

APPRAISAL REPORT

OF

730 E. International Speedway Blvd. / 300 S. Atlantic Ave.
Daytona Beach, FL 32118



AS OF

March 28, 2018

PREPARED FOR

Mr. Reed A Berger, AICP
Redevelopment Director
Development Services
301 S Ridgewood Ave., Rm 240
Daytona Beach, FL 32115-2451

PREPARED BY

Carl P. Velie
State-Certified General Real Estate Appraiser RZ502

Robert Lovelace, MAI, CCIM
State-Certified General Real Estate Appraiser RZ402

VELIE APPRAISAL SERVICES

REAL ESTATE

APPRAISALS

CARL P. VELIE
Cert Gen RZ 502

555 W Granada Blvd., Suite G8
Ormond Beach, Florida 32174

Business: (386) 274-4280
carlvelie@velieappraisal.com

April 13, 2018

Mr. Reed A Berger, AICP
Redevelopment Director
Development Services
301 S Ridgewood Ave., Rm 240
Daytona Beach, FL 32115-2451

Re: Appraisal of 730 E. International Speedway Blvd./300 S. Atlantic Ave, Daytona Beach, FL 32118

Dear Mr. Berger:

Pursuant to your request, we have prepared an appraisal of the property referenced above. The purpose of this appraisal is to provide an opinion of the market value of leased fee interests in the subject real property "as-is".

The intended use of the market value estimate is for consideration in relation to a possible purchase of the subject real estate. The intended user of the appraisal is the City of Daytona Beach and any authorized agents of the City. There are no other intended users.

The appraisal and this report have been developed in accordance with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation and the Appraisal Institute and Title XI of the Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA). The attached report details the scope of the appraisal, the level of reporting, a definition of value, valuation methodology, and pertinent data researched and considered in the development of this appraisal.

We certify that we have no present or contemplated future interest in the property beyond this opinion of value. Your attention is directed to the General Assumptions and Limiting Conditions, located on page 3. Acceptance of this report constitutes an agreement to accept these assumptions and conditions.

Only those Extraordinary Assumptions and Hypothetical Conditions necessary for the development of the appraisal for its intended use are used. Nonetheless, the use of Extraordinary Assumptions and/or Hypothetical Conditions might have affected the assignment results. We call your attention to the following statements of any extraordinary assumptions and hypothetical conditions used in this appraisal's development.

Extraordinary Assumptions: None.

Hypothetical Conditions:

- The two adjoining ownerships/tax parcels (730 E. International Speedway Blvd. and 300 S. Atlantic Ave.) are appraised as a single asset. This hypothetical condition is reasonable as the two ownerships/tax parcels are owned by separate entities controlled by the same individuals.
- Automobile gasoline sales and underground storage formerly occurred on a portion of the subject property (300 S. Atlantic Ave.). The property's history, contamination and current status of ongoing groundwater remediation actions are documented by the Florida Department of Environmental Protection (Facility Name "FINA #6677", Site Id FLG914092). At your direction, the subject property has been appraised with the hypothetical condition that the remediation process is complete and successful and that the subject property is free of any environmental contaminations.

Based upon the analysis referenced herein, it is our opinion that the market value of the leased fee interest in the subject property, as is, as of March 28, 2018, is:

ONE MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS

(\$1,650,000)

This report is prepared for the benefit of the City of Daytona Beach and is based, in part, upon documents, writings, and information owned and possessed by the City. This report is provided for informational purposes only to third parties authorized to receive it. The appraiser-client relationship is with the City of Daytona Beach as the client. This report should not be used for any purpose other than to understand the information available to the City of Daytona Beach concerning this property. The City of Daytona Beach and the appraisers assume no responsibility if this report is used in any other manner.

This letter must remain attached to the report, which contains 544 pages plus related exhibits, in order for the value opinion above to be considered valid.

Thank you for the opportunity to provide the City of Daytona Beach with appraisal services.

Respectfully submitted,



Carl P. Velie
State-Certified General Real Estate Appraiser RZ502



Robert Lovelace, MAI, CCIM
State-Certified General Real Estate Appraiser RZ402

General Assumptions and Limiting Conditions

This appraisal and report has been made with the following **general assumptions**:

- Except where noted otherwise in the appraisal report, the appraisers assume there are no hidden conditions of the property, subsoil, or structures which would render it more or less valuable than an otherwise apparently comparable property.
- No responsibility is assumed by the appraisers for matters which are legal in nature, nor is any opinion of title rendered herewith. This appraisal assumes good title, and the legal description (s) used herein is (are) assumed to be correct.
- Any liens or encumbrances, except those noted in this appraisal report, are disregarded, and the property has been appraised as though free and clear of such limitations.
- Responsible ownership and competent management are assumed in the appraisal of this property.
- The appraisers do not have the required expertise for determining the presence or absence of hazardous substances, defined as all hazardous or toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, petroleum products, or other raw materials or chemicals) used in construction, or otherwise present on the property. The appraisers have not engaged subconsultant environmentalists to perform a survey of the subject property appraised in this assignment. The appraisal assumes no environmental hazards impact the subject property, unless otherwise stated.

This appraisal and report has been made with the following **general limiting conditions**:

- The value indication developed in the appraisal report is only an indication. It is developed through various approaches to value to give weight to those factors which, when properly analyzed, enable an appraiser to reach a value conclusion. The indication of value is not to be used in making a summation appraisal by combination of values created by another appraiser, and such values are invalid if so used.
- The current purchasing power of the dollar is the basis for the value reported unless otherwise indicated.
- The distribution of the total valuation as between land and improvements applies (if applicable) only under the existing program of utilization. The separate value estimates for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
- Any opinions of value provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the opinion of value, unless such division of interests has been set forth in the report.
- The plot plans, site plans, and related sketches included in this report are included merely to assist the reader in visualizing the property and are not to be construed as being actual surveys unless otherwise noted as surveys. These plot plans, site plans, and related sketches are included for informational purposes only, and should not be relied on in lieu of survey or similar data.
- Unless otherwise stated in this report, the subject is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
- Certain data used in compiling this report was furnished from sources considered reliable; however, no guarantee is made for the correctness of such data, although the data has been reasonably checked and is believed to be correct.
- This appraisal report has been prepared for the benefit of the City of Daytona Beach to be used without restriction or limitation. Any party who uses or relies upon any information in this report, without the preparer's or client's consent, does so at their own risk.

- The appraisers herein, by reason of this appraisal, shall not be required to give testimony or attend court or any governmental hearing with reference to the property in question, unless previous arrangements have been made therefor.
- Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers or the firm with which the appraisers are connected) shall be disseminated to the public through advertising, public relations, news, sales or other media without the prior written consent and approval of the appraisers.

Extraordinary Assumptions

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

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

This appraisal and report is made with the following extraordinary assumptions:

Extraordinary Assumptions: None.

Hypothetical Conditions

A "hypothetical condition" is that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. A hypothetical condition may be used in an assignment only if:

- Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison;
- Use of the hypothetical condition results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.

This appraisal and report is made with the following **hypothetical conditions**:

- The two adjoining ownerships/tax parcels (730 E. International Speedway Blvd. and 300 S. Atlantic Ave.) are appraised as a single asset. This hypothetical condition is reasonable as the two ownerships/tax parcels are owned by separate entities controlled by the same individuals.
- Automobile gasoline sales and underground storage formerly occurred on a portion of the subject property (300 S. Atlantic Ave.). The property's history, contamination and current status of ongoing groundwater remediation actions are documented by the Florida Department of Environmental Protection (Facility Name "FINA #6677", Site Id FLG914092). At your direction, the subject property has been appraised with the hypothetical condition that the remediation process is complete and successful and that the subject property is free of any environmental contaminations.

Only those Extraordinary Assumptions and Hypothetical Conditions necessary for the development of the appraisal for its Intended Use are used. Nonetheless, the use of Extraordinary Assumptions and/or Hypothetical Conditions might have affected the assignment results.

Certification Statement

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

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, impartial and unbiased professional analyses, opinions, and conclusion.

I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.

I have no bias with respect to the property that is the subject of this report or to the parties involved in this assignment.

My engagement for this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. It is also subject to the requirements of the State of Florida relating to review by the Florida Real Estate Appraisal Board.

I have not performed any other prior services relating to the subject property, as an appraiser or in any other role, within the three (3) year period immediately preceding acceptance of this appraisal assignment.

I have made a personal inspection of the property that is the subject of this report. My inspection was from the ground only and included viewing the interiors of both structures.

No one provided significant real property appraisal assistance to the person signing this certification.



Carl P. Velie
State-Certified General Appraiser RZ502
☒ Did ☐ Did Not View the Subject Property
Date Signed: April 13, 2018



Robert Lovelace, MAI, CCIM
State-Certified General Appraiser RZ402
☒ Did ☐ Did Not View the Subject Property
Date Signed: April 13, 2018

As of the date of this report, I have not completed the continuing education program of the Appraisal Institute.

Table of Contents

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS	4
EXTRAORDINARY ASSUMPTIONS	5
HYPOTHETICAL CONDITIONS	5
CERTIFICATION STATEMENT	6
TABLE OF CONTENTS	7
SUMMARY OF SALIENT FACTS	9
PREMISES OF THE APPRAISAL	10
PURPOSE OF THE APPRAISAL	10
INTENDED USE	10
INTENDED USERS.....	10
PROPERTY INTERESTS APPRAISED	10
CLIENT	10
DATE OF REPORT.....	10
EFFECTIVE DATE OF VALUE	10
MARKET VALUE DEFINITION.....	10
COMPETENCY RULE	11
EXPOSURE TIME AND MARKETING TIME ESTIMATES	11
PROPERTY IDENTIFICATION AND HISTORY.....	12
PROPERTY IDENTIFICATION.....	12
LOCATION.....	12
CURRENT OWNERS OF RECORD	13
LEGAL DESCRIPTION	13
SALE HISTORY	13
CURRENT LISTING/PENDING CONTRACTS	13
SCOPE OF THE APPRAISAL	14
REGIONAL PROPERTY MARKET SUMMARY	16
NEIGHBORHOOD DESCRIPTION	16
PROPERTY DESCRIPTION – SITE.....	19
BUILDING IMPROVEMENTS (730 E. ISB)	23
IMAGES – (730 E. ISB).....	24
BUILDING IMPROVEMENTS (300 S. ATLANTIC AVE.)	26
IMAGES – (300 S. ATLANTIC AVE.)	27
LEASED FEE SUMMARY – (730 E. ISB)	30
SALES COMPARISON APPROACH.....	34
SALES COMPARISON APPROACH CONCLUSION	42
INCOME CAPITALIZATION APPROACH.....	43
SUBJECT’S RECENT OPERATIONS	44
SUBJECT’S LEASE FEE INTERESTS	44
MARKET RENT CONSIDERATIONS.....	45
RECONCILIATION AND FINAL MARKET VALUE OPINION.....	52
VALUE INDICATIONS	52

FINAL VALUE OPINION	53
ADDENDA	54

Summary of Salient Facts

- Subject Property:** Candy's, A Gentleman's Club, 730 E. International Speedway Blvd. (E. ISB), and
and vacant convenience store, 300 S. Atlantic Ave., Daytona Beach,
FL 32118
- Ownership:** Domco, Inc. – 730 E. International Speedway Blvd.
Delan, Inc. – 300 S. Atlantic Ave.
- Volusia County Parcel ID:** 5309-09-04-0011 – 730 E. International Speedway Blvd.
5309-09-04-0030 – 300 S. Atlantic Ave.
- Property Overview:** Bar/Tavern (1-story, 3,302 sf, built 1946) and an unoccupied
convenience store (1-story, 1,980 sf, built 1966); combined site area
of 18,740 sf (0.43 ac.). Located on the southwestern corner of the
S. Atlantic Ave. (US Hwy A-1-A) and E. International Speedway Blvd.
(US Hwy 92) intersection.
- Zoning:** "T-4, Tourist/Office/Retail", City of Daytona Beach. Non-conforming
structure. Within the South Atlantic Avenue Redevelopment Area.
- Future Land Use:** "Retail" – current zoning is consistent with the future land use
designation.
- Utilities:** All public utilities are available.
- Flood Plain Location:** Zone X, Area of Minimal Flood Risk, FEMA Panel 12127C0357J
- Census Tract:** 0812.00
- Highest and Best Use
Land As-If Vacant:** Tourist-oriented commercial.
- Highest and Best Use
As-Improved:** Continued operation as a bar tavern; repair of convenience store to
accommodate new retail occupancy.
- Type of Value Opinion:** Market value – as is.
- Ownership Appraised:** Leased fee estate, subject to current lease agreement encumbering
730 E. ISB.
- Effective Date of Value:** March 28, 2018
- Date of Report:** April 13, 2018
- Appraiser's Value Opinion:** **\$1,650,000**
- Extraordinary Assumptions:** None.
- Hypothetical Conditions:** The two adjoining ownerships/tax parcels (730 E. International
Speedway Blvd. and 300 S. Atlantic Ave.) are appraised as a single
asset. This hypothetical condition is reasonable as the two
ownerships/tax parcels are owned by separate entities controlled by
the same individuals.

Automobile gasoline sales and underground storage formerly occurred on a portion of the subject property (300 S. Atlantic Ave.). The property's history, contamination and current status of ongoing groundwater remediation actions are documented by the Florida Department of Environmental Protection (Facility Name "FINA #6677", Site Id FLG914092). At your direction, the subject property has been appraised with the hypothetical condition that the remediation process is complete and successful and that the subject property is free of any environmental contaminations.

This report is prepared for the benefit of The City of Daytona Beach and is based, in part, upon documents, writings, and information owned and possessed by The City of Daytona Beach. This report is provided for informational purposes only to third parties authorized to receive it. The appraiser-client relationship is with The City of Daytona Beach as the client. This report should not be used for any purpose other than to understand the information available to The City of Daytona Beach concerning this property. The City of Daytona Beach, and the appraisers, assume no responsibility if this report is used in any other manner.

Premises of the Appraisal

Purpose of the Appraisal

The purpose of this appraisal is to provide an opinion of the market value of the subject "as is".

Intended Use

The intended use of this appraisal is for considerations by The City of Daytona Beach in relation to an opportunity to purchase the subject property.

Intended Users

The intended users are The City of Daytona Beach and authorized agents; there are no other intended users.

Property Interests Appraised

Leased fee, subject to current lease encumbering 730 E. International Speedway Blvd.

Client

The City of Daytona Beach

Date of Report

April 13, 2018

Effective Date of Value

March 28, 2018

Market Value Definition

"Market Value" is 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 consummation of a sale as of the specified date and 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

Market Value Comments: The factors of utility, scarcity, desire and effective purchasing power are apparent in the definition. The implication that buyer and seller are working under equal pressure is seldom completely true, although typical motivation for each does imply a reasonable balance for a market value transaction.

Market prices do not necessarily follow all of these concepts and are often affected by salesmanship and the urgency and need of the buyer and/or seller. The central difference between market price and market value lies in the premise of knowledge and willingness both of which are contemplated in market value, but not in market price. Stated differently, at any given moment of time, market value denotes what a property is actually worth under certain specified conditions, while market price denotes the actual sale price.

Probability of Value Change: The opinion of market value of the property expressed in this report is concluded as of the date value. Constantly changing economic, social, political and physical conditions have varying effects upon real property values. Even after the passage of a relatively short period of time, property values may change substantially and require a review of the appraisal to determine its current validity.

Competency Rule

USPAP requires that prior to accepting an assignment; the appraiser must identify the appraisal problem and have the knowledge and experience to complete it competently. Alternatively, the appraiser can disclose the lack of knowledge and/or experience and take the steps necessary to complete the assignment competently, describing this in the appraisal report.

We have extensive experience in appraising properties of this type in this market. We have the knowledge and experience to perform this assignment competently.

Exposure Time and Marketing Time Estimates

Exposure time precedes the effective date of the appraisal. Exposure time is the estimated length of time the property 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 on marketing times for similar properties, we estimate the exposure period to be less than six months.

Considering the current market, the marketing time for the subject property when priced near the value opinion developed within this report, is estimated to be no more than six months.

¹ 12CFR34.42(g), Revised as of January 1, 2006.

Property Identification and History

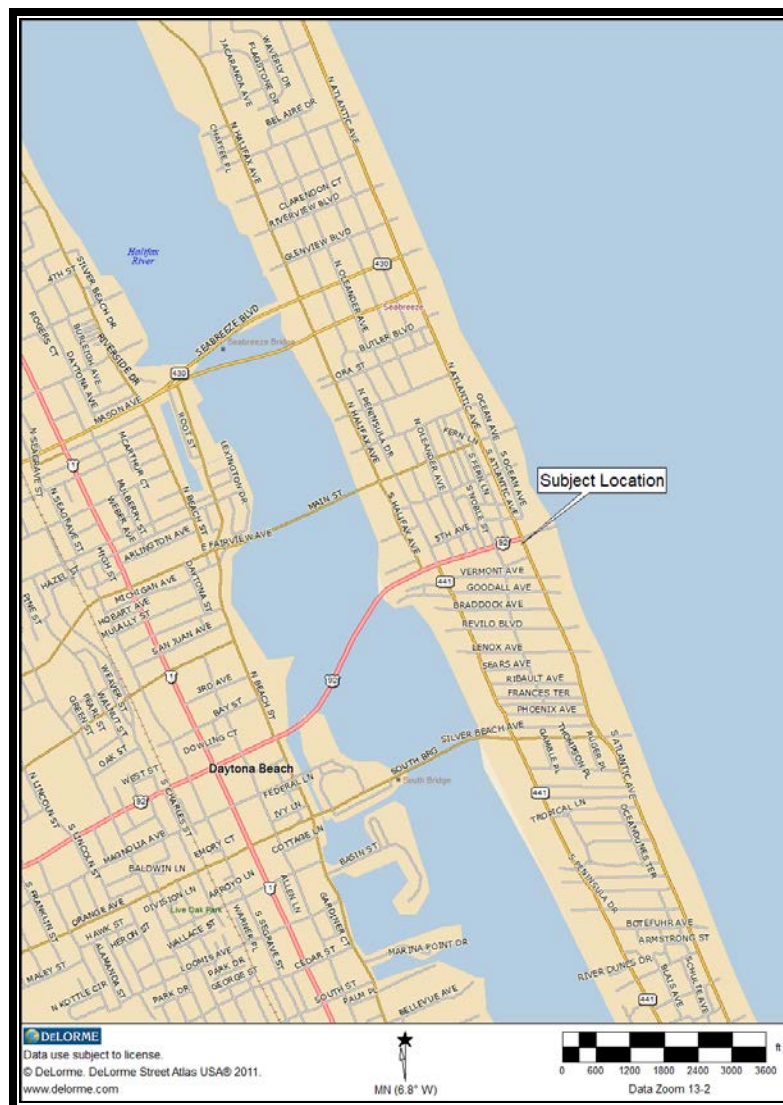
Property Identification

The full and short parcel identification number assigned to the property by the Volusia County Property Appraiser's Office and the subject's postal addresses are:

Full Parcel #	Short Parcel #	Postal Address
09-15-33-09-04-0011	5309-09-04-0011	730 E. International Speedway Blvd., Daytona Beach, FL 32118
09-15-33-09-04-0030	5309-09-04-0030	300 S. Atlantic Ave., Daytona Beach, FL 32118

Location

The property is situated on the southwest corner of the E. International Speedway Blvd. / S. Atlantic Ave. intersection in Daytona Beach, Volusia County, Florida.



Current Owners of Record

730 E. International Speedway Blvd. – Domco, Inc., a Florida profit corporation per a Warranty Deed recorded in Official Records Book 2481, Page 0049, dated August, 1983, public records of Volusia County, Florida.

300 S. Atlantic Ave. – Delan, Inc., a Florida profit corporation per a Warranty Deed recorded in Official Records Book 3736, Page 0610, dated March 1992, public records of Volusia County, Florida.

Legal Description

Lots 1 & 2, excluding the eastern 85 feet, Block 4, Davis Daytona, Map Book 5, Page 141, Volusia County, Florida.

And

The eastern 85 feet of Lots 1 and 2, and the northern 44 feet of Lot 6, Block 4, Davis Daytona, Map Book 5, Page 141, Volusia County, Florida.

Note: These legal descriptions are drawn from the online records of the Volusia County Property Appraiser's office and subject to verification by survey.

Sale History

There have been no sales involving the subject property in the prior 3 years.

Current Listing/Pending Contracts

The subject's two tax parcels are under contract separately to a common buyer. The contract summaries are:

730 E. International Speedway Blvd.

Buyer:	Michael Munier, and/or any Assigns
Seller:	Domco, Inc.
Contract Effective Date:	March 16, 2018
Purchase Price:	\$1,075,000
Due Diligence Period:	45 days from Effective Date
Closing Date:	30 days following end of Due Diligence period.

300 S. Atlantic Ave.

Buyer:	Michael Munier, and/or any Assigns
Seller:	Delan, Inc.
Contract Effective Date:	March 14, 2018
Purchase Price:	\$650,000
Due Diligence Period:	45 days from Effective Date
Closing Date:	30 days following end of Due Diligence period.

Both contracts are for the properties in their "as-is" condition and were reportedly negotiated at arm's-length. The properties' listing agent, Tim Davis of SVN | Alliance, reports the properties were placed on the open market for sale in November of 2017.

Scope of the Appraisal

Property Inspection: We viewed the subject property and captured digital images on March 26 and 28, 2018.

The property inspection made for this appraisal is adequate for the scope of this appraisal assignment. The inspection was made for appraisal purposes only and was not intended to replace a building or site inspection that is typically made by a qualified professional specializing in those areas. It was our intent to view those areas of the buildings and site that are readily observable and that have an impact on their valuation. Hidden or unapparent features that are not revealed to us during the inspection and discussions with the property contact or others knowledgeable about the property might not be considered in our analysis. If hidden features are subsequently revealed or discovered that were not considered, it may be necessary to amend our analysis and conclusions.

Analysis of Physical Factors: All pertinent physical factors were analyzed as discernible from an on-site inspection.

Analysis of Economic

Factors: All pertinent economic factors were analyzed in developing this appraisal, including consideration of the economic influences of the subject's competitive market and consideration of the current lease of 730 E. International Speedway Blvd.

The Extent of Data

Research: Data researched in the development of this appraisal included:

- Volusia County Property Appraiser's records;
- FEMA online mapping;
- EarthPlat and Volusia County databases of closed transaction sales for years 2014 to the present date for sales of similar properties;
- Where warranted, market data has been confirmed by a party to the transaction or other reliable sources.
- Collection and comparison of current rental rates of similar properties in the subject's market.

The Type and Extent of

Analysis: Cost Approach: The subject's site and building improvements were constructed in 1946 and 1966. The Cost Approach is not typically developed for older improvements such as the subject's. Additionally, new construction of a substitute property is not frequently considered by participants (buyer and sellers) in this class and age of real estate. The Cost Approach is not necessary to develop a credible appraisal and has not been developed for this assignment.

Sales Comparison Approach: This approach is relevant and necessary to develop a credible appraisal of the subject and has been fully developed in this assignment.

There was available for consideration in this assignment an adequate set of recent sales of similar properties located in the subject's specific market area but there were not recent sales of properties that have all the qualities of the subject. As an alternative, a broad range of property sales and listings were considering involving properties that shared some of the subject's key characteristics. The lack of directly comparable properties and the diversity of the sale/listing sets considered is a weakness in this appraisal's valuation approach.

Income Approach: The quantity and quality of the income stream from the subject's operation is the primary consideration of prospective buyers in this class of real estate. The Income Approach is relevant and necessary in the subject's valuation and has been fully developed in this appraisal assignment.

A 15-year discounted cash flow analysis was developed so to reflect the full potential rental income stream for the subject under its 730 E. ISB lease contract. The cash flow analysis also considers costs of repairing the 300 S. Atlantic Ave. building so to accommodate rental tenancy producing income.

The Qualifications of the

Appraisers: The appraisers have been educated, trained and experienced in the normal property economics that are typical of real estate appraisers with similar levels of qualifications and experience. In the course of normal appraisal experience, we are exposed to a wide variety of specialties. These include surveying, civil engineering, environmental engineering, biological consultants, architects, construction-related engineers, building contractors and inspectors, attorneys, developers, business specialists, title abstractors and land planners, to name only the most common. While we have gained some familiarity with these specialties, we have not developed an expertise in these areas.

Our knowledge and experience in these areas is sufficient for the purposes of this appraisal assignment. For matters requiring expertise outside this Scope of Work, an appropriate expert should be consulted.

The client has extensive knowledge of the Volusia County property market and the most recent trends influencing commercial real estate. It is not necessary in this appraisal assignment to summarize the Volusia County property market and the influences of current market conditions on the subject.

The boundaries of the subject property's immediate neighborhood are:

- the E. International Speedway Blvd. (E. ISB) corridor, from
- the Halifax River on the west,
- the Atlantic Ocean on the east, and
- the Atlantic Ave. (US Hwy A-1-A) corridor, 0.25 mile north and south of E. International Speedway Blvd.

The E. International Speedway Blvd. corridor, as a gateway to the Daytona Beach area's beachside tourist districts, has been the focus of extensive land use planning and transportation studies by the City and Florida Department of Transportation. The client is well informed with the E. International Speedway Blvd. corridor. We have not provided a summary of current conditions in the neighborhood in this report.

The E. International Speedway Blvd. corridor, as part of the South Atlantic Redevelopment Area, has been designated a blighted neighborhood characterized by:

- Substandard lot sizes
- Dilapidated and deteriorating building conditions
- Vacant buildings
- Unsafe pedestrian areas along primary roadways
- Substantial crime incidences
- Economic disuse
- Undeveloped and underdeveloped properties

Currently, the E. International Speedway Blvd. frontage has a number of unoccupied buildings, many in disrepair, bars, adult entertainment businesses, and a miscellaneous collection of retail stores and offices. In its efforts to revitalize the corridor the City of Daytona Beach has adopted future land use policies that include a list of undesirable uses that are to be prohibited in the future as the area is redeveloped. Examples of discouraged uses include:

- Bars as a principal use
- convenience stores
- head shops
- motels
- high rise developments
- special event outdoor vending
- outdoor storage.

The maximum allowable building height along the south side of E. International Speedway Blvd. is 3 stories. The City has identified "Priority Redevelopment Sites" to encourage consolidation of smaller ownerships and redevelopment of larger assemblages. The subject property is part of a "Priority Redevelopment Site" situated on the southwestern corner of the Atlantic Ave./E. International Speedway Blvd. intersection.

Recently, there has been private investment in the neighborhood that signals the willingness of investors to speculate on the redevelopment future of the area. In 2016, Daytona Bluetide Group acquired a 5.4-acre site on the north side of E. International Speedway Blvd. at the western shoreline of the Halifax River. The site is conceptually planned for a 300-room riverfront hotel, a 172-slip marina, 16 condo townhomes, restaurants and shops. The timing of the project is not certain at this time.

Additionally, Ponce Inlet-based SIG Global Family Limited Partnership has been assembling land on the northwestern corner of the Atlantic Avenue/E. International Speedway Blvd. intersection and on the west side of S. Coates St. In three purchases between February of 2016 and November of 2017, the partnership has assembled a total of approximately 2.25 acres at a combined cost of \$2,268,000. No plans for the assemblage have been announced.

The City's redevelopment efforts also include streetscaping of the Atlantic Avenue corridor and reconstruction of the E. International Speedway Blvd. corridor. The Florida Department of Transportation (FDOT) has completed a number of studies and developed conceptual plan alternatives for the E. International Speedway Blvd. corridor. FDOT's "US 92 Corridor Management Plan Study" was developed in 2015 and updated most recently in October of 2017. The study included consideration of a number of alternatives for the reconstruction of E. International Speedway Blvd. The October 2017 update included the final three alternatives. Alternative C was favored by the Daytona Beach City Commission and includes:

- Replacing the existing signalized intersection at the SR A-1-A/Atlantic Avenue with a roundabout,
- Upgrading the signalized intersections of Halifax Ave., Peninsula Dr. and Grandview Ave.,
- Widening travel lanes,
- Creating raised curb medians and bicycle lanes.

At this time the alternative has an estimated construction cost of \$5.4 million plus \$17.81 million in acquisition costs for needed additional right-of-way.



Conceptual plan – Alternate C – Roadway improvements to E. ISB.

The FDOT has now agreed to move ahead with the design of the corridor's redevelopment. The timing of the reconstruction project is dependent on design and funding, and timing required to secure the additional right-of-way.

The reconstruction of the E. International Speedway Blvd/SR A-1-A intersection will have a direct impact on the subject property. The following image details the intersection's intended roundabout.



The future right-of-way for the roundabout, as conceptually depicted, includes significant portions of the subject's two tax parcels and portions of both existing buildings.

Property Description – Site



Image Source: Tim Davis, SVN | Alliance. Depicted boundaries are approximate. Note: Undated aerial shows UST removal work underway and billboard atop 730 E. ISB (subsequently removed).

Location: Southwest corner of the E. International Speedway Blvd./S. Atlantic Ave. (SR A-1-A) intersection.

Site Size: 18,740± square feet (0.43± acres). The reported site size is subject to verification by survey and based on online records of the Volusia County Property Appraiser.

Site Shape &

Dimensions: Irregular;

- 110'± of frontage on E. International Speedway Blvd.
- 145.46'± of frontage on Atlantic Ave.
- 145.80'± western boundary, and
- 159.76'± southern boundary.

Note: These dimensions are based on uncertified copies of boundary surveys provided by Tim Davis, SVN | Alliance and prepared by Myer Land Surveying, Inc. Copies of the surveys are included in the addenda of this report.

Road Frontage/Access: Frontage on E. International Speedway Blvd. and SR A-1-A. Driveway on E. ISB and Atlantic Ave (on the 300 S. Atlantic tax parcel).

Topography: Generally level, consistent with the elevations of the frontage roads.

Utilities: All public utilities are available; sewer and water service provided by the City of Daytona Beach.

Flood Zone: The site is located within a Zone X, Area of Minimal Flood Hazard per FEMA Panel Number: 12127C0357J; Effective Date: September 29, 2017.



Soils: No subsurface soils information available.

Environmental: Former gas station (300 S. Atlantic). See FDEP records – Facility Name “FINA #6677” (Site Id FLG914092 and 8517380). Remediation program underway to remove soil contamination. This appraisal assumes no contamination exists. See Hypothetical Conditions.

Census Tract: 0812.0

Zoning: “T-4, Tourist/Office/Retail”. Permitted uses include visitor accommodations, restaurants (other than drive-in or drive through), bars and lounges that service visiting tourists, offices, retail sales and service uses, clubs, child care facilities, schools, places of worship, nursing homes, cemeteries, personal service establishments, parking lots and garages, gas stations and car washes and others.

The current use is a conforming use. However, the “South Atlantic Avenue Redevelopment Area” policies indicate bars will be prohibited in the future as the E. ISB corridor is redeveloped.

The 730 E. ISB building does not meet the required interior side yard setback of 10’. The City does have limitations on the reconstruction or repair of non-conforming structures: *“If a nonconforming structure is*

damaged to an extent whereby the cost of restoring the structure to its before-damaged condition would exceed 65 percent of its assessed value before the damage, the structure shall not be reconstructed or repaired except in conformity with the provisions of this Code."

Mr. Reed Berger confirms that the subject site could be redeveloped under the requirements of the City's Land Development Regulations with the City Commission's approval. City Manager, Mr. James Chisholm also confirmed the redevelopment potential to be highly probable.

Future Land Use:

Designated a "Retail"-use parcel in the City's Comprehensive Plan. The site's current zoning is consistent with the Future Land Use designation.

**Easements/
Encroachments:**

No recent survey or title policy was available for review. Public records do include a document (ORB 7257, PG 4630, Volusia County; recorded May 26, 2016) that granted a 5' wide easement to Domco, Inc. (owner of 300 S. Atlantic) along the western boundary of the Delan, Inc. parcel for the purposes of "nonexclusive right to move pedestrian and vehicular traffic over" and "installation and maintenance of an exterior façade upon the East side of the building" (730 E. ISB).

**Adjoining Property
Uses:**

North – across E. ISB – retail store.
South – retail store and residential apartments.
East – across S. Atlantic Ave. – oceanfront hotel.
West – mixed-use retail/residential.

Parking:

Concrete and asphalt paved parking for 10± automobiles in front of 300 S. Atlantic, plus additional paved areas to the rear of 300 S. Atlantic. No on-site parking on the 730 E. ISB parcel.

Tim Davis, SVN | Alliance, reports that there is an unwritten agreement between the owner and the tenant in 730 E. ISB permitting patrons of the bar to park on the 300 S. Atlantic Ave. parcel during the bar's hours of operation.

Site Improvements:

- Concrete sidewalk/entry area in front of 730 E. ISB.
- Concrete and asphalt paving on 300 S. Atlantic Ave. parcel (fair to poor condition).
- Pole-mounted sign in front of 730 E. ISB.
- Chain-link fencing around rear lot area of 300 S. Atlantic.
- Groundwater remediation equipment and wood fence enclosure adjacent to the northern elevation of the 300 S. Atlantic Ave. building.

Assessment & Taxes:

Tax Parcel ID#:	5309-09-04-0011 (730 E. ISB)
Tax Year:	2017
Assessed Value Land:	\$39,600
Assessed Value Improvements:	\$180,952
Miscellaneous Improvements:	\$744
Total Assessed Value:	\$221,296
Non-School Taxable:	\$205,028
Tax Rate (mills):	21.20760
Gross Real Estate Taxes:	\$4,454.23

Tax Parcel ID#:	5309-09-04-0030 (300 S. Atlantic)
Tax Year:	2017
Assessed Value Land:	\$114,720
Assessed Value Improvements:	\$58,623
Miscellaneous Improvements:	<u>\$20,082</u>
Total Assessed Value:	\$193,425
Non-School Taxable:	\$193,425
Tax Rate (mills):	21.20760
Gross Real Estate Taxes:	\$4,102.07

Comments on Taxes:

As of the date of valuation, the taxes for 730 E. ISB had not been paid and due in the amount of \$4,587.86 if paid by April 30, 2018. Working 2018 assessed just value of \$226,640.

As of the date of valuation, the taxes for 300 S. Atlantic had not been paid and due in the amount of \$4,225.13 if paid by April 30, 2018. Working 2018 assessed just value of \$189,898.

Building Improvements (730 E. ISB)

Property Type: Bar/lounge – operating as Candy's, A Gentleman's Club.

Building Improvement

Descriptions: Exterior/Structural

Foundation: Concrete slab on grade.

Walls: Masonry; painted stucco finish. Refinished by tenant in 2016.

Roof: Flat± roof behind parapet walls; roof was not observable from the ground; condition unknown. Permit history indicates the building was reroofed in 2017.

Windows: None.

Doors: Front entry - fixed glass in aluminum frame; rear door – metal.

Interior:

Walls: Painted masonry and wood paneling.

Ceiling: Suspended acoustical tiles.

Flooring: Simulated wood flooring

Lighting: Recessed can and indirect lighting.

Plumbing: In restrooms and bar area.

Electrical: Wiring type uncertain.

HVAC: Central heating and air-conditioning systems; pad mounted a/c compressors.

Other: Liquor bar, specialty lighting, elevated dance platforms, no kitchen.

Year Built, Effective Age,

Condition: Built in 1946 per Volusia County Property Appraiser's records. Interior and exterior renovations have reduced the building's effective age. The structure's overall condition is fair with an estimated effective age of 40 years.

Quality Of

Construction: Average.

Size: Gross building area (GBA) of 3,302± square feet. The reported building size is based upon a survey provided by the property's listing agent and field measurements.

Recent and Proposed

Improvements: Exterior refinish in 2016. Reroofed in 2017.

Deferred Maintenance: None significant noted.

Images of the subject property and surrounding properties appear in the following pages.

Images – (730 E. ISB)



Facing southeast showing subject's front (northern) façade



Facing west along E. ISB and subject's frontage



Facing east along E. ISB and subject's frontage



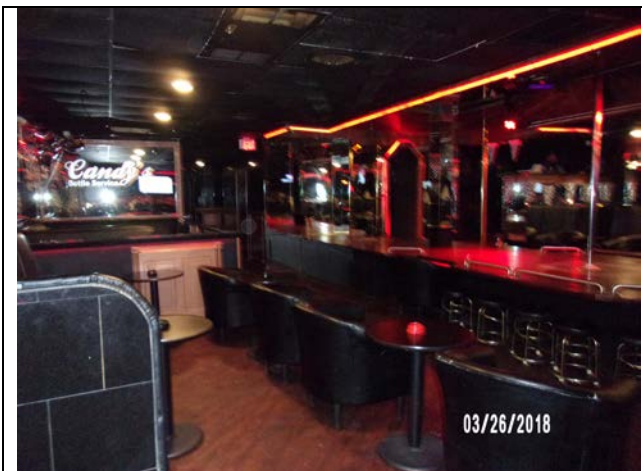
Facing south showing separation between subject (to the left) and adjoining building.



Facing south along subject's eastern elevation



Facing north showing subject's rear (southern) elevation



Interior of subject



Bar area



Dance stage and seating area



Dancer dressing/locker room



Dancer make-up area



Interior of VIP room

Building Improvements (300 S. Atlantic Ave.)

Property Type: Convenience/retail store - unoccupied.

Building Improvement

Descriptions: Exterior/Structural

Foundation: Concrete slab on grade.

Walls: Masonry and wood; painted. Extensive wall crack at northwest corner of the structure.

Roof: Gable roof; pre-cast concrete roof slabs. Roof damage from 2016 hurricanes; on-going roof leaks apparent.

Windows: Fixed glass.

Doors: Fixed glass in aluminum frames.

Interior:

Walls: Painted drywall; moisture damage apparent in places. Ceramic tile in restrooms.

Ceiling: Suspended acoustic tiles; several tiles missing/water damaged.

Flooring: Simulated wood flooring

Lighting: Recessed fluorescent fixtures; several missing units.

Plumbing: In restrooms and walk-in cooler area. Plumbing fixtures missing in one restroom.

Electrical: Operating status unknown.

HVAC: Central heating and air-conditioning systems; pad mounted a/c compressors; two compressors appear to have been recently installed.

Other: Walk-in cooler (operational status unknown).

Year Built, Effective Age,

Condition: Built in 1966 per Volusia County Property Appraiser's records. Poor exterior and interior conditions elevate the structure's effective age. The structure has an estimated effective age of 60 years.

Quality Of

Construction: Average.

Size: Gross building area (GBA) of 1,980± square feet. The reported building size is based upon a survey provided by the property's listing agent and field measurements.

Recent Improvements: None known.

Deferred Maintenance: Roof repairs/reroofing required. Extensive repairs and replacements of interior finishes required. Mold remediation likely required.

Images of the subject property and surrounding properties appear in the following pages.

Images – (300 S. Atlantic Ave.)



Facing northwest showing subject's front (eastern) façade



Facing south along subject's front (eastern) elevation



Facing northwest showing subject's southern elevation



Facing northeast showing subject's rear (western) elevation



Facing west along subject's northern elevation



Facing south showing groundwater remediation unit. Note peeled back roof panels on subject building



View of groundwater remediation equipment and enclosure



View showing separation between subject and 730 E. ISB building. Note cracking of wall.



View of interior conditions



View of interior conditions



View of hallway leading to restrooms and storage room



Bathroom #1 interior



Bathroom #2 interior



Pooled water evidencing roof leaks



Missing ceiling tiles revealing poured concrete roof slab



Additional missing roof tiles. Note appearance of mold on column



Storage/mechanical room conditions



Additional indications of likely mold (on column)

Leased Fee Summary – (730 E. ISB)

Tim Davis, SVN | Alliance, as the representative of the property owner, provided a copy of a lease agreement encumbering the building at 730 E. ISB. The lease copy has been retained in this appraisal's work file. The following summarizes the lease agreement.

Lessor/Landlord: Domco, Inc., Dominique Delannoy, President

Lessee/Tenant: Confidential

Commencement

Date: February 1, 2013

Term: 10 years (Jan. 31, 2023 expiration of initial term)

Renewal Options: Tenant may renew the lease for two additional five (5)-year terms on the same terms and conditions with continued annual rent increases as during the initial term.

Permitted Uses: Adult entertainment and package store only, unless the landlord consents in writing to other operations.

Expense

Responsibilities: The original lease indicated the contract was "triple net lease".

Property expenses to be paid by Tenant (original lease):

- Utilities
- Real property taxes, personal property taxes, business and sales taxes
- Fire extinguisher renewals
- Personal property insurance premiums, including public liability insurance (not less than \$500k for injury/death, \$1 million for injury of more than one person in a single incident, \$150k property damage.
- Maintaining and repairing building exterior (excepting the roof) and "including but not limited to parking lot", repairing, painting and maintaining the interior finishes and mechanical systems, pest control services, air conditioning and heating system repair and maintenance.

Landlord expenses:

- Roof maintenance (Landlord had a roof agreement with a third party relating to a roof-top billboard (since removed).

Assumption: Lease is not assumable/assignable without Landlord's prior written consent.

Eminent Domain: The lease will terminate upon the taking of "the entire or substantially the entire building" by eminent domain.

Pledge of Liquor

License: Tenant was to execute and file a collateral assignment of the liquor license issued for Shark Lounge to the Landlord.

Amendment to Lease: June 1, 2016 amendment specified that a roof repair agreement with a sign company maintaining a former billboard on the building's roof had terminated (the sign was removed) and that Landlord is thereafter responsible for maintaining and repairing the roof.

Contract Rental Rate: The base rent at lease commencement was \$7,500 per month. The base rental rate was scheduled to increase annually by 4%. A chart summarizing annual base rent with the scheduled rent increases are retained in the appraiser's appraisal file.

Comments: Tim Davis, SVN | Alliance reports the Landlord and Tenant have an oral agreement by which the Landlord permits parking by patrons of the 730 E. ISB business on the 300 S. Atlantic Ave parcel.

It was also reported an agreement exists between Landlord and Tenant whereby the Tenant will forego all renewal options and will agree to a termination of the Lease should the Landlord wish to do so. Upon any early termination, Landlord will permit the Tenant to retain the liquor license.

Highest and Best Use

Highest and Best Use As-If Vacant

The legally permissible uses of the subject site as-if vacant would be those permitted by the current "T-4, Tourist/Office/Retail" zoning by the City of Daytona Beach. Permitted uses in "T-4" districts include visitor accommodations, restaurants (other than drive-in or drive through), bars and lounges that service visiting tourists, offices, retail sales and service uses, clubs, child care facilities, schools, places of worship, nursing homes, cemeteries, personal service establishments, parking lots and garages, gas stations and car washes and others. However, the "South Atlantic Avenue Redevelopment Area" policies indicate bars will be prohibited in the future as the E. ISB corridor is redeveloped.

The subject site's size (18,740± square feet/ 0.43± acres - subject to verification by survey) is physically capable of accommodating a variety of uses permitted by the current zoning. However, the site's total size is relatively small as compared to the site sizes commonly required by commercial uses providing conforming on-site parking, stormwater retention and setbacks/yards. Any permitted uses would necessarily have to include relatively small buildings to enable meeting all other development standards.

The financial feasibility of new commercial development on the subject site, if vacant, is limited at this time. This conclusion is based on the lack of recent commercial construction on other sites along the E. ISB corridor. New development is further restricted by the sub-standard lot sizes dominating the corridor's frontage. A limited amount of new commercial development has recently occurred on the west side of the S. Atlantic Ave. corridor. The most recent developments include restaurants, convenience stores with fuel islands, and parking lots, and most occurred on sites larger than the subject. Additionally, there is a significant inventory of vacant commercial buildings fronting both E. ISB and Atlantic Ave., evidencing a space supply that exceeds current demand.

Without financially feasible uses under current market conditions, the highest and best use of the subject site, if vacant, would be to retain ownership in anticipation of future commercial development as the E. International Speedway Blvd. redevelopment process evolves.

Highest and Best Use As-Improved

The interior of the 730 E. International Speedway Blvd. structure is configured specifically for use as a bar/lounge. Alternate uses of the structure would require interior modifications. The interior of the 300 S. Atlantic Ave. structure is currently configured for convenience store/retail use. However, the structure requires significant interior and exterior repairs in order to accommodate a retail user.

The highest and best use of the subject property, as improved, is for continued operation of a bar in the 730 E. International Speedway Blvd. structure and retail/convenience store use of the 300 S. Atlantic Ave. structure after necessary repairs are completed to ready the structure for commercial occupancy.

The City of Daytona Beach's regulations regarding non-conforming site improvements (parking, landscaping, and signage) include the requirement that non-conforming improvements be made conforming under certain circumstances. The requirement can be applicable should remodeling costs exceed 25% of a structure's assessed value. This regulation, applied to the subject, would likely require reconfiguration of the current parking on the 300 S. Atlantic Ave. portion of the property. However, discussion with the City's redevelopment director and the City Manager revealed the City is willing to work with the owner of the property is to allow its redevelopment.

The market value of the property is linked directly to the anticipated future benefits to the leased fee interest arising from the current lease agreement. It appears the tenant is profiting from the business operations and, therefore, likely intends to continue the occupancy for the full term of the lease.

The lease agreement limits the permissible uses of the 730 E. International Speedway Blvd. to "Adult Entertainment Club and Package Store (use) only".

The 730 E. International Speedway Blvd. parcel has no on-site parking. The ability of patrons, service providers and employees of the tenant's bar business to park on the 300 S. Atlantic Ave. portion is important to the operation's profitability. The lease agreement provided for consideration does not convey those parking rights. The formal agreement to share the parking available on the 300 S. Atlantic Ave portion of the property would benefit the overall utility of the asset.

The provided lease documents do not reference a Landlord's right to terminate the lease at will in exchange for allowing the tenant to retain rights to the business's liquor license.

The development of this appraisal considers the use limitation contained within the current lease and that the landlord and tenant have only those rights and obligations specified in the lease document provided. No consideration is given to the reported oral agreements between the parties.

The highest and best use conclusions for the subject, both as-if vacant and as-improved, do consider the potential additional right-of-way that conceptually appears needed to accommodate a future round-about at the E. International Speedway Blvd./S. Atlantic Ave. intersection. It is reasonable to expect that an informed prospective buyer or tenant of the subject property would understand that just compensation is required to be paid for any taking by eminent domain actions related to future potential road improvements. Nevertheless, the roadway project's planning may have some effect on the marketability of the property.

Sales Comparison Approach

A straightforward valuation of the subject would be one whereby recent sales of properties with **all** the use and locational qualities of the subject were available for analysis and comparison to the subject property. Our search of the East Volusia County sub-market to identify recent sales of properties with bar and convenience store uses with locations on key collector intersections and in redevelopment areas failed to identify an adequate number of relevant transactions on which to develop a credible appraisal.

As an alternative to having a few, directly comparable sale properties available for analysis, the development of this appraisal necessarily required the consideration of a wide number of transactions/listings in four sets of property types and locational groups. The diversity of the comparable properties considered is significant. The transactions and listings considered are the best available for comparison to the subject in the local market at this time.

The available relevant market data fell into sets of sales and current listings. We have considered recent property sales and current listings of properties that generally fall within three (3) sets:

- Properties located along the E. ISB corridor in the vicinity of the subject. This data set provides indications of what buyers, including speculators, have paid for frontage along the E. ISB corridor and what owners are asking for their properties under current market and neighborhood conditions.
- Properties located along the Atlantic Avenue corridor. This data set provides market indications of what buyers have paid for retail and convenience properties with similar utility as the subject and located within Daytona's beachside tourist districts, and
- Convenience stores and former gas stations located on intersections of major collector roadways in the greater Daytona Beach area. This data set provides market indications of what buyers have paid and owners are asking for properties with location and utility qualities like the subject.

The comparable property sales and listings considered in this analysis occurred between 2015 and the valuation date. The subject and sale/listing properties are compared utilizing two units of comparison, price per square foot of building area (\$/sf) and price per square foot of site area (\$/sf site). The sale/listing properties are compared to the subject utilizing a variety of elements of comparison which are:

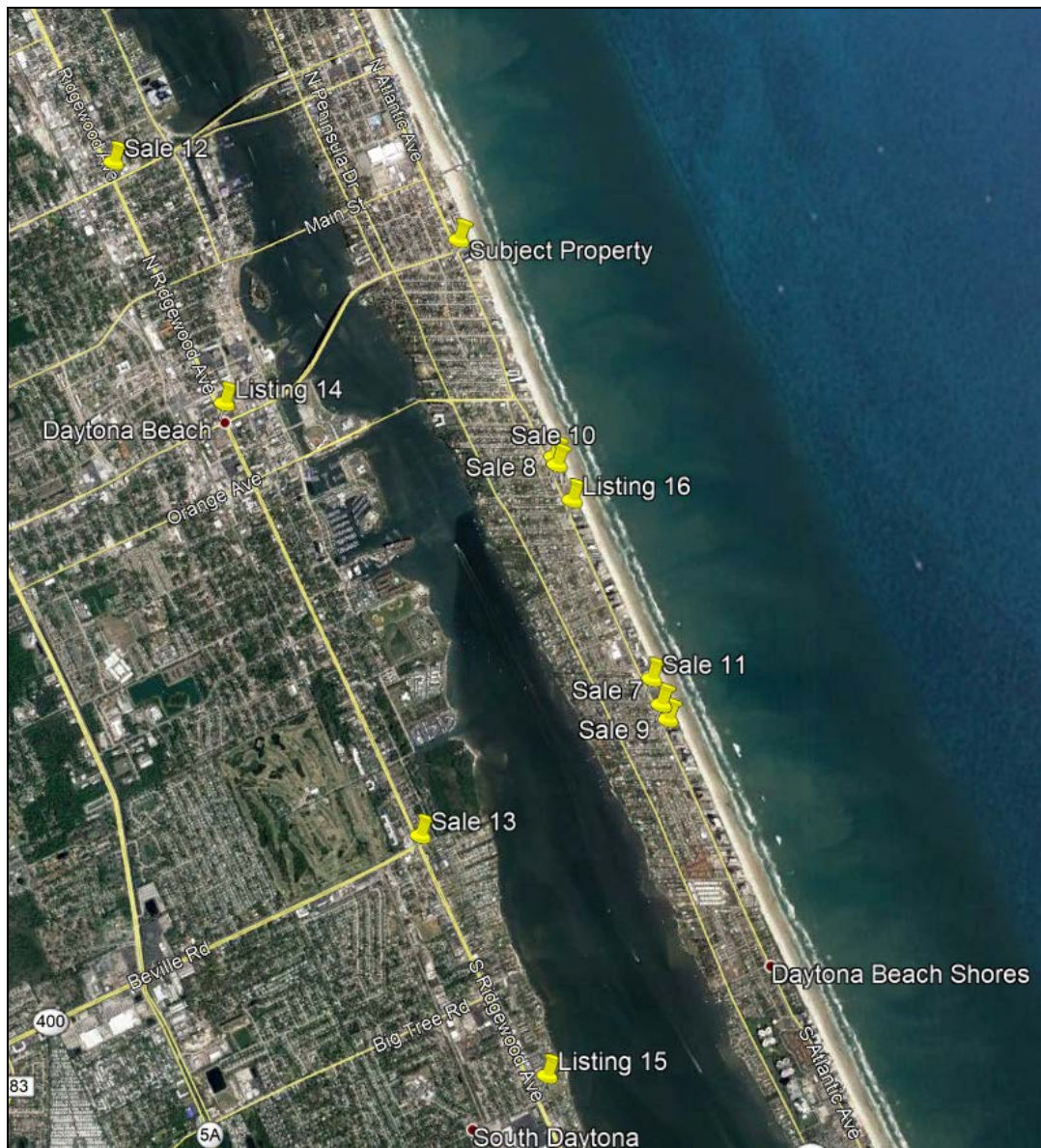
- | | |
|------------------------|----------------------------|
| • Property Rights Sold | • Market Conditions |
| • Financing | • Location |
| • Conditions of Sale | • Physical Characteristics |

The map on the following page indicates the locations of the subject, sale and listing properties. The market data grids that follow include thumbnail images of each comparable property, identification of the property, a summary of the relevant transaction and the various elements of comparison.





Comparable Sales Location Maps









Sales/Listings locations – E. International Speedway Blvd.









Market Data Grids

E. International Speedway Blvd. Sales Summary/Analysis Grid				
	Subject	Sale 1	Sale 2	Sale 3
				
Tax Parcel	5309-09-04-0011 & 0030	5309-07-21-0061	5309-09-03-0030 & 0040	5309-07-20-0060
O.R. Book/Page		7389/0785	7352/3231	7080/2412
Grantor	Domco, Inc. & Delan, Inc.	Binney Enterprises, LLC	David & Sarah Harrar	The 617 East ISB Trust
Grantee	Under Contract	Roberts DD, LLC	SIG Global Family Ltd Partnership	All American Oil, LLC
Project/Property Name	Candy, A Gentleman's Club & Store	Former Boston Pizza	Unnamed	1313 Convenience Store
Address	730 E ISB & 300 S Atlantic Ave	509 E ISB	709 & 711 E ISB	617 E ISB
City	Daytona Beach	Daytona Beach	Daytona Beach	Daytona Beach
Sale Date	3/28/2018	3/3/2017	1/20/2017	1/27/2015
Sale Price		\$320,000	\$543,000	\$250,000
Sale Price/SF Building		\$228.90	\$115.24	\$122.19
Sale Price/SF Site Area		\$36.70	\$36.14	\$18.39
Property Rights	Leased Fee	Fee Simple	Fee Simple	Fee Simple
% Adjustment		0%	0%	0%
Financing		Cash to Seller	Cash to Seller	Cash to Seller
% Adjustment		0%	0%	0%
Conditions of Sale		Normal	Part of Assemblage	Normal
% Adjustment		0%	0%	0%
Market Conditions	3/28/2018	3/3/2017	1/20/2017	1/27/2015
Months Elapsed	-->	13.00	14.40	38.53
% Adjustment	0.42%	5%	6%	16%
Adjusted Price Per SF Building		\$240.34	\$122.15	\$141.74
Adjusted Price per SF Site		\$38.53	\$38.31	\$21.34
Location	SW/C of E ISB & Atlantic Ave	NW/C of E ISB & Wild Olive	NW/C of E ISB & Coates St	NW/C of E ISB & Grandview Ave
Comparison		Inferior	Inferior	Inferior
SF Site	18,740	8,720	15,025	13,591
Land-To-Building Area Ratio (LTBR)	3.5	6.2	3.2	6.6
Comparison		Similar	Similar	Similar
SF Building Area	5,282	1,398	4,712	2,046
Comparison		Smaller	Similar	Smaller
Construction Quality/Build-Out	Avg/Bar/Store Needs Repairs	Avg/Needs Repairs	Avg/Needs Repairs	Avg/Finished
Comparison		Similar	Similar	Superior
Effective Age/Condition	40 Yrs/Average to Poor	70 Yrs	60 Yrs	50 Years
Comparison		Inferior	Inferior	Inferior
Design/Appeal	Single-Story/Typical	2-Story/Typical	2-Story/Typical	1-Story/Typical
Comparison		Similar	Similar	Similar
Site Improvements/Parking	Typical/Shared Parking	Typical/On-Site Parking	Typical/On-Site Parking	Typical/On-Site Parking
Comparison		Similar	Similar	Similar
Final Overall Comparison to Subject		INFERIOR	INFERIOR	INFERIOR

E. International Speedway Blvd. Listings Summary/Analysis Grid				
	Subject	Listing 4	Listing 5	Listing 6
				
Tax Parcel	5309-09-04-0011 & 0030	5309-09-04-0190 & 0180	5309-02-01-0113	5309-09-04-0161
O.R. Book/Page		Current Listing	Current Listing	Current Listing
Grantor	Domco, Inc. & Delan, Inc.	ADJ Properties, Inc.	First Coast Energy, LLP	Dave Prerna
Grantee	Under Contract	For Sale	For Sale	For Sale
Project/Property Name	Candy, A Gentleman's Club & Store	Mixed-Use / Retail & Residential	Former gas station/car wash	Unnamed restaurant
Address	730 E ISB & 300 S Atlantic Ave	718 & 720 E ISB	301 E ISB	710 E ISB
City	Daytona Beach	Daytona Beach	Daytona Beach	Daytona Beach
Listing Confirmation Date	3/28/2018	3/28/2018	3/28/2018	3/28/2018
Asking Price		\$799,000	\$825,000	\$500,000
Asking/SF Building		\$100.95	\$227.27	\$205.51
Asking Price/SF Site Area		\$61.46	\$22.97	\$166.83
Property Rights	Leased Fee	Leased Fee	Fee Simple	Fee Simple
% Adjustment		0%	0%	0%
Financing		Cash to Seller	Cash to Seller	Cash to Seller
% Adjustment		0%	0%	0%
Conditions of Sale		Asking Price	Asking Price	Asking Price
% Adjustment		-10%	-10%	-10%
Market Conditions	3/28/2018	3/28/2018	3/28/2018	3/28/2018
Months Elapsed	-->	0.00	0.00	0.00
% Adjustment	0.42%	0%	0%	0%
Adjusted Price Per SF Building		\$90.85	\$204.55	\$184.96
Adjusted Price per SF Site		\$55.32	\$20.67	\$150.15
Location	SW/C of E ISB & Atlantic Ave	Adjacent to Subject	NE/C of E ISB & Peninsula Dr	4 Doors W of Subject
Comparison		Inferior	Inferior	Inferior
SF Site	18,740	13,000	35,924	2,997
Land-To-Building Area Ratio (LTBR)	3.5	1.6	9.9	1.2
Comparison		Similar	Superior	Smaller
SF Building Area	5,282	7,915	3,630	2,433
Comparison		Larger	Similar	Smaller
Construction Quality/Build-Out	Avg/Bar/Store Needs Repairs	Average/Ready for Occupancy	Average/Needs Renovations/Demo	Avg/Requires new build-out
Comparison		Superior	Similar	Similar
Effective Age/Condition	40 Yrs/Average to Poor	50 Yrs/Average	50 Yrs/Average	60 Yrs/Average to Poor
Comparison		Inferior	Inferior	Inferior
Design/Appeal	Single-Story/Typical	2-Story/Typical	1-Story/Typical	1-Story/Typical
Comparison		Similar	Similar	Similar
Site Improvements/Parking	Typical/Shared Parking	Typical/Parking in Rear	Typical/On-Site Parking	No on-site parking
Comparison		Inferior	Similar	Inferior
Final Overall Comparison to Subject		INFERIOR	INFERIOR	INFERIOR

Atlantic Avenue Sales Summary/Analysis Grid						
	Subject	Sale 7	Sale 8	Sale 9	Sale 10	Sale 11
						
Tax Parcel	5309-09-04-0011 & 0030	5322-03-04-0190	5316-02-00-1540	5322-03-05-0180	5316-02-00-1560	5322-03-02-0180
O.R. Book/Page		7458/1459	7300/2701	7273/2764	7223/0994	7200/2104
Grantor	Domco, Inc. & Delan, Inc.	Lakic & Sons, LLC	Humphrey Investment Enterprises, LLC	Nicholas & Emanuel Sotirin	Humphrey Realty Corp.	Rena/Jean Development, LC
Grantee	Under Contract	Pinchas & Eva Mamane	NeNure Holdings, Inc	Hue Management, LLC	Pelta Investments, LLC	Fantasy Island, LLC
Project/Property Name	Candy, A Gentleman's Club & Store	Unnamed	Former Marco's restaurant	Former Axe & Shield Rest/Bar	Structure Demolished	Purple Haze
Address	730 E ISB & 300 S Atlantic Ave	2316 S Atlantic Ave	1620 S Atlantic Ave	2400 S Atlantic Ave	1624 S Atlantic Ave	2250 S Atlantic Ave
City	Daytona Beach	Daytona Beach Shores	Daytona Beach	Daytona Beach Shores	Daytona Beach	Daytona Beach Shores
Sale Date	3/28/2018	9/22/2017	9/7/2016	6/30/2016	2/24/2016	12/15/2015
Sale Price		\$340,000	\$600,000	\$225,000	\$300,000	\$450,000
Sale Price/SF Building		\$93.05	\$122.50	\$95.06	\$44.94	\$93.42
Sale Price/SF Site Area		\$25.63	\$17.65	\$21.61	\$13.20	\$21.60
Property Rights	Leased Fee	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		0%	0%	0%	0%	0%
Financing		Cash to Seller	Cash to Seller	Seller-Held PMM	Cash to Seller	Cash to Seller
% Adjustment		0%	0%	0%	0%	0%
Conditions of Sale		Normal	Normal	Normal	Normal	Normal
% Adjustment		0%	0%	0%	0%	0%
Market Conditions	3/28/2018	9/22/2017	9/7/2016	6/30/2016	2/24/2016	12/15/2015
Months Elapsed	-->	6.23	18.90	21.20	25.43	27.80
% Adjustment	0.42%	3%	8%	9%	11%	12%
Adjusted Price Per SF Building		\$95.84	\$132.30	\$103.61	\$49.88	\$104.63
Adjusted Price per SF Site		\$26.39	\$19.06	\$23.55	\$14.65	\$24.19
Location	SW/C of E ISB & Atlantic Ave	SW/C of Atlantic Ave & Minerva Rd	W side of Atlantic between Poinsettia & Old Trail	SW/C of Atlantic & Harrison Rd	SW/C of Atlantic & Old Trail Rd	NW/C of Atlantic & Bridgeport Rd
Comparison		Inferior	Inferior	Inferior	Inferior	Inferior
SF Site	18,740	13,268	33,993	10,412	22,730	20,838
Land-To-Building Area Ratio (LTBR)	3.5	3.6	6.9	4.4	3.4	4.3
Comparison		Similar	Larger	Similar	Similar	Similar
SF Building Area	5,282	3,654	4,898	2,367	6,676	4,817
Comparison		Smaller	Similar	Smaller	Similar	Similar
Construction Quality/Build-Out	Avg/Bar/Store Needs Repairs	Avg/Needed Repairs	Avg/Poor Needs Renovation/Repair	Avg/Needs Repairs	Building was demolished	Avg/Finished
Comparison		Similar	Similar	Similar	Similar	Similar
Effective Age/Condition	40 Yrs/Average to Poor	40 Yrs/Average to Fair	60 Yrs	45 Yrs/Fair	Demolished	30 Yrs/Good
Comparison		Similar	Inferior	Inferior	Inferior	Superior
Design/Appeal	Single-Story/Typical	Single-Story/Typical	Single-Story/Typical	Single-Story/Typical	Single-Story/Typical (Demolished)	1-Story/Typical
Comparison		Similar	Similar	Similar	Similar	Similar
Site Improvements/Parking	Typical/Shared Parking	Typical/On-Site Parking	Typical/On-Site Parking	Typical/On-Site Parking	Typical/On-Site Parking	Typical/On-Site Parking
Comparison		Similar	Similar	Similar	Similar	Similar
Final Overall Comparison to Subject		INFERIOR	INFERIOR	INFERIOR	INFERIOR	INFERIOR

Gas Station/Convenience Store Sales & Listing Summary/Analysis Grid						
	Subject	Sale 12	Sale 13	Listing 14	Listing 15	Listing 16
						
Tax Parcel	5309-09-04-0030	4244-0134-0180	5344-02-00-0080	5339-01-21-0014	6344-12-00-0400	5316-10-03-0010
O.R. Book/Page		7488/0161	7375/4670	For Sale	For Sale	For Sale
Grantor	Delan, Inc.	Sunoco Retail, LLC	Sunoco Retail, LLC	Zentex Holdings, LLC	NLD Daytona, LLC	Nader & Violet Neshewat
Grantee	Under Contract	Knights Real Estate, Inc.	Southern Star Restaurant Management, Inc.	TBD	TBD	TBD
Project/Property Name	Convenience Store Portion Only	Sunoco	Former Gas Station/Convenience	Former Service Station	Former Texaco Convenience w fuel	Sunoco Convenience s fuel
Address	300 S Atlantic Ave	102 N Ridgewood Ave	1600 S. Ridgewood Ave	100 N Ridgewood Ave	2323 S Ridgewood Ave	1910 S Atlantic Ave
City	Daytona Beach	Holly Hill	South Daytona	Daytona Beach	South Daytona	Daytona Beach Shores
Sale Date	3/28/2018	12/19/2017	3/14/2017	3/28/2018	3/28/2018	3/28/2018
Sale Price		\$575,000	\$340,000	\$900,000	\$900,000	\$549,000
Sale Price/SF Building		\$154.94	\$139.46	\$510.20	\$373.91	\$440.26
Sale Price/SF Site Area		\$13.94	\$13.15	\$71.15	\$31.25	\$49.50
Property Rights	Fee Simple	Fee Simple w/fuel agreement	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		0%	0%	0%	0%	0%
Financing		Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
% Adjustment		0%	0%	0%	0%	0%
Conditions of Sale		Normal	Normal	Asking Price	Asking Price	Asking Price
% Adjustment		0%	0%	-10%	-10%	-10%
Market Conditions	3/28/2018	12/19/2017	3/14/2017	3/28/2018	3/28/2018	3/28/2018
Months Elapsed	-->	3.30	12.63	0.00	0.00	0.00
% Adjustment	0.42%	1%	5%	0%	0%	0%
Adjusted Price Per SF Building		\$156.49	\$146.43	\$459.18	\$336.52	\$396.23
Adjusted Price Per SF Site		\$14.08	\$13.81	\$64.03	\$28.13	\$44.55
Location	SW/C of E ISB & Atlantic Ave	NW/C of US 1 & Mason Ave (SR 430)	SW/C of US 1 & Beville Rd (SR 400)	NW/C of US 1 & W ISB (US 92)	NE/C of US 1 & Ridge Blvd (CR 4076)	SW/C of A-1-A & Rosalyn Ave
Comparison		Similar	Similar	Superior	Inferior	Inferior
SF Site	14,340	41,253	25,852	12,650	28,800	11,092
Land-To-Building Area Ratio (LTBR)	7.2	11.1	10.6	7.2	12.0	8.9
Comparison		Higher	Higher	Similar	Higher	Similar
SF Building Area	1,980	3,711	2,438	1,764	2,407	1,247
Comparison		Larger	Similar	Similar	Similar	Similar
Construction Quality/Build-Out	Average/Convenience	Average/Convenience	Fair/Needs Renovation or Remodel	Avg/Gas Station converted to convenience	Avg/Convenience	Average/Convenience
Comparison		Similar	Similar	Similar	Similar	Similar
Effective Age/Condition	60 Yrs/Poor	25 Yrs/Average	60 Yrs/Poor	60 Yrs/Poor	30 Yrs/Renovated	40 Yrs/Fair
Comparison		Superior	Similar	Similar	Superior	Superior
Design/Appeal	Single-Story/Typical	Single-Story/Typical	Single-Story/Typical	Single-Story/Typical	Single-Story/Typical	1-Story/Typical
Comparison		Similar	Similar	Similar	Similar	Similar
Site Improvements/Parking	Typical/Shared Parking	Paving/canopies/fuel islands	Typical/Paving	Paving/Canopies/Fuel Islands	Paving/Canopies/Fuel Islands	Paving/Canopy/Fuel Islands
Comparison		Superior	Similar	Superior	Superior	Superior
Final Overall Comparison to Subject		SUPERIOR	INFERIOR	SUPERIOR	SUPERIOR	INFERIOR

Comparison Summaries

The development of this appraisal required the consideration of a relatively large number of transactions/listings involving different sets of property types and locational groups. The diversity of the comparable properties is substantial. It is not possible to reliably apply specific numeric or percentage adjustments to the comparable sales/listings while making comparisons to the subject. Rather, in this appraisal's sales comparison approach we have made general conclusions of "similar", "superior" or "inferior" in comparing the physical elements of the sale/listing properties to those of the subject. Our comparisons are stated in the market data grids presented on the prior pages. We have applied specific adjustments for the elements of comparison of conditions of sale and market conditions.

Property Rights Conveyed

Each of the sales involved the conveyance of either fee simple or leased fee estates under market rate leases. The subject's leased fee estate under the current lease agreement and scheduled rental income are considered later in our analysis.

Financing Terms

Financing terms can influence sale prices. Favorable financing (high loan to price ratios/favorable interest rates/re-payment terms, etc.) can permit a buyer to pay a higher price than might be acceptable with market rate and term financing. Conversely, adverse financing conditions can influence sale prices downward. This appraisal assumes a cash sale, or terms equivalent to cash, uninfluenced by unusual financing conditions.

Each of the sales involved cash sales with third party financing at prevailing terms or seller-held purchase money mortgages with terms consistent with prevailing market terms. All the comparable sale and listings are considered similar to the subject for this element of comparison.

Conditions of Sale

Each of the sales appear to have been arm's length transactions. We have relied primarily upon deeds and mortgages recorded in public records and Volusia County Property Appraiser records documenting the property sale histories and terms.

The market data includes a number of current listings (open market offerings of properties for sale). It is common in real estate markets that negotiations between buyers and sellers result in a final sale price lower than the initial asking price. Each of the listings' asking prices are adjusted downward 10% for this element of comparison.

Economic Trends (Market Conditions)

The comparable sales occurred between January of 2015 and December of 2017. Overall, property market conditions in Volusia County have been improving during the study period. New housing and commercial development rates have increased, commercial-use land purchases have been accelerating and property values are appreciating. The comparable sale prices have all been adjusted upward based on an annual appreciation rate of 5%+/- per year during the study period.

Physical Characteristics

Comparisons are required for any key differences between the sale/listing and subject properties with regard to location, site size, building area, construction quality and build-out, effective age/condition and supporting site improvements. Those elements of comparison are summarized in the following report sections.

Location

The comparable sale and listing properties located on the E. ISB corridor all have inferior locations as compared to the subject. The subject property has a prime location directly on the E. ISB/Atlantic Ave. intersection. Each of the comparable properties on E. ISB have less prominent and inferior locations west of Atlantic Ave.

The comparable properties along the Atlantic Avenue corridor all also have inferior locations as compared to the subject. While most have corner locations, none of the properties are located on signalized intersections of collector roadways and do not have the traffic count exposure of the subject.

All but one of the properties in the "Gas Station/Convenience Store" sales and listing set, like the subject, are located on signalized intersections of collector roadways in the Daytona Beach area. The properties' locations are compared to the subject's relying upon comparisons of FDOT traffic count data in those locations. The traffic count data is relied upon as an indication of a convenience store's general business potential and market rental rate related to location as compared to other key intersections with differing traffic volumes.

Site Size/Land-to-Building Area Ratio (LTBR)

Site size and the ratio of land and building area directly influences the scale and utility of a property. The relative size and land-to-building area ratios of the comparable properties and the subject are considered and comparison conclusions are drawn. Generally, properties with larger sites and lower LTBRs are capable of providing superior on-site maneuvering area, higher parking ratios and the ability to meet yard/setback requirements.

The E. ISB and Atlantic Ave. property sets are compared to the subject's total site area (combination of both tax parcels – 18,282 square feet). The gas station and convenience store sales are compared only to the 300 S. Atlantic Ave component (14,340 square feet) of the subject property.

Building Size

Variations in building sizes can influence unit prices (dollars paid per square foot of building area). It is commonly the case that smaller buildings will sell for higher unit prices (dollars per square foot of building area) than larger, but otherwise similar buildings. The E. ISB and Atlantic Ave. comparable properties have building sizes of 1,398 to 7,915 square feet. The subject's combined building area is 5,282 square feet. The variances in the building sizes is not a significant price influence among this data set.

The 300 S. Atlantic Ave. building contains 1,980 square feet and the comparable properties (gas station/convenience) range from 1,247 to 3,711 square feet in building size. Variances in the building sizes is not a significant price influence among this data set.

Construction Quality/Build-Out

The subject buildings are of masonry construction, one-story in building height, with one fully finished to accommodate the bar use. The 300 S. Atlantic Ave. building was most recently finished out for convenience store use but is in need of significant interior repairs and replacements to accommodate a new retail occupancy.

The condition of the comparable structures is considered in the following Effective Age/Condition comparison. Referencing only construction quality and build-out, the subject structures are constructed of average quality materials commonly utilized in area commercial properties.

Effective Age/Condition at the Time of Sale

Effective age considers not only the physical age of improvements, but also the condition of the property at the time of sale or when offered on the open market. Renovations, remodeling and alterations to buildings can reduce their effective age below the structures' physical ages. Alternately, deferred maintenance and incomplete repairs can increase a building's effective age beyond the structure's physical age.

The 730 E. ISB structure's exterior was remodeled in 2016. The 300 S. Atlantic Ave. building is in need of a new roof finish, exterior paint, repairs of interior damage from roof leaks and possible mold remediation.

On-Site Improvements/Parking

The combination of the subject's two tax parcels, when used in conjunction, provides adequate parking for the convenience store. The ability of the patrons, employees and service providers of the bar operation to park on the 300 S. Atlantic Ave. portion of the subject is a significant positive influence on that business's operation. Without "on-site" parking, convenient access to the bar is lost. Inversely, the use of the parking lot by bar-related vehicles is a negative influence on the marketability and rent potential of the convenience store at 300 S. Atlantic Ave.

The properties in the comparable data sets have a range of on-site improvements (parking, canopies, fuel islands) that are considered in our comparisons.

Sales Comparison Approach Conclusion

The lack of recent sales of properties with all the utility and locational characteristics of the subject necessitates the consideration of a broad range of sales and current listings involving properties that share some of the subject's key characteristics. The valuation approach considers various elements of comparison and reasoned comparisons of the comparable properties' and subject's dissimilarities.

The valuation approach includes consideration of both the unit prices of dollars per square foot of building area (\$/SF) and dollars per square foot of site area (\$/SF site). Based on the available market data and the considerations summarized herein, as of March 28, 2018 and subject to the General Assumptions and Limiting Conditions of this report, the market value indications from the sales comparison approach are:

5,828	SF of Building	X	\$200 /SF	=	\$1,165,600
			Rounded to:		\$1,170,000

18,740	SF of Site	X	\$60 /SF	=	\$1,124,400
			Rounded to:		\$1,125,000

Say, \$1,150,000

This valuation approach, as developed, does not directly consider the value influence created by the current lease encumbering the 730 E. ISB building. The following income capitalization approach provides the basis for the conclusion that the contract rent required in the current lease is likely above market rent levels and creates a positive leased fee advantage. This sales comparison approach does provide an indication of the value of the subject if encumbered by a lease agreement consistent with market rent levels. A final consideration of the leased fee advantage is presented in the final value reconciliation process.

This valuation approach is developed based on the following **hypothetical conditions**:

- The two adjoining ownerships/tax parcels (730 E. International Speedway Blvd. and 300 S. Atlantic Ave.) are appraised as a single asset. This hypothetical condition is reasonable as the two ownerships/tax parcels are owned by separate entities controlled by the same individuals.
- Automobile gasoline sales and underground storage formerly occurred on a portion of the subject property (300 S. Atlantic Ave.). The property's history, contamination and current status of ongoing groundwater remediation actions are documented by the Florida Department of Environmental Protection (Facility Name "FINA #6677", Site Id FLG914092). At your direction, the subject property has been appraised with the hypothetical condition that the remediation process is complete and successful and that the subject property is free of any environmental contaminations.

Income Capitalization Approach

The income capitalization approach is a valuation method based on the present worth of the future income stream generated by the property's rental operations. The analysis considers the property from an investor's point of view, the basic premise being that the amount and quality of the income stream is the basis for the property's value.

The subject of this appraisal is a pair of buildings, one vacant and in need of repair and a second occupied under a lease with a remaining term of 15 years including renewal terms. In order to reflect the income considerations of a typical prospective buyer of the property, we developed a discounted cash flow analysis (DCF) that incorporates the terms of the subject's current lease and considers the repairs needed to prepare the second building for occupancy.

The discounted cash flow analysis is a more detailed analysis than is possible with a direct capitalization analysis that considers only a snapshot of one year's income and expenses at stabilized occupancy. The weakness of direct capitalization in this assignment is that it fails to consider the notable rental rate escalations in the current lease. A weakness of the discounted cash flow analysis is the necessity of forecasting future property performance (occupancy rates and future expenses) during an extended study period.

Valuation by Discounted Cash Flow (DCF) Analysis

Typical investors in income-producing properties hold a property for a period of time to derive benefits not only from net operating income, but also from equity build-up through debt amortization and net proceeds from a future reversion (sale) of the property. The time-weighted or discounted present worth of the property's various future benefits is calculated utilizing a discount rate or target internal rate of return (IRR). This valuation technique requires establishing a reasonable holding period, developing estimates of the net operating income the property should produce during each year, an estimate the hypothetical future sale of the property at the end of the holding period, and an appropriate discount rate to apply to all the future economic benefits.

Holding Period

A holding period of fifteen (15) years has been utilized in this DCF analysis. The 15-year study period allows full consideration of the rental rates and annual rate escalations defined in the lease contract encumbering 730 E. ISB.

The estimated future value (reversion) of the subject property is calculated at the end of Year 15. A forecasted future resale is calculated by capitalizing the Year 16 net operating income at a terminal capitalization rate. Sales commission/fees of 3% are deducted at the time of resale. The sale price, less sales costs, is discounted to a present value indication and added to the present worth of the projected annual cash flows for an indication of the present value of the subject leased fee interests.

Subject's Recent Operations

Historic operating data (property income and expenses) for the subject property was not available during the development of this appraisal.

Tim Davis, SVN | Alliance reported that the last tenant of the 300 S. Atlantic Ave. property, prior to the latest property damage, was paying rent equivalent to \$15/SF/Yr in a triple-net (NNN) lease.







Subject's Lease Fee Interests







The lease encumbering the 730 E. ISB property is summarized in the following table and lists the scheduled rental rates starting out at \$27.26 per SF of building per year and increasing 4 % annually.

Contract Rental Rate Summary Domco, Inc. (Landlord) to Confidential (Tenant)			
Lease Year	Rent Begin Date	Base Term End	Base Rental Rate (\$/SF/Yr)
1	2/1/2013		\$27.26
2	2/1/2014		\$28.35
3	2/1/2015		\$29.48
4	2/1/2016		\$30.66
5	2/1/2017		\$31.89
6	2/1/2018		\$33.16
7	2/1/2019		\$34.49
8	2/1/2020		\$35.87
9	2/2/2021		\$37.30
10	2/1/2022	1/31/2023	\$38.79
11	2/1/2023	Renewal 1	\$40.35
12	2/1/2024		\$41.96
13	2/1/2025		\$43.64
14	2/1/2026		\$45.38
15	2/1/2027	Renewal 2	\$47.20
16	2/1/2028		\$49.09
17	2/1/2029		\$51.05
18	2/1/2030		\$53.09
19	2/1/2031		\$55.22
20	2/1/2032	1/31/2033	\$57.42
Notes:			
Base Rental Rate calculated with building area of 3,302 sf.			
Original lease (2/1/2013) identified the contract as a "triple net lease". June, 2016 lease amendment transferred roof maintenance to Landlord.			
Lease gives Tenant two (2) five-year renewal options.			
Lease is not assignable without Landlord's written permission.			
Lease contains eminent domain clause.			
Tenant assigned/pledged Shark Lounge liquor license to Landlord.			
Lease was contingent upon the closing of the business transaction involving the Premises (terms unknown).			
Tenant pays: Utilities, real property taxes, insurance premiums (building, personal property and liability), maintenance & repair of building exterior (incl. "parking lot" & excl. roof), maintenance and repair of the building's mechanical systems, pest control.			
Landlord pays: Responsible for maintaining and repairing roof.			

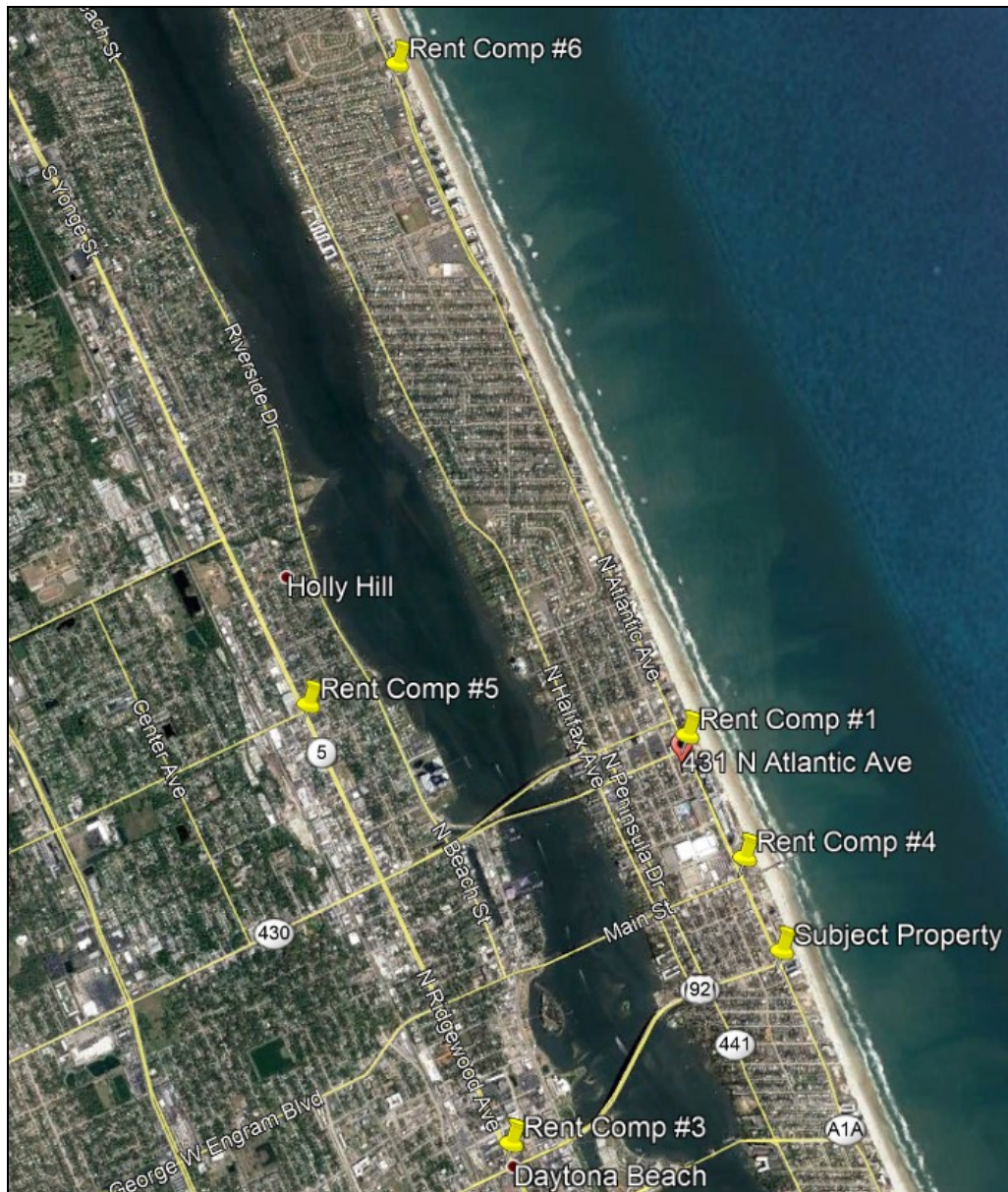
Market Rent Considerations

We have surveyed the current contract and asking rents of generally similar convenience and food/bar properties located in the subject's sub-market. The following table summarizes the subject's comparable lease properties.

Comparable	Rental Information	Notes/Description
Comparable Rent 1  	<p>Contract rent: \$24-\$25/SF NNN.</p> <p>Leased by 7-11 franchisee.</p> <p>Property leased as-is (fair condition) and Tenant paid for renovations costs (\$250,000 - \$109/SF Bldg).</p> <p>10 yr lease, rate fixed for 5 years then 10% increase.</p>	<ul style="list-style-type: none"> • 431 N Atlantic Ave, Daytona Beach– slightly inferior location. • On signalized intersection of N Atlantic and Oakridge. • Convenience store with no fuel equipment. • Built in 1976 • In need of upgrades at the time the property was leased. • 2,302 square foot building. • 8,572 square foot site • Limited on-site parking.
Comparable Rent 2  	<p>Asking rent of \$13/SF NNN</p>	<ul style="list-style-type: none"> • 2323 S Ridgewood Ave, South Daytona. • On signalized intersection of S Ridgewood and Ridge Blvd. • Built in 1962. • In good condition; ready for new occupancy. • 2,407 square foot building. • 28,800 square foot site. • Good on-site parking, canopy and fueling islands.
Comparable Rent 3  	<p>Asking rent of \$4,000/mo (\$12.93/SF) NNN</p>	<ul style="list-style-type: none"> • 102 N Ridgewood Ave, Daytona Beach. • Located on the signalized intersection of Ridgewood Ave and Mason Ave. • Built in 1990. • Condition – Average • 3,711 square feet total in 2 buildings. • 41,253 square foot site. • Good on-site parking, canopy and fueling islands.

<p>Comparable Rent 4</p>  	<p>Asking \$18/SF NNN (shell bar/restaurant space)</p>	<ul style="list-style-type: none"> • 901 Main St, Daytona Beach. • Located on the signalized intersection of Atlantic Ave and Main St. • Built in 2001. • Condition – Good (shell space requires build-out) • 12,144 square foot site. • 7,537 square foot second story. • 3,060 square feet of covered decks overlooking Main St. • Effectively no on-site parking.
<p>Comparable Rent 5</p>  	<p>Asking \$11/SF NNN</p>	<ul style="list-style-type: none"> • 538 Ridgewood Ave, Daytona Beach. • Inferior general location; mid-block parcel. • Built in 1968. • Condition – Fair – in need of interior renovations. • 9,000 square foot site. • 2,640 square foot building. • On-site parking. No canopies, no fuel islands.
<p>Comparable Rent 6</p>  	<p>Contract rate of \$14-\$15/SF NNN.</p> <p>Building interior in poor condition at lease commencement. Tenant paid renovation expenses of \$150,000 (\$63.56/SF).</p>	<ul style="list-style-type: none"> • 746 S. Atlantic, Ormond Beach. • Located on non-signalized intersection with secondary road. • Restaurant design; needed interior refinishing; no commercial kitchen equipment. • Built in 1954 and renovated. • Condition – Fair to Poor at time of lease. • 2,360 square foot building. • 14,850 square foot site. • Good on-site parking.

Comparable Rental Property Location Map



Market Rent Estimate

The comparable convenience store properties provide a range of market rental rate indications. The most direct indication of the market rent potential of the 300 S. Atlantic Ave. building is the lease involving 431 S. Atlantic Ave. (Comparable Rent 1). The comparable property is located on a key, signalized intersection. The property is located across the street from the Protogroup Daytona Beach and Convention Hotel construction site. Overall, the comparable property's location is superior to the subject's due the Protogroup project's influence.

The balance of the surveyed properties generally has inferior locations as compared to the subject. The surveyed properties include not only convenience stores but also food/bar properties. These additional properties and their market rent indications provide the basis for the low end of prevailing market rents in the subject's competitive market.

Based on the available market data, we estimate the market rent of the 300 S. Atlantic Ave portion of the property to be **\$18 per square foot of building area per year (\$18/SF)** on a **triple-net basis**

(NNN). This rate estimate presumes the subject building's roof is fully repaired or replaced, as needed. The comparable rentals show that tenants are commonly bearing the expense of any desired interior build-out, so the market rent estimate is for the subject building, with the roof repaired/replaced and all other features of the building in "as is" condition. The rental rate is increased annually 1% and is intended as an average rate increase rate over typical lease durations that include defined escalation schedules.

The limited amount of comparable rental data relating to bars like that at 730 E. ISB makes a comparison of the property's contract rental rate and any prevailing "market rent" difficult. The subject's current contract rent at **\$33.16/SF NNN** appears to be well above the market rent indications. The purpose of the appraisal is to develop a value estimate for the subject leased fee interests created by the **current lease contract**. As such, the subject's (730 E. ISB) contract rents are included in the development of this income approach, including the 4% annual rate escalation over the remaining term of the lease and two renewal periods.

Vacancy and Collection Loss

Investors typically build into their purchase considerations a margin for risks of future vacancies and possible collection losses. The 300 S. Atlantic Ave. building is currently vacant and not ready for occupancy. The repairs of the building will likely take months to permit and accomplish the repair project. Typical investor behavior warrants the inclusion of a vacancy and collection loss factor in the income capitalization approach.

A **2.5% total vacancy and collection loss** estimate is incorporated into this appraisal's income analysis. The vacancy and collection loss estimate is an overall average and not an attempt to predict occupancy for specific time frames. This lower vacancy and collection loss does take into consideration that the subject's 730 E. ISB building is under a long term lease with no assumed vacancy and collection losses during the projected holding period.

Ancillary Income

No ancillary or other income is included in this analysis.

Expenses

Typical operating expenses for commercial properties include real estate taxes, utilities, professional and legal fees, insurance premiums, repairs, replacements and labor, pest control and management fees. Replacement reserves are sometimes an appropriate deduction in order to reflect the incremental costs of inevitable replacements.

Our valuation approach incorporates a "triple net" (NNN) lease structure under which tenants commonly reimburse the landlord for the operating expenses of real estate taxes, insurance premiums, grounds and building maintenance costs and other expenses. The reimbursements are commonly paid by the tenant as "additional rent" equating to a prorated portion of the subject property's operating expenses.

The subject's (730 E. ISB) current lease terms do not require the tenant to reimburse the landlord for operating expenses. Rather, the tenant is obligated to pay certain property expenses directly. The current lease requires the tenant to pay directly:

- Utilities,
- Real property taxes,
- Hazard and liability insurance premiums,
- Repair and maintenance of the building's exterior (except the roof),
- Repair and maintenance of the building's interior finishes,
- Repair and maintenance of the building's mechanical systems,
- Ground maintenance,
- Pest control fees.

Expenses the landlord pays under the current lease include professional and legal fees, management fees and leasing commissions. Management fees are estimated at 1% of Effective Gross Income. This management rate selection recognizes that typically owners of small commercial properties such as the subject do not hire management firms, but rather perform "management" activities themselves and are unpaid.

No replacement reserve is included in this analysis. Interviews of market participants indicates that investors in small commercial properties such as the subject typically do not maintain replacement reserves and do not consider replacement costs in their cash flow analyses. A leasing commission expense is included in the analysis and is intended to cover an average annual commission expense for the subject's 300 S. Atlantic Ave. presumed future lease only. There are no known outstanding leasing commission payments due in relation to the lease of 730 E. ISB.

The following spreadsheet summarizes the expense estimates utilized in the development of this income capitalization valuation approach.

Net Operating Income

Based on the preceding estimates of future rental income, vacancy and collection losses and operating expenses, net operating income (NOI) estimates are forecasted and summarized at the end of this report section.

Capitalization Rate

A recent survey published as *RealtyRates.com Investor Survey – 1st Quarter 2018*, surveyed investors concerning capitalization rates for retail and restaurant properties. The reported rates ranged from 9.19% to 11.42% with an average of 10.3%. *RealtyRates.com* publishes rates from national surveys.

A capitalization rate indication from the band-of-investment method of rate estimation is also considered in this analysis. The method mathematically segregates the mortgage and equity components of an investment to provide an overall capitalization rate indication. A capitalization rate indication of **10%** is produced by the band-of-investment method utilizing the following debt and equity components:

- 70% loan-to-value mortgage amount
- 5% mortgage interest and 20-year amortization period (monthly principal and interest payments)
- 30% equity contribution
- 15% equity dividend rate.

The capitalization rate indication above relates to current market conditions and a capitalization rate that could be applied to current or near-term future income. However, in the application of a terminal cap rate (at the end of the 15-year study period) a margin is typically applied to the overall capitalization rate to reflect the risks and uncertainties of future income flows. In the subject's valuation, the terminal capitalization rate is being applied to forecasted income 15 years in the future.

An additional consideration in the selection of a terminal capitalization rate for the subject, the subject's (730 E. ISB) contract rent appears above prevailing market rents (for the real estate only). Therefore, it is reasonable to conclude there is an additional risk of the tenant's possible default caused by above-market rents.

Considering the subject's overall characteristics, a terminal capitalization rate of **11.5%** is applied to convert the subject's estimated Year 16 net operating income into a future sale price (reversion).

Discount Rate

The selection of an appropriate discount rate must be based on expected yields for similar properties, refined by the risk of investment in the subject property versus the risks and returns from alternative investments such as bonds or similar securities in conjunction with current loan rates and payment requirements.

Per *RealtyRates.com Investor Survey – 1st Quarter 2018* discount rates for acquisitions of retail properties ranged from 5.56% to 14.68% with an average of 10.69%. and for restaurant properties discount rates ranged from 6.13% to 16.72% with an average of 12.54%.

Considering the subject property and the information shown above, a discount rate of **10%** is used in our analysis.

Income Approach Summary – Discounted Cash Flow Analysis

The discounted cash flow valuation approach is summarized on the following page. The approach considers the subject's contract rents (730 E. ISB) and market rents (300 S. Atlantic) and includes the costs to complete the build-out required by the building. The discounted cash flow analysis for subject is shown on the following page.

DISCOUNTED CASH FLOW ANALYSIS																	
Analysis Year:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
730 East International Speedway Blvd (SF):	3,302					Renewal 1					Renewal 2						
Average Rental Rate/SF (NNN) Base Rent - Contract Rate :	\$33.16	\$34.49	\$35.87	\$37.30	\$38.79	\$40.34	\$41.96	\$43.64	\$45.38	\$47.20	\$49.08	\$51.05	\$53.09	\$55.21	\$57.42	\$59.72	
Additional Rents :	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
300 South Atlantic Ave (SF):	1,980																
Average Rental Rate/SF (NNN) Base Rent - Market Rate :	\$18.00	\$18.18	\$18.36	\$18.55	\$18.73	\$18.92	\$19.11	\$19.30	\$19.49	\$19.69	\$19.88	\$20.08	\$20.28	\$20.49	\$20.69	\$20.90	
Additional Rents :	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Total Potential Rental Income	\$ 145,134	\$ 149,870	\$ 154,785	\$ 159,886	\$ 165,180	\$ 170,675	\$ 176,378	\$ 182,298	\$ 188,444	\$ 194,824	\$ 201,447	\$ 208,324	\$ 215,464	\$ 222,878	\$ 230,576	\$ 238,570	
Total Additional Rent:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Projected Gross Revenue	\$ 145,134	\$ 149,870	\$ 154,785	\$ 159,886	\$ 165,180	\$ 170,675	\$ 176,378	\$ 182,298	\$ 188,444	\$ 194,824	\$ 201,447	\$ 208,324	\$ 215,464	\$ 222,878	\$ 230,576	\$ 238,570	
Less: Vacancy & Collection Allowance 2.5%	\$ (3,628)	\$ (3,747)	\$ (3,870)	\$ (3,997)	\$ (4,129)	\$ (4,267)	\$ (4,409)	\$ (4,557)	\$ (4,711)	\$ (4,871)	\$ (5,036)	\$ (5,208)	\$ (5,387)	\$ (5,572)	\$ (5,764)	\$ (5,964)	
Effective Gross Revenue	\$ 141,506	\$ 146,124	\$ 150,916	\$ 155,889	\$ 161,050	\$ 166,408	\$ 171,968	\$ 177,741	\$ 183,732	\$ 189,953	\$ 196,411	\$ 203,116	\$ 210,077	\$ 217,306	\$ 224,812	\$ 232,606	
Less: Operating Expenses*																	
Real Estate Taxes**	\$ 441	\$ 454	\$ 468	\$ 482	\$ 496	\$ 511	\$ 527	\$ 542	\$ 559	\$ 575	\$ 593	\$ 610	\$ 629	\$ 648	\$ 667	\$ 687	
Utilities**	\$ 200	\$ 206	\$ 212	\$ 219	\$ 225	\$ 232	\$ 239	\$ 246	\$ 253	\$ 261	\$ 269	\$ 277	\$ 285	\$ 294	\$ 303	\$ 312	
Professional/Legal Fees	\$ 2,000	\$ 2,060	\$ 2,122	\$ 2,185	\$ 2,251	\$ 2,319	\$ 2,388	\$ 2,460	\$ 2,534	\$ 2,610	\$ 2,688	\$ 2,768	\$ 2,852	\$ 2,937	\$ 3,025	\$ 3,116	
Insurance**	\$ 100	\$ 103	\$ 106	\$ 109	\$ 113	\$ 116	\$ 119	\$ 123	\$ 127	\$ 130	\$ 134	\$ 138	\$ 143	\$ 147	\$ 151	\$ 156	
Landscaping/Lawn Care**	\$ 200	\$ 206	\$ 212	\$ 219	\$ 225	\$ 232	\$ 239	\$ 246	\$ 253	\$ 261	\$ 269	\$ 277	\$ 285	\$ 294	\$ 303	\$ 312	
Repairs & Maintenance***	\$ 500	\$ 515	\$ 530	\$ 546	\$ 563	\$ 580	\$ 597	\$ 615	\$ 633	\$ 652	\$ 672	\$ 692	\$ 713	\$ 734	\$ 756	\$ 779	
Janitorial & Pest Control**	\$ 100	\$ 103	\$ 106	\$ 109	\$ 113	\$ 116	\$ 119	\$ 123	\$ 127	\$ 130	\$ 134	\$ 138	\$ 143	\$ 147	\$ 151	\$ 156	
Management (% of EGR) 1.0%	\$ 1,415	\$ 1,461	\$ 1,509	\$ 1,559	\$ 1,611	\$ 1,664	\$ 1,720	\$ 1,777	\$ 1,837	\$ 1,900	\$ 1,964	\$ 2,031	\$ 2,101	\$ 2,173	\$ 2,248	\$ 2,326	
Repair & Build-Out (300 S Atl - \$/SF) \$65.00	\$ 128,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Reserves (\$/SF) \$0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Leasing Commissions (\$/SF - est.) \$0.10	\$ 198	\$ 204	\$ 210	\$ 216	\$ 223	\$ 230	\$ 236	\$ 244	\$ 251	\$ 258	\$ 266	\$ 274	\$ 282	\$ 291	\$ 299	\$ 308	
Total Expenses	\$ (133,854)	\$ (5,312)	\$ (5,476)	\$ (5,645)	\$ (5,819)	\$ (5,999)	\$ (6,184)	\$ (6,376)	\$ (6,574)	\$ (6,778)	\$ (6,989)	\$ (7,207)	\$ (7,432)	\$ (7,664)	\$ (7,904)	\$ (8,151)	
Operating Expenses/SF Total Bldg Area	\$ (25.34)	\$ (1.01)	\$ (1.04)	\$ (1.07)	\$ (1.10)	\$ (1.14)	\$ (1.17)	\$ (1.21)	\$ (1.24)	\$ (1.28)	\$ (1.32)	\$ (1.36)	\$ (1.41)	\$ (1.45)	\$ (1.50)	\$ (1.54)	
Net Operating Income	\$ 7,652	\$ 140,811	\$ 145,440	\$ 150,244	\$ 155,232	\$ 160,409	\$ 165,784	\$ 171,365	\$ 177,159	\$ 183,175	\$ 189,422	\$ 195,909	\$ 202,646	\$ 209,642	\$ 216,908	\$ 224,454	
Reversion - 16th yr. NOI capitalized at: 11.5%																	\$ 1,951,778
Less costs of sale 3.0%																	\$ (58,553)
Future value of the reversion																	\$ 1,893,225
Present Value Factor**** @ 10.0%	0.953	0.867	0.788	0.716	0.651	0.592	0.538	0.489	0.445	0.404	0.368	0.334	0.304	0.276	0.251	0.239	
Present Value of Periodic Cash Flow	\$ 7,296	\$ 122,053	\$ 114,605	\$ 107,628	\$ 101,091	\$ 94,966	\$ 89,226	\$ 83,845	\$ 78,800	\$ 74,069	\$ 69,632	\$ 65,469	\$ 61,564	\$ 57,900	\$ 54,460	\$ 453,223	
Net Present Value	\$1,635,826 ROUNDED TO \$1,650,000																

*Operating expenses increase annually 3%.

** Expense paid by Tenant except during estimated vacancy period.

***Landlord is responsible for roof repair & maintenance at 730 E ISB and structural repairs on both buildings.

**** PV Factor uses mid-year discounting for Years 1 thru 15, and the end of Year 15 for the PV of the reversion .

Reconciliation and Final Market Value Opinion

The process of reconciliation considers the relative strength and weaknesses of each of the valuation approaches developed. The quantity and quality of the market data available for each approach and the relevance of each valuation approach as it relates to typical market participant behavior is considered in the final reconciliation.

For this appraisal assignment, two valuation approaches are developed. The value indications of those approaches are set out below.

Value Indications

Cost Approach	Not Developed
Sales Comparison Approach	\$1,150,000
Income Approach	\$1,650,000

Cost Approach

The Cost Approach is not a reliable or relevant valuation method for the subject and was not developed in this appraisal assignment.

Sales Comparison Approach

The sales comparison approach is based on the principle of substitution that states that an informed purchaser would pay no more for a property than the cost of acquiring a substitute property with the same utility. The methods and analysis of the valuation method are consistent with the considerations of market participants (buyers and sellers).

In the development of this appraisal there were not available recent sales of properties that have all the qualities of the subject. As an alternative, a broad range of property sales and listings were considering involving properties that shared some of the subject's key characteristics. The lack of directly comparable properties and the diversity of the sale/listing sets considered is a weakness in this valuation approach.

The approach, as initially developed, does not include adjustments for the lease terms and above-market rental rates required by the current lease of 730 E. ISB. The value indication from the approach, as developed, provides an indication of the likely market value of the subject real estate only and leased at prevailing market rates and terms.

The market value indications from the sales comparison approach are given secondary consideration in the final market value conclusion for the subject's leased fee interests.

Income Capitalization Approach

The methods and analysis in the income capitalization valuation method are consistent with the key considerations of buyers and sellers of this class of income-producing real estate. The approach utilizes market rent estimates, occupancy level estimates and projected operating expenses.

A 15-year discounted cash flow analysis is developed in this appraisal and utilizes the contract rental rates and terms contained within the current lease contract. The consideration of the subject's specific lease terms is a direct measurement of the leased fee interest's future benefits. This is a fundamental strength of this valuation approach in this assignment.

The differential between the value indications from the sales comparison approach and the income capitalization approach are directly attributable to the above-market rents scheduled in the current 730 E. ISB lease. The difference between the two market value indications is a result of the difference between market rents and the subject's elevated contract rents.

Final Value Opinion

Prior to concluding a final market value opinion for the subject leased fee interests, we also considered the pending contracts for purchase of the subject property with a combined price of \$1,725,000. The contract is reported to have been negotiated at arm's length and is a single-asset transaction. Both the buying and selling entities are prudent and knowledgeable participants in the local market and neither is acting under duress. The contract price is a direct indication of the market value of the subject leased fee interests.

Based upon the market data considered and the valuation approaches developed, the final reconciled value opinion for the subject's leased simple estate as-is, as of March 28, 2018 and subject to the General Assumptions and Limiting Conditions of this appraisal, and the stated Hypothetical Conditions, is:

ONE MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS

(\$1,650,000)

This report is prepared for the benefit of The City of Daytona Beach and is based, in part, upon documents, writings, and information owned and possessed by The City of Daytona Beach. This report is provided for informational purposes only to third parties authorized to receive it. The appraiser-client relationship is with The City of Daytona Beach as the client. This report should not be used for any purpose other than to understand the information available to The City of Daytona Beach concerning this property. The City of Daytona Beach, and the appraisers, assume no responsibility if this report is used in any other manner.

Extraordinary Assumptions: None.

Hypothetical Conditions:

- The two adjoining ownerships/tax parcels (730 E. International Speedway Blvd. and 300 S. Atlantic Ave.) are appraised as a single asset. This hypothetical condition is reasonable as the two ownerships/tax parcels are owned by separate entities controlled by the same individuals.
- Automobile gasoline sales and underground storage formerly occurred on a portion of the subject property (300 S. Atlantic Ave.). The property's history, contamination and current status of ongoing groundwater remediation actions are documented by the Florida Department of Environmental Protection (Facility Name "FINA #6677", Site Id FLG914092). At your direction, the subject property has been appraised with the hypothetical condition that the remediation process is complete and successful and that the subject property is free of any environmental contaminations.

Only those Extraordinary Assumptions and Hypothetical Conditions necessary for the development of the appraisal for its Intended Use are used. Nonetheless, the use of Extraordinary Assumptions and/or Hypothetical Conditions might have affected the assignment results.

Addenda

- Survey Copies
- Appraisal Engagement Letter
- Appraiser Qualifications

BOUNDARY SURVEY
Sheet 1 of 2

East International (Broadway Record) 80' R/W record
Speedway Boulevard
2.6' Concrete Curb
Asphalt Width Varies
Back of Walk P.I.
Apparent Block Corner

N 65°00'00"E 308.38
308.06' +/- Plat

N 65°02'05"E 40.39'

N 64°58'40"E 70.00
70' Description

Set Mag Nail & Disk LB #6877

Concrete Curb

S 32°29'28"E 111.16

50.0' Plat

Adjoiner's 2 Story Masonry Building

1.0'

1.0'

85.1'

N 32°31'00"W 116.14

1 Story Masonry Building Business #730

Proposed Column facade 0'6"x 2'4" typical

Bldg on line

Bldg on line

Adjoiner's Frame Shed

28.6'

10.4'

Shed on line

on line

40.0' on line

0.2' Ely

2.4' Rec. X Cut

2.2' 0.4' Sly

0.2' Ely

Concrete

Asphalt

2.2'

2.5'

40' Description

S 57°57'16"W 40.00

Masonry Wall

0.2' Nly

0.1' Ely

Frame Shed

10.2'

12.2'

Rec. 1/2" R&C RLS #4006

Rec. Nail & Disc RLS #4006

Bldg on line

10.3'

1.0'

1.0'

85.1'

10.4'

Shed on line

on line

40.0' on line

0.2' Ely

2.4' Rec. X Cut

2.2' 0.4' Sly

0.2' Ely

Concrete

Asphalt

2.2'

2.5'

40' Description

S 57°57'16"W 40.00

Masonry Wall

0.2' Nly

0.1' Ely

Frame Shed

10.2'

12.2'

Rec. 1/2" R&C RLS #4006

Rec. Nail & Disc RLS #4006

Bldg on line

10.3'

1.0'

1.0'

85.1'

10.4'

Shed on line

on line

40.0' on line

0.2' Ely

2.4' Rec. X Cut

2.2' 0.4' Sly

0.2' Ely

Concrete

Asphalt

2.2'

2.5'

40' Description

S 57°57'16"W 40.00

Masonry Wall

0.2' Nly

0.1' Ely

Frame Shed

10.2'

12.2'

Rec. 1/2" R&C RLS #4006

Rec. Nail & Disc RLS #4006

Bldg on line

10.3'

1.0'

1.0'

85.1'

10.4'

Shed on line

on line

40.0' on line

0.2' Ely

2.4' Rec. X Cut

2.2' 0.4' Sly

0.2' Ely

Concrete

Asphalt

2.2'

2.5'

40' Description

S 57°57'16"W 40.00

Masonry Wall

0.2' Nly

0.1' Ely

Frame Shed

10.2'

12.2'

Rec. 1/2" R&C RLS #4006

Rec. Nail & Disc RLS #4006

Bldg on line

10.3'

1.0'

1.0'

85.1'

10.4'

Shed on line

on line

40.0' on line

0.2' Ely

2.4' Rec. X Cut

2.2' 0.4' Sly

0.2' Ely

Concrete

Asphalt

2.2'

2.5'

40' Description

S 57°57'16"W 40.00

Masonry Wall

0.2' Nly

0.1' Ely

Frame Shed

10.2'

12.2'

Rec. 1/2" R&C RLS #4006

Rec. Nail & Disc RLS #4006

Bldg on line

10.3'

1.0'

1.0'

85.1'

10.4'

Shed on line

on line

40.0' on line

0.2' Ely

2.4' Rec. X Cut

2.2' 0.4' Sly

0.2' Ely

Concrete

Asphalt

2.2'

2.5'

40' Description

S 57°57'16"W 40.00

Masonry Wall

0.2' Nly

0.1' Ely

Frame Shed

10.2'

12.2'

Rec. 1/2" R&C RLS #4006

Rec. Nail & Disc RLS #4006

Bldg on line

10.3'

1.0'

1.0'

85.1'

10.4'

Shed on line

on line

40.0' on line

0.2' Ely

2.4' Rec. X Cut

2.2' 0.4' Sly

0.2' Ely

Concrete

Asphalt

2.2'

2.5'

40' Description

S 57°57'16"W 40.00

Masonry Wall

0.2' Nly

0.1' Ely

Frame Shed

10.2'

12.2'

Rec. 1/2" R&C RLS #4006

Rec. Nail & Disc RLS #4006

Bldg on line

10.3'

1.0'

1.0'

85.1'

10.4'

Shed on line

on line

40.0' on line

0.2' Ely

2.4' Rec. X Cut

2.2' 0.4' Sly

0.2' Ely

Concrete

Asphalt

2.2'

2.5'

40' Description

S 57°57'16"W 40.00

Masonry Wall

0.2' Nly

0.1' Ely

Frame Shed

10.2'

12.2'

Rec. 1/2" R&C RLS #4006

Rec. Nail & Disc RLS #4006

Bldg on line

10.3'

1.0'

1.0'

85.1'

10.4'

Shed on line

on line

40.0' on line

0.2' Ely

2.4' Rec. X Cut

2.2' 0.4' Sly

0.2' Ely

Concrete

Asphalt

2.2'

2.5'

40' Description

S 57°57'16"W 40.00

Masonry Wall

0.2' Nly

0.1' Ely

Frame Shed

10.2'

12.2'

Rec. 1/2" R&C RLS #4006

Rec. Nail & Disc RLS #4006

Bldg on line

10.3'

1.0'

1.0'

85.1'

10.4'

Shed on line

on line

40.0' on line

0.2' Ely

2.4' Rec. X Cut

2.2' 0.4' Sly

0.2' Ely

Concrete

Asphalt

2.2'

2.5'

40' Description

S 57°57'16"W 40.00

Masonry Wall

0.2' Nly

0.1' Ely

Frame Shed

10.2'

12.2'

Rec. 1/2" R&C RLS #4006

Rec. Nail & Disc RLS #4006

Bldg on line

10.3'

1.0'

1.0'

85.1'

10.4'

Shed on line

on line

40.0' on line

0.2' Ely

2.4' Rec. X Cut

2.2' 0.4' Sly

0.2' Ely

Concrete

Asphalt

2.2'

2.5'

40' Description

S 57°57'16"W 40.00

Masonry Wall

0.2' Nly

0.1' Ely

Frame Shed

10.2'

12.2'

Rec. 1/2" R&C RLS #4006

Rec. Nail & Disc RLS #4006

Bldg on line

10.3'

1.0'

1.0'

85.1'

10.4'

Shed on line

on line

40.0' on line

0.2' Ely

2.4' Rec. X Cut

2.2' 0.4' Sly

0.2' Ely

Concrete

Asphalt

2.2'

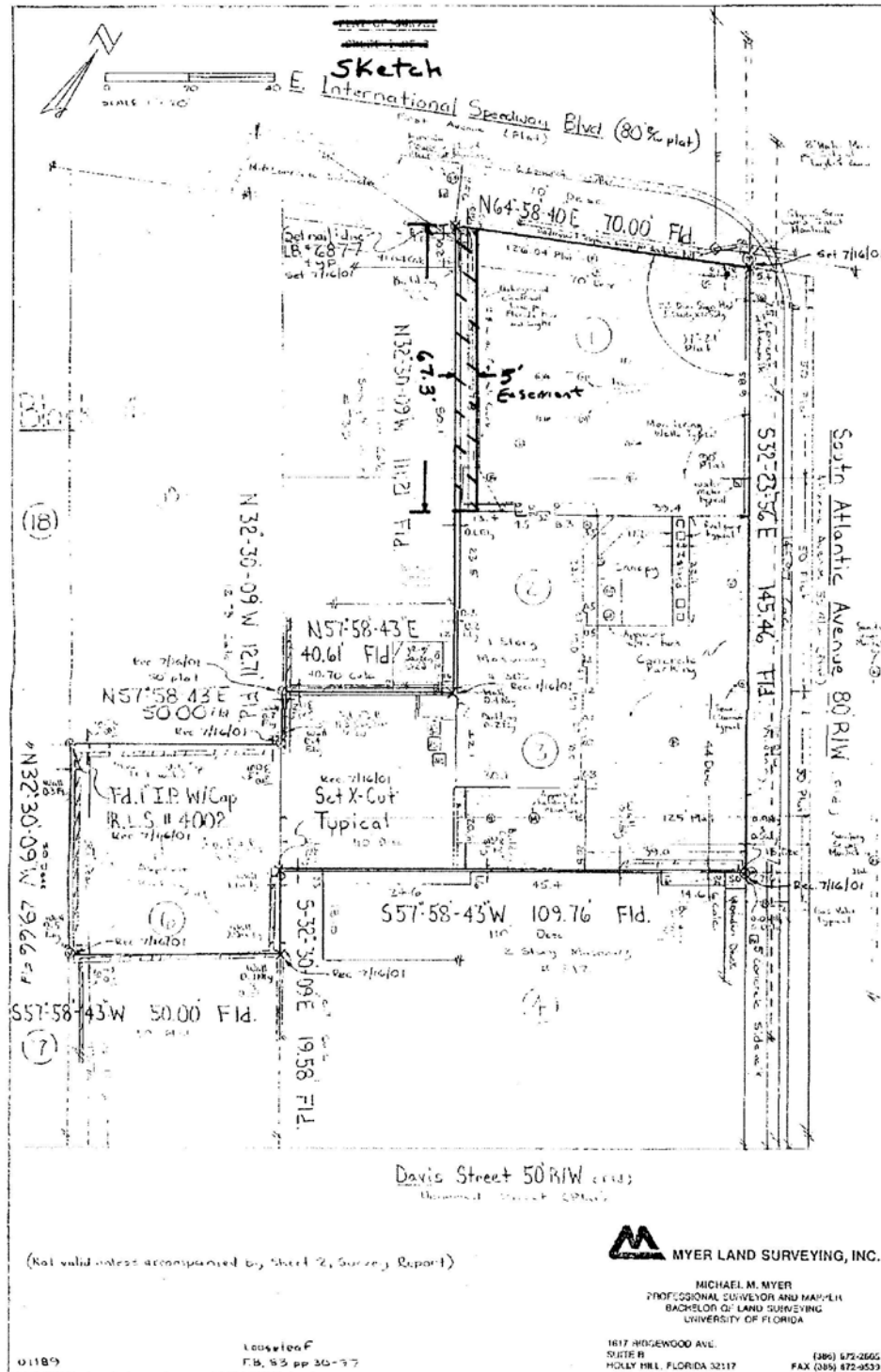
2.5'

40' Description

S 57°57'16"W 40.00

Masonry Wall

0.2' Nly



VELIE APPRAISAL SERVICES

CARL P. VELIE
carlvelie@velieappraisal.com

555 W. Granada Boulevard, Suite G8
Ormond Beach, Florida 32176

REAL ESTATE APPRAISER

Business: (386) 274-4280

March 21, 2018

Mr. Reed Berger, AICP
Redevelopment Director
City of Daytona Beach
P.O. Box 2451
Daytona Beach, Florida 32115

VIA E-MAIL
bergerr@codb.us

Re: Time and Fee proposal to appraise the fair market value of
300 S. Atlantic Ave & 730 E. International Speedway Blvd.,
Daytona Beach, FL.

Dear Mr. Berger:

I appreciate the opportunity to provide the City with a fee and time proposal to appraise the above referenced parcels, further identified as tax parcel numbers 09153309040030 & 09153309040011. It is my understanding that the purpose of the appraisal is to estimate the fair market value of both tax parcels as a single value within one report. My proposal is to prepare an "Appraisal Report" as identified in Standards Rule 2-2 of 2018-2019 USPAP. It is my understanding that the scope of this assignment includes valuing the real estate but does not include the valuation of any going concern or business value nor does it include any personal property associated with either property. It is my understanding that the City will assist the appraiser in obtaining any information including but not limited to income and expense data.

I anticipate this assignment can be completed within 3 weeks from receipt of written notice to proceed as long as we are able to obtain access and income/expense information on the properties within 14 days of the notice to proceed. A request for this information will be made within the first 3 days of receiving the NTP. The fee for preparing this appraisal will be \$2,500. Deliverables include the written report transmitted via email in PDF format. Bound printed copies provided at a cost of \$40 per copy

Please be advised that all appraisals produced by Velie Appraisal Services, including this assignment, are completed

State-Certified General Real Estate Appraiser
Carl P. Velie RZ502

based on the Assumptions and Limiting Conditions attached hereto. Written notice to proceed can be either in the form of execution of the attached Acknowledgment and/or a Purchase Order from the City. In either instance, the City of Daytona Beach acknowledges and accepts the conditions and terms of this assignment as outlined in this letter. If you have any questions regarding this proposal, please feel free to contact me at your convenience.

Our preliminary research has revealed that the property located at the southwest corner of SR A1A & International Speedway Boulevard (300 S. Atlantic Ave) is a former gas station. The above fee and time proposal is based on the assumption that the property is "clean" of any surface or subsurface environmentally hazardous materials that would adversely affect its marketability/market value.

Again, I sincerely appreciate the opportunity to provide appraisal services to the City of Daytona Beach and look forward to hearing from you in the near future.

Sincerely,



Carl P. Velie

Z:\VAS\WP\PROPOSAL\DAYTONA BEACH\DB_A1A-1SB_FEE_PROPOS.DOC

State-Certified General Real Estate Appraiser
Carl P. Velie RZ502

UNDERLYING ASSUMPTIONS & CONTINGENT CONDITIONS

The value indication developed in the appraisal report is only an indication. It is/was developed through the various approaches to value to give weight to those factors which, when properly analyzed, enable the appraiser to reach a value conclusion. The indication of value is not to be used in making a summation appraisal by combination of values created by another appraiser, and such values are invalid if so used. The current purchasing power of the dollar is the basis for the value reported unless otherwise indicated.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, unbiased, professional analyses, opinions, and conclusions. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

The distribution of the total valuation as between land and improvements applies (if applicable) only under the existing program of utilization. The separate value estimates for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.

Except where noted otherwise in the appraisal report, the appraiser assumes there are no hidden conditions of the property, subsoil, or structures which would render it more or less valuable than an otherwise apparently comparable property.

No responsibility is assumed by the appraiser for matters which are legal in nature, nor is any opinion of title rendered herewith. This appraisal assumes good title, and the legal description(s) used herein is (are) assumed to be correct.

Any liens or encumbrances, except those noted in this appraisal report, are disregarded, and the property has been appraised as though free and clear of such limitations.

Responsible ownership and competent management are assumed in the appraisal of this property.

The plot plans, site plans, and related sketches included in this report are included merely to assist the reader in visualizing the property and are not to be construed as being actual surveys unless otherwise noted as surveys. These plot plans, site plans, and related sketches are included for informational purposes only, and should not be relied on in lieu of survey or similar data.

Certain data used in compiling this report was furnished from sources considered reliable; however, no guarantee is made for the correctness of such data, although the data has been reasonably checked and is believed to be correct.

This appraisal report has been prepared for the exclusive benefit of the City of Daytona Beach to be used without restriction or limitation. Any party who uses or relies upon any information in this report, without the preparer's or client's consent, does so at their own risk.

The appraiser herein, by reason of this appraisal, shall not be required to give testimony or attendance in court or at any governmental hearing with reference to the property in question, unless previous arrangements have been made therefor.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without prior written consent and approval of the appraiser.


HAZARDOUS SUBSTANCES ASSUMPTION

The appraiser does not have the required expertise for determining the presence or absence of hazardous substances, defined as all hazardous or toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, petroleum products, or other raw materials or chemicals) used in construction, or otherwise present on the property. The appraiser has not engaged subconsultant environmentalists to perform a survey of the subject property appraised in this assignment. The appraiser has assumed no hazardous substances impact this site.

One of the tax parcels being appraised is a former gas station. For the purpose of this assignment this site will be assumed to be "clean" unless informed otherwise by the City.

ACKNOWLEDGMENT

The undersigned agrees to retain Velie Appraisal Services to prepare an appraisal of 300 S. Atlantic Ave & 730 E. International Speedway Blvd., Daytona Beach, Florida under the attached stated terms and conditions. The fee for this "Appraisal Report" will be **\$2,500** to be delivered to the client in PDF format via email within 21 days of notice to proceed as long as we are able to obtain the necessary access and income/expense information on the properties within 14 days of notice to proceed.


Authorized signature
City of Daytona Beach

3/23/18
Date

State-Certified General Real Estate Appraiser
Carl P. Velie R/302

QUALIFICATIONS OF THE APPRAISER

CARL P. VELIE

PROFESSIONAL AFFILIATIONS:

- State-Certified General Real Estate Appraiser, RZ502
- Registered Real Estate Broker - REALTOR

Chapter Offices

- Appraisal Institute East Florida Chapter President, 2000
- Appraisal Institute East Florida Chapter President-Elect, 1999
- Appraisal Institute East Florida Chapter Vice President, 1998
- Appraisal Institute East Florida Chapter Treasurer, 1997
- Appr Inst E Fla Chapter Board of Directors Member, 1994-1999
- Chairman of Appr Inst Daytona Beach Sub-Chapter, 1994
- President of SREA Chapter 168, 1985-1986

National/Regional Offices

- Appr Inst Member of National Board of Directors, 2008, 2009 & 2010
- Appr Inst Region X Board of Directors; Chair, 2009 & 2010
- Appr Inst Region X Board of Directors; Vice Chair, 2008
- Appr Inst Region X Board of Directors; Treasurer, 2007
- Appr Inst Admissions & Designations Quals Committee, 2004 & 2005
- Appr Inst International Designations Project Team, 2001
- Appr Inst 717 Project Team (Qualifying Education), 2003
- Appr Inst Residential Admission Project Team (RAPT), 2003-2005
- Appr Inst Curriculum Subcommittee, 2003 & 2004
- Appr Inst Region X Representative the National Residential Council (RC), 2002, 2003 & 2004
- Appr Inst Chair of National Residential Admissions Committee, 2002, 2003 & 2004
- Appr Inst Region X Representative to the National Residential Admissions Sub-Committee, 1997-2004
- Appr Inst Region X Representative to the National Residential Candidate Guidance Sub-Committee, 1990-1996

EDUCATION:

- Bachelor of Science, Florida State University, Aug 1976
Major: Real Estate
- Successful completion of the following SREA & AIREA Courses
- Course 101 - An Introduction to Appraising Real Estate Property, May 1975, Tallahassee, Fla
- Course 201 - Income Property Valuation, Mar 1978, Orlando, Fla
- Course 1-B, Capitalization Theory and Techniques, July 1978, Tulane University, New Orleans, La
- Course VIII, Single Family Residential Appraisal, Apr 1979, Orlando, Fla
- Course II, Urban Properties, June 1979, Southern Methodist University, Dallas, Tx
- Litigation Valuation, Oct 1981, Tallahassee, Fla
- Appraising Under Eminent Domain, Federal Highway Admin, Fall 1982, Bartow, Fla
- Standards of Professional Practice, Gainesville, Fla, Feb 1989
- Challenged and successfully completed AIREA Course 1A-1, Real Estate Appraisal Principles, Jacksonville, Fla, Mar 1989
- Challenged and successfully completed AIREA Course 1A-2; Basic

- Valuation Procedures, Jacksonville, Fla, Mar 1989
- Challenged and successfully completed AIREA Course 1B-A; Capitalization, Theory and Techniques Part A, Jacksonville, Fla, Mar 1989
 - Rates, Ratios and Reasonableness Seminar, Appraisal Institute, Orlando, Fla, May 1996
 - Nursing Home Valuation Seminar, Appraisal Institute, Orlando, Fla, Aug 1996
 - Florida Condemnation Valuation and Appraiser Liability Seminar, Appraisal Institute, Orlando, Fla, May 1997
 - New Industrial Valuation Seminar, Appraisal Institute, Orlando, Fla, Nov 1997
 - Small Hotel/Motel Valuation Seminar, Appraisal Institute, Orlando, Fla, Oct 1998
 - Case Studies Seminar, Appraisal Institute, Winter Park, Co, Jan 1999
 - Valuation of Local Retail Properties Seminar, Appraisal Institute, Daytona Beach, Fla, Sep 1999
 - Complex Cures Seminar, Appraisal Institute, Vail, Co, Jan 2000
 - Partial Interest Valuation - Divided, Appraisal Institute, Orlando, Fla, Sep 2000
 - Real Estate Fraud Seminar, Appraisal Institute, Orlando, Fla, Feb 2002
 - "Appraisers and the Gramm-Leach-Bliley Act" Seminar, Appraisal Institute, Tallahassee, Fla, May 2002
 - Analyzing Commercial Lease Clauses Seminar, Appraisal Institute, Orlando, Fla, Sep 2002
 - Internet Appraisal Research and the Florida Appraiser, Appraisal Institute, Altamonte Springs, Fla, May 2003
 - Appraising a Proposed Property, Appraisal Institute, Altamonte Springs, Fla, Feb 2004
 - On-line Course: Feasibility, Market Value, Investment Timing: Option Value, Appraisal Institute, Mar 2005
 - "2006 New Technology for the Real Estate Appraiser: Cool Tools" Seminar, Appraisal Institute, June 2006
 - "2006 Scope of Work & the New USPAP Requirements" Seminar, Appraisal Institute, June 2006
 - "What Clients Would Like Their Appraiser To Know" Seminar, Appraisal Institute, Orlando, FL, Nov 2006
 - Valuation of Wetlands Seminar, Appraisal Institute, Orlando, FL, Sept 2007
 - Forecasting Revenue, Appraisal Institute, Orlando, FL, Jan 2008
 - Advanced Appraisal Review, FDOT, Jacksonville, FL, April 2008
 - Stats & Graphs Seminar, Appraisal Institute, Orlando, FL, Feb 2009
 - Loss Prevention Seminar, Appraisal Institute, Maitland, FL, Jan 2011
 - Analyzing Tenant Credit Risk & Commercial Lease Analysis, Appraisal Institute, Maitland, FL, April 2011
 - The Discounted Cash Flow Model: Concepts, Issues & Applications, Appraisal Institute, Orlando, FL, November 2011
 - Trial Components: Recipe for Success, Appraisal Institute, Maitland, FL, August 2012
 - 7-Hour USPAP Update & 3-Hour Florida Law, Nov 1994, Sep 1998, Oct 2000, Nov 2002, Nov 2004, Oct 2006, Apr 2008, Jul 2010, Nov 2012, Aug 2014
 - Marketability Studies: 6-Step Process & Basic Applications,

- Appraisal Institute, Maitland, FL, November 2012
- Florida Real Estate Appraisal Laws & Rules, Cooke Real Estate School, August 2014
 - 2014-2015 7-Hour Equivalent USPAP Update Course, Cooke Real Estate School, August 2014
 - Methodology & Applications of Sales Comparison, Cooke Real Estate School, September 2014
 - Green in Residences & Appraisals, Cooke Real Estate School, September 2014
 - Appraisal Review of Residential Properties, Cooke Real Estate School, September 2014

TEACHING EXPERIENCE:

- State Certified Real Estate Appraiser Courses G3 and G4, Daytona Beach Community College, Spring 1991
- Candidate Guidance Training Seminar in Orlando, April 1993, April 1994 and September 1996

EXPERIENCE:

- Providing Cost Estimates & R/W Design Support for FDOT 5th District as an employee of URS-AECOM, Jan 2015 - Present
- President; Velie Appraisal Services, Inc., Jan 97-present
- Partner; Velie, Cowles & Lovelace, Aug 93-Dec 96
- Independent Real Estate Appraiser, Jan 91-Aug 93
- Southern Appraisal Corporation, Aug 85-Dec 90
- Foltz Appraisals, Inc. (GemAmerica Appraisal Svcs), Jun 93-Aug 85
- Review Appraiser, Fla Dept of Transportation, May 83-Jun 83
- Staff Appraiser, Fla Dept of Transportation, Jan 79-May 83
- Appraiser Trainee, Fla Dept of Transportation, Jan 77-Jan 79
- Testified as an expert witness regarding real estate values within: Brevard, Clay, Duval, Flagler, Lake, Marion, Orange, Osceola, Polk, Seminole, St. Johns & Volusia

PARTIAL LIST OF TYPES OF PROPERTIES APPRAISED:

Acreage	Office Buildings	Single-Family Res
Industrial Buildings	Subdivisions	Mini-Warehouses
Multi-family Dev	Churches	Right-of-way Takings
Oceanfront Condo Dev.	Litigation Valuation	Vacant Commercial Sites
Convenience stores/gas	Shopping Centers	Restaurants
Access/Drainage	Partial Interests	Nursing Homes
Easements	Wetlands	Skating Rinks
Power/Utility		

PARTIAL LIST OF CLIENTS:

Florida Department of
Transportation
County of Volusia
Volusia County School Board
City of Daytona Beach
City of Holly Hill
City of Port Orange
City of Daytona Beach Shores
County of Sumter
County of Seminole
Farm Credit of Central Florida
Intracoastal Bank
The Commercial Bank
Riverside National Bank
Florida Community Bank
Kimley-Horn Ocala
Kimley-Horn Orlando

Quentin L. Hampton & Assoc

Robert Riggio, Esq
Peter Heebner, Esq
Will Akers, III, Esq
John Upchurch, Esq
C.W. Wickersham, Esq
Clark Properties
Random Burnett, Esq
James Morris, Esq
DSC of Newark Enterprises, Inc.
J. Sam Owens, Esq
Gus Gornto, Esq
James Rose, Esq
Larry Stout, Esq
Edward Barfield

QUALIFICATIONS

Robert H. Lovelace, Jr., MAI, CCIM

PROFESSIONAL EXPERIENCE

- Sperry Van Ness Florida, then SVN | Alliance Commercial Real Estate Advisors, Ormond Beach, Florida. Senior Advisor/Broker Associate – January 2013 to present.
- Realty Capital, Orlando, Florida. Vice-President/Broker Associate – January 2008 to December 2012.
- Coldwell Banker Commercial Benchmark, Ormond Beach, Florida. Vice-President, Flagler-Volusia Division - April 2007 to December 2007.
- All Florida Realty Services, Inc., Port St. Lucie, Florida. Commercial Real Estate Division Manager - April 2004 to March 2007.
- Coastal Realty & Acquisition Services, Inc., Ormond Beach, Florida. Business Development Manager - August 2001 to April 2004.
- Ponce Appraisal & Consulting Services, Inc. (dba Ponce Agency), New Smyrna Beach, Florida. President January 1992 to April 2004.
- Security First Federal Savings and Loan Association, Daytona Beach, Florida. Vice President/Chief Appraiser - March 1989 to January 1992.
- The Real Estate Consortium, Winter Park, Florida. Staff Appraiser - October 1983 to March 1989.

COLLEGE EDUCATION

- Bachelor of Science Degree in Earth Sciences Education, University of Florida, Gainesville, Florida

PROFESSIONAL EDUCATION

- Financial Analysis for Commercial Investment Real Estate, Course CI 101, CCIM Institute
- Market Analysis for Commercial Investment Real Estate, Course CI 102, CCIM Institute
- User Decision Analysis for Commercial Investment Real Estate, Course 103, CCIM Institute
- Investment Analysis for Commercial Investment Real Estate, Course 104, CCIM Institute
- Advanced Applications, Appraisal Institute
- Appraising Troubled Properties Seminar, Appraisal Institute
- Easement Valuation Seminar, Appraisal Institute
- Appraisal Curriculum Overview – Residential, Appraisal Institute
- Appraisal Curriculum Overview – General, Appraisal Institute
- Business Practices and Ethics, Appraisal Institute
- MAI Experience Review Committee Training Seminar, Appraisal Institute - Standards of Professional Practice, Parts A & B, Exam SPPA & SPPB, Appraisal Institute
- Comprehensive Appraisal Workshop, Ted Whitmer, MAI
- Florida Department of Transportation Condemnation Appraisal, Florida Real Estate Commission
- Successful completion of a "Demonstration Appraisal Report" on an income-producing property under the requirements of the American Institute of Real Estate Appraisers (AIREA)
- Feasibility Analysis and Highest and Best Use, Non-Residential, Seminar, AIREA
- Discounted Cash Flow Analysis Seminar, AIREA
- Case Studies in Real Estate Valuation, Exam 2-1, AIREA
- Valuation Analysis and Report Writing, Exam 2-2, AIREA
- Standards of Professional Practice, Exam 2-3/8-3, AIREA
- Litigation Valuation, Exam 4, AIREA
- Cash Equivalency Seminar, AIREA
- Capitalization Theory and Techniques, Parts A & B, Exams 1A-A & 1B-B, AIREA
- Basic Valuation Procedures, Exam 1A-2, AIREA
- Real Estate Appraisal Principles, Exam 1A-1, AIREA
- Residential Valuation, Exam 8-2, AIREA
- Case Studies in Uniform Standards, Real Estate Education Specialists
- Introduction to Environmental Considerations For the Appraiser, McKissock
- Regression Analysis: The Appraisal Approach of the Future, McKissock Data
- Appraising 2-4 Family Residential Properties, McKissock Data Systems

PROFESSIONAL AFFILIATIONS

- Member Appraisal Institute (MAI), Appraisal Institute, Member No. 8921
- Certified Commercial Investment Member (CCIM) of the CCIM Institute, Member No. 10029
- Member Central Florida Commercial Association of Realtors (CFCAR)
- Past Member, Appraisal Institute's Regional Ethics and Counseling Panel
- Past Director & Chairman, Daytona Beach Sub-Chapter, Appraisal Institute
- Past Member, Education Committee, Daytona Beach Area Association of Realtors
- Past Chairman, Commercial Investment Division, Daytona Beach Area Association of Realtors

LICENSING AND CERTIFICATIONS

- State-Certified General Real Estate Appraiser, State of Florida, No. RZ 402
- Licensed Real Estate Broker, State of Florida, No. BK 0414973