myers/San Carlos Park |
| Latitude/Longitude | 26.531483/-81.791986 |
| Tax ID | 27-45-25-20-00000.B010 |

Transaction Data

| | | | |
|---------------------------|-------------------|-----------------------------|---------------|
| Sale Date | December 21, 2016 | Recording Number | 2016000270031 |
| Sale Status | Recorded | Sale Price | \$1,277,856 |
| Grantor | GB Treeline, LLP | Financing Adj. | \$0 |
| Grantee | KJS Limited, LLC | Sale Conditions Adj. | \$0 |
| Property Rights | Fee Simple | Exp. Imm. After Sale | \$0 |
| Financing | Seller Financed | Non-Realty Adj. | \$0 |
| Conditions of Sale | Typical | Adjusted Price | \$1,277,856 |

Property Description

| | | | |
|----------------------|---------|--------------------------|------------------|
| Gross Acres | 6.906 | Rail Access | No |
| Gross SF | 300,812 | Water/Port Access | No |
| Usable Acres | 6.90569 | Visibility | Average |
| Usable SF | 300,812 | Corner/Interior | Interior |
| Front Feet | 790.00 | Shape | Irregular |
| Depth | 300.00 | Topography | Level, cleared |
| No. of Lots | 1 | Utilities | Public Available |
| Street Access | Average | Flood Hazard Zone | Zone X |

| | | | |
|----------------------------|-------------------|----------------------|------------------------|
| Zoning Jurisdiction | Lee County | | International Commerce |
| Zoning Code | IPD | | Park |
| Zoning Description | Southwest Florida | Traffic Count | N/A |

Indicators

| | | | |
|-----------------------|-----------|---------------------------|-------------|
| \$/Gross Acre | \$185,044 | \$/FF | \$1,617.54 |
| \$/Gross SF | \$4.25 | \$/Lot | \$1,277,856 |
| \$/Usable Acre | \$185,044 | \$/Unit | \$0 |
| \$/Usable SF | \$4.25 | \$/SF of Bldg Area | \$0.00 |

Verification

Confirmed With Buying Agency

Remarks

The property is located in the Southwest Florida International Commerce Park planned development. The lot, identified as B-1 per the IDP plans, is permitted for various types of development, including industrial, office, and quasi-retail type uses. The irregular shaped parcel has average access and exposure along the business park road (Jetport Loop). As of late 2017, about 30% of the planned business park is built-out, with the remaining lots being vacant and mostly site ready for vertical improvements. Infrastructure for the park is in place (roads, utilities, etc.).

The seller has held the property since 2007 and had it on the market for an extended period of time (years) at an undisclosed offering price. The local buyer, an affiliate of Scott Fischer Enterprises, purchased the property for what appears to be an investment, having re-listed the property for sale or built-to-suit leasing shortly after purchase. The current asking price for the land is \$1,895,000, or \$6.30 psf, which is a 48% increase over the purchase price.

The seller financed 100% of the purchase with a 2-yr mortgage at undisclosed terms. The property had a cleared and level condition at the time of sale with utilities available at the site (stubbed in).

Land Sales Comparison Analysis - Sub Parcel A & B

When necessary, adjustments were made for differences in various elements of comparison, including property rights conveyed, financing terms, conditions of sale, expenditures made immediately after purchase, market conditions, location, and other physical characteristics. If the element in comparison is considered superior to that of the subject, we applied a negative adjustment. Conversely, a positive adjustment was applied if inferior. A summary of the elements of comparison follows.

Transaction Adjustments

Transaction adjustments include (1) real property rights conveyed, (2) financing terms, (3) conditions of sale, and (4) expenditures made immediately after purchase. These items, which are applied prior to the market conditions and property adjustments, are discussed as follows:

Real Property Rights Conveyed

Real property rights conveyed influence sale prices and must be considered when analyzing a sale comparable. The appraised value and sale comparables all reflect the fee simple interest with no adjustments required.

Financing Terms

The 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. Sales 1, 2 and 3 involved typical market terms by which the sellers received cash or its equivalent and the buyers paid cash or tendered typical down payments and obtained conventional financing at market terms for the balance. Therefore, no adjustments for this category were required. Sale 4 was 100% seller financed; however, above/below market financing was not reported; therefore, no adjustment was made.

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. The sale comparables do not indicate any condition of sale adjustments were warranted for atypical conditions or for-sale listings.

Expenditures Made Immediately After Purchase

A knowledgeable buyer considers expenditures required upon purchase of a property, as these costs affect the price the buyer agrees to pay. Such expenditures may include: costs to demolish and remove any portion of the improvements, costs to petition for a zoning change, and/or costs to remediate environmental contamination.

The relevant figure is not the actual cost incurred, but the cost anticipated by both the buyer and seller. Unless the sales involved expenditures anticipated upon the purchase date, no adjustments to the comparable sales are required for this element of comparison. The parties to these transactions

did not anticipate expenditures were required immediately after purchase; therefore, no adjustments were warranted.

Market Conditions Adjustment - Sub Parcel A & B

Market conditions change over time because of inflation, deflation, fluctuations in supply and demand, or other factors. Changing market conditions may create a need for adjustment to comparable sale transactions completed during periods of dissimilar market conditions.

Discussions with market participants and a review of market data indicated overall market conditions for vacant land properties have been improving with recent transactions confirming this trend. As such, we applied an adjustment to each comparable based on a factor of 10.00% per year.

Property Adjustments - Sub Parcel A & B

Property adjustments are usually expressed quantitatively as percentages or dollar amounts that reflect the differences in value attributable to the various characteristics of the property. In some instances, however, qualitative adjustments are used. These adjustments are based on locational and physical characteristics and are applied after transaction and market conditions 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 site is well-located along a primary roadway, albeit in an area that is relatively underdeveloped. In comparison to the comparables, we considered the superior and inferior locational aspects of the subject vs. the comparables to offset, resulting in relatively similar locational characteristics; therefore, no adjustments were considered.

Size

The size adjustment addresses variance in the physical size of the comparables and that of the subject, as a larger parcel typically commands a lower price per unit than a smaller parcel. This inverse relationship is due, in part, to the principle of "economies of scale."

The subject site consists of 312,325 gross square feet (7.17 acres). The comparables range from 82,677 to 300,812 square feet. Sales 1, 2, and 3 were adjusted downward for smaller land size. Sale 4 is relatively similar and was not adjusted.

Shape/Depth

The subject site consists of an irregular-shaped tract, which impacts potential development/uses. Sales 1, 2, and 4 were considered similar enough not to warrant any adjustment for this category. Sale 3 was adjusted downward for its superior, more rectangular shape.

Utilities

The subject property does have utilities available on the date of value, which was similar to all four sales; therefore, no adjustment was warranted.

Topography

The subject has a heavily wooded topography and would require clearing and fill prior to development. Sales 1, 3, and 4 were adjusted downward for superior, cleared and level condition. Sale 2 is relatively similar and was not adjusted.

Zoning

The highest and best use of sale comparables should be very similar to that of the subject property. When comparables with the same zoning as the subject are lacking or scarce, parcels with slightly different zoning, but a highest and best use similar to that of the subject may be used as comparables. These comparables may require an adjustment for differences in utility if the market supports such adjustment.

The subject site is zoned Airport Operations Planned Development with retail, industrial, and office uses. This is considered relatively similar to all four sales; therefore, no adjustment was considered.

Summary of Adjustments - Sub Parcel A & B

Presented on the following page is a summary of the adjustments made to the sale comparables. As noted earlier, these quantitative adjustments were based on our market research, best judgment, and experience in the appraisal of similar properties.

LAND SALES ADJUSTMENT GRID - SUB PARCEL A & B

Land Sales Adjustment Grid

| | Subject | Sale # 1 | Sale # 2 | Sale # 3 | Sale # 4 |
|---|--|-----------------------------------|-----------------------------|----------------------------|--------------------------------|
| Sale ID | | 10123 | 10126 | 10107 | 10125 |
| Date of Value & Sale | October-17 | June-17 | May-17 | January-17 | December-16 |
| Property Name | Parcel P11a - Lots A & B | 1.90 acres; Creative World School | 2.44 acres; Commercial Land | 2.612 acres; Summit Church | 6.91 acres; Business Park Land |
| Unadjusted Sale Price | | \$300,000 | \$350,000 | \$425,000 | \$1,277,856 |
| Gross Acres | 7.170 | 1.898 | 2.440 | 2.612 | 6.906 |
| Gross Square Feet | 312,325 | 82,677 | 106,265 | 113,770 | 300,812 |
| Unadjusted Sales Price per Gross Sq. Ft. | | \$3.63 | \$3.29 | \$3.74 | \$4.25 |
| Transactional Adjustments | | | | | |
| Property Rights Conveyed | <i>Fee Simple</i> | <i>Fee Simple</i> | <i>Fee Simple</i> | <i>Fee Simple</i> | <i>Fee Simple</i> |
| Adjustment | | - | - | - | - |
| Adjusted Sales Price | | \$3.63 | \$3.29 | \$3.74 | \$4.25 |
| Financing Terms | <i>Cash to Seller</i> | <i>Conventional</i> | <i>Conventional</i> | <i>Conventional</i> | <i>Seller Financed</i> |
| Adjustment | | - | - | - | - |
| Adjusted Sales Price | | \$3.63 | \$3.29 | \$3.74 | \$4.25 |
| Conditions of Sale | <i>Typical</i> | <i>Typical</i> | <i>Typical</i> | <i>Typical</i> | <i>Typical</i> |
| Adjustment | | - | - | - | - |
| Adjusted Sales Price | | \$3.63 | \$3.29 | \$3.74 | \$4.25 |
| Expenditures after Sale | | \$0 | \$0 | \$0 | \$0 |
| Adjusted Sales Price | | \$3.63 | \$3.29 | \$3.74 | \$4.25 |
| Market Conditions Adjustments | | | | | |
| Elapsed Time from Date of Value | | <i>0.31 years</i> | <i>0.44 years</i> | <i>0.78 years</i> | <i>0.82 years</i> |
| Market Trend Through | October-17 | 3.1% | 4.4% | 7.8% | 8.2% |
| Adjusted Sales Price | | \$3.74 | \$3.44 | \$4.03 | \$4.60 |
| Physical Adjustments | | | | | |
| Location | <i>NEC of Daniels Pkwy & Commerce Lakes Dr</i> | <i>11961 Fairway Lakes Dr</i> | <i>13600 Saddle Rd</i> | <i>12941 Express Ct</i> | <i>14600 Jetport Loop</i> |
| | <i>Fort Myers, Florida</i> | <i>Fort Myers, Florida</i> | <i>Fort Myers, Florida</i> | <i>Fort Myers, Florida</i> | <i>Fort Myers, Florida</i> |
| Adjustment | | - | - | - | - |
| Size | <i>312,325 sq ft</i> | <i>82,677 sq ft</i> | <i>106,265 sq ft</i> | <i>113,770 sq ft</i> | <i>300,812 sq ft</i> |
| Adjustment | | -10.0% | -10.0% | -10.0% | - |
| Shape/Depth | <i>Irregular</i> | <i>Similar</i> | <i>Similar</i> | <i>Superior</i> | <i>Similar</i> |
| Adjustment | | - | - | -5.0% | - |
| Utilities | <i>Public Available</i> | <i>Public Available</i> | <i>Public Available</i> | <i>Public Available</i> | <i>Public Available</i> |
| Adjustment | | - | - | - | - |
| Topography | <i>Heavily wooded</i> | <i>Superior</i> | <i>Similar</i> | <i>Superior</i> | <i>Superior</i> |
| Adjustment | | -10.0% | - | -10.0% | -10.0% |
| Zoning | <i>AOPD</i> | <i>PUD</i> | <i>CT</i> | <i>MPD</i> | <i>IPD</i> |
| Adjustment | | - | - | - | - |
| Net Physical Adjustment | | -20.0% | -10.0% | -25.0% | -10.0% |
| Adjusted Sales Price per Gross Square Foot | | \$2.99 | \$3.09 | \$3.02 | \$4.14 |

Preliminary Conclusion - Sub Parcel A & B

From the market data available, we used four land sales in competitive market areas which were adjusted based on pertinent elements of comparison. The following table summarizes the unadjusted and adjusted unit prices:

Land Sale Statistics

| Metric | Unadjusted | Adjusted |
|---|------------|----------|
| Minimum Sales Price per Gross Square Foot | \$3.29 | \$2.99 |
| Maximum Sales Price per Gross Square Foot | \$4.25 | \$4.14 |
| Median Sales Price per Gross Square Foot | \$3.68 | \$3.06 |
| Mean Sales Price per Gross Square Foot | \$3.73 | \$3.31 |

The most comparable was Sale #3 in location and #4 in size; however, no one sale is considered truly comparable. As such, we considered the sales in aggregate. The adjusted prices for the sales ranged from \$2.99 to \$4.14 per square foot, with an average of \$3.31 per square foot and a median of \$3.06 per square foot.

Based on the adjusted prices and the positive/negative influences of the subject, a unit value for the subject property is near the middle of the adjusted range, or \$3.20 to \$3.40 per gross square foot. This indicates a preliminary market value range of \$1,000,000 to \$1,060,000, rounded.

Based on this analysis, the preliminary land value indication is summarized as follows:

Land Value Indication

| | | | | | |
|--------------------------------------|---|-----------------------------|---|--|-----------------------------------|
| Reasonable Adjusted Comparable Range | | | | | |
| 312,325 square feet | x | \$3.20 psf | = | | \$999,440 |
| 312,325 square feet | x | \$3.40 psf | = | | \$1,061,905 |
| Market Value Opinion | | | | | |
| 312,325 square feet | x | \$3.20 to \$3.40 psf | = | | \$1,000,000 to \$1,060,000 |

Preliminary Conclusion - Sub Parcel A

In estimating the market value of Sub Parcel A (0.90 acres), we have considered the previous analysis and baseline price per square foot range of \$3.20 to \$3.40, adjusting for a 10% premium being a smaller lot (0.90 ac vs. 7.17 ac).

Based on this analysis, the preliminary land value indication is summarized as follows:

Land Value Indication

| | | | | | |
|--------------------------------------|---|-----------------------------|---|--|-------------------------------|
| Reasonable Adjusted Comparable Range | | | | | |
| 39,204 square feet | x | 3.35 psf | = | | \$130,000 |
| 39,204 square feet | x | \$3.55 psf | = | | \$140,000 |
| Market Value Opinion | | | | | |
| 39,204 square feet | x | \$3.35 to \$3.55 psf | = | | \$130,000 to \$140,000 |

Sales Comparison – Sub Parcels A, B, & C (20.64 acres)

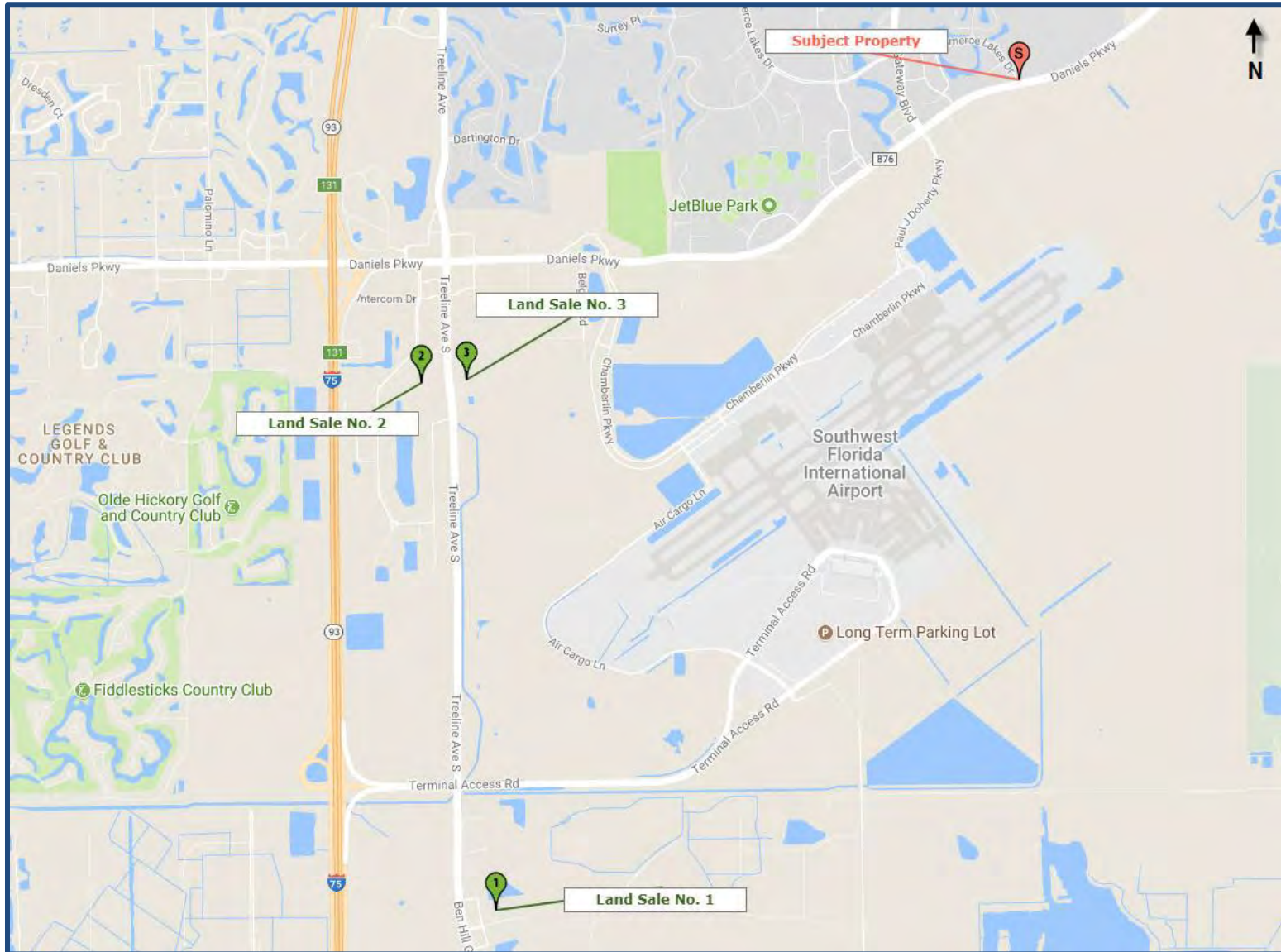
The table on the following page summarizes each sale comparable and a map illustrating the location of each in relation to the subject. Details of each comparable follow the location map.

Land Sales Summary - Sub Parcels A, B, & C (20.64 acres)

Land Sales Summary

| Comp. No. | Date of Sale | Gross Sq. Ft. | Location | Zoning | Proposed Use | Sales Price Actual | Per Sq. Ft. |
|-----------|--------------|---------------|--|--------------|----------------------------------|--------------------|-------------|
| 1 | August-17 | 1,169,789 | 10400 Meridian Center Pkwy Fort Myers, Florida | MPD | Industrial Flex Project | \$3,768,844 | \$3.22 |
| 2 | September-15 | 954,400 | 14050 Treeline Ave S Fort Myers, Florida | AG-2 and CPD | FedEx Ground Distribution Center | \$2,235,000 | \$2.34 |
| 3 | February-15 | 824,155 | 14501 Treeline Ave S Fort Myers, Florida | AG-2 | Future Industrial/Business Park | \$968,200 | \$1.17 |

COMPARABLE SALES MAP - SUB PARCELS A, B, & C (20.64 ACRES)



LAND COMPARABLE 1 – SUB PARCELS A, B, & C (20.64 ACRES)

Property Identification

| | |
|---------------------------|---|
| Property/Sale ID | 9621/10124 |
| Property Type | Commercial |
| Property Name | 26.85 acres; Meridian Center North/South |
| Address | 10400 Meridian Center Pkwy |
| City, State Zip | Fort Myers, Florida 33913 |
| County | Lee |
| MSA | Fort Myers-Cape Coral |
| Submarket | South Ft Myers/San Carlos Park |
| Latitude/Longitude | 26.503346/-81.782580 |
| Tax ID | 02,46,25,03,00000.C130, 02-46-25-03-00000.C170, et al |

Transaction Data

| | | | |
|---------------------------|---|-----------------------------|----------------------------------|
| Sale Date | August 9, 2017 | Recording Number | 2017000173002 & 2017000173003 |
| Sale Status | Recorded | Sale Price | \$3,768,844 |
| Grantor | Meridian Airport Park, LLC | Financing Adj. | \$0 |
| Grantee | Meridian Center North, LLC & Meridian Center South, LLC | Sale Conditions Adj. | \$0 |
| Property Rights | Fee Simple | Exp. Imm. After Sale | \$0 |
| Financing | Conventional | Non-Realty Adj. | \$0 |
| Conditions of Sale | Typical | Adjusted Price | \$3,768,844 |

Property Description

| | | | |
|---------------------|-----------|-------------------------|----------------|
| Gross Acres | 26.855 | Proposed Bldg SF | 350,000 |
| Gross SF | 1,169,789 | Street Access | Average |
| Usable Acres | 26.85466 | Visibility | Average |
| Usable SF | 1,169,789 | Corner/Interior | Interior |
| Front Feet | 1,050.00 | Shape | Irregular |
| No. of Lots | 16 | Topography | Level, cleared |

| | | | |
|----------------------------|------------------|---------------------------|-----------------------|
| Utilities | Public Available | Zoning Description | Mixed Planned |
| Flood Hazard Zone | Zone X | | Development; Meridian |
| Use Designation | Mixed-Use | | Center |
| Zoning Jurisdiction | Lee County | Traffic Count | N/A |
| Zoning Code | MPD | | |

Indicators

| | | | |
|-----------------------|-----------|---------------------------|------------|
| \$/Gross Acre | \$140,342 | \$/FF | \$3,589.38 |
| \$/Gross SF | \$3.22 | \$/Lot | \$235,553 |
| \$/Usable Acre | \$140,342 | \$/Unit | \$0 |
| \$/Usable SF | \$3.22 | \$/SF of Bldg Area | \$10.77 |

Verification

| | |
|-----------------------|----------------|
| Confirmed With | Listing Agency |
|-----------------------|----------------|

Remarks

The 16-parcel property totals 26.854 acres and is part of the Meridian Center mixed-use planned development. The irregular shaped assemblage essentially functions as two parcels with a cul-de-sac street bisecting the two. Although technically corner parcels, the land functions more like an interior, or rear lot, being off the main road and in the back of the planned development. The land is rated average for access and exposure. The MPD zoning permits a mix of industrial and commercial uses, with one possible use scenario that also allows for a hotel. The immediate surrounding area is mostly underdeveloped and-or unimproved, vacant land; however, that may change in the near future as large tracts of land near the site (across Ben Hill Griffin Pkwy) have recently sold. The area is just southwest of the regional airport (Southwest Florida International Airport) and north of Gulf Coast Town Center (outdoor shopping/mall).

The sale is an assemblage of 16 contiguous parcels purchased under two transactions with the same seller, buyer, and purchase date. Nine lots were purchased for \$2,108,307 (\$3.22 psf) and the remaining eight were purchased for \$1,660,537 (\$3.22 psf). The out-of-town buyer purchased the property for future development of two industrial flex buildings totaling 350,000-sf in rentable building area. The land was in a cleared and level condition at the time of purchase.

This was an all-cash transaction with no new mortgage recorded. The property was on the market in excess of a year and offered at an undisclosed price.

LAND COMPARABLE 2 – SUB PARCELS A, B, & C (20.64 ACRES)

Property Identification

| | |
|---------------------------|--|
| Property/Sale ID | 6661/8198 |
| Property Type | Land |
| Property Name | 21.91 acres; FedEx Ground Center |
| Address | 14050 Treeline Ave S |
| City, State Zip | Fort Myers, Florida 33913 |
| County | Lee |
| MSA | Fort Myers-Cape Coral |
| Submarket | South Fort Myers |
| Latitude/Longitude | 26.539187/-81.788259 |
| Tax ID | 26-45-25-00-00001.0020, 26-45-25-00-00001.001A |

Transaction Data

| | | | |
|---------------------------|--|-----------------------------|---------------|
| Sale Date | September 17, 2015 | Recording Number | 2015000208217 |
| Sale Status | Recorded | Sale Price | \$2,235,000 |
| Grantor | Istrouma Trustee, LLC & Airport Gateway, Ltd. | Financing Adj. | \$0 |
| Grantee | JDC Fort Myers, LLC | Sale Conditions Adj. | \$0 |
| Property Rights | Fee Simple | Exp. Imm. After Sale | \$0 |
| Financing | Conventional | Non-Realty Adj. | \$0 |
| Conditions of Sale | Typical | Adjusted Price | \$2,235,000 |

Property Description

| | | | |
|---------------------|----------|-------------------------|-------------------------------------|
| Gross Acres | 21.910 | Proposed Use | FedEx Ground Distribution Center |
| Gross SF | 954,400 | Proposed Bldg SF | 213,508 |
| Usable Acres | 21.91001 | Street Access | Average |
| Usable SF | 954,400 | Visibility | Average |
| Front Feet | 654.00 | Corner/Interior | Interior |
| Depth | 1,124.00 | Shape | Irregular |
| No. of Lots | 2 | | |

| | | | |
|----------------------------|-------------------|---------------------------|--|
| Topography | Partially Wooded | Zoning Code | AG-2 and CPD |
| Utilities | Public Available | Zoning Description | Agriculture and Commercial Planned Development |
| Flood Hazard Zone | X | | |
| Use Designation | Airport/Tradeport | | |
| Zoning Jurisdiction | Lee County | | |

Indicators

| | | | |
|-----------------------|-----------|---------------------------|-------------|
| \$/Gross Acre | \$102,008 | \$/FF | \$3,417.43 |
| \$/Gross SF | \$2.34 | \$/Lot | \$1,117,500 |
| \$/Usable Acre | \$102,008 | \$/SF of Bldg Area | \$10.47 |
| \$/Usable SF | \$2.34 | | |

Verification

| | |
|-----------------------|----------------|
| Confirmed With | Listing Agency |
|-----------------------|----------------|

Remarks

The property includes 16.91 acres at 14050 Treeline Ave S and another five acres to the southwest that include a large retention pond. The site spans a total of 21.91 acres. The irregular shaped parcel has primary frontage along Treeline Ave S, with some (minimal) frontage along Jetport Loop. The land was partial cleared, partially wooded at the time of purchase. A retention pond exists on a portion of the 5 acre parcel.

The site is zoned AG-2 and CPD and is part of the airport/tradeport future land use. The surrounding area is sparsely developed with commercial and light industrial uses along Jetport Loop and Treeline Ave S, as well as Daniels Pkwy to the north.

This sale involved the assemblage of two tracts of land that were purchased for future development of a FedEx Ground distribution center. The buyer, Jones Development Co., is an out-of-state developer with a focus on build-to-suit light industrial/manufacturing type buildings. The sale includes 16.91 acres at 14050 Treeline Ave S and another five acres to the southwest that include a large retention pond. The new FedEx Ground distribution center will be a 213,508-sf sorting plant.

The buyer chose the site based on its ease of access to major highways, location near major airport, proximity to customer's distribution centers, and strong local workforce for recruitment potential.

The buyer financed \$16,000,000 through Commerce Bank as a construction loan.

LAND COMPARABLE 3 – SUB PARCELS A, B, & C (20.64 ACRES)

Property Identification

| | |
|---------------------------|--|
| Property/Sale ID | 7676/8772 |
| Property Type | Commercial |
| Property Name | 18.92 acres; Commercial Land |
| Address | 14501 Treeline Ave S |
| City, State Zip | Fort Myers, Florida 33913 |
| County | Lee |
| MSA | Fort Myers-Cape Coral |
| Submarket | Fort Myers |
| Latitude/Longitude | 26.539377/-81.784820 |
| Tax ID | 26-45-25-00-00001.002B, 26-45-25-00-00001.0030, 26-45-25-00-00001.0050 |

Transaction Data

| | | | |
|---------------------------|-----------------------|-----------------------------|-----------|
| Sale Date | February 5, 2015 | Days on Market | 300 |
| Sale Status | Recorded | Sale Price | \$968,200 |
| Grantor | Istrouma Trustee, LLC | Financing Adj. | \$0 |
| Grantee | Treeline 18, LLC | Sale Conditions Adj. | \$0 |
| Property Rights | Fee Simple | Exp. Imm. After Sale | \$0 |
| Financing | Conventional | Non-Realty Adj. | \$0 |
| Conditions of Sale | Typical | Adjusted Price | \$968,200 |
| Recording Number | 2015000025738 | | |

Property Description

| | | | |
|---------------------|----------|--------------------------|-------------|
| Gross Acres | 18.920 | Street Access | Average |
| Gross SF | 824,155 | Rail Access | No |
| Usable Acres | 18.92000 | Water/Port Access | No |
| Usable SF | 824,155 | Visibility | Average |
| Front Feet | 657.00 | Corner/Interior | Interior |
| Depth | 1,245.00 | Shape | Rectangular |
| No. of Lots | 3 | Topography | Cleared |

| | | | |
|----------------------------|-------------------|---------------------------|---------------|
| Utilities | Public Available | Zoning Code | AG-2 |
| Flood Hazard Zone | Zone X | Zoning Description | Agricultural |
| Use Designation | Airport/Tradeport | Traffic Count | 21,149 (2016) |
| Zoning Jurisdiction | Lee County | | |

Indicators

| | | | |
|-----------------------|----------|---------------------|------------|
| \$/Gross Acre | \$51,173 | \$/Usable SF | \$1.17 |
| \$/Gross SF | \$1.17 | \$/FF | \$1,473.67 |
| \$/Usable Acre | \$51,173 | \$/Lot | \$322,733 |

Verification

Confirmed With Listing Agency

Remarks

The assemblage property is comprised of 18.92 acres along the east side of Treeline Ave S, south of where Treeline Ave intersects Daniels Pkwy. The generally rectangular shaped assemblage has direct frontage along Treeline Ave S, which is a moderately trafficked primary roadway. The land is mostly cleared, previously designated as grazing land. The property is in close proximity to a regional commercial airport (Southwest Florida International Airport), as well as an interstate highway (I-75).

The surrounding area is sparsely developed with most development across the street and west of Treeline Ave (commercial and light industrial uses), as well as commercial development along Daniels Pkwy and closer to the I-75 interchange.

This sale involved the assemblage of two tracts of land (since separated to three tracts) that were purchased for investment purposes with no development plans reported at the time of purchase. The buyer, Treeline 18, LLC., is associated with a local real estate investment group. The buyer chose the site based on its ease of access to major highways, location near major airport, proximity to customer's distribution centers, and strong local workforce for recruitment potential.

At the time of purchase, the site was zoned AG-2 and is part of the airport/tradeport future land use. As of 2017, the buyer's have petitioned for a zoning change to and Industrial Planned Development (IPD) called The Treeline 28 Commerce Park, which includes 29.29 acres for mixed-use development (335,000-sf of tradeport commercial and light industrial). See pending Lee County Resolution DCI2017-00011 for more details.

The property was on the market for about 300 days prior to closing. The property sold for about 5% less than the asking price of \$1,024,000. This was assumed an all-cash transaction as no new mortgage was recorded.

Land Sales Comparison Analysis – Sub Parcels A, B, & C (20.64 acres)

When necessary, adjustments were made for differences in various elements of comparison, including property rights conveyed, financing terms, conditions of sale, expenditures made immediately after purchase, market conditions, location, and other physical characteristics. If the element in comparison is considered superior to that of the subject, we applied a negative adjustment. Conversely, a positive adjustment was applied if inferior. A summary of the elements of comparison follows.

Transaction Adjustments

Transaction adjustments include (1) real property rights conveyed, (2) financing terms, (3) conditions of sale, and (4) expenditures made immediately after purchase. These items, which are applied prior to the market conditions and property adjustments, are discussed as follows:

Real Property Rights Conveyed

Real property rights conveyed influence sale prices and must be considered when analyzing a sale comparable. The appraised value and sale comparables all reflect the fee simple interest with no adjustments required.

Financing Terms

The 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. All of the sale comparables involved typical market terms by which the sellers received cash or its equivalent and the buyers paid cash or tendered typical down payments and obtained conventional financing at market terms for the balance. Therefore, no adjustments for this category were 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. The sale comparables do not indicate any condition of sale adjustments were warranted for atypical conditions or for-sale listings.

Expenditures Made Immediately After Purchase

A knowledgeable buyer considers expenditures required upon purchase of a property, as these costs affect the price the buyer agrees to pay. Such expenditures may include: costs to demolish and remove any portion of the improvements, costs to petition for a zoning change, and/or costs to remediate environmental contamination.

The relevant figure is not the actual cost incurred, but the cost anticipated by both the buyer and seller. Unless the sales involved expenditures anticipated upon the purchase date, no adjustments to the comparable sales are required for this element of comparison. The parties to these transactions did not anticipate expenditures were required immediately after purchase; therefore, no adjustments were warranted.

Market Conditions Adjustment – Sub Parcels A, B, & C (20.64 acres)

Market conditions change over time because of inflation, deflation, fluctuations in supply and demand, or other factors. Changing market conditions may create a need for adjustment to comparable sale transactions completed during periods of dissimilar market conditions.

Discussions with market participants and a review of market data indicated overall market conditions for vacant land properties have been improving with recent transactions confirming this trend. As such, we applied an adjustment to each comparable based on a factor of 10.00% per year.

Property Adjustments – Sub Parcels A, B, & C (20.64 acres)

Property adjustments are usually expressed quantitatively as percentages or dollar amounts that reflect the differences in value attributable to the various characteristics of the property. In some instances, however, qualitative adjustments are used. These adjustments are based on locational and physical characteristics and are applied after transaction and market conditions 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 site is well-located along a primary roadway, albeit in an area that is relatively underdeveloped. In comparison to the comparables, we considered the superior and inferior locational aspects of the subject vs. the comparables to offset, resulting in relatively similar locational characteristics; therefore, no adjustments were considered.

Size

The size adjustment addresses variance in the physical size of the comparables and that of the subject, as a larger parcel typically commands a lower price per unit than a smaller parcel. This inverse relationship is due, in part, to the principle of “economies of scale.”

The subject site consists of 899,078 square feet, or 20.64 acres of gross land. The comparables range from 824,155 to 1,169,789 square feet. Sale 1 was adjusted upward for inferior, larger size. The remaining sales are relatively similar and were not adjusted.

Shape/Depth

The subject site consists of an irregular-shaped tract, which impact potential development/use. Sale 1’s relatively rectangular shape is offset by it being bisected by an existing roadway; therefore, no adjustment was considered. Sales 2 and 3 are superior, rectangular in shape and were adjusted downward.

Utilities

The subject property does have utilities available on the date of value, which was similar to all four sales; therefore, no adjustment was warranted.

Topography

The subject has a heavily wooded topography and would require clearing and fill prior to development. All three sales adjusted downward for superior, cleared, level, and-or filled condition, relatively speaking.

Zoning

The highest and best use of sale comparables should be very similar to that of the subject property. When comparables with the same zoning as the subject are lacking or scarce, parcels with slightly different zoning, but a highest and best use similar to that of the subject may be used as comparables. These comparables may require an adjustment for differences in utility if the market supports such adjustment.

The subject site is zoned Airport Operations Planned Development with retail, industrial, and office uses. This is considered relatively similar to all three sales; therefore, no adjustment was considered.

Summary of Adjustments – Sub Parcels A, B, & C (20.64 acres)

Presented on the following page is a summary of the adjustments made to the sale comparables. As noted earlier, these quantitative adjustments were based on our market research, best judgment, and experience in the appraisal of similar properties.

LAND SALES ADJUSTMENT GRID – SUB PARCELS A, B, & C (20.64 ACRES)

| | Subject | Sale # 1 | Sale # 2 | Sale # 3 |
|---|--|---|---|---|
| Sale ID | | 10124 | 8198 | 8772 |
| Date of Value & Sale | October-17 | August-17 | September-15 | February-15 |
| Property Name | | 26.85 acres; Meridian Center | 21.91 acres; FedEx Ground Center | 18.92 acres; Commercial Land |
| | Parcel P11a | North/South | | |
| Unadjusted Sale Price | | \$3,768,844 | \$2,235,000 | \$968,200 |
| Gross Acres | 20.640 | 26.855 | 21.910 | 18.920 |
| Gross Square Feet | 899,078 | 1,169,789 | 954,400 | 824,155 |
| Unadjusted Sales Price per Gross Sq. Ft. | | \$3.22 | \$2.34 | \$1.17 |
| Transactional Adjustments | | | | |
| Property Rights Conveyed | <i>Fee Simple</i> | <i>Fee Simple</i> | <i>Fee Simple</i> | <i>Fee Simple</i> |
| Adjustment | | - | - | - |
| Adjusted Sales Price | | \$3.22 | \$2.34 | \$1.17 |
| Financing Terms | <i>Cash to Seller</i> | <i>Conventional</i> | <i>Conventional</i> | <i>Conventional</i> |
| Adjustment | | - | - | - |
| Adjusted Sales Price | | \$3.22 | \$2.34 | \$1.17 |
| Conditions of Sale | <i>Typical</i> | <i>Typical</i> | <i>Typical</i> | <i>Typical</i> |
| Adjustment | | - | - | - |
| Adjusted Sales Price | | \$3.22 | \$2.34 | \$1.17 |
| Expenditures after Sale | | \$0 | \$0 | \$0 |
| Adjusted Sales Price | | \$3.22 | \$2.34 | \$1.17 |
| Market Conditions Adjustments | | | | |
| Elapsed Time from Date of Value | | <i>0.19 years</i> | <i>2.09 years</i> | <i>2.70 years</i> |
| Market Trend Through | October-17 | 1.9% | 20.9% | 27.0% |
| Adjusted Sales Price | | \$3.28 | \$2.83 | \$1.49 |
| Physical Adjustments | | | | |
| Location | <i>NEC of Daniels Pkwy & Commerce Lakes Dr Fort Myers, Florida</i> | <i>10400 Meridian Center Pkwy Fort Myers, Florida</i> | <i>14050 Treeline Ave S Fort Myers, Florida</i> | <i>14501 Treeline Ave S Fort Myers, Florida</i> |
| Adjustment | | - | - | - |
| Size | <i>899,078 sq ft</i> | <i>1,169,789 sq ft</i> | <i>954,400 sq ft</i> | <i>824,155 sq ft</i> |
| Adjustment | | 5.0% | - | - |
| Shape/Depth | <i>Irregular</i> | <i>Similar</i> | <i>Superior</i> | <i>Superior</i> |
| Adjustment | | - | -5.0% | -5.0% |
| Utilities | <i>Public Available</i> | <i>Public Available</i> | <i>Public Available</i> | <i>Public Available</i> |
| Adjustment | | - | - | - |
| Topography | <i>Heavily wooded</i> | <i>Superior</i> | <i>Superior</i> | <i>Superior</i> |
| Adjustment | | -10.0% | -5.0% | -10.0% |
| Zoning | <i>AOPD</i> | <i>MPD</i> | <i>AG-2 and CPD</i> | <i>AG-2</i> |
| Adjustment | | - | 10.0% | 10.0% |
| Net Physical Adjustment | | -5.0% | - | -5.0% |
| Adjusted Sales Price per Gross Square Foot | | \$3.12 | \$2.83 | \$1.42 |

Preliminary Conclusion – Sub Parcels A, B, & C (20.64 acres)

From the market data available, we used three land sales in competitive market areas which were adjusted based on pertinent elements of comparison. The following table summarizes the unadjusted and adjusted unit prices:

Land Sale Statistics

| Metric | Unadjusted | Adjusted |
|---|------------|----------|
| Minimum Sales Price per Gross Square Foot | \$1.17 | \$1.42 |
| Maximum Sales Price per Gross Square Foot | \$3.22 | \$3.12 |
| Median Sales Price per Gross Square Foot | \$2.34 | \$2.83 |
| Mean Sales Price per Gross Square Foot | \$2.25 | \$2.46 |

The most recent sale was #1, and the most comparable in size was #3; however, no one sale is considered truly comparable. Sale 3 is considered an older sale, having sold in Feb 2017; therefore, minimal weight was given on this sale. As such, we mostly considered Sales 1 and 2 in our conclusion. The adjusted prices for these sales ranged from \$2.83 to \$3.12 per square foot, with an average of \$2.98 per square foot.

Based on the adjusted prices and the positive/negative influences of the subject, a unit value for the subject property is near the middle of the adjusted range for Sales 1 and 2, or \$2.90 to \$3.10 per gross square foot. This indicates a preliminary market value range of \$2,610,000 to \$2,790,000, rounded.

Based on this analysis, the preliminary land value indication is summarized as follows:

| Land Value Indication | | | | | |
|--------------------------------------|---|-----------------------------|---|-----------------------------------|--|
| Reasonable Adjusted Comparable Range | | | | | |
| 899,078 square feet | x | \$2.90 psf | = | \$2,607,326 | |
| 899,078 square feet | x | \$3.10 psf | = | \$2,787,142 | |
| Market Value Opinion | | | | | |
| 899,078 square feet | x | \$2.90 to \$3.10 psf | = | \$2,610,000 to \$2,790,000 | |

Wetlands Mitigation

As previously described, the site is encumbered wetlands that would have to be mitigated prior to development. Actual mitigation costs vary based on multiple factors, some of which include size, type of wetlands (herbaceous vs. forested), and time of purchase (supply and demand). In estimating the wetlands mitigation costs for the subject property, we considered historical purchases, as well as information provided by the local office of the South Florida Water Management District (SFWMD).

Historical Sales

Based on the following historic purchases, the cost to mitigate ranges from \$48,000 to \$75,000 per acre (or per credit). The following are examples of wetlands mitigation over the past ten years.

| Wetlands Mitigation | | | | | | | | |
|---------------------|-----------------------|---------------------------|------------------------------------|-------|----------------|----------|--------|--|
| Date | Type | Buyer | Mitigation Bank | Acres | Purchase Price | \$/AC | \$/SF | |
| 2005 | Forested Freshwater | Lee County DOT | Little Pine Island Mitigation Bank | 20.37 | \$977,760 | \$48,000 | \$1.10 | |
| 2006 | Forested Freshwater | Lee County DOT | Little Pine Island Mitigation Bank | 12.12 | \$545,641 | \$45,020 | \$1.03 | |
| 2015 | Herbaceous Freshwater | City of Cape Coral | Little Pine Island Mitigation Bank | 13.28 | \$903,040 | \$68,000 | \$1.56 | |
| 2016 | Forested Freshwater | Lee County Port Authority | Corkscrew Regional Mitigation Bank | 2.38 | \$178,500 | \$75,000 | \$1.72 | |
| | | | Minimum | 2.38 | \$178,500 | \$45,020 | \$1.03 | |
| | | | Maximum | 20.37 | \$977,760 | \$75,000 | \$1.72 | |
| | | | Median | 12.70 | \$724,341 | \$58,000 | \$1.33 | |
| | | | Mean | 9.26 | \$651,235 | \$59,005 | \$1.35 | |

SFWMD Information

According to the SFWMD, the current costs to mitigate range from \$60,000 to \$100,000. Additionally, it was reported that the cost to mitigate herbaceous freshwater wetlands (low quality) is less expensive than the forested freshwater wetlands (high quality wetlands). As such, we have considered the herbaceous wetlands to be at the lower end of the range, with forested at the higher end. Of note, the 2016 forested freshwater mitigation listed above by the Lee County Port Authority is within the immediate area of the subject and is part of Skyplex. It is also the most recent mitigation project noted. At \$75,000, it is within the range quoted by the SFWMD.

The size of the subject wetlands varies depending on the source, as previously detailed in the Site Description of this report. The size of the wetlands ranges from 9.40 to 12.66 acres. Furthermore, the amount of herbaceous (low quality) versus forested (high quality) ranges from 5.60 to 8.57 acres (herbaceous) and 3.80 to 3.93 acres (forested).

For our analysis, we considered the following estimated mitigation costs per unit:

- \$70,000 per acre for the Herbaceous Freshwater wetlands (low quality wetland).
- \$90,000 per acre for the Forested Freshwater wetlands (high quality wetland).

Wetland Mitigation Conclusion

For the subject property, we considered the following estimated costs for wetlands mitigation, which have been deducted from our respective preliminary land value estimates and calculated in the table below.

- Sub Parcel A - \$5,000
- Sub Parcels A & B - \$85,000
- Sub Parcels A, B, & C - \$845,000

Wetland Area Breakdown - Reconciled

| Reconciled | | | | | | |
|--------------|---------------------|---------------|---------------|--------------|----------------|-----------|
| Parcel | Gross Lot Size (AC) | Wetlands (AC) | Wetlands Type | Credit Price | Estimated Cost | Rounded |
| Sub Parcel A | 0.90 | 0.08 | Herbaceous | \$70,000 | \$5,600 | \$5,000 |
| Sub Parcel B | 6.27 | 1.17 | Herbaceous | \$70,000 | \$81,550 | \$80,000 |
| Sub Parcel C | 13.47 | 5.92 | Herbaceous | \$70,000 | \$414,400 | \$410,000 |
| Sub Parcel C | Incl. above | 3.87 | Forested | \$90,000 | \$347,850 | \$350,000 |
| Total | 20.64 | 11.03 | | | | \$845,000 |

Final Value Conclusions

Sub Parcel A - 0.90 acres

Based on our analysis, the preliminary market value of the fee simple interest of Sub Parcel A ranges from \$130,000 to \$140,000. To this value, we have deducted the estimated cost for wetland mitigation, or \$5,000, resulting in a fee simple interest market value of \$125,000 to \$135,000, as noted below.

Land Value Indication

Market Value Opinion

| | | | | |
|--------------------|---|---|---|-------------------------------|
| 39,204 square feet | x | \$3.35 to \$3.55 psf | = | \$130,000 to \$140,000 |
| | | Less Wetlands Mitigation (0.08 acres) : | | \$5,000 |
| | | | | \$125,000 to \$135,000 |

Sub Parcels A & B - 7.17 acres

Based on our analysis, the preliminary market value of the fee simple interest of Sub Parcels A & B ranges from \$1,000,000 to \$1,060,000. To this value, we have deducted the estimated cost for wetland mitigation, or \$85,000, resulting in a fee simple interest market value of \$915,000 to \$975,000, as noted below.

Land Value Indication

Market Value Opinion

| | | | | |
|---------------------|---|---|---|-----------------------------------|
| 312,325 square feet | x | \$3.20 to \$3.40 psf | = | \$1,000,000 to \$1,060,000 |
| | | Less Wetlands Mitigation (1.17 acres) : | | \$85,000 |
| | | | | \$915,000 to \$975,000 |

Sub Parcels A, B, & C - 20.64 acres

Based on our analysis, the preliminary market value of the fee simple interest of Sub Parcels A, B, & C ranges from \$2,610,000 to \$2,790,000. To this value, we have deducted the estimated cost for wetland mitigation, or \$845,000, resulting in a fee simple interest market value of \$1,765,000 to \$1,945,000, as noted below.

Land Value Indication

Market Value Opinion

| | | | | |
|---------------------|---|--|---|-----------------------------------|
| 899,078 square feet | x | \$2.90 to \$3.10 psf | = | \$2,610,000 to \$2,790,000 |
| | | Less Wetlands Mitigation (11.03 acres) : | | \$845,000 |
| | | | | \$1,765,000 to \$1,945,000 |

Market Rent Analysis

Methodology

An opinion of market rent is developed by analyzing executed leases, listings, or pending leases of properties similar to the subject property, using the most relevant units of comparison. The comparative analysis focuses on the difference between the comparables and the subject property using all appropriate elements of comparison.

A systematic procedure for determining the market rent includes the following steps: (1) researching and verifying similar transactional data, (2) selecting relevant units of comparison, (3) analyzing and adjusting the comparable rents for differences in various elements of comparison, and (4) reconciling the adjusted rents into a conclusion of market rent for the subject.

Unit of Comparison

The primary unit of comparison selected depends on the assignment problem and nature of the property. The primary unit of comparison in the market for land properties subject to ground rent such as the subject is rent per square foot of land area.

Elements of Comparison

Elements of comparison are the characteristics or attributes of properties and transactions that cause the prices of real estate to vary. The main elements of comparison that should be considered in the analysis are as follows: (1) conditions of the lease, (2) tenant improvements, (3) market conditions, (4) location, (5) physical characteristics, (6) economic characteristics, (7) function/use, and (8) non-realty components of value.

Estimate of Market Rent

To develop an opinion of market rent, we surveyed representatives of comparable and competitive properties in the local and extended market area, focusing on those offering the greatest similarity in terms of location, size, market appeal, and-or association with airport property. Following are two tables summarizing rent comparable data. One table is for non-aviation, airport property, which is most similar to the subject. The other table is for general commercial and-or industrial ground rent property (non-airport association).

NON-AVIATION GROUND LEASE COMPARABLES

| # | Yr Commenced | Airport | Use | Location | City | County | Size (AC) | Size (SF) | Base Rent (SF/Yr) | Improvements | Comments |
|----|--------------|------------------------|------------------|----------------------------------|-----------------|--------------|-----------|-----------|-------------------|--|--|
| 1 | 2009 | Melbourne Intl | Institutional | W Nasa Blvd | Melbourne | Brevard | 4.99 | 217,364 | \$0.88 | Hospital | Kindred hospital |
| 2 | 2010 | Melbourne Intl | Office | Airport Rd | Melbourne | Brevard | 3.16 | 137,719 | \$0.50 | Medical Office | Medical office/treatment center |
| 3 | 2013 | Melbourne Intl | Institutional | 328 W Hibiscus Rd | Melbourne | Brevard | 3.08 | 134,252 | \$0.60 | University Building | Florida Institute of Technology |
| 4 | 2013 | Melbourne Intl | Office | 1000 Revolution Technologies Way | Melbourne | Brevard | 1.25 | 54,450 | \$0.63 | Professional Office | Revolution Technologies headquarters |
| 5 | 2013 | Melbourne Intl | Office | 2010 Grumman Place | Melbourne | Brevard | 9.95 | 433,422 | \$0.54 | Professional Office | Northrop Grumman |
| 6 | 2014 | Southwest Florida Intl | Retail | Terminal Access Rd | Ft Myers | Lee | 2.24 | 97,574 | \$1.55 | C-Store/Gas Station | 7/Seven; Base rent plus \$0.01 per gallon sold; Negotiated in 2011 |
| 7 | 2014 | Melbourne Intl | Office | 1050 W Nasa Blvd | Melbourne | Brevard | 3.18 | 138,329 | \$0.55 | Professional Office | Securboracion Inc.; Technology company |
| 8 | 2015 | Southwest Florida Intl | Retail | Daniels Rd | Ft Myers | Lee | 10.40 | 453,024 | \$0.17 | Retail | Shopping center to be subleased; Publix grocery anchored |
| 9 | 2015 | Palm Beach Intl | Retail | SWC Belvedere & Florida Mango Rd | West Palm Beach | Palm Beach | 3.50 | 152,460 | \$0.58 | C-Store/Gas Station | Mobil/Dunkin Donuts; Base plus percentage rent |
| 10 | 2015 | Tampa Intl | Parking Lot | Airport Service Rd | Tampa | Hillsborough | 14.23 | 619,728 | \$0.60 | Parking Lot | Supporting parking lot to US Postal facility |
| 11 | 2015 | Orlando Intl | Light Industrial | Post Office Blvd | Orlando | Orange | 26.95 | 1,173,942 | \$0.50 | Light Industrial | US Postal facility |
| 12 | 2016 | Sarasota International | Hospitality | 975 University Pkwy | Sarasota | Sarasota | 2.37 | 103,237 | \$0.59 | Hotel | Marriott; Base plus percentage rent; 2003 lease that was restated/increased upon recent sale |
| 13 | 2016 | Orlando Sanford Intl | Hospitality | E Airport Blvd | Orlando | Seminole | 2.00 | 87,120 | \$1.09 | Hotel | Hampton Inn; Proposed ground lease for new hotel; Base plus percentage rent |
| 14 | 2016 | Miami Intl | Commercial | SEC NW 26th St & NW 72nd Ave | Miami | Miami-Dade | N/A | N/A | \$2.20 | Commercial | Asking rates; Relatively small sites |
| 16 | 2016 | Miami Intl | Commercial | NW 12th St & North of NW 36th St | Miami | Miami-Dade | N/A | N/A | \$1.75 | Commercial | Asking rates; Relatively small sites |
| 17 | 2017 | Southwest Florida Intl | Office | Paul J. Doherty Pkwy | Ft Myers | Lee | 19.11 | 832,432 | \$0.19 | Regional office campus for Gartner, Inc. | |

| | | | |
|----------------|-------------|----------------|---------------|
| Minimum | 1.25 | 54,450 | \$0.17 |
| Maximum | 26.95 | 1,173,942 | \$2.20 |
| Median | 3.34 | 145,395 | \$0.60 |
| Mean | 7.60 | 331,075 | \$0.81 |

GENERAL GROUND RENT COMPARABLES

| # | Yr Commenced | Location | City | County | Size (AC) | Size (SF) | Base Rent (\$F/YR) | Improvements | Comments |
|----|--------------|-----------------------------|----------------|--------------|-----------|-----------|--------------------|--------------|---|
| 1 | 2014 | 6991 SW 8th St | Miami | Miami-Dade | 10.05 | 437,778 | \$1.35 | Big Box | Walmart; 20-yr ground lease; flat throughout term |
| 2 | 2015 | 9970 University Plaza Dr | Ft Myers | Lee | 1.24 | 53,971 | \$1.76 | Restaurant | Panera restaurant; New 15-yr term |
| 3 | 2015 | 10327 Big Bend Rd | Riverview | Hillsborough | 5.41 | 235,660 | \$0.79 | Big Box | Walmart; 20-yr ground lease; flat throughout term |
| 4 | 2015 | 2500 W Broward Blvd | Ft Lauderdale | Broward | 15.56 | 677,794 | \$1.92 | Big Box | Walmart; 20-yr ground lease; flat throughout term |
| 5 | 2015 | 4340 Clark Rd | Sarasota | Sarasota | 1.10 | 47,916 | \$1.51 | Automotive | Tire Plus |
| 6 | 2015 | 4455 SR 64E | Bradenton | Sarasota | 2.13 | 92,604 | \$1.94 | C-Store | Wawa; 20-yr term with options |
| 7 | 2016 | 28215 S Tamiami Trl | Bonita Springs | Lee | 1.11 | 48,552 | \$2.06 | Restaurant | McDonalds restaurant; Newly amended lease |
| 8 | 2016 | 3010 E Semoran Blvd | Apopka | Orange | 6.29 | 273,992 | \$1.55 | Big Box | Walmart; 20-yr ground lease; sixteen 5-yr extensions |
| 9 | 2016 | 2150 Bloomingdale Ave | Valrico | Hillsborough | 1.17 | 50,965 | \$1.96 | Restaurant | Chick-fil-A; New construction; 15-yr; Ten, 5-yr options |
| 10 | 2016 | 3335 Ulmerton Rd | Clearwater | Pinellas | 1.26 | 54,886 | \$2.68 | Restaurant | Wendy's; Includes some billboard rent |
| 11 | 2016 | 11151 Lake Brandon Dr | Brandon | Hillsborough | 10.50 | 457,380 | \$1.22 | Big Box | Kohl's; 10 years remaining, plus six, 5-yr options |
| 12 | 2017 | 17460 Ben Hill Griffin Pkwy | Ft Myers | Lee | 1.11 | 48,352 | \$3.10 | Restaurant | Taco Bell restaurant; Under construction; 20-yr term |
| 13 | 2017 | 6815 Collier Blvd | Naples | Collier | 1.56 | 67,941 | \$2.13 | Restaurant | Texas Roadhouse; 10-yr term with options |
| 14 | 2017 | 2803 Lee Blvd | Lehigh Acres | Lee | 1.85 | 80,640 | \$1.18 | Retail | Aldi market; Under construction |
| 15 | 2017 | 4120 W Taft Vineland Rd | Orlando | Orange | 2.24 | 97,574 | \$1.73 | Hotel | Marriott; Under construction; 30-yr lease; 15% increase every 5-years |
| 16 | 2018 | Confidential | Naples | Collier | 2.12 | 92,521 | \$2.16 | C-Store | Confidential |

| | | | |
|----------------|-------------|----------------|---------------|
| Minimum | 1.10 | 47,916 | \$0.79 |
| Maximum | 15.56 | 677,794 | \$3.10 |
| Median | 1.99 | 86,581 | \$1.84 |
| Mean | 4.04 | 176,158 | \$1.82 |

Market Rent Analysis

From the available market data, ground leases in competitive market areas were selected as most comparable to the subject. Surveys of non-aviation airport ground lease and general ground lease rates were analyzed in comparison to the subject. The surveyed parcels were typically cleared, filled, and have utilities at or near the site. These parcels are superior to the subject's raw land condition in which clearing and site work will be required.

The subject would be most comparable to the non-aviation surveyed leases, which were taken from seven airports throughout Florida. Comparables 6, 8 and 17 are from the same airport as the subject, with Comparable 8 being similar in location to the subject (fronts Daniels Pkwy). Comparables from the Sarasota-Bradenton International Airport, Melbourne International Airport and Palm Beach International Airport, while smaller than the subject airport, are considered more developed and/or in closer proximity to the beach. Comparables from Tampa International and Orlando International Airports are considered larger, more trafficked/travelers than the subject, as well as more developed. Comparables from the Miami International Airport are asking rates of small commercial land property that are well located at the Miami International Airport, which is larger and more developed than the subject. In all instances except for Comparable 6, 8, and 17, a downward locational adjustment, and most likely condition adjustment, to the comparable rent would be necessary to the subject property. In addition, an adjustment may be necessary for differences in size. Considering the subjectivity of these adjustments, we have considered and analyzed the unadjusted rental rates in aggregate.

The unadjusted rental rates for the non-aviation ground lease comparables ranged from \$0.17 to \$2.20 per square foot, with an average of \$0.81 and median of \$0.60. The subject size varies, depending on considering Sub Parcel A, A & B, or A, B, & C. Comparables 8 and 17 are located at the same airport of the subject and within the same master plan development. In comparison, the unadjusted rental rates for the general ground lease comparables ranged from \$0.79 to \$3.10 per square foot, with an average of \$1.82 and median of \$1.84. Based on our assessment, the non-aviation ground lease comparables tend to lease at a rate significantly lower than the non-aviation, airport ground leased land.

For analysis purposes, adjustments for location, size, and tenancy would be considered in comparison to the subject. Additionally, the leased fee interest for these comparables is marketable, while the leased fee interest on airport land is not and regulated by government bodies, which is a factor. Lastly, existing wetlands for the subject would need to be mitigated prior to development, which negatively influences marketability. As such, and for the purposes of our analysis, we have relied mostly on the lower-end of the non-aviation ground lease comparables in arriving at our opinion of fair market rent.

Conclusions

From the market data available, we used multiple non-aviation airport ground lease comparables, which we considered most similar to the subject. The following table summarizes the unadjusted rental rates:

Rent Comparable Statistics

| Metric | Unadjusted |
|---------------------|------------|
| Minimum Rental Rate | \$0.17 |
| Maximum Rental Rate | \$2.20 |
| Median Rental Rate | \$0.60 |
| Mean Rental Rate | \$0.81 |

Considering the comparables in aggregate, as well as the comparables most similar in location, size, condition, and-or potential use, we have concluded a market rent for the subject property towards the lower end of the unadjusted range. As such, we have considered a range of market rent from \$0.21 to \$0.25 per square foot for the smaller sub parcels (Sub Parcels A and A&B) and \$0.19 to \$0.21 per square foot for the larger parcel (Sub Parcels A, B, & C) and . This results in an annual rental rate range for the subject property calculated as follows:

Market Rent Conclusion

| | Sub Parcel A Range | Sub Parcel A & B Range | Sub Parcels A, B, & C Range |
|---|----------------------------|-----------------------------|--------------------------------|
| Land Size (SF) | 39,204 | 312,325 | 899,078 |
| Annual Market Rent | \$0.23 to \$0.25 | \$0.21 to \$0.23 | \$0.19 to \$0.21 |
| Fair Market Rent (Annual, Rounded) | \$9,000 to \$10,000 | \$66,000 to \$72,000 | \$171,000 to \$189,000 |
| Market Value Range | \$125,000 to \$135,000 | \$915,000 to \$975,000 | \$1,765,000 to \$1,945,000 |
| % of Market Rent to Market Value | 7.20% to 7.41% | 7.21% to 7.38% | 9.69% to 9.72% |

Market Rent Conclusions

- Sub Parcel A - \$9,000 to \$10,000 annually
- Sub Parcel A & B - \$66,000 to \$72,000 annually
- Sub Parcels A, B, & C - \$171,000 to \$189,000 annually

Our concluded market rental rate estimate is based on an absolute net ground lease structure. Under an absolute net ground lease structure, the tenant is responsible for development costs of the subject property as well as all operating expenses associated with the property.

Market Rent / Market Value

Commonly, fair market rental value for airport ground lease property can be derived by the rate of return on market value. Or in other words, fair market rent is expressed as a percentage of fair market value.

An annual market rent range of \$9,000 to \$10,000 (Sub Parcel A), \$66,000 to \$72,000 (Sub Parcels A&B), and \$171,000 to \$189,000 (Sub Parcels A, B & C) equates to a rate of return range of about 7% to 10% of our concluded range of market value, which is considered within market range of well-located, ground leased airport property as a percentage of market value.

Valuation Summary

The indicated value and our concluded market value for the subject property are summarized in the following table:

Value Conclusions

| As Is | Sub Parcel A Range | Sub Parcel A & B Range | Sub Parcels A, B, & C Range |
|--|-------------------------------|-------------------------------|-----------------------------------|
| Property Rights Appraised | Fee Simple | Fee Simple | Fee Simple |
| Effective Date of Value | 19-Oct-17 | 19-Oct-17 | 19-Oct-17 |
| Land Size (SF) | 39,204 | 312,325 | 899,078 |
| Market Value Range | \$125,000 to \$135,000 | \$915,000 to \$975,000 | \$1,765,000 to \$1,945,000 |
| Market Value Range per sq ft | \$3.19 to \$3.44 | \$2.93 to \$3.12 | \$1.96 to \$2.16 |
| Fair Market Rent - Non-Aviation Ground Lease | \$0.23 to \$0.25 | \$0.21 to \$0.23 | \$0.19 to \$0.21 |
| Annual Market Rent | \$9,017 to \$9,801 | \$65,588 to \$71,835 | \$170,825 to \$188,806 |
| Fair Market Rent (Annual, Rounded) | \$9,000 to \$10,000 | \$66,000 to \$72,000 | \$171,000 to \$189,000 |
| % of Market Rent to Market Value | 7.20% to 7.41% | 7.21% to 7.38% | 9.69% to 9.72% |

Land properties such as the subject are typically purchased by local, regional or national developer/users.

Analysis of Recent Transactions

The subject has not transferred in the three years prior to the date of value.

Analysis of Prior Appraisals

We have not previously appraised or provided services regarding the subject property within the three years prior to this assignment.

Exposure Time and Marketing Periods

Based on statistical information about days on market, escrow length, and marketing times gathered through national investor surveys, sales verification, and interviews of market participants, marketing and exposure time estimates of 6 to 12 months and 6 to 12 months, respectively, are considered reasonable and appropriate for the subject property.

General Assumptions and Limiting Conditions

This appraisal is subject to the following limiting conditions:

1. The legal description – if furnished to us – is assumed to be correct.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Armalavage Valuation, LLC will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory, or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Armalavage Valuation, LLC is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.

9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.
10. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
11. The information, estimates and opinions, which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.
12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
13. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Armalavage Valuation, LLC and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.
15. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Armalavage Valuation, LLC.

17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
19. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject property's flood zone classification from a licensed surveyor.
20. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.
21. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
22. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.
23. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

24. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.
25. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire a greater level of measuring detail, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer). We reserve the right to use an alternative source of building size and amend the analysis, narrative and concluded values (at additional cost) should this alternative measurement source reflect or reveal substantial differences with the measurements used within the report.
26. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, we reserve the right to amend this appraisal (at additional cost) if substantial differences are discovered.
27. If only preliminary plans and specifications were available for use in the preparation of this appraisal, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and we reserve the right to amend this appraisal if substantial differences are discovered.
28. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and 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. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.

29. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.
30. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.
31. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.
32. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.
33. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.
34. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

35. You and Valbridge Property Advisors | Armalavage Valuation, LLC both agree that any dispute over matters in excess of \$5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Armalavage Valuation, LLC and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Valbridge Property Advisors | Armalavage Valuation, LLC or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Armalavage Valuation, LLC for this assignment, and under no circumstances shall any claim for consequential damages be made.
36. Valbridge Property Advisors | Armalavage Valuation, LLC shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Armalavage Valuation, LLC. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Armalavage Valuation, LLC and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | Armalavage Valuation, LLC harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Armalavage Valuation, LLC in such action, regardless of its outcome.
37. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Armalavage Valuation, LLC. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.
38. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.

39. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.
40. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Certification – Christopher M. DelPo, MAI

I certify that, to the best of my 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. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The undersigned has not performed services regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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 value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Christopher M. DelPo has personally inspected the subject property.
10. No one provided significant real property appraisal assistance to the person signing this certification, unless otherwise noted.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, the undersigned has completed the continuing education program for Designated Members of the Appraisal Institute.



Christopher M. DelPo, MAI
State-Certified General Real Estate Appraiser
Florida License #RZ3483
License Expires 11-30-2018

Certification – Geri F. Armalavage, MAI, CBA, CVA, CMEA

I certify that, to the best of my 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. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The undersigned has not performed services regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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 value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Geri F. Armalavage did not personally inspect the subject property.
10. No one provided significant real property appraisal assistance to the person signing this certification, unless otherwise noted.
11. I, the supervisory appraiser of a registered appraiser trainee who contributed to the development or communication of this appraisal, hereby accepts full and complete responsibility for any work performed by the registered appraisal trainee named in this report as if it were my own work.
12. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
13. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
14. This analysis and report were completed in accordance with The National Association of Certified Valuators and Analysts Professional Standards.
15. This analysis and report were completed in accordance with The Institute of Business Appraisers Professional Standards.
16. As of the date of this report, the undersigned has completed the continuing education program for Designated Members of the Appraisal Institute.



Gerri Fitapelli Armalavage, MAI, CBA, CVA, CMEA
State-Certified General Real Estate Appraiser
Florida License #RZ2072
License Expires 11-30-2018

Addenda

Subject Photos

Wetland Study A

Wetland Study B

Glossary

Qualifications

- Christopher M. DeIpo, MAI - State-Certified General Real Estate Appraiser
- Geri F. Armalavage, MAI, CBA, CVA, CMEA - State-Certified General Real Estate Appraiser

Information on Valbridge Property Advisors

Office Locations

Subject Photographs



Subject Site



Subject Site



Subject Site



Subject Site

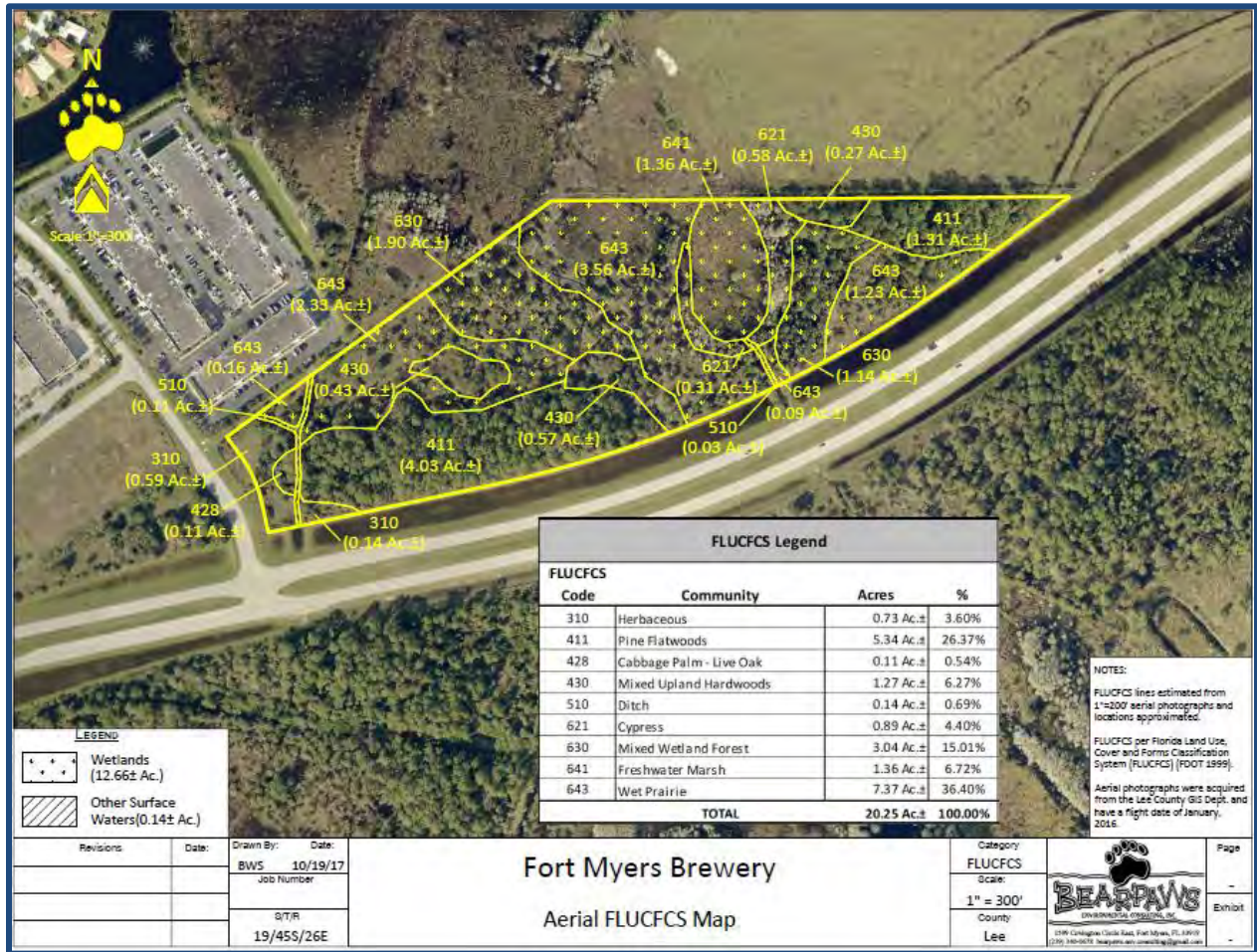


Street View – Commerce Lakes Dr

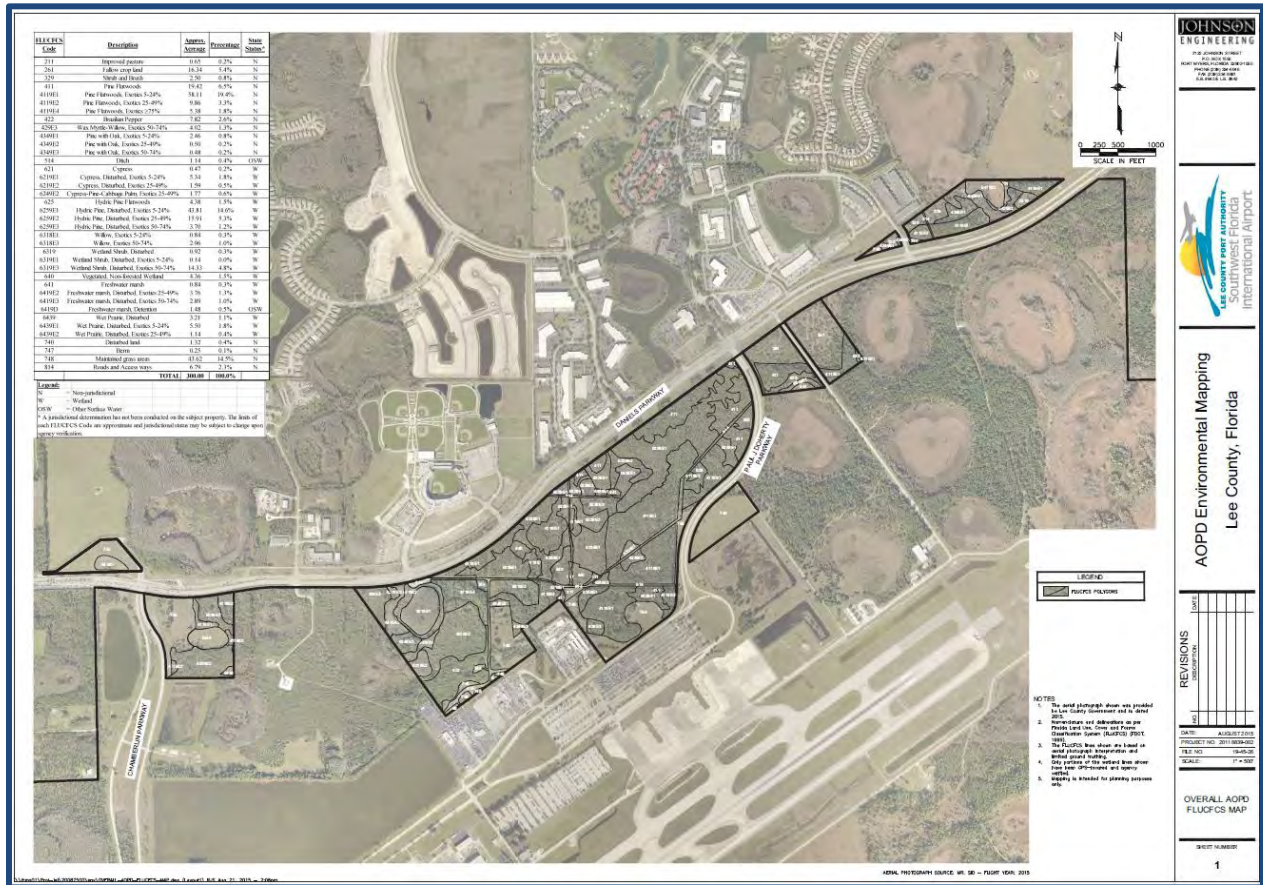


Street View – Daniels Pkwy

Wetlands Study A (Excerpt)



Wetlands Study B (Excerpt)



Glossary

Definitions are taken from The Dictionary of Real Estate Appraisal, 6th 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)

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 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

In office buildings, the areas of the building that provide services to building tenants but which are not included in the office area or store 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 area are floor common areas, parking space, 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 formal written acknowledgment by an appropriate unit of local government that a new construction or renovation project is at the stage where it meets applicable health and safety codes and is ready for commercial or residential occupancy. (Dictionary)

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. (Dictionary)

The amount of money charged to tenants for their shares of maintaining a [shopping] center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security and upkeep. (ICSC – International Council of Shopping Centers, 4th Ed.)

Condominium

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

Conservation Easement

An interest in real estate 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 as well as some types of conservation-oriented development to continue, subject to the easement. (Dictionary)

Contributory Value

A type of value that reflects the amount a property or component of a property contributes to the value of another asset or to the property as a whole.

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 of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. A larger *DCR* typically indicates a greater ability for a property to withstand a reduction of income, 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

- 1) In appraisal, a loss in 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.
- 2) In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques. (Dictionary)

Disposition Value

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

- Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
- 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;
- Payment will be made in cash in U.S. dollars (or the local currency) 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

- 1) The date on which the appraisal or review opinion applies. (SVP)
- 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 estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. (Dictionary)

Effective Rent

Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. (TIs). (Dictionary)

EPDM

Ethylene Propylene 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 *escalator clause*, *expense recovery clause* or *stop clause*. (Dictionary)

Estoppel Certificate

A signed statement by a party (such as a tenant or a mortgagee) certifying, for another's benefit, that certain facts are correct, such as that a lease exists, that there are no defaults, and that rent is paid to a certain date. (Black's) 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 use. 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 has the potential to be sold separately and is valued separately. (Dictionary)

Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties. (Dictionary)

Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying 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 that 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; Comment: Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market. (Dictionary)

Extraordinary Assumption

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: 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. (USPAP, 2016-2017 ed.)

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

In an office building, the 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)

Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-Concern Value

An outdated label for 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* or *market value of the total assets of the business*. (Dictionary)

Gross Building Area (GBA)

- 1) Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
- 2) Gross leasable area plus all common areas.
- 3) For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space. (Dictionary)

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 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 expenses in income-producing properties when less than 100% occupancy is assumed. Expenses reimbursed based on the amount of occupied space, rather than on the total building area, are described as "grossed up." (Dictionary)

Gross Retail Sellout

The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions. Also called the *aggregate of the retail values*, *aggregate retail selling price* or *sum of the retail values*. (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 (HVAC) system. A unit that regulates the temperature and distribution of heat and fresh air throughout a building. (Dictionary)

Highest and Best Use

- 1) The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
- 2) The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
- 3) [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions) (Dictionary)

Hypothetical Condition

- 1) A condition that is presumed to be true when it is known to be false. (SVP – Standards of Valuation Practice, effective January 1, 2015)
- 2) A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are 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. (USPAP, 2016-2017 ed.) (Dictionary)

Industrial Gross Lease

A type of modified gross lease of an 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 property 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. (Typically this includes replacement cost less basement excavation, foundation, underground piping and architect's fees.) (Dictionary)

Investment Value

The value of a property 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 pecuniarily as he or she would have been if the property had not been taken. (Dictionary)

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (Dictionary)

Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the 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 property should bring under the following conditions:

- Consummation of a sale within a short time 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 the local currency) 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 ratio between a mortgage loan and the value of the property pledged as security, usually expressed as a percentage. (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 the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options and tenant improvements (TIs). (Dictionary)

Market Value

The most probable price that 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 United States 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)

Marketing Time

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

Opinion 7 of the Appraisal 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 estate 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, i.e., a fractional interest such as a tenancy in common, easement, or life interest. (Dictionary)

Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real property 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 property at full occupancy before vacancy and operating expenses are deducted. (Dictionary)

Prospective Future Value Upon Completion

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report. ... The prospective market value –as completed- reflects the property's market value as of the time that development is expected to be complete. (Dictionary)

Prospective Future Value Upon Stabilization

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report ...The prospective market value – as stabilized – reflects the property's market value as of the time the property is projected to achieve stabilized occupancy. For an income-producing property, stabilized occupancy is the occupancy level that a property is expected to achieve after the property is exposed to the market for lease over a reasonable period of time and at comparable terms and conditions to other similar properties. (Dictionary)

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, 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, superadequacies, and obsolescence of the subject building. (Dictionary)

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* 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 sandwich leaseholder when the property is subleased to another party; a type of leasehold estate. (Dictionary)

Sublease

An agreement in which the lessee in a prior lease conveys the right of use and occupancy of a property to another, the sublessee, for a specific period of time, which may or may not be coterminous with the underlying lease term. (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)

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. 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

An alternative term for a type of net lease. In some markets, a net net net lease is defined as 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 lease, net net 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 for a floor shall equal floor usable area of that same floor. (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)

Qualifications

Qualifications of Christopher M. DelPo, MAI
Managing Director
Valbridge Property Advisors



Independent Valuations for a Variable World

Certifications

FL Cert Gen RZ3483

Education

Bachelor of Science
Agriculture
University of Delaware

Contact Details

Valbridge Property Advisors |
Southwest Florida Office
2240 Venetian Court
Naples, FL 34109
239-514-4646 (p)
239-514-4647 (f)

Valbridge Property Advisors |
Miami – Ft. Lauderdale Office
8200 NW 41st Street
Doral, FL 33166
305-639-8029 (p)

www.valbridge.com
cdelpo@valbridge.com

Experience:

State-Certified General Real Estate Appraiser
Valbridge Property Advisors

Commercial Appraiser Trainee
Rosen Real Estate, Inc.

Residential Appraiser
Montgomery Appraisal Systems

Appraisal Specialties:

Office Complex; Medical Facility; Industrial/Flex; Retail; National Net;
C-Store; Automotive Facility; Special Use; Going Concern; Multi-
Family Residential; Portfolio Property; Condemnation; Tax Appeal;
Feasibility & High and Best Use Analysis; Market Rent Study; Partial
Interest; Limited Liability Corporations; Machinery & Equipment

Membership/Affiliations:

Appraisal Institute – Designated Member

Appraisal Institute & Related Courses:

Real Estate Appraisal Principles
Appraisal Procedures
Sales Comparison Approach
Statistics, Modeling and Finance
Site Valuation and Cost Approach
Income Approach I & II
Advanced Residential Applications & Case Studies
Report Writing and Case Studies
Condemnation Appraising
USPAP
General Market Analysis & Highest and Best Use
Business Practices & Ethics

Qualifications of Geri Fitapelli Armalavage, MAI, CBA, CVA, CMEA
Senior Managing Director
Valbridge Property Advisors



Independent Valuations for a Variable World

Certifications

FL Cert Gen RZ2072
FL Licensed R.E. Broker

Education

Bachelor of Science, Finance,
University of Connecticut

Contact Details

Valbridge Property Advisors |
Southwest Florida Office
2240 Venetian Court
Naples, FL 34109
239-514-4646 (p)
239-514-4647 (f)

Valbridge Property Advisors |
Miami – Ft. Lauderdale Office
8200 NW 41st Street
Doral, FL 33166
305-639-8029 (p)

garmalavage@valbridge.com
www.valbridge.com

Experience:

Senior Managing Director
Valbridge Property Advisors

Chairperson, Board of Directors
Valbridge Property Advisors, Inc.

Qualified Expert Witness:

United States Bankruptcy Court
Collier, Lee & Charlotte County Circuit Court

Other Qualifications:

Appraiser Special Magistrate for Collier County VAB (2014-2015)

CREW Naples/Ft. Myers
Director/Treasurer (2015)

Appraisal Institute – FL Gulf Coast Chapter
Director (2014 – 2016)

Membership/Affiliations:

Appraisal Institute – MAI Designation
Institute of Business Appraisers – CBA Designation
NEBB Institute – CMEA Designation
NACVA – CVA Designated Member
SBA Going Concern Cert. from Appraisal Institute
CREW Miami-Ft. Lauderdale
South FL Chapter of the Appraisal Institute
Florida Association of Realtors
Naples Area Board of Realtors
Miami Association of Realtors
National Association of Realtors
Naples Chamber of Commerce
International Society of Business Analysts
Collier County Bar Association
Attorney Marketing Annex, Miami/Doral

Appraisal Specialties:

Subdivision Development; Mixed-use; Retail Centers; Professional Office; Hotel/Motel; Restaurant; Apartment; Industrial; Marina; Special Use & Going Concern; Hangars; High-rise and Low-rise Condominium; Gas Stations, Golf Course; Auto Dealerships; Medical Facilities; Bowling Centers; Storage; Investment Analysis, Market Studies; Feasibility & High and Best Use Analysis; Business Valuations; Fractional Interest Valuations; Machinery & Equipment.

Partial List of Courses / Seminars / Presentations:

| | |
|--|---|
| Capitalization Theory and Techniques, Part A & B | Appraisal Guidelines |
| Standards of Professional Practice (USPAP) | Income Valuation of Small, Mixed-Use Properties |
| ABA Telephone Briefing | Partial Interest Valuation |
| Machinery & Equipment Valuation | Appraising the Tough Ones |
| American Disabilities Act | Investment Analysis |
| Report Writing and Valuation Analysis | Business Report Writing |
| Appraisal Guidelines | Business Practice & Ethics |
| Advanced Applications | Essentials of Business Appraisal A & B |
| Appraisal Procedures | Supervisor Trainee Roles |
| USPAP | Office Building Valuation |
| Condemnation Appraising | Troubled Debt Restructuring |
| Discounts for Lack of Marketability | Partial Interest Valuation |
| Case Studies in Commercial Highest and Best Use | Real Estate Fraud – Appraiser’s Responsibilities |
| Appraisal Review – Income Capitalization Approach | Income Valuation of Small, Mixed-Use Properties |
| Report Writing and Valuation Analysis | Serving the Client – Streamlined Appraisal |
| Interagency Appraisal and Evaluation Guidelines | Managing and Procuring Commercial Reports |
| Appraising Special Purpose Properties | Real Estate Appraisal Principles |
| RMA - A Practical Approach to Commercial | Using Empirical Data to Value FLP’s |
| Real Estate Evaluations | Fundamentals of Separating Real Estate/Intangibles |
| Collier Co. Bar Assoc. - Estate Planning Symposium | Advanced Computer Apps for Appraisers & Fractional |
| Purchase Price Allocations for Financial Reporting & | Interest Valuation |
| Tax | Lessons From the Old Economy/Working in the New |
| Florida Appraisal Law | Litigation Assignments for Residential Appraisers: |
| Residential Market Analysis and Highest & Best Use | Doing Expert Work on Atypical Cases |
| Valuing Real Property Going Concerns | How to Systemize Your Appraisal Business |
| Managing Appraiser Liability | The 50 Percent FEMA Rule Appraisal |
| Appraisal of Assisted Living Facilities | Introduction to Exit Planning – The Hottest Topic for |
| Psychology of Succession | M & A Advisors |

Presentations:

NACVA – Real Estate & Business Valuations – Trends & Importance of Obtaining Current Real Estate Valuations & Lease Analysis

Company Information on Valbridge Property Advisors

- ✦ Valbridge is the largest national commercial real estate valuation and advisory services firm in North America:
 - Total number of MAIs (200 on staff)
 - Total number of office locations (68 across the U.S.)
 - Total number of staff (675 strong)

- ✦ Valbridge covers the U.S. from coast to coast.

- ✦ Valbridge services all property types, including special-purpose properties.

- ✦ Valbridge provides independent valuation services. We are not owned by a brokerage firm or investment company.

- ✦ Every Valbridge office is led by a senior managing director who holds the MAI designation of the Appraisal Institute.

- ✦ Valbridge is owned by our local office leaders.

- ✦ Valbridge welcomes single-property assignments as well as portfolio, multi-market and other bulk-property engagements.





ALABAMA

4732 Woodmere Boulevard
Montgomery, AL 36106
334.277.5077

ARIZONA

6061 E. Grant Road
Suite 121
Tucson, AZ 85712
520.321.0000

CALIFORNIA

4915 Calloway Drive
Suite 101
Bakersfield, CA 93312
661.587.1010

1370 N. Brea Boulevard
Suite 255
Fullerton, CA 92835
714.449.0852

2813 Coffee Road
Suite E-2
Modesto, CA 95355
209.569.0450

99 S. Lake Avenue
Suite 21
Pasadena, CA 91101
626.744.0428

3353 Bradshaw Road
Suite 213
Sacramento, CA 95827
916.361.2509

55 South Market Street
Suite 1210
San Jose, CA 95113
408.279.1520

3160 Crow Canyon Place
Suite 245
San Ramon, CA 94583
925.327.1660

COLORADO

7445 E. Peakview Avenue
Centennial, CO 80111
303.443.9600

23272 Two Rivers Road
Unit 101
Basalt, CO 81621
970.340.1016

1099 Main Avenue
Suite 311
Durango, CO 81301

CONNECTICUT

6 Central Row
Third Floor
Hartford, CT 06103-2701
860.246.4606

17 Cowood Drive
Norwalk, CT 06853
203.286.6520

FLORIDA

2240 Venetian Court
Naples, FL 34109
239.514.4646

FLORIDA (cont'd.)

8200 NW 41st Street
Suite 200
Doral, FL 33166
305.639.8029

603 Hillcrest Street
Orlando, FL 32803
407.839.3626

1100 16th Street N
St. Petersburg, FL 33705
727.894.1800

2711 Poinsettia Avenue
West Palm Beach, FL 33407
561.833.5331

GEORGIA

2675 Paces Ferry Road
Suite 145
Atlanta, GA 30339
678.644.4853

IDAHO

1459 Tyrell Lane
Suite B
Boise, ID 83706
208.336.1097

1875 N. Lakewood Drive
Suite 100
Coeur d'Alene, ID 83814
208.292.2965

INDIANA

820 Fort Wayne Avenue
Indianapolis, IN 46204
317.687.2747

KANSAS

10990 Quivira Road
Suite 100
Overland Park, KS 66210
913.451.1451

KENTUCKY

900 Wessex Place
Suite 306
Louisville, KY 40222
502.585.3651

LOUISIANA

512 North Causeway Boulevard
Metairie, LA 70001
504.207.7730

MARYLAND

11100 Dovedale Court
Marrriottsville, MD 21104
443.333.5522

MASSACHUSETTS

260 Bear Hill Road
Suite 106
Waltham MA 02451
781.790.5645

MICHIGAN

1442 Brush Street
Detroit, MI 48226
313.986.3313.

2127 University Park Drive
Suite 390
Okemos, MI 48864
517.336.0001

MINNESOTA

222 South 9th Street
Suite 825
Minneapolis, MN 55402
612.253.0650

MISSOURI

10990 Quivira Road
Suite 100
Overland Park, KS 66210
913.451.1451

NEVADA

3034 S. Durango Drive
Suite 100
Las Vegas, NV 89117
702.242.9369

NEW JERSEY

2740 Route 10 West, Suite 204
Morris Plains, NJ 07950
973.970.9333

3500 Route 9 South, Suite 202
Howell, NJ 07731
732.807.3113

NEW YORK

424 West 33rd Street
Suite 630
New York, NY 10001
212.268.1113

NORTH CAROLINA

412 E. Chatham Street
Cary, NC 27511
919.859.2666

4530 Park Road, Suite 100
Charlotte, NC 28209
704.376.5400

OHIO

1655 W. Market Street
Suite 130
Akron, OH 44313
330.899.9900

8291 Beechmont Ave.,
Suite B
Cincinnati, OH 45255
513.785.0820

1422 Euclid Avenue
Suite 1070
Cleveland, OH 44115
216.367.9690

OKLAHOMA

6525 N. Meridian Avenue
Suite 309
Oklahoma City, OK 73116
405.603.1553

6666 South Sheridan Road
Suite 104
Tulsa, OK 74133
918.712.9992

PENNSYLVANIA

150 S. Warner Road
Suite 440
King of Prussia, PA 19406
215.545.1900

4701 Baptist Road
Suite 304
Pittsburgh, PA 15227
412.881.6080

SOUTH CAROLINA

610 N. Main Street
Greenville, SC 29601
864.233.6277

920 Bay Street
Suite 26
Beaufort, SC 29902
843.342.2302

1250 Fairmont Avenue
Mt. Pleasant, SC 29464
843.881.1266

TENNESSEE

112 Westwood Place
Suite 300
Brentwood, TN 37027
615.369.0670

701 Broad Street
Suite 209
Chattanooga, TN 37402
423.285.8435

213 Fox Road
Knoxville, TN 37922
865.522.2424

6750 Poplar Avenue
Suite 705
Memphis, TN 38138
901.753.6977

TEXAS

High Point Center
12225 Greenville Avenue
Suite 490
Dallas, TX 75243
214.446.1611

974 Campbell Road
Suite 204
Houston, TX 77024
713.467.5858

2731 81st Street
Lubbock, TX 79423
806.744.1188

111 Soledad
Suite 800
San Antonio, TX 78205
210.227.6229

UTAH

260 South 2500 West
Suite 301
Pleasant Grove, UT 84062
801.492.9328

1100 East 6600 South
Suite 201
Salt Lake City, UT 84121
801.262.3388

20 North Main
Suite 304
St. George, UT 84770
435.773.6300

VIRGINIA

656 Independence Parkway
Suite 220
Chesapeake, VA 23320
757.410.1222

7400 Beaufort Springs Drive
Suite 300
Richmond, VA 23225
804.672.4473

5107 Center Street
Unit 2B
Williamsburg, VA 23188
757.345.0010

WASHINGTON

18728 Bothell Way, NE
Suite B
Bothell, WA 98011
425.450.0040

2927 Colby Avenue
Suite 100
Everett, WA 98201
425.258.2611

419 Berkeley Avenue
Suite A
Fircrest, WA 98466
253.274.0099

8378 W. Grandridge Boulevard
Suite 110-D
Kennewick, WA 99336
509.221.1540

506 Second Avenue
Suite 1001
Seattle, WA 98104
206.209.3016

324 N. Mullan Road
Spokane Valley, WA 99206
509.747.0999

WISCONSIN

12660 W. North Avenue
Brookfield, WI 53005
262.782.7990

Summer 2017

Each Valbridge office is independently owned and operated.

CORPORATE OFFICE

2240 Venetian Court
Naples, FL 34109

239-325-8234 phone
239-325-8358 fax

valbridge.com

EXHIBIT "B"

APPRAISAL REPORT – RENTAL STUDY

MAXWELL/HENDRY/SIMMONS

REAL ESTATE APPRAISERS & CONSULTANTS



MAXWELL·HENDRY·SIMMONS
real estate appraisers & consultants

Appraisal Report - Rental Study

1.5 ± Acre Vacant Site

Northwest Corner of Daniels Parkway and Commerce Lakes Drive
Fort Myers, Lee County, Florida

Date of Valuation: 26 October 2017

Date of Report: 10 November 2017

File Name: 17085707 - LCPA - Skyplex Parcel 11b



Prepared For

Lee County Port Authority
11000 Terminal Access Road, Suite 8671
Fort Myers, Florida 33913-8213



MAXWELL·HENDRY·SIMMONS
real estate appraisers & consultants

10 November 2017

Lee County Port Authority
11000 Terminal Access Road, Suite 8671
Fort Myers, Florida 33913-8213

Attention: Ed Moran, Esq., Director of Properties

Re: Rental Study of a 1.5 ± acre vacant site located on the northwest corner of Daniels Parkway and Commerce Lakes Drive, Lee County, Fort Myers, Florida (known as Skyplex Parcel 11b)

Dear Mr. Moran:

As you requested, an inspection and analysis have been made of the above property, which is legally described in the attached appraisal report. [The purpose of the appraisal report is to estimate the annualized market rental range of the subject property.](#) This letter is an integral part of, and inseparable from, this appraisal report.

The subject property was inspected on 26 October 2017 by K. Jacob Hutchings, MAI. Mr. Gerald A. Hendry, MAI, CCIM has also made a perimeter inspection of this property. This appraisal report is intended to conform to the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. This appraisal is made subject to the Assumptions and Conditions contained in the body of this report.

Based upon our analysis of the data contained in the attached appraisal report, it is our opinion the annualized market rental rate range of the subject property, as of 26 October 2017, is:

SIXTEEN THOUSAND EIGHT HUNDRED DOLLARS.....(\$16,800)*
TO
TWENTY-FIVE THOUSAND TWO HUNDRED DOLLARS(\$25,200)*

*(\$.26 to \$.39 per square foot)

Note - This estimated annualize rental rate range is on a net basis and assumes the tenant is responsible for all expenses.

Respectfully submitted,

K. Jacob Hutchings, MAI
State-Certified General Real Estate Appraiser
RZ3415

Gerald A. Hendry, MAI, CCIM
State-Certified General Real Estate Appraiser
RZ 2245

TABLE OF CONTENTS

| | |
|--|-----------|
| SEC. I: INTRODUCTION | 1 |
| SEC. II: SCOPE OF WORK..... | 3 |
| EXTENT OF PROPERTY IDENTIFICATION | 3 |
| EXTENT OF INSPECTION | 3 |
| TYPE AND EXTENT OF DATA RESEARCH | 3 |
| TYPE AND EXTENT OF ANALYSIS | 3 |
| ASSUMPTIONS..... | 5 |
| EXTRAORDINARY ASSUMPTIONS..... | 6 |
| HYPOTHETICAL CONDITIONS | 6 |
| SEC. III: MARKET AREA ANALYSIS | 7 |
| SOUTHWEST FLORIDA / LEE COUNTY DATA | 7 |
| CONCLUSION / LIFE CYCLE STAGE | 11 |
| SEC. IV: PROPERTY DESCRIPTION | 12 |
| LOCATION MAP..... | 12 |
| PROPERTY PHOTOGRAPHS | 15 |
| PROPERTY CHARACTERISTICS | 18 |
| SEC. V: HIGHEST & BEST USE ANALYSIS | 21 |
| HIGHEST AND BEST USE AS VACANT | 21 |
| SEC. VI: VALUATION OF SUBJECT PROPERTY..... | 24 |
| THE APPRAISAL PROCESS | 24 |
| RENTAL STUDY..... | 25 |
| THE SALES COMPARISON APPROACH TO VALUE | 25 |
| ESTIMATION OF RATE OF RETURN:..... | 37 |
| TEST OF REASONABLENESS | 40 |
| SEC. VII: RECONCILIATION OF OPINIONS OF VALUE | 41 |
| CONTRACTS, LISTINGS & SALES HISTORY | 41 |
| ESTIMATION OF MARKETING TIME | 42 |
| ESTIMATION OF EXPOSURE TIME | 42 |
| SEC. VIII: CERTIFICATION | 43 |
| SEC. IX: ADDENDA | 45 |
| QUALIFICATIONS OF K. JACOB HUTCHINGS, MAI | 45 |
| QUALIFICATIONS OF GERALD A. HENDRY, MAI, CCIM..... | 47 |
| ASSUMPTIONS..... | 50 |
| EXTRAORDINARY ASSUMPTIONS / HYPOTHETICAL CONDITIONS | 51 |





SEC. I: INTRODUCTION

| | |
|--|--|
| OWNER OF RECORD: | Lee County |
| ADDRESS: | Not provided |
| TAX ID: | Part of 19-45-26-00-00002.0000 |
| LEGAL DESCRIPTION: | None provided. This appraisal is subject to a legal description. |
| SITE AREA: | 225,144 square feet / 1.5 ± acres |
| IMPROVEMENTS: | None |
| ZONING / FUTURE LAND USE: | AOPD (Airport Operations Planned Development) / Airport |
| AIRPORT NOISE ZONE: | Airport Noise Zone A |
| AIRSPACE NOTIFICATION: | Structures require approval due to its location in airport zone |
| AIRPORT LAYOUT PLAN: | Non-Aviation Support |
| HIGHEST & BEST USE AS VACANT: | Non-Aviation Related Support |
| HIGHEST & BEST USE AS IMPROVED: | Not Applicable |
| EFFECTIVE DATE OF THE APPRAISAL: | 26 October 2017 |
| DATE OF THE REPORT: | 10 November 2017 |
| INTENDED USER: | This appraisal is made for the exclusive use of our client, Lee County Port Authority, and its use by others is strictly prohibited. |
| INTENDED USE: | The intended use of this assignment is for use in assisting the client in leasing the property. |



View of Subject Property From Southeast



View to the West Along Daniels Parkway



SEC. II: SCOPE OF WORK

According to the Uniform Standards of Professional Appraisal Practice (USPAP), 2016/17 Ed., the Scope of Work includes, but is not limited to:

- the extent to which the property is identified;
- the extent to which tangible property is inspected;
- the type and extent of data research; and
- the type and extent of analysis applied to arrive at opinions or conclusions.

EXTENT OF PROPERTY IDENTIFICATION

For this analysis, the subject property was identified via a legal description and research of public records via the internet. For this appraisal, reliance was placed primarily on information provided by the local public records, as well as information provided by our client.

EXTENT OF INSPECTION

For the purposes of this appraisal, K. Jacob Hutchings, MAI, conducted an inspection of the subject property on 26 October 2017. Gerald A. Hendry, MAI, CCIM has also inspected the property.

TYPE AND EXTENT OF DATA RESEARCH

Data research is regularly conducted using the following sources:

- Public Records
- Local REALTOR® Association Multiple Listing Services (MLS)/Loopnet/CCIM
- Marshal Valuation Service/Marshall & Swift Cost Tables/Books
- CoStar comparables service
- Information/interviews from market participants, including:
 - Property owners,
 - Real estate brokers/agents, property managers and contractors,
 - Airport authority/management individuals at various competing airports in the Florida market

The primary emphasis of the data research concentrated on the subject's market area. Census data, as well as municipal and governmental websites were utilized in gathering the information analyzed. The time period researched for any sales data encompasses the last few years up until the date of the most current data available. All comparable data is verified with the buyer, seller, or a property representative, unless otherwise indicated. In the analysis, the selling price, financing, motivation to purchase/sell, and, if applicable, any lease or income/expense information was verified, as of the time of sale.

TYPE AND EXTENT OF ANALYSIS

Purpose of the Appraisal

The purpose of this appraisal is to formulate an opinion of the estimated annualized market rental rate range of the subject property as if free and clear of all liens, mortgages, encumbrances, and/or encroachments.



Condition Appraised

In this analysis, we are estimating the “as is” market rental rate range. This is defined by the Appraisal Institute in the *Dictionary of Real Estate Appraisal* as:

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

Real Property Interest Appraised

There are primarily two forms of interest to consider when developing an opinion of value of real property. These are defined by The Appraisal Institute in *The Dictionary of Real Estate Appraisal*, 6th Ed., as follows:

Fee simple interest (estate) is:

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.

Leased fee interest is:

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

In this situation, the interest being appraised is the undivided fee simple interest in the land and existing improvements as if free and clear of all liens, mortgages, encumbrances, and/or encroachments except as may be amended in the body of this report.

Value Appraised

The opinion of value developed and reported is the market rental range of the subject property. Part of this analysis involves market value. Market value, as defined by the agencies that regulate financial institutions in the United States and published by 12 CFR Ch. V Part 564.2 (g) *Office of Thrift Supervision, Department of the Treasury*, is:

The most probable price that 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 U.S. 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.

Furthermore, market rent is defined by *The Dictionary of Real Estate Appraisal*, 6th Edition as:

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



Approaches to Value

The preceding three approaches may indicate different values. In this analysis, consideration has been given to all three approaches to value (Cost, Sales Comparison, and Income Approaches to Value). We are estimating the annualized market rental range of the site, which is a vacant parcel; this is a multi-step process and is described as follows:

1. Estimate the market value of the subject property via the Sales Comparison Approach to Value.
2. Estimate a reasonable rate of return to the land value, supported by market evidence, to estimate the annualized rent rate range for the land.
3. Compare the rental rate range, as estimated via the rate of return, to the local marketplace and reconcile the range.

It should be noted a comparison of competing airports is not necessary in this analysis as the subject property does not abut the airport.

In this analysis only the Sales Comparison Approach to value is applicable as the subject property is vacant land. The Cost and Income Approaches to Value are not considered applicable. In the Sales Comparison Approach to Value, we will consider recent sales of similar type properties that a typical purchaser would consider as a likely alternative to the subject property. We will also research current listings of vacant land. In addition, research will be conducted on the anticipated rate of return investors expect to receive on vacant land. We are of the opinion utilizing these various methods will develop a reliable result. It is our opinion this overall methodology provides a credible result.

Report Type

This appraisal is presented in Appraisal Report format.

ASSUMPTIONS

An Assumption is defined by the Uniform Standards of Appraisal Practice (USPAP), 2016/17 Ed., as

“that which is taken to be true”.

Please see Addenda for further details regarding the assumptions utilized in this appraisal.



EXTRAORDINARY ASSUMPTIONS

Extraordinary Assumption is defined by the Uniform Standards of Appraisal Practice (USPAP), 2016/17 Ed., as

“an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser’s opinions or conclusions.”

Per USPAP standards, please note that the use of extraordinary assumptions might have affected the assignment results. It is strongly recommended that the reader thoroughly read the entirety of these assumptions, as they outline the limitations under which this appraisal is developed.

Accordingly, this appraisal is subject to:

- An Environmental Site Assessment, as none was provided for this assignment. We did not observe conditions that would indicate there are any environmental concerns associated with this property. However, we are not experts in such matters. This environmental site assessment should also provide a cost to cure any environmental concerns, if the same exist. This appraisal assumes there are no environmental concerns, which would hinder development, sale and/or leasing the property. Any cost to correct environmental concerns, if any exist, is **not** factored into this analysis. This appraisal assumes there are no environmental concerns.
- A survey, as none was provided for this assignment. We have relied upon information obtained from the client pertaining to the site size and location. The client indicated the subject property is a 1.5 ± acre parcel located on the northwest corner of Daniels Parkway and Commerce Lakes Drive. However, no survey has been provided and this report is subject to the same.
- As per the FEMA website, the subject property is located within a non-printed flood map panel. Typically areas within non-printed flood map panels in Southwest Florida are in Flood Zone X which is not considered to be a flood hazard area. However, a determination of the subject property’s Flood Zone has not made and this report is subject to the same.
- A legal description, as none was provided.

If any of these assumptions are found to be false, it could alter our opinions or conclusions.

HYPOTHETICAL CONDITIONS

Hypothetical Condition is defined by the Uniform Standards of Appraisal Practice (USPAP), 2016/17 Ed., as

“a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.”

Per USPAP standards, please note that the use of hypothetical conditions might have affected the assignment results. It is strongly recommended that the reader thoroughly read the entirety of these assumptions, as they outline the limitations under which this appraisal is developed.

None applicable.



SEC. III: MARKET AREA ANALYSIS

SOUTHWEST FLORIDA / LEE COUNTY DATA





Lee County, named for Robert E. Lee, was created from Monroe County in 1887, and included the present-day Collier, Hendry, and Lee Counties. Lee County was split into the three (3) current counties in 1923. The present-day Lee County encompasses 1,212 square miles, with a variety of natural inland, coastal, and barrier island habitats and a year-round population of 618,754 as of the 2010 census. The county's western boundary is the Gulf of Mexico. The county contains a total of 803 square miles of land area and 200 ± square miles of inland water area. The county is ranked thirteenth in area in the state. The westerly flowing Caloosahatchee River bisects the county and is part of the cross-state Intracoastal Waterway. There are several incorporated municipalities in Lee County as follows:

City of Fort Myers: Incorporated in 1886. 48.31 Square Miles. 2010 Population: 62,298.

The oldest permanent settlement in Lee County, this was the site of Fort Myers, one of many military outposts utilized during the 2nd and 3rd Seminole Wars and the Civil War. As the county seat, the City is home to the majority of professional businesses in Lee County. The City has expanded their municipal boundaries considerably over the last decade through the use of annexation in an effort to diversify their tax base.

City of Cape Coral: Incorporated in 1970. 114.0 Square Miles. 2010 Population: 154,305.

Originally developed in 1957 by Leonard and Jack Rosen, owners of the Gulf American Land Corporation, Cape Coral is now the largest municipality, by population, in Lee County and is the second largest in land area in the State of Florida. As a pre-platted, traditionally designed subdivision, Cape Coral has an extreme degree of uniformity. The City is home to a large percentage of Lee County's workforce population.

City of Sanibel: Incorporated in 1974. 17.5 Square Miles. 2010 Population: 6,496.

Encompassing the geographical boundaries of Sanibel Island, the City was incorporated in response to State recommendations to develop high-density residential uses along the beaches and a high-traffic coastline causeway, among other issues. Nearly ½ of the island is set aside as natural preserve.

Town of Fort Myers Beach: Incorporated in 1995. 6.2 Square Miles. 2010 Population: 6,277.

Encompassing the geographical boundaries of Estero Island, the Town was incorporated in response to citizen desire for greater control over land development codes, among other issues.

City of Bonita Springs: Incorporated 1999. 33.0 Square Miles. 2010 Population: 43,914.

The City was incorporated in response to citizen desire for greater control over land development codes, among other issues. The City includes a portion of mainland Lee County and the adjacent islands. The City is home to the Naples/Fort Myers Greyhound Track, Shangri-La Hotel, Everglades Wonder Gardens, and the redeveloping Downtown Bonita Springs.

Village of Estero: Incorporated 2015.

Located immediately adjacent to the northern boundary of Bonita Springs, the Village was incorporated in response to citizen desire for greater control over local planning and facility decisions. The Village is home to Koreshan State Park, as well as Germain Arena, Miromar Outlet, Coconut Point Mall, and Hertz World Headquarters.

There are many other unincorporated, yet distinct, communities in Lee County, both rural and suburban in nature. These include Alva, Bayshore, Boca Grande, Captiva, Corkscrew, Buckingham, Iona, Lehigh Acres, North Fort Myers, Pine Island, and San Carlos Park.



There are four basic factors that influence value according to *The Appraisal of Real Estate*, Fourteenth Edition. These factors include:

- I. Social Forces
- II. Economic Forces
- III. Governmental Forces
- IV. Environmental Forces

Each of the forces interacts, resulting in increases, decreases, or stabilization of property values. As a result, these forces also serve to directly affect the demand for real property in a particular area. The four forces that affect values are described as follows:

I. Social Forces

Population fluctuation has a significant impact on property values. The chart below demonstrates the change in population between the two most recent decennial Censuses.

| | 2016 | 2010 | 2000 | CHANGE |
|--------------------------|--------------------------------|---------|---------|---------|
| COUNTY POPULATION | 722,336 (Est. as of 1 July) | 618,754 | 440,888 | +52.83% |

II. Economic Forces

Economic considerations involve the financial capacity of the inhabitants of a region to rent or own property and properly maintain it. These economic forces may include income levels, unemployment rates, the economic base of a region and the strength of development and construction.

| | 2017 | 2016 | 2015 | 2014 |
|---|--------------------------|-----------------------|-----------------------|-----------------------|
| UNEMPLOYMENT RATE¹ | 4.1% (August) | 4.6% (Annual) | 5.0% (Annual) | 6.0% (Annual) |
| AVERAGE WEEKLY WAGE¹ | \$832 (1Q) | \$844 (4Q) | \$842 (4Q) | \$803 (4Q) |
| SINGLE-FAMILY MEDIAN PRICE² | \$255,000 (September) | \$227,400 (Annual) | \$210,000 (Annual) | \$189,000 (Annual) |
| RETAIL VACANCY RATE³ | 4.8% (3Q) | 5.6% (4Q) | 6.2% (4Q) | 6.9% (4Q) |
| OFFICE VACANCY RATE³ | 6.5% (3Q) | 8.6% (4Q) | 10.7% (4Q) | 12.3% (4Q) |
| INDUSTRIAL VACANCY RATE³ | 2.1% (3Q) | 3.4% (4Q) | 5.8% (4Q) | 6.2% (4Q) |

1. <http://www.bls.gov/>
2. <http://www.floridarealtors.org/ResearchAndStatistics/Florida-Market-Reports/Index.cfm>
3. CoStar



III. Governmental Forces

The county government consists of a five-member board of county commissioners, elected to four-year terms within at-large districts. A non-elected county manager heads the government staff. Other elected officials in the county are sheriff, tax collector, supervisor of elections, clerk of the circuit court, and property appraiser. In addition, there are numerous special districts with independently elected boards, with the services provided ranging from fire protection to water & sewer service.

Services

The cities of Fort Myers, Cape Coral, and Sanibel each have their own police and fire protection. The Town of Fort Myers Beach has its own fire protection, but no police protection. Police protection for Fort Myers Beach is provided by the Lee County Sheriff's Department. The balance of the county is patrolled by the Florida State Highway Patrol and the Lee County Sheriff's Department. The police system is adequate. Lee County has experienced a decrease in the crime rate in recent years. Fire protection is also adequate as substations are situated in all portions of the county and is provided by independent special districts outside of the incorporated cities.

Utilities

CenturyLink is the primary telephone service provider for Southwest Florida. CenturyLink has a fiber optic backbone that has the ability to connect all of its central offices and maintain high network availability. Embarq and Telcove/Level 3 Communications are the local exchange carriers. These carriers have multiple survivable shared SONET rings. The rings are 100% fiber optic, backed up by fully redundant electronics and power sources, with mini rings inside and outside the major SONET ring.

The City of Fort Myers and some sections of Lee County receive their electricity from Florida Power and Light Company. The balance of Lee County receives its power from the Lee County Electric Cooperative. Gas is available from any one of a number of manufactured bottled gas dealers in the county. Natural gas is now available in many parts of Lee County provided by TECO. In early 2000, a new pipeline to the area extended service from the Tampa Bay region.

There is an adequate supply of potable water for business or private use either from the City of Fort Myers, the City of Cape Coral, the City of Bonita Springs, Florida Governmental Utility Authority, or from Lee County's water utility system. Areas of Lee County not covered by municipalities are serviced by Lee County Utilities and the Greater Pine Island Water Association. Sewer service is provided either by Lee County Utilities, Florida Governmental Utility Authority, or the city municipality.

Medical Services

Lee County has six general and two specialized hospitals, 16 nursing homes, 44 assisted living facilities, a veteran's clinic and several walk-in emergency facilities. Ambulance service in Lee County is operated as a department of the Lee County Emergency Service or is contracted with the independent fire districts.

Communications

The *Fort Myers News-Press*, the area's largest newspaper, is published daily. The *Daily Breeze* from Cape Coral is also published daily except Sunday. Several weekly newspapers serve different locations throughout Lee County, along with 41 radio stations and 8 local television stations.



Educational System

The county has a fully developed K4 through 12, public school system. There are also several private and parochial schools in the county. Florida Southwestern State College has a campus in Fort Myers, while Florida Gulf Coast University is located in south Lee County. In addition, there are also several private universities which service the area.

Transportation

There are four major north/south traffic arteries through Lee County and Fort Myers, which include U.S. 41, McGregor Boulevard, Interstate 75, and Summerlin Road. The major east/west arteries include State Road 78, Colonial Boulevard, College Parkway, Daniels Parkway, Alico Road, Estero Parkway, and Corkscrew Road.

The area is also served by two airports. Page Field, located within the city limits of Fort Myers, provides two runways for private aircraft and the terminal was recently upgraded. The Southwest Florida International Airport is located east of Interstate 75 along Treeline Avenue. The Southwest Florida International Airport underwent an expansion in September 2005, which included a 28-gate, two story terminal, as well as three concourses, a three story parking garage/rental car facility, and a new taxiway.

Land Use Control

The Lee County Local Planning Agency adopted a Comprehensive Land Use Plan in early 1984. This plan designates areas in Lee County for growth, new development, and environmental protection. This Comprehensive Plan helps to guide Lee County in its future growth and has been updated semi-annually to the present time. The Division of Community Development enforces all zoning regulations for the unincorporated areas of Lee County.

IV. Environmental Forces

The county has a sub-tropical climate. The average temperature is 74.4 degrees with a monthly mean high of 91.6 in the summer months and an average winter mean of 64.1 degrees. Temperature extremes are infrequent with only a rare freeze and few readings above the mid-90's. Rainfall averages approximately 52 inches annually with the heaviest rains during the summer months.

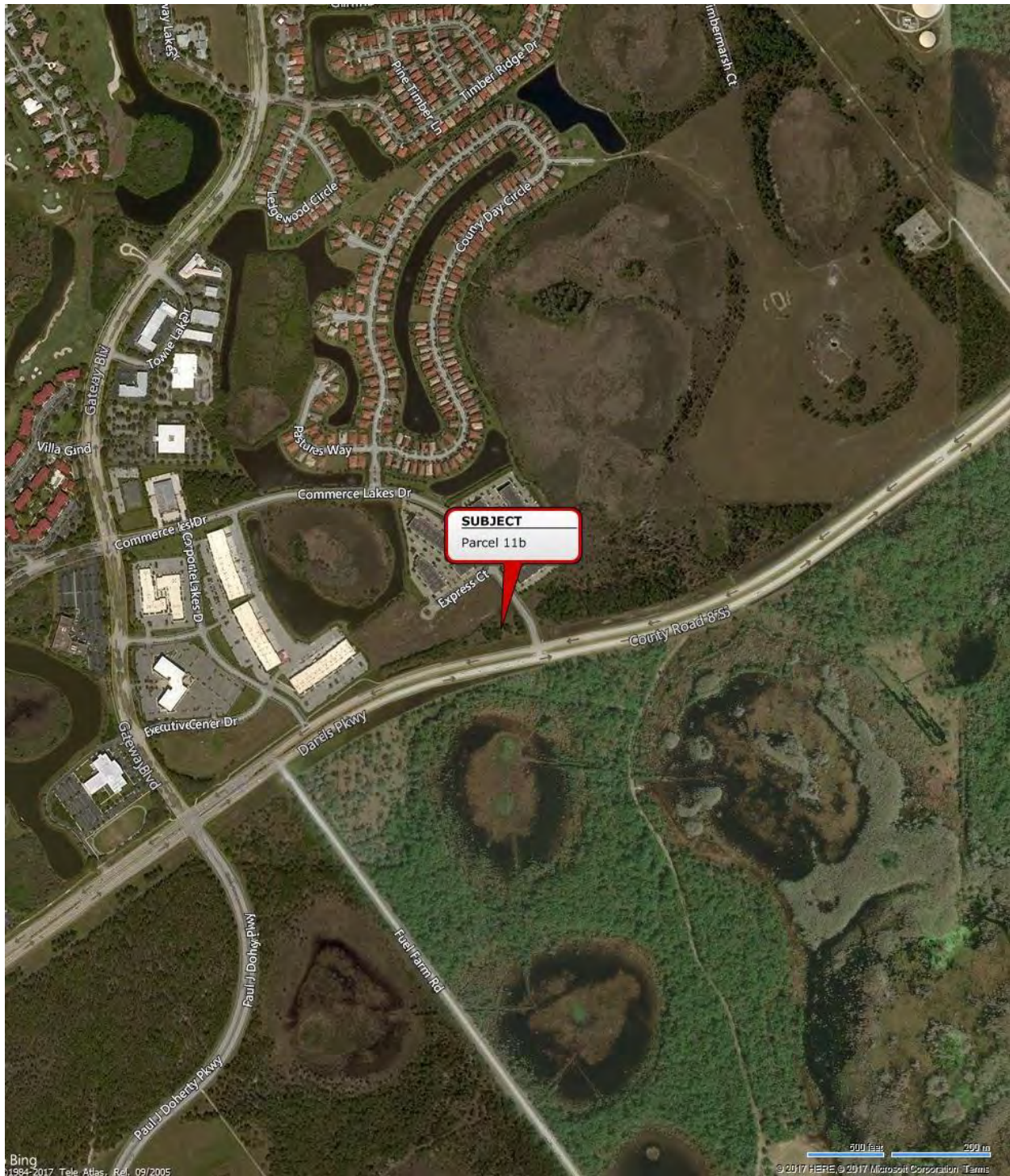
CONCLUSION / LIFE CYCLE STAGE

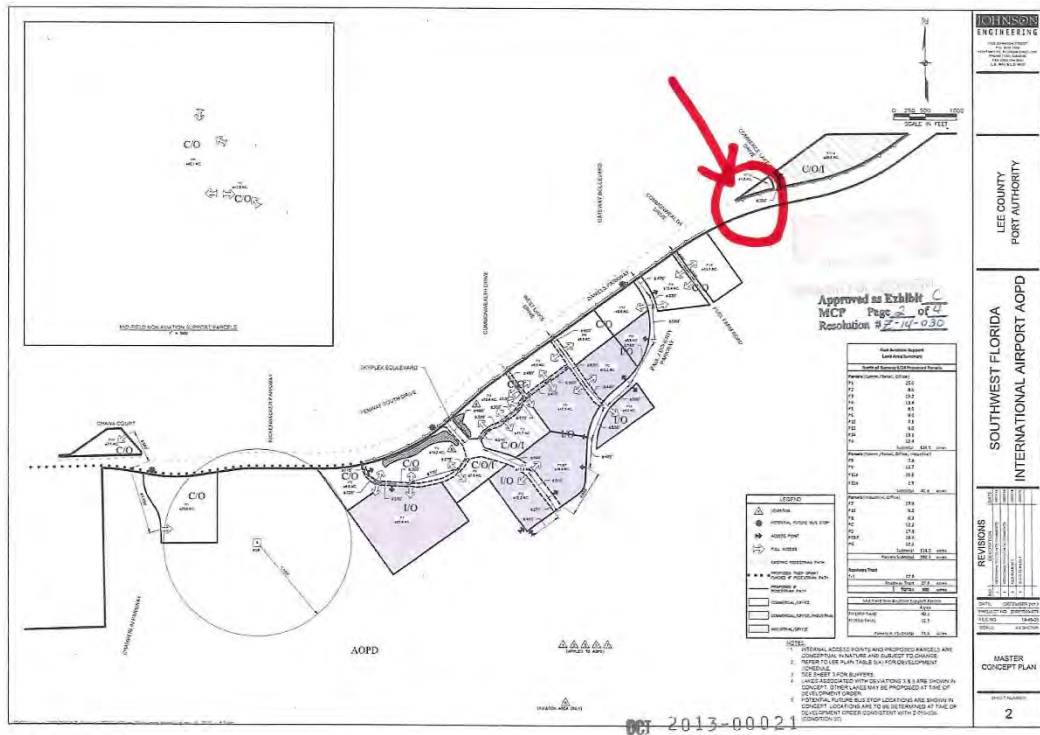
The subject market area is in the Growth stage of its life cycle. This market area experienced tremendous development from 2003-2005 and then an equally significant decline in property values from 2006-2011. All of the preceding factors contribute to the economy of Lee County. Although the rate of population increases has slowed since 2008 due to the overall slowdown in the national economy, historical trends demonstrate that the Lee County area is a desirable destination for in-migration. This is supported by a return to a net increase in in-migration exhibited during 2010 - 2013. The University of Florida's Bureau of Economic and Business Research, projects that as many as 150,000 new residents could potentially come to Lee County over the next ten years. Furthermore, according to this University of Florida study, the population of Lee County could be nearing one million by 2035, an increase of more than 400,000 over the next two decades. Even with the well documented housing, foreclosure and unemployment problems which plagued the region during the downturn, Lee County continued to rank among the top five counties in Florida for population growth. In addition, the overall attractiveness of the Southwest Florida weather and lifestyle indicate that demand characteristics for both housing and support facilities should be positive for the long term.



SEC. IV: PROPERTY DESCRIPTION

LOCATION MAP









PROPERTY PHOTOGRAPHS



View of Subject Property From Southeast



View of Subject Property From Southwest



View to the West Along Daniels Parkway



View to the East Along Daniels Parkway



View to the North Along Commerce Lakes Drive



PROPERTY CHARACTERISTICS

| | |
|---|---|
| ADDRESS: | None Assigned |
| TAX ID: | Part of 19-45-26-00-00002.0000 |
| LEGAL DESCRIPTION: | None provided. This appraisal is subject to a legal description. |
| LOCATION/ACCESS/ EXPOSURE: | <p>The property address is not provided in public records. It can be described as being located in Section 19, Township 45 South, Range 26 East, Lee County, Florida.</p> <p>The subject property is located on the northwest corner of Daniels Parkway and Commerce Lakes Drive, as part of an area known as Skyplex. Currently this location is considered to be good, since it has direct exposure along Daniels Parkway.</p> <p>Skyplex is an 1,150± acre master planned redevelopment of the former Southwest Florida International Airport's former terminal complex. 870± acres are targeted for non-aviation uses and 280± acres are targeted for aviation related use. The lands within Skyplex are part of a foreign trade zone and have been available for lease.</p> <p>Daniels Parkway is a major east/west thoroughfare extending west 8± miles to U.S. 41 (aka South Tamiami Trail) and east 3± miles to State Road 82.</p> <p>In addition, ¼ ± miles to west of the subject site, is the main entrance into Gateway, a Development of Regional Impact (DRI). On the southeast corner of Daniels Parkway and Paul J. Doherty Parkway, a Publix Shopping Center has been constructed on land leased from the Lee County Port Authority.</p> |
| SIZE (SITE AREA)/SHAPE: | As per the information provided by the client, the subject site is irregular in shape and has a total of 65,340 ± square feet or 1.5 ± acres. No survey has been provided and this report is subject to the same. |
| PHYSICAL FEATURES (TOPOGRAPHY, ELEVATION, ETC.): | The subject property is raw land with natural vegetation. The subject site appears to be reasonably level with the surrounding parcels. |
| UTILITIES: | The subject property has full utilities. The subject site has electricity provided by Florida Power and Light, telephone service provided by CenturyLink and central water/sewer provided by Lee County Utilities. |



| | |
|--|---|
| FLOOD ZONE: | The subject property appears to be located within Zone X according to the Federal Emergency Management Agency (FEMA) flood maps. The subject property can be found on Community Panel Number 12071C0475F, a non-printed panel. Flood Zone X is not considered a flood hazard area. Therefore, flood insurance is not required for structures located within Zone X. However, flood insurance is available in participating communities. The effective date of this map is 28 August 2008. |
| EASEMENTS, ENCROACHMENTS, ETC.: | There are no known adverse restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances, or other items of a similar nature. This is subject to a current survey. |
| ASSESSED VALUE, TAXES, AND ASSESSMENTS: | According to the Lee County tax roll, the subject property is assessed, along with other lands, as County owned with a market assessed value of \$336,794,913, as well as a cap assessed value of \$254,441,256. It is wholly exempt; however, the parent tract has a Lee County Solid Waste Assessment of \$66,453.77 for 2017, which is outstanding, as of the date of value. |
| ZONING: | <p>The subject property, along with the entire airport, is zoned AOPD, Airport Operations Planned Development. The purpose and intent of the AOPD zoning district is to accommodate and regulate those lands where public airports and ancillary facilities are conducted.</p> <p>Further specific allowable uses, minimum lot sizes, etc. for the aforementioned zoning classification, are set forth in the Land Development Code and the reader is encouraged to review these if further detail is required.</p> |
| AIRPORT NOISE ZONE: | The subject property is located within lands associated with the Southwest Florida International Airport. As per the Lee County Property Appraiser's GIS, the subject property, along with other lands, is located within Airport Noise Zone A. |
| AIRSPACE NOTIFICATION: | The subject property is located within lands associated with the Southwest Florida International Airport. As per the Lee County Property Appraiser's GIS, the subject property is located within an area of the airport that all structures are required for approval due to the Airspace Notification Height. |



| | |
|-----------------------------|---|
| AIRPORT LAYOUT PLAN: | <p>The subject property is located in an area on the Southwest Florida International Airport's Airport Layout Plan that is designated for Non-Aviation Support.</p> |
| FUTURE LAND USE: | <p>The subject property is within the Airport Land Use, as per the Lee County Land Use Plan.</p> <p>The Airport lands include the Southwest Florida International Airport's existing facility and projected growth areas through the year 2030. These areas will include airport and airport-related development, as well as non-aviation land uses as proposed in the approved 2003 Airport Master Plan update and as depicted on the Airport Layout Plan sheet (Map 3F) and the Southwest Florida International Airport Proposed Development Schedule (Table 5). This mix of uses is intended to support the continued development of the Southwest Florida International Airport. Future development at the Southwest Florida International Airport will also include non-aviation related land uses such as hotels/motels, light industrial, service stations, ancillary retail/shopping, and office development. Any future airport expansion or development of aviation-related and non-aviation uses will offset environmental impacts through the Airport Mitigation Lands Overlay or other appropriate mitigation acceptable to the permitting agencies and to Lee County. The physical design of the airport expansion will minimize any degradation of the recharge capability of land being developed. Airport expansion beyond the present boundaries will be subject to necessary amendments to the Lee Plan.</p> <p>All development on Airport lands must be consistent with the Airport Layout Plan (Map 3F and Table 5). Map 3F depicts the planned expansion of the Southwest Florida International Airport through 2020. If the airport master planning process precipitates a substantive change to the Airport Layout Plan (Map 3F), then the Port Authority must amend Map 3F prior to obtaining local development approval.</p> <p>The non-aviation related development areas have been depicted on the approved Airport Layout Plan sheet (Map 3F). These uses will be constructed upon Airport lands with long term leases. All development within the non-aviation land use areas will be subject to mitigation requirements for wetland impacts. Mitigation of wetland impacts will be in accordance with the U.S. Army Corps of Engineers and South Florida Water Management District requirements. To the greatest extent reasonably possible, development of non-aviation land use areas must avoid wetland impacts. All non-aviation land use development will meet the indigenous vegetation requirements set forth in the Lee County Land Development Code.</p> <p>Permitted land uses in Wetlands consist of very low density residential uses and recreational uses that will not adversely affect the ecological functions of wetlands. All development in Wetlands must be consistent with Goal 114 of Lee County Comprehensive Land Use Plan. The maximum density is one dwelling unit per twenty acres (1 du/20 acre) with exceptions.</p> |



SEC. V: HIGHEST & BEST USE ANALYSIS

Real estate is valued in terms of its highest and best use. Highest and best use is the use which would be the most profitable and likely use of a property. It may also be defined as that available use and program of future utilization which produces the highest present land value. Highest and best use is defined by The Dictionary of Real Estate Appraisal, 6th Edition, as:

1. *The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.*
2. *The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)*
3. *[The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)*

The Highest and Best Use Analysis begins with an analysis of the property as if vacant and available to be put to its highest and best use. The property is further analyzed if there are improvements on the property or proposed for the site. The four criteria of highest and best use that a property must meet are as follows:

- Legally Permissible Use - what uses are permitted by zoning and deed restrictions on the subject property?
- Physically Possible Use - what uses are physically possible to put on the site?
- Financially Feasible Use - which possible and permissible uses will produce a net return to the owner of the site?
- Maximally Productive Use - among the feasible uses, which use will produce the highest net return?

HIGHEST AND BEST USE AS VACANT

The highest and best use analysis of the site as though vacant assumes that a site is either vacant or can be made so through demolition of any improvements. This analysis examines the type of improvement that is most appropriate for a particular site.

Legally Permissible

The subject property is zoned AOPD, Airport Operations Planned Development as per the Lee County Zoning Department. Furthermore, the Lee County Comprehensive Land Use Plan has designated the Southwest Florida International Airport lands for Airport Land and Wetland land use. The subject parcel itself appears to be within the Airport Land designation. In addition, the subject property is located in an area on the Southwest Florida International Airport's Airport Layout Plan that is designated for non-aviation support.

It is our opinion the legally permissible use of the subject property is for non-aviation development as permitted within the Airport Master Plan/Airport Layout Plan and the Lee County Comprehensive Land Use Plan.



Physically Possible

Various physical factors have an effect on the uses to which a property may be developed. These factors may include size, shape, topography, and soil conditions. The subject is an irregular, triangular-shaped parcel, which may create some limitations for development. The size and terrain of the subject property are conducive for development. The utilities available to the subject site are adequate for the legally permissible uses. The site area is sufficient to allow development and all legally permissible uses could be physically placed on the subject without any unreasonable hindrance.

The physical aspects of the property do not impose apparent limitations on development. The physical nature of the subject does not preclude any of the legally permissible uses. Based on the physical characteristics of the site, the legally permissible uses would be physically possible.

The site is level and is of similar elevation to the roadway network. Access to the site is adequate. It is recognized this site is located on a major thoroughfare and is a good location. Accordingly, it is our opinion, in terms of physically possible, the site has potential for a variety of uses including commercial uses, both retail and office.

Financially Feasible

As long as a potential use has value commensurate with its cost and conforms to the first two tests, the use is considered to be financially feasible. The legally permissible uses are physically possible.

In contemplating the feasible uses, consideration must be given to the site location and access. First, as to location, the property is located on Daniels Parkway, a six-lane arterial roadway, providing vehicular access to most areas of the community. The development along Daniels Parkway is mostly commercial in nature. The subject is located within the Gateway community. Adjacent buildings are mostly commercial office and flex industrial space.

It is our opinion the subject site is legally and physically suited for commercial development purposes. The following is an overview of the commercial market in Southwest Florida:

| Total Retail Submarket Statistics | | | | | | Third Quarter 2017 | | | |
|--|---------------------------|-------------------|------------------|------------------|--------------|---------------------------|-----------------------|-----------------------|---------------------|
| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
| | # Bids | Total GLA | Direct SF | Total SF | Vac % | | | | |
| Bonita Springs | 296 | 3,712,187 | 232,106 | 293,392 | 7.9% | 15,684 | 0 | 0 | \$14.72 |
| Cape Coral | 785 | 9,111,692 | 521,885 | 521,885 | 5.7% | 128,897 | 54,610 | 42,000 | \$13.81 |
| Charlotte County | 884 | 10,199,435 | 444,519 | 445,569 | 4.4% | 183,459 | 13,502 | 7,500 | \$12.79 |
| City of Ft Myers | 787 | 7,789,728 | 325,497 | 283,952 | 3.6% | 114,130 | 56,891 | 15,000 | \$12.09 |
| East Naples | 379 | 4,208,152 | 261,758 | 273,903 | 6.5% | 6,905 | 20,600 | 32,000 | \$16.86 |
| Estero | 140 | 4,016,674 | 130,264 | 120,237 | 3.0% | 33,598 | 17,674 | 114,918 | \$21.97 |
| Golden Gate | 107 | 1,045,978 | 30,339 | 28,111 | 2.7% | 21,218 | 11,000 | 0 | \$14.16 |
| Lehigh | 142 | 1,507,317 | 43,136 | 42,448 | 2.8% | 29,239 | 25,876 | 0 | \$13.99 |
| Lely | 73 | 1,119,621 | 176,554 | 159,770 | 14.3% | 51,663 | 7,320 | 27,704 | \$17.61 |
| Marco Island | 117 | 1,411,282 | 30,762 | 29,328 | 2.1% | 25,180 | 7,498 | 0 | \$20.98 |
| Naples | 210 | 3,044,590 | 49,310 | 37,707 | 1.2% | 30,944 | 6,000 | 64,600 | \$36.02 |
| North Ft Myers | 179 | 2,045,946 | 237,907 | 247,343 | 12.1% | 18,883 | 12,000 | 0 | \$10.63 |
| North Naples | 545 | 11,000,677 | 354,802 | 435,911 | 4.0% | 69,862 | 2,500 | 109,341 | \$23.23 |
| Outlying Collier County | 210 | 2,149,145 | 154,109 | 163,009 | 7.6% | 52,335 | 56,704 | 0 | \$18.28 |
| S Ft Myers/San Carlos | 992 | 16,548,216 | 730,457 | 693,844 | 4.2% | 260,416 | 160,220 | 144,824 | \$17.11 |
| The Islands | 176 | 1,284,963 | 6,469 | 7,179 | 0.6% | (137) | 0 | 0 | \$28.36 |
| Totals | 6,022 | 80,195,603 | 3,729,874 | 3,783,588 | 4.7% | 1,042,276 | 452,395 | 557,887 | \$16.54 |

Source: CoStar Page 16



| Total Office Submarket Statistics | | | | | | | Third Quarter 2017 | | |
|-----------------------------------|--------------------|-------------------|------------------|------------------|-------------|----------------|--------------------|----------------|----------------|
| Market | Existing Inventory | | Vacancy | | | YTD Net | YTD | Under | Quoted |
| | # Bids | Total RBA | Direct SF | Total SF | Vac % | Absorption | Deliveries | Const SF | Rates |
| Bonita Springs | 194 | 2,350,649 | 203,133 | 204,233 | 8.7% | 73,307 | 0 | 0 | \$13.65 |
| Cape Coral | 389 | 2,631,453 | 133,581 | 133,581 | 5.1% | 49,253 | 10,000 | 0 | \$12.59 |
| Charlotte County | 565 | 3,932,129 | 286,813 | 286,813 | 7.3% | 43,798 | 5,000 | 12,000 | \$13.79 |
| City of Ft Myers | 417 | 4,965,267 | 393,684 | 393,684 | 7.9% | 165,450 | 50,000 | 0 | \$11.93 |
| East Naples | 151 | 1,859,449 | 103,381 | 103,381 | 5.6% | 29,581 | 0 | 0 | \$16.10 |
| Estero | 34 | 827,072 | 31,180 | 31,180 | 3.8% | 461 | 0 | 5,000 | \$16.65 |
| Golden Gate | 31 | 140,415 | 0 | 0 | 0.0% | 15,000 | 10,000 | 0 | \$20.72 |
| Lehigh | 75 | 442,894 | 37,487 | 37,487 | 8.5% | (7,329) | 0 | 0 | \$12.50 |
| Lely | 16 | 127,559 | 30,177 | 30,177 | 23.7% | 2,437 | 0 | 0 | \$15.05 |
| Marco Island | 33 | 364,426 | 2,701 | 2,701 | 0.7% | 15,110 | 0 | 0 | \$21.12 |
| Naples | 98 | 1,295,007 | 36,892 | 36,892 | 2.8% | 16,375 | 0 | 0 | \$21.74 |
| North Ft Myers | 37 | 282,423 | 3,000 | 3,000 | 1.1% | (1,520) | 0 | 0 | \$9.22 |
| North Naples | 366 | 5,248,664 | 304,243 | 310,153 | 5.9% | 120,741 | 35,791 | 60,000 | \$22.35 |
| Outlying Collier County | 38 | 362,880 | 9,484 | 9,484 | 2.6% | 4,816 | 0 | 0 | \$18.26 |
| S Ft Myers/San Carlos | 754 | 8,219,606 | 487,427 | 499,406 | 6.1% | 138,262 | 6,044 | 55,622 | \$13.95 |
| The Islands | 55 | 196,810 | 1,000 | 1,000 | 0.5% | (300) | 0 | 0 | \$0.00 |
| Totals | 3,253 | 33,246,703 | 2,064,183 | 2,083,172 | 5.6% | 665,442 | 116,835 | 132,622 | \$14.98 |

Based on this data as well as other information derived from our research, it is our opinion the financially feasible use is for commercial development purposes.

Maximally Productive

The maximally productive use is that development option which will return the greatest profit to the eventual developer. In more urban settings, this development option may be very specific and obvious, while in more suburban settings, with lower ratios of existing build-out, these options may be more general and broad. It has been estimated the highest and best use of the subject site, as though vacant, would be to develop for commercial development.



SEC. VI: VALUATION OF SUBJECT PROPERTY

THE APPRAISAL PROCESS

There are three standard approaches to property valuation:

- Cost Approach to Value
- Sales Comparison Approach to Value
- Income Approach to Value

Each of these three approaches usually will indicate a slightly different value. After all of the factors of the three approaches have been carefully weighed, the indicators of value are correlated to arrive at a final opinion of value.

Cost Approach to Value:

The Cost Approach to Value requires estimating the replacement cost new of the improvements, utilizing current labor and material prices and modern construction techniques. Accrued depreciation is next computed and subtracted from the cost new. Finally, the land value is added to the remainder to derive a value for the property as a whole. The Cost Approach is most reliable when the improvements are new and the land value can be reasonably estimated. Conversely, when the improvements are old and/or adequate land sales are not available, the Cost Approach tends to lose credence.

Sales Comparison Approach to Value:

An estimate under the Sales Comparison Approach to Value is derived by comparing the property under appraisal with other similar properties that have sold in recent months. The Sales Comparison Approach is most reliable when the comparable sales are very similar to the subject. Conversely, when large or numerous adjustments are necessary, the Sales Comparison Approach is less reliable.

Income Approach to Value:

The Income Approach to Value is normally applied only to commercial or strictly income oriented properties, since it measures the present worth of future rights to income. The Income Approach to Value, when adequate income and expense data are available, is probably the most reliable approach in the valuation of commercial properties as it best represents investors' and lenders' actions in the marketplace.

Extent of Analysis

We are estimating the annualized market rental range of the site, which is a vacant parcel; this is a multi-step process and is described as follows:

1. Estimate the market value of the subject property via the Sales Comparison Approach to Value.
2. Estimate a reasonable rate of return to the land value, supported by market evidence, to estimate the annualized rent rate range for the land.
3. Compare the rental rate range, as estimated via the rate of return, to the local marketplace and reconcile the range.

It should be noted a comparison of competing airports is not necessary in this analysis as the subject property does not abut the airport. In this analysis only the Sales Comparison Approach to value is applicable as the subject property is vacant land. The Cost and Income Approaches to Value are not considered applicable. In the Sales Comparison Approach to Value, we will consider recent sales of similar type properties that a typical purchaser would consider as a likely alternative to the subject property. We will also research current listings of vacant land. In addition, research will be conducted on the anticipated rate of return investors expect to receive on vacant land. We are of the opinion utilizing these various methods will develop a reliable result.



RENTAL STUDY

THE SALES COMPARISON APPROACH TO VALUE

In estimating the land value we will utilize the Sales Comparison Approach to Value. The Sales Comparison Approach to Value is a process of comparing sales of similar properties in the marketplace to the subject parcel.

Market data, when carefully verified and analyzed is good evidence of value because it represents the actions and reactions of sellers, users, and investors. The market value estimate has been defined as an interpretation of the reactions of typical users and investors in the market. The Sales Comparison Approach is based on the principle of substitution, which states that a prudent person will not pay more to buy a property than it will cost to buy a comparable substitute property. The price a typical purchaser pays is usually the result of an extensive shopping process in which he is constantly comparing available alternatives.

The steps in the Sales Comparison Approach are:

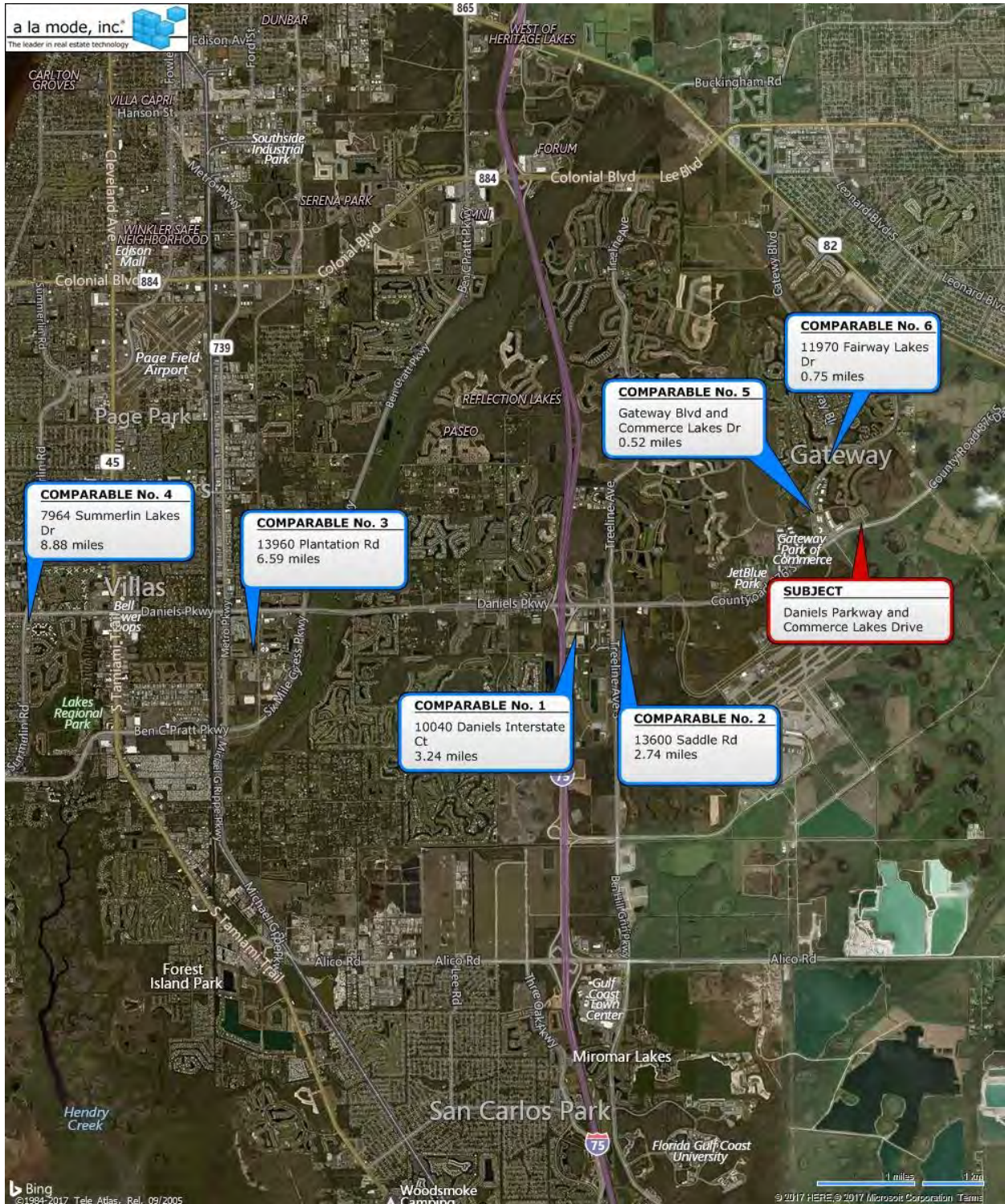
1. Seek out similar properties for which pertinent sales and data are available.
2. Qualify the prices as to terms, motivating forces, and bona fide nature.
3. Compare each of the comparable properties' important attributes with the corresponding ones of the property being appraised under the general division of time, location, and physical characteristics.
4. Consider all dissimilarities in terms of their probable effect upon the sale price.
5. Formulate an opinion of relative value of the property being appraised as compared with the price of each similar property.

Source: Appraisal Institute, The Appraisal of Real Estate, 14th ed. (Chicago: Appraisal Institute, 2013).

The sales selected are commercial land sales that have recently sold within the local marketplace. The following is this analysis.



COMPARABLE LAND SALE MAP





COMPARABLE LAND SALE 1

2971



DATE OF SALE: June 06, 2017

ADDRESS: 10040 Daniels Interstate Court

SALE PRICE: \$800,000

STRAP #: 22-45-25-15-00006.0000

SALE PRICE (ADJUSTED): \$800,000

SALE CONDITIONS: Arm's Length

RECORDING: 2017000134646

UTILITIES: Full

GRANTOR: Branch Banking and Trust Company

ZONING: MPD

GRANTEE: Fischer Florida Properties I, LLC

LAND USE: General Interchange

FINANCING: Seller financing for \$600,000

SALE HISTORY: Prior sale 12/2016 certificate of title

TOPOGRAPHY: Uncleared

ACCESS: Direct

VERIFICATION: Broker

HIGHEST AND BEST USE: Mixed Use Development

SITE AREA: 192,100 Square Feet
4.410 Acres

UNIT OF VALUE: \$4.16 Per SF
\$181,406 per AC

COMMENTS: The property is located on the east side of Daniels Interstate Court, just east of I-75 and south of Daniels Parkway in Fort Myers.



COMPARABLE LAND SALE 2

3031



DATE OF SALE: May 10, 2017

ADDRESS: 13600 Saddle Road

SALE PRICE: \$350,000

STRAP #: 23-45-25-01-00033.0000

SALE PRICE (ADJUSTED): \$350,000

SALE CONDITIONS: Arm's Length

RECORDING: 2017000115655

UTILITIES: Full

GRANTOR: Orlando Acquisitions Two, LLC

ZONING: CT

GRANTEE: Mohammed Kasham

LAND USE: Tradeport

FINANCING: Cash

SALE HISTORY: Prior sale was a certificate of title

TOPOGRAPHY: Wooded

ACCESS: Direct (Intersection)

VERIFICATION: Public Record

HIGHEST AND BEST USE: Commercial

SITE AREA: 106,265 Square Feet
2.440 Acres

UNIT OF VALUE: \$3.29 Per SF
\$143,472 per AC

COMMENTS: The site is located at the southeast corner of Treeline Avenue and Halter Lane and on the west side of Saddle Road in Fort Myers. The property was transacted without a broker, and the parties involved were unable to be contacted. All information has been gathered from public records.



COMPARABLE LAND SALE 3

2814



DATE OF SALE: November 08, 2016

SALE PRICE: \$1,400,000

SALE PRICE (ADJUSTED): \$1,400,000

RECORDING: 2016000241341

GRANTOR: Intermed II, LLC

GRANTEE: Plantation Medical Center LLC

FINANCING: Conventional - \$1,120,000

TOPOGRAPHY: Cleared

VERIFICATION: Broker

SITE AREA: 208,771 Square Feet
4.793 Acres

ADDRESS: 13960 Plantation Road

STRAP #: 19-45-25-00-00004.1020

SALE CONDITIONS: Arm's Length

UTILITIES: Full Available

ZONING: CS-1

LAND USE: Intensive Development

SALE HISTORY: None in prior 3 years

ACCESS: Direct (Open Median)

HIGHEST AND BEST USE: Commercial

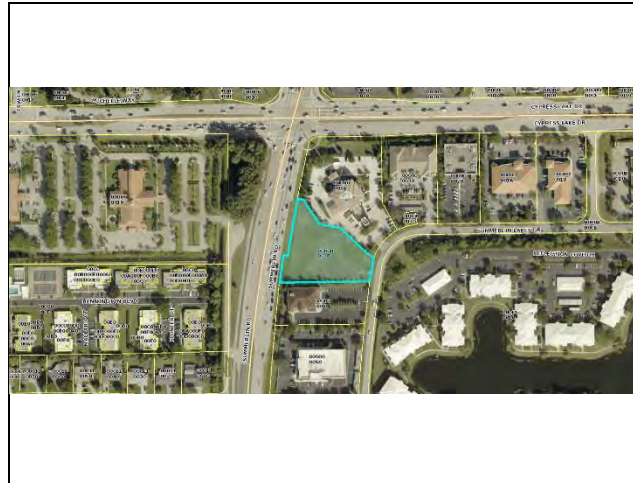
UNIT OF VALUE: \$6.71 Per SF
\$292,110 per AC

COMMENTS: This is the sale of a vacant commercial parcel located on the west side of Plantation Road, south of Daniels Parkway. The Grantee, in a separate transaction, purchased the adjacent 4.36 acres for \$1,700,000 (\$8.95 psf) on 11/9/2016.



COMPARABLE LAND SALE 4

2614



DATE OF SALE: February 12, 2016

SALE PRICE: \$365,000

SALE PRICE (ADJUSTED): \$365,000

RECORDING: Fee Simple

GRANTOR: Northern Trust Company

GRANTEE: Cynlab LLC

FINANCING: Cash

TOPOGRAPHY: Vacant/Cleared

VERIFICATION: Broker

SITE AREA: 53,178 Square Feet
1.221 Acres

ADDRESS: 7964 Summerlin Lakes Drive

STRAP #: 23-45-24-62-00000.003B

SALE CONDITIONS: Arm's Length

UTILITIES: Full

ZONING: C-1A

LAND USE: Intensive Development

SALE HISTORY: None in the prior 3 years

ACCESS: Reverse Frontage

HIGHEST AND BEST USE: Commercial

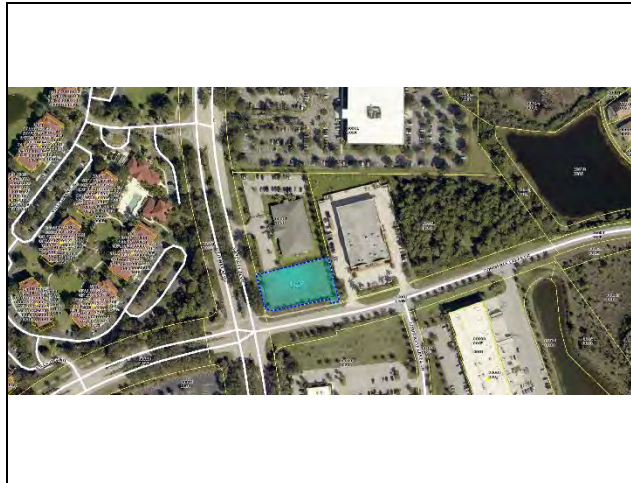
UNIT OF VALUE: \$6.86 Per SF
\$298,985 per AC

COMMENTS: This is the sale of a vacant commercial outparcel located on the east side of Summerlin Road, in the southeast quadrant of the intersection at Cypress Lake Drive, in Fort Myers. Access is via a rear frontage road.



COMPARABLE LAND SALE 5

2482



DATE OF SALE: June 19, 2015

SALE PRICE: \$165,000

SALE PRICE (ADJUSTED): \$165,000

RECORDING: 2015000136379

GRANTOR: Gateway 4 Partners LLC.

GRANTEE: Salex B LLC.

FINANCING: cash to seller

TOPOGRAPHY: cleared

VERIFICATION: Bob Johnston, Broker/Owner

SITE AREA: 31,145 Square Feet
0.715 Acres

ADDRESS: Gateway Boulevard and Commerce Lakes Drive

STRAP #: 18-45-26-00-00001.106D

SALE CONDITIONS: arm's length

UTILITIES: full

ZONING: PUD

LAND USE: New Community

SALE HISTORY: \$62,500 in Nov. 2013 as per OR 2013000259079

ACCESS: Local road

HIGHEST AND BEST USE: Commercial development

UNIT OF VALUE: \$5.30 Per SF
\$230,772 per AC

COMMENTS: This sale property is located on the northeast corner of Gateway Boulevard and Commerce Lakes Drive in the Gateway community of Fort Myers. This property was "shovel ready". This sale was reported to be an arm's length transaction.



COMPARABLE LAND SALE 6

2491



DATE OF SALE: July 10, 2015

SALE PRICE: \$260,000

SALE PRICE (ADJUSTED): \$260,000

RECORDING: 2015000164257

GRANTOR: Floyd E. Hodges, Trustee for Floyd E. Hodges Revocable Trust

GRANTEE: H & Mia LLC.

FINANCING: Conventional - FineMark National Bank & Trust \$221,000

TOPOGRAPHY: Partially Cleared

VERIFICATION: Jennifer Horne, CCIM

SITE AREA: 62,857 Square Feet
1.443 Acres

ADDRESS: 11970 Fairway Lakes Drive

STRAP #: 07-45-26-07-0000A.0010

SALE CONDITIONS: Arms length

UTILITIES: full

ZONING: PUD

LAND USE: New Community

SALE HISTORY: none in past three years

ACCESS: Local Road

HIGHEST AND BEST USE: Commercial development

UNIT OF VALUE: \$4.14 Per SF
\$180,180 per AC

COMMENTS: This sale property is located within the Gateway community and is specifically located on the southwest corner of Gateway Boulevard and Fairway Lakes Drive in Fort Myers. The subject property is irregular in shape and is located at the entrance of a primarily office area of Gateway. The property had some natural vegetation and was slightly below the crown of the surrounding roadways.



Comparable Land Sales Chart

The comparable sales and our analysis thereof are summarized in the following chart:

| | Subject | Comparable No. 1 | Comparable No. 2 | Comparable No. 3 | Comparable No. 4 | Comparable No. 5 | Comparable No. 6 |
|-----------------------------------|---|--------------------------------|-------------------|-----------------------|----------------------------|--|---------------------------|
| Transaction Data: | | | | | | | |
| Date of Sale: | | Jun-17 | May-17 | Nov-16 | Feb-16 | Jun-15 | Jul-15 |
| Sale/Listing Price: | | \$800,000 | \$350,000 | \$1,400,000 | \$365,000 | \$165,000 | \$260,000 |
| Sale/Listing Price (Adjusted): | | \$800,000 | \$350,000 | \$1,400,000 | \$365,000 | \$165,000 | \$260,000 |
| Physical Data: | | | | | | | |
| Street Address: | NW Corner of Daniels Parkway and Commerce Lakes Court | 10040 Daniels Interstate Court | 13600 Saddle Road | 13960 Plantation Road | 7964 Summerlin Lakes Drive | Gateway Boulevard and Commerce Lakes Drive | 11970 Fairway Lakes Drive |
| City: | Fort Myers | Fort Myers | Fort Myers | Fort Myers | Fort Myers | Fort Myers | Fort Myers |
| Exposure (Frontage): | Arterial | Arterial | Arterial | Collector | Collector | Arterial | Arterial |
| Gross Sq. Ft. (Site): | 65,340 | 192,100 | 106,265 | 208,771 | 53,178 | 31,145 | 62,857 |
| Gross Acres (Site): | 1.50 | 4.41 | 2.44 | 4.79 | 1.22 | 0.72 | 1.44 |
| Topography: | Uncleared | Uncleared | Uncleared | Cleared | Cleared | Cleared | Partially Cleared |
| Shape: | Irregular | Rectangular | Irregular | Rectangular | Irregular | Rectangular | Irregular |
| Utilities: | Full | Full | Full | Full Available | Full | full | full |
| Use Data: | | | | | | | |
| Zoning: | | MPD | CT | CS-1 | C-1A | PUD | PUD |
| Land Use: | | General Interchange | Tradeport | Intensive Development | Intensive Development | New Community | New Community |
| Highest and Best Use: | | Mixed Use Development | Commercial | Commercial | Commercial | Commercial development | Commercial development |
| Sales Price Analysis: | | | | | | | |
| Price per Square Foot (Site): | | \$4.16 | \$3.29 | \$6.71 | \$6.86 | \$5.30 | \$4.14 |
| Price per Acre (Site): | | \$181,405.90 | \$143,442.62 | \$292,092.64 | \$298,935.30 | \$230,769.23 | \$180,180.18 |
| Transactional Adjustments: | | | | | | | |
| Financing Terms: | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| | | \$4.16 | \$3.29 | \$6.71 | \$6.86 | \$5.30 | \$4.14 |
| Conditions of Sale: | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| | | \$4.16 | \$3.29 | \$6.71 | \$6.86 | \$5.30 | \$4.14 |
| Expenditures After Purchase: | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| | | \$4.16 | \$3.29 | \$6.71 | \$6.86 | \$5.30 | \$4.14 |
| Market Conditions (time): | | 2.0% | 2.5% | 5.5% | 10.0% | 14.0% | 13.5% |
| Adjusted Price: | | \$4.25 | \$3.38 | \$7.07 | \$7.55 | \$6.04 | \$4.69 |
| Physical Adjustments: | | | | | | | |
| Location: | | Similar | Similar | Similar | Similar | Similar | Similar |
| Exposure (Frontage): | | Similar | Similar | Slightly Inferior | Similar | Slightly Inferior | Slightly Inferior |
| Size (Site Area): | | Similar | Similar | Similar | Similar | Similar | Similar |
| Topography: | | Similar | Similar | Superior | Superior | Superior | Slightly Superior |
| Shape: | | Slightly Superior | Similar | Superior | Slightly Superior | Superior | Slightly Superior |
| Utilities: | | Similar | Similar | Similar | Similar | Similar | Similar |
| Zoning/Land Use: | | Similar | Similar | Similar | Similar | Similar | Similar |
| Overall: | | Similar | Similar | Superior | Slightly Superior | Superior | Similar |



Adjustments to Comparable Data

The Sales Comparison Approach is dependent on "...adjustments to the sale prices of the comparables based on the elements of comparison." The Appraisal Institute outlines ten basic elements of comparison to be considered:

1. Real property rights conveyed
2. Financing terms
3. Conditions of sale
4. Expenditures made immediately after purchase
5. Market conditions
6. Location
7. Physical characteristics
8. Economic Characteristics
9. Use
10. Non-realty components of value

For ease of analysis, we have divided this list into two parts. This division is based on the type of adjustments made for the differences. Elements 1 – 5 are considered to be transactional adjustments, whereas elements 6 – 10 are considered to be physical adjustments.

Transactional Adjustments

There were no transactional adjustments warranted for Property Rights Conveyed, Financing Terms, Conditions of Sale, and Expenditures Made Immediately after Purchase for these sales.

In considering Changes in Market Conditions since the time of sale, we must consider the significant changes in the Southwest Florida real estate market. The property value trend found throughout Southwest Florida changed drastically over the last decade, with substantial increases during the period of 2002-2005, followed by equally substantial declines during the period of 2006-2009 and this declining trend reversed in 2012. Based on our paired sales analyses of properties sale/re-sales in the region, the comparable sales have been adjusted at 0.50% per month for market conditions.

Physical Adjustments

We have considered the following specific physical adjustments to the comparable sales. A brief description of the nature of these characteristics is provided below.

- Location: Location refers to the economic attributes of the surrounding market area. These attributes affect the financially feasible uses of the site.
 - The subject and comparable sales are comparably located throughout Fort Myers; therefore, no adjustments for location were necessary.
- Exposure (Frontage): This refers to the exposure to the fronting thoroughfare (i.e. - capacity/traffic count).
 - The subject has exposure along Daniels Parkway, which is an arterial roadway. Comparables 1, 2, and 4 have exposure to arterial roadways, which is similar to the subject. Comparables 3, 4, and 5 have exposure along a collector roadway, which is slightly inferior to the subject. Comparables 5 and 6 are located along a local roadway, which is considered to be inferior to the subject.



- **Size (Site Area):** Larger parcels often sell for a lower price per unit, while smaller parcels typically sell for a higher price per unit. This attribute affects the physically possible uses of the site.
 - The subject has a reported site size of 65,340 square feet or 1.50 acres. The comparables range in size from 31,145 square feet up to 192,100 square feet, which is considered reasonably similar to the subject.
- **Topography:** This refers to the physical condition of the property, such as if the property is cleared or if there are significant changes in elevation.
 - The subject is uncleared or raw land. Comparables 1 and 2 are similar raw sites that are not cleared. Comparables 3, 4, and 5 are cleared sites, which are superior to the site. Comparable 6 is partially cleared, which is slightly superior.
- **Shape:** This refers to the shape or orientation of the property which might impact the development potential of a property. For example, a property which is a long, but relatively thin, rectangle may have difficulty being developed due to setback requirements.
 - The subject is an irregularly shaped parcel, which is less desirable than a rectangular site since it may potentially limit the development of the parcel. Comparables 1, 4, and 6 are slightly irregular shaped parcels, which are considered to be slightly superior. Comparable 2 is an irregularly shaped parcel, which is considered similar to the subject. Comparables 3 and 5 are rectangular shaped parcels, which are considered to be superior.
- **Utilities:** The presence or absence of certain utilities can severally impact the physically possible uses of a site, the second test in the analysis of Highest and Best Use (i.e. - the absence of central sewer may prevent intensive development).
 - The subject and comparable sales all have access to full utilities; therefore, the comparables are considered similar.
- **Zoning/Future Land Use:** Zoning and Future Land Use directly determine the legally permissible uses of a site, the first test in the analysis of Highest and Best Use.
 - The subject has zoning and future land use designations, which pertain to its location in the RSW airport zone; however, the subject is non-airside property, which has commercial usage allowances (subject to height restrictions). The comparable sales have commercial zoning and land use classifications. Given the subject's likely highest and best use for commercial use, the comparables are considered to be similar.



Value Conclusion

These comparables range in adjusted price as shown below:

| F. Descriptive Statistics: | |
|-----------------------------------|-----------------------|
| Multiplier: | *Price per SF: |
| Mean: | \$5.50 |
| Median: | \$5.37 |
| Standard Deviation: | \$1.66 |
| Minimum: | \$3.38 |
| Maximum: | \$7.55 |
| Range: | \$4.17 |

* Based on adjusted price

The subject is an irregularly shaped parcel that is uncleared. The subject's site size is in the middle of the range for the comparables. Comparables 1, 2, and 6 are considered to be the most similar comparables. These sales have market conditions adjusted sale prices of \$3.38 per square foot up to \$4.16, with an average adjusted sale price of \$4.11 per square foot. Considering all of the sales presented and their relative inferiority/superiority, it is our opinion that the value of the subject property is \$4.25 per square foot, as shown below:

| <u>Site Area (sf)</u> | <u>Value per Sq. Ft.</u> | <u>Opinion of Value</u> | <u>Rounded to</u> |
|-----------------------|--------------------------|-------------------------|-------------------|
| 65,340 | \$4.25 | \$277,695 | \$280,000 |



ESTIMATION OF RATE OF RETURN:

In this portion of the analysis, since there are no improvements to be factored into the rental rate, only a return on capital (aka rate of return) is calculated. Rate of return, as defined by The Appraisal Institute in *The Dictionary of Real Estate Appraisal, 6TH Edition*, is:

The ratio of income or yield to the original investment, can be annual (e.g., the ratio of the current annual net income generated from the operation of an enterprise to the capital investment) or for some other defined period (e.g., the yield to maturity of the investment).

The rate of return is applied to the estimated market value to generate the rental rate for the property. As per *Determining Ground-Lease Rental Rates*, (by Chris Carneghi, MAI, published by in the Appraisal Journal, April 1994), There are variety of factors one must consider in estimating a ground-lease rate of return, including:

- Market influences
 - General real estate market
 - Supply and demand issues (demand being predominant)
 - Leasehold financing is more difficult to obtain than fee simple financing
 - Interest rates (decreasing interest rates cause rate of returns to decrease)
 - Inflation
- Contract Influences (contract terms dealing with various issues), such as,
 - Inflation adjustment
 - Length of lease
 - Subordination clause (Development/permanent financing for the lessee)
- Site Specific Considerations
 - Size
 - Location
 - Creditworthiness of the lessee
 - Market demands (for the specific site)
 - Strong markets attract lessees
 - Availability of substitute sites
 - Specific land lease contract terms

Ground leases are typically infrequent in most markets. This is particularly true during a recessionary economy with tight lending restrictions. Factors that cause the rate of return to decrease are:

- Decreasing interest rates
- Low inflation
- Poor real estate market

It is our understanding; the FAA's guidelines indicate it is their desire an airport owner achieve a market rate of return for all land leases. The FAA has expressed this return is typically 8% to 12% for non-aviation property. However, it is important to emphasize, if 8% to 12% is not achievable in the current marketplace, based on various factors noted above, the airport owner is to achieve a current market rate albeit possibly lower than the FAA's typical expectation.

For this portion of the analysis, we have:

- Reviewed sales of leased land
- Reviewed current listings of land for lease
- Interviewed local market participants



Sale of Leased Land:

There are very few sales of land that were leased at the time of the transaction. Even though the majority of the sales available are dated, important information can be derived. All of these properties represent the lower end of the rate of return one would expect for a land lease as all of them are smaller sites and have involvement with regional or national tenants. We have retained in our working file these sales which are summarized as follows:

| Address | City | County | Parcel ID | Official Record | Sale Date | Sale Price | Land Size - SF | Sale Price PSF | Annualized Lease Rate | Overall Capitalization Rate | Lease Rate PSF | Days on Market | Comments |
|----------------------------------|------------------|-----------|------------------------|-----------------|--------------|--------------|----------------|----------------|-----------------------|-----------------------------|----------------|----------------|---|
| Southwest Florida | | | | | | | | | | | | | |
| 2803 Lee Boulevard | Lehigh Acres | Lee | 25-44-26-05-00059.0070 | 2016000263151 | December-16 | \$2,111,000 | 80,640 | \$26.18 | \$95,000 | 4.50% | \$1.18 | N/A | This sale represents the acquisition of the land which is encumbered with a new, 20 year, net ground-lease, with a new (built 2016) ALDI Grocery Store. |
| 5164 S. Tamiami Trail | Sarasota | Sarasota | 83160023 | 2016066434 | May-16 | \$2,150,600 | 66,991 | \$32.10 | \$118,280 | 5.50% | \$1.77 | 186 | This sale represents the acquisition of the land which is encumbered with a long-term, net ground-lease, with a multi-state national tenant, PDQ, a fast food, casual restaurant. |
| 12621 / 12651 Tamiami Trail East | Naples | Collier | 34520001209 | 5285-1496 | May-16 | \$4,068,000 | 94,089 | \$43.24 | \$194,150 | 4.77% | \$2.06 | N/A | This site is improved with a Regions Branch Bank and a Carrabas restaurant. The address, per the Collier County Property Appraiser's GIS is 12631 Tamiami Trail East. This property previously sold in October 2012 for \$3,242,500 as per OR 4851-349, the annualized lease rate at the time of this sale was not known. It is assumed to have remained the same as the previous sale. This equates to an 8.81% IRR. |
| 1391 Tamiami Trail | Port Charlotte | Charlotte | 402207253005 | 4058/1 | February-16 | \$3,100,000 | 110,904 | \$27.95 | \$165,000 | 5.32% | \$1.49 | N/A | This site is improved with a new 18,000± square foot ALDI Grocery Store. The lease commenced approximately March 2015 and is for 20 years with increase every 5 years. |
| 3650 Bee Ridge Road | Sarasota | Sarasota | 72010001 | 2016017787 | February-16 | \$10,550,000 | 175,982 | \$59.95 | \$474,104 | 4.49% | \$2.69 | 266 | This sale represents the acquisition of the land which is encumbered with a long-term, net ground-lease, with a national tenant, Wal-Mart. |
| 9970 University Plaza Drive | Estero | Lee | 11-46-25-17-000A3.0000 | 2015000211475 | September-15 | \$2,337,500 | 54,014 | \$43.28 | \$94,903 | 4.06% | \$1.76 | 2 | Panera Bread signed a 15 year ground lease, outparcel with University Plaza, adjacent to Gulf Coast Town Center and Costco. |
| 9975 Triangle Boulevard | Naples | Collier | 77510401041 | 5186-1602 | June-15 | \$2,165,000 | 45,264 | \$47.83 | \$120,000 | 5.54% | \$2.65 | N/A | This site is improved with an Outback Steakhouse restaurant. |
| 9980 University Plaza Drive | Estero | Lee | 11-46-25-17-000A2.0000 | 2015000014590 | January-15 | \$2,645,900 | 77,258 | \$34.25 | \$112,711 | 4.26% | \$1.46 | N/A | Chilis Restaurant entered into a ground lease, outparcel with University Plaza, adjacent to Gulf Coast Town Center and Costco |
| 12701 S. Cleveland Avenue | South Fort Myers | Lee | 13-45-24-36-00000.00A0 | 2014000265593 | December-14 | \$4,500,000 | 82,823 | \$54.33 | \$235,000 | 5.22% | \$2.84 | N/A | This site is improved with a WaWa gas station |
| 12611 S. Cleveland Avenue | South Fort Myers | Lee | 13-45-24-36-00000.00D0 | 2014000112951 | May-14 | \$1,900,000 | 58,793 | \$32.32 | \$110,000 | 5.79% | \$1.87 | N/A | This site is improved with a Pollo Tropical restaurant. |
| 11 Hancock Bridge Parkway | North Fort Myers | Lee | 14-44-23-C2-00720.0060 | 2013000272264 | December-13 | \$690,000 | 35,719 | \$19.32 | \$34,500 | 5.00% | \$0.97 | 36 | Site had an existing Taco Bell restaurant constructed on it. The tenant purchased the land. |
| 5350 Immokalee Road | Naples | Collier | 34595000028 | 4996-3270 | December-13 | \$3,875,000 | 63,162 | \$61.35 | \$189,486 | 4.89% | \$3.00 | N/A | This site is improved with a JP Morgan Chase Branch Bank |
| 17804 Ben Hill Griffin Parkway | Estero | Lee | 11-46-25-11-00000.00E0 | 2013000268634 | November-13 | \$2,650,000 | 64,486 | \$41.09 | \$157,500 | 5.94% | \$2.44 | N/A | This site is improved with a Pollo Tropical restaurant. |
| 15219 Collier Boulevard | Naples | Collier | 66261901021 | 4954 | July-13 | \$2,090,000 | 50,094 | \$41.72 | \$108,000 | 5.17% | \$2.16 | N/A | This site is improved with a Wells Fargo Branch Bank |
| 12621 / 12651 Tamiami Trail East | Naples | Collier | 34520001209 | 4851-349 | October-12 | \$3,242,500 | 94,089 | \$34.46 | \$194,150 | 5.99% | \$2.06 | N/A | This site is improved with a Regions Branch Bank and a Carrabas restaurant. The address, per the Collier County Property Appraiser's GIS is 12631 Tamiami Trail East. This property has since resold on May 24, 2016 for \$4,068,000 as per OR 5285-1496. |
| 16961 Alico Mission Way | South Fort Myers | Lee | 06-46-25-12-00000.0050 | 2011000158735 | July-11 | \$2,419,400 | 83,356 | \$29.02 | \$150,000 | 6.20% | \$1.80 | 96 | Site had an existing CVS drugstore constructed on it. The ground lease is for 25 years, expiring on 13 January 2036. There are 5, five year renewal options with rent escalating 10% at each renewal. |
| 2431 Tarpon Bay Blvd. | Naples | Collier | 24745000545 | 4644/1537 | January-11 | \$1,915,000 | 67,954 | \$28.18 | \$128,820 | 6.73% | \$1.90 | 53 | Site had an existing Chilli's restaurant constructed on it. |
| 1200 S. Tamiami Trail | Osprey | Sarasota | 157080021 | 2011076695 | June-11 | \$2,625,000 | 57,064 | \$46.00 | \$175,000 | 6.67% | \$3.07 | 93 | Site is to have a drugstore constructed on it. |
| 10081 Town Commons Drive | Estero | Lee | 35-46-25-33-00008.0010 | 2009000181862 | June-09 | \$1,400,000 | 69,696 | \$20.09 | \$121,000 | 8.64% | \$1.74 | 96 | Site had an existing Ruby Tuesday restaurant constructed on it. |

These properties are located from Collier County north to Sarasota County. All of these properties represent the lower end of the rate of return one would expect for a land lease as all of them are smaller sites and have involvement with regional or national tenants. The rate of returns range from 4.06% to 8.64% with an average of 5.51%. The reported days on market (DOM) range from 2 to 266 days.



Market Participants:

In addition, interviews with local market participants indicated a typical investor would anticipate a 3.0% to over 15% rate of return on capital in the current marketplace depending on the quality of the tenant. As an example, a typical investor would expect to receive a rate of return at the lower end of this range for an excellent credit rated tenant such as a regional or national pharmacy or restaurant chain that desires a long-term land lease. In comparison this same investor would expect to receive a rate of return towards the higher end of this range for a small developer with little to no track record. Overall, based on these interviews, it appears a 8% to 10% rate of return would satisfy most investors based on interviews with local market participants.

Furthermore, we are aware of several parcels of land owned by the Lee County Port Authority that recently were leased to users. The rate of return for these parcels, based on the first year’s annualized rental rate are estimated to be in the range of 8.00% to 10.00%.

Estimation of Rate of Return - Conclusion:

A review of land lease sales, current listings of land available for lease as well as interviews of market participants was conducted and revealed anticipated rate of return ranges as summarized:

| Source | Rate of Return Range | Average |
|------------------------------------|----------------------|--------------|
| Sale of Leased Land | 4.06% to 8.64% | 6.22% |
| Current Listings of Land for Lease | 5.00% to 28.64% | 16.00% |
| Market Participants | 4.50% to 15.00% | 8.00% to 10% |

Of course, the higher end of this range is based on listings which may reflect unrealistic expectations in the marketplace. This research indicates if the client of the subject property would secure a highly credit rated tenant a rate or return to the lower end of the range would be anticipated. Lacking a highly credit rated tenant one could anticipated a higher rate of return. However, in our opinion, not as high as indicated by this overall research but more in line with the average expected rate of return as indicated by the market participates, or say 9%.

In the final analysis, we are of the opinion given the various characteristics associated with the subject property, including size, shape, location and current upward trending economic conditions, it is our opinion a reasonable rate of return 6% to 9% which is supported by the data presented.

Estimated Market Rent of the Land:

In consideration of the subject property given the Extraordinary Assumptions, as well as the data presented, we estimate the land rental rate range for the subject property is as follows:

| | | |
|--|---------------|-----------|
| Subject’s Square Footage | 65,340 | |
| Estimated Value PSF | <u>\$4.25</u> | |
| Indicated Value | | \$277,695 |
| Rounded to, Say | | \$280,000 |
| | | |
| Estimated Rental Rate Range Percentage | <u>6%</u> | <u>9%</u> |
| Estimated Rental Rate Range Value | \$16,800 | \$25,200 |
| | | |
| Estimated Rental Rate PSF | \$0.26 | \$0.39 |



TEST OF REASONABLENESS

The final step in this analysis is to compare the rental rate range, as estimated via the rate of return, to the local marketplace. There are several non-airside, commercial parcels owned by the Lee County Port Authority, one near the Southwest Florida International Airport and one near Page Field that recently were leased to users. These were discussed previously in the market participate section in estimating the rate of return. A summary of these land leases are as follows:

| NO. | LOCATION | TENANT | SITE SIZE - SQ. FT. | 1ST YEAR'S ANNUALIZED RENTAL RATE | 1ST YEAR'S ANNUALIZED RENTAL RATE PSF |
|-----|--|--|---------------------|-----------------------------------|---------------------------------------|
| 1 | SEC Daniels Pkwy. And Doherty Pkwy. | NAP Skyport, LLC (Publix anchored shopping center) | 461,736 | \$75,999.96 | \$0.16 |
| 2 | SEC S. Cleveland Avenue and South Airport Road (less the immediate corner) | Aldi (Grocery store) | 155,509 | \$74,000.04 | \$0.48 |

The best available known, current land rental rates are illustrated herein. It is recognized their locations, size/shape and other amenities differ from the subject property. It has been concluded, the estimated rental rate range as developed via the rate of return to the market value, as previously illustrated, is supported by the rental range illustrated in this section, albeit towards the lower end of this range. Based on this test it is concluded the estimated rental rate range as estimated via rate of return to the market value is reasonable.



ESTIMATION OF MARKETING TIME

Marketing time is defined by the USPAP Advisory Opinion as follows:

1. *The time it takes an interest in real property to sell on the market sub-sequent to the date of an appraisal.*
2. *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. Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal. (Advisory Opinion 7 of the Appraisal 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.)*

Marketing time is further discussed in the Advisory Opinion referenced above, as follows:

“...Marketing time occurs after the effective date of the market value opinion and the marketing time opinion is related to, yet apart from, the appraisal process. Therefore, it is appropriate for the section of the appraisal report that discusses marketing time and its implications to appear toward the end of the report after the market value conclusion. The request to provide a reasonable marketing time opinion exceeds the normal information required for the appraisal process and should be treated separately from that process.

It is also appropriate for the appraiser to discuss the impact of price/value relationships on marketing time and to contrast different potential prices and their associated marketing times with an appraiser's market value opinion for the subject property...

...Clients concerned with marketing real or personal properties who obtain a market value appraisal as part of their decision-making process should be aware that it may be inappropriate to assume that the value remains stable during the marketing period. Therefore, it is technically incorrect for the user of an appraisal to take a current value opinion, carry it forward to the end of a concluded marketing period, and then discount back to the present...”

Based upon the analysis and conclusions developed in the appraisal, the marketing time for the subject property is estimated to be 12 to 18 months.

ESTIMATION OF EXPOSURE TIME

Inherent in an opinion of market value is the development of an estimate of exposure time for the subject property. Exposure time is defined by the Uniform Standards of Professional Appraisal Practice (USPAP), 2016/17 Ed., as follows:

(The) estimated length of time that 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.

Based upon the analysis and conclusions developed in the appraisal, the exposure time for the subject property is estimated to be 12 to 18 months.



SEC. VIII: CERTIFICATION

We certify that, to the best of our 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.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- 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.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 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 a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with *Uniform Standards of Professional Appraisal Practice*.
- We have made a personal inspection of the property that is the subject of this report. For this analysis, K. Jacob Hutchings, MAI, conducted an interior and exterior inspection of the subject property on 18 January 2017 with a final inspection on 26 October 2017.
- No one provided significant real property appraisal assistance to the person(s) signing this certification.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the State of Florida relating to review by its duly authorized representatives. This report also conforms to the requirements of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA).
- We are currently licensed to conduct appraisal activities and have completed the continuing education requirements set forth with the State of Florida.



- Although other appraisers may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy are maintained at all times with regard to this assignment without conflict of interest.

As of the date of this report, I have completed the continuing education program of the Appraisal Institute.

K. Jacob Hutchings, MAI
State-Certified General Real Estate Appraiser, RZ3415

As of the date of this report, I have completed the continuing education program of the Appraisal Institute.

Gerald A. Hendry, MAI, CCIM
State-Certified General Real Estate Appraiser, RZ 2245



SEC. IX: ADDENDA

QUALIFICATIONS OF K. JACOB HUTCHINGS, MAI EDUCATIONAL BACKGROUND AND TRAINING:

Bachelor of Science - Finance, Florida Gulf Coast University, 2007

Valuation of Real Property, Florida Gulf Coast University, Spring 2007

Real Estate Investment Decisions, Florida Gulf Coast University, Fall 2007

Basic Appraisal Principles, Ed Klopfer Schools of Real Estate, January 2008

Basic Appraisal Procedures, Ed Klopfer Schools of Real Estate, January 2008

Residential Report Writing, Ed Klopfer Schools of Real Estate, January 2008

Florida Supervisor/Trainee Roles & Relationships, Cooke Real Estate School, 2008

General Appraiser Site Valuation & Cost Approach, Appraisal Institute, June 2009

General Appraiser Sales Comparison Approach, Appraisal Institute, November 2009

General Appraiser Income Approach Part 1, Appraisal Institute, December 2009

General Appraiser Market Analysis & Highest & Best Use, Appraisal Institute, December 2009

Statistics, Modeling, and Finance, Cooke Real Estate School, 2010

General Appraiser Income Approach Part 2, Appraisal Institute, March 2010

15-Hour National USPAP Course, Cooke Real Estate School, 2010

Business Practices and Ethics, Appraisal Institute, May 2011

Florida Law and Appraisers, Ed Klopfer Schools of Real Estate, August 2012

Foreclosure Basics for Appraisers, Ed Klopfer Schools of Real Estate, August 2012

Challenging Assignments for Appraisers, Ed Klopfer Schools of Real Estate, August 2012

Appraisal of 2-4 Family and Multi-Family Properties, Ed Klopfer Schools of Real Estate, August 2012

General Appraiser Report Writing and Case Studies, Appraisal Institute, November 2012

Advanced Concepts and Case Studies, Appraisal Institute, December 2012

Advanced Income Capitalization, Appraisal Institute, February 2013

Passed Comprehensive Exam, Appraisal Institute, 2013

7-Hour National USPAP Update Course, Institute of Real Estate Studies, October 2013

3-Hour Florida Law Course, Appraisal Institute, April 2014



EXPERIENCE:

Maxwell & Hendry Valuation Services, Inc., Fort Myers, Florida, 2007 - Present.

PROFESSIONAL AFFILIATIONS:

State-Certified General Real Estate Appraiser, RZ 3415

Appraisal Institute – MAI

CLIENTS SERVED:

Lee County Board of County Commissioners, The School District of Lee County, City of Cape Coral, City of Sanibel, and lawyers representing various estates, buyers, and sellers.

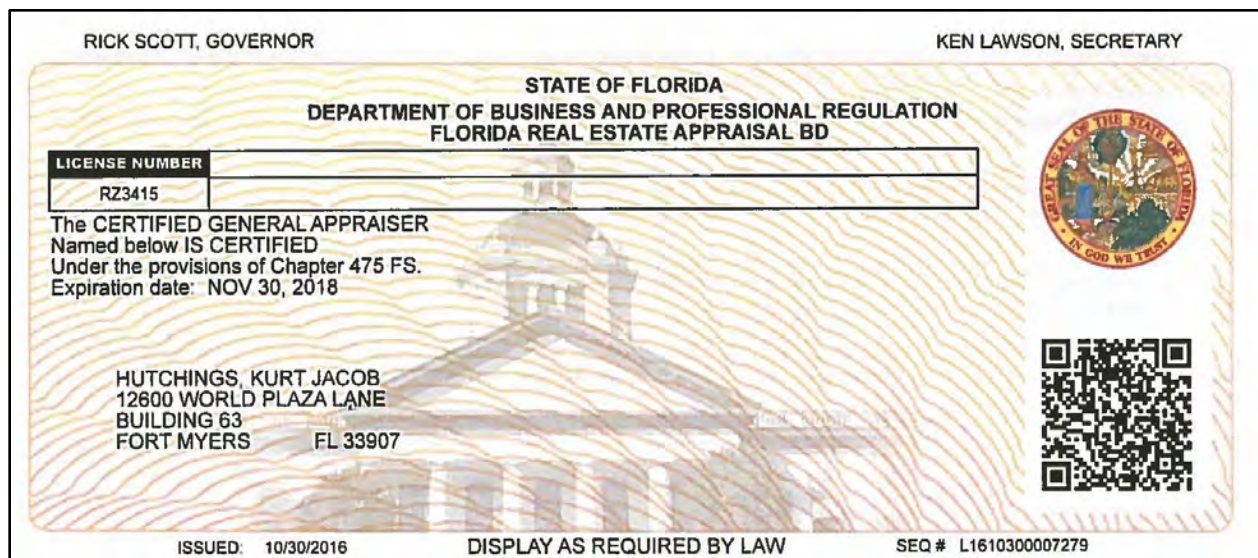
OTHER:

Qualified as an expert witness in the Circuit Court of Lee County

Guest Lecturer at Florida Gulf Coast University, Lutgert College of Business, 2014 & 2016

RE-CERTIFICATION:

As of the date of this report, K. Jacob Hutchings, MAI, has completed the requirements under the continuing education program.





QUALIFICATIONS OF GERALD A. HENDRY, MAI, CCIM

EDUCATIONAL BACKGROUND AND TRAINING:

Master of Arts in Business Administration, with a major in Real Estate and Urban Analysis, University of Florida, 1995, Gainesville, Florida.

Bachelor of Science in Business Administration, with a major in Finance, 1991, University of Florida, Gainesville, Florida.

Principles and Practices of Real Estate, Brokers Course, Florida Real Estate Academy, 1995, Fort Myers, Florida.

Case Studies in Valuation and Report Writing, University of Florida, 1994.

Real Estate Market Analysis, University of Florida, 1993.

Preview of Urban Planning and Regional Planning, University of Florida, 1993.

Seminar in Real Estate Valuation, University of Florida, 1994.

Seminar in Real Estate Financial Analysis, University of Florida, 1995.

Land Use Economics, University of Florida, 1995.

Principles and Practices of Real Estate, Salesman Course, Florida Real Estate Academy, 1990, Fort Myers, Florida.

Demonstration Report Writing, seminar sponsored by the Appraisal Institute, Dallas, Texas, May 1999.

Comprehensive Appraisal Workshop, Dallas, Texas, August 2000.

"Appraising and Analysis of Proposed Subdivisions and Condominiums", seminar sponsored by The Appraisal Institute, Boca Raton, Florida, August 2002.

CCIM CI 101 - Financial Analysis for Commercial Investment Real Estate, CCIM Institute, Naples, Florida, October 2002.

The Valuation of Wetlands, seminar sponsored by The Appraisal Institute, Fort Myers, Florida, September 2004.

Case Studies in Commercial Highest and Best Use, Appraisal Institute, September 2005.

CCIM CI 102 - Market Analysis for Commercial Investment Real Estate, May 2006.

CCIM CI 103 - User Decision Analysis for Commercial Real Estate, September 2006.

CCIM CI 104 - Investment Analysis for Commercial Real Estate, August 2006.



Appraisal of Local Retail Properties, Appraisal Institute, May 2009.

Subdivision Valuation, Appraisal Institute, September 2009.

Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets, Appraisal Institute, Bradenton, Florida March 2012

EXPERIENCE:

Currently an owner/partner with Maxwell, Hendry & Simmons, LLC, Fort Myers, Florida.

Owner/partner with Maxwell & Hendry Valuation Services, Inc., Fort Myers, Florida, 2004-2013.

Associate Appraiser with W. Michael Maxwell & Associates, Inc., Fort Myers, Florida, 1995-2003.

Commercial Credit Analyst with Barnett Bank of Lee County/First Florida Bank, Fort Myers, Florida, 1991-1993.

PROFESSIONAL AFFILIATIONS:

Appraisal Institute - MAI

CCIM Institute - CCIM

State-Certified General Real Estate Appraiser, RZ 2245

State-Licensed Real Estate Broker, BK #0567939

Southwest Florida CCIM District – Board of Directors 2014 – 2016, 2017 President

Real Estate Investment Society - Board of Governors 2002 - 2008, President 2007

Appraisal Institute - West Coast Florida Chapter Board of Directors 2003 - 2008

Appraisal Institute - West Coast Florida Chapter President 2008

Commercial Investment Professionals (CIP) Member

OTHER:

Qualified as an expert witness in the 20th Judicial Circuit Court of Florida and United States Bankruptcy Court Middle District of Florida.

Special Magistrate - Lee County Value Adjustment Board 2012-2014

Guest Lecturer at Florida Gulf Coast University, College of Business Administration 2007-2014

RE-CERTIFICATION:

As of the date of this report, Gerald A. Hendry MAI, CCIM has completed the requirements under the continuing education program of the Appraisal Institute.





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

| | |
|-----------------------|--|
| LICENSE NUMBER | |
| RZ2245 | |

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

HENDRY, GERALD A
12600 WORLD PLAZA LANE
BUILDING 63
FORT MYERS FL 33907





ASSUMPTIONS

An Assumption is defined by the Uniform Standards of Appraisal Practice (USPAP), 2016/17 Ed., as

“that which is taken to be true”.

Please review the following assumptions, which we have “taken to be true” about this appraisal.

This appraisal is to be used in whole and not in part. This appraisal report has been prepared at a specified point in time as indicated by the date of valuation. Therefore, this report can neither be used prior to, or subsequent to, the effective appraisal date. Market values and conditions change significantly with the passage of time. This report cannot be viewed subsequent to the appraisal date and then reliance placed on values, opinions, and analysis made by the appraiser or other consultants in the report. The forecasts or projections included in this report are used to assist in the valuation process and are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are therefore subject to changes in future conditions, which cannot be accurately predicted by the appraiser and could affect the future income and/or value forecasts.

No part of this report shall be used in conjunction with any other appraisal. The appraiser(s) herein, by reason of this report, is not required to give testimony or attendance in court or any governmental hearing with reference to the property appraised, unless arranged previously therefore. The consideration for the preparation of this appraisal report is the payment by the client of all charges due the appraiser in connection therewith. Any responsibility of the appraiser for any part of the report is conditioned upon full payment.

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 and approval of the author, particularly as to the valuation conclusion, the identity of the appraiser or firm with which he is connected, or any reference to any professional organization of which the appraiser may be a member.

The property has been appraised as if free and clear, unencumbered by mortgages, liens, delinquent taxes, assessments, special or unusual deed conditions or restrictions, but subject to zoning regulations. An investigation, but no record search, has been made.

All comparable data utilized are confirmed by First American Real Estate Solutions (FARES), the Local Multiple Listing Service (MLS), parties related to the sale, and/or public records. The data used in compiling this report was secured from sources considered reliable and authentic and, so far as possible, was verified. However, no responsibility is assumed for its accuracy or correctness.

Unless otherwise noted, no survey or plans were requested or provided and information regarding the subject property has been gathered from the appropriate public records. It is assumed that the legal descriptions, site sizes and boundaries utilized are correct, that the improvements (if applicable) are entirely and correctly located on the property described, and that there are no encroachments or overlapping boundaries. Unless stated otherwise, legal access to the property is assumed. Marketable title, but not responsibility as to legal matters, is assumed. This appraisal is subject to a current survey and title search.

The appraiser is not qualified to ascertain the presence of internal damages to the subject structure(s) (such as adverse settlement, insect damage, etc.), physical hazards (such as radon, urea formaldehyde foam insulation, asbestos, lead paint, etc.), or environmental conditions (such as wetlands, eagle's nest's, etc.) and assumes no responsibility for such conditions. Information regarding possible conditions was neither requested, nor gathered, in conjunction with this appraisal, and the appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent information, research, or investigation. Unless otherwise stated in this report, the existence of hazardous materials on the subject property was not observed by the appraisers. However, we are not qualified to detect such conditions. The opinions of value contained herein are predicated on the assumption that no such conditions exist which would cause a loss in value. It is recommended that the user retain an expert in these fields if greater detail is required.



It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report and it is further assumed that all applicable zoning, land use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined and considered in the appraisal report.

This appraisal is subject to all growth management ordinances (i.e. concurrency) both local and state. The appraiser has relied upon representations made by the developer, client or authorities considered to be knowledgeable in this regard. A determination was not made by the appraiser as to the development potential for the property, unless otherwise stated.

Unless otherwise noted, we were not provided with a title search, and we have assumed that the subject property has a unified title, or in absentia, that the right of entry is barred for oil, gas, and mineral rights holders. We have further assumed that no off-site subsurface exploration or extraction activities are occurring, or have occurred, which would have an impact on the subsurface elements of the property, or which would adversely affect the value of the property. No consideration was given within this appraisal as to the time or expense (if any) which would be required to determine or obtain unified title or bar the right of entry. Should this assumption regarding unified title later prove to be false, this could alter the opinions and conclusions contained herein.

EXTRAORDINARY ASSUMPTIONS / HYPOTHETICAL CONDITIONS

Please see the Scope of Work for further details.

EXHIBIT "C"

SOUTHWEST FLORIDA INTERNATIONAL AIRPORT (RSW)

APPROVED SCHEDULE OF USES

SOUTHWEST FLORIDA INTERNATIONAL AIRPORT (RSW)
AOPD
SCHEDULE OF USES

| | Special Notes or Regulations | Aviation Area (Includes Terminal) | Non-Aviation Area | | | | Future Development Area |
|---|---|---|-------------------|-------------------------|-------------------------|--|-------------------------|
| | | | Wildfield | C/D Commercial / Office | I/O Industrial / Office | C/I/O Commercial / Industrial / Office | |
| Accessory uses and structures | Note (1), 34-1171 et seq., 34-2441 et seq., 34-1863, 34-2141 et seq., 34-3106 | P | P | P | P | P | P |
| Administrative offices | Note (1) | P | P | P | P | P | --- |
| Agricultural services; office/base operations | | --- | --- | --- | --- | --- | --- |
| Agricultural uses and agricultural accessory uses | | --- | --- | --- | --- | --- | P |
| Aircraft food services and catering | | P | --- | --- | P | P | --- |
| Aircraft landing facilities, private | 34-1231 et seq. | P | --- | --- | --- | --- | --- |
| Airport operations facilities | | P | P | P | P | P | P |
| Amateur radio antennas and satellite earth stations | 34-1175 | Refer to 34-1 for regulations | | | | | |
| Animals: | | | | | | | |
| Clinic or kennel | 34-1321 et seq. | --- | P | P | P | P | --- |
| Control center (including Humane Society) | | --- | --- | P | P | P | --- |
| ATM (automatic teller machine) | | P | P | P | P | P | --- |
| Auto parts store | 34-1353 | --- | P | P | --- | P | --- |
| Automobile repair and service (34-622(c)(2)), all groups | 34-1351, 34-1353 | --- | P | P | --- | P | --- |
| Automobile service station | 34-1351, 34-1353 | --- | P | P | --- | P | --- |
| Bait and tackle shop | Note (49) | --- | --- | P | --- | P | --- |
| Banks and financial establishments (34-622(c)(3)): | | | | | | | |
| Group I | | --- | P | P | P | P | --- |
| Group II | | --- | P | P | P | P | --- |
| Bar or cocktail lounge | 34-1261 et seq. | P (In Terminal only) | P | P | --- | P | --- |
| Boats: | | | | | | | |
| Boat parts store | | --- | --- | P | --- | P | --- |
| Boat rental | | --- | --- | P | --- | P | --- |
| Boat repair and service | 34-1352, 34-3001 et seq. | --- | --- | --- | P | P | --- |
| Boat sales | | --- | --- | P | P | P | --- |
| Boat storage, dry | | --- | --- | --- | P | P | --- |
| Broadcast studio, commercial radio and television | 34-1441 et seq. | --- | --- | P | P | P | --- |
| Building material sales (34-622(c)(4)) | 34-3001 et seq. | --- | --- | P | P | P | --- |
| Business services (34-622(c)(5)): | | | | | | | |
| Group I | | P | P | P | P | P | --- |
| Group II | | P | P | P | P | P | --- |
| Bus station/depot | 34-1381 et seq. | P | --- | --- | --- | --- | --- |
| Car wash | 34-1353 | P | P | P | --- | P | --- |
| Cleaning and maintenance services (34-622(c)(7)) | | P | P | P | P | P | --- |
| Clothing stores, general (34-622(c)(8)) | | P (In Terminal only) | P | P | --- | P | --- |
| Clubs: | | | | | | | |
| Commercial | | --- | --- | P | P | P | --- |
| Fraternal, membership organization | 34-2111 | P | --- | P | P | P | --- |
| Private | 34-2111 | --- | P | P | P | P | --- |
| Cold storage, pre-cooling, warehouse and processing plant | | P | --- | --- | P | P | --- |
| Communication facility, wireless | 34-1441 et seq. | Refer to 34-1441 et seq. for regulations. | | | | | |
| Computer and data processing services | | P | P | P | P | P | --- |
| Consumption on premises | 34-1261 et seq., Note (49) | P (In Terminal only) | P | P | --- | P | --- |

SOUTHWEST FLORIDA INTERNATIONAL AIRPORT (RSW)
AOPD
SCHEDULE OF USES

| | Special Notes or Regulations | Aviation Area (includes Terminal) | Non-Aviation Area | | | | Future Development Area |
|--|--|-----------------------------------|-------------------|-------------------------|-------------------------|--|-------------------------|
| | | | Midfield | C/O Commercial / Office | I/O Industrial / Office | C/I/O Commercial / Industrial / Office | |
| Contractors and builders (34-622(c)(9)), all groups | 34-1352 34-3001 et seq. | --- | --- | P | P | P | --- |
| Convenience food and beverage store | 34-1353 | P | P | P | --- | P | --- |
| Cultural facilities (34-622(c)(10)) | | --- | --- | P | --- | P | --- |
| Department store | | --- | --- | P | --- | P | --- |
| Drive-through facility for any permitted use | | P | P | P | P | P | --- |
| Drugstore, pharmacy | | P | P | P | --- | P | --- |
| Entrance gates and gatehouse | 34-1741 et seq. | P | P | P | P | P | --- |
| Emergency operations center | | P | P | P | P | P | --- |
| EAS, fire or sheriff's station | | P | P | P | P | P | --- |
| Essential services | Note (1), 34-1611 et seq., 34-1741 et seq. | P | P | P | P | P | P |
| Essential service facilities (34-622(c)(13)): | | | | | | | |
| Group I | Note (1), 34-1611 et seq., 34-1741 et seq., 34-2141 et seq. | P | P | P | P | P | P |
| Group II | Note (1) 34-1611 et seq., 34-1741 et seq., 34-2141 et seq. | P | --- | --- | P | P | P |
| Excavation: | | | | | | | |
| Water retention | 34-1651 | P | P | P | P | P | P |
| Excess spoil removal | subject to Sec. 10-329 | P | P | P | P | P | P |
| Factory outlets (point of manufacture only) | | --- | --- | P | P | P | --- |
| Farm equipment, sales, storage, rental or service | | --- | --- | P | P | P | --- |
| Fences, walls | Note (1), 34-1741 et seq. | P | P | P | P | P | P |
| Food and beverage service, limited | Note (1) | P | P | P | P | P | --- |
| Food stores (34-622(c)(16)): | | | | | | | |
| Group I | | --- | P | P | --- | P | --- |
| Group II | | --- | P | P | --- | P | --- |
| Freight and cargo handling establishments (34-622(c)(17)) | | P | --- | --- | P | P | --- |
| Gasoline dispensing system, special | | P | --- | --- | P | P | --- |
| Gift and souvenir shop | Note (49) | P | P | P | --- | P | --- |
| Hardware store | | --- | --- | P | --- | P | --- |
| Health care facilities (34-622(c)(20)): | | | | | | | |
| Group III | | --- | P | P | P | P | --- |
| Helipad or helistop | | P | --- | --- | P | P | --- |
| Hobby, toy and game shops (34-622(c)(21)) | | P | P | P | --- | P | --- |
| Hotel/motel | 34-1801 et seq., Note (36) | --- | P | P | --- | P | --- |
| Household and office furnishings (34-622(c)(22)), all groups | | --- | --- | P | --- | P | --- |
| Impound yard (34-1831 et seq., 34-244B) | | P | --- | --- | --- | P | --- |
| Insurance companies (34-622(c)(23)) | | --- | --- | P | P | P | --- |
| Laundry or dry cleaning (34-622(c)(24)): | | | | | | | |
| Group I | | --- | P | P | --- | P | --- |
| Group II | | --- | P | P | P | P | --- |
| Lawn and garden supply stores | 34-2081 | --- | --- | P | --- | P | --- |
| Library | Note (28) | --- | --- | P | P | P | --- |

SOUTHWEST FLORIDA INTERNATIONAL AIRPORT (RSW)
AOPD
SCHEDULE OF USES

| | Special Notes or Regulations | Aviation Area (includes Terminal) | Non-Aviation Area | | | | Future Development Area |
|--|------------------------------|-----------------------------------|-------------------|-------------------------|-------------------------|--|-------------------------|
| | | | Marine | C/O Commercial / Office | I/O Industrial / Office | C/I/O Commercial / Industrial / Office | |
| Maintenance facility (Government) | | P | P | --- | P | P | --- |
| Manufacturing of: | | | | | | | |
| Apparel products (34-622(c)(1)) | Note (5) | --- | --- | P | P | P | --- |
| Boats | Note (5) | --- | --- | --- | P | P | --- |
| Chemical and allied products (34-622(c)(6)) | | | | | | | |
| Group I | Note (5) | --- | --- | P | P | P | --- |
| Group II | Note (5) | --- | --- | --- | P | P | --- |
| Electrical machinery and equipment (34-622(c)(11)) | Note (5) | --- | --- | P | P | P | --- |
| Fabricated metal products (34-622(c)(14)): | | | | | | | |
| Group I | Note (5) | --- | --- | --- | P | P | --- |
| Group II | Note (5) | --- | --- | --- | P | P | --- |
| Group III | Note (5) | --- | --- | --- | P | P | --- |
| Food and kindred products (34-622(c)(15)): | | | | | | | |
| Group III | Note (5) | --- | --- | P | P | P | --- |
| Furniture and fixtures (34-622(c)(16)) | Note (5) | --- | --- | P | P | P | --- |
| Leather products (34-622(c)(25)): | | | | | | | |
| Group II | Note (5) | --- | --- | --- | P | P | --- |
| Lumber and wood products (34-622(c)(26)): | | | | | | | |
| Groups I, III, IV, V and VI | Note (5) | --- | --- | --- | P | P | --- |
| Group II | Note (5) | --- | --- | --- | P | P | --- |
| Machinery (34-622(c)(27)), all groups | Note (5) | --- | --- | P | P | P | --- |
| Measuring, analyzing and controlling instruments (34-622(c)(28)) | Note (5) | --- | --- | P | P | P | --- |
| Novelties, jewelry, toys and signs (34-622(c)(29)), all groups | Note (5) | --- | --- | P | P | P | --- |
| Paper and allied products (34-622(c)(31)) | | | | | | | |
| Group II | Note (5) | --- | --- | P | P | P | --- |
| Group III | Note (5) | --- | --- | P | P | P | --- |
| Rubber and plastic products (34-622(c)(44)): | | | | | | | |
| Group I | Note (5) | --- | --- | --- | P | P | --- |
| Group II | Note (5) | --- | --- | --- | P | P | --- |
| Stone, clay, glass and concrete products (34-622(c)(46)) | | | | | | | |
| Group I | Note (5) | --- | --- | --- | P | P | --- |
| Group III | Note (5) | --- | --- | --- | P | P | --- |
| Group IV | Note (5) | --- | --- | --- | P | P | --- |
| Textile mill products (34-622(c)(50)), all groups | Note (5) | --- | --- | --- | P | P | --- |
| Transportation equipment (34-622(c)(52)): | | | | | | | |
| Group I | Note (5) | P | --- | P | P | P | --- |
| Groups II, III and IV | Note (5) | --- | --- | --- | P | P | --- |
| Medical office | | P | --- | P | P | P | --- |
| Mobile home dealers | 34-1352 | --- | --- | P | P | P | --- |
| Motion picture production studio | | --- | --- | P | P | P | --- |
| Nightclubs | 34-1261 et seq. | P | P | P | --- | P | --- |
| Nonstore retailers (34-622(c)(30)), all groups | | --- | --- | P | --- | P | --- |
| Parcel and express services | | P | P | P | P | P | --- |
| Package store | 34-1261 et seq. | --- | --- | P | --- | P | --- |
| Paint, glass and wallpaper | | --- | --- | P | P | P | --- |
| Perks (34-622(c)(32)): | | | | | | | |
| Group I | | --- | --- | P | P | P | --- |
| Group II | | --- | --- | P | --- | P | --- |

SOUTHWEST FLORIDA INTERNATIONAL AIRPORT (RSW)
AOPD
SCHEDULE OF USES

| | Special Notes or Regulations | Aviation Area (includes Terminal) | Non-Aviation Area | | | | Future Development Area |
|---|--|-----------------------------------|-------------------|-------------------------|-------------------------|--|-------------------------|
| | | | Midfield | C/O Commercial / Office | I/O Industrial / Office | C/I/O Commercial / Industrial / Office | |
| Parking lot: | | | | | | | |
| Accessory | | P | P | P | P | P | --- |
| Commercial | | P | P | P | P | P | --- |
| Garage, public parking | | P | P | P | P | P | --- |
| Temporary | 34-2022 | P | P | P | P | P | --- |
| Personal services (34-622(c)(33)): | | | | | | | |
| Group I | 34-3021 | P | P | P | --- | P | --- |
| Group II | | P | P | P | --- | P | --- |
| Group III | | --- | --- | P | --- | P | --- |
| Group IV | | --- | --- | P | --- | P | --- |
| Pet services: | | | | | | | |
| Pet shop | | --- | --- | P | --- | P | --- |
| Pharmacy | | P | P | P | --- | P | --- |
| Photo/finishing laboratory | Note (5) | --- | P | P | P | P | --- |
| Place of worship | Note (28), 34-2051 et seq. | P | P | P | P | P | --- |
| Post office | | P | --- | P | P | P | --- |
| Printing and publishing (34-622(c)(36)) | Note (5) | --- | --- | P | P | P | --- |
| Processing or packaging of agricultural or fish products | Note (5) | P | --- | --- | P | P | --- |
| Processing and warehousing | | P | --- | --- | P | P | --- |
| Real estate sales office | 34-1951 et seq., 34-3021 | P | P | P | P | P | --- |
| Recreation facilities: | | | | | | | |
| Commercial (34-622(c)(38)) Groups I, IV | | P | P | P | P | P | --- |
| Commercial (34-622(c)(38)) Group III | | --- | P | P | P | P | --- |
| Group V | | --- | --- | P | P | P | --- |
| Recycling facility | | P | --- | --- | P | P | --- |
| Religious facilities | Note (28), 34-2051 et seq. | P | --- | P | --- | P | --- |
| Rental or leasing establishment (34-622(c)(39)): | | | | | | | |
| Group I | 34-1352, 34-3001 Note (49) | P | P | P | --- | P | --- |
| Group II | 34-1201 et seq., 34-1352 34-3001 et seq. | --- | --- | P | --- | P | --- |
| Group III | 34-1352, 34-3001 et seq. | P | --- | P | P | P | --- |
| Group IV | 34-1201 et seq., 34-1352 34-3001 et seq. | --- | --- | --- | P | P | --- |
| Repair shops (34-622(c)(40)): | | | | | | | |
| Group I | | --- | --- | P | P | P | --- |
| Groups II, III, IV | | --- | --- | --- | --- | P | --- |
| Group V | | --- | --- | --- | --- | P | --- |
| Research and development laboratories (34-622(c)(41)): | | | | | | | |
| Group I | | --- | --- | P | P | P | --- |
| Group II | | --- | --- | P | P | P | --- |
| Group III | | --- | --- | --- | --- | P | --- |
| Group IV | | --- | --- | P | P | P | --- |
| Restaurant, fast food | 34-1353 | P | P | P | --- | P | --- |
| Restaurants (34-622(c)(43)): | | | | | | | |
| Groups I and III | Note (49) | P | P | P | --- | P | --- |
| Group II | | P | P | P | --- | P | --- |
| Group IV | | --- | P | P | --- | P | --- |

SOUTHWEST FLORIDA INTERNATIONAL AIRPORT (RSW)
AOPD
SCHEDULE OF USES

| | Special Notes or Regulations | Non-Aviation Area | | | | | Future Development Area |
|---|------------------------------------|-----------------------------------|----------|-------------------------|-------------------------|--|-------------------------|
| | | Aviation Area (includes Terminal) | Midfield | C/O Commercial / Office | I/O Industrial / Office | C/I/O Commercial / Industrial / Office | |
| Retail and wholesale sales, when clearly incidental and subordinate to a permitted principal use on the same premises | | P | P | P | P | P | --- |
| Schools: | | | | | | | |
| Commercial (34-622(c)(45)) | 34-2381 | P | P | P | P | P | --- |
| Self-service fuel pumps | Note (24) | P | P | --- | P | P | --- |
| Signs in accordance with chapter 39 | Note (1) | P | P | P | P | P | P |
| Social services (34-622(c)(46)): | | | | | | | |
| Group I | | --- | --- | P | --- | P | --- |
| Group II | | --- | --- | P | --- | P | --- |
| Group III | Note (28) & (47) | --- | --- | P | --- | P | --- |
| Group IV | Note (28) & (47) | --- | --- | P | --- | P | --- |
| Specialty retail shops (34-622(c)(47)): | | | | | | | |
| Group I | | P | P | P | --- | P | --- |
| Group II | | P | P | P | --- | P | --- |
| Group III | | --- | --- | P | --- | P | --- |
| Group IV | | --- | --- | P | --- | P | --- |
| Storage: | | | | | | | |
| Indoor only | Note (1), 34-3001 et seq. | P | P | P | P | P | --- |
| Storage, open | Note (5), 34-3001 et seq., 34-1352 | P | --- | --- | P | P | --- |
| Large-scale storage of noxious or hazardous materials (flammable, toxic, explosive, corrosive, etc.), including liquid petroleum, fractions and distillates thereof, and fuel gases | Note (5), 34-3001 et seq. | P | --- | --- | --- | --- | --- |
| Studios (34-622(c)(49)) | | --- | P | P | P | P | --- |
| Tactical training (6) | 34-2471 | P | --- | --- | --- | --- | P |
| Temporary uses | Note (1), 34-3041 et seq. | P | P | P | P | P | P |
| Theater, indoor | 34-2471 et seq. | --- | --- | P | --- | P | --- |
| Transportation services (34-622(c)(53)): | | | | | | | |
| Group II | | P | --- | --- | P | P | --- |
| Group III | | P | --- | --- | P | P | --- |
| Group IV | | P | --- | --- | P | P | --- |
| Truck stop, trucking terminal | | P | --- | --- | P | P | --- |
| Used merchandise stores (34-622(c)(54)): | | | | | | | |
| Group I | | --- | --- | P | --- | P | --- |
| Groups II, III and IV | | --- | --- | P | --- | P | --- |
| Variety store | | P | P | P | --- | P | --- |
| Vehicle and equipment dealers (34-622(c)(55)): | | | | | | | |
| Groups I, II, and III | 34-1352 | --- | --- | P | --- | P | --- |
| Group IV | 34-1352 | --- | --- | P | P | P | --- |
| Group V | 34-1352 | P | --- | --- | P | --- | --- |
| Warehouse: | | | | | | | |
| High cube | | P | --- | --- | P | P | --- |
| Mini-warehouse | | --- | --- | --- | P | P | --- |
| Private | | P | --- | --- | P | P | --- |
| Public | | P | --- | --- | P | P | --- |
| Cold storage only | | P | --- | --- | P | P | --- |
| Wholesale establishments (34-622(c)(56)): | | | | | | | |
| Groups I, III and IV | | --- | --- | --- | P | P | --- |

Notes:

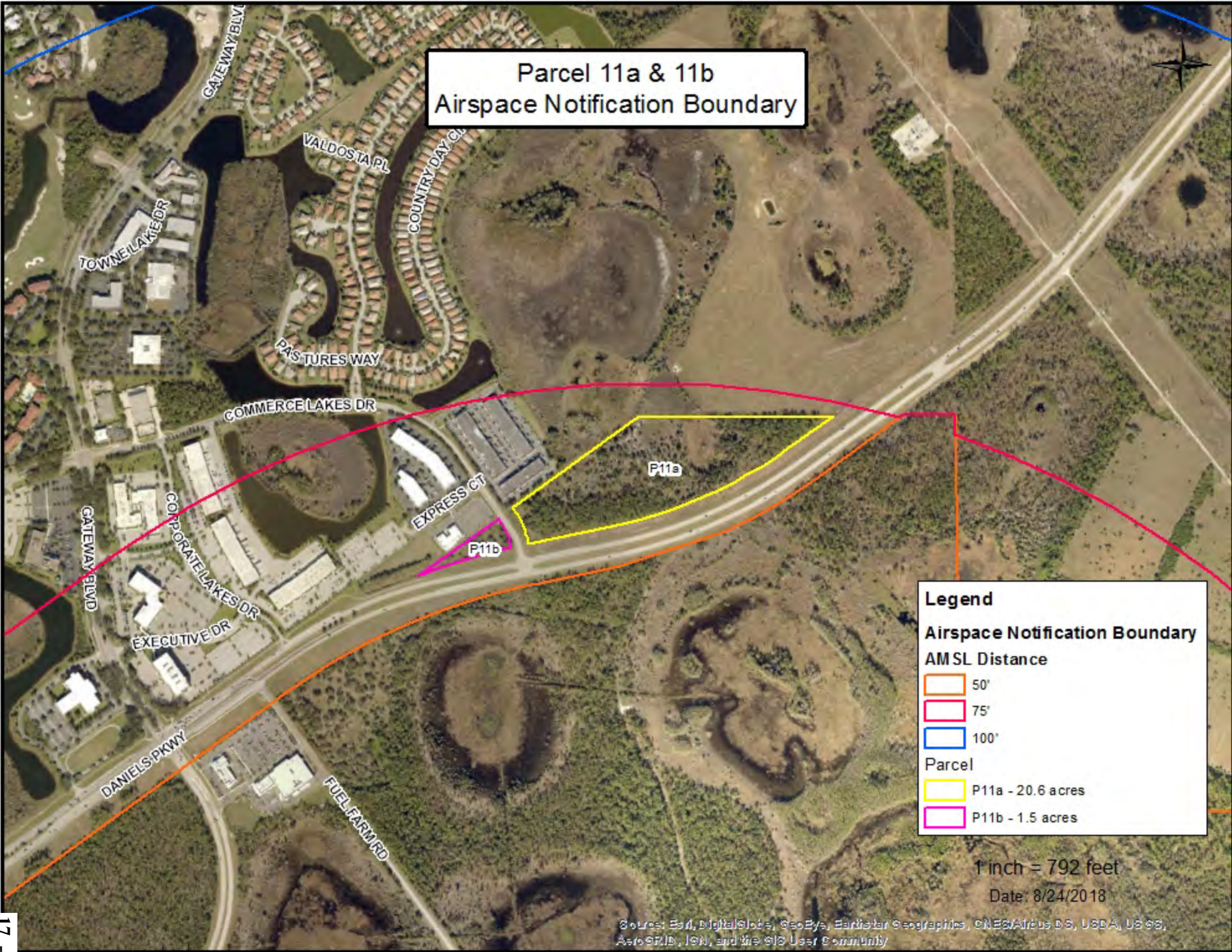
- (1) If use or structure is customarily accessory to an approved permitted use it does not need to be shown on the master concept plan.
- (5) If the use or activity does not conform to the criteria set forth in section 34-938, then it is subject to the setback requirements set forth in sections 34-935(b)(4) and 34-2441 et seq.
- (24) Two pumps are permissible as an accessory use to businesses to provide fuel for their own fleet of vehicles and equipment. Additional pumps require approval of a special exception.
- (28) Not permitted in Airport Noise Zone B.
- (36) Sound attenuating insulation should be considered for hotels and motels in Airport Noise Zone B.
- (47) Not permitted in Coastal High Hazard areas unless in compliance with section 2-435(b)(5)a.
- (49) See section 34-1352

EXHIBIT "D"

PARCEL 11 a & b

AIRSPACE NOTIFICATION BOUNDARY

**Parcel 11a & 11b
Airspace Notification Boundary**



Legend

Airspace Notification Boundary
 AMSL Distance

- 50'
- 75'
- 100'

Parcel

- P11a - 20.6 acres
- P11b - 1.5 acres

1 inch = 792 feet
 Date: 8/24/2018

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

BID TABULATION SHEET

**RFB 19-03, SALE OF SURPLUS REAL PROPERTY
COMMERCE LAKES DRIVE PARCEL
FORT MYERS, FL 33913**

JANUARY 15, 2019, 2:00 P.M.

| Firm Name Address Telephone | 1227 Holdings, LLC Fort Myers Brewing 128111 Commerce Lakes Dr, Suite 28 Fort Myers, FL 33913 |
|---|--|
| One (1) Original, one USB/Flash Drive | Yes |
| Form 1 – Bidder’s Certification | Yes |
| Form 2 – Official Bid Form | Yes |
| <i>Purchase Price</i> | \$2,050,000.00 |
| <i>Provide a Summary of proposed usage (Required by FAA)</i> | Yes |
| Form 3 – Lobbying Affidavit | Yes |
| Form 4 – Public Entity Crimes | Yes |
| Form 5 – Bidders Scrutinized Companies Certification | Yes |
| | |
| Registered with State of Florida | Yes |
| | |
| Highest, most responsive, responsible Bidder | |

1227 Holdings LLC

In reference to RFB #19-03 Sale of Surplus Real Property – Commerce Lakes Dr Parcel

Table of Contents

| | |
|--|--------------|
| Bidder’s Certification | 2 |
| Official Bid Form | 3 |
| Lobbying Affidavit | 4 |
| Public Entity Crimes Form | 5 |
| Bidder’s Scrutinized Companies Certification | 6 |
| Attachment 1 - Detailed Concept Plan (continuation of summary of proposed usage for FAA purposes) | 7-22 |
| Attachment 2 – 1227 Holdings LLC Certificate of Good Standing | 23-24 |
| Attachment 3 – 1227 Holdings LLC 2019 Annual Report | 25-26 |

1227 Holdings LLC is a real estate holding company created by the management team of Fort Myers Brewing for the purpose of building a new facility for Fort Myers Brewing Company.

*Sealed Bid
In reference to RFB #19-03 Sale of Surplus Real Property – Commerce Lakes Dr Parcel
Company Bidding: 1227 Holdings LLC
Project Name: Fort Myers Brewing
Contact: Robert Whyte, III
Address: 12811 Commerce Lakes Dr. Suite 28
Fort Myers, FL 33913
Bids Due: January 15, 2018, 2:00 pm*



PART D – FORMS Note: These forms must be submitted with the Bid submittal.

FORM 1 - BIDDER'S CERTIFICATION

I have carefully examined this Port Authority Bid (RFB 19-03) which includes scope, requirements for submission, general information and the evaluation and award process.

I acknowledge receipt and incorporation of the following addenda, and the cost, if any, of such revisions has been included in the price of the bid.

Addendum # _____ Date: _____ Addendum # _____ Date: _____
Addendum # _____ Date: _____ Addendum # _____ Date: _____

I hereby propose to purchase the entire parcel that is the subject of this Request for Bids. I agree to hold pricing for at least 180 days so that the Authority will have time to properly evaluate this bid and obtain any necessary FAA, Board of Port Commissioners, and Board of County Commissioners approvals to sell the subject parcel. I agree that the Authority terms and conditions (<http://www.flylcpa.com/purchasing/>) herein shall take precedence over any conflicting terms and conditions submitted with the bid and agree to abide by all conditions of this document.

I certify that all information contained in the bid is truthful to the best of my knowledge and belief. I further certify that I am duly authorized to submit this bid on behalf of the company below (if applicable) as its agent and that the company is ready, willing and able to perform if awarded a contract.

I further certify, under oath, that this bid is made without prior understanding, agreement, connection, discussion, or collusion with any other person, company, or corporation submitting a bid for the same product or service; no officer, employee or agent of the Port Authority or of any other Company who is interested in said bid; and that the undersigned executed this Bidder's Certification with full knowledge and understanding of the matters therein contained and was duly authorized to do so.

1227 Holdings, LLC
NAME OF BUSINESS
[Signature]
AUTHORIZED SIGNATURE
Robert E Whyte, III – Managing Member
NAME, TITLE, TYPED
82-4074025
FEDERAL IDENTIFICATION #

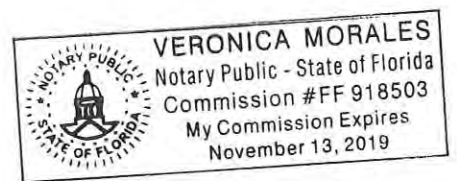
12811 Commerce Lakes Dr Suite 28
MAILING ADDRESS
Fort Myers, FL 33913
CITY, STATE & ZIP CODE
O – 239-313-6576 C- 239-222-9909
TELEPHONE NUMBER / FAX NUMBER
rob@fmbrew.com or jen@fortmyersbrewing.com
EMAIL ADDRESS

State of: Florida
County of: Lee

This foregoing instrument was acknowledged before me this 7 day of January, 2019, by Robert E Whyte III, who is personally known to me or produced _____ as identification.

[Signature]
Signature of Notary

FF918503
Serial/Commission No.





FORM 2 - OFFICIAL BID FORM

BID NO. **RFB 19-03**

BIDDER'S NAME: 1227 Holdings, LLC

DATE: JANUARY 15, 2019

TIME: 2:00 P.M. LOCAL TIME

Purchasing
Lee County Port Authority
Southwest Florida International Airport
11000 Terminal Access Road, Suite 8671
Fort Myers, Florida 33913

Ladies/Gentlemen:

The Undersigned, hereinafter called "BIDDER," having become familiar with the local conditions, nature, and condition of the parcel offered for sale, and having examined carefully the bid documents, including but not limited to, General Information and Conditions, Special Instructions and Requirements, and the Parcel Information, and having fulfilled the bid requirements herein, hereby offer the following price to purchase the subject parcel in full in accordance with the terms of this Request for Bids and within the time limits specified herein for the sale of:

SURPLUS REAL PROPERTY – COMMERCE LAKES DRIVE PARCEL

in full accordance with the specifications prepared in accordance with the Port Authority Request for Bids, and all other documents related thereto on file in the Purchasing Office and, if awarded the contract, to negotiate and execute a Real Estate Sales Agreement within the time limits specified for the total bid price awarded, which is based on the following bid schedule:

BID OFFERED:

| | |
|--------------------|--|
| A. Purchase Price: | \$ <u>2,050,000.00</u> |
| | <u>Two Million Fifty Thousand Dollars and no cents</u> |
| | (written) |

| | |
|---|---|
| B. Provide A Summary of proposed usage (Required by FAA): | <u>Malt beverage manufacturing, tasting room and ancillary commercial, retail and food services. See attached concept plan (attachment 1).</u> <hr/> <hr/> |
|---|---|



FORM 3: LOBBYING AFFIDAVIT

STATE OF: Florida

COUNTY OF: Lee

Robert Edward Whyte III,
being first duly sworn, deposes and says that he or she is the (sole owner) (general partner) (joint venture partner) (president) (secretary) or (authorized representative) (circle one) of 1227 Holdings, LLC (bidder), maker of the attached bid and that neither the bidder nor its agents have lobbied to obtain an award of the Agreement required by this Port Authority Bid from the Lee County Board of Port Commissioners, members of the Airports Special Management Committee, or employees of the Lee County Port Authority, individually or collectively, regarding this Port Authority Bids. The prospective bidder further states that it has complied with the federal regulations concerning lobbying activities contained in 31 U.S.C. 1352 and 49 CFR Part 20 and the Lee County Lobbying Ordinance, No. 03-14.

[Signature]
AFFIANT

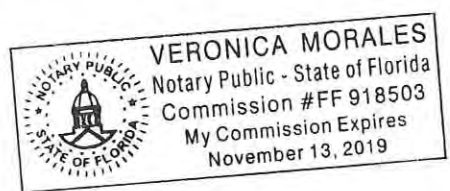
The foregoing instrument was acknowledged before me on January 7, 2019,
by Robert E Whyte III (name of person, officer or agent, title of officer or agent), of
1227 Holdings LLC (corporation or partnership, if applicable), a
FL Limited Liability Company (State of incorporation or partnership, if applicable), on behalf of
the LLC (Corporation or partnership, if applicable). He/She is personally
known to me or has produced _____ as identification.

[Signature]
Signature of person taking acknowledgment

Veronica Morales
Name typed, printed, or stamped

VP manager
(Title or rank)

[Signature] 918503
Signature of Notary (Serial or Commission No.)



NOTE: THIS FORM IS REQUIRED FROM ALL BIDDERS



FORM 4: PUBLIC ENTITY CRIMES FORM

SWORN STATEMENT PURSUANT TO SECTION 287.133(3)(a) FLORIDA STATUTES

A person, affiliate, or corporation who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a bidder, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of thirty-six (36) months from the date of being placed on the convicted vendor list.

The bidder certifies by submission of this form that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any State or Federal entity, department or agency.

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 (ONE) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

BIDDER'S NAME: 1227 Holdings, LLC



FORM 5: BIDDER'S SCRUTINIZED COMPANIES CERTIFICATION

Bidder/Proposer/Consultant hereby certifies under penalties of perjury as of the date of this bid, proposal or letter of qualifications to provide goods and services to the Lee County Port Authority that it has not been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List as defined in Section 287.135, Fla. Stat., is not engaged in business operations in Cuba and Syria; and will not engage in "Boycott Israel" activities, as defined in Section 215.4725 (1)(a) Fla. Stat. (2016) that result in bidder being placed on the Scrutinized Companies that Boycott Israel List created after October 1, 2016 and during the term of any contract awarded under this request for bids.

I further certify that I am duly authorized to submit this certification on behalf of the company as its agent and that the company is ready, willing and able to perform if awarded a contract.

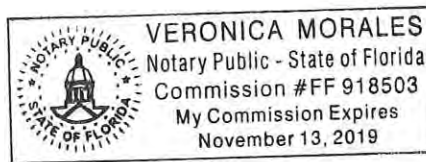
I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT FALSIFICATION OF THIS CERTIFICATION MAY RESULT IN TERMINATION OF THE CONTRACT, DEBARMENT OF THE COMPANY FROM SUBMITTING A BID OR PROPOSAL FOR A PERIOD OF THREE (3) YEARS FROM THE DATE THE CERTIFICATION IS DETERMINED TO BE FALSE, CIVIL PENALTIES, AND THE ASSESSMENT OF ATTORNEY'S FEES AND COSTS AGAINST THE COMPANY. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

[Handwritten Signature]
[Signature]

Notary Public
State of Florida
County of Lee

Sworn to and subscribed before me this 7 day of January, 2019,
by Robert E Whyte III who produced the following as identification
(Type of identification) or is personally known to me. My Commission
Expires Nov 13 2019

[stamp or seal]
[Handwritten Signature]
[Signature of Notary Public]



Veronica morales
[Typed or printed name]

EMAIL (If Available)

Attachment 1: Brewery Concept Plan

Continuation of Summary of Proposed Use (Required by FAA)

*See bound packet (Large Format)
at end of physical document.*

Attachment 2: Certificate of Good Standing

Satisfying Requirement in "Submittal of Bids – Section 5.3"

State of Florida

Department of State

I certify from the records of this office that 1227 HOLDINGS, LLC is a limited liability company organized under the laws of the State of Florida, filed on January 11, 2018.

The document number of this limited liability company is L18000011084.

I further certify that said limited liability company has paid all fees due this office through December 31, 2019, that its most recent annual report was filed on January 3, 2019, and that its status is active.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Third day of January, 2019*



Ken DeFina
Secretary of State

Tracking Number: CC8359089144

To authenticate this certificate, visit the following site, enter this number, and then follow the instructions displayed.

<https://services.sunbiz.org/Filings/CertificateOfStatus/CertificateAuthentication>

Attachment 3: 1227 Holdings Annual Report

Showing Mr. Robert Whyte, III as a duly authorized signer (i.e. Managing Member)

2019 FLORIDA LIMITED LIABILITY COMPANY ANNUAL REPORT

FILED
Jan 03, 2019
Secretary of State
CC8359089144

DOCUMENT# L18000011084

Entity Name: 1227 HOLDINGS, LLC

Current Principal Place of Business:

12811 COMMERCE LAKES DR
SUITE 3
FORT MYERS, FL 33913

Current Mailing Address:

12811 COMMERCE LAKES DR
SUITE 28
FORT MYERS, FL 33913

FEI Number: 82-4074025

Certificate of Status Desired: Yes

Name and Address of Current Registered Agent:

WHYTE, ROBERT III
12811 COMMERCE LAKES DR
SUITE 28
FORT MYERS, FL 33913 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: _____

Electronic Signature of Registered Agent

Date

Authorized Person(s) Detail :

| | | | |
|-----------------|----------------------------------|-----------------|----------------------------------|
| Title | MGR | Title | MGR |
| Name | WHYTE, ROBERT III | Name | GRATZ, JENNIFER |
| Address | 12811 COMMERCE LAKES DR SUITE 28 | Address | 12811 COMMERCE LAKES DR SUITE 28 |
| City-State-Zip: | FORT MYERS FL 33913 | City-State-Zip: | FORT MYERS FL 33913 |

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am a managing member or manager of the limited liability company or the receiver or trustee empowered to execute this report as required by Chapter 605, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: ROBERT WHYTE III

MANAGING MEMBER

01/03/2019

Electronic Signature of Signing Authorized Person(s) Detail

Date

This document prepared by:

Lee County Attorney's Office
Post Office Box 398
Fort Myers, Florida 33902-0398

STRAP No.: 19-45-26-00-00002.0000

REAL ESTATE SALES AGREEMENT

THIS AGREEMENT for real estate purchase and sale is made this _____ day of _____, 2019, between LEE COUNTY, a political subdivision of the State of Florida (Seller), and 1227 HOLDINGS, LLC, (Buyer) whose address is 12811 Commerce Lakes Drive, Ste. 28, Fort Myers, FL 33913, as follows:

1. **AGREEMENT TO SELL AND PURCHASE:** Seller agrees to sell and Buyer agrees to purchase, subject to the terms and conditions set forth below, all right, title and interest in that certain parcel of land located in Lee County, Florida, and legally described in "Exhibit A" attached to this agreement.

2. **PURCHASE PRICE:** The purchase price for the property will be \$2,050,000.00, payable by certified U. S. funds at closing.

3. **DEPOSIT:** Seller acknowledges receipt of \$_____ from Buyer as a deposit that will be credited against the purchase price at closing.

4. **TITLE:** At closing, Seller will convey to Buyer title to the property by Statutory County Deed. The parties understand and agree that Buyer is purchasing the property in an "as is" condition and no express or implied warranties or guarantees exist with respect to marketable title or the ability of Buyer to obtain title insurance on the property. Buyer acknowledges responsibility for any inquiries or investigations regarding property title. The parties also agree that Seller has no obligation or liability for the cost to correct any deficiencies discovered by Buyer through investigation or inquiry.

5. **INSPECTION/TERMINATION:** Buyer has a thirty (30) day inspection and termination period that commences on the date this agreement is executed by the Buyer. During that period, Buyer may perform any inspections or other types of inquiries on or concerning the property at Buyer's sole expense. Buyer may, as a result of inspection or inquiry, terminate this agreement within thirty (30) days of execution by delivering written notice to the County stating, with specificity, the basis of the Buyer's decision to terminate. Upon appropriate termination by the Buyer, the Seller will return Buyer's deposit and no further obligations will exist under this agreement.

6. **SPECIAL CONDITIONS:** The parties acknowledge that this Sales Agreement is contingent on approval of the sale by the Federal Aviation Administration (FAA) and the issuance of a Deed of Release.

7. **DOCUMENTS AND EXPENSES:** Seller will prepare and execute the Statutory Deed. Buyer is responsible for all other costs resulting under this agreement including but not limited to documentary stamps on deeds, survey or audit costs, special assessment costs that become payable after closing, broker's fees, and other types of closing costs.

8. **TIME AND BINDING AGREEMENT:**

- a. Time is of the essence for closing this transaction.
- b. Buyer's written acceptance of this offer constitutes a binding agreement between the parties, their successors and assigns for the purchase and sale of the property.

9. **FAILURE OF PERFORMANCE; ATTORNEY'S FEES:**

- a. If the Buyer alone defaults or otherwise fails to perform under this agreement, the parties agree Seller may, after providing written notice to Buyer as to default, retain all deposits paid by Buyer as the agreed upon liquidated damages, consideration for this agreement and as full settlement of any claims. Thereafter, both parties are relieved of any further obligation under this agreement.
- b. If Seller alone defaults or otherwise fails to perform under this agreement, after thirty (30) days written notice from the Buyer to Seller concerning the default, the parties agree Buyer may terminate this agreement and receive a refund of any deposits paid to Seller as agreed upon damages and full settlement of any claims. Thereafter, both parties are relieved of any further obligations under this agreement.
- c. The prevailing party in any litigation arising out of this agreement is entitled to receive reasonable attorney's fees.

10. **REAL ESTATE BROKERS:** Buyer hereby agrees to indemnify and hold the Seller harmless from and against any claims of a real estate broker claiming by or through Buyer.

11. **CLOSING:** Closing shall take place during normal business hours at such location as Seller may select, within fifteen (15) days after the date the Board of County Commissioners awards the sale of subject property to the Buyer, executes this agreement, and the FAA issues its Deed of Release.

12. **ASSIGNMENT:** The Buyer may not transfer or assign this real estate contract absent express written approval by Lee County acting through its Board of County Commissioners.

13. **AMENDMENT, OTHER AGREEMENTS:** Any amendments to the provisions of this agreement must be in writing, attached and incorporated into this document and signed or initialed by all parties. This agreement represents the entire agreement between the parties.

IN WITNESS WHEREOF, the Lee County Board of County Commissioners and Buyer have executed this Agreement as of the date and year first above written.

Witness

1227 HOLDINGS, LLC

Printed Name of Witness

Witness

Buyer (Date)

Printed Name of Witness

Printed Name of Buyer

ATTEST: LINDA DOGGETT
CLERK OF COURTS

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

BY: _____
Deputy Clerk

BY: _____
Chairman

APPROVED AS TO FORM:

BY: _____
Office of the County Attorney

I:\DOCS\SPP\005173\11M6289.WPD

EXHIBIT "A"

PARCEL B

A PARCEL OF LAND IN SECTIONS 17 AND 18, TOWNSHIP 45 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA, BEING A PORTION OF "PARCEL 35" AS DESCRIBED IN OFFICIAL RECORDS BOOK 1399, PAGE 1901, OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, AND BEING DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE COMMENCE AT THE SOUTH 1/4 CORNER OF SECTION 17, TOWNSHIP 45 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA; THENCE RUN N 01° 00' 01" W, ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 17, ALSO BEING THE EAST LINE OF "PARCEL 35" AS DESCRIBED IN OFFICIAL RECORDS BOOK 1399, PAGE 1901, OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, 2663.67 FEET TO THE NORTHEAST CORNER OF SAID SOUTHWEST 1/4; THENCE S 89° 30' 41" W, ALONG THE NORTH LINE OF SAID SOUTHWEST 1/4, AND THE NORTH LINE OF SAID "PARCEL 35", A DISTANCE OF 808.27 FEET TO AN INTERSECTION WITH THE NORTHERLY LINE OF "PARCEL 6" OF THAT CERTAIN RELEASE GRANTED TO THE LEE COUNTY PORT AUTHORITY BY THE FEDERAL AVIATION ADMINISTRATION DATED JULY 12, 1990 AND THE POINT OF BEGINNING; THENCE CONTINUE S 89° 30' 41" W, ALONG THE NORTH LINE OF SAID SOUTHWEST 1/4, AND THE NORTH LINE OF SAID "PARCEL 35", A DISTANCE OF 1302.29 FEET; THENCE S 53° 57' 54" W, ALONG THE NORTHWESTERLY LINE OF SAID "PARCEL 35", A DISTANCE OF 1025.93 FEET TO AN INTERSECTION WITH THE EASTERLY LINE OF A NORTHWESTERLY PROTRUSION OF AFORESAID "PARCEL 6"; THENCE S 36° 01' 14" E, ALONG SAID EASTERLY LINE, 62.78 FEET TO THE POINT OF CURVATURE OF A CURVE, CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 300.00 FEET; THENCE SOUTHEASTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 23° 31' 07", A DISTANCE OF 123.14 FEET TO THE POINT OF TANGENCY; THENCE S 12° 30' 05" E, A DISTANCE OF 80.71 FEET TO AFORESAID NORTHERLY LINE OF "PARCEL 6"; THENCE N 77° 59' 42" E, ALONG SAID NORTHERLY LINE, 566.16 FEET TO THE POINT OF CURVATURE OF A CURVE, CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 3114.04 FEET; THENCE NORTHEASTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 24° 00' 00", A DISTANCE OF 1304.41 FEET TO A POINT OF TANGENCY; THENCE N 53° 59' 42" E, A DISTANCE OF 359.18 FEET TO THE POINT OF BEGINNING.

SAID PARCEL B CONTAINING 20.64 ACRES (MORE OR LESS)

PARCEL C

A PARCEL OF LAND IN SECTION 18, TOWNSHIP 45 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA, BEING A PORTION OF "PARCEL 35" AS DESCRIBED IN OFFICIAL RECORDS BOOK 1399, PAGE 1901, OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, AND BEING DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE COMMENCE AT THE SOUTH 1/4 CORNER OF SECTION 17, TOWNSHIP 45 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA; THENCE RUN N 01° 00' 01" W, ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 17, ALSO BEING THE EAST LINE OF "PARCEL 35" AS DESCRIBED IN OFFICIAL RECORDS BOOK 1399, PAGE 1901, OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, 2663.67 FEET TO THE NORTHEAST CORNER OF SAID SOUTHWEST 1/4; THENCE S 89° 30' 41" W, ALONG THE NORTH LINE OF SAID SOUTHWEST 1/4, AND THE NORTH LINE OF SAID "PARCEL 35", A DISTANCE OF 2110.56 FEET; THENCE S 53° 57' 54" W, ALONG THE NORTHWESTERLY LINE OF SAID "PARCEL 35", A DISTANCE OF 1145.94 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE S 53° 57' 54" W, ALONG THE NORTHWESTERLY LINE OF SAID "PARCEL 35", A DISTANCE OF 654.96 FEET TO AN INTERSECTION WITH THE NORTHERLY LINE OF "PARCEL 6" OF THAT CERTAIN RELEASE GRANTED TO THE LEE COUNTY PORT AUTHORITY BY THE FEDERAL AVIATION ADMINISTRATION DATED JULY 12, 1990 AND A POINT ON A NON-TANGENT CURVE, CONCAVE TO THE SOUTH, HAVING A RADIUS OF 4743.66 FEET, THROUGH WHICH A RADIAL LINE PASSES BEARING N 20° 58' 38" W; THENCE EASTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 07° 45' 57", A DISTANCE OF 642.96 FEET TO AN INTERSECTION WITH THE WESTERLY LINE OF A NORTHWESTERLY PROTRUSION OF AFORESAID "PARCEL 6"; THENCE N 12° 30' 05" W, ALONG SAID WESTERLY LINE, 80.87 FEET TO THE POINT OF CURVATURE OF A CURVE, CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 180.00 FEET; THENCE NORTHWESTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 23° 31' 09", A DISTANCE OF 73.89 FEET TO A POINT OF TANGENCY; THENCE N 36° 01' 14" W, 62.57 FEET TO THE POINT OF BEGINNING.

SAID PARCEL C CONTAINING 1.51 ACRES (MORE OR LESS)

BOARD OF PORT COMMISSIONERS OF THE LEE COUNTY PORT AUTHORITY

1. **REQUESTED MOTION/PURPOSE:** Request Board convene as Board of County Commissioners to declare property as surplus and approve sale per award of RFB #19-03, Sale of Surplus Real Property – Commerce Lakes Drive Parcel to 1227 Holdings, LLC, the sole bidder, in the amount of \$2,050,000.00; authorize the Chair or Vice-Chair to execute a real estate sales agreement and all necessary closing documents for the sale; and direct Department of Community Development to initiate the necessary Comprehensive Plan amendments from Airport Lands Future Land Use Category to New Community Future Land Use Category (including any necessary text amendments) or other appropriate Category to reflect the change to the airport boundaries in accordance with Lee Plan Policy 1.1.12.
2. **FUNDING SOURCE:** N/A
3. **TERM:** N/A
4. **WHAT ACTION ACCOMPLISHES:** Authorizes sale of approximately 22.14 acre Commerce Lakes Drive Parcel as surplus property following solicitation of competitive bids and receipt of May 2, 2019, Letter of Release (AIP Grant-Obligated Land), from the Federal Aviation Administration.

5. **CATEGORY:** 18.
Administrative Agenda

6. **ASMC MEETING DATE:**

7. **BoPC MEETING DATE:** 6/27/2019

8. **AGENDA:**

- CEREMONIAL/PUBLIC PRESENTATION
- CONSENT
- ADMINISTRATIVE

9. **REQUESTOR OF INFORMATION:**
(ALL REQUESTS)

NAME Gregory S. Hagen

DIV. Port Attorney

10. **BACKGROUND:**

On December 19, 2018, the Port Authority advertised Request for Bids (RFB) 19-03 seeking competitive bids for the Sale of Surplus Real Property, an approximately 22.14 acre Commerce Lakes Drive Parcel, located north of the Southwest Florida International Airport ("Airport"). The Parcel actually consists of two smaller parcels located on opposite corners of Commerce Lakes Drive and separated from the north side of the Airport by Daniels Parkway.

While the Parcel was acquired by Lee County as part of the original Airport land acquisition and has remained in the Airport lands inventory since its acquisition, Port Authority staff has determined it is not needed for aviation purposes and has been unsuccessful in leasing the Parcel for a non-aviation use. Staff has therefore requested and received a Letter of Release from the Federal Aviation Administration that releases the Parcel from the FAA's Grant Obligations and authorizes its sale as surplus property on certain conditions.

11. **RECOMMENDED APPROVAL**

| | | | | | |
|-----------------------------|------------------------------|-------|---------|---------------|--------------------|
| <u>DEPUTY EXEC DIRECTOR</u> | COMMUNICATIONS AND MARKETING | OTHER | FINANCE | PORT ATTORNEY | EXECUTIVE DIRECTOR |
|-----------------------------|------------------------------|-------|---------|---------------|--------------------|

12. **SPECIAL MANAGEMENT COMMITTEE RECOMMENDATION:**

- APPROVED
- APPROVED as AMENDED
- DENIED
- OTHER

13. **PORT AUTHORITY ACTION:**

- APPROVED
- APPROVED as AMENDED
- DENIED
- DEFERRED to
- OTHER

Background (continued)

RFB 19-03 was advertised in accord with Section 125.35, Florida Statutes and federal law. On January 15, 2019, the Port Authority received a single bid from 1227 Holdings, LLC, in the amount of \$2,050,000.00. The bid amount exceeds the minimum bid amount set out in the Request for Bids and the most recent appraised value for the Parcel.

Staff therefore recommends the Board of County Commissioners declare the property surplus and authorize the Chair or Vice-Chair to execute a Real Estate Sales Agreement, in substantially the attached form, together with all closing documents necessary to complete sale of the Parcel.

Lee Plan Policy 1.1.12 provides that if the airport master planning process precipitates a change to the airport boundaries, or a substantive change to development intensities, the Port Authority will initiate the appropriate amendment to reflect such changes. The sale of the property will remove the Parcel from the Airport inventory and will necessitate a Comprehensive Plan amendment to reflect that change. If directed, DCD Staff will work with the Purchaser to identify the appropriate Future Land Use Category. The Purchaser will be required to rezone the property to an appropriate Planned Development.

The Purchaser has agreed to submit the necessary rezoning application and process the application in good faith. Unless agreed upon by the Parties, the anticipated rezoning application must be submitted and deemed sufficient by County Zoning Staff no later than November 30, 2021.

Attachment: Draft Real Estate Sales Agreement

| | | |
|--------------------------------------|--|--------------------------------|
| Blue Sheet No. <System Generated> | Lee County Board Of County Commissioners Agenda Item Report Meeting Date: <u>6/27/2019</u> | Item No. <System Generated> |
|--------------------------------------|--|--------------------------------|

TITLE: Sale of Surplus Airport Property – Commerce Lakes Parcel

ACTION REQUESTED: Request Board convene as Board of County Commissioners to declare property as surplus and approve sale per award of RFB #19-03, Sale of Surplus Real Property – Commerce Lakes Drive Parcel to 1227 Holdings, LLC, the sole bidder, in the amount of \$2,050,000.00; authorize the Chair or Vice-Chair to execute a real estate sales agreement and all necessary closing documents for the sale; and direct Department of Community Development to initiate the necessary Comprehensive Plan amendments from Airport Lands Future Land Use Category to New Community Future Land Use Category (including any necessary text amendments) or other appropriate Category to reflect the change to the airport boundaries in accordance with Lee Plan Policy 1.1.12.

FUNDING: N/A

WHAT ACTION ACCOMPLISHES: Authorizes sale of approximately 22.14 acre Commerce Lakes Drive Parcel as surplus property following solicitation of competitive bids and receipt of May 2, 2019, Letter of Release (AIP Grant-Obligated Land), from the Federal Aviation Administration.

MANAGEMENT RECOMMENDATION: Approve

| | |
|---|--|
| Requirement/Purpose: (specify) | Request Initiated |
| <input type="checkbox"/> Statute <input type="checkbox"/> Ordinance <input type="checkbox"/> Admin Code <input type="checkbox"/> Other | Commissioner: Department: County Attorney Division: By: Gregory S. Hagen  |

Background:

On December 19, 2018, the Port Authority advertised Request for Bids (RFB) 19-03 seeking competitive bids for the Sale of Surplus Real Property, an approximately 22.14 acre Commerce Lakes Drive Parcel, located north of the Southwest Florida International Airport (“Airport”). The Parcel actually consists of two smaller parcels located on opposite corners of Commerce Lakes Drive and separated from the north side of the Airport by Daniels Parkway.

While the Parcel was acquired by Lee County as part of the original Airport land acquisition and has remained in the Airport lands inventory since its acquisition, Port Authority staff has determined it is not needed for aviation purposes and has been unsuccessful in leasing the Parcel for a non-aviation use. Staff has therefore requested and received a Letter of Release from the Federal Aviation Administration that releases the Parcel from the FAA’s Grant Obligations and authorizes its sale as surplus property on certain conditions.

RFB 19-03 was advertised in accord with Section 125.35, Florida Statutes and federal law. On January 15, 2019, the Port Authority received a single bid from 1227 Holdings, LLC, in the amount of \$2,050,000.00. The bid amount exceeds the minimum bid amount set out in the Request for Bids and the most recent appraised value for the Parcel.

11. Required Review:

| | | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|
| <Signature> | <Signature> | <Signature> | <Signature> | <Signature> | <Signature> |
| <Department> | <Department> | <Department> | <Department> | <Department> | <Department> |
| <Signature> | <Signature> | <Signature> | <Signature> | <Signature> | <Signature> |
| <Department> | <Department> | <Department> | <Department> | <Department> | <Department> |

Staff therefore recommends the Board of County Commissioners declare the property surplus and authorize the Chair or Vice-Chair to execute a Real Estate Sales Agreement, in substantially the attached form, together with all closing documents necessary to complete sale of the Parcel.

Lee Plan Policy 1.1.12 provides that if the airport master planning process precipitates a change to the airport boundaries, or a substantive change to development intensities, the Port Authority will initiate the appropriate amendment to reflect such changes. The sale of the property will remove the Parcel from the Airport inventory and will necessitate a Comprehensive Plan amendment to reflect that change. If directed, DCD Staff will work with the Purchaser to identify the appropriate Future Land Use Category. The Purchaser will be required to rezone the property to an appropriate Planned Development.

The Purchaser has agreed to submit the necessary rezoning application and process the application in good faith. Unless agreed upon by the Parties, the anticipated rezoning application must be submitted and deemed sufficient by County Zoning Staff no later than November 30, 2021.

Attachment: Draft Real Estate Sales Agreement

This document prepared by:

Lee County Attorney's Office
Post Office Box 398
Fort Myers, Florida 33902-0398

STRAP No.: 19-45-26-00-00002.0000

REAL ESTATE SALES AGREEMENT

THIS AGREEMENT for real estate purchase and sale is made this _____ day of _____, 2019, between LEE COUNTY, a political subdivision of the State of Florida (Seller), and 1227 HOLDINGS, LLC, (Buyer) whose address is 12811 Commerce Lakes Drive, Ste. 28, Fort Myers, FL 33913, as follows:

1. **AGREEMENT TO SELL AND PURCHASE:** Seller agrees to sell and Buyer agrees to purchase, subject to the terms and conditions set forth below, all right, title and interest in that certain parcel of land located in Lee County, Florida, and legally described in "Exhibit A" attached to this agreement.

2. **PURCHASE PRICE:** The purchase price for the property will be \$2,050,000.00, payable by certified U. S. funds at closing.

3. **DEPOSIT:** Seller acknowledges receipt of \$_____ from Buyer as a deposit that will be credited against the purchase price at closing.

4. **TITLE:** At closing, Seller will convey to Buyer title to the property by Statutory County Deed. The parties understand and agree that Buyer is purchasing the property in an "as is" condition and no express or implied warranties or guarantees exist with respect to marketable title or the ability of Buyer to obtain title insurance on the property. Buyer acknowledges responsibility for any inquiries or investigations regarding property title. The parties also agree that Seller has no obligation or liability for the cost to correct any deficiencies discovered by Buyer through investigation or inquiry.

5. **INSPECTION/TERMINATION:** Buyer has a thirty (30) day inspection and termination period that commences on the date this agreement is executed by the Buyer. During that period, Buyer may perform any inspections or other types of inquiries on or concerning the property at Buyer's sole expense. Buyer may, as a result of inspection or inquiry, terminate this agreement within thirty (30) days of execution by delivering written notice to the County stating, with specificity, the basis of the Buyer's decision to terminate. Upon appropriate termination by the Buyer, the Seller will return Buyer's deposit and no further obligations will exist under this agreement.

6. **SPECIAL CONDITIONS:** The parties acknowledge that this Sales Agreement is contingent on approval of the sale by the Federal Aviation Administration (FAA) and the issuance of a Deed of Release.

7. **DOCUMENTS AND EXPENSES:** Seller will prepare and execute the Statutory Deed. Buyer is responsible for all other costs resulting under this agreement including but not limited to documentary stamps on deeds, survey or audit costs, special assessment costs that become payable after closing, broker's fees, and other types of closing costs.

8. **TIME AND BINDING AGREEMENT:**

- a. Time is of the essence for closing this transaction.
- b. Buyer's written acceptance of this offer constitutes a binding agreement between the parties, their successors and assigns for the purchase and sale of the property.

9. **FAILURE OF PERFORMANCE; ATTORNEY'S FEES:**

- a. If the Buyer alone defaults or otherwise fails to perform under this agreement, the parties agree Seller may, after providing written notice to Buyer as to default, retain all deposits paid by Buyer as the agreed upon liquidated damages, consideration for this agreement and as full settlement of any claims. Thereafter, both parties are relieved of any further obligation under this agreement.
- b. If Seller alone defaults or otherwise fails to perform under this agreement, after thirty (30) days written notice from the Buyer to Seller concerning the default, the parties agree Buyer may terminate this agreement and receive a refund of any deposits paid to Seller as agreed upon damages and full settlement of any claims. Thereafter, both parties are relieved of any further obligations under this agreement.
- c. The prevailing party in any litigation arising out of this agreement is entitled to receive reasonable attorney's fees.

10. **REAL ESTATE BROKERS:** Buyer hereby agrees to indemnify and hold the Seller harmless from and against any claims of a real estate broker claiming by or through Buyer.

11. **CLOSING:** Closing shall take place during normal business hours at such location as Seller may select, within fifteen (15) days after the date the Board of County Commissioners awards the sale of subject property to the Buyer, executes this agreement, and the FAA issues its Deed of Release.

12. **ASSIGNMENT:** The Buyer may not transfer or assign this real estate contract absent express written approval by Lee County acting through its Board of County Commissioners.

13. **AMENDMENT, OTHER AGREEMENTS:** Any amendments to the provisions of this agreement must be in writing, attached and incorporated into this document and signed or initialed by all parties. This agreement represents the entire agreement between the parties.

IN WITNESS WHEREOF, the Lee County Board of County Commissioners and Buyer have executed this Agreement as of the date and year first above written.

Witness

1227 HOLDINGS, LLC

Printed Name of Witness

Witness

Buyer (Date)

Printed Name of Witness

Printed Name of Buyer

ATTEST: LINDA DOGGETT
CLERK OF COURTS

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

BY: _____
Deputy Clerk

BY: _____
Chairman

APPROVED AS TO FORM:

BY: _____
Office of the County Attorney

I:\DOCS\SPP\005173\11M6289.WPD

EXHIBIT "A"

PARCEL B

A PARCEL OF LAND IN SECTIONS 17 AND 18, TOWNSHIP 45 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA, BEING A PORTION OF "PARCEL 35" AS DESCRIBED IN OFFICIAL RECORDS BOOK 1399, PAGE 1901, OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, AND BEING DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE COMMENCE AT THE SOUTH 1/4 CORNER OF SECTION 17, TOWNSHIP 45 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA; THENCE RUN N 01° 00' 01" W, ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 17, ALSO BEING THE EAST LINE OF "PARCEL 35" AS DESCRIBED IN OFFICIAL RECORDS BOOK 1399, PAGE 1901, OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, 2663.67 FEET TO THE NORTHEAST CORNER OF SAID SOUTHWEST 1/4; THENCE S 89° 30' 41" W, ALONG THE NORTH LINE OF SAID SOUTHWEST 1/4, AND THE NORTH LINE OF SAID "PARCEL 35", A DISTANCE OF 808.27 FEET TO AN INTERSECTION WITH THE NORTHERLY LINE OF "PARCEL 6" OF THAT CERTAIN RELEASE GRANTED TO THE LEE COUNTY PORT AUTHORITY BY THE FEDERAL AVIATION ADMINISTRATION DATED JULY 12, 1990 AND THE POINT OF BEGINNING; THENCE CONTINUE S 89° 30' 41" W, ALONG THE NORTH LINE OF SAID SOUTHWEST 1/4, AND THE NORTH LINE OF SAID "PARCEL 35", A DISTANCE OF 1302.29 FEET; THENCE S 53° 57' 54" W, ALONG THE NORTHWESTERLY LINE OF SAID "PARCEL 35", A DISTANCE OF 1025.93 FEET TO AN INTERSECTION WITH THE EASTERLY LINE OF A NORTHWESTERLY PROTRUSION OF AFORESAID "PARCEL 6"; THENCE S 36° 01' 14" E, ALONG SAID EASTERLY LINE, 62.78 FEET TO THE POINT OF CURVATURE OF A CURVE, CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 300.00 FEET; THENCE SOUTHEASTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 23° 31' 07", A DISTANCE OF 123.14 FEET TO THE POINT OF TANGENCY; THENCE S 12° 30' 05" E, A DISTANCE OF 80.71 FEET TO AFORESAID NORTHERLY LINE OF "PARCEL 6"; THENCE N 77° 59' 42" E, ALONG SAID NORTHERLY LINE, 566.16 FEET TO THE POINT OF CURVATURE OF A CURVE, CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 3114.04 FEET; THENCE NORTHEASTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 24° 00' 00", A DISTANCE OF 1304.41 FEET TO A POINT OF TANGENCY; THENCE N 53° 59' 42" E, A DISTANCE OF 359.18 FEET TO THE POINT OF BEGINNING.

SAID PARCEL B CONTAINING 20.64 ACRES (MORE OR LESS)

PARCEL C

A PARCEL OF LAND IN SECTION 18, TOWNSHIP 45 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA, BEING A PORTION OF "PARCEL 35" AS DESCRIBED IN OFFICIAL RECORDS BOOK 1399, PAGE 1901, OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, AND BEING DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE COMMENCE AT THE SOUTH 1/4 CORNER OF SECTION 17, TOWNSHIP 45 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA; THENCE RUN N 01° 00' 01" W, ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 17, ALSO BEING THE EAST LINE OF "PARCEL 35" AS DESCRIBED IN OFFICIAL RECORDS BOOK 1399, PAGE 1901, OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, 2663.67 FEET TO THE NORTHEAST CORNER OF SAID SOUTHWEST 1/4; THENCE S 89° 30' 41" W, ALONG THE NORTH LINE OF SAID SOUTHWEST 1/4, AND THE NORTH LINE OF SAID "PARCEL 35", A DISTANCE OF 2110.56 FEET; THENCE S 53° 57' 54" W, ALONG THE NORTHWESTERLY LINE OF SAID "PARCEL 35", A DISTANCE OF 1145.94 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE S 53° 57' 54" W, ALONG THE NORTHWESTERLY LINE OF SAID "PARCEL 35", A DISTANCE OF 654.96 FEET TO AN INTERSECTION WITH THE NORTHERLY LINE OF "PARCEL 6" OF THAT CERTAIN RELEASE GRANTED TO THE LEE COUNTY PORT AUTHORITY BY THE FEDERAL AVIATION ADMINISTRATION DATED JULY 12, 1990 AND A POINT ON A NON-TANGENT CURVE, CONCAVE TO THE SOUTH, HAVING A RADIUS OF 4743.66 FEET, THROUGH WHICH A RADIAL LINE PASSES BEARING N 20° 58' 38" W; THENCE EASTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 07° 45' 57", A DISTANCE OF 642.96 FEET TO AN INTERSECTION WITH THE WESTERLY LINE OF A NORTHWESTERLY PROTRUSION OF AFORESAID "PARCEL 6"; THENCE N 12° 30' 05" W, ALONG SAID WESTERLY LINE, 80.87 FEET TO THE POINT OF CURVATURE OF A CURVE, CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 180.00 FEET; THENCE NORTHWESTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 23° 31' 09", A DISTANCE OF 73.89 FEET TO A POINT OF TANGENCY; THENCE N 36° 01' 14" W, 62.57 FEET TO THE POINT OF BEGINNING.

SAID PARCEL C CONTAINING 1.51 ACRES (MORE OR LESS)