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real estate appraisers & consultants

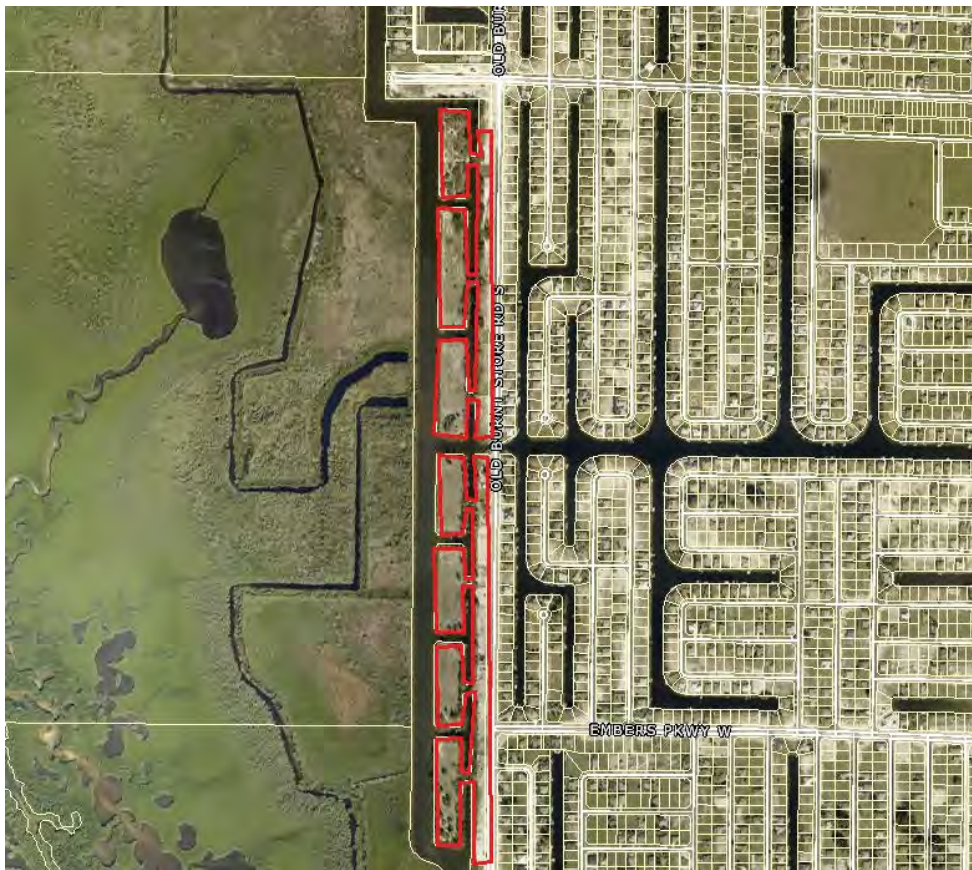
**Appraisal Report**

"Seven Islands" Vacant Land  
606 Old Burnt Store Road North  
106 Old Burnt Store Road North  
Cape Coral, Lee County, Florida 33991

Date of Valuation: 5 May 2021

Date of Report: 18 May 2021

File Name: 21056502 – City of Cape Coral – Seven Islands



**Prepared For**  
City of Cape Coral  
PO Box 150027  
Cape Coral, Florida 33915

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1619 Jackson Street, Fort Myers, FL 33901





**MAXWELL HENDRY SIMMONS**  
real estate appraisers & consultants

18 May 2021

City of Cape Coral  
PO Box 150027  
Cape Coral, Florida 33915

Attention: Ms. Dawn Andrews, Property Broker

Re: Appraisal of "Seven Islands" vacant land located at 606 Old Burnt Store Road North and 106 Old Burnt Store Road North, Cape Coral, Florida 33991

Dear Ms. Andrews:

As you requested, we have performed an appraisal of the above-referenced property, which is legally described within the attached report. This letter is an integral part of, and inseparable from, this report.

The purpose of the appraisal is to arrive at an opinion of market value of the subject property based upon the Hypothetical Condition that the "cut and fill" has been accomplished, effectively reducing the existing land size by 0.80 acres. The interest being appraised is the undivided fee simple interest in the land as if otherwise free and clear of all liens, mortgages, encumbrances, and/or encroachments. The intended use of this appraisal report is understood to be for use as a basis of value for internal auditing decisions. The intended user of this report is the City of Cape Coral.

The subject property was inspected on 5 May 2021 by Bruce A. Stephan, MAI. Gerald A. Hendry, MAI, CCIM performed a subsequent inspection. This appraisal report is intended to conform to the Uniform Standards of Professional Appraisal Practice & the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. This appraisal is made subject to the Assumptions and Conditions contained within the body of this report.

Based upon our analysis of the data contained within the attached appraisal report, it is our opinion that the market value of the subject property based upon the above-discussed Hypothetical Condition, as of 5 May 2021, is

**TWENTY MILLION DOLLARS - \$20,000,000\***  
*\*See Hypothetical Condition*

Respectfully submitted,

Bruce A. Stephan, MAI  
State-Certified General Real Estate Appraiser  
RZ 327

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



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## SEC. I: INTRODUCTION

<b>OWNER OF RECORD:</b>	City of Cape Coral
<b>ADDRESSES:</b>	1 - 606 Old Burnt Store Road N, Cape Coral, Florida 33991 2 - 106 Old Burnt Store Road N, Cape Coral, Florida 33991
<b>TAX IDs:</b>	1 - 12-44-22-C2-00807.A000 (Part of) 2 - 13-44-22-C2-00801.G000
<b>LEGAL DESCRIPTION:</b>	Lengthy. Please see Property Description section.
<b>SITE AREA:</b>	2,047,024 square feet / 46.99 acres (As Is) 2,012,091 square feet / 46.19 acres (Hypothetical Condition)
<b>IMPROVEMENTS:</b>	None
<b>ZONING / FUTURE LAND USE:</b>	Seven Islands District/Mixed Use
<b>HIGHEST &amp; BEST USE AS VACANT:</b>	Mixed Use Development (D-1 Concept Plan)
<b>EFFECTIVE DATE OF THE APPRAISAL:</b>	5 May 2021
<b>DATE OF THE REPORT:</b>	18 May 2021
<b>INTENDED USER:</b>	The intended user of this report is the City of Cape Coral.
<b>INTENDED USE:</b>	The intended use of this appraisal report is understood to be for use as a basis of value for internal auditing decisions.
<b>VALUE INDICATIONS:</b>	
<b>COST APPROACH:</b>	N/A
<b>SALES APPROACH:</b>	\$20,000,000
<b>INCOME APPROACH:</b>	N/A
<b>FINAL OPINION:</b>	\$20,000,000



## SEC. II: SCOPE OF WORK

According to the Uniform Standards of Professional Appraisal Practice (USPAP), 2020/2021 Edition, the Scope of Work includes, but is not limited to:

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

### EXTENT OF PROPERTY IDENTIFICATION

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

### EXTENT OF INSPECTION

For the purposes of this appraisal, Bruce A. Stephan, MAI conducted an inspection of the subject property on 5 May 2021. Gerald A. Hendry, MAI, CCIM subsequently conducted an inspection of the property.

### TYPE AND EXTENT OF DATA RESEARCH

Data research is regularly conducted using the following sources:

- Public Records
- Local REALTOR® Association Multiple Listing Services (MLS)/Loopnet/CCIM
- CoStar comparables service
- Information from contractors, brokers and agents in the area

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

### TYPE AND EXTENT OF ANALYSIS

#### Purpose of the Appraisal

The purpose of this appraisal is to develop an opinion of the “as is,” fee simple market value of the subject property as if free and clear of all liens, mortgages, encumbrances, and/or encroachments, subject to the following described Hypothetical Condition.

#### Condition Appraised

In this analysis, we are developing an opinion of the market value of the subject property based upon the Hypothetical Condition discussed below.



## Real Property Interest Appraised

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

Fee simple interest (estate) is:

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

Leased fee interest is:

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

As the subject property is vacant land and not subject to a lease, the interest being appraised in this situation is the undivided fee simple interest in the land as if free and clear of all liens, mortgages, encumbrances, and/or encroachments except as may be amended in the body of this report.

## Value Appraised

The opinion of value developed and reported herein is the market value of the subject property.

Market value, as defined by the agencies that regulate financial institutions in the United States and published by 12 CFR Ch. V Part 564.2 (g) *Office of Thrift Supervision, Department of the Treasury*, is:

*The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.*

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

## Approaches Developed

As there are no vertical improvements associated with the subject property, the Cost Approach does not apply. Further, as properties such as the subject parcel are not typically purchased, as vacant, for their ability to produce a rental income stream within this marketplace, the Income Approach has also been omitted. Therefore, we have utilized the Sales Comparison Approach exclusively in developing an opinion of market value.

## Report Type

This is an Appraisal Report which is intended to comply with the reporting standards set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP), 2020/21 Ed.



## COMPETENCY PROVISION

This appraisal report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP). Within USPAP there is a Competency Provision which states, in part, “Prior to accepting an assignment or entering into an agreement to perform an assignment, the appraiser must properly identify the problem to be addressed and have knowledge and experience to complete the assignment competently.....” If the appraisers lack the knowledge or experience necessary for a particular assignment, this must be disclosed and all steps necessary to complete the assignment competently must be taken. In regard to this appraisal, we have the necessary knowledge and experience to complete the assignment.

## ASSUMPTIONS

An assumption is defined by The Appraisal Institute in *The Dictionary of Real Estate Appraisal, Sixth Edition* as follows:

*“that which is taken to be true.”*

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

## EXTRAORDINARY ASSUMPTIONS

Extraordinary Assumption is defined by the Uniform Standards of Professional Appraisal Practice (USPAP), 2020/2021 Edition, as:

*“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.”*

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

- Our client has requested that a portion of tax parcel 12-44-22-C2-00807.A000 be removed from this analysis. Since the land area associated with this omission was provided to us, this appraisal is dependent upon the Extraordinary Assumption that the land area considered herein is correct.

## HYPOTHETICAL CONDITIONS

Hypothetical Condition is defined by the Uniform Standards of Professional Appraisal Practice (USPAP), 2020/2021 Edition, as:

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

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

- This appraisal is based upon the Hypothetical Condition that the “cut and fill” has been accomplished, effectively reducing the existing land size by 0.80 acres



## SEC. III: MARKET AREA ANALYSIS

### SOUTHWEST FLORIDA / LEE COUNTY DATA

**Lee County**, named for Robert E. Lee, was created from Monroe County in 1887, and included the present-day Collier, Hendry, and Lee Counties. Lee County was split into the three (3) current counties in 1923. The present-day Lee County encompasses 1,212 square miles, with a variety of natural inland, coastal, and barrier island habitats and a year-round population of 618,754 as of the 2010 census. The county's western boundary is the Gulf of Mexico. The county contains a total of 803 square miles of land area and 200 ± square miles of inland water area. The county is ranked 26<sup>th</sup> in area in the state. The westerly flowing Caloosahatchee River bisects the county and is part of the cross-state Intracoastal Waterway. There are several incorporated municipalities in Lee County as follows:

**City of Fort Myers:** Incorporated in 1886. 48.31 Square Miles. 2018 Population: 82,254.

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

**City of Cape Coral:** Incorporated in 1970. 114.0 Square Miles. 2018 Population: 189,343.

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

**City of Sanibel:** Incorporated in 1974. 17.5 Square Miles. 2018 Population: 7,402.

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

**Town of Fort Myers Beach:** Incorporated in 1995. 6.2 Square Miles. 2018 Population: 7,102.

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

**City of Bonita Springs:** Incorporated 1999. 33.0 Square Miles. 2018 Population: 57,370.

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

**Village of Estero:** Incorporated 2015. 30.0 Square Miles. 2018 Population: 33,474.

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

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



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

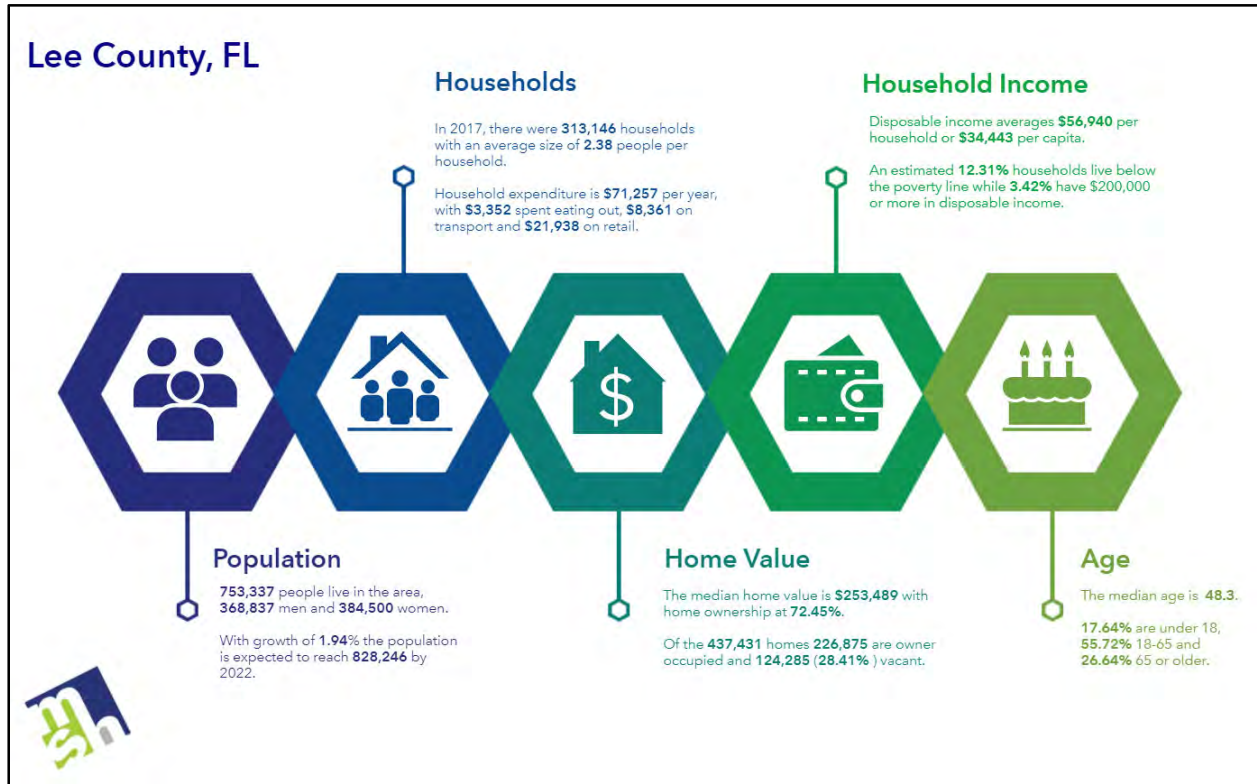
- I. Social Forces
- II. Economic Forces
- III. Governmental Forces
- IV. Environmental Forces

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

### I. Social Forces

Variable	Lee County, FL	Florida	USA
2010 Total Population	618,754	18,801,310	308,745,538
2020 Total Population	753,337	21,587,015	333,793,107
2025 Total Population	828,246	23,056,641	346,021,282
2000-2010 Population: Annual Growth Rate	3.45%	1.64%	0.93%
2020-2025 Population: Annual Growth Rate	1.91%	1.33%	0.72%
2020 Median Household Income	\$56,940	\$56,362	\$62,203
2020 Total Households	313,146	8,438,100	126,083,849
2020 Average Household Size	2.38	2.51	2.58
2020 Total Housing Units	437,431	10,058,165	142,148,018
2020 Owner Occupied Housing Units	226,875	5,459,375	80,135,109
2020 Home Value less than \$50,000	11,822	334,147	5,157,033
2020 Home Value \$50,000-\$99,999	16,647	484,096	8,597,429
2020 Home Value \$100,000-\$149,999	21,564	564,713	9,546,600
2020 Home Value \$150,000-\$199,999	30,914	788,602	10,699,146
2020 Home Value \$200,000-\$249,999	30,549	742,783	8,628,131
2020 Home Value \$250,000-\$299,999	27,686	652,996	7,460,447
2020 Home Value \$300,000-\$399,999	37,610	841,507	10,516,246
2020 Home Value \$400,000-\$499,999	17,805	401,117	6,231,283
2020 Home Value \$500,000-\$749,999	18,731	375,563	7,263,652
2020 Home Value \$750,000-\$999,999	6,283	124,935	2,952,153
2020 Home Value \$1,000,000-\$1,499,999	3,251	73,146	1,725,149
2020 Home Value \$1,500,000-\$1,999,999	1,316	25,907	557,955
2020 Home Value \$2,000,000 or greater	2,678	49,423	788,285
2020 Median Home Value	\$253,489	\$237,555	\$235,127
2020 Average Home Value	\$330,206	\$305,371	\$328,824
2020 Owner Occupied Housing Units by Value Base	226,856	5,458,935	80,123,509

Source: Esri



## II. Economic Forces

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

	2021	2020	2019	2018
<b>UNEMPLOYMENT RATE<sup>2</sup></b>	N/A	5.1% (December)	3.1% (Annual)	3.4% (Annual)
<b>SINGLE-FAMILY MEDIAN PRICE<sup>3</sup></b>	\$327,250 (January)	\$289,000 (Annual)	\$258,728 (Annual)	\$251,000 (Annual)
<b>RETAIL VACANCY RATE<sup>4</sup></b>	4.4% (QTD)	5.2% (4Q)	5.3% (4Q)	4.8% (4Q)
<b>OFFICE VACANCY RATE<sup>4</sup></b>	6.3% (QTD)	6.3% (4Q)	6.4% (4Q)	7.6% (4Q)
<b>INDUSTRIAL VACANCY RATE<sup>4</sup></b>	4.6% (QTD)	4.3% (4Q)	4.2% (4Q)	3.4% (4Q)

1. <https://www.census.gov/quickfacts/fact/table/leecountyflorida/PST045216>
2. <http://www.bls.gov/>
3. <http://www.floridarealtors.org/ResearchAndStatistics/Florida-Market-Reports/Index.cfm>
4. [CoStar](#)



### III. Governmental Forces

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

#### Services

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

#### Utilities

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

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

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

#### Medical Services

Lee County has a fully developed health care delivery market, with general and specialized hospitals, nursing homes, assisted living facilities, a veteran's clinic and multiple walk-in emergency facilities. Ambulance service in Lee County is operated as a department of the Lee County Emergency Service or is contracted with the independent fire districts.



### Educational System

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

### Transportation

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

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

### Land Use Control

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

### IV. Environmental Forces

The county has a sub-tropical climate. The average temperature is 74.4 degrees with a monthly mean high of 91.6 in the summer months and an average winter mean of 64.1 degrees. Rainfall averages approximately 52 inches annually with the heaviest rains during the summer months.

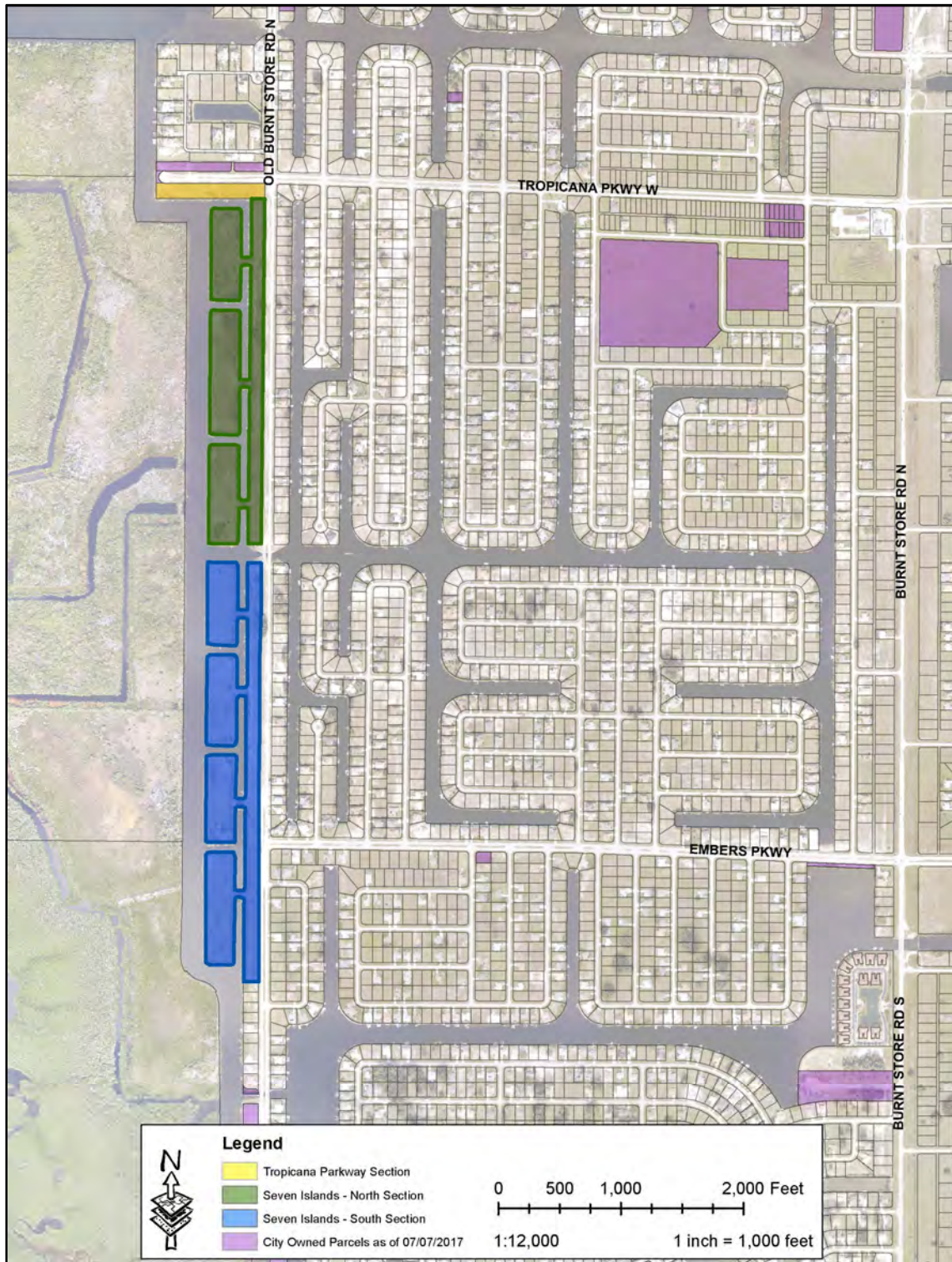
### CONCLUSION / LIFE CYCLE STAGE

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



# SEC. IV: PROPERTY DESCRIPTION

## LOCATION MAP





GIS MAP





LEGAL DESCRIPTION

**A Portion of The Islands  
(CC-17-0022)**

Parcels of land lying in Sections 12 and 13, Section 44 South, Range 22 East, Lee County, Florida; and being more particularly described as follows:

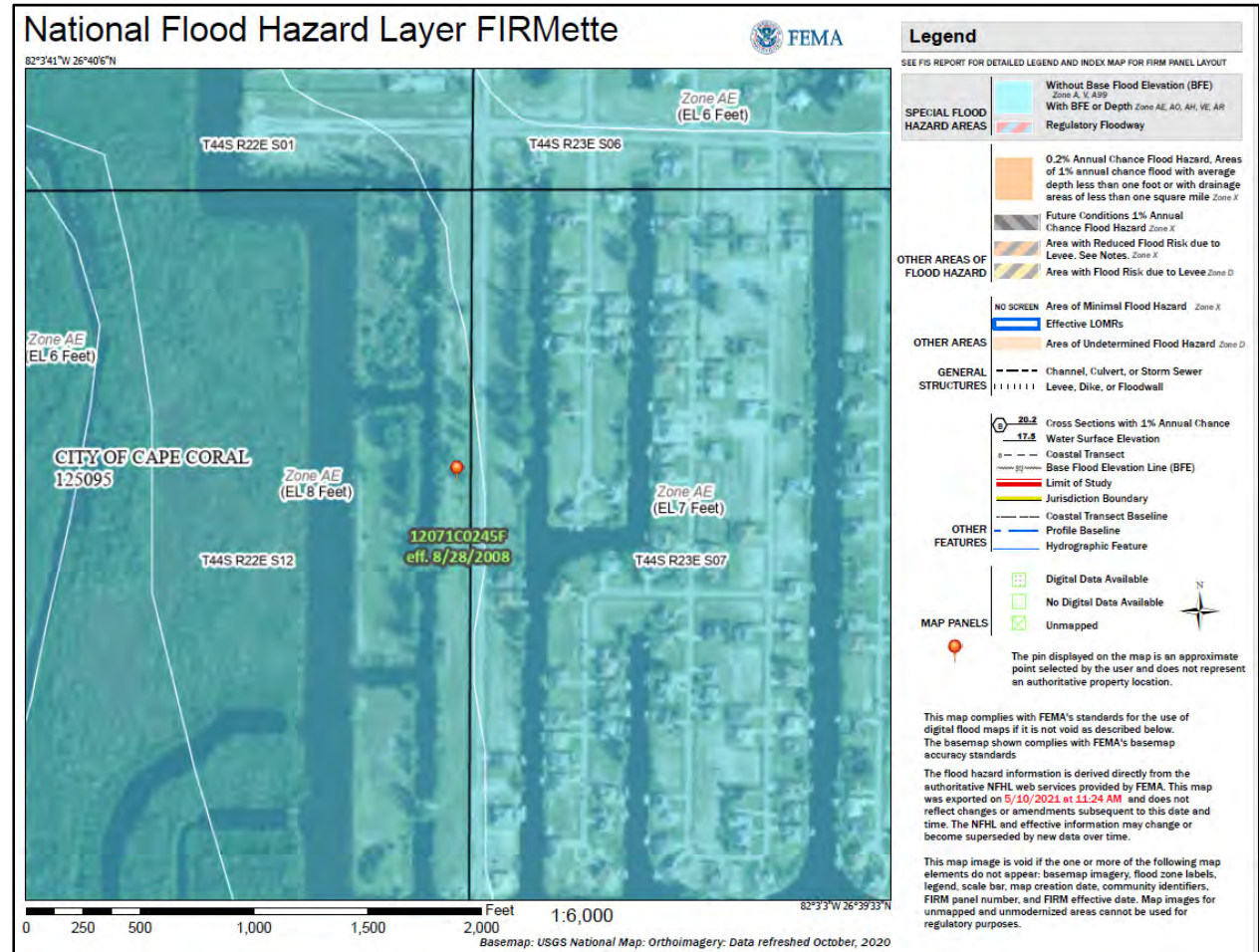
- 1.) All of Lots 12 through 17, Block 6400;
- 2.) All of Tract "G" and all of Lots 1 through 5, Block 6401;
- 3.) All of Tract "F" and all of Lots 1 through 7, Block 6402;
- 4.) All of Tract "E" and all of Lots 1 through 4, Block 6403;
- 5.) All of Tract "D" and all of Lots 1 through 3, Block 6404;
- 6.) All of Tract "C" and all of Lots 1 and 2, Block 6405;
- 7.) All of Tract "B" and all of Lots 1 through 7, Block 6406;
- 8.) All of Tract "A" and all of Lots 1 through 8, Block 6407;

All as shown on the Plat of Cape Coral, Unit 76, The Islands, recorded in Plat Book 35 at Pages 121 through 129 of the Public Records of Lee County, Florida.

Subject to Easements, Reservations and Restrictions of record.

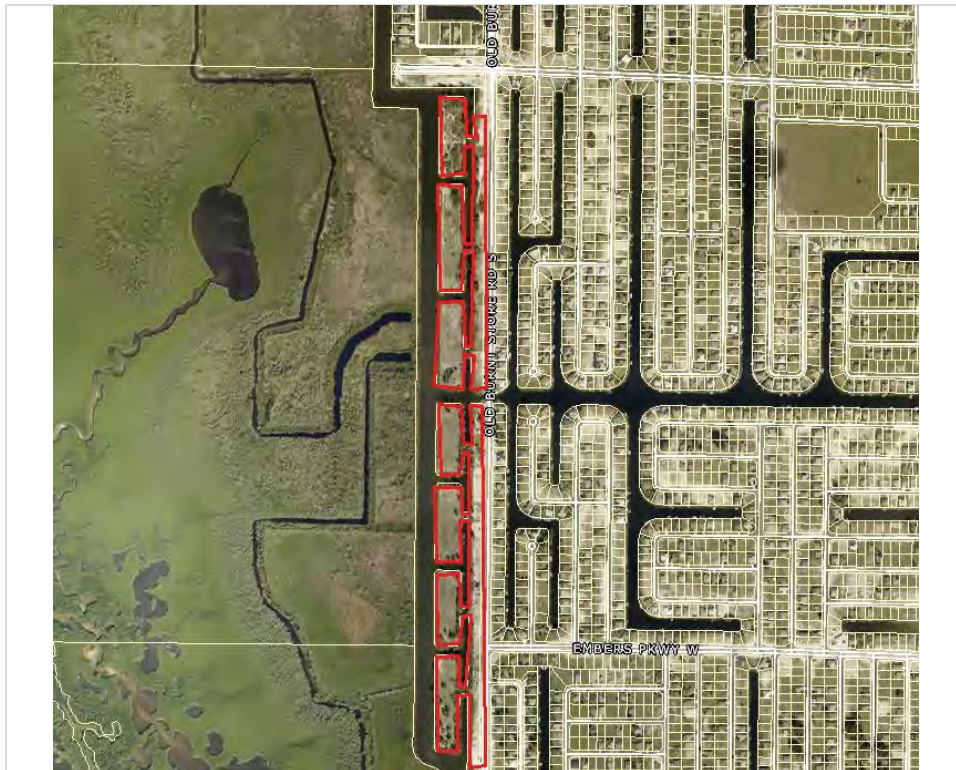


# FLOOD MAP





PROPERTY PHOTOGRAPHS



AERIAL VIEW OF SUBJECT PROPERTY



TYPICAL VIEW OF SUBJECT PROPERTY



TYPICAL VIEW OF SUBJECT PROPERTY



TYPICAL VIEW OF SUBJECT PROPERTY



TYPICAL VIEW OF SUBJECT PROPERTY



TYPICAL VIEW OF SPREADER CANAL



TYPICAL VIEW OF SPREADER CANAL



OLD BURNT STORE ROAD LOOKING S'LY



OLD BURNT STORE ROAD LOOKING N'LY



TROPICANA PARKWAY WEST LOOKING E'LY



VIEW OF DEVELOPMENT LOCATED IMMEDIATELY NORTH OF TROPICANA PARKWAY  
WEST LOOKING W'LY



VIEW OF NEW SINGLE FAMILY RESIDENTIAL CONSTRUCTION LOCATED ALONG THE  
EAST SIDE OF OLD BURNT STORE ROAD



## SITE CHARACTERISTICS

<b>ADDRESS:</b>	1 - 606 Old Burnt Store Road N, Cape Coral, Florida 33991 2 - 106 Old Burnt Store Road N, Cape Coral, Florida 33991
<b>TAX ID:</b>	1 - 12-44-22-C2-00807.A000 (Part of) 2 - 13-44-22-C2-00801.G000
<b>LOCATION/ACCESS/ EXPOSURE:</b>	<p>The property is located along the west side of Old Burnt Store Road North as well as the south side of Tropicana Parkway West. This places the property west of Burnt Store Road, north of SW Pine Island Road, and east of Matlacha Pass. Old Burnt Store Road North is a secondary collector traffic arterial, while Burnt Store Road and SW Pine Island Road are primary traffic arterials. Burnt Store Road connects Pine Island Road with Punta Gorda to the north as well as Veterans Parkway to the south. SW Pine Island Road connects Burnt Store Road with Pine Island to the west as well as the geographical center of the City of Cape Coral to the east. Further, the property is provided with direct (no bridge) boat access to Matlacha Pass via the spreader canalway system. Therefore, transportation and recreational access is considered to be relatively good, and development will have a very good view amenity over Matlacha Pass.</p>
<b>SIZE (SITE AREA)/SHAPE:</b>	<p>The parcels combined currently contain 2,047,024 square feet, or 46.99 acres according to Cape Coral records (see Extraordinary Assumption). With the proposed island re-shaping via cut and fill (see Hypothetical Condition), the parcels combined will contain 2,012,091 square feet, or 46.19 acres. The two parcels are irregular in shape and essentially consist of seven islands connected to Old Burnt Store Road North via land bridges.</p> <p>This information is based upon public records (see Extraordinary Assumption).</p>
<b>PHYSICAL FEATURES (TOPOGRAPHY, ELEVATION, ETC.):</b>	<p>The subject property is mostly cleared. Drainage on the subject property, as well as in other surrounding areas, appears to be adequate and is primarily serviced by the canalway system.</p>



<b>UTILITIES:</b>	<p>The subject property is served by the following utilities:</p> <table border="0"><tr><td>Telephone:</td><td>CenturyLink and Comcast</td></tr><tr><td>Electricity:</td><td>Lee County Electric Cooperative, Inc.</td></tr><tr><td>Water:</td><td>City of Cape Coral Utilities</td></tr><tr><td>Sewer:</td><td>City of Cape Coral Utilities</td></tr><tr><td>Multimedia:</td><td>CenturyLink and Comcast</td></tr></table> <p>Finally, based upon information obtained from the City of Cape Coral website, a potential buyer of the subject property would be responsible for a total utilities payoff of \$1,507,203.</p>	Telephone:	CenturyLink and Comcast	Electricity:	Lee County Electric Cooperative, Inc.	Water:	City of Cape Coral Utilities	Sewer:	City of Cape Coral Utilities	Multimedia:	CenturyLink and Comcast
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Sewer:	City of Cape Coral Utilities										
Multimedia:	CenturyLink and Comcast										
<b>FLOOD ZONE:</b>	<p>The subject property is located within Flood Hazard Zones AE-7 and AE-8 according to Federal Emergency Management Agency (FEMA) Flood Map Panel ID #12071C0245F dated 28 August 2008. Typically, improved properties located within this zone are required to purchase flood insurance under most financing situations. This property is not located in a FEMA FIRM Floodway.</p>										
<b>EASEMENTS, ENCROACHMENTS, ETC.:</b>	<p>Other than noted below, there are no known leases, reservations, covenants, contracts, declarations, special assessments, easements or encroachments affecting the subject property. There is a 15" underground storm pipe crossing the Tropicana West parcel. This does not, in our opinion, represent a negative situation. However, according to Mr. Justin Heller, Senior Planner with the City of Cape Coral, there is an active bald eagle nesting area located on the middle of the three islands associated with the 606 Old Burnt Store Road North parcel. For any type of future development, a bald eagle management plan needs to be created. Essentially, no heavy construction is allowed within 1,100' of a bald eagle nest during the nesting period from 1 October through 15 May. The exception to this is that, if construction is begun and is substantially complete prior to nesting season, the owner may be permitted to perform light construction activities if approved by the City and the commission. The following is a link to the Cape Coral Bald Eagle ordinance:</p> <p><a href="http://www.capecoral.net/department/community_development/environmental/docs/City_of_Cape_Coral_s_Bald_Eagle_Ordinance.pdf">http://www.capecoral.net/department/community_development/environmental/docs/City_of_Cape_Coral_s_Bald_Eagle_Ordinance.pdf</a></p>										



<b>ASSESSED VALUE, TAXES, AND ASSESSMENTS:</b>	<p style="text-align: center;">Tax ID 12-44-22-C2-00807.A000 (Parent Tract)</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Tax Year</th> <th style="text-align: center;">Market Assessed Value</th> <th style="text-align: center;">Taxable Value</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2020</td> <td style="text-align: right;">\$6,729,000</td> <td style="text-align: right;">\$5,524,662</td> </tr> <tr> <td style="text-align: center;">2019</td> <td style="text-align: right;">\$5,022,420</td> <td style="text-align: right;">\$4,022,420</td> </tr> <tr> <td style="text-align: center;">2018</td> <td style="text-align: right;">\$5,022,420</td> <td style="text-align: right;">\$4,610,055</td> </tr> </tbody> </table> <p style="text-align: center;">Tax ID 13-44-22-C2-00801.G000</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Tax Year</th> <th style="text-align: center;">Market Assessed Value</th> <th style="text-align: center;">Taxable Value</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2020</td> <td style="text-align: right;">\$7,819,200</td> <td style="text-align: right;">\$6,558,331</td> </tr> <tr> <td style="text-align: center;">2019</td> <td style="text-align: right;">\$6,103,640</td> <td style="text-align: right;">\$5,962,119</td> </tr> <tr> <td style="text-align: center;">2018</td> <td style="text-align: right;">\$6,081,640</td> <td style="text-align: right;">\$5,420,108</td> </tr> </tbody> </table> <p>Since the subject property is currently owned by the City of Cape Coral, it is wholly exempt from paying real estate taxes. However, upon transfer of ownership (inherent within the concept of market value), the assessment caps would be eliminated.</p>	Tax Year	Market Assessed Value	Taxable Value	2020	\$6,729,000	\$5,524,662	2019	\$5,022,420	\$4,022,420	2018	\$5,022,420	\$4,610,055	Tax Year	Market Assessed Value	Taxable Value	2020	\$7,819,200	\$6,558,331	2019	\$6,103,640	\$5,962,119	2018	\$6,081,640	\$5,420,108
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<b>ZONING:</b>	<p>Based upon information supplied by Mr. Wyatt Daltry, Planning Team Coordinator with the City of Cape Coral, the subject property is zoned Seven Islands District under the D-1 Concept Plan. Under said Concept plan, the property is zoned for 890 multi-family residential units, 34 townhomes, 71 fish houses (total of 995 residential units), a 240 room hotel/resort incorporating 25,000 square feet of meeting space, 45,000 square feet of commercial building, a 40,000 square foot community center, a park, and a 280 slip public marina with launch facilities. Further information regarding the D-1 concept plan may be found at:</p> <p><a href="http://cms4.revize.com/revize/capecoral/7%20Islands%20Vision%20Plan-WEB.pdf">http://cms4.revize.com/revize/capecoral/7%20Islands%20Vision%20Plan-WEB.pdf</a></p> <p>Also, see following Highest and Best Use discussion.</p>																								
<b>FUTURE LAND USE:</b>	<p>Again, based upon information supplied by Mr. Wyatt Daltry, the subject property has a Mixed Use Future Land Use Plan designation that is consistent with the D-1 Concept Plan.</p>																								



## SEC. V: HIGHEST & BEST USE ANALYSIS

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

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

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

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

### PRESENT USE

The subject property presently utilized for speculative holding for future development.

### HIGHEST AND BEST USE AS VACANT

The highest and best use analysis of the site examines the type of improvement that is most appropriate for a particular site.

#### Legally Permissible

Within this community, the future land use categories are broad indicators of growth potential such as raw residential density and service provision, while the zoning designation controls specific allowable development. Based upon information supplied by the City of Cape Coral, the property is zoned Seven Islands District under the zoning ordinances of the City of Cape Coral and is designated Mixed Use under the Cape Coral Future Land Use Plan. These zoning regulations allow for development based upon the D-1 Concept Plan as previously discussed. Said plan allows for the development of 995 residential units, a 240 room hotel/resort, 45,000 square feet of commercial building, a 40,000 square foot community center and a 280 slip public marina with boat launch facilities. Further, based upon information provided by representatives of our client, the developer(s) of the subject property would be required to adhere to this site development plan with very little room for adjustment to any perceived market reaction. Finally, there do not appear to be any additional regulatory or other restrictions which limit the legally permissible uses other than the aforementioned Bald Eagle nesting site.



### Physically Possible

Various physical factors have an effect on the uses to which a property may be developed. These factors may include size, shape, topography, and soil conditions. The parcel is serviced with full utilities and has a level topography. The overall site area is sufficient to allow development based upon the D-1 Concept Plan.

The physical aspects of the property do not impose apparent limitations on development other than project size. The physical nature of the subject parcel does not preclude any of the legally permissible uses. Based upon the physical characteristics of the site, the legally permissible uses would be physically possible with the only physical constraints being the size of development.

### Financially Feasible

Under the Cape Coral Northwest Cape and Seven Islands Vision Plan dated 31 October 2016, the Northwest Cape study area comprises approximately 20.75 square miles of the roughly 114 square miles contained within the City. The 2015 estimated study area population was 9,455 inhabitants and 3,348 households. The area is generally characterized as low density residential with the exception of the commercial activity centers located along Burnt Store Road. The Seven Islands District is located west of Old Burnt Store Road, south of Tropicana Parkway and generally north of Ceitus Parkway. There are 18,173 tax property parcels within the Northwest Cape study area. Of the total, 4,193 are "saltwater parcels west of Burnt Store Road." The Seven Islands District neighborhood has the largest number of improved parcels. Further, the highest improved assessed values within the Northwest Cape project study area are located west of Old Burnt Store Road North due to the fact that there is a substantial value difference between "sailboat access" and "non-sailboat access" properties.

While the subject property lies within an immediate area that is somewhat sparsely developed at the present time in comparison with the balance of the City of Cape Coral, especially with respect to high-density residential and commercial uses, the "islands" configuration of the property is quite unique. Further, according to a very recent ranking compiled by WalletHub.com, Cape Coral ranks 14<sup>th</sup> on the list of "fastest growing cities" in the nation. Further, according to CoStar, the population growth between 2020 and 2025 within a three mile radius of the subject property is expected to increase 12.22%. Additionally, there are two larger developments located within Cape Coral to analyze with respect to financial feasibility.

First, the +/- 250 acre Cape Harbour development located at the southern terminus of Chiquita Boulevard was purchased in 1999 and new construction began in 2000. At that time, this project was located further away from the primary then-existing development. This waterfront community encompasses 550 residential units of varying types, four restaurants, nine office/retail spaces and a 94 slip marina along with dry boat storage facilities. This project was completely sold-out from the developer in 2007.

Second, the +/- 148 acre Tarpon Point development located just to the east of Cape Harbour was purchased in 1999 and new construction began in 2002. At that time, this project was located further away from the primary then-existing development. This waterfront community encompasses 377 residential units of varying types, two restaurants, 38,590 square feet of office/retail space, a five-story parking garage incorporating meeting rooms to accommodate 184 persons, a 42,000 square foot conference center (to be completed January 2018), and a 175 slip marina incorporating a ship's store, captain's lounge and harbor master building. This project was completely sold-out from the developer in 2016.

Additionally, we have analyzed lot sales within the immediate area of the subject property. Comparing the 13 sales of direct access homesites (averaging \$271,319) with the 10 sales of indirect access homesites (averaging \$44,595) indicates that direct-access lots enjoy a significant premium over non-direct lots. This is important in this analysis due to the substantial amount of waterfrontage associated with the subject property.

Including the city areas north of Veterans Parkway and west of Santa Barbara Boulevard, the potential Northwest Cape and Seven Islands District total market area had a 2010 population of 40,793, which was expected to rise to 50,695 in 2020 (excluding consideration of the proposed D-1 Concept Plan for the subject property). Due to an ever-expanding population base as well as to the very unique "island" configuration of the subject property, a mixed use partially self-contained community development similar to the Cape Harbour and Tarpon Point projects located in South Cape Coral appears to be the most financially feasible use.



### Maximally Productive

The maximally productive use is that development option which will return the greatest profit to the eventual developer. In more urban settings, this development option may be very specific and obvious, while in more suburban settings, with lower ratios of existing build-out, these options may be more general and broad. In the case of the subject property, which is located in a suburban environment, the financially feasible uses are considered equally productive options. The potential for development current exists and, therefore, the highest and best use of the subject site as vacant is for its proposed mixed use development.



## SEC. VI: VALUATION OF SUBJECT PROPERTY

### THE APPRAISAL PROCESS

There are three standard approaches to property valuation:

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

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

### COST APPROACH TO VALUE

The Cost Approach to Value requires estimating the replacement cost new of the improvements, utilizing current labor and material prices and modern construction techniques. Next, accrued depreciation is estimated and subtracted from the cost new. Finally, the land value is added to the remainder to derive a value for the property as a whole. The Cost Approach is most reliable when the improvements are new and the opinion of land value can be reasonably developed. Conversely, when the improvements are older and/or adequate land sales are not available, the Cost Approach provides a less reliable result.

### SALES COMPARISON APPROACH TO VALUE

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

### INCOME APPROACH TO VALUE

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

### APPROACHES DEVELOPED

As discussed within the Scope of Work section of this report, we have utilized the Sales Comparison Approach exclusively in developing an opinion of market value.



## THE SALES COMPARISON APPROACH TO VALUE

The Sales Comparison Approach to Value is a process of comparing sales of similar properties in the marketplace to the subject property.

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

The steps in the Sales Comparison Approach are:

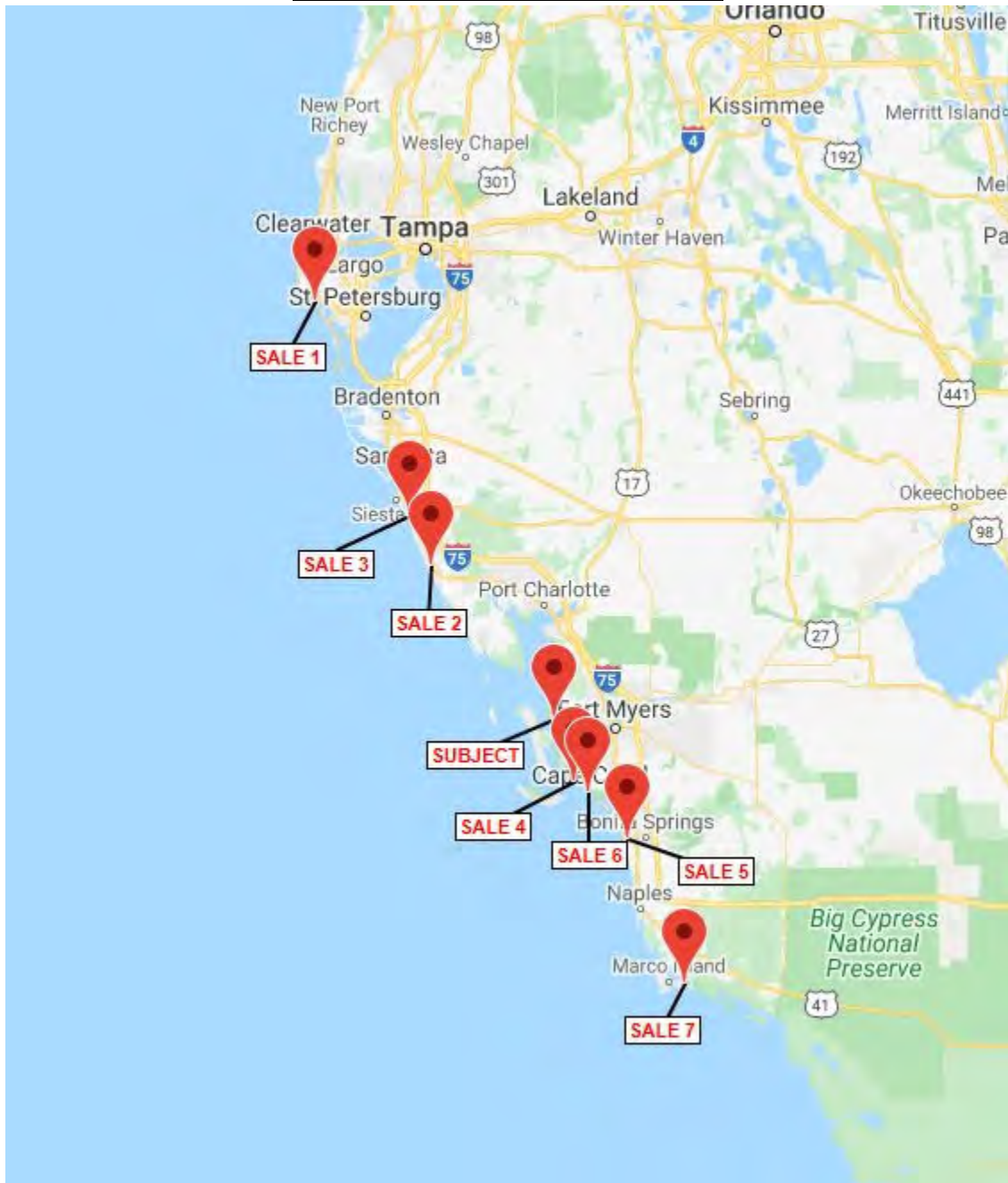
1. Seek out similar properties for which pertinent sales and data are available.
2. Qualify the prices as to terms, motivating forces and bona fide nature.
3. Compare each of important attributes of the comparable properties with the corresponding attributes of the property being appraised under the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

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

In developing an opinion of the market value of the subject property via the Sales Comparison Approach, we have analyzed the following comparable sales:



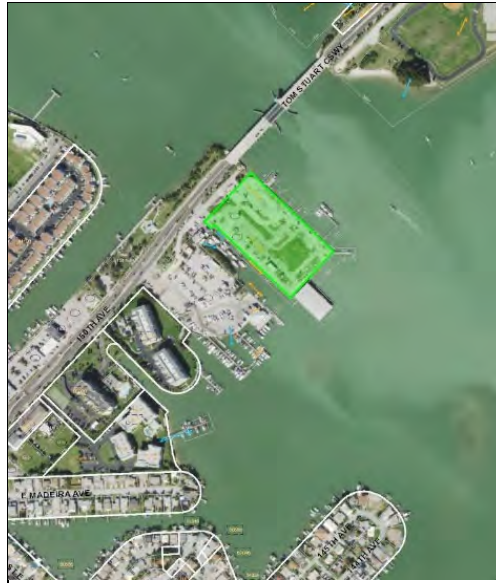
## COMPARABLE LAND SALES MAP





## COMPARABLE LAND SALE 1

4411



**DATE OF SALE:** July 13, 2018

**ADDRESS:** 555 150th Avenue

**SALE PRICE:** \$7,600,000

**STRAP #:** 09-31-15-00000-140-0100

**SALE PRICE (ADJUSTED):** \$7,600,000

**SALE CONDITIONS:** Arm's Length

**RECORDING:** 20130/1944

**UTILITIES:** Full

**GRANTOR:** M.H.H. Enterprises, Inc.

**ZONING:** C-4

**GRANTEE:** Madeira Beach Project, LLC

**LAND USE:** Marine Commercial

**FINANCING:** Cash

**SALE HISTORY:** None in previous three years

**TOPOGRAPHY:** Marina

**ACCESS:** Direct

**VERIFICATION:** Melissa Rutland/Rutland Florida Land Group

**HIGHEST AND BEST USE:** Commercial

**SITE AREA:** 199,940 Square Feet  
4.590 Acres

**UNIT OF VALUE:** \$38.01 Per SF  
\$1,655,773 per AC

**COMMENTS:** The property is located on the south side of 150th Avenue in Madeira Beach with direct frontage on Boca Ciega Bay with access to the Gulf of Mexico. The site is improved with a 70-slip marina and plans for the property include renovations of the marina and a 130-room hotel, 31 residences and a restaurant. A submerged land lease (approximately 2-2.5 acres) with the state of Florida is included with the sale. The original contract price was reduced from \$7,800,000 to \$7,600,000 after the inspection due to the condition of the seawall with the cost to repair estimated at \$200,000.

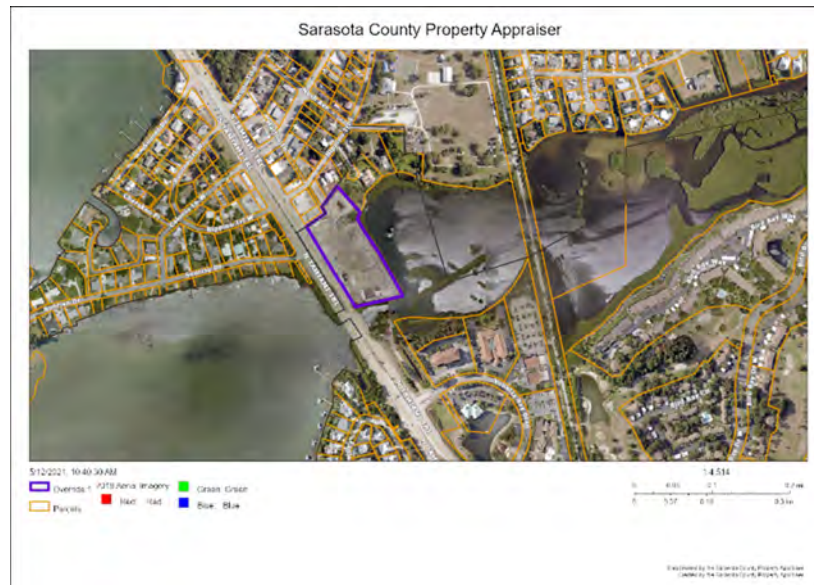
The properties were sold by separate entities (same principle) and purchased by the same grantee and have since been combined into one parcel number. The transaction details are as follows:

- 1) MHH Enterprises, Inc to Madeira Beach Project, LLC, \$5,700,000, OR 20130/1944
- 2) C & T Enterprises, Inc. to Madeira Beach Project, LLC, \$1,900,000, OR 20130/1950



## COMPARABLE LAND SALE 2

4417



**DATE OF SALE:** October 26, 2018

**SALE PRICE:** \$3,650,000

**SALE PRICE (ADJUSTED):** \$3,650,000

**RECORDING:** 2018141793

**GRANTOR:** Chung Land, LLC

**GRANTEE:** Heartis Venice, LLC

**FINANCING:** Cash

**TOPOGRAPHY:** Cleared

**VERIFICATION:** Elliot Rose/Coldwell Banker  
Commercial

**SITE AREA:** 252,948 Square Feet  
5.807 Acres

**ADDRESS:** 1020 S Tamiami Trail

**STRAP #:** 0406040044

**SALE CONDITIONS:** Arm's Length

**UTILITIES:** Full

**ZONING:** RMF-3

**LAND USE:** Commercial

**SALE HISTORY:** None in previous three years

**ACCESS:** Direct

**HIGHEST AND BEST USE:** Residential

**UNIT OF VALUE:** \$14.43 Per SF  
\$628,564 per AC

**COMMENTS:** The property is located on the east side of S Tamiami Trail south of Nippino Trail E in Venice with frontage on Roberts Bay. There is access to the Gulf of Mexico but only by small watercraft due to the low clearance of the bridge. A progressive health care facility has since been constructed on the site.



### COMPARABLE LAND SALE 3

4419



**DATE OF SALE:** December 27, 2018

**ADDRESS:** 1710 Vamo Drive

**SALE PRICE:** \$2,725,000

**STRAP #:** 0130150001

**SALE PRICE (ADJUSTED):** \$2,725,000

**SALE CONDITIONS:** Arm's Length

**RECORDING:** 2019001376

**UTILITIES:** Full

**GRANTOR:** Laura P Martin, Shirley Irons Faist and the Northern Trust Company

**ZONING:** RSF

**GRANTEE:** Sarasota County

**LAND USE:** Moderate Density Residential

**FINANCING:** Cash

**SALE HISTORY:** None in previous five years

**TOPOGRAPHY:** Cleared

**ACCESS:** Direct

**VERIFICATION:** CoStar/Public Records

**HIGHEST AND BEST USE:** Residential/Conservation

**SITE AREA:** 122,102 Square Feet  
2.803 Acres

**UNIT OF VALUE:** \$22.32 Per SF  
\$972,146 per AC

**COMMENTS:** The property is located on the south side of Vamo Drive, west of S Tamiami Trail with direct frontage on Little Sarasota Bay in Sarasota. The property will be converted to a public park.



## COMPARABLE LAND SALE 4

4070



**DATE OF SALE:** September 26, 2019

**ADDRESS:** 17300 McGregor Boulevard

**SALE PRICE:** \$2,850,000

**STRAP #:** 10-46-23-00-00004.2000 + 3 additional parcels

**SALE PRICE (ADJUSTED):** \$2,850,000

**SALE CONDITIONS:** Arm's Length

**RECORDING:** 2019000225774

**UTILITIES:** Full available

**GRANTOR:** Sanibel Passage Land Holdings, LLC

**ZONING:** RPD

**GRANTEE:** PRH Sanibel, LLC

**LAND USE:** Wetlands

**FINANCING:** Cash

**SALE HISTORY:** 1/2014, \$935,000

**TOPOGRAPHY:** Wetlands

**ACCESS:** Direct

**VERIFICATION:** Christopher Maxner/Point South Group

**HIGHEST AND BEST USE:** Conservation/Residential

**SITE AREA:** 8,731,602 Square Feet  
200.450 Acres

**UNIT OF VALUE:** \$0.33 Per SF  
\$14,218 per AC  
\$57,000 Per Unit

**ALLOWABLE UNITS:** 50

**COMMENTS:** The sale is comprised of five properties located on the north side of McGregor Boulevard directly on Pine Island Sound in Fort Myers. The properties are mostly wetlands with approximately 10 acres of uplands. This is an approved RPD known as Island Passage with all entitlements in place and is approved for 50 multi-family units in one 155 foot tower.

The four parcels associated with the sale include:

09-46-23-00-00003.0000

09-46-23-00-00004.0020

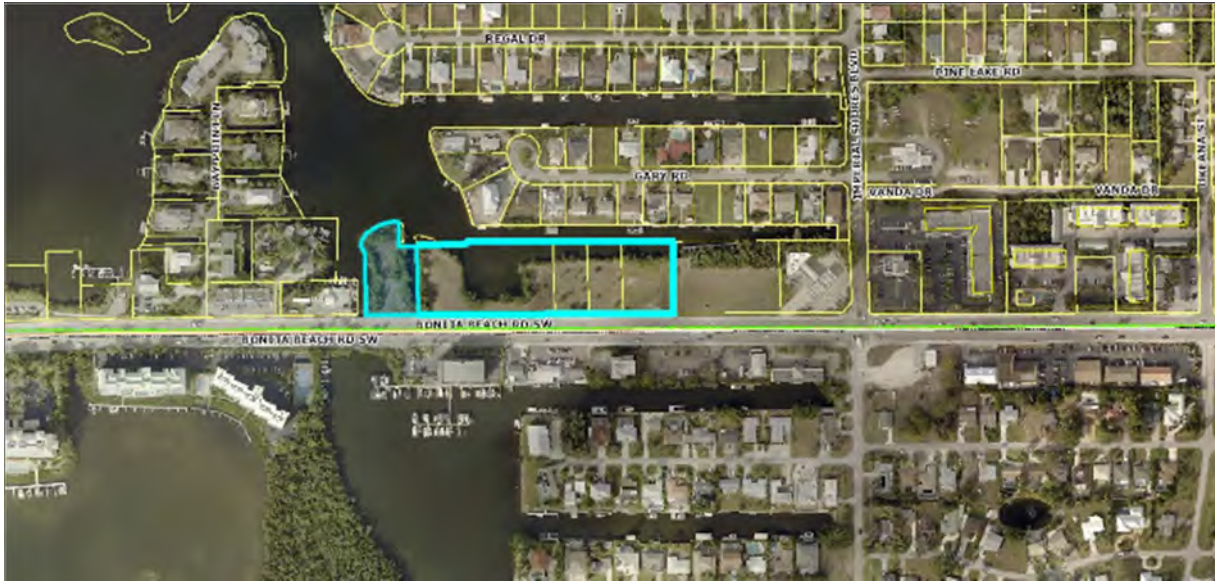
09-46-23-00-00004.0010

10-46-23-00-00004.2000



## COMPARABLE LAND SALE 5

3892



**DATE OF SALE:** November 15, 2019

**ADDRESS:** 4612-4752 Bonita Beach Road

**SALE PRICE:** \$1,400,000

**STRAP #:** 32-47-25-B4-00056.0000 plus 4 additional parcels

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

**SALE CONDITIONS:** Arm's Length

**RECORDING:** 2019000264415 +1 add deed

**UTILITIES:** Full

**GRANTOR:** Beach Road, LLC & WVS Servicing, LLC

**ZONING:** C-1, RPD

**GRANTEE:** Gordon Henke

**LAND USE:** General Commercial

**FINANCING:** Cash

**SALE HISTORY:** None in previous five years

**TOPOGRAPHY:** Cleared

**ACCESS:** Direct

**VERIFICATION:** CoStar/Public Records

**HIGHEST AND BEST USE:** Commercial

**SITE AREA:** 127,631 Square Feet  
2.930 Acres

**UNIT OF VALUE:** \$10.97 Per SF  
\$477,816 per AC

**COMMENTS:** The property is located on the north side of Bonita Beach Road SW, west of Imperial Shores Boulevard. The site has frontage on San Carlos Bay with access to the Gulf of Mexico.

The sale was recorded in two deeds:

Beach Road, LLC to Gordon Henke, \$1,000,000, Instrument #2019000264415

WVS Servicing, LLC to Gordon Henke, \$400,000, Instrument #2019000264435



## COMPARABLE LAND SALE 6

4334



**DATE OF SALE:** March 16, 2020

**SALE PRICE:** \$2,500,000

**SALE PRICE (ADJUSTED):** \$2,500,000

**RECORDING:** 2020000067741

**GRANTOR:** Gulf Marine Ways and Supply, Inc.

**GRANTEE:** Yachtworks Ft. Myers Beach, LLC

**FINANCING:** Conventional financing for \$3,215,000 with Nudwestibe Bank

**TOPOGRAPHY:** Marina

**VERIFICATION:** Third Party

**SITE AREA:** 114,214 Square Feet  
2.622 Acres

**ADDRESS:** 1148 Main Street

**STRAP #:** 19-46-24-00-00002.0000

**SALE CONDITIONS:** Arm's Length

**UTILITIES:** Full

**ZONING:** IL-50%, IM-32%, CM-18%

**LAND USE:** Industrial Development

**SALE HISTORY:** None in previous five years

**ACCESS:** Direct

**HIGHEST AND BEST USE:** Commercial

**UNIT OF VALUE:** \$21.89 Per SF  
\$953,473 per AC

**COMMENTS:** The property is located on the south side of Main Street on San Carlos Island. The site has direct frontage on Matanzas Pass with direct access to the Gulf of Mexico. Improvements on the site include Gulf Marine Ways and Supply with three commercial buildings totaling approximately 12,242 square feet including workshops, offices and a covered boat barn. Other improvements include a 150 ton travel lift, seawall and boat docks. The contributory value of existing improvements is offset by future demolition costs.



## COMPARABLE LAND SALE 7

4420



**DATE OF SALE:** December 14, 2020

**SALE PRICE:** \$2,000,000

**SALE PRICE (ADJUSTED):** \$2,000,000

**RECORDING:** 5866/1104

**GRANTOR:** Maureen Moran, Inc

**GRANTEE:** McCord Bancroft Investors, LLC

**FINANCING:** Cash

**TOPOGRAPHY:** Marina

**VERIFICATION:** Steven Purcell/SVN Kova of Marco Island

**SITE AREA:** 167,616 Square Feet  
3.848 Acres

**ALLOWABLE UNITS:** 52

**ADDRESS:** 3200 San Marco Road

**STRAP #:** 78567000343 & 58430300005

**SALE CONDITIONS:** Arm's Length

**UTILITIES:** Full

**ZONING:** C-4

**LAND USE:** Town Center/Mixed Use

**SALE HISTORY:** None in previous five years

**ACCESS:** Direct

**HIGHEST AND BEST USE:** Commercial development

**UNIT OF VALUE:** \$11.93 Per SF  
\$519,759 per AC  
\$\$38,462 Per Unit

**COMMENTS:** The property is located on the north side of San Marco Road at the foot of the Goodland bridge on Marco Island. The site has frontage on Goodland Bay with access to the Gulf of Mexico. The property has 2,000 feet of concrete floating docks, 84,150 square feet of uplands, a 10,240 square foot conservation easement, 73,046 square feet of submerged land state lease, 58 boat slips with 1428 feet of dock space and a 277 foot concrete seawall. The property was purchased for a 52-unit multi-family development.



## Comparable Land Sales Chart

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

	Subject	Comparable No. 1	Comparable No. 2	Comparable No. 3	Comparable No. 4	Comparable No. 5	Comparable No. 6	Comparable No. 7
<b>Transaction Data:</b>								
Date of Sale:		Jul-18	Oct-18	Dec-18	Sep-19	Nov-19	Mar-20	Dec-20
Sale/Listing Price:		\$5,700,000	\$3,650,000	\$2,725,000	\$2,850,000	\$1,400,000	\$2,500,000	\$2,000,000
Sale/Listing Price (Adjusted):		\$5,700,000	\$3,650,000	\$2,725,000	\$2,850,000	\$1,400,000	\$2,500,000	\$2,000,000
<b>Physical Data:</b>								
Street Address:	"Seven Islands"	555-565 150th Avenue	1020 S Tamiami Trail	1710 Vamo Drive	17300 McGregor Blvd	4612 Bonita Beach Road	1148 Main Street	3200 San Marco Road
City:	Cape Coral	Madeira Beach	Nokomis	Sarasota	Fort Myers	Bonita Springs	Fort Myers Beach	Marco Island
Site Area (sq.ft.):	2,012,091	199,940	252,948	122,102	499,633	127,631	114,214	157,196
Site Area (acres):	46.19	4.59	5.81	2.80	11.47	2.93	2.62	3.61
Topography:	Level	Level	Level	Level	Level	Level	Level	Level/Submerged
Shape:	Irregular	Rectangular	Irregular	Rectangular	Irregular	Irregular	Rectangular	Rectangular
Utilities:	Full (assumed)	Full	Full	Full	Full	Full	Full	Full
<b>Use Data:</b>								
Zoning:	RD	C-4	RMF3	RSF1	RPD	C-1, RPD	IL, IM, CM	C-4
Land Use:	SM	Marine Commercial	Commercial	0	0	General Commercial	Industrial Development	Town Center/Mixed Use
Highest and Best Use:	Mixed-Use	Commercial	Residential	Residential	Residential	Mixed-Use	Commercial	Residential
<b>Sales Price Analysis:</b>								
Price per Square Foot (Site):		\$28.51	\$14.43	\$22.32	\$5.70	\$10.97	\$21.89	\$12.72
<b>Transactional Adjustments:</b>								
Financing Terms:		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(Per Square Foot):		\$28.51	\$14.43	\$22.32	\$5.70	\$10.97	\$21.89	\$12.72
Conditions of Sale:		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(Per Square Foot):		\$28.51	\$14.43	\$22.32	\$5.70	\$10.97	\$21.89	\$12.72
Expenditures After Purchase:		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(Per Square Foot):		\$28.51	\$14.43	\$22.32	\$5.70	\$10.97	\$21.89	\$12.72
Market Conditions (time):		8.5%	7.8%	7.3%	5.0%	4.5%	3.5%	1.3%
<b>(Adjusted Price per SF):</b>		<b>\$30.93</b>	<b>\$15.55</b>	<b>\$23.94</b>	<b>\$5.99</b>	<b>\$11.46</b>	<b>\$22.65</b>	<b>\$12.88</b>
<b>Physical Adjustments:</b>								
Location:		-40%	20%	-25%	-10%	20%	-25%	30%
Exposure (Roadway):		0%	0%	0%	0%	0%	10%	0%
Access:		0%	-10%	0%	0%	0%	0%	0%
Size (Site Area):		-10%	-10%	-10%	0%	-10%	-10%	-10%
Topography:		0%	0%	0%	50%	0%	0%	0%
Shape:		0%	0%	0%	50%	0%	0%	0%
Utilities:		0%	0%	0%	0%	0%	0%	0%
Zoning/Land Use:		0%	0%	0%	0%	0%	-10%	0%
Net Adjustments:		-50%	0%	-35%	80%	10%	-35%	20%
<b>Adjusted Price</b>		<b>\$15.47</b>	<b>\$15.55</b>	<b>\$15.56</b>	<b>\$11.29</b>	<b>\$12.61</b>	<b>\$14.73</b>	<b>\$15.46</b>



### Description of Sales

Sale 1 is the July 2018 sale of the commercial property located at 555-565 150<sup>th</sup> Avenue in Maderia Beach. This property sold for \$5,700,000 (adjusted from original contract price), or \$28.51 per square foot. This sale was adjusted upward 8.5% for market conditions to reflect increasing values in the marketplace. This resulted in an adjusted price of \$30.93 per square foot. This sale also required downward adjustments for location and size. The final adjusted value indication is \$15.47 per square foot.

Sale 2 is the October 2018 sale of the residential property located at 1020 S. Tamiami Trail in Nokomis. This property sold for \$3,650,000, or \$14.43 per square foot. This sale was adjusted upward 7.8% for market conditions to reflect increasing values in the marketplace. This resulted in an adjusted price of \$15.55 per square foot. This sale also required an upward adjustment for location as well as downward adjustments for access and size. The final adjusted value indication is \$15.55 per square foot.

Sale 3 is the December 2018 sale of the residential property located at 1710 Vamo Drive in Sarasota. This property sold for \$2,725,000, or \$22.32 per square foot. This sale was adjusted upward 7.3% for market conditions to reflect increasing values in the marketplace. This resulted in an adjusted price of \$23.94 per square foot. This sale also required downward adjustments for location and size. The final adjusted value indication is \$15.56 per square foot.

Sale 4 is the September 2019 sale of the residential property located at 17300 McGregor Boulevard in Fort Myers. This property sold for \$2,850,000, or \$5.70 per square foot. This sale was adjusted upward 5% for market conditions to reflect increasing values in the marketplace. This resulted in an adjusted price of \$5.99 per square foot. This sale also required upward adjustments for topography and shape as well as a downward adjustment for location. The final adjusted value indication is \$11.29 per square foot.

Sale 5 is the November 2019 sale of the mixed use property located at 4612 Bonita Beach Road in Bonita Springs. This property sold for \$1,400,000, or \$10.97 per square foot. This sale was adjusted upward 4.5% for market conditions to reflect increasing values in the marketplace. This resulted in an adjusted price of \$11.46 per square foot. This sale also required an upward adjustment for location as well as a downward adjustment for size. The final adjusted value indication is \$12.61 per square foot.

Sale 6 is the March 2020 sale of the commercial property located at 1148 Main Street in Fort Myers Beach. This property sold for \$2,500,000, or \$21.89 per square foot. This sale was adjusted upward 3.5% for market conditions to reflect increasing values in the marketplace. This resulted in an adjusted price of \$22.65 per square foot. This sale also required an upward adjustment for exposure as well as downward adjustments for location, size, and zoning. The final adjusted value indication is \$14.73 per square foot.

Sale 7 is the December 2020 sale of the residential property located at 3200 San Marco Road in Marco Island. This property sold for \$2,000,000, or \$12.72 per square foot. This sale was adjusted upward 1.3% for market conditions to reflect increasing values in the marketplace. This resulted in an adjusted price of \$12.88 per square foot. This sale also required an upward adjustment for location as well as a downward adjustment for size. The final adjusted value indication is \$15.46 per square foot.

### Analysis of Comparable Data

This analysis is dependent upon adjustments to the sale prices of the comparable sales based on the following elements of comparison outlined by The Appraisal Institute:

1. Real property rights conveyed
2. Financing terms
3. Conditions of sale
4. Expenditures made immediately after purchase
5. Market conditions
6. Location
7. Physical characteristics
8. Economic Characteristics



9. Use
10. Non-realty components of value

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

### Transactional Adjustments

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

In considering Changes in Market Conditions since the time of sale, we must consider any significant changes in the local real estate market. The property value trend found throughout the market changed drastically over the past decade or so, with substantial increases during the period of 2002-2005 followed by equally substantial declines during the period of 2006-2009, and this declining trend reversing in 2012. Market conditions have demonstrated stable growth since 2015 and based upon our paired sales analyses of sale/re-sales of properties in the region, as well as the previous discussion, the comparable sales have been adjusted at positive 0.25% per month for market conditions over the timeframe analyzed.

### Physical Adjustments

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

- **Location:** Location refers to the economic attributes of the surrounding market area. These attributes affect the financially feasible uses of the site. Sale 4 is most similar to the subject property with respect to this factor on an overall basis, providing an adjusted unit value of \$11.29 per square foot.
- **Exposure (Frontage):** This refers to the exposure to the fronting thoroughfare (i.e. - capacity/traffic count). Sale 6 is least similar to the subject property with respect to this factor, the remaining sales providing an average adjusted unit value of \$13.67 per square foot.
- **Access:** This refers to the accessibility of a property (i.e. - frontage road vs. direct frontage, existence of median cuts, etc.). Sale 2 is least similar to the subject property with respect to this factor, the remaining sales providing an average adjusted unit value of \$13.53 per square foot.
- **Size (Site Area):** Larger parcels often sell for a lower price per unit of comparison than do smaller parcels. Sale 4 is most similar to the subject property with respect to this factor, providing an adjusted unit value of \$11.29 per square foot.
- **Topography:** This refers to the physical condition of the property, such as if the property is cleared or if there are significant changes in elevation. Sale 4 is least similar to the subject property with respect to this factor, the remaining sales providing an average adjusted unit value of \$14.24 per square foot.
- **Shape:** This refers to the configuration or orientation of the property which might impact the development potential. For example, a property which is a long, narrow rectangle may have difficulty being developed due to setback requirements. Sale 4 is least similar to the subject property with respect to this factor, the remaining sales providing an average adjusted unit value of \$14.24 per square foot.
- **Utilities:** The presence or absence of certain utilities can strongly impact the physically possible uses of a site, the second test in the analysis of Highest and Best Use (i.e. - the absence of central sewer may prevent intensive development). No adjustments for this factor are warranted.



- Zoning/Future Land Use: Zoning and Future Land Use directly determine the legally permissible uses of a site, the first test in the analysis of Highest and Best Use. Sale 6 is least similar to the subject property with respect to this factor, the remaining sales providing an average adjusted unit value of \$13.67 per square foot.

**Value Conclusion**

These comparable sales range in adjusted prices as shown below:

<b>Descriptive Statistics:</b>		
Multiplier:		<b>*Price per SF:</b>
Mean:		<b>\$13.82</b>
Median:		<b>\$14.17</b>
Standard Deviation:		<b>\$4.81</b>
Minimum:		<b>\$5.74</b>
Maximum:		<b>\$21.08</b>
Range:		<b>\$15.34</b>
* Based on adjusted price		

The final step in this analysis is to consider the effect, if any, on the market value of the subject property under the concept that the developer(s) of the property must strictly adhere to the site development plan under the D-1 zoning. Based upon our conversations with four local, high-end land brokers, it is our opinion that a significant discount would be required to entice a purchaser/developer into this scenario. This is due to the fact that said purchaser/developer would be assuming a substantial risk that the overall market would react positively to these specific development components in terms of type, number, etc. The following chart illustrates the estimated discounts from these brokers:

<b>Respondent</b>	<b>Discount</b>
1	20%
2	30%
3	15%
4	25%
Average	23%

Based upon this scenario/information, we have estimated that a 25% developmental discount would be required.

Considering all of the sales presented and their relative inferiority/superiority to the subject property, it is our opinion that the value of the subject site based upon the previously discussed Hypothetical Condition, prior to consideration of utilities payoffs, is \$14.00 per square foot or \$28,170,000. From this, we have subtracted the utilities payoffs of \$1,510,000 (rounded) as well as the developmental discount of 25%. As illustrated below, this provides a hypothetical market value for the subject property of \$20,000,000:

<b>Site Area (sf)</b>	<b>Value per Sq. Ft.</b>	<b>Opinion of Value</b>	<b>Rounded to</b>
2,012,091	\$14.00	\$28,169,274	\$28,170,000
Less Utilities Payoffs			1,510,000
Subtotal			\$26,660,000
Less Restrictions Discount			6,665,000
"As-Is" Market Value			\$19,995,000
Rounded To			\$20,000,000



## SEC. VII: RECONCILIATION OF OPINIONS OF VALUE

Cost Approach to Value	N/A
Sales Comparison Approach to Value	\$20,000,000
Income Approach to Value	N/A

As previously discussed, only the Sales Comparison Approach has been developed. Therefore, no reconciliation of varying approaches is required.

Based upon the results of the analyses and data contained in this report, including any Extraordinary Assumptions and Hypothetical Conditions outlined in the Addenda, it is our opinion that the “as is” market value of the fee simple interest in the subject property, as of 5 May 2021, is

**TWENTY MILLION DOLLARS - \$20,000,000**

The above opinion of market value is contingent upon the certification and the assumptions and conditions of this appraisal, if any.

### CONTRACTS, LISTINGS & SALES HISTORY

According to public records, there have been no qualified sales involving the subject property during the past three years. The local Multiple Listing Service, as well as commercial listing services, such as LoopNet, were reviewed. CBRE had a listing agreement on the property for \$26,000,000. According to the agent, there was significant interest in the property; however, none of the parties wanted to purchase the property under the strict developmental requirements discussed earlier.



## ESTIMATION OF MARKETING TIME

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

1. *The time it takes an interest in real property to sell on the market sub-sequent to the date of an appraisal.*
2. *Reasonable marketing time is an estimate of the amount of time it might take to sell an interest in real property at its estimated market value during the period immediately after the effective date of the appraisal; the anticipated time required to expose the property to a pool of prospective purchasers and to allow appropriate time for negotiation, the exercise of due diligence, and the consummation of a sale at a price supportable by concurrent market conditions. Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.)*

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

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

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

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

Based upon the analysis and conclusions developed in this appraisal, the marketing time for the subject property is estimated to be 6 to 12 months.

## ESTIMATION OF EXPOSURE TIME

Inherent in an opinion of market value is the development of an estimate of exposure time for the subject property. Exposure time is defined by the Uniform Standards of Professional Appraisal Practice (USPAP), 2020/2021 Edition, as follows:

*(The) estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.*

Based upon the analysis and conclusions developed in this appraisal, the exposure time for the subject property is estimated to be 6 to 12 months.



## SEC. VIII: CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with *Uniform Standards of Professional Appraisal Practice*.
- We have made a personal inspection of the property that is the subject of this report. For this analysis, Bruce A. Stephan, MAI conducted an inspection of the subject property on 5 May 2021. Gerald A. Hendry, MAI, CCIM also inspected the property.
- No one provided significant real property appraisal assistance to the person(s) signing this certification.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the State of Florida relating to review by its duly authorized representatives. This report also conforms to the requirements of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA).
- We are currently licensed to conduct appraisal activities and have completed the continuing education requirements set forth with the State of Florida.



- Although other appraisers may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy are maintained at all times with regard to this assignment without conflict of interest.

As of the date of this report, I have completed the continuing education program of the Appraisal Institute.

Bruce A. Stephan, MAI  
State-Certified General Real Estate Appraiser, RZ 327

As of the date of this report, I have completed the continuing education program of the Appraisal Institute.

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



## SEC. IX: ADDENDA

### QUALIFICATIONS OF BRUCE A. STEPHAN, MAI

#### **EDUCATIONAL BACKGROUND AND TRAINING:**

Bachelor of Science in Business Administration, with a major in Real Estate, 1974, Florida State University, Tallahassee, Florida.

Appraising & Analyzing Office Building – 2010

The Discounted Cash Flow Model – 2011

Analyzing Tenant Credit Risk – 2011

Critical Thinking in appraising – 2014

The Sales Comparison Approach - 2016

Commercial Land Valuation – 2020

Florida Appraisal Laws – 2020

National USPAP Course – 2020

Appraisal of Owner-Occupied Commercial Properties - 2020

#### **EXPERIENCE:**

Currently Senior Appraiser with Maxwell, Hendry & Simmons, LLC, Fort Myers, Florida.

Founder and owner with Stephan Cole and Associates, Fort Myers, Florida, 2005 – 2017.

Founder and owner with Stephan & Associates, Fort Myers, Florida, 1998 – 2005.

Founder and owner with Stewart, Stephan and Bowen, Fort Myers, Florida, 1980 – 1998.

Associate Appraiser with Powell, Totten & Boyd, Salem, Oregon, 1977 – 1980.

Staff Appraiser with Gulf Federal Savings & Loan Association, Fort Myers, Florida, 1975 – 1977.

#### **PROFESSIONAL AFFILIATIONS:**

Appraisal Institute – MAI, SRA

State-Certified General Real Estate Appraiser, RZ 327

State-Licensed Real Estate Broker, BK #357501

Real Estate Investment Society (Board of Governors)



**RE-CERTIFICATION:**

As of the date of this report, Bruce A. Stephan, MAI, SRA has completed the requirements under the continuing education program of the Appraisal Institute.

Ron DeSantis, Governor

Halsey Beshears, Secretary

Florida  
**dbpr**

**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

**STEPHAN, BRUCE A**  
1057 N WATERWAY DR  
FORT MYERS FL 33919

**LICENSE NUMBER: RZ327**

**EXPIRATION DATE: NOVEMBER 30, 2022**

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## QUALIFICATIONS OF GERALD A. HENDRY, MAI, CCIM

### EDUCATIONAL BACKGROUND AND TRAINING:

Master of Arts in Business Administration, with a major in Real Estate and Urban Analysis, University of Florida, 1995, Gainesville, Florida.

Bachelor of Science in Business Administration, with a major in Finance, 1991, University of Florida, Gainesville, Florida.

Principles and Practices of Real Estate, Brokers Course, Florida Real Estate Academy, 1995, Fort Myers, Florida.

Case Studies in Valuation and Report Writing, University of Florida, 1994.

Real Estate Market Analysis, University of Florida, 1993.

Preview of Urban Planning and Regional Planning, University of Florida, 1993.

Seminar in Real Estate Valuation, University of Florida, 1994.

Seminar in Real Estate Financial Analysis, University of Florida, 1995.

Land Use Economics, University of Florida, 1995.

Principles and Practices of Real Estate, Salesman Course, Florida Real Estate Academy, 1990, Fort Myers, Florida.

Demonstration Report Writing, seminar sponsored by the Appraisal Institute, Dallas, Texas, May 1999.

Comprehensive Appraisal Workshop, Dallas, Texas, August 2000.

"Appraising and Analysis of Proposed Subdivisions and Condominiums", seminar sponsored by The Appraisal Institute, Boca Raton, Florida, August 2002.

CCIM CI 101 - Financial Analysis for Commercial Investment Real Estate, CCIM Institute, Naples, Florida, October 2002.

The Valuation of Wetlands, seminar sponsored by The Appraisal Institute, Fort Myers, Florida, September 2004.

Case Studies in Commercial Highest and Best Use, Appraisal Institute, September 2005.

CCIM CI 102 - Market Analysis for Commercial Investment Real Estate, May 2006.

CCIM CI 103 - User Decision Analysis for Commercial Real Estate, September 2006.

CCIM CI 104 - Investment Analysis for Commercial Real Estate, August 2006.



Appraisal of Local Retail Properties, Appraisal Institute, May 2009.

Subdivision Valuation, Appraisal Institute, September 2009.

Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets, Appraisal Institute, Bradenton, Florida March 2012

**EXPERIENCE:**

Currently an owner/partner with Maxwell, Hendry & Simmons, LLC, Fort Myers, Florida.

Owner/partner with Maxwell & Hendry Valuation Services, Inc., Fort Myers, Florida, 2004-2013.

Associate Appraiser with W. Michael Maxwell & Associates, Inc., Fort Myers, Florida, 1995-2003.

Commercial Credit Analyst with Barnett Bank of Lee County/First Florida Bank, Fort Myers, Florida, 1991-1993.

**PROFESSIONAL AFFILIATIONS:**

Appraisal Institute - MAI

CCIM Institute - CCIM

State-Certified General Real Estate Appraiser, RZ 2245

State-Licensed Real Estate Broker, BK #0567939

Southwest Florida CCIM District – Board of Directors 2014 – 2018, 2017 President

Real Estate Investment Society - Board of Governors 2002 - 2008, President 2007

Appraisal Institute - West Coast Florida Chapter Board of Directors 2003 - 2008

Appraisal Institute - West Coast Florida Chapter President 2008

Commercial Investment Professionals (CIP) Member

**OTHER:**

Qualified as an expert witness in the 20<sup>th</sup> Judicial Circuit Court of Florida and United States Bankruptcy Court Middle District of Florida.

Special Magistrate - Lee County Value Adjustment Board 2012-2014

Guest Lecturer at Florida Gulf Coast University, College of Business Administration 2007-2016



**RE-CERTIFICATION:**

As of the date of this report, Gerald A. Hendry MAI, CCIM has completed the requirements under the continuing education program of the Appraisal Institute.

Ron DeSantis, Governor

Halsey Beshears, Secretary

Florida  
**dbpr**

**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

**HENDRY, GERALD A**  
12600 WORLD PLAZA LANE  
BUILDING 63  
FORT MYERS FL 33907

**LICENSE NUMBER: RZ2245**

**EXPIRATION DATE: NOVEMBER 30, 2022**

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## ASSUMPTIONS

An assumption is defined by The Appraisal Institute in *The Dictionary of Real Estate Appraisal, Sixth Edition* as follows:

*"That which is taken to be true."*

Please review the following assumptions, which we have "taken to be true" about this appraisal.

This appraisal is to be used in whole and not in part. This appraisal report has been prepared at a specified point in time as indicated by the date of valuation. Therefore, this report can neither be used prior to, or subsequent to, the effective appraisal date. Market values and conditions change significantly with the passage of time. This report cannot be viewed subsequent to the appraisal date and then reliance placed on values, opinions, and analysis made by the appraiser or other consultants in the report. The forecasts or projections included in this report are used to assist in the valuation process and are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are therefore subject to changes in future conditions, which cannot be accurately predicted by the appraiser and could affect the future income and/or value forecasts.

No part of this report shall be used in conjunction with any other appraisal. The appraiser(s) herein, by reason of this report, is not required to give testimony or attendance in court or any governmental hearing with reference to the property appraised, unless arranged previously therefore. The consideration for the preparation of this appraisal report is the payment by the client of all charges due the appraiser in connection therewith. Any responsibility of the appraiser for any part of the report is conditioned upon full payment.

Neither all, nor any, part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media without the written consent and approval of the author, particularly as to the valuation conclusion, the identity of the appraiser or firm with which he is connected, or any reference to any professional organization of which the appraiser may be a member.

The property has been appraised as if free and clear, unencumbered by mortgages, liens, delinquent taxes, assessments, special or unusual deed conditions or restrictions, but subject to zoning regulations. An investigation, but no record search, has been made.

All comparable data utilized are confirmed by Costar Group, Inc., the Local Multiple Listing Service (MLS), parties related to the sale, and/or public records. The data used in compiling this report was secured from sources considered reliable and authentic and, so far as possible, was verified. However, no responsibility is assumed for its accuracy or correctness.

Unless otherwise noted, no survey or plans were requested or provided and information regarding the subject property has been gathered from the appropriate public records. It is assumed that the legal descriptions, site sizes and boundaries utilized are correct, that the improvements (if applicable) are entirely and correctly located on the property described, and that there are no encroachments or overlapping boundaries. Unless stated otherwise, legal access to the property is assumed. Marketable title, but not responsibility as to legal matters, is assumed. This appraisal is subject to a current survey and title search.

It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report and it is further assumed that all applicable zoning, land use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined and considered in the appraisal report.

This appraisal is subject to all growth management ordinances (i.e. concurrency) both local and state. The appraiser has relied upon representations made by the developer, client or authorities considered to be knowledgeable in this regard. A determination was not made by the appraiser as to the development potential for the property, unless otherwise stated.



Unless otherwise noted, we were not provided with a title search, and we have assumed that the subject property has a unified title, or in absentia, that the right of entry is barred for oil, gas, and mineral rights holders. We have further assumed that no off-site subsurface exploration or extraction activities are occurring, or have occurred, which would have an impact on the subsurface elements of the property, or which would adversely affect the value of the property. No consideration was given within this appraisal as to the time or expense (if any) which would be required to determine or obtain unified title or bar the right of entry. Should this assumption regarding unified title later prove to be false, this could alter the opinions and conclusions contained herein.

The Americans with Disabilities Act (ADA) became effective on February 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine if it is in conformity with the various detailed requirements of the ADA. As the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA in estimating the value of the property has not been considered.

### EXTRAORDINARY ASSUMPTIONS / HYPOTHETICAL CONDITIONS

Please see the Scope of Work for further details.