

City of Marco Island Florida



BIDDING DOCUMENTS FOR:

**CITY OF MARCO ISLAND SURPLUS REAL PROPERTY
1825 Mainsail Drive
Naples, FL 34114**

ITB 2021-031

July 29, 2021

CITY OF MARCO ISLAND
Lina Upham, CPPB
Purchasing and Risk Manager
Deputy City Clerk
50 Bald Eagle Drive
Marco Island, Florida 34145
Email: LUpham@cityofmarcoisland.com
Phone: (239) 389-5011

CITY OF MARCO ISLAND SURPLUS PROPERTY
1825 Mainsail Dr, Naples, FL 34115
ITB 2021-031

TABLE OF CONTENTS

A. PUBLIC NOTICE/ LEGAL ADVERTISEMENT3

B. ENCLOSURES TO BE SUBMITTED WITH BID4

C. BID CONDITIONS5

D. BID FORM9

E. CONTRACT FOR SALE AND PURCHASE AND DEPOSIT RECEIPT10

 Exhibit "A" – Legal Description of the Property16

 Exhibit "B" – Appraisal of Real Property by Integra Realty Resources17

A. PUBLIC NOTICE/ LEGAL ADVERTISEMENT

PUBLIC NOTICE
MARCO ISLAND, FLORIDA
INVITATION TO BID

Sale of Surplus Real Property: 1825 Mainsail Dr., Naples, FL 34114
ITB # 2021-031

Notice is hereby given that City of Marco Island has surplus real property which will be sold through a sealed bid process to the highest bidder. Sealed bid proposals will be received by the City Clerk, City of Marco Island, 50 Bald Eagle Drive, Marco Island, Florida 34145, until 2:00 PM (EST) on September 2, 2021.

GENERAL DESCRIPTION – PLEASE REFER TO THE FULL BID DOCUMENT FOR DETAILED INFORMATION

The subject surplus real property is located at 1825 Mainsail Dr., Naples, Collier County, Florida 34114; Tax ID 59430520004.

The minimum bid amount is \$750,000.00. Any bids for less than the minimum bid amount will be considered counterproposals and will be deemed nonresponsive and rejected.

Each respondent is expected to conduct its own due diligence.

Information and Bidding Documents can be obtained by downloading from www.demandstar.com or www.cityofmarcoisland.com Please direct questions to Lina Upham, Purchasing and Risk Manager/Deputy City Clerk at: LUpham@cityofmarcoisland.com; or (239) 389-5011; or 50 Bald Eagle Drive, Marco Island, Florida 34145.

Dated this July 29, 2021

By: Michael A. McNees, City Manager

Published in Naples Daily News on 8/3/2021

B. ENCLOSURES TO BE SUBMITTED WITH BID

NOTICE: PLEASE CHECK BOXES AND INCLUDE THE RELEVANT INSTRUMENT WITH THE BID. Bids submitted without the relevant instrument and any required attachments will be considered incomplete and **non-responsive**.

- ☐ Completed and signed Bid Form
- ☐ Completed and signed Contract for Sale and Purchase and Deposit Receipt.
- ☐ Certified check, cashier's check or irrevocable letter of credit from a financial institution as defined by Section 655.005, Florida Statutes, made payable to the CITY OF MARCO ISLAND equal to ten percent (10%) of the bid amount.

Please note the following:

- Ensure that the name of the individual or entity purchasing the property is properly and uniformly written (as it should appear on the deed) on: (a) the Bid Form; (b) Page One (1) of the Contract for Sale and Purchase and Deposit Receipt; and (c) the Signature Page of the Contract for Sale and Purchase and Deposit Receipt.
- If the buyer is an entity such as a general partnership, corporation, limited liability company, limited liability partnership or other organization that is not a natural person, please make sure that the individual signing on behalf of the entity is authorized to do so and that his/her title matches the title on record with, for example, the Florida Department of State's Division of Corporations (or similar governmental entity having jurisdiction over such matters in the jurisdiction in which the entity was formed).

C. BID CONDITIONS

Respondents to this solicitation or person acting on their behalf may not contact between the release of the solicitation and the end of 72-hour period following the agency posting the notice of intended award, excluding weekends and state holidays, any employee or officer of the executive or legislative branch concerning any aspects of this solicitation, except in writing to the procurement officer as provided in this solicitation document. Violation of this provision may be grounds for disqualification.

Sealed bids will be received by the CITY OF MARCO ISLAND, (hereinafter referred to as "CITY"), from prospective buyers (each prospective buyer is hereinafter referred to as "BIDDER") for the real property described below.

LEGAL DESCRIPTION OF PROPERTY

The real property which is located at 1825 Mainsail Dr., Naples, Collier County, Florida 34114; Tax ID 59430520004, and is more particularly described in attached EXHIBIT "A."

The minimum bid amount is \$750,000.00. Any bids for less than the minimum bid amount will be considered counterproposals and will be deemed nonresponsive and rejected.

TIMELINE

Advertisement in Naples Daily News	August 3, 2021
Questions due	August 19, 2021, 5 PM (EST)
Estimate for responses to questions	August 24, 2021, 5 PM (EST)
Submittals are due	September 2, 2021, 2 PM (EST)

CONDITIONS OF SALE

Sale of this property shall be by quitclaim deed (including improvements) on an "as is," "where is" basis. The BIDDER agrees to take title to the property subject to any special liens or assessments, comprehensive land use plans, zoning, restrictions, prohibitions, permits, leases, tenancies and encumbrances affecting the property, and other requirements or liens imposed by governmental authority; restrictions, qualifications and matters appearing on the plat, or otherwise common to the subdivision, restrictive covenants, public utility easements and all outstanding easements, reservations and other interests.

BID GUARANTEE

Each bid shall be accompanied by an earnest money deposit (hereinafter referred to as the "Deposit") in the form of a certified or cashier's check or irrevocable letter of credit from a financial institution as defined in Section 655.005, Florida Statutes, made payable to the CITY OF MARCO ISLAND in the amount of ten percent (10%) of the BIDDER'S bid. The Deposit shall be forfeited to the CITY if the successful BIDDER fails to perform as specified after written notification of award. Any Deposits received from unsuccessful BIDDERS will be returned within ten working days after the CITY' decision.

BID CONDITIONS

1. At closing, the successful BIDDER shall be required to pay the balance of the purchase price by wire transfer of funds through a Federal Reserve Bank or other immediately available funds acceptable to the CITY, made payable to the CITY OF MARCO ISLAND.
2. The CITY will not extend credit. Therefore, each BIDDER is responsible for arranging any necessary financing and the name of any lender to be involved, if applicable, must be included in the bid.
3. The BIDDER shall pay for all costs of closing including, but not limited to, the cost incurred through the surveying, advertising and appraisal of the property, title insurance, documentary stamp tax on the quitclaim deed, recording costs, real estate brokerage fees, and any other closing costs that BIDDER may incur.
4. Any bid containing or accompanied by counterproposals or offers as to sale terms or conditions shall be deemed non-responsive and rejected.

ON-SITE INSPECTION

An on-site inspection can be done at any time by any interested party. Subject property is accessible.

VERBAL INSTRUCTIONS NON-BINDING

The CITY are not bound by or responsible for any information verbally given to any prospective BIDDER by any employee or contractor of the CITY. Only those communications pertaining to this bid, which are in writing from the CITY, may be considered as a duly authorized expression on behalf of the CITY and the CITY. Only communications from a BIDDER that are signed and in writing will be recognized by the CITY as duly authorized expressions on behalf of the BIDDER.

GENERAL INFORMATION

It shall be the responsibility of each BIDDER to raise any questions prior to the bid opening concerning the property or the terms and conditions of sale or bidding procedures as stated in

this bid invitation.

Information and Bidding Documents can be obtained by downloading from www.demandstar.com or www.cityofmarcoisland.com

For information concerning the property and/or bidding procedures please contact Lina Upham, Purchasing and Risk Manager/Deputy City Clerk at: LUpham@cityofmarcoisland.com; or (239) 389-5011; or 50 Bald Eagle Drive, Marco Island, Florida 34145.

BIDDERS are cautioned to carefully examine this bid invitation, the property being offered for sale and to be thoroughly informed regarding any and all conditions and requirements of this bid invitation. A BIDDER will not be relieved of any liabilities and/or obligations because of its lack of knowledge of conditions or requirements.

BID SUBMISSION DEADLINE

Bids will be accepted until 2:00 PM (EST), September 2, 2021. Any bid received after that time will be returned to the BIDDER unopened. The CITY is not responsible for bids not received by 2:00 PM (EST), September 2, 2021.

BID OPENING AND CONSIDERATION

All bids received by the bid submission deadline will be publicly opened at 2:00 PM, on September 2, 2021, Marco Island City Hall, 1st Floor Conference Room, 50 Bald Eagle Dr., Marco Island, FL 34145. Any interested party may attend this public bid opening. No bid will be accepted after the date and time established in the bid invitation.

BID FORM AND CONTRACT FOR SALE AND PURCHASE AND DEPOSIT RECEIPT

The "Bid Form" and the "Contract for Sale and Purchase and Deposit Receipt" shall be completed in their entirety and be submitted in accordance with the procedures set forth in this bid invitation. Otherwise, the bid will be deemed nonresponsive and rejected. The offer for the property shall be entered on the Bid Form and on paragraph 2. of the Contract for Sale and Purchase and Deposit Receipt. NO OTHER TYPE OF "BID FORM" OR "PROPOSAL SHEET" WILL BE ACCEPTED AS A VALID RESPONSE TO THIS BID INVITATION.

BID AWARD

Any award made will be to the highest responsive BIDDER, provided it is in the CITY' interest to accept the bid. The CITY reserves the right to reject any or all bids. The CITY further reserves the right to waive any minor irregularities in any bid received. In the event two (2) or more responses are received which equal or exceed the minimum bid amount, are of equal amounts and are the highest responsive bids received, and the bids are not rejected, then those parties, and only those parties, will be notified by the CITY within three (3) business days and asked to resubmit a new Bid Form and Contract for Sale and Purchase and Deposit Receipt within five (5)

business days of the deadline for their notice. This procedure shall repeat until an award is made to the highest responsive BIDDER or until such time as the CITY determines that this Bid is withdrawn.

MAILING INSTRUCTIONS

All bids must be submitted in a sealed envelope marked "**SEALED BID – CITY OF MARCO ISLAND, ITB 2021-031 – 1825 MAINSAIL DR.**". Each BIDDER MUST enter its name and return address in the upper left-hand corner for identification purposes. Bids may be delivered as follows:

- U.S. Postal Service to CITY OF MARCO ISLAND, 50 Bald Eagle Dr., Marco Island, FL 34145; Attention: City Clerk.
- Hand delivery to CITY OF MARCO ISLAND, 50 Bald Eagle Dr., Marco Island, FL 34145; Attention: City Clerk.
- Sent via commercial carrier to the CITY OF MARCO ISLAND, 50 Bald Eagle Dr., Marco Island, FL 34145; Attention: City Clerk.

NOTE: The CITY OF MARCO ISLAND will not open any envelope submitted in association with this bid which is not properly addressed to "**CITY OF MARCO ISLAND, Attn: City Clerk**" and marked "**SEALED BID – CITY OF MARCO ISLAND, ITB 2021-031 – 1825 MAINSAIL DR.**"

BIDS MUST BE SUBMITTED ON A BID FORM AND INCLUDE A FULLY EXECUTED CONTRACT FOR SALE AND PURCHASE AND DEPOSIT RECEIPT ALONG WITH A 10% DEPOSIT.

AMERICANS WITH DISABILITIES ACT REQUIREMENT

Any vendor or contractor submitting a bid or proposal to the CITY for providing commodities or contractual services may not exclude any person(s) from participating in; deny any person(s) the proceeds or benefits of; not otherwise subject any person(s) or subcontractors to any form of discrimination based on the grounds of race, creed, color, national origin, age, sex, or disability. Any vendor or contractor which is providing commodities or contractual services, or possible subcontractor, must comply with the pertinent portion of the Americans with Disabilities Act of 1990, Public Law 101-336.

Any person with a qualified disability shall not be denied equal access and effective communication regarding any bid/proposal documents or the attendance at any related meeting or bid/proposal opening. If accommodations are needed because of a disability, please contact Lina Upham, Purchasing and Risk Manager/Deputy City Clerk at: LUpam@cityofmarcoisland.com; or (239) 389-5011; or 50 Bald Eagle Drive, Marco Island, Florida 34145.

THE BELOW FORMS D. AND E. (PAGES 9 THROUGH 16) IS YOUR BID SUBMITTAL

D. BID FORM

BIDDER hereby bids the lump sum of \$ _____ for the purchase of the City land described in the Contract for Sale and Purchase and Deposit Receipt. The lump sum entered above does not include closing costs and other costs of the sale as described in the Bid Conditions and paragraph 4.c of the Contract for Sale and Purchase and Deposit Receipt.

CERTIFICATION

I hereby certify that this bid is made without prior understanding, agreement or connection with any corporation, firm or person submitting a bid for this property and is in all respects fair and without collusion or fraud. I agree to abide by all conditions of this bid and certify that I am authorized to sign this Bid Form for the BIDDER. I further certify that I have read and understand all the bid specifications and conditions. I agree to all terms, conditions and provisions that pertain to the sale of the specified property.

BIDDER NAME _____

BIDDER MAILING ADDRESS _____

CITY STATE ZIP CODE _____

AREA CODE / TELEPHONE NUMBER _____

AUTHORIZED SIGNATURE _____

AUTHORIZED SIGNATURE (Print) _____

TITLE _____

COMPANY NAME (if applicable) _____

E. CONTRACT FOR SALE AND PURCHASE AND DEPOSIT RECEIPT

THIS Contract for Sale and Purchase and Deposit Receipt ("Contract") is made this ____ day of _____, 20__, by and between the SELLER and BUYER as follows:

SELLER:

The City of Marco Island (the "City")

ADDRESS:

City of Marco Island
50 Bald Eagle Drive
Marco Island, Florida 34145

BUYER:

Name(s): _____
(as it should appear on the deed)

Address(es): _____

Phone: Home: _____ Work: _____

1. **AGREEMENT TO SELL:**

SELLER hereby agrees to sell and BUYER hereby agrees to buy in accordance with this Contract the real property, that is more particularly described in attached EXHIBIT "A" of this Contract (the "Property").

2. **PURCHASE PRICE:**

BUYER hereby offers the following purchase price for the Property in the amount of _____ Dollars (\$ _____), which shall be paid in the following manner:

a. **Deposit:**

BUYER deposits herewith _____ Dollars (\$ _____) in the form of a certified or cashier's check or an irrevocable letter of credit from a financial institution as defined in Section 655.005, Florida Statutes, made payable to the City of Marco Island representing ten percent (10%) of the total purchase price as an earnest money deposit ("Deposit").

b. Balance:

At closing, BUYER shall be required to pay the balance of the purchase price in the amount of _____ Dollars (\$_____) by wire transfer of funds through a Federal Reserve Bank or other immediately available funds acceptable to SELLER, made payable to the City of Marco Island or SELLER'S designated closing agent.

3. TIME OF ACCEPTANCE:

If this offer is not accepted by SELLER, the Deposit shall be returned to BUYER and this offer shall be null and void.

4. CLOSING, EXPENSES, AND POSSESSION:

This Contract shall be closed following approval by SELLER, and the deed delivered after execution by SELLER. SELLER will deliver possession of the Property to BUYER at closing. The following are additional details of closing:

a. Time and Place:

The closing shall be on or before ninety (90) days after SELLER'S execution of this Contract. The date, time and place of closing shall be set by SELLER.

b. Conveyance:

At closing, SELLER will deliver to BUYER a fully executed quitclaim deed conveying the Property and any improvements in "AS IS, WHERE IS CONDITION," without warranties or representations, subject to a reservation in favor of the SELLER of an undivided three-fourths interest in phosphate, minerals and metals and an undivided one-half interest in all petroleum pursuant to Section 270.11, Florida Statutes.

c. Expenses:

BUYER shall be responsible for and pay all closing costs associated with the Property including, but not limited to, advertising costs, appraisal costs, survey costs, documentary stamp tax on the deed, recording fees, abstract or title insurance fees, attorneys' fees and real estate brokerage fees. BUYER shall reimburse SELLER at closing for any closing costs that are initially paid for by SELLER. Any costs of sale incurred by SELLER or by other parties on behalf of SELLER shall be paid by separate certified or cashier's check made payable to the City of Marco Island or an escrow agent designated by the City at the time of closing. SELLER may require that the closing be processed by and through a title insurance company or other closing agent, designated by the City, and BUYER shall pay any costs charged by such company or agent for this closing service. If BUYER obtains a survey of the Property, nothing contained therein shall affect the

purchase price or terms of this Contract.

5. REAL ESTATE TAXES, EASEMENTS, RESTRICTIONS AND ENCUMBRANCES:

BUYER agrees to pay all outstanding real estate taxes. BUYER agrees to take title to the Property subject to any outstanding taxes, special liens or assessments, comprehensive land use plans, zoning, restrictions, prohibitions, permits, leases, tenancies and encumbrances affecting the Property and other requirements or liens imposed by governmental authority; restrictions, qualifications and matters appearing on the plat or otherwise common to the subdivision, restrictive covenants, public utility easements and all outstanding easements, reservations and other interests.

6. WETLANDS:

Any wetlands on the Property may be subject to the permitting requirements.

7. CONDITION OF THE PROPERTY:

BUYER acknowledges that BUYER has inspected the Property and agrees to accept the Property in "AS IS, WHERE IS CONDITION." SELLER makes no warranties or representations what-so-ever as to the condition of the Property or any improvements located thereon, or the fitness of either for any particular use or purpose.

8. RADON GAS:

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health department.

9. RISK OF LOSS:

In the event of any substantial damage to the Property (in excess of \$5,000) between the date of this Contract and the date of closing, SELLER shall have the option of restoring the damaged Property to its condition immediately prior to the occurrence causing the damage, in which event, BUYER shall complete the transaction as originally planned. If these repairs are not completed prior to closing date, closing will be extended until such time as the repairs are completed. If SELLER elects not to restore the damaged Property, BUYER'S sole remedy shall be the right to rescind this Contract by giving written notice to SELLER and to receive a refund of the Deposit or, alternatively, to proceed to closing on the Property, as damaged, without adjustment in the purchase price. In the event of any lesser damage (\$5,000 or less), the parties shall proceed to closing as though no damage had occurred.

10. DEFAULT:

If BUYER fails to close on or before the date set forth in paragraph 4.a. of this Contract,

the Deposit may be retained by SELLER as agreed upon liquidated damages, consideration for execution of this Contract and in full settlement of any claims; whereupon this Contract shall be terminated and SELLER and BUYER shall be relieved of all obligations under this Contract; or SELLER, at SELLER'S option, may elect to specifically enforce this Contract. If SELLER fails to deliver the quit claim deed to BUYER on or before the closing date set forth in paragraph 4.a. of this Contract, BUYER may elect to receive the return of the Deposit, whereupon this Contract shall be terminated and BUYER and SELLER shall be relieved of all obligations under this Contract; or BUYER, at BUYER'S option, may seek specific performance.

11. SUCCESSORS:

Upon execution of this Contract by BUYER, this Contract shall be binding upon and inure to the benefit of BUYER, and BUYER'S heirs, successors or assigns.

12. RECORDING:

Neither this Contract nor any notice of it may be recorded in any county by any person.

13. ASSIGNMENT:

This Contract shall not be assigned by BUYER without the prior written consent of SELLER.

14. TIME OF ESSENCE:

Time is of the essence in the performance of this Contract.

15. AMENDMENTS:

This Contract contains the entire agreement and all representations of the parties. No amendment will be effective except when reduced to writing signed by all parties. Any amendments hereto may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature of an amendment hereto delivered by a party by facsimile transmission or electronic transmission (including email transmission of a PDF image) shall be deemed to be an original signature. Notwithstanding the foregoing, the parties acknowledge that the legal description of the Property is based upon historic chain of title information, without the benefit of a current survey. The parties agree that if, in the opinion of SELLER, it becomes necessary to amend the legal description to correct errors, to more properly describe the Property, or to otherwise revise the legal description of the Property, the legal description to be used in the survey (if any) and in the closing instruments required by this Contract for the Property shall be revised by or at the direction of SELLER, and shall be subject to the final approval of SELLER. Anything to the contrary hereinabove notwithstanding, such a revision of the legal description of the Property shall not require a written amendment to this Contract. In such event, the SELLER'S execution and delivery of the closing instruments containing the revised legal

description and the BUYER'S acceptance of said instruments and of the final survey (if any) containing the revised legal description shall constitute a full and complete ratification and acceptance of the revised legal description of the Property by the parties.

16. SURVIVAL:

The covenants of this Contract will survive delivery and recording of deed and possession of the Property.

17. ACCEPTANCE OF OFFER:

SELLER reserves the right to reject this offer. Therefore, this Contract shall not bind SELLER or the City of Marco Island in any manner unless or until it is approved and legally executed by SELLER.

The parties have caused this Contract to be executed on the day and year first above written.

"SELLER"

CITY OF MARCO ISLAND, FLORIDA

ATTEST:

BY: _____
Laura Litzan, City Clerk

BY: _____
Michael A. McNees, City Manager

Date: _____

Approved as to form and legal sufficiency for the use and reliance of the City of Marco Island only.

BY: _____
Alan L. Gabriel, City Attorney

"BUYER"

(If a corporation, Name of BUYER)

Signature of BUYER

Print/Type Name of BUYER

(If a corporation, title of person signing.)

Affix corporate Seal if officer other than President is signing.

EXHIBIT "A"

The following lands located in Collier County, Florida:

Tract N, Marco Shores Unit 1, a Subdivision according to Plat thereof, as recorded in Plat book 14, Pages 33-38, Public Records of Collier County, Florida.

Exhibit "B"

Integra Realty Resources

Southwest Florida

Appraisal of Real Property

City of Marco Island Vacant Property 1825 Mainsail Drive

Vacant Land

1825 Mainsail Dr.

Naples, Collier County, Florida 34114

Prepared For:

City of Marco Island

Date of the Report:

June 28, 2021 (Revised)

Report Format:

Appraisal Report

IRR - Southwest Florida

File Number: 152-2021-0220

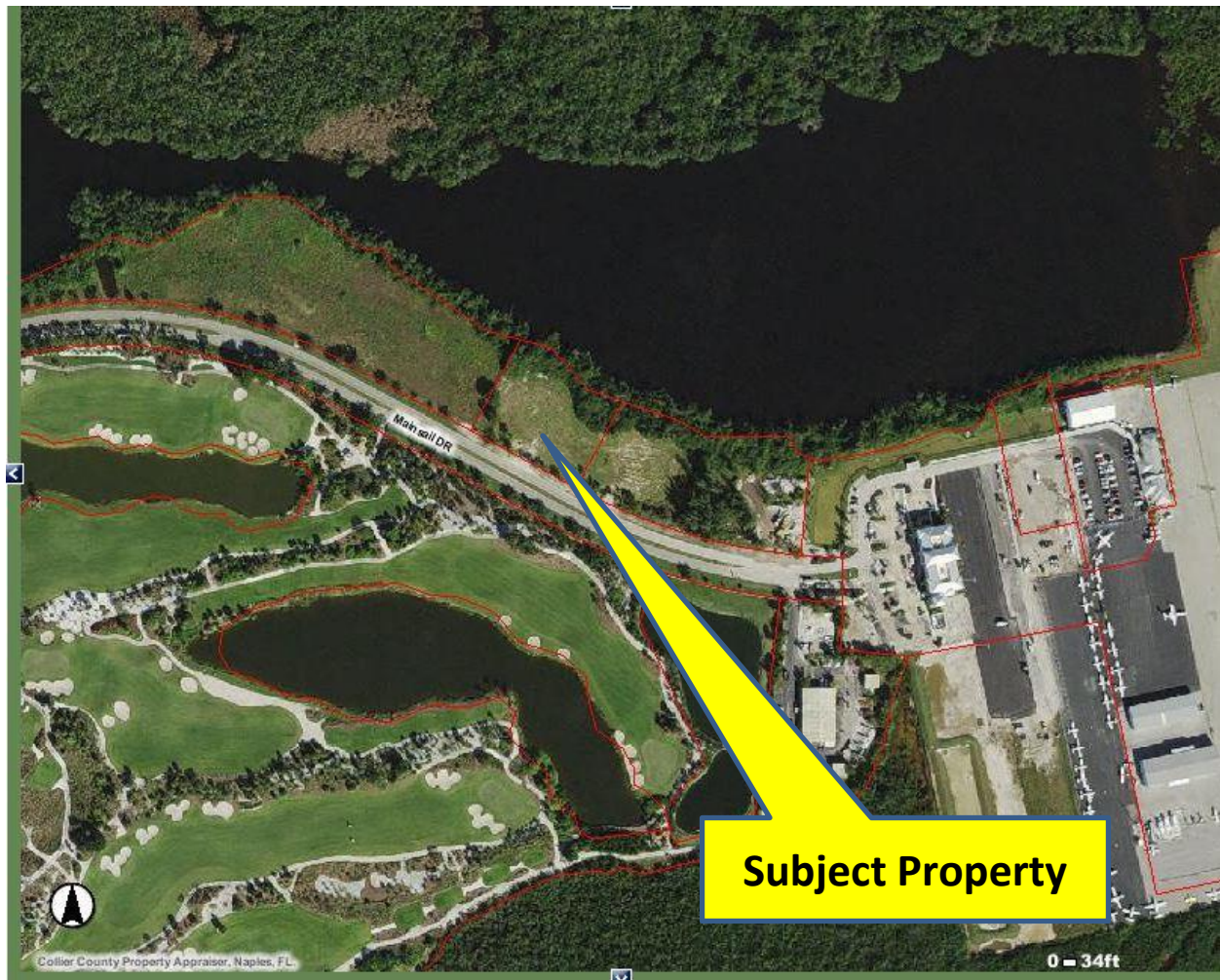


Subject Photographs



City of Marco Island Vacant Property 1825 Mainsail Drive
1825 Mainsail Dr.
Naples, Florida

Aerial Photograph



Integra Realty Resources

Miami/Caribbean

Orlando

Southwest Florida

www.irr.com

In Miami/Caribbean

Dadeland Centre

9155 South Dadeland Blvd.

Suite 1208

Miami, FL 33156

(305) 670-0001

In Orlando

The Magnolia Building

326 N. Magnolia Ave.

Orlando, FL 32801

(407) 843-3377

In Naples/Sarasota

Horseshoe Professional Park

2770 Horseshoe Drive S.

Suite 3

Naples, FL 34104

(239)-643-6888



June 28, 2021 (Revised)

Laura Redondo Ryan

City of Marco Island
50 Bald Eagle Drive
Marco Island, FL 34145

SUBJECT: Market Value Appraisal
 City of Marco Island Vacant Property 1825 Mainsail Drive
 1825 Mainsail Dr.
 Naples, Collier County, Florida 34114
 IRR - Southwest Florida File No. 152-2021-0220

Dear Ms. Ryan:

Integra Realty Resources – Southwest Florida is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value, pertaining to the fee simple interest in the property as of the effective date of the appraisal, June 3, 2021 based on the hypothetical condition that it is zoned for multi-family use and a developable density of 25 total residential dwelling units.

The client for the assignment is City of Marco Island. The intended user of this report is the client. The intended use of the report is for property disposition purposes. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

The subject is a parcel of vacant land containing an area of 1.41 acres or 61,420 square feet. The property is zoned PUD - Marco Shores, Section VII - Utility Area. The site has been cleared and is no longer utilized as a potable water treatment and distribution facility. The scope of this appraisal assignment is to determine the market value of the subject property based on its potential for multi-family residential development similar to other properties located in the Marco Shores PUD. For this reason, the market value conclusion is based on a hypothetical alternative Highest and Best Use for residential multi-family development

based on a density of 18 units per net usable acre or a total of 25 dwelling units. (reference is made to the Highest and Best Section of the report and the Statement of Hypothetical Conditions)

The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute and all applicable state appraisal regulations.

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis that were used to develop the opinion of value.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, the concluded opinions of value are as follows:

Value Conclusion			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value	Fee Simple	June 3, 2021	\$750,000

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is 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.

1. The subject zoning allows utility use for potable water treatment and distribution facilities & sanitary waste water collection, treatment and maintenance. The scope of the appraisal assignment is to determine the market value of the subject based on the property being zoned for residential multi-family use. Although it seems reasonable that the subject land tract could be rezoned for residential multi-family use considering there is excess density within the Marco Shores PUD this is a hypothetical condition that does not exist at the present time. Therefore, the concluded market value is based on the hypothetical condition that the subject vacant land tract is zoned and available for residential multi-family use.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

The value conclusion(s) in this report consider the impact of COVID-19 on the subject property.

Laura Redondo Ryan
City of Marco Island
June 28, 2021 (Revised)
Page 3

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

Respectfully submitted,

Integra Realty Resources - Southwest Florida



Julian L H Stokes, Sr., MAI, CCIM
Florida Cert Gen #RZ490
Telephone: 239.643.6888, ext. 407
Email: jstokes@irr.com



Carlton Lloyd, MAI
Florida Cert Gen #RZ2618
Telephone: 239.687.5801
Email: clloyd@irr.com

Table of Contents

Quality Assurance	1	Valuation	53
Executive Summary	2	Valuation Methodology	53
Identification of the Appraisal Problem	4	Sales Comparison Approach	54
Subject Description	4	Analysis and Adjustment of Sales	58
Sale History	4	Land Value Conclusion	61
Pending Transactions	4	Reconciliation and Conclusion of Value	62
Appraisal Purpose	5	Exposure Time	62
Value Type Definitions	5	Marketing Time	62
Appraisal Premise Definitions	5	Addenda	
Property Rights Definitions	6	A. Appraiser Qualifications	
Client and Intended User(s)	6	B. IRR Quality Assurance Survey	
Intended Use	6	C. Definitions	
Applicable Requirements	6	D. Property Information	
Report Format	6	E. Comparable Data	
Prior Services	6	F. Engagement Letter	
Appraiser Competency	6		
Scope of Work	8		
Economic Analysis	10		
Collier County Area Analysis	10		
Surrounding Area Analysis	17		
Residential Market Area Analysis	22		
COVID-19 Impact on Current Valuations	37		
Property Analysis	40		
Land Description and Analysis	40		
Use and Density Analysis	42		
Real Estate Taxes	50		
Highest and Best Use	51		

Quality Assurance

IRR Quality Assurance Program

At IRR, delivering a quality report is a top priority. Integra has an internal Quality Assurance Program in which managers review material and pass an exam in order to attain IRR Certified Reviewer status. By policy, every Integra valuation assignment is assessed by an IRR Certified Reviewer who holds the MAI designation, or is, at a minimum, a named Director with at least ten years of valuation experience.

This quality assurance assessment consists of reading the report and providing feedback on its quality and consistency. All feedback from the IRR Certified Reviewer is then addressed internally prior to delivery. The intent of this internal assessment process is to maintain report quality.

Executive Summary

Property Name	City of Marco Island Vacant Property 1825 Mainsail Drive	
Address	1825 Mainsail Dr. Naples, Collier County, Florida 34114	
Property Type	Land - Specialty	
Owner of Record	City of Marco Island	
Tax ID	59430520004	
Legal Description	Tract N, Marco Shores Unit One; See Warranty Deed in	
Land Area	1.41 acres; 61,420 SF	
Land Area (Usable)	1.41 acres; 61,420 SF	
Number of Units	25	
Zoning Designation	PUD - Marco Shores, Section VII - Utility Area	
Legal Use	Utility Services	
Highest and Best Use	Residential Multi-family (assumed per scope of assignment)	
Exposure Time; Marketing Period	6 to 12 months; 12 to 18 months	
Effective Date of the Appraisal	June 3, 2021	
Date of the Report	June 28, 2021 (Revised)	
Property Interest Appraised	Fee Simple	
Sales Comparison Approach		
Number of Sales	5	
Range of Sale Dates	Jan 19 to Jan 21	
Range of Prices per Unit (Unadjusted)	\$21,000 - \$48,966	
Market Value Conclusion	\$750,000	(\$30,000/Unit)

The values reported above are subject to the definitions, assumptions, and limiting conditions set forth in the accompanying report of which this summary is a part. No party other than City of Marco Island may use or rely on the information, opinions, and conclusions contained in the report. It is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is 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.

1. The subject zoning allows utility use for potable water treatment and distribution facilities & sanitary waste water collection, treatment and maintenance. The scope of the appraisal assignment is to determine the market value of the subject based on the property being zoned for residential multi-family use. Although it seems reasonable that the subject land tract could be rezoned for residential multi-family use considering there is excess density within the Marco Shores PUD this is a hypothetical condition that does not exist at the present time. Therefore, the concluded market value is based on the hypothetical condition that the subject vacant land tract is zoned and available for residential multi-family use.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Strengths, Weaknesses, Opportunities, Threats (SWOT Analysis)

The analyses presented in this report consider the internal strengths and weaknesses of the subject property, as well as opportunities and external threats. The overall valuation influences are summarized in the following table.

Strengths

- Land is located in established residential community.
- Additional residential development density is available for rezoning considerations
- Located between two (2) employment areas foremost of which is Marco Island and secondary being East Naples.
- Ownership is governmental (City of Marco Island)
- Strong demand for new residential housing due to low supply of available housing inventory at the present time.

Weaknesses

- Land is no longer utilized for utility purposes and is not zoned for residential multi-family development. A change in zoning is required for property to achieve H&BU. Value based on Hypothetical Condition that land is zoned and entitled for high density residential use.
- The subject property is located adjacent to the Marco Island Airport and subject to occasional air traffic noise.
- Multifamily market conditions have been softening. New supply has had a negative impact on rental rates and/or sale pricing.
- Recent increases in senior housing supply has had a negative impact on occupancy rates.
- Impact of second wave of COVID-19 threatens occupancy rates and sales in the near term.

Opportunities

- Rezoning approval given governmental ownership
- Future development.

Threats

- Delayed development timeline due to impacts of COVID-19
- Increased costs of production, both labor and material shortages, due to impacts of COVID-19.

Identification of the Appraisal Problem

Subject Description

The subject is a parcel of vacant land containing an area of 1.41 acres or 61,420 square feet. The property is zoned PUD - Marco Shores, Section VII - Utility Area. The site has been cleared and is no longer utilized as a potable water treatment and distribution facility. The scope of this appraisal assignment is to determine the market value of the subject property based on its potential for multi-family residential development similar to other properties located in the Marco Shores PUD. For this reason, the market value conclusion is based on a hypothetical alternative Highest and Best Use for residential multi-family development based on a density of 18 units per net usable acre or a total of 25 dwelling units. (reference is made to the Highest and Best Section of the report and the Statement of Hypothetical Conditions) The Collier County Property Identification Numbers are referenced below. The property is legally described in Exhibit "A" of the Special Warranty Deed in the addendum of the report as Parcel 12.

Property Identification

Property Name	City of Marco Island Vacant Property 1825 Mainsail Drive
Address	1825 Mainsail Dr. Naples, Florida 34114
Tax ID	59430520004
Owner of Record	City of Marco Island
Legal Description	Tract N, Marco Shores Unit One; See Warranty Deed in Report Addendum
Census Tract Number	111.06

Source: Collier County Public Records and Property Appraiser

Sale History

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

Sale Date	November 6, 2003
Seller	Florida Water Services Corporation
Buyer	City of Marco Island
Sale Price	\$0
Recording Instrument Number	Instr. 3291913: OR 3439 Pg 1260
Expenditures Since Purchase	Unknown

No known sales or transfers of ownership have taken place within a three-year period prior to the effective appraisal date.

Pending Transactions

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

Appraisal Purpose

The purpose of the appraisal is to develop an opinion of the market value of the fee simple interest in the property as of the effective date of the appraisal, June 3, 2021 based on the hypothetical condition that it is zoned for multi-family use and a developable density of 25 total residential dwelling units. The date of the report is June 28, 2021 (Revised). The appraisal is valid only as of the stated effective date or dates.

Value Type Definitions

The definitions of the value types applicable to this assignment are summarized below.

Market Value

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

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

Appraisal Premise Definitions

The definitions of the appraisal premises applicable to this assignment are specified as follows.

To determine the market value, as defined above, of the subject property based on the hypothetical condition that it is zoned for multi-family use and a developable density of 25 total residential dwelling units.

¹ Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472

Property Rights Definitions

The property rights appraised which are applicable to this assignment are defined as follows.

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.²

Client and Intended User(s)

The client and intended user is the City of Marco Island. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

Intended Use

The intended use of the appraisal is for property disposition purposes. The appraisal is not intended for any other use.

Applicable Requirements

This appraisal report conforms to the following requirements and regulations:

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

Report Format

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis used to develop the opinion of value.

Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have previously appraised the property that is the subject of this report for the current client. We have provided no other 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 the agreement to perform this assignment.

Appraiser Competency

No steps were necessary to meet the competency provisions established under USPAP. The assignment participants have appraised several properties similar to the subject in physical, locational,

² Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015)

and economic characteristics, and are familiar with market conditions and trends; therefore, appraiser competency provisions are satisfied for this assignment. Appraiser qualifications and state credentials are included in the addenda of this report.

Scope of Work

Introduction

The appraisal development and reporting processes require gathering and analyzing information about the assignment elements necessary to properly identify the appraisal problem. The scope of work decision includes the research and analyses necessary to develop credible assignment results, given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.

To determine the appropriate scope of work for the assignment, we considered the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below.

Research and Analysis

The type and extent of the research and analysis conducted are detailed in individual sections of the report. The steps taken to verify comparable data are disclosed in the addenda of this report. Although effort has been made to confirm the arms-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

Subject Property Data Sources

The legal and physical features of the subject property, including size of the site, flood plain data, property zoning, existing easements and encumbrances, access and exposure, and condition of the improvements (as applicable) were confirmed and analyzed.

The appraisers have relied solely on a personal site inspection and research of available public data.

Contacts

In addition to public records and other sources cited in this appraisal, information pertaining to the subject was obtained from the following party: Laura Redondo Ryan with the Water and Sewer Department of the City of Marco Island.

Inspection

The subject property is a vacant site and fenced. I, Julian L H Stokes, Sr., MAI, completed a boundary inspection from the exterior of the fence.

Valuation Methodology

Three approaches to value are typically considered when developing a market value opinion for real property. These are the cost approach, the sales comparison approach, and the income capitalization approach. Use of the approaches in this assignment is summarized as follows:

Approaches to Value

Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

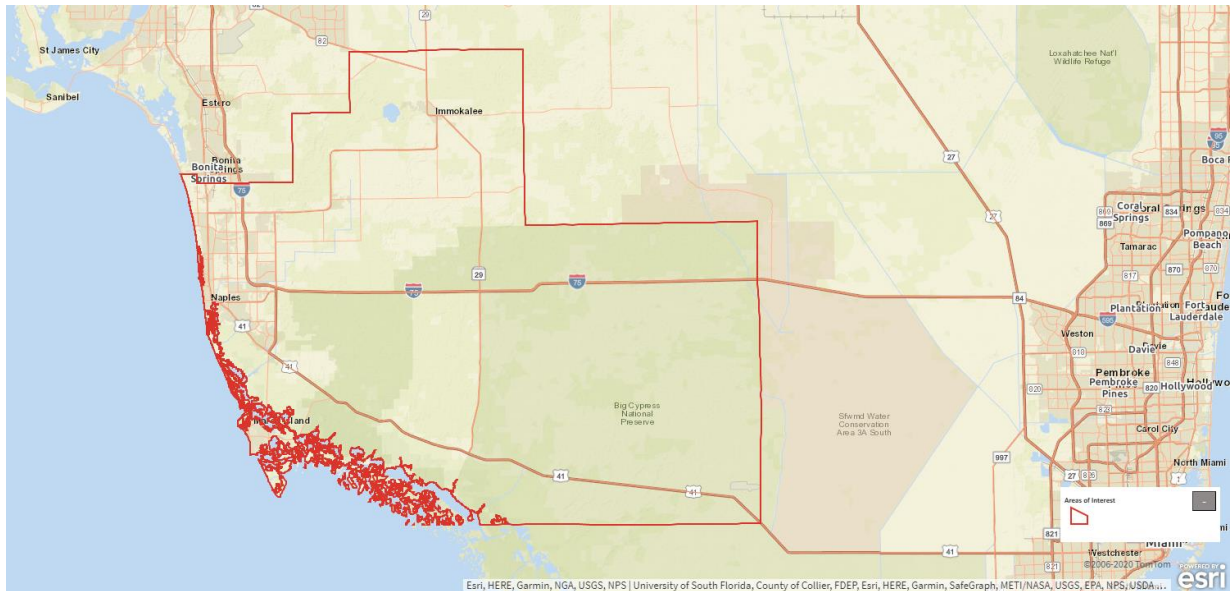
In developing an opinion of value for the subject, only the sales comparison approach is used. This approach is applicable to the subject because there is an active market for similar properties, and sufficient sales data is available for analysis.

The cost approach is not applicable because there are no improvements that contribute value to the property, and the income approach is not applicable because the subject is not likely to generate rental income in its current state.

Economic Analysis

Collier County Area Analysis

Collier County is located in southwestern Florida approximately 90 miles west of Miami. It is 1,998 square miles in size and has a population density of 10,963 persons per square mile.



Population

Collier County has an estimated 2021 population of 21,908,282, which represents an average annual 1.4% increase over the 2010 census of 18,801,310. Collier County added an average of 282,452 residents per year over the 2010-2021 period, but its annual growth rate lagged the State of Florida rate of 1.9%.

Looking forward, Collier County's population is projected to increase at a 1.2% annual rate from 2021-2026, equivalent to the addition of an average of 258,539 residents per year. Collier County's growth rate is expected to lag that of Florida, which is projected to be 1.4%.

Population Trends

	Population			Compound Ann. % Chng	
	2010 Census	2021 Estimate	2026 Projection	2010 - 2021	2021 - 2026
Collier County, FL	321,520	393,750	421,171	1.9%	1.4%
Florida	18,801,310	21,908,282	23,200,979	1.4%	1.2%

Source: Claritas

Employment

Total employment in Collier County was estimated at 139,429 jobs as of September 2020. Between year-end 2010 and 2020, employment rose by 19,972 jobs, equivalent to a 16.7% increase over the entire period. These figures reflect a net gain of 39,486 jobs through 2019, followed by significant losses in 2020 with the onset of the COVID-19 pandemic. Collier County's rate of employment growth over the last decade surpassed that of Florida, which experienced an increase in employment of 14.7% or 1,068,855 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Collier County unemployment rate has been slightly lower than that of Florida, with an average unemployment rate of 6.4% in comparison to a 6.6% rate for Florida. A lower unemployment rate is a positive indicator.

Recent data shows that the Collier County unemployment rate is 4.3% in comparison to a 4.2% rate for Florida, a negative sign that is consistent with the fact that Collier County has underperformed Florida in the rate of job growth over the past two years.

Employment Trends

Year	Total Employment (Year End)				Unemployment Rate (Ann. Avg.)	
	Collier County	% Change	Florida	% Change	Collier County	Florida
2010	119,457		7,260,875		11.6%	10.9%
2011	122,960	2.9%	7,368,030	1.5%	10.2%	10.0%
2012	125,704	2.2%	7,538,166	2.3%	8.4%	8.6%
2013	131,115	4.3%	7,741,539	2.7%	7.1%	7.5%
2014	137,819	5.1%	8,012,496	3.5%	6.0%	6.5%
2015	143,261	3.9%	8,314,343	3.8%	5.3%	5.5%
2016	150,204	4.8%	8,542,086	2.7%	4.7%	4.9%
2017	150,670	0.3%	8,718,087	2.1%	4.2%	4.3%
2018	155,804	3.4%	8,907,904	2.2%	3.5%	3.6%
2019	158,943	2.0%	9,094,742	2.1%	3.1%	3.3%
2020*	139,429	-12.3%	8,329,730	-8.4%	6.8%	7.8%
Overall Change 2010-2020	19,972	16.7%	1,068,855	14.7%		
Avg Unemp. Rate 2010-2020					6.4%	6.6%
Unemployment Rate - December 2020					4.3%	4.2%

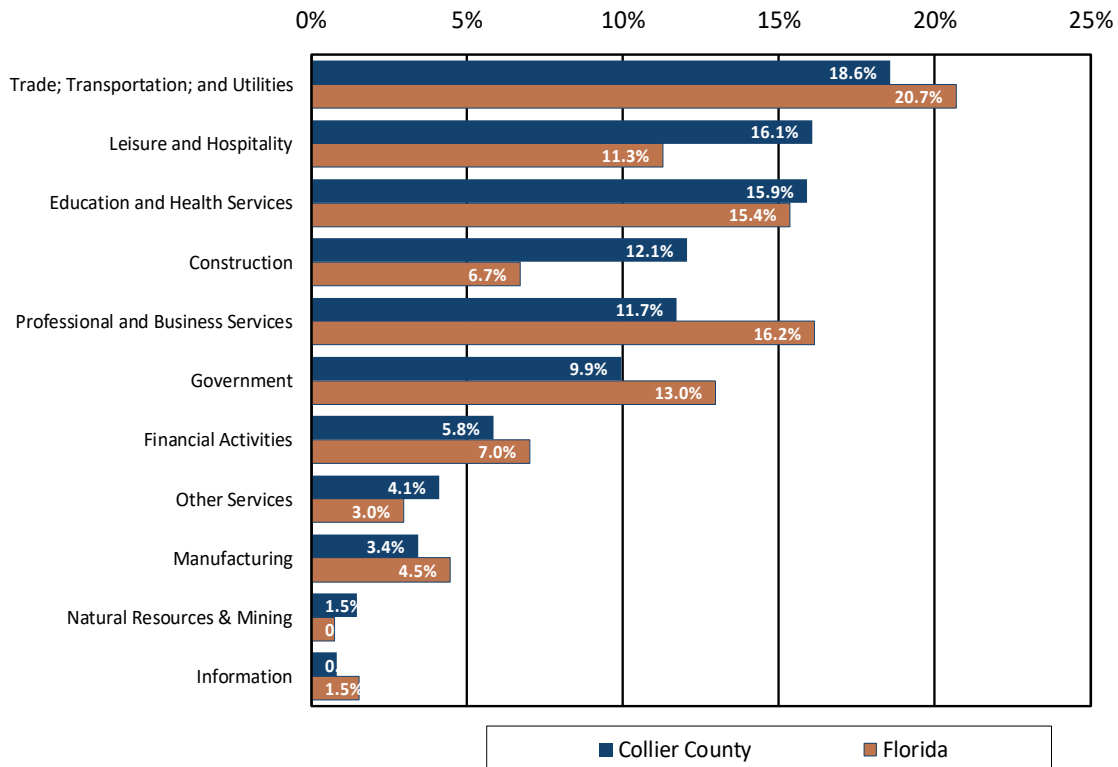
*Total employment data is as of September 2020; unemployment rate data reflects the average of 12 months of 2020.

Source: U.S. Bureau of Labor Statistics and Moody's Analytics. Employment figures are from the Quarterly Census of Employment and Wages (QCEW). Unemployment rates are from the Current Population Survey (CPS). The figures are not seasonally adjusted.

Employment Sectors

The composition of the Collier County job market is depicted in the following chart, along with that of Florida. Total employment for both areas is broken down by major employment sector, and the sectors are ranked from largest to smallest based on the percentage of Collier County jobs in each category.

Employment Sectors - 2020



Source: U.S. Bureau of Labor Statistics and Moody's Analytics

Collier County has greater concentrations than Florida in the following employment sectors:

1. Leisure and Hospitality, representing 16.1% of Collier County payroll employment compared to 11.3% for Florida as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.
2. Education and Health Services, representing 15.9% of Collier County payroll employment compared to 15.4% for Florida as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
3. Construction, representing 12.1% of Collier County payroll employment compared to 6.7% for Florida as a whole. This sector includes construction of buildings, roads, and utility systems.

4. Other Services, representing 4.1% of Collier County payroll employment compared to 3.0% for Florida as a whole. This sector includes establishments that do not fall within other defined categories, such as private households, churches, and laundry and dry cleaning establishments.

Collier County is underrepresented in the following sectors:

1. Trade; Transportation; and Utilities, representing 18.6% of Collier County payroll employment compared to 20.7% for Florida as a whole. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.
2. Professional and Business Services, representing 11.7% of Collier County payroll employment compared to 16.2% for Florida as a whole. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
3. Government, representing 9.9% of Collier County payroll employment compared to 13.0% for Florida as a whole. This sector includes employment in local, state, and federal government agencies.
4. Financial Activities, representing 5.8% of Collier County payroll employment compared to 7.0% for Florida as a whole. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.

Major Employers

Major employers in Collier County are shown in the following table.

Major Employers - Florida	
Name	Number of Employees
1 NCH Healthcare System	7,017
2 Collier County School District	6,422
3 Collier County Local Government	5,011
4 Arthrex, Inc.	2,500
5 City of Naples	1,867
6 Ritz Carlton - Naples	1,100
7 J W Marriott - Marco Island	700
8 Naples Grande Beach Resort	700
9 Physicians Regional Medical Center	600
10 Moorings Park	500

Source: Southwest Florida Economic Development Alliance

Gross Domestic Product

Gross Domestic Product (GDP) is a measure of economic activity based on the total value of goods and services produced in a defined geographic area, and annual changes in Gross Domestic Product (GDP) are a gauge of economic growth.

Economic growth, as measured by annual changes in GDP, has been somewhat higher in Collier County than Florida overall during the past eight years. Collier County has grown at a 4.0% average annual rate while Florida has grown at a 3.3% rate.

Collier County has a per capita GDP of \$42,483, which is 4% less than Florida's GDP of \$44,267. This means that Collier County industries and employers are adding relatively less value to the economy than their counterparts in Florida.

Gross Domestic Product				
Year	(\$,000s) Collier County	% Change	(\$,000s) Florida	% Change
2012	12,445,984		768,722,900	
2013	12,703,912	2.1%	784,238,400	2.0%
2014	13,459,897	6.0%	806,029,400	2.8%
2015	14,306,165	6.3%	842,269,400	4.5%
2016	14,907,455	4.2%	870,963,200	3.4%
2017	15,159,917	1.7%	901,903,500	3.6%
2018	15,760,820	4.0%	936,580,300	3.8%
2019	16,351,772	3.7%	963,255,900	2.8%
Compound % Chg (2012-2019)		4.0%		3.3%
GDP Per Capita 2019	\$42,483		\$44,267	

Source: U.S. Bureau of Economic Analysis and Moody's Analytics; data released December 2020. The release of state and local GDP data has a longer lag time than national data. The data represents inflation-adjusted "real" GDP stated in 2012 dollars.

Household Income

Collier County has a considerably lower level of household income than Florida. Median household income for Collier County is \$60,396, which is 18.9% less than the corresponding figure for Florida.

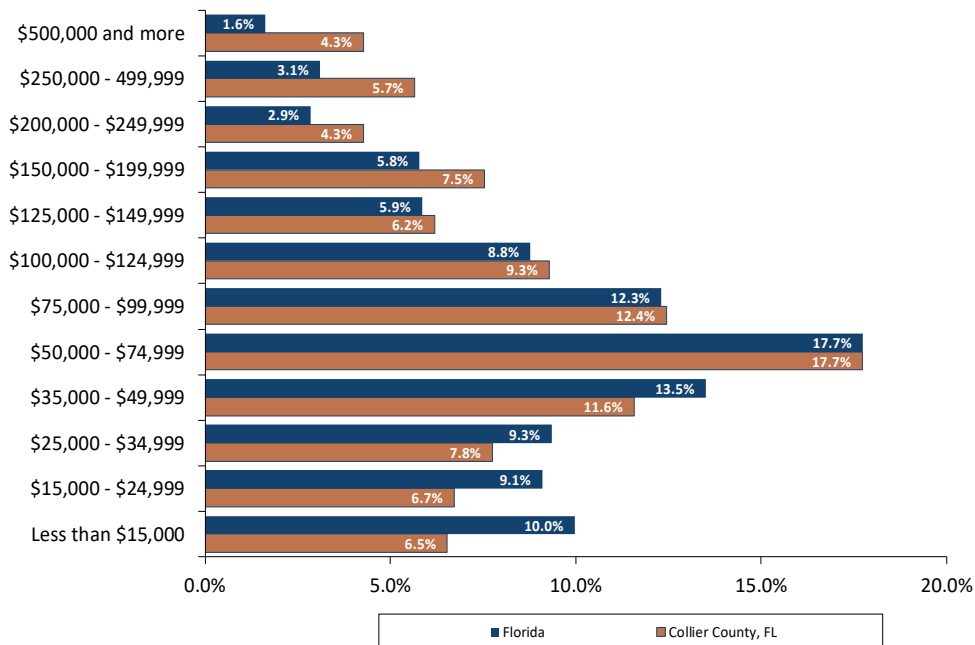
Median Household Income - 2021

	Median
Florida	\$60,396
Collier County, FL	\$74,496
Comparison of Florida to Collier County, FL	- 18.9%

Source: Claritas

The following chart shows the distribution of households across twelve income levels. Collier County has a greater concentration of households in the lower income levels than Florida. Specifically, 28% of Collier County households are below the \$35,000 level in household income as compared to 21% of Florida households. A lesser concentration of households is apparent in the higher income levels, as 40% of Collier County households are at the \$75,000 or greater levels in household income versus 50% of Florida households.

Household Income Distribution - 2021

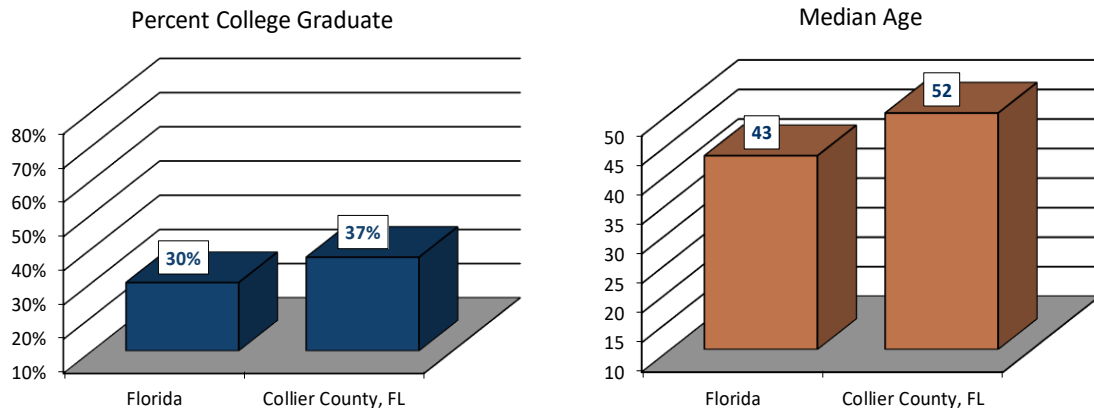


Source: Claritas

Education and Age

Residents of Collier County have a lower level of educational attainment than those of Florida. An estimated 30% of Collier County residents are college graduates with four-year degrees, versus 37% of Florida residents. People in Collier County are younger than their Florida counterparts. The median age for Collier County is 43 years, while the median age for Florida is 52 years.

Education & Age - 2021



Source: Claritas

Conclusion

The Collier County economy will benefit from a growing population base and higher income and education levels. Collier County experienced growth in the number of jobs over the past decade, and it is reasonable to assume that employment growth will occur in the future. Moreover, Collier County benefits from being part of the Naples MSA, which has exhibited a higher rate of GDP growth than the nation overall.

As previously referenced, COVID-19 has pushed the economy at all levels into a recession which has yet to be statistically proven or definitively quantified. Therefore, the statistical summary of the region provided above must be considered in light of the fact that economic indicators available in the near future will show a substantial contraction of economic activity beginning in the first quarter of 2020. This issue is discussed more fully after the Market Analysis section of this report.

It should be noted that the Collier County real estate market has experienced what is best described as an increase in sales activity since the outbreak of the COVID-19 pandemic.

Interviews with brokers indicated business activity has been brisk for this time of year with many reporting Midwest and Northeast buyers looking to move out of troubled hotspot areas of the Nation because of both COVID-19, political unrest and crime, all coupled with Florida's weather and tax free environment.

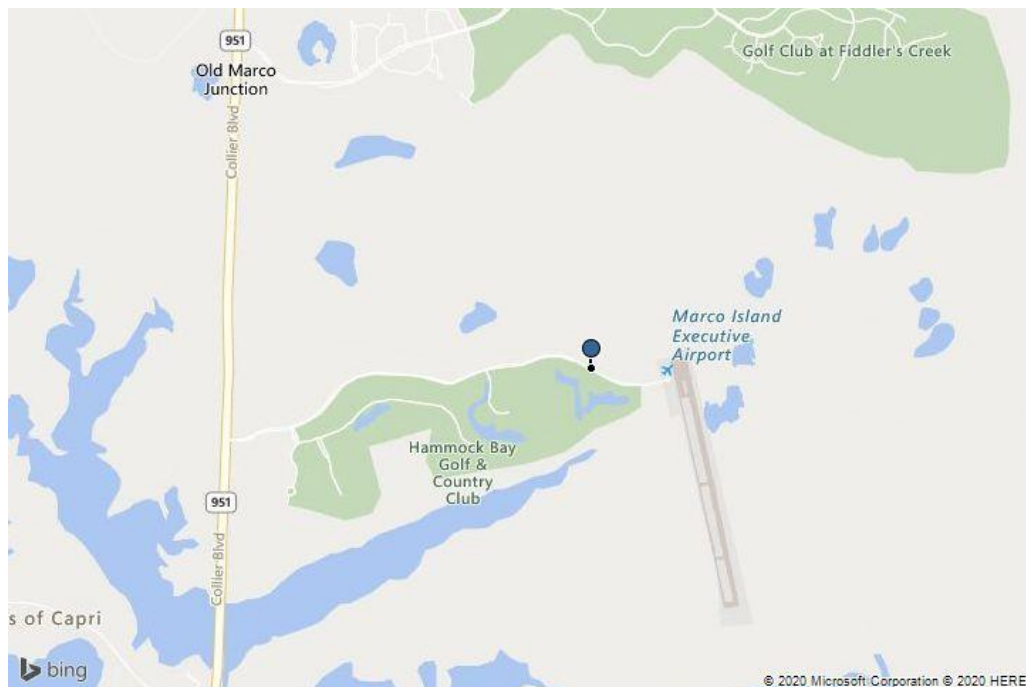
We anticipate that the Collier County economy will continue to improve, and employment will grow, strengthening the demand for real estate.

Surrounding Area Analysis

Location

The subject is located just east of Collier Boulevard along Mainsail Drive, within the Outlying Collier County submarket of Collier County. This area is generally delineated as follows:

North	Interstate 75
South	Marco Island
East	Picayune Strand State Forest
West	Rookery Bay



Access and Linkages

The subject is located on the eastside of Collier Boulevard, +/-5-miles south of its intersection with Tamiami Trail. The only access to the subject is via this Collier Boulevard. Collier Boulevard is the main north/south arterial and it also intersects numerous arterials that provide access to other submarkets. It is also the main arterial that provides access to Marco Island. Access to Interstate 75 is provided by this arterial, which is Exit 101 off I-75. The stretch of Collier Boulevard in front of the subject is a four-lane divided roadway.

Tamiami Trail is another major arterial providing access throughout Naples. Generally, uses along the thoroughfare are retail with a mix of free-standing buildings, anchored shopping centers and unanchored retail strip centers.

Another major north/south arterial is Airport Road. This arterial intersects Tamiami Trail, six miles northwest of the subject. Airport Road is a six-lane divided road and begins in the north with its intersection with Immokalee Road and continues to Tamiami Trail East.

Radio Road runs in an east / west direction and begins with its intersection with Airport Road and continues until its intersection with Davis Boulevard. Davis Boulevard runs in an east / west direction and begins at its intersection with Tamiami Trail East and swings in a northeast / southwest direction continuing to Collier Boulevard.

Rattlesnake Hammock Road runs in an east / west direction and converts from Thomasson Drive. It is a four-lane divided roadway and ends with its intersection with Collier Boulevard. Thomasson Drive runs in an east / west direction and begins at its intersection with Bayshore Drive, northwest of the subject property.

Public transportation is provided by the Collier Area Transit (CAT) in Collier County and provides access to the developed areas of Collier County. According to the Collier Area Transit website, there are numerous bus stops located along Tamiami Trail East. Overall, the primary mode of transportation in the area is the automobile.

The Naples Municipal Airport (APF) is located less than 8 miles northwest of the subject property and travel time is about 15 minutes, depending on traffic conditions. The Southwest Florida International Airport (RSW) is located approximately 40 miles north of the subject property and travel time is about 40-45 minutes, depending on traffic conditions. Downtown Naples or 5th Avenue South, the cultural and economic center of the area is located less than 9 miles northwest of the subject property along Tamiami Trail and travel time is about 15 minutes, depending on traffic conditions.

Demographics

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

Surrounding Area Demographics					
2021 Estimates	1-Mile Radius	3-Mile Radius	5-Mile Radius	Collier County, FL	Florida
Population 2010	0	5,235	19,395	321,520	18,801,310
Population 2021	0	7,367	24,990	393,750	21,908,282
Population 2026	0	8,039	26,848	421,171	23,200,979
Compound % Change 2010-2021	0.0%	3.2%	2.3%	1.9%	1.4%
Compound % Change 2021-2026	0.0%	1.8%	1.4%	1.4%	1.2%
Households 2010	0	2,369	9,097	133,179	7,420,802
Households 2021	0	3,450	11,899	164,243	8,630,598
Households 2026	0	3,813	12,839	176,100	9,142,275
Compound % Change 2010-2021	0.0%	3.5%	2.5%	1.9%	1.4%
Compound % Change 2021-2026	0.0%	2.0%	1.5%	1.4%	1.2%
Median Household Income 2021	\$0	\$71,057	\$72,535	\$74,496	\$60,396
Average Household Size	0.0	2.1	2.1	4.7	2.5
College Graduate %	0%	33%	32%	37%	30%
Median Age	0	60	61	52	43
Owner Occupied %	0%	76%	79%	72%	67%
Renter Occupied %	0%	24%	21%	28%	33%
Median Owner Occupied Housing Value	\$0	\$344,745	\$403,379	\$395,621	\$254,241
Median Year Structure Built	0	2003	1999	1995	1988
Average Travel Time to Work in Minutes	0	26	24	54	31

Source: Claritas

As shown above, the current population within a 3-mile radius of the subject is 7,367, and the average household size is 2.1. Population in the area has grown since the 2010 census, and this trend is projected to continue over the next five years. Compared to Collier County overall, the population within a 3-mile radius is projected to grow at a faster rate.

Median household income is \$71,057, which is lower than the household income for Collier County. Residents within a 3-mile radius have a lower level of educational attainment than those of Collier County, while median owner occupied home values are considerably lower.

Much of the lower income level statistics is due to the seasonal and second-home nature of the residents living on Marco Island and in the Fiddler's Creek gated golfing community.

Land Use

In the immediate vicinity of the subject, land uses include a mix of conservation land and residential uses with retail and commercials being located along major thoroughfares mainly to the north. Other land use characteristics are summarized as follows:

Surrounding Area Land Uses	
Character of Area	Suburban
Predominant Age of Improvements	new – 50+ years
Predominant Quality and Condition	Average
Approximate Percent Developed	40%
Infrastructure/Planning	Average
Predominant Location of Undeveloped Land	East
Prevailing Direction of Growth	East
Subject's Immediate Surroundings	
North	Vacant Land/Water
South	Golf Course
East	Vacant Land and Marco Island Executive Airport
West	Vacant Land

Hammock Bay Golf & Country Club

The subject is in the Hammock Bay Golf & Country Club. Hammock Bay Golf & Country Club features three residential high-rise tower condominiums, a mid-rise condominium and a neighborhood of attached villas. Condominium amenities include walk-in closets, balconies, semi-private elevators and garden tubs. Community amenities include a lobby, community room, a mini theater, a fitness room and locker room and a postal station. The par-72 golf course was designed by Peter Jacobsen and Jim Hardy. Club amenities include a 26,000-square-foot Sports club with a large resort-style pool in a lushly-tropical-landscaped area, a 7,000 square-foot fitness center and lighted har-tru tennis courts. Club membership is optional.

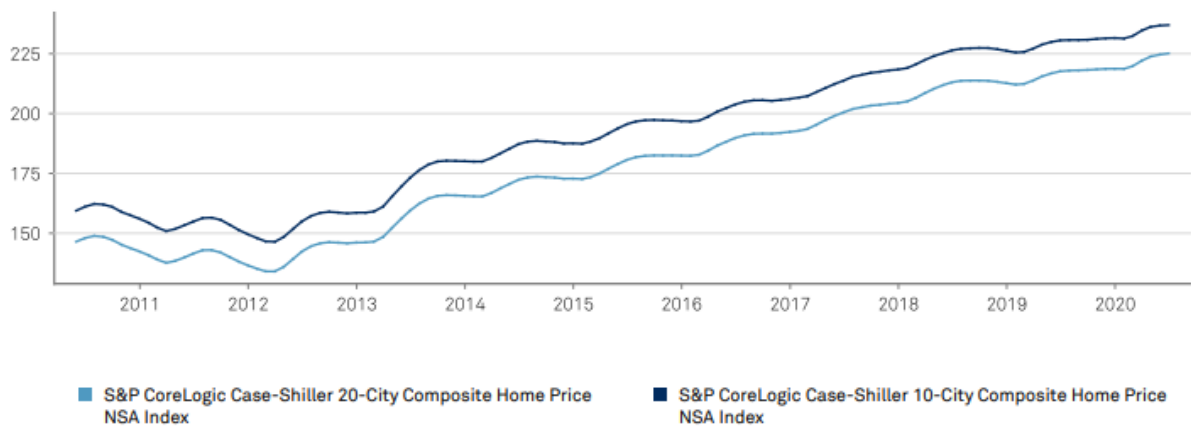


Residential Market Area Analysis

The following section addresses how the market, and economic values, are being impacted by the COVID-19 Pandemic over the course of the last year and a half. The conclusion provides a framework for how the valuation addresses this emerging issue.

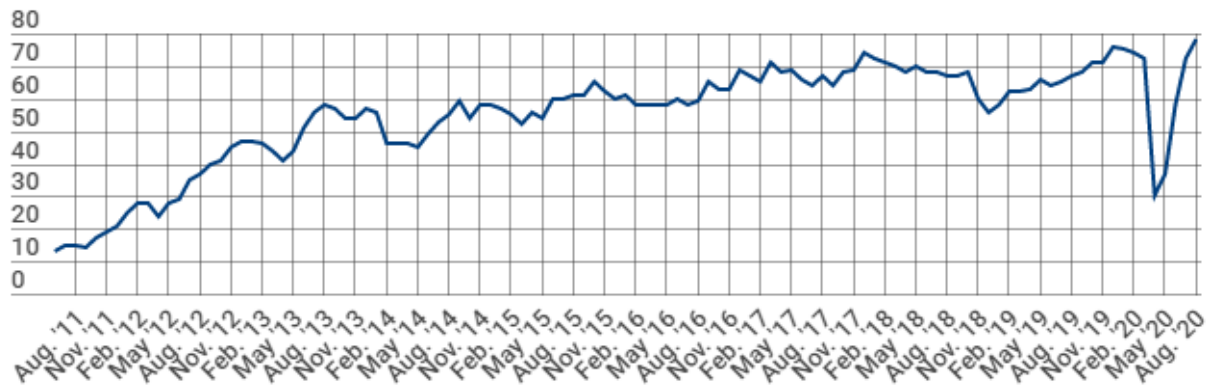
The S&P/Case-Shiller Home Price Index tracks housing prices for 20 U.S. metro areas going back to 1890, and is based on existing, not new, construction. The index results were as of June 30, 2020. The data shows that home prices continued their rise across the country for the last 10 years. The 10-city and 20-city composites increased 0.09% and 0.24% over the prior month, respectively.

Historical Performance



National Association of Homebuilders (NAHB) Survey

The National Association of Homebuilders (NAHB) conducts a monthly survey of homebuilders asking them to rate the current conditions within the single-family home market and their near-term future expectations (i.e., 6-month forecast). Indexes over 50 indicate positive responses. The preliminary September 2020 NAHB/Wells Fargo Housing Market Index (HMI) is 83, up from 68 in September a year ago, and up from 78 in the previous month. The recent marks are evidence of healthy conditions within the single-family home market. The more recent index results continue the trend of gradual improvement in underlying homebuilder sentiment nationwide.



National Association of Realtors (NAR) – Median Prices, Supply, and Affordability

Total existing-home sale completed transactions that include single-family homes, townhomes, condominiums and co-ops, jumped 24.7% from June to a seasonally adjusted annual rate of 5.86 million in July. The previous record monthly increase in sales was 20.7% in June of this year. Sales as a whole rose year-over-year, up 8.7% from a year ago (5.39 million in July 2019).

The median existing-home price for all housing types in July was \$304,100, up 8.5% from July 2019 (\$280,400), as prices rose in every region. July's national price increase marks 101 straight months of year-over-year gains. For the first time ever, national median home prices breached the \$300,000 level.

Total housing inventory at the end of July totaled 1.50 million units, down from both 2.6% in June and 21.1% from one year ago (1.90 million). Unsold inventory sits at a 3.1-month supply at the current sales pace, down from 3.9 months in June and down from the 4.2-month figure recorded in July 2019.

Properties typically remained on the market for 22 days in July, seasonally down from 24 days in June and from 29 days in July 2019. Sixty-eight percent of homes sold in July 2020 were on the market for less than a month.

First-time buyers were responsible for 34% of sales in July, down from 35% in June 2020 and up from 32% in July 2019. NAR's 2019 Profile of Home Buyers and Sellers released in late 2019 revealed that the annual share of first-time buyers was 33%. Individual investors or second-home buyers, who account for many cash sales, purchased 15% of homes in July, up from both 9% in June 2020 and from 11% in July 2019. All-cash sales accounted for 16% of transactions in July, equal to the percentage in June 2020 and down from 19% in July 2019.

Foreclosures and short sales represented less than 1% of sales in July, down from 3% in June up from 2% in June 2019.

Single-family home sales sat at a seasonally adjusted annual rate of 5.28 million in July, up 23.9% from 4.26 million in June, and up 9.8% from one year ago. The median existing single-family home price was \$307,800 in July, up 8.5% from July 2019.

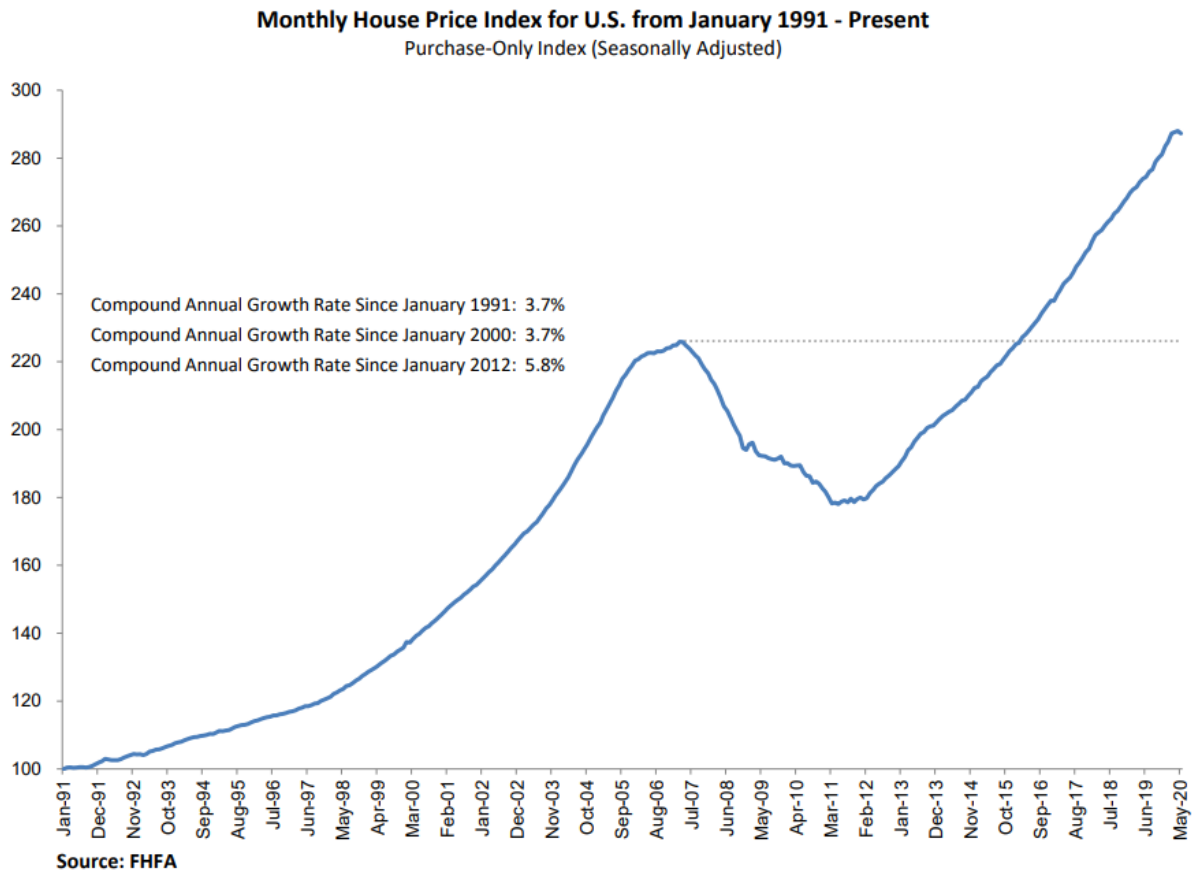
Existing condominium and co-op sales were recorded at a seasonally adjusted annual rate of 580,000 units in July, up 31.8% from June and equal to a year ago. The median existing condo price was \$270,100 in July, an increase of 6.4% from a year ago.

Existing-home sales in the South shot up 19.4% to an annual rate of 2.59 million in July, up 12.6% from the same time one year ago. The median price in the South was \$268,500, a 9.9% increase from a year ago.

Federal Housing Finance Agency's (FHFA) House Price Index (HPI)

The Federal Housing Finance Agency's (FHFA) House Price Index (HPI) measures movement in purchase-only single-family home prices was down 0.3% in May compared to the previous month but rose 4.9% compared to the previous year.

For the nine census divisions, seasonally adjusted monthly house price changes from April 2020 to May 2020 ranged was down 1.0% in the New England division, up 0.1% in the South and Atlantic division. The 12-month changes were all positive. Historical movements in the HPI are displayed in the following chart:

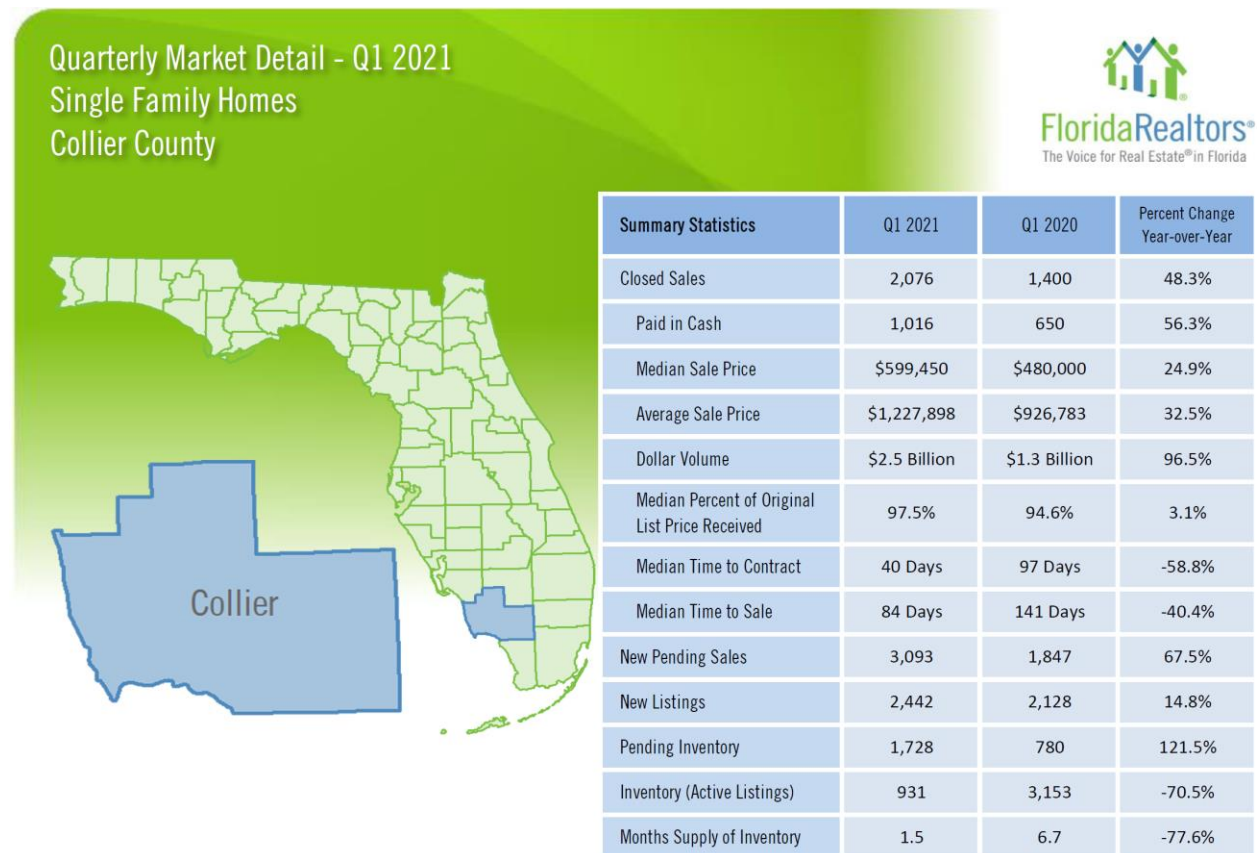


Collier County Market Residential – Single Family Homes

On the following pages, we will examine supply and demand indicators pertinent to the residential market in greater Collier County area.

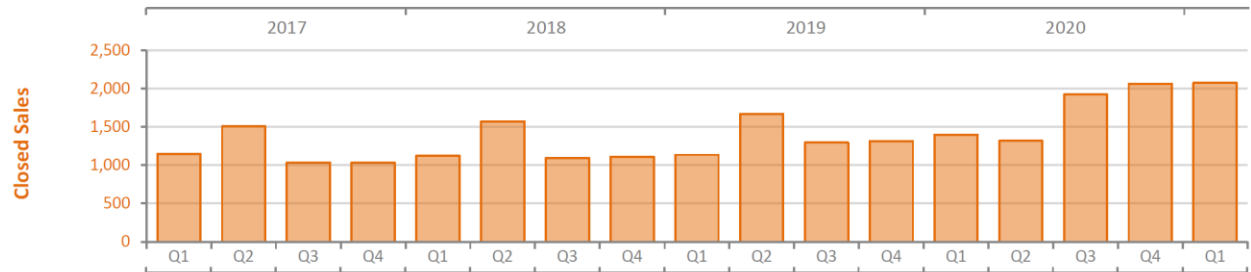
Demand Analysis

The following data was obtained from Florida Realtors monthly report, as of 1Q 2021 (most recent data available released on May 11, 2021), for Collier County.



As of 1Q 2021, the number of closings in the Collier County was reported at 2,076 closings, which is up 48.3% from the prior year at 1,400 closed sales. The number of closings has fluctuated over the last few years, which can be seen in the following tables.

Quarter	Closed Sales	Percent Change Year-over-Year
Year-to-Date	2,076	48.3%
Q1 2021	2,076	48.3%
Q4 2020	2,060	57.1%
Q3 2020	1,924	48.7%
Q2 2020	1,319	-21.0%
Q1 2020	1,400	23.3%
Q4 2019	1,311	18.1%
Q3 2019	1,294	18.3%
Q2 2019	1,669	6.1%
Q1 2019	1,135	1.1%
Q4 2018	1,110	7.1%
Q3 2018	1,094	5.8%
Q2 2018	1,573	4.4%
Q1 2018	1,123	-2.1%



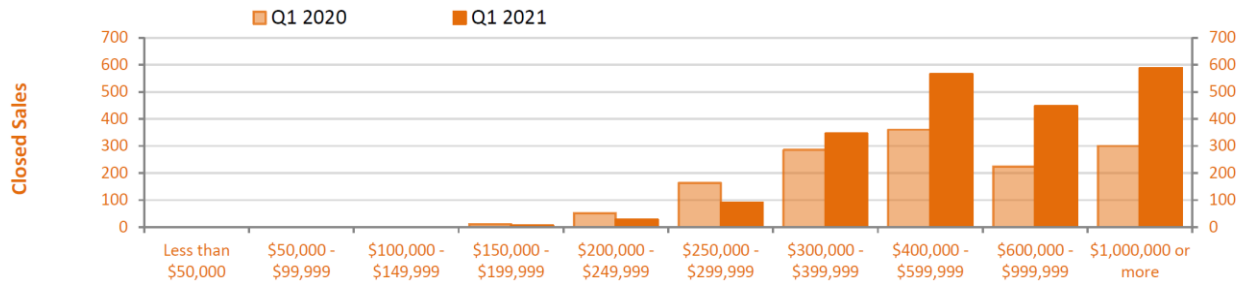
The following was taken from the Economists' Note section of the Florida Market Metropolitan Statistical Area (MSA) Report

"Closed Sales are one of the simplest—yet most important—indicators for the residential real estate market. When comparing Closed Sales across markets of different sizes, we recommend comparing the percent changes in sales rather than the number of sales. Closed Sales (and many other market metrics) are affected by seasonal cycles, so actual trends are more accurately represented by year-over-year changes (i.e. comparing a quarter's sales to the amount of sales in the same quarter in the previous year), rather than changes from one quarter to the next.."

Of the total closed sales reported, approximately 770 sales were reported as traditional, four were reported at foreclosures/REO, and none were reported as a short sale. The number of closings has fluctuated over the last few years, which can be seen in the following tables.

The most active segment of the sales in the broader market area have occurred within at the over \$1,000,000 range at 587 closed sales which can be seen in the following tables.

Sale Price	Closed Sales	Percent Change Year-over-Year
Less than \$50,000	0	N/A
\$50,000 - \$99,999	0	N/A
\$100,000 - \$149,999	1	N/A
\$150,000 - \$199,999	7	-41.7%
\$200,000 - \$249,999	29	-44.2%
\$250,000 - \$299,999	92	-43.9%
\$300,000 - \$399,999	346	21.0%
\$400,000 - \$599,999	566	56.8%
\$600,000 - \$999,999	448	99.1%
\$1,000,000 or more	587	95.7%

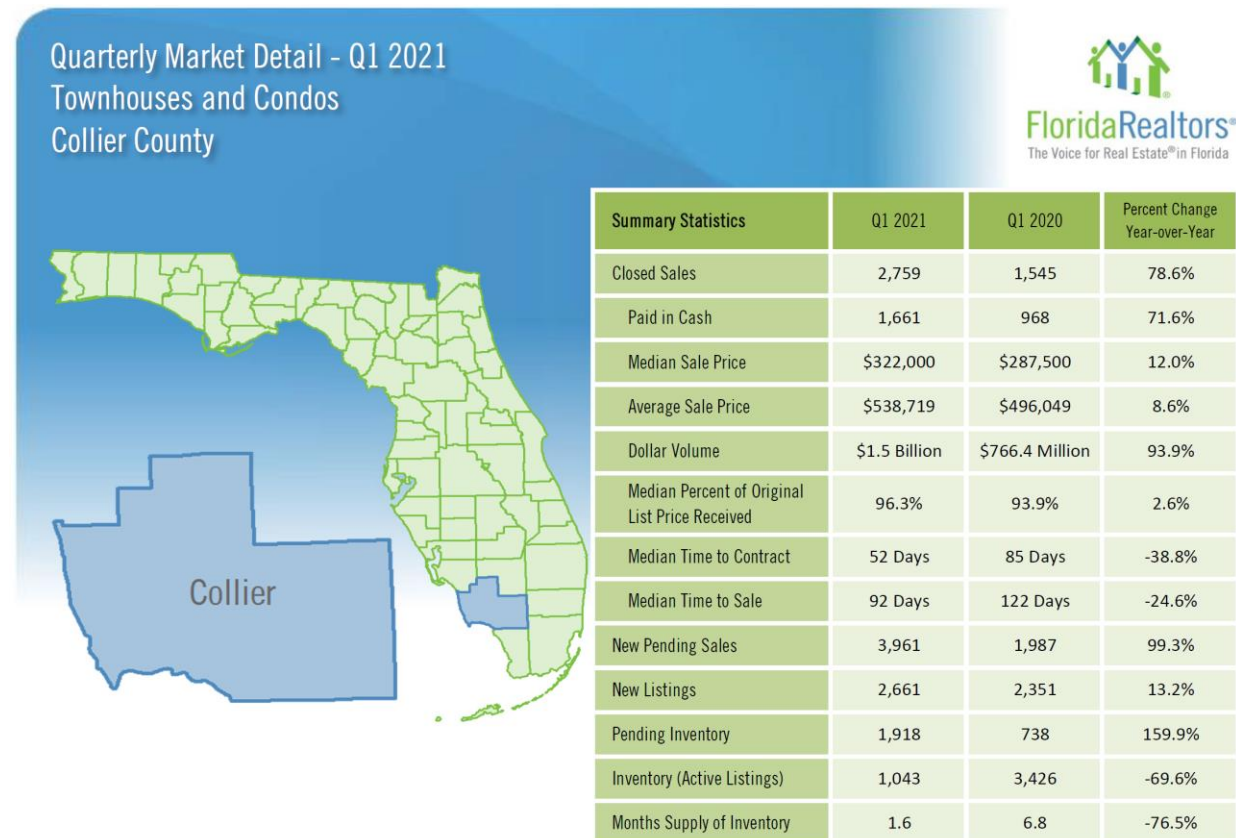


Collier County Market Residential –Townhomes and Condos

On the following pages, we will examine supply and demand indicators pertinent to the residential market in greater Collier County area.

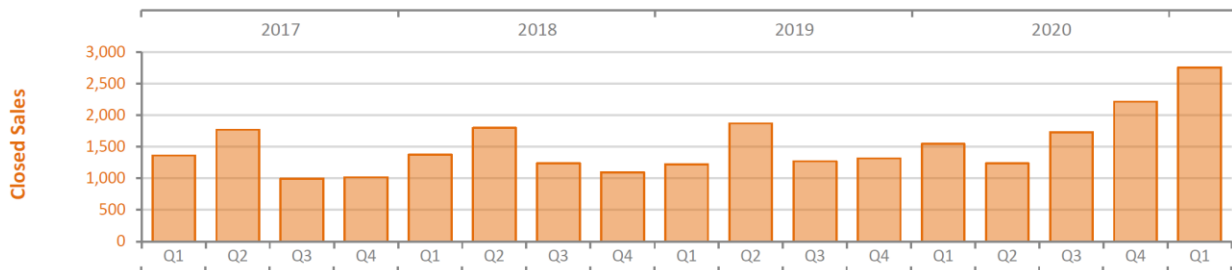
Demand Analysis

The following data was obtained from Florida Realtors monthly report, as of 1Q 2021 (most recent data available released on May 11, 2021), for Collier County.



As of 1Q 2021, the number of closings in the Collier County was reported at 2,759 closings, which is up 78.6% from the prior year at 1,545 closed sales. The number of closings has fluctuated over the last few years, which can be seen in the following tables.

Quarter	Closed Sales	Percent Change Year-over-Year
Year-to-Date	2,759	78.6%
Q1 2021	2,759	78.6%
Q4 2020	2,215	68.1%
Q3 2020	1,733	36.3%
Q2 2020	1,237	-33.9%
Q1 2020	1,545	26.0%
Q4 2019	1,318	20.0%
Q3 2019	1,271	2.6%
Q2 2019	1,872	4.0%
Q1 2019	1,226	-11.0%
Q4 2018	1,098	7.8%
Q3 2018	1,239	24.1%
Q2 2018	1,800	1.6%
Q1 2018	1,377	1.0%

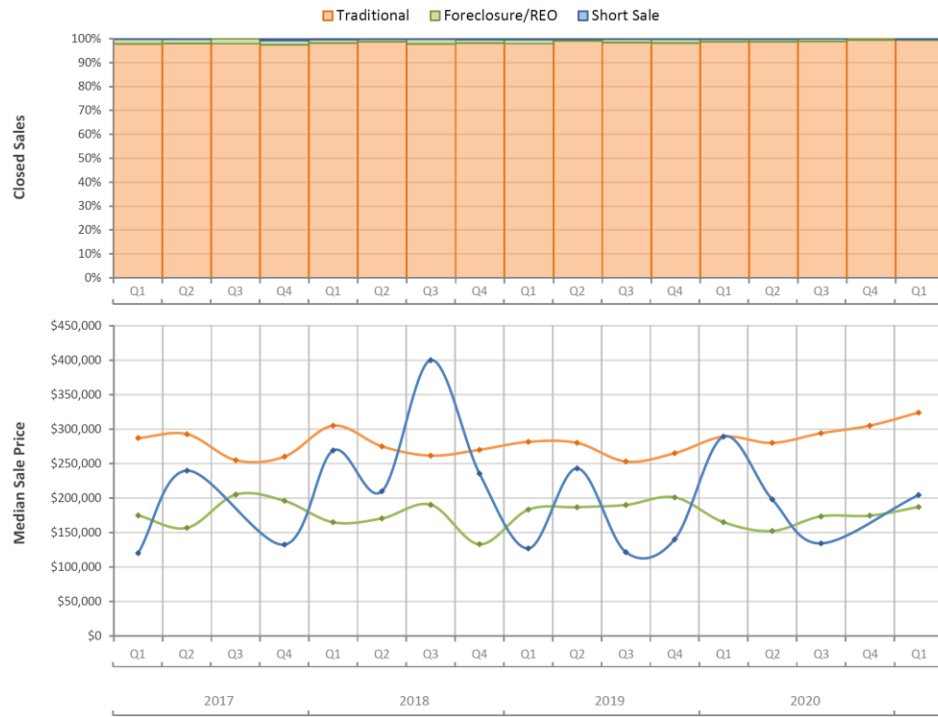


The following was taken from the Economists' Note section of the Florida Market Metropolitan Statistical Area (MSA) Report

"Closed Sales are one of the simplest—yet most important—indicators for the residential real estate market. When comparing Closed Sales across markets of different sizes, we recommend comparing the percent changes in sales rather than the number of sales. Closed Sales (and many other market metrics) are affected by seasonal cycles, so actual trends are more accurately represented by year-over-year changes (i.e. comparing a quarter's sales to the amount of sales in the same quarter in the previous year), rather than changes from one quarter to the next.."

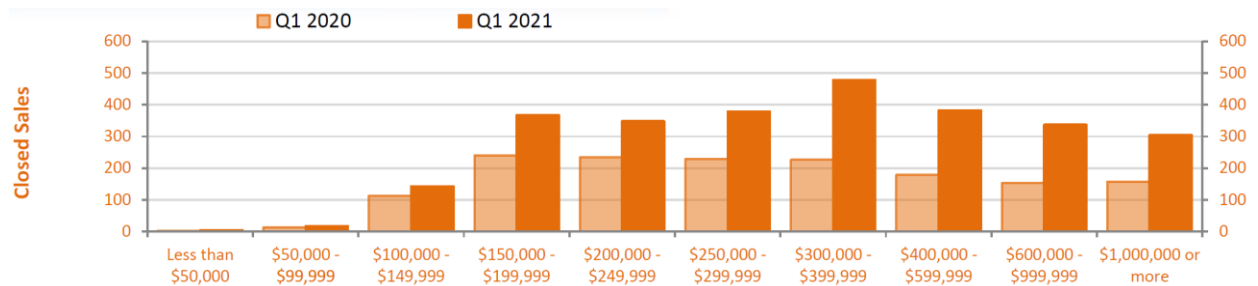
Of the total closed sales reported, approximately 2,774 sales were reported as traditional, 11 were reported at foreclosures/REO, and four were reported as a short sale. The number of closings has fluctuated over the last few years, which can be seen in the following tables.





The most active segment of the sales in the broader market area have occurred within the \$300,000 - \$399,999 range at 478 closed sales which can be seen in the following tables.

Sale Price	Closed Sales	Percent Change Year-over-Year
Less than \$50,000	4	100.0%
\$50,000 - \$99,999	18	38.5%
\$100,000 - \$149,999	143	27.7%
\$150,000 - \$199,999	367	52.9%
\$200,000 - \$249,999	348	48.7%
\$250,000 - \$299,999	378	65.1%
\$300,000 - \$399,999	478	111.5%
\$400,000 - \$599,999	382	113.4%
\$600,000 - \$999,999	337	120.3%
\$1,000,000 or more	304	93.6%



Development Activity and Trends

Copper Cove Preserve, by Lennar is located along Treasure Cove Circle, just east of Collier Boulevard and south of Tamiami Trail East. Copper Cove offers 7 floor plans, spaciouly sized from 2,000-square feet to over 4,000-square feet.

Esplanade at Hacienda Lakes, by Taylor Morrison, is located just east of Collier Boulevard, south of the Florida Sports Park. Esplanade consists of 10 designs of villas and single-family homes, with Californian Tuscan architecture, ranging in size from 1,676 to 3,144-square feet.

Treviso Bay by Lennar Homes is located along Tamiami Trail East in Naples. Treviso bay features 6 collections of homes ranging from Terrace Condos (1,194-1,408-square feet), Veranda Condos (1,414-1,661-square feet), Coach Homes (1,883-2,099-square feet), Executive Homes (1,649-2,246-square feet), and Luxury Estate Homes (2,361-3,800-square feet) homes.

The Journeys End property on Manatee Road was recently purchased by DR Horton who has begun to clear the property. 315 two story townhomes are proposed for the 66-acre site.

Artesia Naples, by WCI Communities, is a luxury gated community located off Barefoot Williams Road, west of Collier Boulevard. Artesia is a mix of cottage homes, grand villas and mansions. The amenities of Artesia include a lake side clubhouse with 9,215 square feet under air (11,845-square feet of total size) which features a state-of-the-art fitness center and billiards room, a resort style pool featuring beach entry and lap lanes, a multi-use racquetball court and a dog park. In all, the 261-acre community is planned for approximately 600 homes with more than 111 acres dedicated to nature preserve and lakes.

Agro Manatee is under development at the intersection of Tamiami Trail east and Manatee Road. The developer is permitted to build 191 home lots at Argo Manatee, planned as a gated community with multifamily twin villas and single-family detached homes.

Stock Plaza, which is located at the NWQ of Collier Boulevard and Grand Lely Drive, has recently finished construction of their 5th and final building. Property features 4 multi-tenant buildings and a medical facility. Tenants include NCH, Skillets, Five Guys, A T & T, Eco Cleaners, California Closets and Heartland Dental. Directly south of Stock Plaza, at the SWQ of Collier Boulevard and Grand Lely, a hotel with 4 outparcels are proposed for future development.

Tamiami Crossing, located at the intersection of Tamiami Trail and Collier Boulevard, was completed in 2016. This 122,383-square foot retail center is anchored by a Marshalls and a Stein Mart. Other tenants include a Michaels, Ross Department store, PetSmart and an Aldi supermarket.

Restaurant Row, which is located at the intersection of Collier Boulevard and Tamiami Trail East is a development which includes several freestanding and multi-tenant buildings. Tenants include Starbucks and T-Mobile, Pollo Tropical, Chipotle Mexican Grill, Pei Wei Asian Diner and Texas Roadhouse.

A 103-room Staybridge Suites hotel containing a total of 45,416-square feet was recently developed in 2019. Property is located in close proximity to Restaurant Row described above.

Price Street Plaza, a 19,600-square foot retail strip center was recently developed along the west side of E Tamiami Trail, just north of Collier Boulevard. Center is anchored by a Dollar Tree. A Tire Kingdom and a Wawa have also been recently developed on 2 outparcels to the Plaza.

A 60,000-square foot airport hangar is currently under construction within the Marco Island Executive Airport. This multi-tenant building will have suites that range from 3,920-square feet to 8,800-square feet. Delivery is scheduled for October of 2020.

SKC Marco Shores, LLC recently received approvals for development of either a multifamily (100-units) or group housing for seniors (240-units/beds) project. Based on the plans submitted to Collier County it appears the developer has decided to develop a 100-unit multifamily apartment project. This is important because this development is located adjacent to the subject property along the north side of Mainsail Dr. As of the date of this report construction has not started.

Outlook and Conclusions

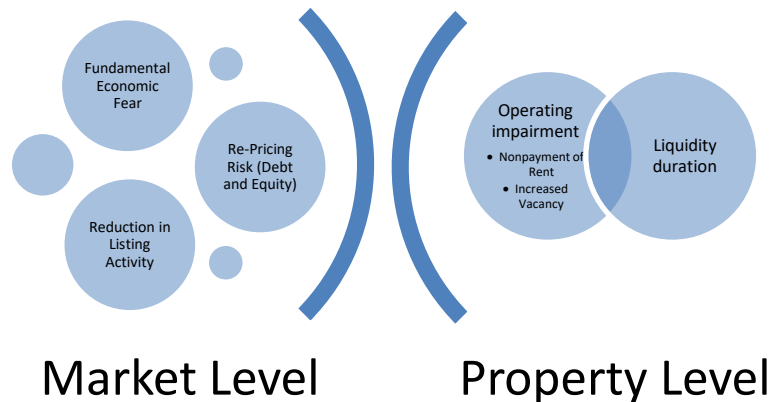
The submarket has been in the stage of the real estate cycle best described as “expansion”. However, due to the current Covid-19 pandemic, tourism, lodging, and tourist-related food and beverage and retail sectors are likely to feel the first negative effects due to the substantial decline in social movement and activity.

Residential pricing stabilized for a short period during the 3 month lock down due to the COVID-19 crisis. But as Governor De Santis maintained the State of Florida as an open state, the increase in the number of new residents has increased at one of the highest rates the State has ever experienced. Based on interviews with professional Realtors active in the residential market there is a severe shortage in supply and high demand for existing and new homes. This coupled with rising costs of production caused by labor shortages and supply chain disruptions has caused an increase in new home development costs. Regardless, in-migration of new residents continues as does the demand for housing. We anticipate within 6 to 12 months these conditions will level off and there will be a correction in the market. Especially if fears of inflation continue and finance rates begin to rise.

A prolonged outbreak could have a significant (and as yet unquantifiable) impact on other real estate sectors. However, it appears the residential sector has been one of the unexpected beneficiaries of the COVID-19 Pandemic. Our valuation is based upon the best information as of the effective date of appraisal.

COVID-19 Impact on Current Valuations

Transaction indicators are the best measure of any impact on values due to COVID-19. At the beginning of the pandemic, many transactions were tabled, and market data was scarce. After an initial lull in activity, price discovery has occurred in many markets across different property types and transactions are getting done. Market instability remains a factor on various levels:



Based on discussions and interviews with a wide range of market participants including brokers, lenders, asset managers, owners, property managers and others, a variety of concerns, and opportunities, are apparent.

The Virus

A surge in COVID-19 cases throughout the country began in 4Q20. Infection rates are exploding with many state and local governments restricting movement and social gatherings. The stock market rose to new highs in 4Q20 on the news of COVID Relief Monies and PPP Loans as well as multiple promising vaccine options expected to first become widely available to health care workers and then the general public by mid-2021. In the interim, volatility will remain with starts and stops in economic activity. A widely distributed vaccine is critical for bringing workers back to the office; for allowing public schools to remain open with consistency; and for perceived safe use of public transportation in getting people to work.

Macro-Economic Impacts

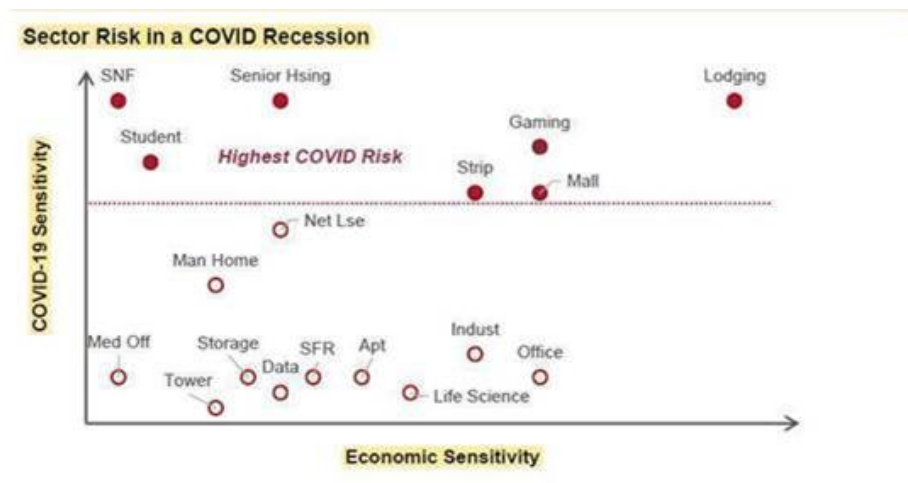
Not surprisingly, 3Q20 GDP was up significantly but varies considerably by segment. Consumption of goods is up while consumption of services remains off, due in large part to households remaining in various levels of lockdown in many parts of the country. Warehouses and manufacturing are winners. Hotels, retail, and restaurants remain weak.

State and local finances are troubling not to mention the outlook for employers and workers, particularly in the service sector, who remain on the downside of a K shaped recovery.

After initially ramping up cash reserves to cover bad loans, many larger lending institutions have begun reducing those set-asides as the expectation of losses is on the decline. Many smaller to mid-size banks, which have typically been the primary capital source to local, service-oriented businesses, may not be so fortunate.

Impact by Property Type, Class & Location

Below is a graph prepared by Greenstreet Advisors plotting the sensitivity (and risk) associated with various property types with the negative impact on value being greater for those assets with greater sensitivity. Those assets relating to essential business operations (grocery, medical, distribution) have been less affected than for example lodging and malls where social distancing is more difficult.



Rates of Return and Valuation Methodology

Offsetting the increased risk due to uncertainty in the property markets is the Fed's monetary policy of holding rates down to enhance liquidity in the debt markets. While many financial institutions have lowered their loan to value ratios as a risk management tool, the cost of borrowing is at historic lows for assets with sustainable cash flow and solid sponsors. The result is downward pressure on rates of return where leverage is attainable but offset to some extent by a rise in equity return requirements. As transactions continue to occur, the overall impact on rates of return, and how they are responding differently by property type and location, is becoming apparent.

Some market participants believe the answer to market value lies in capitalization rates while others believe rates are not moving. Instead, the value impact is limited to cash flow loss plus profit until re-stabilization occurs. Once again, the answers vary by property type and location.

The following valuation tempers the various inputs given the wide range of data in the market. Care must be taken not to "double hit" the analysis by modeling lower net income via lower performance projections and at the same time raising the return requirements, particularly in light of a low interest rate environment.

Market Sentiment/Participant Interviews

In addition to transaction data, which is slowly materializing, we look to market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. Following is a summary of key interviews undertaken:

We've focused primarily on the coastal markets which are made up primarily of residential developments. Without exception prices have been increasing as demand continues to increase as supply decreases. In many cases days on market are decreasing to unsustainable levels of 2 to 6 days and buyers are bidding against each other causing selling prices to exceed listing/asking prices.

Risk Assessment

The subject has moderate risk associated with COVID. In comparison to pre-COVID sales, the subject has decreased risk. At the present time product supply is the main concern with active sales agents, title companies and real estate attorneys.

Conclusion

Considering the subject's relative sensitivity to COVID-19 risks as of the effective date of the valuation, the following valuation considerations were developed:

Valuation Approach Implications from COVID-19		Comment
Cost Approach		
Changes in cost of construction?	NA	
Changes in entrepreneurial incentive?	NA	
External obsolescence due to current conditions?	NA	
Sales Comparison Approach		
Market conditions adjustment?	No	
Transaction evidence?	Yes	Post-Covid transactions utilized
Income Capitalization Approach	NA	
Marketing Time		
Has marketing time been adjusted?	No	

Property Analysis

Land Description and Analysis

Land Description	
Land Area	1.41 acres; 61,420 SF
Source of Land Area	Public Records
Primary Street Frontage	Mainsail - 270 feet
Shape	Irregular
Corner	No
Rail Access	No
Water/Port Access	No
Topography	Generally level and at street grade
Drainage	No problems reported or observed
Environmental Hazards	None reported or observed
Ground Stability	No problems reported or observed
Flood Area Panel Number	120067-12021C0620H
Date	May 16, 2012
Zone	AE - X500
Description	AE Within 100 Year Floodplain, X500 Not in floodplain
Insurance Required?	Yes
Zoning; Other Regulations	
Zoning Jurisdiction	Collier
Zoning Designation	PUD - Marco Shores
Description	Section VII - Utility Area
Legally Conforming?	No longer utilized for potable water treatment and distribution facilities & sanitary wastewater collection, treatment and maintenance.
Zoning Change Likely?	Possible, upon approval; Valuation is based on hypothetical condition that the property is
Permitted Uses	Actual: Potable water treatment and distribution facilities & Sanitary wastewater collection, treatment and maintenance; Hypothetical - 25 residential dwelling units
Minimum Lot Area	None
Minimum Street Frontage (Feet)	None
Minimum Lot Width (Feet)	None
Minimum Lot Depth (Feet)	None
Minimum Setbacks (Feet)	30' from ROW, public or private
Maximum Building Height	35'
Maximum Site Coverage	None
Maximum Density	18 Units/Net Acre (25 Units)
Maximum Floor Area Ratio	None
Parking Requirement	None
Other Land Use Regulations	None other than those imposed by State of Florida and Collier County land use regulations.
Utilities	
Service	Provider
Water	City of Marco Utilities
Sewer	City of Marco Utilities
Electricity	Florida Power & Light
Natural Gas	TECO, Peoples Gas
Local Phone	Multiple providers

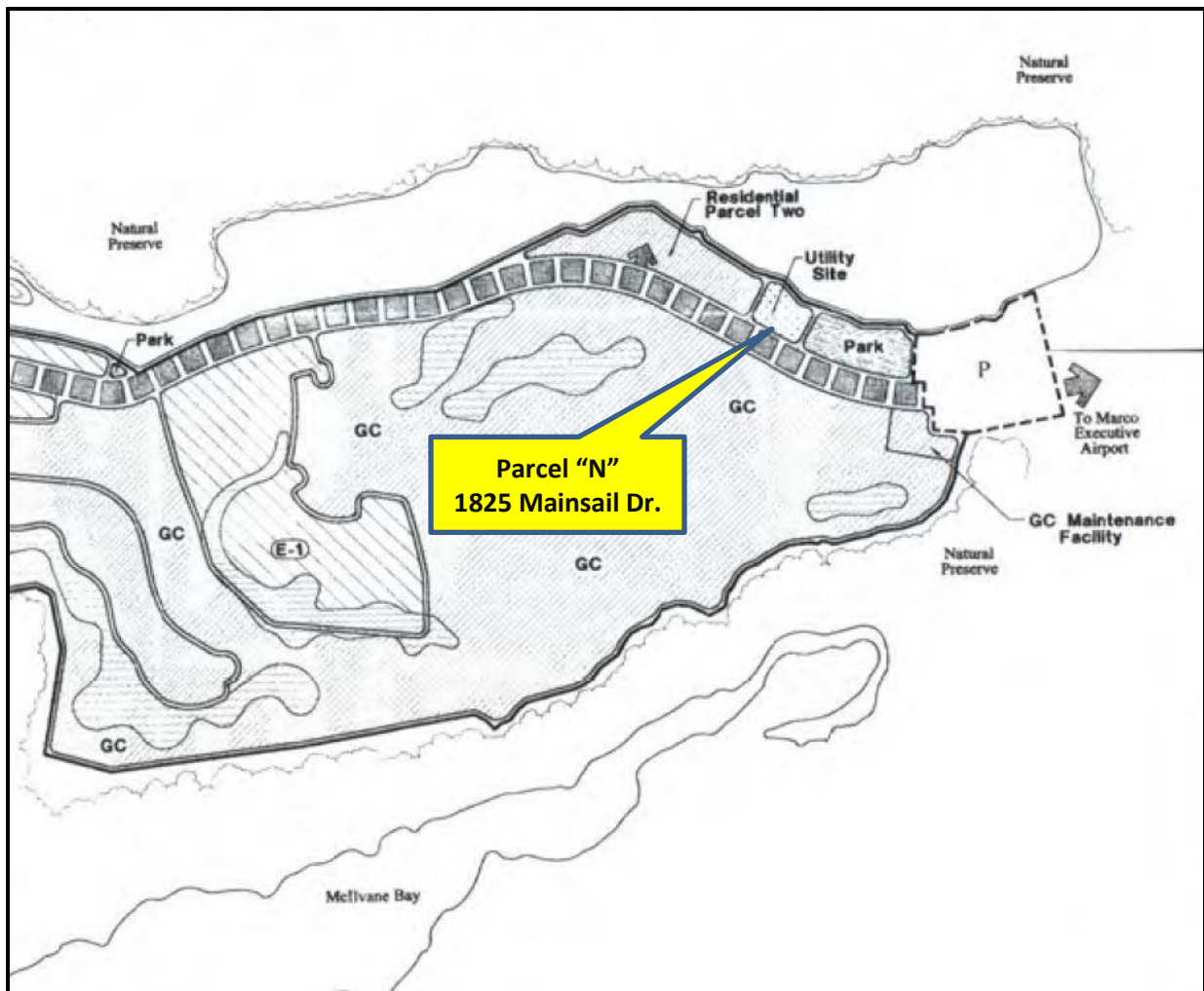
We are not experts in the interpretation of zoning ordinances. An appropriately qualified land use attorney should be engaged if a determination of compliance with zoning is required.

Use and Density Analysis

Zoning

The most recent amendment to the Marco Shores Golf Course Community PUD may be found in the addendum of this report. It may be referenced as Ordinance No. 16-37 and dated November 15, 2016. This document is useful in determining the current zoning of the subject property. Below is a PUD map locating the subject Parcels N.

Exhibit E, Site Plan Utility Area



The map indicates Parcel "N" is designated for Utility Area. The parcel was previously improved and utilized for purposes of potable water treatment and distribution.

The fact remains that the subject parcel will have to be rezoned and approved for use as future residential development. There is no guarantee of a successful outcome. However, it is reasonable for

purposes of this appraisal, to assume that a change in use might be successful. There is sufficient density remaining within the Marco Shores PUD for transfer to the subject property. The major risk in any rezoning effort is neighborhood resistance to change. However, we cannot speculate on whether or not the Marco Shores neighborhood will support or oppose a zoning change.

Potential Development Density

The subject is in the Marco Shores Planned Unit Development. The PUD permits a maximum of 1,580-dwelling units (multifamily and single family), parks, playgrounds, utilities and a golf course.

It is our understanding that the subject parcels N is designated Utility in the PUD. The PUD designates the site for potable water treatment and distribution facilities & wastewater collection, treatment and maintenance.

The adjacent parcel of land, Tract B, was recently approved for development up to 100 residential multi-family units based on a density of 18 +/- units per acre. It is important to note that this parcel did not require a rezone. Tract B is part of Residential Parcel Two as described in Part 4.06 of Section IV "Multi-family" of the PUD document for the Marco Shores Golf Course Community. The site development plan was approved for development of residential multifamily (up to 100-units) or group housing for seniors (240-units/beds).

Currently there are three high-rise condominium buildings developed. These are summarized below.

Hammock Bay High Rise Density			
Tower	Units	Acres	Density
Aversana	113	6.4	17.6
Lesina	116	5.2	22.1
Serano	116	5.3	21.9
Total	345	17.0	20.3

The density of the neighboring high-rise buildings ranges from 17.6 to 22.1 units per acre. The overall density of the current high-rise buildings is 20.3. Please note the current high-rise buildings benefit from shared off-site retention, shared off-site green space, etc. as part of the PUD.

As additional support we have summarized the density of recently purchased multifamily development land.

New Multifamily Density Analysis						
Sale #	Name	City	Sale Date	Acres	Units	Density
1	Springs at Hammock Cove	Naples	Apr-18	34.2	340	9.9
2	Magnolia Pond	Naples	May-19	43.3	432	10.0
3	Joyrose Place Land	Naples	May-19	30.1	325	10.8
4	Cirrus Pointe Land	Naples	Apr-18	9.9	108	10.9
5	New Hope Ministry	Naples	Jan-17	18.9	319	16.9
6	Marco Shores	Naples	Jan-19	5.57	100	18.0
7	Briarwood MF Land	Naples	Jan-18	16.0	320	20.0

The density comparables range from 9.9 to 20.0 units per acre with an average of 13.8 units per acre. The density varies based on product type, on/off-site retention, etc.

Based on the densities of the Hammock Bay high-rise buildings, we have concluded to a density of 18 units per acre. Given a total land area of 1.41 acres the total allowable density possible is 25 residential dwelling units.

As previously noted, the PUD permits a maximum of 1,580-units. As of the effective date 1,062 units have been built. Another 100 units have been allocated to the adjacent Unit 1 Tract B of the PUD. There are 418-units remaining to be allocated.

Assuming the subject 1.41 acres can be permitted for residential multi-family development there remains 12.70 acres that can be developed. Based on our analysis and embracing a density of 18 units per acre this would indicate that approximately 288 units could be approved for development within the Marco Shores PUD. This is well within the 418 remaining density allocated to the PUD.

Rent Control Regulations

The subject is not affected by any type of regulation that would restrict the amount of rent that the owner can charge to tenants.

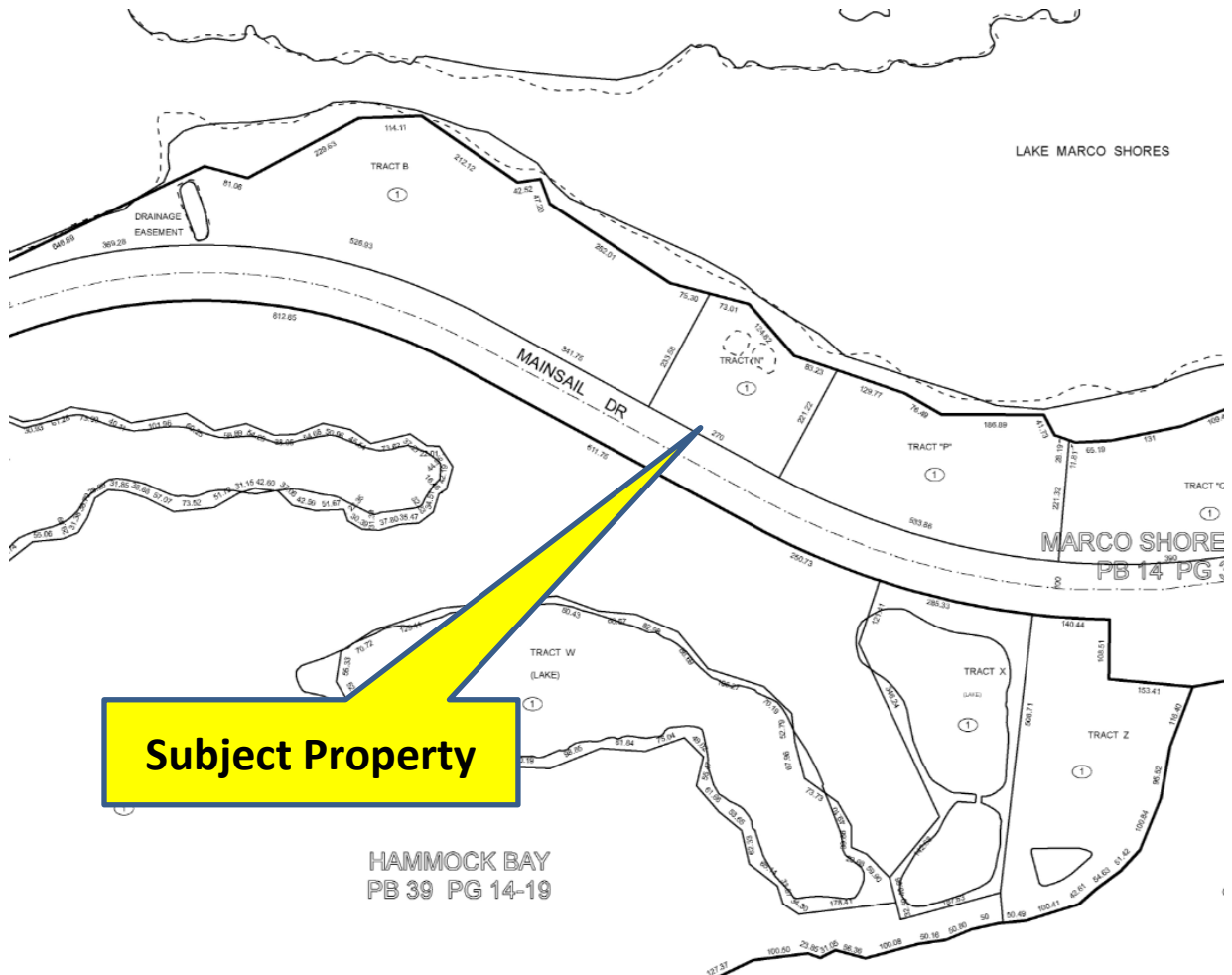
Easements, Encroachments and Restrictions

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

Conclusion of Site Analysis

Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses including those permitted by zoning. We are not aware of any other particular restrictions on development.

Plat



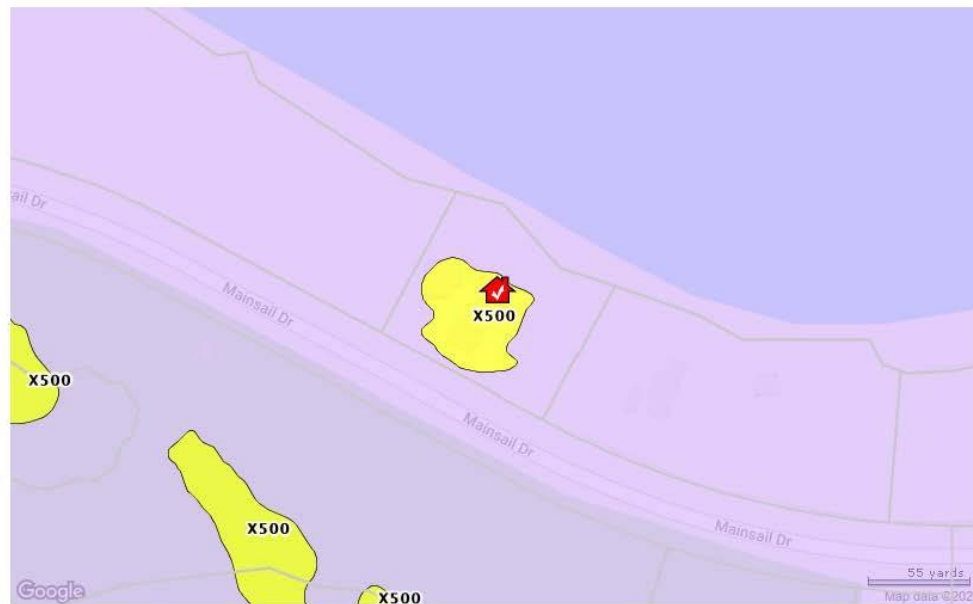
Aerial Photograph



Flood Map – 1825 Mainsail Dr.

1825 Mainsail Dr, Naples, FL 34114, Collier County

FLOOD MAP			
Flood Zone Code	AE	Panel Date	05/16/2012
Report Date	07/13/2020	Community Name	Collier County
County	Collier	Special Flood Hazard Area (SFHA)	In
Flood Zone Panel	120067-12021C0620H	Within 250 feet of multiple flood zone	Yes (AE,X500)
Flood Code Description	Zone AE-An area inundated by 100-year flooding		
SFHA Definition	The land area covered by the flood waters of the base flood is the Special Flood Hazard Area (SFHA) on NFIP maps. The SFHA is the area where the NFIP's floodplain management regulations must be enforced and the area where the mandatory purchase of flood insurance applies. The SFHA includes Zones A, AO, AH, A1-30, AE, A99, AR, AR/A1-30, AR/AE, AR/AO, AR/AH, AR/A, VO, V1-30, VE, and V.		



Flood Zones

- Coastal 100-year Floodway
- Coastal 100-year Floodplain
- 100-year Floodway
- 100-year Floodplain
- Undetermined
- Unknown or Area Not Included
- 500-year Floodplain Incl. levee protected area
- Out of Special Flood Hazard Area

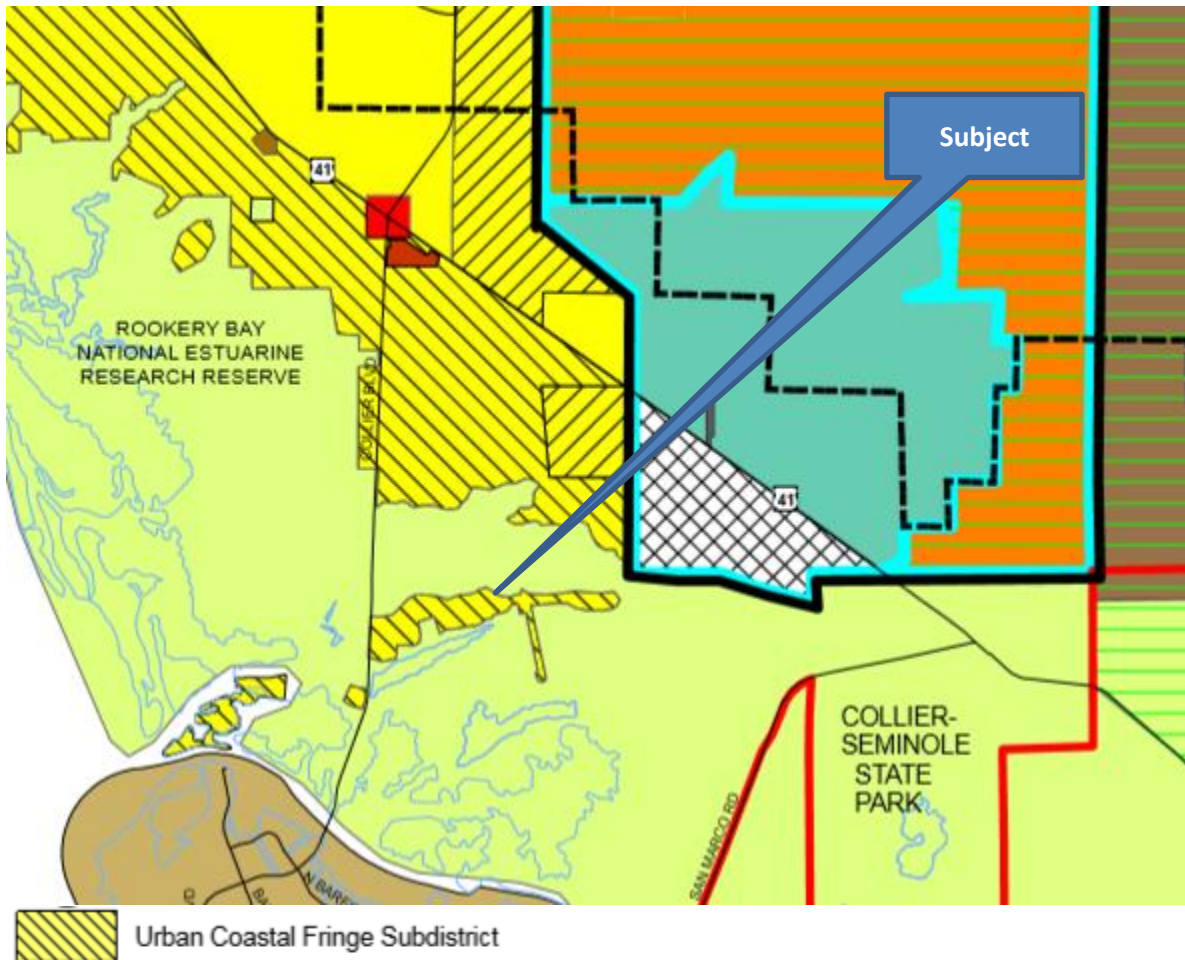
Flood Map | Courtesy of Julian Stiles, Southwest Florida HHS

The data within this report is compiled by CoreLogic from public and private sources. The data is deemed reliable, but is not guaranteed. The accuracy of the data contained herein can be independently verified by the recipient of this report with the applicable county or municipality.

Generated on: 07/13/20

Page 1/1

Future Land Use Map





Western portion of property
(Photo Taken on June 3, 2021)



Northeasterly view
(Photo Taken on June 3, 2021)



Center of property
(Photo Taken on June 3, 2021)



Northerly view
(Photo Taken on June 3, 2021)



Mainsail Drive looking easterly
(Photo Taken on June 3, 2021)



Mainsail Drive and Collier Blvd looking southerly
(Photo Taken on June 3, 2021)

Real Estate Taxes

Real estate tax assessments are administered by Collier County and are estimated by jurisdiction on a countywide basis. Real estate taxes in this state and this jurisdiction represent ad valorem taxes, meaning a tax applied in proportion to value. The real estate taxes for an individual property may be determined by dividing the assessed value by 1,000 and then multiplying the estimate by a composite rate. The composite rate is based on a consistent tax rate throughout the state in addition to one or more local taxing district rates. The assessed values are based upon the current conversion assessment of the Collier County Property Appraiser's market value.

State law requires that all real property be re-valued each year. The millage rate is generally finalized in October of each year, and tax bills are generally received in late October or early November. The gross taxes are due by March 31st of the following year. If the taxes are paid prior to November 30th, the State of Florida allows a 4% discount for early payment. The discount then becomes 3% if paid by December 31st, 2% if paid by January 31st, and 1% if paid by February 28th. After March 31st, the taxes are subject to late penalties and interest.

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

Taxes and Assessments - 2020							
Tax ID	Assessed Value			Taxes and Assessments			
	Land	Improvements	Total	Tax Rate	Ad Valorem Taxes	Government Exemption	Total
59430520004	\$451,200	\$4,233	\$455,433	1.130840%	\$5,150	-\$5,150	\$0

Based on the concluded market value of the subject, the assessed value appears low. It is not uncommon for governmentally owned properties not to be annually updated for value changes. This is mainly due to the fact that they are tax exempt.

Highest and Best Use

The highest and best use of a property is the reasonably probable use resulting in the highest value, and represents the use of an asset that maximizes its productivity.

Process

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as vacant, and as improved. By definition, the highest and best use must be:

- Physically possible.
- Legally permissible under the zoning regulations and other restrictions that apply to the site.
- Financially feasible.
- Maximally productive, i.e., capable of producing the highest value from among the permissible, possible, and financially feasible uses.

As Vacant

Physically Possible

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

Legally Permissible

The site is within the Section VII - Utility Area. At present the actual permitted uses are limited to potable water treatment and distribution facilities & Sanitary wastewater collection, treatment and maintenance. The subject property is no longer utilized as a utility site. The scope of this appraisal assignment is to determine the market value of the subject property based on the hypothetical condition that it is currently entitled for use as multi-family residential development similar to other properties located in the Marco Shores PUD.

The adjacent parcel of land was recently approved for development of a four (4) story apartment complex based on a density of 18 units per acre. However, this parcel was already zoned for residential development. Although the subject property is not zoned for residential development, as previously stated, The scope of this appraisal assignment is to determine the market value of the subject property based on its potential for multi-family residential development similar to other properties located in the Marco Shores PUD. Therefore, the market value conclusion is based on the hypothetical condition that it is currently entitled for use as a residential development pad for 72 multifamily residential dwelling units.

To our knowledge, there are no legal restrictions such as easements or encroachments that would effectively limit the use of the property. Given the scope of our assignment and the prevailing land use patterns in the area, only multifamily use is given further consideration in determining highest and best use of the site, as though vacant.

Financially Feasible

Considering the fact that there is significant demand for new housing in Collier County and inventory levels falling to the lowest levels seen in years, we are of the opinion that hypothetically the development of the site of multi-story multifamily residential is currently feasible.

Maximally Productive

Under the hypothetical scenario there does not appear to be any reasonably probable use of the site that would generate a higher residual land value than development of a multifamily use. Accordingly, it is our opinion that development of the subject property for multifamily use, based on the normal market density level permitted by zoning, is the maximally productive use of the property.

Conclusion

Under the hypothetical scenario, development of a multifamily use is the only use that meets the four tests of highest and best use. Therefore, it is concluded to be the highest and best use of the property as vacant.

As Improved

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

Most Probable Buyer

Taking into account the functional utility of the site and area development trends, the probable buyer is a developer.

Valuation

Valuation Methodology

Appraisers usually consider three approaches to estimating the market value of real property. These are the cost approach, sales comparison approach and the income capitalization approach.

The **cost approach** assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The **sales comparison approach** assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data. The sales comparison approach is less reliable in an inactive market or when estimating the value of properties for which no directly comparable sales data is available. The sales comparison approach is often relied upon for owner-user properties.

The **income capitalization approach** reflects the market's perception of a relationship between a property's potential income and its market value. This approach converts the anticipated net income from ownership of a property into a value indication through capitalization. The primary methods are direct capitalization and discounted cash flow analysis, with one or both methods applied, as appropriate. This approach is widely used in appraising income-producing properties.

Reconciliation of the various indications into a conclusion of value is based on an evaluation of the quantity and quality of available data in each approach and the applicability of each approach to the property type.

The methodology employed in this assignment is summarized as follows:

Approaches to Value		
Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

Sales Comparison Approach

To develop an opinion of the subject's land value, as if vacant and available to be developed to its highest and best use, we utilize the sales comparison approach. This approach develops an indication of value by researching, verifying, and analyzing sales of similar properties.

Our sales research focused on transactions within the following parameters:

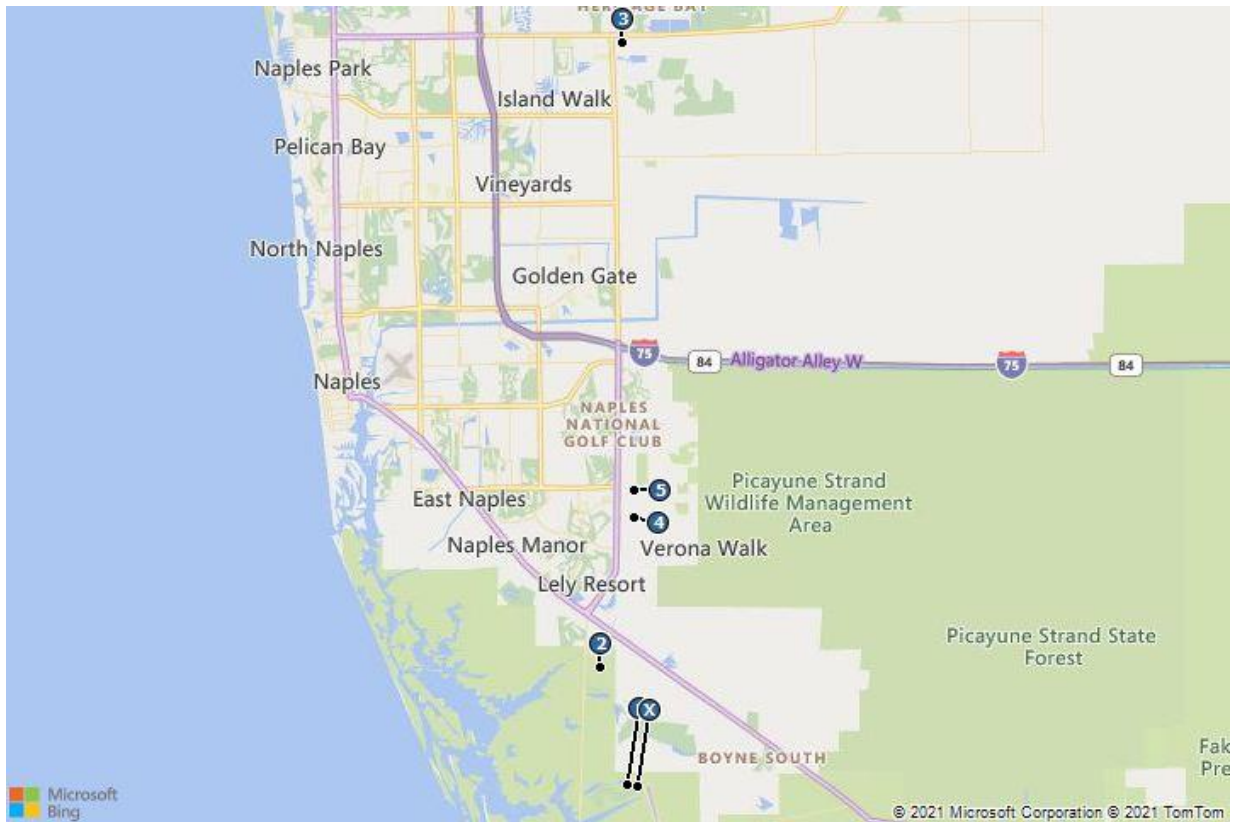
- Location: Primary – Southeast Naples area; Secondary – North Naples area.
- Size: Most similar comparables available.
- Use: Multifamily residential.
- Transaction Date: Most recent comparables available.

For this analysis, we use price per unit as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales

No.	Name/Address	Sale Date; Status	Effective Sale Price	SF; Acres; Units	Zoning	\$/SF \$/Unit	\$/Acre
1	Marco Shores Land 1665 Mainsail Dr. Naples Collier County FL	Jan-19 Closed	\$2,100,000	242,629 5.57 400	Marco Shores Planned Unit Development	\$8.66 \$5,250	\$377,020
<i>Comments: This is the sale of a 5.67-acre parcel located along the north side of Mainsail Drive in Naples. This parcel sold to SKC Marco Shores, LLC. in January of 2019 for \$2,100,000. Property was on the market for close to 2 years with an asking price of \$2,795,000. There are 100 residential units or 240 senior living units assigned to this parcel that has been fully entitled through the Marco Shores Planned Unit Development.</i>							
2	Journey's End Property 1158 Pisa Ln. Naples Collier County FL	Jan-20 Closed	\$9,500,000	2,869,733 65.88 108	Residential Multifamily	\$3.31 \$87,963	\$144,202
<i>Comments: Site has entitlements in place including SDPA permits, Army corps Permits FDEP water and wastewater permits & SWFMD permits. Additional consideration of \$901,036.50 to be paid within two years for impact fee credits in place at the property. The closing is projected for November 11, 2019 but is contingent upon rezoning to RPUD at the buyers expense. Buyer plans to build 298 twin villas similar to their Naples Preserve project which is priced from \$299,990 and up.</i>							
3	Baumgarten MPUD Multi Family Land 8860 Haldeman Way Naples Collier County FL	Mar-20 Closed	\$9,800,000	1,112,958 25.55 100	Mixed Use Planned Development	\$8.81 \$98,000	\$383,562
<i>Comments: This is the sale of 3 parcels totaling 25.55-acres located along the south side of Immokalee Road just east of Collier Boulevard in Naples. This property sold to Davis Development LLC. in March of 2020 for \$9,800,000. The property was vacant at the time of the sale and approved for development of apartment units. This property is a portion of the Baumgarten MPUD which is allocated 400 multi family units.</i>							
4	Tamarindo North Of Sabal Drive Naples Collier County FL	Sep-20 Closed	\$13,025,000	4,636,526 106.44 108	Rockledge Residential Planned Development	\$2.81 \$120,602	\$122,369
<i>Comments: On September 18, 2020 DR Horton purchased the Tamarindo project from Watermen at Rockledge LLC. Tamarindo is located at the northeast quadrant of Collier Boulevard and Sabal Palm Drive. DR Horton plans a 266 unit single family residential community.</i>							
5	Allegro at Hacienda Lakes Land 8465 Rattlesnake Hammock Rd. Naples Collier County FL	Jan-21 In-Contract	\$4,825,000	370,260 8.50 320	Mixed Use Planned Unit Development	\$13.03 \$15,078	\$567,647
<i>Comments: The site is under contract and proposed for the development of an age (55+), income and rent restricted property known as Allegro at Hacienda Lakes. The closing was to occur before January 31, 2021 but the buyer has the right to extend the closing up to four times. Each extension shall be for 45 to 60 days and cost \$25,000 to \$115,000 per extension and applied to the purchase price. The contract price was \$4,500,000 but increased to \$4,525,000 when the third extension was executed on May 1, 2021. A geotechnical recommendation by Universal Engineering Sciences recommends 4 feet of fill to raise the site grades to finish floor. Developer estimated the total cost at approximately \$300,000; therefore the contract price of \$4,525,000 was adjusted upward by this amount.</i>							
Subject				61,420	Section VII -		
City of Marco Island Vacant Property				1.41	Utility Area		
Naples, FL				72.00			

Comparable Land Sales Map

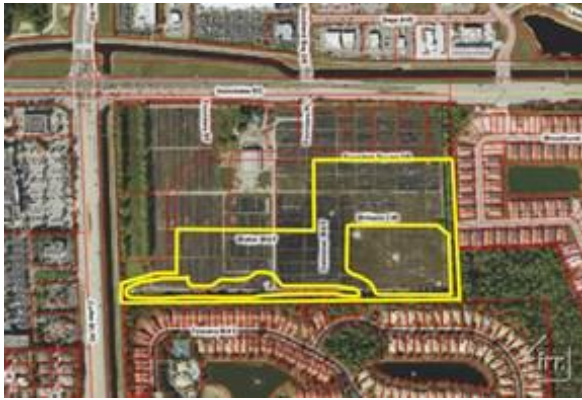




Sale 1
Marco Shores Land



Sale 2
Journey's End Property



Sale 3
Baumgarten MPUD Multi Family Land



Sale 4
Tamarindo



Sale 5
Allegro at Hacienda Lakes Land

Analysis and Adjustment of Sales

The sales are compared to the subject and adjusted to account for material differences that affect value. Adjustments are considered for the following factors, in the sequence shown below.

Adjustment Factor	Accounts For	Comments
Effective Sale Price	Atypical economics of a transaction, such as demolition cost or expenditures by buyer at time of purchase.	Only Sale 4 has been adjusted due to additional costs of fill associated with future development of the site. There are no adjustments warranted for the remaining comparable sales. This adjustment is made directly to the Sale Price (\$300,000) resulting in an effective sale price of \$4,825,000.
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.	Each of the comparable sales was fee simple. Therefore, no adjustment is warranted.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.	Based on a search of public records each of the comparable sales represented cash to seller by way of either direct cash payment or conventional sources of capital.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale.	Each of the sales is considered an arm's length market transaction.
Market Conditions	Changes in the economic environment over time that affect the appreciation and depreciation of real estate.	No adjustment required
Location	Market or submarket area influences on sale price; surrounding land use influences.	Comparable 3 is located in North Naples at the general area of Collier Blvd and Immokalee Rd. This is considered a superior location. Comparable 5 is located north within close proximity to Hacienda Village and considered superior in location. An adjustment for the remainder of the comparable sales is not considered warranted. Both are adjusted +10%.

Adjustment Factor	Accounts For	Comments
Access/Exposure	Convenience to transportation facilities; ease of site access; visibility; traffic counts.	Only Comp 3 is considered superior in exposure due to its off Collier Blvd. and Immokalee Rd location. Comp 3 is adjusted -5%. The remainder of the comp's have similar access and exposure and no adjustment is warranted.
Size	Inverse relationship that often exists between parcel size and unit value.	Comps 2, 3 and 4 are considerably larger in acreage than the subject, Comp 4 more so than Comps 2 and 3. Adjustments are made based on +5% for 2 and 3 and +10% for Comp 4. No adjustments are considered warranted for Comps 1 and 5.
Density	Similar to size there is often an inverse relationship associated with the density associated with the development of a particular development site. Typically the lower the density the higher the price per allowable dwelling unit.	Comp's 2 and 4 have substantially lower densities, 5 and 2 units per acre respectively, as compared to the subject property. A downward adjustment of f-20% and -30% are considered warranted. The remaining comparable sales have similarly high densities.
Zoning	Government regulations that affect the types and intensities of uses allowable on a site.	Each of the comparable sale properties was zoned and entitled at the time of acquisition. The subject is being valued based on the hypothetical condition that it is zoned and entitled for multifamily development to a density of 72 units. No adjustments are considered warranted.
View:	The locational proximity to a beneficial view associated with a particular comparable sale.	The subject property is located on a back water lagoon which allows for superior views for any future residential development. Thus a +15% adjustment is made.

The following table summarizes the adjustments we make to each sale.

Land Sales Adjustment Grid						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Name	City of Marco Island Vacant Property 1825	Marco Shores Land	Journey's End Property	Baumgarten MPUD Multi Family Land	Tamarindo	Allegro at Hacienda Lakes Land
Address	1825 Mainsail Dr.	1665 Mainsail Dr.	1158 Pisa Ln.	8860 Haldeman Way	North Of Sabal Drive	8465 Rattlesnake Hammock Rd.
City	Naples	Naples	Naples	Naples	Naples	Naples
County	Collier	Collier	Collier	Collier	Collier	Collier
State	Florida	FL	FL	FL	FL	FL
Sale Date		Jan-19	Jan-20	Mar-20	Sep-20	Jan-21
Sale Status		Closed	Closed	Closed	Closed	In-Contract
Sale Price		\$2,100,000	\$9,500,000	\$9,800,000	\$13,025,000	\$4,525,000
Other Adjustment		\$0	\$0	\$0	\$0	\$300,000
Description of Adjustment						Excess Fill
Effective Sale Price		\$2,100,000	\$9,500,000	\$9,800,000	\$13,025,000	\$4,825,000
Acres	1.41	5.57	65.88	25.55	106.44	8.50
Usable Acres	1.41	5.57	65.88	25.55	106.44	8.50
Number of Units	25	100	298	400	266	160
Density per Net Acre	18	18	5	16	2	19
Price per Unit		\$21,000	\$31,879	\$24,500	\$48,966	\$30,156
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	—	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale		Arm's Length Market	Arm's Length Market	—	Arm's Length Market	Arm's Length Market
% Adjustment		—	—	—	—	—
Market Conditions	6/3/2021	Jan-19	Jan-20	Mar-20	Sep-20	Jan-21
Annual % Adjustment	0%	—	—	—	—	—
Cumulative Adjusted Price		\$21,000	\$31,879	\$24,500	\$48,966	\$30,156
Location		—	—	-10%	—	-10%
Access/Exposure		—	—	-5%	—	—
Size		—	5%	5%	10%	—
Density		—	-20%	—	-30%	—
Zoning/Entitlements		—	—	—	—	—
View		5%	15%	15%	15%	15%
Net \$ Adjustment		\$1,050	\$0	\$1,225	-\$2,448	\$1,508
Net % Adjustment		5%	0%	5%	-5%	5%
Final Adjusted Price		\$22,050	\$31,879	\$25,725	\$46,518	\$31,664
Overall Adjustment		5%	0%	5%	-5%	5%
Range of Adjusted Prices		\$22,050 - \$46,518				
Average		\$31,567				
Indicated Value		\$30,000				

Land Value Conclusion

Prior to adjustment, the sales reflect a range of \$21,000 - \$48,966 per unit. After adjustment, the range is narrowed to \$22,050 - \$46,518 per unit, with an average of \$31,567 per unit. We give greatest weight comparable sales 3 and 5 and arrive at a land value conclusion as follows:

Land Value Conclusion	
Indicated Value per Unit	\$30,000
Subject Units	25
Indicated Value	\$750,000
Rounded	\$750,000

Reconciliation and Conclusion of Value

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

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

Value Conclusion			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value	Fee Simple	June 3, 2021	\$750,000

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is 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.

1. The subject zoning allows utility use for potable water treatment and distribution facilities & sanitary waste water collection, treatment and maintenance. The scope of the appraisal assignment is to determine the market value of the subject based on the property being zoned for residential multi-family use. Although it seems reasonable that the subject land tract could be rezoned for residential multi-family use considering there is excess density within the Marco Shores PUD this is a hypothetical condition that does not exist at the present time. Therefore, the concluded market value is based on the hypothetical condition that the subject vacant land tract is zoned and available for residential multi-family use.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

The value conclusion(s) in this report consider the impact of COVID-19 on the subject property.

Exposure Time

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Exposure time is always presumed to precede the effective date of the appraisal. Based on our review of recent sales transactions for similar properties and our analysis of supply and demand in the local market, it is our opinion that the probable exposure time for the subject at the concluded market value stated previously is 6 to 12 months.

Marketing Time

Marketing time is an estimate of the amount of time it might take to sell a property at the concluded market value immediately following the effective date of value. As we foresee no significant changes

in market conditions in the near term, it is our opinion that a reasonable marketing period for the subject is likely to be the same as the exposure time. Accordingly, we estimate the subject's marketing period at 12 to 18 months.

Certification

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have previously appraised the property that is the subject of this report for the current client. We have provided no other 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 the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. 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.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Julian L H Stokes made a personal inspection of the property that is the subject of this report. Carlton Lloyd has not] personally inspected the subject.
12. No one provided significant real property appraisal assistance to the person(s) signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report, Julian L H Stokes and Carlton Lloyd have completed the continuing education program for Designated Members of the Appraisal Institute.



Julian L H Stokes, Sr., MAI, CCIM
Florida Cert Gen #RZ490



Carlton Lloyd, MAI
Florida Cert Gen #RZ2618

Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal

- covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
 8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
 9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
 10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
 11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
 12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
 13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
 14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
 15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
 16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
 17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic

conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.

18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
19. The appraisal report is prepared for the exclusive benefit of you, your subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. IRR - Southwest Florida, Integra Realty Resources, Inc., and their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
22. We are not a building or environmental inspector. The Integra Parties do not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
24. **IRR - Southwest Florida is an independently owned and operated company. The parties hereto agree that Integra shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such appraisal report is the sole and exclusive responsibility of IRR - Southwest Florida. In addition, it is expressly**

- agreed that in any action which may be brought against the Integra Parties arising out of, relating to, or in any way pertaining to the engagement letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.**
25. IRR - Southwest Florida is an independently owned and operated company, which has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.
28. The appraisal is also subject to the following:

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is 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.

1. The subject zoning allows utility use for potable water treatment and distribution facilities & sanitary waste water collection, treatment and maintenance. The scope of the appraisal assignment is to determine the market value of the subject based on the property being zoned for residential multi-family use. Although it seems reasonable that the subject land tract could be rezoned for residential multi-family use considering there is excess density within the Marco Shores PUD this is a hypothetical condition that does not exist at the present time. Therefore, the concluded market value is based on the hypothetical condition that the subject vacant land tract is zoned and available for residential multi-family use.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Addendum A

Appraiser Qualifications



Carlton J. Lloyd, MAI

Experience

Senior Managing Director of Integra Realty Resources Southwest Florida

Actively engaged in real estate valuation since 1995. Territories include Collier, Lee, Charlotte, Sarasota, Manatee, Broward, Palm Beach, Miami-Dade, Monroe, Desoto and Hendry Counties. Experienced in Residential Developments (PUDs & Condominiums), Multifamily apartments, Low Income Housing, (LIHTC), office buildings, restaurants, commercial retail centers, industrial warehouse properties, self storage, hotels, net leased properties and subdivisions.

Specialty experience includes marina, golf courses and country clubs, and orange groves.

Clients include, but are not limited to: federally insured lenders, developers, investors, law firms, mortgage banking firms, local, state, and federal agencies, and individuals.

Valuations have been performed for condemnation purposes, estates, financing, equity participation and due diligence and litigation support. Valuations and market studies have been done on proposed, partially completed, renovated and existing structures.

Professional Activities & Affiliations

Appraisal Institute, Member (MAI) Appraisal Institute, Member (#406018), August 2008

Licenses

Florida, State Certified General RE Appraiser, RZ2618, Expires November 2022

North Carolina, State Certified RE Appraiser, A8292, Expires June 2022

Indiana, Certified General Appraiser, CG42000021, Expires June 2022

Colorado, Certified General Appraiser, CG.200002335, Expires December 2022

New York, State Certified General RE Appraiser, 46000053058, Expires October 2022

Education

Carlton graduated with a Bachelor Of Arts Degree from the State University of N.Y. at Albany in 1989.

Recent real estate courses include :

Valuation of Donated Real Estate, Including

Conservation Easements, June 25, 2020

Transferred Value, June 10, 2020

7-Hour National USPAP Update Course, June 8, 2020

Florida Law Update 2020, June 2, 2020

Appraising Automobile Dealerships Sept 1, 2018

Managing Unusual Appraisal & Litigation Assignments 06/12/2018

Online Business Practices and Ethics 06/08/2018

7-Hour National USPAP Update Course 04/12/2018

Online Real Estate Finance Statistics and Valuation Modeling 06/15-07/15/2016

Reviewing Residential Appraisals and Using Fannie Mae Form 2000 06/01-07/01/2016

Residential Sales Comparison and Income Approach 08/15-09/29/2014

Feasibility, Market Value, Investment Timing: Option Value 08/15-09/14/2012

**Integra Realty
Resources - Southwest Florida**

2770 Horseshoe Drive S
Suite 3
Naples, FL 34104

T 239.643.6888
F 239.643.6871

irr.com

clloyd@irr.com - 239.687.5801



Carlton J. Lloyd, MAI

Education (Cont'd)

Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets
02/29-03/01/2012
The Appraiser as an Expert Witness: Preparation & Testimony 06/04-05/2009
Condemnation Appraising: Principles & Applications 05/06-08/2009
Online Small Hotel/Motel Valuation 11/01-12/01/2008
Online Analyzing Distressed Real Estate 10/15-11/14/2008
Online Condominiums, Co-ops and PUDs 10/15-11/14/2008
Online Appraising From Blueprints and Specifications 09/15-10/15/2006
Online Analyzing Operating Expenses 08/15-09/14/2006
Online Small Hotel/Motel Valuation 08/15-09/14/2006
Report Writing and Valuation Analysis 07/11-17/2004
Advanced Applications 03/08-13/2004
Highest & Best Use and Market Analysis 10/06-11/2003
Advanced Sales Comparison & Cost Approaches 10/28-11/02/2002
Advanced Income Capitalization 02/07-13/2002
General Applications 03/19-25/2001
Standards of Professional Practice, Part B 08/30/2000
Standards of Professional Practice, Part A (USPAP) 08/28-29/2000
Basic Income Capitalization 08/15-21/1999

Qualified Before Courts & Administrative Bodies

State Certified General Real Estate Appraiser in Florida, Colorado, New York, North Carolina, and Indiana.
Qualified as an expert witness in U.S. Federal Bankruptcy Court, US District Court-Tampa, Collier County Circuit Court, Lee County Circuit Court and the Tax Appeals Board of Lee County

**Integra Realty
Resources - Southwest Florida**

2770 Horseshoe Drive S
Suite 3
Naples, FL 34104

T 239.643.6888
F 239.643.6871

irr.com





Ron DeSantis, Governor

Halsey Beshears, Secretary



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

FLORIDA REAL ESTATE APPRAISAL BD

THE CERTIFIED GENERAL APPRAISER HEREIN IS CERTIFIED UNDER THE
PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

LLOYD, CARLTON J

2770 HORSESHOE DRIVE S
SUITE 3
NAPLES FL 34104

LICENSE NUMBER: RZ2618

EXPIRATION DATE: NOVEMBER 30, 2022

Always verify licenses online at MyFloridaLicense.com



Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.

Julian Stokes, MAI, CCIM

Experience

Managing Director of Integra Realty Resources – Southwest Florida.

Actively counseled and advised clients on the valuation, sale, leasing, management, and development of commercial and residential real estate assets throughout Southwest Florida since 1975. Served as the Managing Director/principal of Kushman Stokes Armalavage, Inc. from 1977-1989, Senior Managing Director/owner of Appraisal Research Corp. from 1990-2000 and Integra Realty Resources - SWF from 2000-2010. Director of Special Projects and Chief Deputy for Collier County Property Appraiser from 2010-2013.

Mr. Stokes has specialized in consulting, valuation, and review assignments for financial, insurance, and private clients on a wide array of complex issues related to finance, insurance valuation, reserve studies, estate and condemnation matters, family law, title defects, air rights, partial and fractional interests, contract disputes, and mediation/arbitration disputes.

Mr. Stokes currently specializes in Litigation, Government, Insurable Value and FEMA 50% Rule appraisals.

Professional Activities & Affiliations

Appraisal Institute, Member (MAI) Appraisal Institute
Counselor of Real Estate (CRE) Counselors of Real Estate
Certified Commercial Investment Member (CCIM) Certified Commercial Investment Real Estate Institute
Royal Institute of Chartered Surveyors, Fellow (FRICS) Royal Institute of Chartered Surveyors

Licenses

Florida, FL State Certified General Real Estate Appraiser, 0000490, Expires November 2022
Florida, Real Estate Broker, 0221937, Expires March 2021

Education

University of Florida, Gainesville, Florida 1972-1975
Degree: Bachelor of Science in Business Administration, Real Estate and Urban Land Economics

Qualified Before Courts & Administrative Bodies

Qualified and accepted as an expert before the Federal Bankruptcy Court (Middle and Southern Districts of Florida); Circuit Court Twentieth District State of Florida; Lee and Collier County Ad Valorem Value Adjustment Boards.

**Integra Realty
Resources - Southwest Florida**

2770 Horseshoe Drive S
Suite 3
Naples, FL 34104

T 239-643-6888
F 239-643-6871

irr.com





Ron DeSantis, Governor

Halsey Beshears, Secretary



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

FLORIDA REAL ESTATE APPRAISAL BD

THE CERTIFIED GENERAL APPRAISER HEREIN IS CERTIFIED UNDER THE
PROVISIONS OF CHAPTER 475, FLORIDA STATUTES



STOKES, JULIAN

2950 TAMiami TRAIL NORTH
SUITE 3
NAPLES FL 34103

LICENSE NUMBER: RZ490

EXPIRATION DATE: NOVEMBER 30, 2022

Always verify licenses online at MyFloridaLicense.com



Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.

About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

Local Expertise...Nationally!

irr.com



Addendum B

IRR Quality Assurance Survey



IRR Quality Assurance Survey

We welcome your feedback!

At IRR, providing a quality work product and delivering on time is what we strive to accomplish. Our local offices are determined to meet your expectations. Please reach out to your local office contact so they can resolve any issues.

Integra Quality Control Team

Integra does have a Quality Control Team that responds to escalated concerns related to a specific assignment as well as general concerns that are unrelated to any specific assignment. We also enjoy hearing from you when we exceed expectations! The members of this team are listed below. You can communicate with this team by clicking on the link below. If you would like a follow up call, please provide your contact information and a member of this Quality Control Team will call contact you.

Link to the IRR Quality Assurance Survey: quality.irr.com

Integra Regional Quality Managers		
Region	Regional Quality Manager	Title
Northeast Region	Albert (Chip) Hughes, MAI, CRE	Senior Managing Director
Southeast Region	Leslie North, MAI, AI-GRS	Managing Director
Central Region	Gary Wright, MAI, SRA	Senior Managing Director
Southwest Region	Rusty Rich, MAI, MRICS	Senior Managing Director
West Region	Larry Close, MAI	Senior Managing Director
Corporate	Rob McPherson, MAI, CCIM	Director of Product Development and Quality

Addendum C

Definitions

Definitions

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

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.

Disposition Value

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

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. 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.

This definition can also be modified to provide for valuation with specified financing terms.

Effective Date

1. The date on which the appraisal or review opinion applies.
2. In a lease document, the date upon which the lease goes into effect.

Entitlement

In the context of ownership, use, or development of real estate, governmental approval for annexation, zoning, utility extensions, number of lots, total floor area, construction permits, and occupancy or use permits.

Entrepreneurial Incentive

The amount an entrepreneur expects to receive for his or her contribution to a project. Entrepreneurial incentive may be distinguished from entrepreneurial profit (often called *developer's*

profit) in that it is the expectation of future profit as opposed to the profit actually earned on a development or improvement. The amount of entrepreneurial incentive required for a project represents the economic reward sufficient to motivate an entrepreneur to accept the risk of the project and to invest the time and money necessary in seeing the project through to completion.

Entrepreneurial Profit

1. A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses.
2. In economics, the actual return on successful management practices, often identified with coordination, the fourth factor of production following land, labor, and capital; also called entrepreneurial return or entrepreneurial reward.

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; a retrospective opinion based on an analysis of past events assuming a competitive and open market.

Fee Simple Estate

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

Floor Area Ratio (FAR)

The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.

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. (ISV)

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)

Investment Value

1. 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.
2. The value of an asset to the owner or a prospective owner for individual investment or operational objectives.

Lease

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

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.

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.

Liquidation Value

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

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. 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.

This definition can also be modified to provide for valuation with specified financing terms.

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.

Market Value

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

- buyer and seller are typically motivated;
- both parties are well informed or well advised, and acting in what they consider their own best interests;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

Addendum D

Property Information

Collier County Property Appraiser Property Summary

Parcel No	59430520004	Site Address *Disclaimer	1825 MAINSAIL DR	Site City	NAPLES	Site Zone *Note	34114
------------------	--------------------	-------------------------------------------	-------------------------	------------------	---------------	----------------------------------	--------------

Name / Address	CITY OF MARCO ISLAND					
	% CITY MANAGER CITY HALL					
	50 BALD EAGLE DR					
City	MARCO ISLAND	State	FL	Zip	34145-3528	

Map No.	Strap No.	Section	Township	Range	Acres	*Estimated
6B26	480400 N 16B26	26	51	26	1.41	

Legal	MARCO SHORES UNIT 1, TR N
--------------	----------------------------------

Millage Area ●	2	Millage Rates ● *Calculations		
Sub./Condo	480400 - MARCO SHORES UNIT 1	School	Other	Total
Use Code ●	80 - UNDEFINED	5.083	6.3071	11.3901

Latest Sales History

(Not all Sales are listed due to Confidentiality)

Date	Book-Page	Amount
11/07/03	3439-1260	\$ 0
03/02/02	2999-2989	\$ 0
11/07/89	1483-497	\$ 3,963,500

2019 Certified Tax Roll

(Subject to Change)

Land Value	\$ 13,395
(+) Improved Value	\$ 33,701
(=) Market Value	\$ 47,096
(=) Assessed Value	\$ 47,096
(=) School Taxable Value	\$ 0
(=) Taxable Value	\$ 0

If all Values shown above equal 0 this parcel was created after the Final Tax Roll

Collier County Property Appraiser

Property Detail

Parcel No	59430520004	Site Address *Disclaimer	1825 MAINSAIL DR	Site City	NAPLES	Site Zone *Note	34114
-----------	-------------	------------------------------------	------------------------	-----------	--------	---------------------------	-------

Name / Address	CITY OF MARCO ISLAND					
	% CITY MANAGER CITY HALL					
	50 BALD EAGLE DR					
City	MARCO ISLAND	State	FL	Zip	34145-3528	

Permits (Provided for reference purposes only. ***Full Disclaimer.**)

Tax Yr	Issuer	Permit #	CO Date	Tmp CO	Final Bldg	Type
--------	--------	----------	---------	--------	------------	------

Land

#	Calc Code	Units
10	ACREAGE	1.41

Building/Extra Features

#	Year Built	Description	Area	Adj Area
10	1978	CLF6	590	590

L-3-9

3291913 OR: 3439 PG: 1260

RECORDED in OFFICIAL RECORDS of COLLIER COUNTY, FL
11/07/2003 at 10:24AM DWIGHT E. BROCK, CLERK

REC FEE 100.50

Prepared by and return to:
Kelli M. Salo, Esq.
Greenberg Traurig, P.A.
777 South Flagler Drive, Suite 300 East
West Palm Beach, Florida 33401
(561) 650-7900

Retn:
SOBBING WHITE & LUCZAK
558 W NEW ENGLAND AVE #240
WINTER PARK FL 32789

Note to Examiner: This instrument is exempt from the Florida documentary stamp tax on deeds as a conveyance made to a governmental authority under threat of condemnation. See Rule 12B-4.013(4) Florida Administrative Code and Technical Assistance Advisement No. 99(B)4-006 (May 27, 1999)

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED effective this 6th day of November, 2003, by **FLORIDA WATER SERVICES CORPORATION** a Florida corporation, whose address is 1000 Color Place, Apopka, Florida 32703, hereinafter called "**Grantor**," to **CITY OF MARCO ISLAND**, a municipal corporation organized under the laws of the State of Florida, whose address is c/o City Manager, City Hall, 50 Bald Eagle Drive, Marco Island, Florida 34145, hereinafter called "**Grantee**";

WITNESSETH: That Grantor, for and in consideration of the sum of \$10.00 and other valuable considerations, receipt whereof is hereby acknowledged, by these presents does hereby grant, bargain, sell, alien, remise, release, convey and confirm unto Grantee, all that certain land situated in Collier County, Florida as shown and more particularly described on Exhibit "A" attached hereto and incorporated herein (the "**Property**").

TOGETHER with all the tenements, hereditaments and appurtenances thereto of Grantor belonging or in anyway appertaining to the Property, subject to the permitted encumbrances identified on Exhibit "B" attached hereto and incorporated herein (the "**Permitted Encumbrances**").

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

AND except for the Permitted Encumbrances described herein, Grantor, for itself and its successors, hereby covenants with said Grantee and Grantee's successors and assigns that Grantor is lawfully seized of the Property in fee simple; that Grantor has good, right and lawful authority to sell and convey the Property; that Grantor hereby warrants the title to the Property and will defend the same against the lawful claims of all persons claiming by, through or under Grantor, but against none others; and that the Property is free of all encumbrances, except the Permitted Encumbrances.

[SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, Grantor has caused this Special Warranty Deed in favor of Grantee to be executed in its name, and its corporate seal to be hereunto affixed, by its proper officers hereunto duly authorized, the day, month and year first above written.

Signed, sealed and delivered
in the presence of:

**FLORIDA WATER SERVICES
CORPORATION, a Florida corporation**

Sign: Melissa Maurer
Print: Melissa Maurer

By: Forrest L. Ludsen
Forrest L. Ludsen, President

Sign: Nancy O. Honsa
Print: NANCY O. HONSA

(Corporate Seal)

STATE OF FLORIDA
COUNTY OF ORANGE

This instrument was acknowledged before me this 3rd day of November, 2003 by Forrest L. Ludsen, as President of Florida Water Services Corporation, a Florida corporation, on behalf of said corporation. He is ☒ personally known to me or ☐ has produced as identification.

By: Nancy O. Honsa
Notary Public, State of Florida
Print: _____



Nancy O. Honsa
MY COMMISSION # DD115486 EXPIRES
July 22, 2006
BONDED THRU TROY FAIN INSURANCE, INC.

Exhibit "A"
Legal Description

Parcel 1 AND Parcel 3:

A parcel of land lying within Section 3, Township 51 South, Range 26 East and Section 34, Township 50 South, Range 26 East, Collier County, Florida, being more particularly described as follows:

Commencing at the East 1/4 corner of Section 3, Township 51 South, Range 26 East; thence along the East line of Section 3, North 0°46'03" East 2613.28 feet to the Northeast corner of Section 3; thence along the North line of Section 3, North 89°43'36" West 40.00 feet to the West line of a canal right-of-way and the Point of Beginning; thence along said right-of-way South 00°46'03" West 1302.33 feet; thence North 20°16'21" West 672.17 feet; thence leaving said right-of-way, South 54°20'16" West 3385.32 feet to the East right-of-way line of State Road 951 (100' right-of-way); thence along said right-of-way North 35°40'08" East 4206.78 feet; thence leaving said right-of-way South 89°08'07" East 599.97 feet to the West line of a canal right-of-way being 40 feet from and parallel to the East line of Section 34; thence South 0°51'53" West 3449.84 feet to the Point of Beginning.

Bearings are based on the East right-of-way line of State Road 951 as being North 35°40'08" East.

Less and Except:

A Parcel of land lying in Section 34, Township 50 South, Range 26 East, Collier County, Florida;

Commence at the point of intersection of the East right-of-way line of U.S. 41 (SR 90) and the centerline of C-951; thence run along the centerline of C-951; N35°40'08"E, a distance of 1320.00 feet; thence S54°10'52"E, a distance of 50.00 feet to the South right-of-way line of CR-951 and the point of beginning of the parcel of land hereafter described; thence along the South right-of-way line of C-951 N35°40'08"E, a distance of 4415.25 feet to a point of curve; thence along said curve to the left having a radius of 2914.93 feet, a central angle of 25°18'05", an arc length of 1287.21 feet, a chord which bears N23°01'05"E, to a point on a nontangential line, said line being the West right-of-way line of a county drainage canal right-of-way; thence along said West line S00°51'53"W a distance of 243.73 feet to a point on a nontangential curve, said point lying 50.00 feet South, as measured perpendicular to, the South right-of-way line of C-951; thence along aforesaid curve to the right having a radius of 2964.93 feet, a central angle of 20°39'03", an arc length of 1068.64 feet, and a chord which bears S25°20'36"W, to its point of tangency; thence continuing along a line which lies 50.00 feet South, as measured perpendicular to the South right-of-way line of C-951 S35°40'08"W, a distance of 4415.25 feet; thence N54°20'16", a distance of 50.00 feet to the point of beginning.

Parcel 2:

The Southeast 1/4 of Section 35, Township 50 South, Range 27 East, Collier County, Florida.

Parcel 3: Intentionally Omitted

Parcel 4:

That certain parcel of land, lying in Sections 24 and 25, Township 51 South, Range 26 East, Collier County, Florida, being more particularly described as follows:

Commence at the Northeast boundary corner of said Section 24, thence along the East boundary of said Section 24 S00°15'28"W a distance of 4,476.41 feet to a point on said boundary; thence leaving said East boundary N88°28'10"W a distance of 201.60 feet; thence N85°18'35"W a distance of 164.23 feet; thence N20°38'43"W a distance of 62.59 feet; thence N08°54'48"W a distance of 85.19 feet; thence N23°42'39"E a distance of 130.40 feet; thence N60°16'31"E a distance of 106.48 feet; thence N08°16'17"E a distance of 34.66 feet; thence N42°29'24"W a distance of 116.91 feet; thence N10°07'11"W a distance of 107.10 feet; thence N10°56'20"E a distance of 105.37 feet; thence N25°22'43"E a distance of 103.06 feet; thence N29°46'39"E a distance of 75.80 feet; thence N37°18'09"E a distance of 50.11 feet; thence N10°29'59"W a distance of 79.18 feet; thence N44°52'32"W a distance of 54.42 feet; thence N63°38'53"W a distance of 64.07 feet; thence N82°33'24"W a distance of 120.72 feet; thence N01°53'33"E a distance of 116.69 feet; thence N40°21'48"W a distance of 52.95 feet to the POINT OF BEGINNING of the parcel of land hereinafter described; thence S59°22'21"W a distance of 73.73 feet; thence S25°39'35"W a distance of 95.53 feet; thence S00°05'49"E a distance of 73.02 feet; thence S15°13'39"E a distance of 140.97 feet; thence S17°32'07"E a distance of 160.04 feet; thence S03°46'25"W a distance of 148.33 feet; thence S20°30'53"W a distance of 147.93 feet; thence S04°59'51"E a distance of 137.15 feet; thence S08°08'12"W a distance of 108.72 feet; thence S19°33'02"W a distance of 118.95 feet; thence S37°19'10"W a distance of 162.48 feet; thence S22°37'48"W a distance of 51.15 feet; thence S10°55'24"E a distance of 140.47 feet; thence S36°23'56"W a distance of 106.80 feet; thence S01°12'06"E a distance of 153.58 feet; thence S31°09'56"E a distance of 62.54 feet; thence N69°48'24"E a distance of 95.29 feet; thence S86°16'33"E a distance of 109.50 feet; thence S65°02'17"E a distance of 75.05 feet; thence N69°25'44"E a distance of 67.21 feet; thence N32°11'57"E a distance of 85.42 feet; thence S19°55'33"E a distance of 74.92 feet; thence S12°46'58"E a distance of 32.83 feet; thence S46°03'43"W a distance of 74.51 feet; thence S12°06'14"W a distance of 74.75 feet; thence S09°04'17"E a distance of 117.55 feet; thence N75°26'58"E a distance of 151.66 feet; thence S69°44'52"E a distance of 38.61 feet; thence S21°40'44"W a distance of 96.89 feet; thence S25°35'58"W a distance of 48.08 feet; thence S27°30'00"W a distance of 86.22 feet; thence S29°52'54"W a distance of 85.21 feet; thence N45°08'14"W a distance of 2560.69 feet; thence N00°15'28"E a distance of 265.00 feet; thence S89°44'32"E a distance of 375.00 feet; thence N84°04'19"E a distance of 149.18 feet; thence N79°01'56"E a distance of 484.64 feet; thence N61°23'47"E a distance of

447.94 feet; thence S89°44'32"E a distance of 264.73 feet; thence S00°15'28"W a distance of 141.70 feet to the Point of Beginning.

Parcel 5:

A parcel of land lying in DEVELOPMENT TRACT-A, of the COLLIER-READ TRACT MAP, according to the plat thereof, as recorded in Plat Book 8, Pages 46 and 47, of the Public Records of Collier County, Florida, being more particularly described as follows:

Commence at the intersection of the North tract boundary of said Development Tract-A, and the existing Westerly Right of Way Line of State Road No. 951, said intersection being shown on aforesaid plat as Point Number 5, thence run S02°29'39"W along said existing Westerly Right of Way Line a distance of 268.09 feet, thence N87°30'21"W a distance of 40.00 feet to the point of curvature of a circular curve concave to the West having a radius of 3887.79 feet; thence southerly along the arc of said curve through a central angle of 01°32'15" an arc distance of 104.32 feet to the Point of Beginning of the hereinafter described parcel of land; thence leaving the arc of said curve run N57°23'38"W a distance of 4.50 feet; thence N57°08'51"W a distance of 17.89 feet; thence N63°33'19"W a distance of 14.79 feet; thence N61°23'03"W a distance of 15.70 feet; thence N61°51'42"W a distance of 17.44 feet; thence N69°39'54"W a distance of 16.12 feet; thence S02°29'39"W a distance of 125.00 feet; thence S87°30'21"E a distance of 74.63 feet to the aforesaid arc of said curve concave to the West having a radius of 3887.79 feet, said point bears S84°39'58"E for the center of the circle of said curve; thence Northerly along the arc of said curve, through a central angle of 01°18'08" an arc distance of 88.37 feet to the Point of Beginning.

Parcel 6:

Lot 3, Block 11, MARCO BEACH UNIT ONE, a Subdivision according to the Plat thereof, recorded in Plat Book 6, Pages 6-19, of the Public Records of Collier County, Florida.

Parcel 7:

That certain parcel of land lying in and being part of Tract "D" of MARCO BEACH UNIT FOUR, according to the plat thereof as recorded in Plat Book 6, pages 32 through 37, Public Records of Collier County, Florida, being more particularly described as follows:

Begin at the intersection of the centerline of Windward Drive as shown on plat of Marco Beach Unit four, and the southwesterly boundary of said Tract "D" for the POINT OF BEGINNING of the parcel of land hereinafter described; run thence N33°43'23"W, along said Southwesterly boundary a distance of 30.00 feet; thence N20°52'10"W, along the Westerly boundary of said Tract "D", a distance of 230.00 feet; thence leaving said boundary, N58°49'31"E, a distance of 344.72 feet; thence N31°10'29"W, a distance of

92.97 feet; thence N58°49'31"E, a distance of 92.13 feet; thence S25°42'29"E a distance of 490.78 feet; thence S36°20'57"E a distance of 129.66 feet; thence N53°39'03"E, a distance of 50.00 feet to a point on the Northeasterly boundary of aforesaid Tract "D", thence S36°20'57"E, along the easterly boundary a distance of 170.60 feet; thence S00°17'48"W, along the East boundary of said Tract "D", a distance of 120.00 feet; thence S50°03'34"W, along the southerly boundary of said Tract "D", a distance of 150.22 feet; thence leaving said Southerly boundary, N53°47'14"W, a distance of 388.67 feet; thence S45°00'00"W, a distance of 100.00 feet to a point on aforesaid Southwesterly boundary of Tract "D"; thence N45°00'00"W, along said Southwesterly boundary a distance of 200.00 feet; thence N33°43'23"W, along said Southwesterly boundary a distance of 30.00 feet to the Point of Beginning.

LESS and EXCEPT the property deeded to Peoples Gas Company described as follows:

A parcel of land located within a fenced area, as it now exists, lying in Marco Beach Unit Four, Section 8, township 52 South, Range 26 East, as recorded in Plat Book 6, pages 32 through 37, of the Public Records of Collier County, Florida, being more particularly described as follows:

Commence at the centerline intersection of Elkcarn Circle (80 foot right of way) and Windward Drive (60 foot right of way); thence North 56°16'37" East along the centerline of said Windward Drive, a distance of 190.00 feet; thence South 33°43'23" East, a distance of 26.00 feet; thence North 45°40'13" East, a distance of 42.71 feet to an existing fence corner and the Point of Beginning of this description; thence continue North 45°40'13" East along an existing fence line, a distance of 44.94 feet; thence South 45°45'57" East, a distance of 18.03 feet; thence South 09°06'49" East, a distance of 16.96 feet; thence South 45°27'13" East, a distance of 92.90 feet; thence South 43°07'01" West, a distance of 22.24 feet; thence South 87°11'59" West, a distance of 16.51 feet; thence North 45°45'08" West, a distance of 114.85 feet to the Point of Beginning.

Parcel 8:

That certain parcel of land lying in and being a part of Tract "D" of MARCO BEACH UNIT FOUR, according to the plat thereof, as recorded in Plat Book 6, Pages 32 through 37, inclusive, of the Public Records of Collier County, Florida, being more particularly described as follows:

Commencing at the most Northerly corner of said Tract "D", run South 25°42'29" East along the Easterly line of said Tract "D" for a distance of 93.42 feet to the POINT OF BEGINNING of the parcel of land herein described, thence continuing South 25°42'29" East along the Easterly line of said Tract "D" for a distance of 551.18 feet; thence South 36°20'57" East a distance of 125 feet; thence South 53°39'03" West a distance of 50 feet; thence North 36°20'57" West a distance of 129.66 feet; thence North 25°42'29" West a distance of 490.78 feet; thence South 58°49'31" West a distance of 92.13 feet; thence North 31°10'29" West a distance of 60 feet; thence North 58°49'31" East a distance of

148.10 feet to the POINT OF BEGINNING. All land lying in Section 8, Township 52 South, Range 26 East, Collier County, Florida.

SCRIVENOR'S NOTE:

The above described property also being known as "Parcel B" as was contained in and shown on that certain grant of Right-of-Way

Easement from Marco Island Development Corporation to Lee County Electric Co-Operative, Inc., dated May 3, 1966, and recorded on June 29, 1966, in Official Records Book 217, Pages 749 through 751, inclusive, of the Public Records of Collier County, Florida.

AND

All of aforesaid Tract "D" of Marco Beach Unit Four, bounded by the following:

On the West by the Easterly boundary line of that portion of said Tract "D" conveyed by Fee Simple Deed from Marco Island Development Corporation to Lee County Electric Co-Operative Inc., dated April 29, 1966 and recorded on June 29, 1966, in Official Records Book 217, Pages 747 and 748, of the Public Records of Collier County, Florida; on the South by the Northerly boundary line of that portion of said Tract "D" described as Parcel "B" on that certain Right-of-Way Easement from Marco Island Development Corporation to Lee County Electric Co-Operative, Inc., dated May 3, 1966, and recorded on June 29, 1966, in Official Records Book 217, Pages 749 through 751, inclusive, of the Public Records of Collier County, Florida; on the North and East by the Northerly and Easterly plat limits of said Tract "D".

Parcel 9:

A tract of land lying in and being part of Tract "F" as shown on the plat of MARCO BEACH UNIT FOUR, recorded in Plat Book 6, pages 32 through 37, of the Public Records of Collier County, Florida.

Being more particularly described as follows:

Begin at the intersection of the southeasterly right of way line of Windward Drive, as shown on said plat of Marco Beach unit four, and the Northeasterly boundary of said Tract "F" for the POINT OF BEGINNING; run thence S45°00'00"E along said Northeasterly boundary for 209.00 feet; thence S45°00'00"W for 159.77 feet, to a point on the Northeasterly right of way line of Elkcarn Circle; thence N45°00'00"W along said Northeasterly right of way line of Elkcarn Circle for 80.02 feet to the beginning of a circular curve concave to the Northeasterly having a radius of 960.00 feet; thence Northwesterly continuing along said Northeasterly right of way line and the arc of said curve through a central angle of 07°54'17" a distance of 132.44 feet to the end of said curve and the beginning of a circular curve concave to the Easterly having a radius of 25.00 feet; thence Northerly along the arc of said curve through a central angle of

93°22'20" a distance for 40.74 feet to the end of said curve; thence N56°16'37"E along the Southeasterly right of way line of aforesaid Windward Drive, a distance of 123.38 feet to the Point of Beginning.

Parcel 10:

Tract J, of A REPLAT OF A PORTION OF MARCO BEACH UNIT FOUR, according to the plat thereof, as recorded in Plat Book 12, Pages 19 through 21, inclusive, of the Public Records of Collier County, Florida.

Parcel 11:

Tract G, MARCO BEACH UNIT TWENTY FIVE, a Subdivision according to the Plat thereof as recorded in Plat Book 12, Pages 2 through 5, Public Records of Collier County, Florida.

Parcel 12:

Tract N, MARCO SHORES UNIT ONE, a Subdivision according to the Plat thereof as recorded in Plat Book 14, Pages 33 through 38, Public Records of Collier County, Florida.

Parcel 13:

Tract Q, MARCO SHORES UNIT ONE, a Subdivision according to the Plat thereof as recorded in Plat Book 14, Pages 33 through 38, Public Records of Collier County, Florida.

LESS AND EXCEPT that portion of the above described property deeded to WCI Communities, Inc., in Special Warranty Deed recorded in Official Records Book 2999, Page 3000, and more particularly described as follows:

Tract Q, MARCO SHORES UNIT ONE, a Subdivision according to the Plat thereof as recorded in Plat Book 14, Pages 33 through 38, Public Records of Collier County, Florida, Less and except that certain property described below:

Beginning at the northeast corner of Tract "Q"; thence along the east line of said Tract "Q", South 11°59'55" East, 332.93 feet to a point on the north right of way line of Mainsail Drive according to the plat of said Marco Shores Unit One; thence along said right of way line South 77°54'19" West 131.94 feet; thence leaving said right of way line North 12°00'24" West 307.62 feet to a point on the boundary of said Tract "Q"; thence along said boundary in the following two (2) described courses.

- 1) North 24°45'16" East 7.32 feet;
- 2) North 69°14'17" East 129.11 feet to the Point of Beginning of the parcel herein described:

Bearings are based on the east line of said Tract "Q" being South 11°59'55" East.

TOGETHER WITH:

A Temporary Access Easement by and between WCI Communities, Inc and Florida Water Services Corporation as set forth in Temporary Access Easement recorded March 15, 2002 in Official Records Book 2999, page 3004, Public Records of Collier County, Florida.

Parcel 14:

Tract P, MARCO SHORES UNIT ONE, according to the plat thereof as recorded in Plat Book 14, Pages 33 through 38, inclusive, of the Public Records of Collier County, Florida.

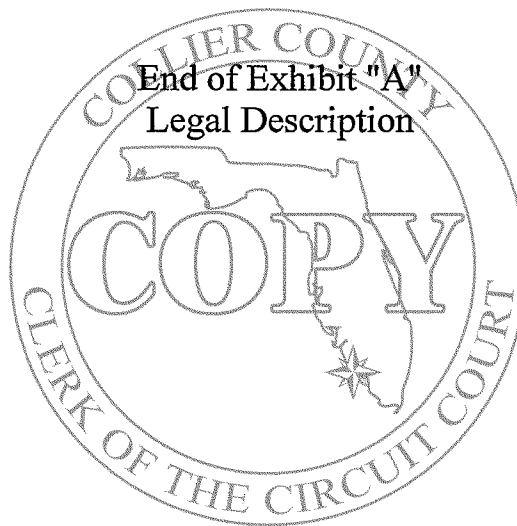


Exhibit "B"
PERMITTED ENCUMBRANCES
Marco Transaction

Parcel 1 AND Parcel 3:

1. Intentionally Deleted.
2. Taxes and assessments for the year 2003 and subsequent years. Taxes for year 2002 are PAID. Gross amount \$54,435.60. Tax Folio #00448000303. Gross amount \$15,186.24. Tax Folio #00726720703.
3. All matters reflected on the survey plat by Stouten and Associates, Inc., Donald D. Stouten, PSM #3839, dated 10/6/03.

Encroachment of any improvements appurtenant to the subject property on to any easements or over the boundary lines of the subject property or and encroachment of improvements appurtenant to neighboring property onto the subject property.

4. Intentionally Deleted.
5. Intentionally Deleted.
6. Notwithstanding the legal description in Exhibit A to the deed, an exception is made for the rights of the State of Florida based on the doctrine of the state's sovereign ownership of lands lying below the ordinary high water line of any navigable waters.
7. Restrictions or reservations or interest affecting the rights in Oil, Gas or any other Minerals, lying upon or beneath the lands insured, also in those certain deeds recorded in Official Records Book 1413, Page 1002, and Official Records Book 1413, Page 1134. NOTE: No determination has been made as to the current record owner of the oil, gas and mineral interests excepted herein.
8. Access Easement as set out in those certain Stipulated Order of Takings recorded in Official Records Book 1963, Page 1558, and in Official Records Book 1970, Page 1664, and in Official Records Book 1990, Page 1061, in the Public Records of Collier County, Florida.
9. Notice of Permit recorded June 4, 2001, in Official Records Book 2835, Page 3082, in the Public Records of Collier County, Florida.
10. Resolution recorded June 25, 1985, in Official Records Book 1142, Page 1796, in the Public Records of Collier County, Florida
11. Resolution recorded March 14, 1996, in Official Records Book 2158, Page 1690, in the Public Records of Collier County, Florida.

Parcel 2:

1. Intentionally Deleted.
2. Taxes and assessments for the year 2003 and subsequent years. Taxes for year 2002 are PAID. Gross amount \$ 4,538.59 Tax Folio # 0046830007.
3. All matters reflected on the survey plat by Stouten and Associates, Inc., Donald D. Stouten, PSM #3839, dated 9/05/03.

Encroachment of any improvements appurtenant to the subject property on to any easements or over the boundary lines of the subject property or and encroachment of improvements appurtenant to neighboring property onto the subject property.

4. Intentionally Deleted.
5. Intentionally Deleted.
6. Any right of access to and from the land.

Parcel 3: Intentionally Omitted

Parcel 4:

1. Intentionally Deleted.
2. Taxes and assessments for the year 2003 and subsequent years. Taxes for year 2002 are PAID. Gross amount \$ 10,384.35 Tax Folio # 00743960106.
3. All matters reflected on the survey plat by Stouten and Associates, Inc., Donald D. Stouten, PSM #3839, dated 9/05/03.

Encroachment of any improvements appurtenant to the subject property on to any easements or over the boundary lines of the subject property or and encroachment of improvements appurtenant to neighboring property onto the subject property.

4. Intentionally Deleted.
5. Intentionally Deleted.
6. Water and Sewer Agreement as contained in Deed of Non-Exclusive Easement executed by the Deltona Corporation, Delaware Corporation to Deltona Utilities, a Florida Corporation dated November 11, 1989 and recorded in Official Records Book, 1483, Page 500, Corrected in Official Records Book 1760, page 948, Public Records of Collier County, Florida.

Parcel 5:

1. Intentionally Deleted.
2. Taxes and assessments for the year 2003 and subsequent years. Taxes for year 2002 are PAID. Gross amount \$ 85.66 Tax Folio # 27180121002.
3. Easements or claims of easements not shown by the Public Records, boundary line disputes, overlaps, encroachments, and any matters not of record which would be disclosed by an accurate survey and inspection of the premises.
4. Intentionally Deleted.
5. Intentionally Deleted.
6. Water and Sewer Agreement as contained in Deed of Non-Exclusive Easement executed by the Deltona Corporation, Delaware Corporation to Deltona Utilities, a Florida Corporation dated November 11, 1989 and recorded in Official Records Book, 1483, Page 500, Corrected in Official Records Book 1760, page 948, Public Records of Collier County, Florida.
7. Matters as shown and noted in the plat of Collier-Read Tract Map, according to the plat thereof as recorded in Plat Book 8, Pages 46 and 47, Public Records of Collier County, Florida.
8. Easement to Delmarco Corporation recorded June 26, 1984 in Official Records Book 1089, Page 1242 and Modified in Official Records Book 1125, page 1198 and Official Records Book 1240, Page 1355, Public Records of Collier County, Florida.
9. Resolution recorded February 15, 1990 in Official Records Book 1505, page 1728; Order recorded February 15, 1990 in Official Records Book 1505, page 1783, Order recorded February 16, 1990 in Official Records Book 1505, page 2340, and Adoption of Order recorded in Official Records Book 1514, Page 746, Public Records of Collier County, Florida.
10. Permit Agreement recorded September 24, 1991 in Official Records Book 1650, Page 160, Public Records of Collier County, Florida.
11. Easement to Lee County Electric Cooperative, Inc recorded December 10, 1996 in Official Records Book 2258, Page 2125, Public Records of Collier County, Florida.
12. Notice recorded January 23, 1997 in Official Records Book 2274, Page 2129, Public Records of Collier County, Florida.

13. Easement to Florida Power Corporation recorded May 20, 1998 in Official Records Book 2422, Page 299, Public Records of Collier County, Florida.
14. Any right of access to and from the land.

Parcel 6:

1. Intentionally Deleted.
2. Taxes and assessments for the year 2003 and subsequent years. Taxes for year 2002 are PAID. Gross amount \$ 742.45. Tax Folio # 56657320006.
3. All matters reflected on the survey plat by Stouten and Associates, Inc., Donald D. Stouten, PSM #3839, dated 10/06/03.

Encroachment of any improvements appurtenant to the subject property on to any easements or over the boundary lines of the subject property or and encroachment of improvements appurtenant to neighboring property onto the subject property.

4. Intentionally Deleted.
5. Intentionally Deleted.
6. Easement of 6 feet along the East and West boundary line of insured premises for Utility Easement as reserved and shown on Plat as recorded in Plat Book 6 at Pages 9 through 16, inclusive of the Public Records of Collier County, Florida.
7. Easement of 10 feet along the North boundary line of insured premises for Utility Easement as reserved and shown on Plat as recorded in Plat Book 6 at Pages 9 through 16, inclusive of the Public Records of Collier County, Florida.
8. Restrictions as contained in Declaration of Restrictions executed by Marco Island Development Corporation, a Florida Corporation, to the Public, dated January 7, 1965, and recorded January 8, 1965, in Official Records Book 181, Page 588, of the Public Records of Collier County, Florida. Said restrictions having been amended in Official Records Book 2021, Page 1326, said restrictions having been assigned to Marco Island Civic Association Inc, a Florida not-for-profit Corporation recorded in Official Records Book 1226, Page 894, and assigned in Official Records Book 2661, Page 2767, of the Public Records of Collier County, Florida.
9. Easement of 6 feet and 10 feet as contained in that certain right of way easement executed by Marco Island Development Corporation, a Florida Corporation, to Lee County Electric Co-operative Inc., a Florida Corporation dated February 23, 1968, and recorded March 13, 1968, in Official Records Book 267, Page 540, of the Public Records of Collier County, Florida.

10. Water and Drainage Easement as contained in Grant of Non-Exclusive Easement executed by the Deltona Corporation, a Delaware Corporation, to Collier County, Florida, dated August 9, 1985 and recorded August 16, 1985, in Official Records Book 1151, Page 154, of the Public Records of Collier County, Florida.
11. Water and Sewer Agreement as contained in Deed of Non-Exclusive Easement executed by the Deltona Corporation, Delaware Corporation to Deltona Utilities, a Florida Corporation dated November 11, 1989 and recorded in Official Records Book 1483, Page 500, of the Public Records of Collier County, Florida.
12. Water and Sewer Agreement as contained in Resolution executed by the Board of Collier County Commissioners, to the Public dated April 15, 1986 and recorded April 16, 1986 in Official Records Book 1189, Page 1373, of the Public Records of Collier County, Florida. Said agreement having been re-recorded in Official Records Book 1193, Page 311, of the Public Records of Collier County, Florida.

Parcel 7:

1. Intentionally Deleted.
2. Taxes and assessments for the year 2003 and subsequent years. Taxes for year 2002 are PAID. Gross amount \$ 42,420.01 Tax Folio # 56930440001.
3. Easements or claims of easements not shown by the Public Records, boundary line disputes, overlaps, encroachments, and any matters not of record which would be disclosed by an accurate survey and inspection of the premises.
4. Intentionally Deleted.
5. Intentionally Deleted.
6. Restrictions as contained in Declaration of Restrictions executed by Marco Island Development Corporation, a Florida Corporation, to the Public, dated January 7, 1965, and recorded January 8, 1965, in Official Records Book 181, Page 618, of the Public Records of Collier County, Florida. Said restrictions having been further amended, said restrictions having been assigned to Marco Island Civic Association Inc, a Florida not-for-profit Corporation recorded in Official Records Book 1226, Page 894, continuation recorded in Official records Book 2143, page 178; Official records Book 2143, page 180 and in Official Records Book 2143, page 181, and assigned in Official Records Book 2661, Page 2767, of the Public Records of Collier County, Florida.
7. Water and Sewer Agreement as contained in Deed of Non-Exclusive Easement executed by the Deltona Corporation, Delaware Corporation to Deltona Utilities, a Florida Corporation dated November 11, 1989 and recorded in Official Records Book

1483, Page 500, corrected in Official Records Book 1760, page 948, of the Public Records of Collier County, Florida.

8. Intentionally omitted.
9. Easement in favor of Collier County recorded August 16, 1985 in Official Records Book 1151, page 154, Public Records of Collier County, Florida.
10. Easement in favor of Lee County Electric recorded February 26, 1991 in Official Records Book 1595, page 824, Public Records of Collier County, Florida.
11. Easement in favor of Lee County Electric recorded August 5, 1996 in Official Records Book 2213, page 1546, Public Records of Collier County, Florida.
12. Easement in favor of Peoples Gas Co recorded in Official Records Book 2443, page 757 and corrected in Official Records Book 2693, page 3438, Public Records of Collier County, Florida.
13. Intentionally omitted.

Parcel 8:

1. Intentionally Deleted.
2. Taxes and assessments for the year 2003 and subsequent years. Taxes for year 2002 are PAID. Gross amount \$ 5,547.21. Tax Folio # 56930560004.
3. Easements or claims of easements not shown by the Public Records, boundary line disputes, overlaps, encroachments, and any matters not of record which would be disclosed by an accurate survey and inspection of the premises.
4. Intentionally Deleted.
5. Intentionally Deleted.
6. Covenants, Conditions, Restrictions, Easements, Dedications, Terms and other Provisions as shown on the recorded Plat of MARCO BEACH UNIT FOUR, as recorded in Plat Book 6, Pages 32-37, of the Public Records of Collier County, Florida.
7. Right-of-Way Easement in favor of Lee County Electric Co-Operative, Inc., recorded June 29, 1966, in Official Records Book 217, Pages 749-751, of the Public Records of Collier County, Florida.

Exhibit "B" to Deed
110303

8. Right-of-Way Easement to Lee County Electric Co-Operative, Inc., recorded in Official Records Book 267, Page 540, of the Public Records of Collier County, Florida.
9. Right-of-Way Easement to Lee County Electric Co-Operative, Inc., recorded in Official Records Book 417, Page 709, of the Public Records of Collier County, Florida.
10. Boundary Agreement dated December 20, 1971, between Marco Island Development Corporation and The Board of Trustees of the Internal Improvement Trust Fund recorded in Official Records Book 532, Pages 279-284, of the Public Records of Collier County, Florida.
11. Grant of Non-Exclusive Easement dated August 9, 1985, from the Deltona Corporation, to Collier County, recorded August 16, 1985, in Official Records Book 1151, Page 154, of the Public Records of Collier County, Florida.
12. Assignment of Authority Under Declaration of Restrictions dated October 30, 1986, from the Deltona Corporation to Marco Island Civic Association, Inc., recorded October 30, 1986, in Official Records Book 1226, Page 894, of the Public Records of Collier County, Florida.
13. Deed of Non-Exclusive Easement from the Deltona Corporation to the Deltona Utilities, Inc., dated November 6, 1989, and recorded November 9, 1989, in Official Records Book 1483, Page 500; and Corrective Deed of Non-Exclusive Easement from the Deltona Corporation to Southern States Utilities, Inc., successor by merger to Deltona Utilities, Inc., dated October 2, 1992, and recorded October 12, 1992, in Official Records Book 1760, Pages 948-952, of the Public Records of Collier County, Florida.
14. Resolution No. 92-606 of the Board of County Commissioners, Collier County, Florida, recorded November 16, 1992, in Official Records Book 1770, Page 2333, of the Public Records of Collier County, Florida.
15. Covenants, Conditions, Restrictions, Easements, Dedications, Terms and other Provisions as shown in Declaration of Restrictions recorded in Official Records Book 181, Page 618, and any amendments thereto. Continuation recorded in Official Records Book 2023, Page 703 and further being assigned by Assignment recorded in Official Records Book 2661, Page 2767, of the Public Records of Collier County, Florida.
16. Covenants, Conditions, Restrictions, Easements, Dedications, Terms and other Provisions as shown in Declaration of Restrictions recorded in Official Records Book 636, Page 1633, and amended in Official Records Book 2474, Page 617, of the Public Records of Collier County, Florida.

17. Any right of access to and from the land.
18. Any riparian rights.

Parcel 9:

1. Intentionally Deleted.
2. Taxes and assessments for the year 2003 and subsequent years. Taxes for year 2002 are PAID. Gross amount \$ 5,004.69 Tax Folio # 56930720006.
3. Easements or claims of easements not shown by the Public Records, boundary line disputes, overlaps, encroachments, and any matters not of record which would be disclosed by an accurate survey and inspection of the premises.
4. Intentionally Deleted.
5. Intentionally Deleted.
6. Restrictions as contained in Declaration of Restrictions executed by Marco Island Development Corporation, a Florida Corporation, to the Public, dated January 7, 1965, and recorded January 8, 1965, in Official Records Book 181, Page 618, of the Public Records of Collier County, Florida. Said restrictions having been further amended, said restrictions having been assigned to Marco Island Civic Association Inc, a Florida not-for-profit Corporation recorded in Official Records Book 1226, Page 894, continuation recorded in Official records Book 2143, page 178; Official records Book 2143, page 180 and in Official Records Book 2143, page 181, and assigned in Official Records Book 2661, Page 2767, of the Public Records of Collier County, Florida.
7. Water and Sewer Agreement as contained in Deed of Non-Exclusive Easement executed by the Deltona Corporation, Delaware Corporation to Deltona Utilities, a Florida Corporation dated November 11, 1989 and recorded in Official Records Book 1483, Page 500, corrected in Official Records Book 1760, page 948, of the Public Records of Collier County, Florida.

Parcel 10:

1. Intentionally Deleted.
2. Taxes and assessments for the year 2003 and subsequent years. Taxes for year 2002 are PAID. Gross amount \$ 2,165.32. Tax Folio # 57140080001.
3. All matters reflected on the survey plat by Stouten and Associates, Inc., Donald D. Stouten, PSM #3839, dated 10/06/03.

Encroachment of any improvements appurtenant to the subject property on to any easements or over the boundary lines of the subject property or and encroachment of improvements appurtenant to neighboring property onto the subject property.

4. Intentionally Deleted.
5. Intentionally Deleted.
6. Covenants, Conditions, Restrictions, Easements, Dedications, Terms and other Provisions as shown on the recorded Plat of A REPLAT OF A PORTION OF MARCO BEACH UNIT FOUR, as recorded in Plat Book 12, Pages 19-21, of the Public Records of Collier County, Florida.
7. Right-of-Way Easement in favor of Lee County Electric Co-Operative, Inc., recorded June 29, 1966, in Official Records Book 217, Pages 749-751, of the Public Records of Collier County, Florida.
8. Right-of-Way Easement to Lee County Electric Co-Operative, Inc., recorded in Official Records Book 267, Page 540, of the Public Records of Collier County, Florida.
9. Right-of-Way Easement to Lee County Electric Co-Operative, Inc., recorded in Official Records Book 417, Page 709, of the Public Records of Collier County, Florida.
10. Boundary Agreement dated December 20, 1971, between Marco Island Development Corporation and The Board of Trustees of the Internal Improvement Trust Fund recorded in Official Records Book 532, Pages 279-284, of the Public Records of Collier County, Florida.
11. Grant of Non-Exclusive Easement dated August 9, 1985, from the Deltona Corporation, to Collier County, recorded August 16, 1985, in Official Records Book 1151, Page 154, of the Public Records of Collier County, Florida.
12. Assignment of Authority Under Declaration of Restrictions dated October 30, 1986, from the Deltona Corporation to Marco Island Civic Association, Inc., recorded October 30, 1986, in Official Records Book 1226, Page 894, of the Public Records of Collier County, Florida.
13. Deed of Non-Exclusive Easement from the Deltona Corporation to the Deltona Utilities, Inc., dated November 6, 1989, and recorded November 9, 1989, in Official Records Book 1483, Page 500; and Corrective Deed of Non-Exclusive Easement from the Deltona Corporation to Southern States Utilities, Inc., successor by merger to Deltona Utilities, Inc., dated October 2, 1992, and recorded October 12, 1992, in Official Records Book 1760, Pages 948-952, of the Public Records of Collier County, Florida.

14. Resolution No. 92-606 of the Board of County Commissioners, Collier County, Florida, recorded November 16, 1992, in Official Records Book 1770, Page 2333, of the Public Records of Collier County, Florida.
15. Covenants, Conditions, Restrictions, Easements, Dedications, Terms and other Provisions as shown in Declaration of Restrictions recorded in Official Records Book 181, Page 618, and any amendments thereto. Continuation recorded in Official Records Book 2023, Page 703 and further being assigned by Assignment recorded in Official Records Book 2661, Page 2767, of the Public Records of Collier County, Florida.

Parcel 11:

1. Intentionally Deleted.
2. Taxes and assessments for the year 2003 and subsequent years. Taxes for year 2002 are PAID. Gross amount \$ 19,487.66 Tax Folio # 58970320008.
3. All matters reflected on the survey plat by Stouten and Associates, Inc., Donald D. Stouten, PSM #3839, dated 8/26/03.

Encroachment of any improvements appurtenant to the subject property on to any easements or over the boundary lines of the subject property or and encroachment of improvements appurtenant to neighboring property onto the subject property.
4. Rights of Lee County Electric Cooperative (or its successors and assigns) in possession of all or a portion of the property under an unrecorded lease/agreement with respect to certain electric generators.
5. Intentionally Deleted.
6. Water and Sewer Agreement as contained in Deed of Non-Exclusive Easement executed by the Deltona Corporation, Delaware Corporation to Deltona Utilities, a Florida Corporation dated November 11, 1989 and recorded in Official Records Book, 1483, Page 500, Corrected in Official Records Book 1760, page 948, Public Records of Collier County, Florida.
7. Matters as shown and noted in the plat of Marco Beach Unit Twenty Five, according to the plat thereof as recorded in Plat Book 12, Pages 2 through 5, Public Records of Collier County, Florida.
8. Easement to Lee County Electric Cooperative, Inc., a Florida corporation recorded May 6, 1982 in Official Records Book 969, page 2006, Public Records of Collier County, Florida.

9. Easement to Lee County Electric Cooperative, Inc., a Florida corporation recorded February 23, 1983 in Official Records Book 1799, page 405, Public Records of Collier County, Florida.
10. Easement to Lee County Electric Cooperative, Inc., a Florida corporation recorded June 18, 2001 in Official Records Book 2844, page 490, Public Records of Collier County, Florida.
11. Easement to Lee County Electric Cooperative, Inc., a Florida corporation recorded January 31, 2002 in Official Records Book 2973, page 480, Public Records of Collier County, Florida.

Parcel 12:

1. Intentionally Deleted.
2. Taxes and assessments for the year 2003 and subsequent years. Taxes for year 2002 are PAID. Gross amount \$ 553.83 Tax Folio # 59430520004.
3. All matters reflected on the survey plat by Stouten and Associates, Inc., Donald D. Stouten, PSM #3839, dated 8/26/03.

Encroachment of any improvements appurtenant to the subject property on to any easements or over the boundary lines of the subject property or and encroachment of improvements appurtenant to neighboring property onto the subject property.

4. Intentionally Deleted.
5. Intentionally Deleted.
6. Water and Sewer Agreement as contained in Deed of Non-Exclusive Easement executed by the Deltona Corporation, Delaware Corporation to Deltona Utilities, a Florida Corporation dated November 11, 1989 and recorded in Official Records Book, 1483, Page 500, Corrected in Official Records Book 1760, page 948, Public Records of Collier County, Florida.
7. Matters as shown and noted in the plat of Marco Shores Unit One, according to the plat thereof as recorded in Plat Book 14, Pages 33 through 38, Public Records of Collier County, Florida.

Parcel 13:

1. Intentionally Deleted.
2. Taxes and assessments for the year 2002 and subsequent years. Taxes for year 2001 are PAID. Gross amount \$ 724.61 Tax Folio # 59430600005.

3. All matters reflected on the survey plat by Stouten and Associates, Inc., Donald D. Stouten, PSM #3839, dated 8/26/03.

Encroachment of any improvements appurtenant to the subject property on to any easements or over the boundary lines of the subject property or and encroachment of improvements appurtenant to neighboring property onto the subject property.

4. Intentionally Deleted.
5. Intentionally Deleted.
6. Water and Sewer Agreement as contained in Deed of Non-Exclusive Easement executed by the Deltona Corporation, Delaware Corporation to Deltona Utilities, a Florida Corporation dated November 11, 1989 and recorded in Official Records Book, 1483, Page 500, Corrected in Official Records Book 1760, page 948, Public Records of Collier County, Florida.
7. Matters as shown and noted in the plat of Marco Shores Unit One, according to the plat thereof as recorded in Plat Book 14, Pages 33 through 38, Public Records of Collier County, Florida.

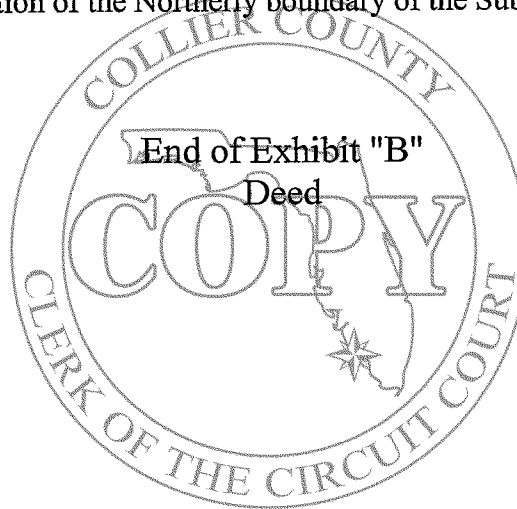
Parcel 14:

1. Intentionally Deleted.
2. Taxes and assessments for the year 2003 and subsequent years. Taxes for the year 2002 are PAID in the gross amount of \$EXEMPT; Tax Folio No. 59430560006.
3. Easements or claims of easements not shown by the Public Records, boundary line disputes, overlaps, encroachments, and any matters not of record which would be disclosed by an accurate survey and inspection of the premises.
4. Intentionally Deleted.
5. Any lien, or right to a lien, for services, labor, or materials heretofore or hereafter furnished in connection with the project subject to that certain Notice of Commencement recorded January 31, 2003 in Official Records Book 3209, Page 1084 in the Public Records of Collier County, Florida.
6. Dedication, Conditions, Reservations, Easements and other matters shown on the Plat of Marco Shores Unit One, according to the plat thereof as recorded in Plat Book 14, Page 33 through 38, inclusive, of the Public Records of Collier County, Florida.
7. Restrictions, Covenants, Conditions, Easements, Terms and other provisions as set forth in the Declaration of Restrictions, creating the Marco Shores Drainage

Exhibit "B" to Deed
110303

Association, Inc., filed October 27, 1980 in Official Records Book 888, Pages 1805 through 1857; Assignment of Developer's Rights to Johnson Bay Development Corporation pursuant to Assignment of Authority Under Marco Beach Declaration of Restrictions, filed October 6, 1995, all of the Public Records of Collier County, Florida.

8. Underground Electric Utility Right-of-Way Easement in favor of Florida Power & Light Company filed September 9, 1976 in Official Records Book 661, page 1564 of the Public Records of Collier County, Florida.
9. Easement recorded April 30, 2003 in Official Records Book 3277, Page 2032, Public Records of Collier County, Florida.
10. The Boundary Survey prepared by Neese & Associates, dated August 13, 2001 under Job No. 200016.00, shows a ten (10) foot utility easement along the Southerly boundary of the Subject Property and a portion of a fifty (50) foot drainage easement encumbering a portion of the Northerly boundary of the Subject Property.



Addendum E

Comparable Data

Location & Property Identification

Property Name: Marco Shores Land
 Sub-Property Type: Residential, Multifamily
 Address: 1665 Mainsail Dr.
 City/State/Zip: Naples, FL 34114
 County: Collier
 Submarket: Outlying Collier
 County/Wagon Wheel
 Market Orientation: Suburban
 Property Location: Located along the North Side of Mainsail Drive, next to the Hammock Bay Community



IRR Event ID: 2222344

Sale Information

Sale Price: \$2,100,000
 Effective Sale Price: \$2,100,000
 Sale Date: 01/23/2019
 Listing Price: \$2,795,000
 Sale Status: Closed
 \$/Acre(Gross): \$377,020
 \$/Land SF(Gross): \$8.66
 \$/Acre(Usable): \$377,020
 \$/Land SF(Usable): \$8.66
 \$/Unit: \$21,000 /Unit
 Grantor/Seller: NM Marco Shores, LLC.
 Grantee/Buyer: SKC Marco Shores, LLC.
 Portfolio Sale: No
 Property Rights: Fee Simple
 % of Interest Conveyed: 100.00
 Exposure Time: 23 (months)
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: OR Book 5594 Page 2172
 Verification Type: Secondary Verification

MSA: Naples-Marco Island, FL
 Metropolitan Statistical Area

Legal/Tax/Parcel ID: 59430080007
 Acres(Usable/Gross): 5.57/5.57
 Land-SF(Usable/Gross): 242,629/242,629
 Usable/Gross Ratio: 1.00
 No. of Units (Potential): 100
 Shape: Irregular
 Topography: Level
 Corner Lot: No
 Frontage Feet: 1450
 Frontage Desc.: Mainsail Drive
 Frontage Type: 2 way, 2 lanes each way
 Traffic Control at Entry: None
 Traffic Flow: Low
 Zoning Code: PUD
 Zoning Desc.: Marco Shores Planned Unit Development
 Environmental Issues: No
 Flood Plain: Yes
 Flood Zone Designation: AE
 Comm. Panel No.: 12021C0620H
 Date: 05/16/2012

Improvement and Site Data

Improvement and Site Data (Cont'd)

Utilities:	Electricity, Water Public, Sewer, Gas, Telephone, CableTV
Utilities Desc.:	all available
Source of Land Info.:	Public Records

Comments

This is the sale of a 5.67-acre parcel located along the north side of Mainsail Drive in Naples. This parcel sold to SKC Marco Shores, LLC. in January of 2019 for \$2,100,000. Property was on the market for close to 2 years with an asking price of \$2,795,000. There are 100 residential units or 240 senior living units assigned to this parcel that has been fully entitled through the Marco Shores Planned Unit Development.



Location & Property Identification

Property Name:	Journey's End Property
Sub-Property Type:	Residential
Address:	1158 Pisa Ln.
City/State/Zip:	Naples, FL 34114
County:	Collier
Submarket:	Outlying Collier County/Wagon Wheel
Market Orientation:	Suburban
Property Location:	located on S side of Manatee Rd
IRR Event ID:	2122020



Sale Information

Sale Price:	\$9,500,000
Effective Sale Price:	\$9,500,000
Sale Date:	01/16/2020
Contract Date:	08/01/2018
Sale Status:	Closed
Eff. Price/Unit:	\$31,879 /Apt. Unit
\$/Acre(Gross):	\$144,202
\$/Land SF(Gross):	\$3.31
\$/Acre(Usable):	\$144,202
\$/Land SF(Usable):	\$3.31
\$/Unit:	\$31,879 /Approved Lot
Grantor/Seller:	Rimar Enterprises
Grantee/Buyer:	DR Horton (Forestar USA Real Estate)
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Document Type:	Contract of Sale
Rent Controlled:	No
Verified By:	Carlton J. Lloyd, MAI
Verification Date:	09/24/2018
Confirmation Source:	Buyer
Verification Type:	Confirmed-Buyer

Improvement and Site Data

MSA:	Naples-Marco Island, FL Metropolitan Statistical Area
Legal/Tax/Parcel ID:	00736200103, 00736200404
Acres(Usable/Gross):	65.88/65.88
Land-SF(Usable/Gross):	2,869,732/2,869,732
Usable/Gross Ratio:	1.00
No. of Units (Potential):	298
No. of Units/Unit Type:	298/Apt. Units
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Feet:	1105
Frontage Desc.:	Manatee Road
Frontage Type:	2 way, 1 lane each way
Traffic Control at Entry:	None
Traffic Flow:	Low
Traffic Count:	40500
Visibility Rating:	Average
Density-Unit/Gross Acre:	4.52
Density-Unit/Usable Acre:	4.52
Zoning Code:	RMF-16 (8)
Zoning Desc.:	Residential Multifamily
Easements:	No
Environmental Issues:	No
Flood Plain:	Yes
Flood Zone:	1200670615E Zone AE 8/3/92
Flood Area(SF):	2,875,396

Improvement and Site Data (Cont'd)

Flood Zone Designation:	AE
Comm. Panel No.:	12021C0612H
Date:	05/16/2012
Utilities:	Electricity, Water Public, Sewer, Telephone, CableTV
Utilities Desc.:	Set up to Collier County Utilities
Source of Land Info.:	Owner

Comments

Site has entitlements in place including SDPA permits, Army corps Permits FDEP water and wastewater permits & SWFMD permits. Additional consideration of \$901,036.50 to be paid within two years for impact fee credits in place at the property. The closing is projected for November 11, 2019 but is contingent upon rezoning to RPUD at the buyers expense. Buyer plans to build 298 twin villas similar to their Naples Preserve project which is priced from \$299,990 and up.

Location & Property Identification

Property Name:	Baumgarten MPUD Multi Family Land
Sub-Property Type:	Residential
Address:	8860 Haldeman Way
City/State/Zip:	Naples, FL 34120
County:	Collier
Submarket:	Outlying Collier County/Wagon Wheel
Market Orientation:	Suburban
IRR Event ID:	2235522



Sale Information

Sale Price:	\$9,800,000
Effective Sale Price:	\$9,800,000
Sale Date:	03/09/2020
Sale Status:	Closed
\$/Acre(Gross):	\$383,562
\$/Land SF(Gross):	\$8.81
\$/Acre(Usable):	\$383,562
\$/Land SF(Usable):	\$8.81
\$/Unit:	\$24,500 /Unit
Grantor/Seller:	BCHD Partners II, LLC
Grantee/Buyer:	Davis Development LLC
Portfolio Sale:	No
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Document Type:	Warranty Deed
Recording No.:	5737-1387
Rent Controlled:	No
Verified By:	Carlton J. Lloyd, MAI
Verification Date:	05/24/2019
Confirmation Source:	Seller
Verification Type:	Confirmed-Seller

Acres(Usable/Gross):	25.55/25.55
Land-SF(Usable/Gross):	1,112,958/1,112,958
Usable/Gross Ratio:	1.00
No. of Units (Potential):	400
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Feet:	2000
Frontage Desc.:	Immokalee Road
Frontage Type:	2 way, 3 lanes each way
Traffic Control at Entry:	Turn lane
Traffic Flow:	High
Visibility Rating:	Excellent
Zoning Code:	Baumgarten MPUD
Zoning Desc.:	Mixed Use Planned Development
Flood Plain:	Yes
Flood Zone Designation:	AH
Comm. Panel No.:	12021C0218H
Date:	05/16/2012
Utilities:	Electricity, Water Public, Sewer, Gas, Telephone, CableTV, Fiber Optics
Source of Land Info.:	Public Records

Improvement and Site Data

Legal/Tax/Parcel ID:	33155000265, 33155000760, 33155000786
----------------------	---------------------------------------

Comments

This is the sale of 3 parcels totaling 25.55-acres located along the south side of Immokalee Road just east of

Comments (Cont'd)

Collier Boulevard in Naples. This property sold to Davis Development LLC. in March of 2020 for \$9,800,000. The property was vacant at the time of the sale and approved for development of apartment units. This property is a portion of the Baumgarten MPUD which is allocated 400 multi family units.

Location & Property Identification

Property Name:	Tamarindo
Sub-Property Type:	Residential, Planned Unit Development
Address:	North Of Sabal Drive
City/State/Zip:	Naples, FL 34114
County:	Collier
Submarket:	Outlying Collier County/Wagon Wheel
Market Orientation:	Suburban
IRR Event ID:	2512551



Sale Information

Sale Price:	\$13,025,000
Effective Sale Price:	\$13,025,000
Sale Date:	09/28/2020
Recording Date:	09/29/2020
Sale Status:	Closed
\$/Acre(Gross):	\$122,369
\$/Land SF(Gross):	\$2.81
\$/Acre(Usable):	\$122,369
\$/Land SF(Usable):	\$2.81
\$/Unit:	\$48,966 /Unit
Grantor/Seller:	Watermen at Rockedge Naples LLC
Grantee/Buyer:	Forestar USA Real Estate Group (DR Horton)
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Document Type:	Deed
Recording No.:	5930097
Rent Controlled:	No
Verified By:	Carlton J. Lloyd, MAI
Verification Date:	10/12/2020
Confirmation Source:	Buyers Attorney
Verification Type:	Confirmed-Buyer Attorney

Legal/Tax/Parcel ID:	00433040006, 00433120007, 00433160009, 00433480006, 00433800000, 00434840001, 00435400000, 00436360000, 00436440001, 00436520002, 00436600003, 00436760008, 00436800104, 00436800201 and 00436800308
----------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Acres(Usable/Gross):	106.44/106.44
Land-SF(Usable/Gross):	4,636,526/4,636,526
Usable/Gross Ratio:	1.00
No. of Units (Potential):	266
Shape:	Irregular
Topography:	Level
Corner Lot:	Yes
Frontage Desc.:	North Of Sabal Drive
Zoning Code:	PUD
Zoning Desc.:	Rockedge Residential Planned Development
Flood Plain:	Yes
Flood Zone Designation:	AH
Comm. Panel No.:	12021C0606H
Date:	05/26/2012
Source of Land Info.:	Engineering Report

Improvement and Site Data

Comments

On September 18, 2020 DR Horton purchased the Tamarindo project from Watermen at Rockedge LLC.

Comments (Cont'd)

Tamiarindo is located at the northeast quadrant of Collier Boulevard and Sabal Palm Drive.

DR Horton plans a 266 unit single family residential community.

Location & Property Identification

Property Name:	Allegro at Hacienda Lakes Land
Sub-Property Type:	Residential, Multifamily
Address:	8465 Rattlesnake Hammock Rd.
City/State/Zip:	Naples, FL 34114
County:	Collier
Submarket:	Outlying Collier County/Wagon Wheel
Market Orientation:	Suburban
IRR Event ID:	2513795



Sale Information

Sale Price:	\$4,525,000
Effective Sale Price:	\$4,825,000
Sale Date:	01/31/2021
Contract Date:	12/17/2019
Sale Status:	In-Contract
\$/SF GBA:	\$26.00
\$/SF NRA:	\$38.02
Eff. Price/Unit:	\$30,156 /Unit
\$/Acre(Gross):	\$567,647
\$/Land SF(Gross):	\$13.03
\$/Acre(Usable):	\$567,647
\$/Land SF(Usable):	\$13.03
\$/Land SF(Potential):	\$26.00
Grantor/Seller:	Hacienda Lakes of Naples, LLC
Grantee/Buyer:	CORE MHP Collier, Ltd
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Verified By:	Michael Ahwash, MAI
Verification Date:	10/01/2020
Confirmation Source:	Chris Shear

Verification Type:	Confirmed-Buyer
Secondary Verific. Source:	Purchase and Sale Agreement

Sale Analysis

Other Adj.:	\$300,000
Desc. of FF&E:	A geotechnical recommendation by Universal Engineering Sciences recommends 4 feet of fill to raise the site grades to finish floor. Developer estimated the total cost at approximately \$300,000.

Improvement and Site Data

MSA:	Naples-Immokalee-Marco Island, FL
Legal/Tax/Parcel ID:	48586003020 (parent tract)
GBA-SF:	185,544
NRA-SF:	126,900
Acres(Usable/Gross):	8.50/8.50
Land-SF(Usable/Gross):	370,260/370,260
Usable/Gross Ratio:	1.00
Year Built:	2023
Property Class:	B

Improvement and Site Data (Cont'd)

M&S Class:	C
Construction Quality:	Good
Improvements Cond.:	New
Exterior Walls:	Stucco
No. of Buildings/Stories:	1/5
Total Parking Spaces:	220
Park. Ratio 1000 SF GLA:	1.73
Park. Ratio 1000 SF GBA:	1.19
Parking Ratio(/Unit):	1.38
Fire Sprinkler Type:	Wet
Roof,Heating,AC Comm.:	Flat
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Feet:	427
Frontage Desc.:	Rattlesnake Hammock Road
Frontage Type:	2 way, 2 lanes each way
Traffic Control at Entry:	None
Traffic Flow:	Moderate
Visibility Rating:	Good
Density-Unit/Gross Acre:	18.82
Density-Unit/Usable Acre:	18.82
Bldg. to Land Ratio FAR:	0.50
Zoning Code:	MPUD
Zoning Desc.:	Mixed Use Planned Unit Development
Flood Plain:	Yes
Flood Zone Designation:	AH
Comm. Panel No.:	12021C0606H
Date:	05/16/2012
Utilities:	Electricity, Water Public, Sewer, Telephone, CableTV
Source of Land Info.:	Other

The site is under contract and proposed for the development of an age (55+), income and rent restricted property known as Allegro at Hacienda Lakes. The closing was to occur before January 31, 2021 but the buyer has the right to extend the closing up to four times. Each extension shall be for 45 to 60 days and cost \$25,000 to \$115,000 per extension and applied to the purchase price. The contract price was \$4,500,000 but increased to \$4,525,000 when the third extension was executed on May 1, 2021. A geotechnical recommendation by Universal Engineering Sciences recommends 4 feet of fill to raise the site grades to finish floor. Developer estimated the total cost at approximately \$300,000; therefore the contract price of \$4,525,000 was adjusted upward by this amount.

The project is part of the Hacienda Lakes MPUD, a mixed use development allowing for up to 1,714 residential units. No more than 1, 232 units in the entire PUD shall be multi - family. Senior housing facilities shall not be considered residential land uses for the purposes of density, but shall be derived from conversion from residential units. One residential unit equates to 4 Senior Housing Units (not to exceed 450 Senior Housing Units in the entire PUD).

Project & Unit Amenities

Community Room	Microwave
Media Room	Elevator
Grills	
Resident Programs	

Comments

Addendum F

Engagement Letter

Integra Realty Resources

Miami/Caribbean

Orlando

Southwest Florida

www.irr.com

In Miami/Caribbean

Dadeland Centre

9155 South Dadeland Blvd.

Suite 1208

Miami, FL 33156

(305) 670-0001

In Orlando

The Magnolia Building

326 N. Magnolia Ave.

Orlando, FL 32801

(407) 843-3377

In Naples/Sarasota

Horseshoe Professional Park

2770 Horseshoe Drive S.

Suite 3

Naples, FL 34104

(239)-643-6888



PROPOSAL/ENGAGEMENT LETTER

June 14, 2021

Laura Redondo Ryan, PE
City of Marco Island
Water and Sewer Department
50 Bald Eagle Dr.
Marco Island, FL 34145
Mobile (239) 877-6303
Office (239) 389-3946
lryan@cityofmarcoisland.com

SUBJECT: Proposal/Authorization for Valuation and Consulting Services
City of Marco MSWWTP property
Tax IDs 59430520004 and 59430560006
1825-1955 Mainsail Drive
Naples, Florida 34145 (the "Subject Property")

Dear Ms. Ryan:

Upon your acceptance of this letter agreement, Integra Realty Resources –Southwest Florida ("IRR – Southwest Florida"), will prepare an appraisal of the Subject Property referenced above. We note that the property was formerly used as a wastewater treatment facility. It is assumed that there are no environmental issues impacting the site. Should any unforeseen environmental issues come to light during the valuation process, the scope of work would change, necessitating a revised engagement.

The purpose of this assignment is to estimate the market value of the fee simple interest in each parcel of the subject property independently. We will develop two reports, one for each parcel. The client and intended user for this assignment is City of Marco Island. The report may not be utilized by any other users. The intended use of the appraisal is to assist the client with establishment of value regarding a potential purchase of the subject. The report may not be used for any other purpose.

The appraisal will be prepared in conformance with and subject to, the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (USPAP) developed by the Appraisal Standards Board of the Appraisal Foundation. The Ethics Rule of USPAP requires us to disclose to you any prior services we have performed regarding the Subject Property within a three year period immediately preceding the acceptance of this assignment, either as an appraiser or in any other capacity. We represent that we have analyzed this property within the past three years for the current client.

In accordance with our correspondence, the scope of this assignment will require IRR – Southwest Florida consider all relevant and applicable approaches to value as determined during the course of our research, Subject Property analysis and preparation of the report.

The appraisal will be communicated in a summary report. All work will be performed under the direct supervision of the undersigned, together with other staff members. The appraisal and this letter agreement will be subject to our standard assumptions and limiting conditions a copy of which is attached as Attachment I.

The fee for this assignment will be \$1,000 with delivery within 2 weeks of acceptance. If the assignment is cancelled by either party prior to completion, you agree to pay us for all our expenses and our time to date based upon the percentage of work completed.

If required, post analysis services which include testimony at any court hearings, additional valuation scenarios, review of the opposition expert's report(s), additional research and conference calls or meetings with any party which exceed the time allotted for an assignment of this nature. Court appearances, expert witness testimony, etc., will be billed at an hourly rate of \$275.00/hour plus travel expenses for MAI's and principal appraisers and \$90-\$175/hour for associate appraisers depending on their background and experience

Please be advised that we are not experts in the areas of building inspection (including mold), environmental hazards, ADA compliance or wetlands. Therefore, unless we have been provided with appropriate third party expert reports, the appraisals will assume that there are no environmental, wetlands, or ADA compliance problems. The agreed upon fees for our services assume the absence of such issues inasmuch as additional research and analysis may be required. If an expert is required, you are responsible for their selection, payment and actions.

In the event that we receive a subpoena or are called to testify in any litigation, arbitration or administrative hearing of any nature whatsoever or as a result of this engagement or the related report, to which we are not a party, you agree to pay our then current hourly rates for such preparation and presentation of testimony. You agree that: (i) the data collected by us in this assignment will remain our property; and (ii) with respect to any data provided by you, Integra Southwest Florida and its partner companies may utilize, sell and include such data (either in the aggregate or individually), in our marketing materials, database and derivative products so long as your identity is kept confidential. You agree that all data already in the public domain may be utilized on an unrestricted basis.

Ms. Ryan
June 14, 2021
Page 3

If you are in agreement with the terms set forth in this letter and wish us to proceed with the engagement, please sign below and return one copy to us. Thank you for this opportunity to be of service and we look forward to working with you.

Sincerely,

INTEGRA REALTY RESOURCES – SOUTHWEST FLORIDA



Carlton J Lloyd, MAI

Florida State-Certified General Real Estate Appraiser RZ#2618
Managing Director

Attachments

AGREED & ACCEPTED THIS 14 DAY OF June, 2021.

BY:


AUTHORIZED SIGNATURE

Jeffrey E. Potter
NAME (PRINT)

ATTACHMENT I

ASSUMPTIONS & LIMITING CONDITIONS

This appraisal is based on the following assumptions, except as otherwise noted in the report.

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal is subject to the following limiting conditions, except as otherwise noted in the report.

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.

7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.
9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.
11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
14. No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
15. The current purchasing power of the dollar is the basis for the value stated in our appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
16. The value found herein is subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.

18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
19. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property and the person signing the report shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
21. The person signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
22. Integra – Southwest Florida is not a building or environmental inspector. Integra - Southwest Florida does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
23. The appraisal report and value conclusion for an appraisal assumes the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
24. It is expressly acknowledged that in any action which may be brought against Integra Realty Resources – Southwest Florida, Integra Realty Resources, Inc. or their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), arising out of, relating to, or in any way pertaining to this engagement, the appraisal reports, or any estimates or information contained therein, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with gross negligence. It is further acknowledged that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with gross

negligence. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.

25. Integra – Southwest Florida, an independently owned and operated company, has prepared the appraisal for the specific purpose stated elsewhere in the report. The intended use of the appraisal is stated in the General Information section of the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. Integra Realty Resources, Inc. and the undersigned are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
27. All prospective value estimates presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future. As will be determined during the course of the assignment, additional extraordinary or hypothetical conditions may be required in order to complete the assignment. The appraisal shall also be subject to those assumptions.

As will be determined during the course of the assignment, additional extraordinary or hypothetical conditions may be required in order to complete the assignment. The appraisal shall also be subject to those assumptions.