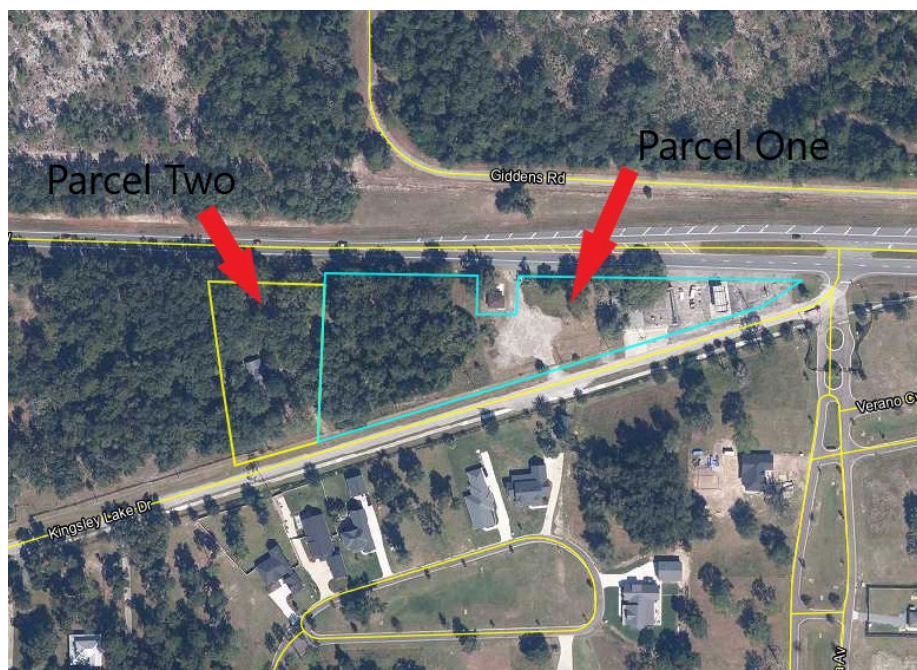


# MOODY WILLIAMS

## APPRAISAL GROUP

1300 Riverplace Boulevard, Suite 640  
Jacksonville, Florida 32207  
904-516-8900

# RESTRICTED APPRAISAL REPORT



Convenience Store with Gas and Improved Residential Parcel  
6023 & 6042 Kingsley Lake Drive  
Starke, Clay County, Florida 32091

Prepared For: Hilco Development, LLC  
C/O Juliane Brumbaugh  
C/O Robert Aguilar  
4244 County Road 218  
Middleburg, FL 32068



June 19, 2024

Hilco Development, LLC  
C/O Juliane Brumbaugh  
C/O Robert Aguilar  
4244 County Road 218  
Middleburg, FL 32068

RE: Convenience Store with Gas and Improved Residential Parcel  
6023 & 6042 Kingsley Lake Drive  
Starke, Clay County, Florida 32091

Appraisal Number: 2024-1517

Dear Ms. Brumbaugh:

As requested, the following is a **Restricted Appraisal Report** of the above-referenced property. The subject property is specifically described by both narrative and legal description contained within the attached *Restricted Appraisal Report*. Based on the restricted nature of the report, discussions of the data, reasoning, and analyses used in the appraisal process to develop the appraiser’s opinions are abbreviated.

Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser’s file. The information contained in this report is to only be used by the client for the intended use stated in this report. The appraiser is not responsible for any unauthorized use.

We developed our analysis, opinions and conclusion and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of our client as we understand them.

Based on the appraisal presented in the following report and subject to the assumptions and limiting conditions and definition of market value as set forth herein, our opinion of market value is as follows:

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is Market Value	Fee Simple	June 11, 2024	\$1,000,000

The value above is subject to definitions, assumptions and limiting conditions set forth in the accompanying report of which this summary is part. No party other than the client and intended users may use or rely on the information, opinions and conclusions contained in the report. It is assumed that the users of the report have read the entire report.



### **Extraordinary Assumptions & Hypothetical Conditions**

---

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

1. Our as is market value opinion is based on the assumption Parcel Two can be rezoned commercial consistent with Parcel 1.
2. Our as is market value opinion is based on the assumption that any contamination of the soil and buildings is limited to the findings included in a Phase I Environmental Site Assessment prepared by Matanzas Geosciences, Inc. and can be remediated during demolition of the existing structures and site improvements for the cost estimate provided within this appraisal.

The value conclusion is based on the following hypothetical conditions that may affect the assignment result. A Hypothetical Condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None

If you have questions or comments, please contact the undersigned. Thank you for the opportunity to provide appraisal services.

Respectfully submitted,

**MOODY WILLIAMS APPRAISAL GROUP, LLC**

A handwritten signature in blue ink that reads "J. Mark Williams".

J. Mark Williams, MAI, President  
State-Certified General  
Real Estate Appraiser RZ1501  
Phone 904.803.1106

A handwritten signature in blue ink that reads "Harley George Thomas Richard, Jr.".

"Harley" George Thomas Richard, Jr.  
State-Registered Trainee Appraiser RI25484



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## EXECUTIVE SUMMARY

Property Name	Former Strickland's Food Store with Gas & Improved Residential Parcel
Address	6023 & 6042 Kingsley Lake Drive Starke, Clay County, FL 32091
Property Type	Convenience store with Gas & Improved Residential Parcel
Owner of Record	Hilco Development, LLC
Tax ID Number	
Parcel One	15-06-23-021643-001-00
Parcel Two	16-06-23-021473-000-00
Gross Land Area	
Parcel One	2.223 Acres
Parcel Two	1.260 Acres
Total Gross Land Area	3.483 Acres
Total Usable Land Area	3.483 Acres
Future Land Use Category - Parcel One	COM (Commercial)
Future Land Use Category - Parcel Two	RR (Rural Residential)
Zoning Designation - Parcel One	BA (Neighborhood Business District)
Zoning Designation - Parcel Two	AR (Agricultural/Residential District)
Highest & Best Use - As If Vacant	Commercial Retail Development
Highest & Best Use - As Improved - Parcel One	Demolition of Existing Improvements for Retail Use
Highest & Best Use - As Improved - Parcel Two	Demolition of Existing Improvements for Retail Use
Exposure Time	Six to Twelve Months
Marketing Period	Six to Twelve Months
Date of Report	June 19, 2024

### Value Conclusion

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is Market Value	Fee Simple	June 11, 2024	\$1,000,000

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### Extraordinary Assumptions & Hypothetical Conditions

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

1. Our as is market value opinion is based on the assumption Parcel Two can be rezoned commercial consistent with Parcel 1.
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The value conclusion is based on the following hypothetical conditions that may affect the assignment result. A Hypothetical Condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None



## GENERAL OVERVIEW

### IDENTIFICATION OF REAL ESTATE

The subject of this appraisal is two parcels, Parcel One (15-06-23-021643-001-00) has a convenience store with gas containing 5,300± square feet of gross building area. Site improvements include two double sided fuel dispensers under a 900± SF canopy. Parcel One is located at the southwest corner of State Road 16 and Kingsley Lake Drive. The building and site improvements are situated on 2.22± acres. Parcel Two (16-06-23-021473-000-00) is a single-family residence property improved with a 1,395± SF, 3-bedroom, 2-bathroom single-family residence and related site improvements. Parcel Two is located on the north side of Kingsley Lake Drive, south of State Road 16, directly west of Parcel One. The building and site improvements are situated on 1.26± acres. Both improvements have been vacant for at least the past five years and are in minimal condition.

### LEGAL DESCRIPTION

The following legal description was taken from the subject's most recent deed.

#### PARCEL ONE

A parcel of land lying in the NW ¼ of Section 15, Township 6 South, Range 23 East, Clay County, Florida; said parcel being more particularly described as follows:

Commence at a concrete monument found at the NW corner of said Section 15 and run South 00°49'00" East, along the Westerly boundary thereof, 145.88 feet to an iron rod set on the Southerly boundary of the right of way of SR 16 for the Point of Beginning. From the Point of Beginning thus described, run South 88°41'00" East, along said Southerly boundary, 234.91 feet to a found iron pipe; thence South 1°22'24" West, 60.00 feet to a found iron pipe; thence South 88°41'00" East, parallel with said Southerly boundary, 60.00 feet to a found iron pipe; thence North 1°22'24" East, 60.00 feet to an iron pipe found on said Southerly boundary; thence South 88°41'00" East, along said Southerly boundary, 105.53 feet to a set iron rod; thence South 11°05'21" East, 128.79 feet to an iron rod set on the Northerly boundary of the right of way of CR 16-A, (formerly Road 48); thence South 72°50'51" West, along said Northerly boundary, 440.94 feet to an iron rod set on the Westerly boundary of said Section 15; thence North 00°49'00" West, along said Westerly boundary, 265.66 feet to the Point of Beginning.

#### PARCEL TWO

A parcel of land lying in the NW ¼ of Section 15, Township 6 South, Range 23 East, Clay County, Florida; said parcel being more particularly described as follows:

Commence at a concrete monument found at the NW corner of said Section 15 and run South 00°49'00" East, along the Westerly boundary thereof, 145.88 feet to an intersection with the Southerly boundary of the right of way of SR 16; thence South 88°41'00" East, along said Southerly boundary, 400.44 feet to a found iron rod for the Point of Beginning. From the Point of Beginning thus described, continue South 88°41'00" East, along said Southerly boundary, 203.32 feet to a set mag nail and disc; thence South 07°47'32" East, 64.53 feet to a mag nail and disc set on the Northerly boundary of the right of way of CR 16-A; thence South 72°50'51" West, along said Northerly boundary, 195.96 feet to a found iron rod; thence North 11°05'21" West, 128.79 feet to the Point of Beginning.



### **PROPERTY OWNER**

According to Clay County Property Appraiser records, the current subject owner is Hilco Development, LLC.

### **SALES HISTORY**

There has been no transactions for either subject parcels within the previous three years.

### **PENDING TRANSACTIONS**

The subject is not currently under contract or listed for sale.

### **SCOPE OF WORK**

The scope of work includes all steps taken in the development of the appraisal. These include:

1. The extent to which the subject property is identified.
2. The extent to which the subject property is inspected.
3. The type and extent of data researched.
4. The type and extent of analysis applied, and the type of appraisal report prepared. These items are discussed as follows:

In preparing this appraisal of the subject property, the appraisers:

- Gathered factual data on the subject property (zoning, land use, taxes, etc.).
- Reviewed documents the client and property contact provided.
- Inspected the subject property.
- Used sources such as the Clay County Property Appraiser's Office website, CoStar website, FEMA website, to identify subject info such as the address, site size, aerial maps, tax maps, flood maps, etc.
- Considered the highest and best use of the subject property "as vacant".
- Researched recent comparable land sales within the subject's general market area or similar competing areas in the subject's market area.
- Analyzed comparable market data, comparing them to the subject.
- Prepared Sales Comparison Approach to provide an opinion of market value.
- Prepared this *Restricted Appraisal Report*, which presents the significant data gathered during our investigation for this assignment, in addition to the analysis and conclusions reached as a result of the appraisal process.

In developing our opinion of market value, consideration was given to the subject's zoning, surrounding improvements, and development potential under the Clay County Comprehensive Plan. We also considered its location relating to commercial and residential growth within the subject's market area. Additional information obtained while completing this appraisal assignment is retained in the appraisal file and incorporated herein by reference.



### **SIGNIFICANT PROFESSIONAL ASSISTANCE**

It is acknowledged that “Harley” George Thomas Richard, Jr., State-Registered Trainee Appraiser RI25483 made a significant professional contribution to this appraisal, consisting of researching the subject and transactions involving comparable properties, participating in the property inspection, assisting in appraisal practices, and assisting in report writing under the supervision of J. Mark Williams, MAI, the trainee’s supervisory appraiser who signed this report.

### **APPRAISAL REPORT TYPE**

This is an Appraisal Report as described by the Uniform Standards of Professional Appraisal Practice (USPAP) under Standards Rule 2-2(b). Restricted Appraisal Reports have a use restriction to the client only.

### **CLIENT**

The client of this assignment is Hilco Development, LLC.

### **INTENDED USE**

The intended use of the appraisal is to establish an opinion of the as is market value of the above referenced property for internal review as well as for establishing a fair price for possible disposition.

### **INTENDED USER**

The intended user of this report is Hilco Development, LLC.

### **APPRAISAL REQUIREMENTS**

This appraisal and report are intended to conform to the requirements of the following:

- Uniform Standards of Professional Appraisal Practice (USPAP);
- Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

### **INSPECTION**

We inspected the subject property on June 11, 2024. The inspection included visual observation of site conditions, including access, visible easements or encroachments, site layout and utility, and on and off-site improvements affecting the property.

### **REPORT DATE**

The report date is June 19, 2024, the date the report is completed and transmitted to the client.



## **MARKET VALUE DEFINITION<sup>1</sup>**

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

- 1) Buyer and seller are typically motivated;
- 2) Both parties are well informed or well advised, and each 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 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."

## **PROPERTY INTEREST APPRAISED**

Two common ownership interests in real property are the fee simple and the leased fee interest.

The fee simple interest is "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."<sup>2</sup>

The leased fee interest is "The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires."<sup>3</sup>

Property rights appraised in this assignment are the rights of **Fee Simple Estate**.

## **PRIOR SERVICES**

USPAP requires appraisers to disclose to the client any other services they provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services.

- Neither J. Mark Williams, MAI, nor George Richard previously appraised the subject property of this report within the three years immediately preceding acceptance of this assignment.

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<sup>1</sup> Department of the Treasury, Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, Office of Thrift Supervision and National Credit Union Administration under 12 CFR Part 34, Real Estate Appraisals and Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA"); and the Interagency Appraisal and Evaluation Guidelines, Federal Register, Volume 75, No. 237, December 10, 2010.

<sup>2</sup> The Dictionary of Real Estate Appraisal, 7<sup>th</sup> Edition (Chicago: Appraisal Institute, 2022), p. 73.

<sup>3</sup> The Dictionary of Real Estate Appraisal, 7<sup>th</sup> Edition (Chicago: Appraisal Institute, 2022), p. 105.



## ASSESSMENT AND TAXES

Real estate tax assessments are administered by the Clay County Property Appraiser and are estimated by jurisdiction on a county-wide basis for the subject annually. Real estate taxes in this state and this jurisdiction represent ad valorem taxes, meaning a tax applied in proportion to value.

Real estate taxes and assessments for the 2023 tax year are shown in the following table.

Parcel	Parcel No.	2023 Just Market Value				Save Our Homes Portability/AGL Differential	Assessed Value	Millage Rate	Ad Valorem Taxes	Non AV Taxes	Total
		Land	Bulding	Ext. Feature	Just MV						
One	15-06-23-021643-001-00	\$50,000	\$139,975	\$22,204	\$212,179	N/A	\$212,179	15.1843	\$3,222	\$0	\$3,222
Two	16-06-23-021473-000-00	\$37,800	\$72,132	\$278	\$110,210	\$19,719	\$90,491	15.1843	\$1,374	\$324	\$1,698
		\$87,800	\$212,107	\$22,482	\$322,389	\$19,719	\$302,670	15.1843	\$4,596	\$324	\$4,920

State law requires that all real property be revalued each year. The subject is reviewed to determine a new working value effective January 1<sup>st</sup> of every year. The millage rate is generally finalized in October of each year, and tax bills are received in late October or early November. Property taxes for 2023 are due by March 31, 2024. If the taxes are paid before November 30<sup>th</sup>, the State of Florida allows a 4% discount. After March 31<sup>st</sup>, the taxes are subject to interest, penalties, and a tax lien sale. The 2022 and 2023 taxes have not been paid for either parcel as of the effective date of this report.

# LAND USE AND ZONING

## ZONING MAP



## LAND USE/ZONING REQUIREMENTS

	Parcel One	Parcel Two
Zoning Jurisdiction	Clay County	Clay County
Future Land Use Category	COM (Commercial)	RR (Rural Residential)
Zoning District	BA (Neighborhood Business District)	AR (Agricultural/Residential District)
Permitted Uses	Retail stores, artist's studios, bait and tackle, bakery, bicycle sales and repair, billiard, dance academies, fruit and vegetable retail, hardware, dry cleaners, restaurants selling alcoholic beverages limited to beer and wine, animal clinics, drugstores, grocery stores, banks, drive-in restaurants; with the sale of gasoline, car repair, car wash facilities and retail sales of beer and wine at establishments commonly known as convenience stores.	Single-family or mobile home dwelling, non-commercial keeping and raising of horses, cattle, sheep, goats and other farm animals, general agricultural pursuits of a variety similar, but not limited to, truck gardens, forestry crop raising, horticulture, greenhouses, nurseries, groves, apiculture and pisciculture and storage of petroleum products.
Minimum Lot Width	None	100 feet
Minimum Lot Area	None	21,780 SF
Maximum Lot Coverage/Density	40%	One unit per acre
Yard Requirements		
Front	25 feet	30 feet
Side	25 feet	20 feet
Rear	25 feet	35 feet
Minimum Height of Structures	22 feet (One story), 35 feet (Two Story)	30 feet
Parking	Varies per use	Varies per use
Current Use Legally Conforming	N/A	N/A
Zoning Change Likely	No	Yes

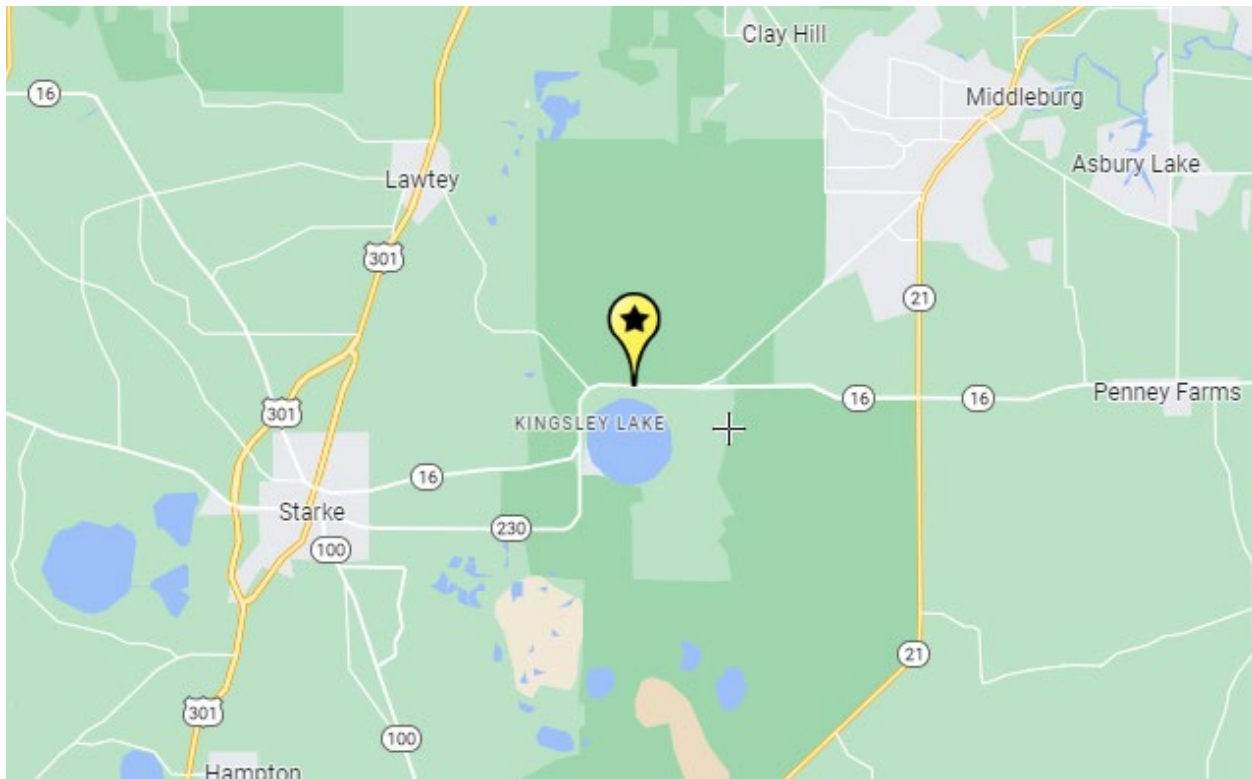


Based on the surrounding zoning and land uses, size and the frontage along State Road 16, it is our opinion Parcel Two, which is zoned AR could be rezoned to BA to match Parcel One to allow for a larger commercial site.

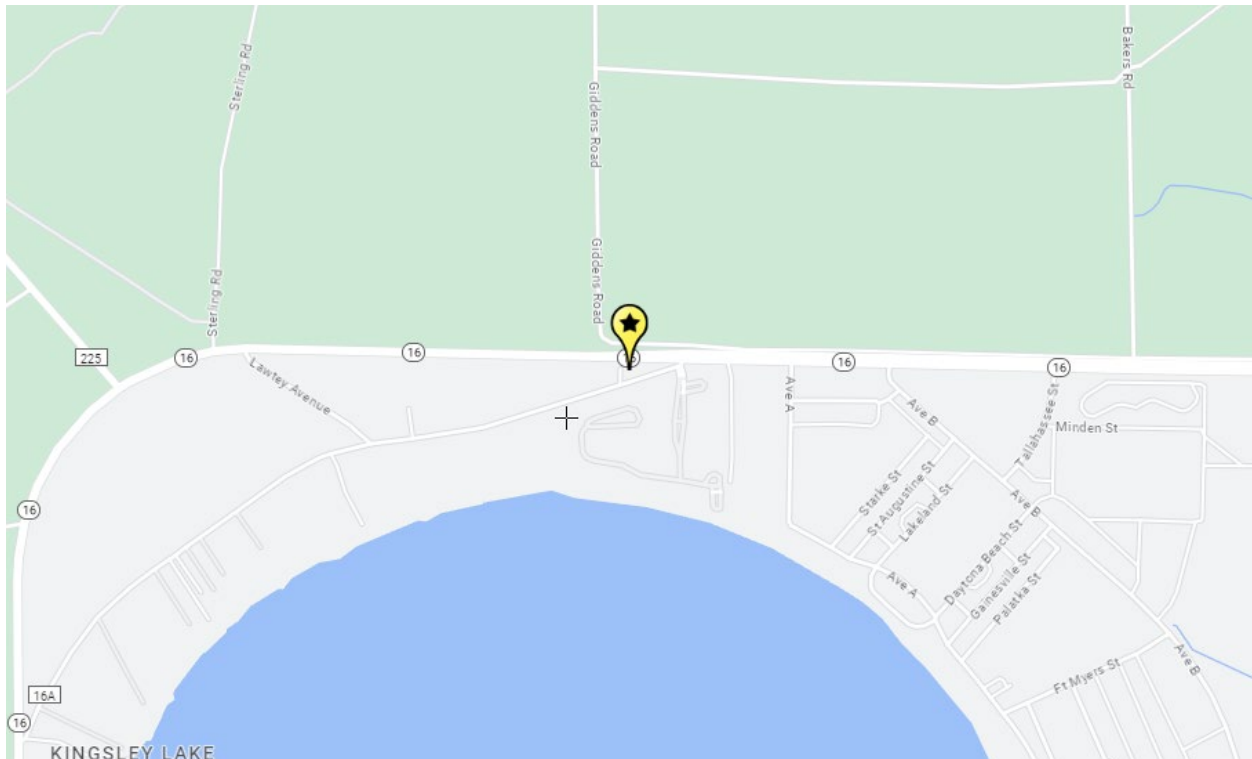
We spoke with the Clay County Zoning Department, who indicated a rezone to BA would likely be approved at a cost range of \$2,000-\$3,000 (non-refundable) to the County Commissioners office.

# SITE DESCRIPTION

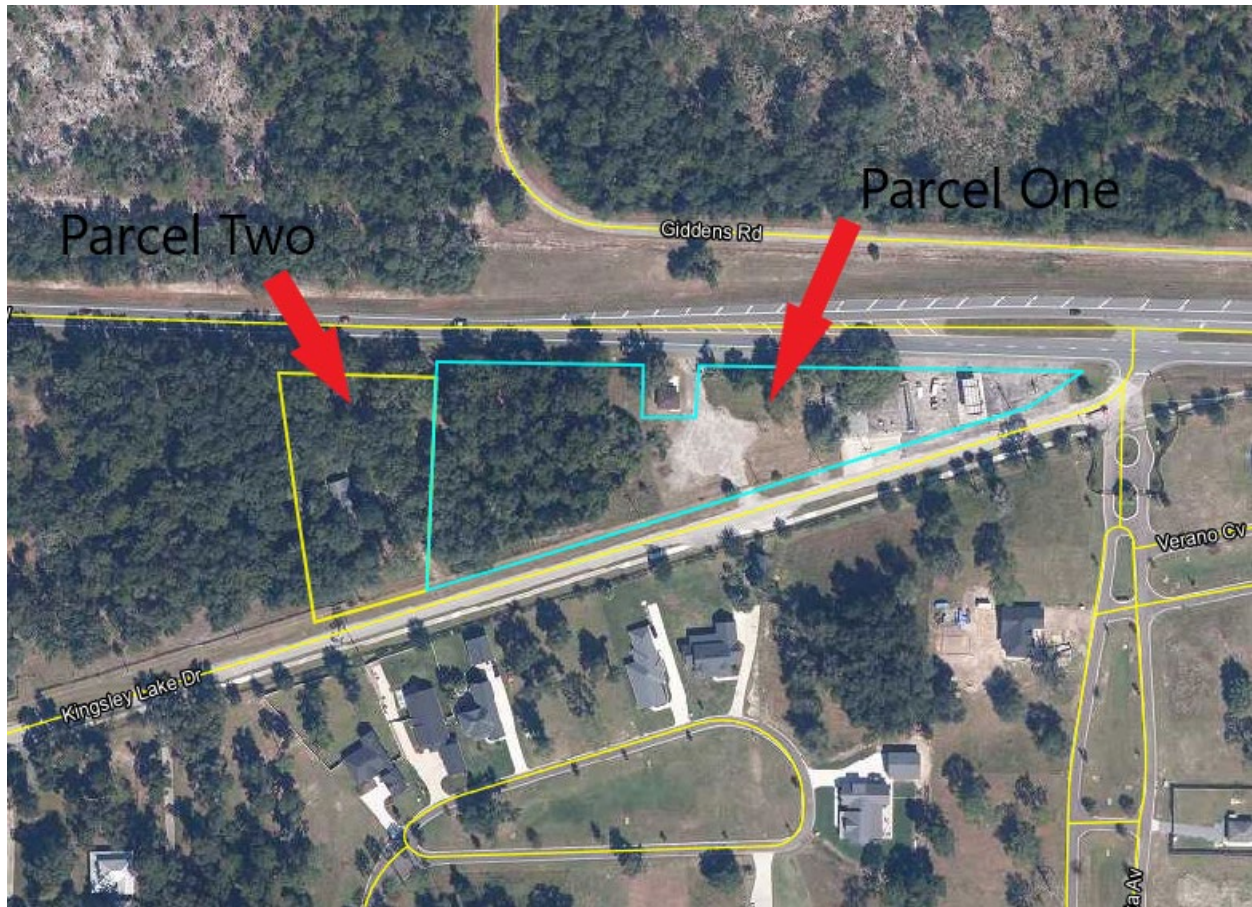
## LOCATION MAP



## SURROUNDING AREA



### TAX AERIAL MAP



### PHYSICAL CHARACTERISTICS

	Parcel One	Parcel Two	Total
Site Area	96,834 SF 2.223 Acres	54,886 SF 1.260 Acres	151,719 SF 3.483 Acres
Usable Area	96,834 SF 2.223 Acres	54,886 SF 1.260 Acres	151,719 SF 3.483 Acres
Shape	Irregular	Trapizoidal	
Topography	Level at road grade	Level at road grade	
Frontage - State Road 16	500 Feet	200 Feet	
Frontage - Kingsley Lake Drive	900 Feet	145 Feet	
Storm Water Retention	Off-Site		
Drainage	No drainage problems were observed or disclosed during our inspection. This appraisal assumes surface water collection is adequate.		
Utilities	Electric provided by Clay Electric, currently well and septic system but public water is available nearby from water lines serving Kingsley Cove Subdivision		
Wetlands	No wetlands were observed		
Access	Direct access via State Road 16 and Kingsley Lake Drive for Parcel One. Parcel Two has access via Kingsley Lake Drive.		
Corner Location	Yes	No	
Signalized Intersection	No	No	
Median Cut	No	No	

# FLOOD MAP

## National Flood Hazard Layer FIRMette



**Legend**

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

**SPECIAL FLOOD HAZARD AREAS**

- Without Base Flood Elevation (BFE) Zone A, V, A99
- With BFE or Depth Zone AE, AO, AH, VE, AR
- Regulatory Floodway

**OTHER AREAS OF FLOOD HAZARD**

- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
- Future Conditions 1% Annual Chance Flood Hazard Zone X
- Area with Reduced Flood Risk due to Levee. See Notes, Zone X
- Area with Flood Risk due to Levee Zone D

**OTHER AREAS**

- NO SCREEN Area of Minimal Flood Hazard Zone X
- Effective LOMRs
- Area of Undetermined Flood Hazard Zone D

**GENERAL STRUCTURES**

- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

**OTHER FEATURES**

- 20.2 Cross Sections with 1% Annual Chance
- 17.6 Water Surface Elevation
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

**MAP PANELS**

- Digital Data Available
- No Digital Data Available
- Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

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

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 6/5/2024 at 3:09 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

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

### FLOOD MAP DESCRIPTION

FEMA Map Number	12019C0250E
FEMA Map Date	3/17/2014
Flood Zone Designation	X
Flood Zone Description	The subject property is located in Flood Zone X, which is an area determined to be outside the 0.2% annual chance floodplain.

### ENVIRONMENTAL HAZARDS

We were provided a Phase I Environmental Site Assessment prepared by Matanzas Geoscience Inc. in May 2024, which included the following Summary of Findings and Conclusions.



## 9.1 Summary of Findings and Conclusions

### *Recognized Environmental Conditions (RECs) [as defined in Section 2.1]*

This assessment has revealed RECs in connection with the subject property. The subject property has dispensed gasoline for retail sale beginning in 1953. The presence of current and historic underground storage tanks, reported releases, and ongoing cleanup activities for on-site and off-site impacts in consideration of a 2019 FDEP Consent Order for non-compliance with applicable regulatory requirements and a recent referral to FDEP for additional enforcement related to ongoing non-compliance, is an REC. Given that the facility was recently assessed on behalf of the FDEP in 2022, further assessment is not warranted at this time. It should be noted that the facility formerly received state-provided financial assistance related to ongoing assessment and cleanup activities. State-provided cleanup funding has nearly reached its limit (approximately \$2,000 remaining), and no additional work on the subject can be conducted without a payment agreement by the current or future property owners.

### *Historical Recognized Environmental Conditions (HRECs) [as defined in Section 2.1]*

This assessment has not revealed HRECs in connection with the subject property.

### *Controlled Recognized Environmental Conditions (CRECs) [as defined in Section 2.1]*

This assessment has not revealed CRECs in connection with the subject property.

### *Vapor Encroachment Concerns (VECs) [as defined in Section 2.1]*

This assessment has not revealed VECs in connection with the subject property that would be considered *recognized environmental conditions*, or VECs originating from off-site sources.

### *Business Environmental Risks (BERs) [as defined in Section 2.1]*

This assessment has revealed BERs in connection with the subject property.

- The subject property water well was tested for the presence of ethylene dibromide (EDB), a historical crop fumigant and gasoline additive, by the Florida Department of Health (FDOH) in 2005. The results indicated the subject property drinking water exceeded the Maximum Contaminant Level (MCL) of 0.02 parts per billion. Because the presence of EDB in drinking water is unrelated to a release and therefore does not meet the definition of a *recognized environmental condition*, the presence of EDB in drinking water is a business environmental risk. The well should be tested again by the FDOH to confirm the presence of EDB in drinking water. Should the exceedance persist, the property owner may consider connection to the municipal water supply, or the installation of a carbon filtration system.
- It is not uncommon to discover buried utilities or tanks, or previously unknown soil or groundwater impacts on properties with a long history of commercial development and fuel dispensing activities. If suspect subsurface conditions are encountered during property redevelopment activities, further investigation may be warranted.

*De Minimis Conditions [as defined in Section 2.1]*

During the course of Phase I ESAs, Matanzas often encounters conditions that generally do not present a threat to human health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies. These conditions are not considered RECs, HRECs, or CRECs, but are defined by ASTM Standard E1527-21 as *de minimis* conditions. In the interest of brevity, Matanzas did not develop a full list of *de minimis* conditions, rather evaluated and identified these conditions in the appropriate sections of this report.

**9.2 Other Notable Environmental Conditions**

Matanzas' Phase I ESAs occasionally reveal other notable environmental considerations that may be relevant to the condition of the subject property that do not qualify as RECs, CRECs, HRECs, BERs, or *de minimis* conditions. Other notable environmental and/or property development considerations were identified during this assessment. Potential asbestos containing building materials or lead-based paints were not observed during the reconnaissance, but may be expected to be present in the subject property building given the nature of the building construction and/or the approximate date of construction. Mold or water /moisture intrusion conditions were observed in the subject property building, including ceiling and floor damage from apparent water intrusion.

**9.3 Environmental Professional Opinion**

Given that the facility was recently assessed on behalf of the FDEP in 2022, further assessment is not warranted at this time. State-provided cleanup funding has nearly reached its limit (approximately \$2,000 remaining), and no additional work on the subject can be conducted without a payment agreement by the current or future property owners.

Based on the preceding information, it appears there are Business Environmental Risks connected with the subject property and the Phase I Environmental Site Assessment indicates the properties drinking water exceeds the Maximum Contaminant Level of 0.02 parts per billion, because of the presences of ethylene dibromide (EDB), a historical crop fumigant and gasoline additive and should be tested again to confirm the presences of EDB in the drinking water.

**EASEMENTS/ENCROACHMENTS/RESTRICTIONS**

Based upon a review of the deed and observations at the time of our inspection, there appear to be no easements, encroachments, or restrictions that would adversely affect value. It is assumed that only typical utility easements exist, and our valuation assumes no adverse impacts from easements, encroachments, or restrictions and further assumes the subject has a clear and marketable title.

**CONCLUSION OF SITE UTILITY**

Overall, the site's physical characteristics, access, visibility, and the availability of utilities result in functional utility suitable for various uses, including those permitted by zoning.

## **IMPROVEMENT DATA**

Parcel One is improved with an older convenience store with gas containing 5,652± square feet of gross building area. Gas distribution is provided under a 900± SF canopy, which includes two double-sided gas dispensers. Parcel Two is an older single-family residence property improved with a 1,395± SF, 3-bedroom, 2-bathroom single-family residence and related site improvements. Both structures have been vacant for at least the past five years, are in poor condition and both have substantial roof leaks and water intrusion.

No interior inspection was made for the single-family residence, but it was reportedly in poor condition.

## **CONCLUSION OF BUILDING IMPROVEMENTS**

Based on our inspection and conversations with the owner, the quality of the improvements is poor. They are older and have no remaining economic life left and are not considered to have any contributory value.

## **EASEMENTS/ENCROACHMENTS/RESTRICTIONS**

Based upon a review of the deed and observations at the time of our inspection, there appear to be no easements, encroachments, or restrictions that would adversely affect value. It is assumed that only typical utility easements exist, and our valuation assumes no adverse impacts from easements, encroachments, or restrictions and further assumes the subject has a clear and marketable title.

## **CONCLUSION OF SITE UTILITY**

Overall, the site's physical characteristics, access, visibility, and the availability of utilities result in functional utility suitable for various uses, including those permitted by zoning.

**SUBJECT PHOTOGRAPHS**



Looking East on State Road 16  
Subject on Left Photo taken June 11, 2024



Looking West on State Road 16  
Subject on Right Photo taken June 11, 2024



Looking East on Kingsley Lake Drive  
Subject on Left Photo taken June 11, 2024



Looking West on Kingsley Lake Drive  
Subject on Right Photo taken June 11, 2024



Parcel One Looking West  
Photo taken June 11, 2024



Front View of Convenience Store  
Photo taken June 11, 2024

**SUBJECT PHOTOGRAPHS**



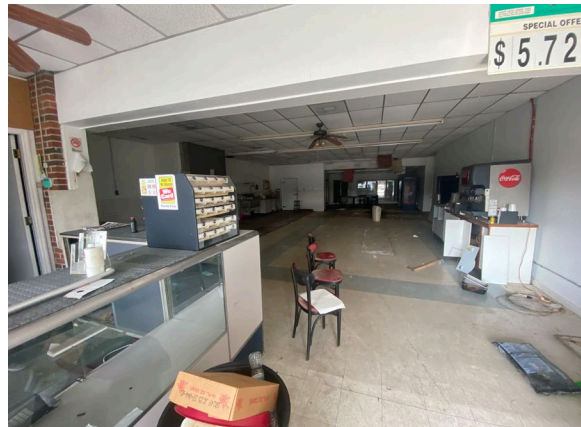
Northside View of Convenience Store (Parcel One)  
Photo taken June 11, 2024



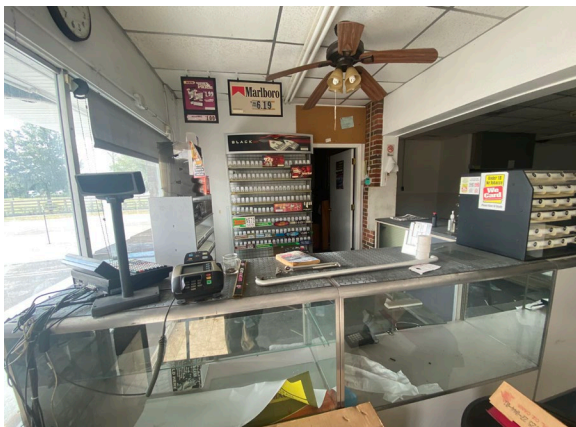
Southside View of Convenience Store (Parcel One)  
Photo taken June 11, 2024



Rear View of Convenience Store (Parcel One)  
Photo taken June 11, 2024



Interior of Convenience Store (Parcel One)  
Photo taken June 11, 2024

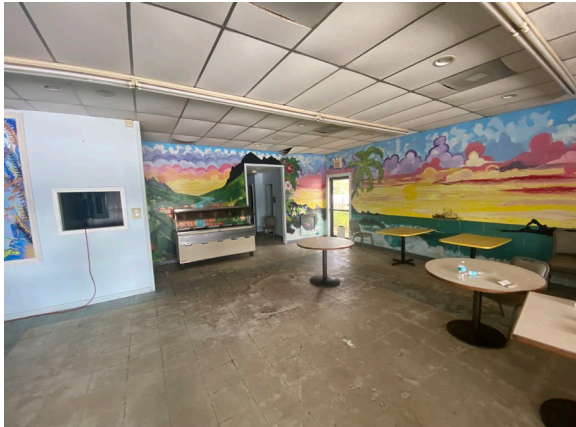


Interior of Convenience Store (Parcel One)  
Photo taken June 11, 2024



Interior of Convenience Store (Parcel One)  
Photo taken June 11, 2024

**SUBJECT PHOTOGRAPHS**



Interior of Restaurant Unit (Parcel One)  
Photo taken June 11, 2024



Interior of Restaurant Unit (Parcel One)  
Subject on Left Photo taken June 11, 2024



Typical Restroom of Restaurant Unit (Parcel One)  
Photo taken June 11, 2024



Canopy (Parcel One)  
Photo taken June 11, 2024



Typical Gas Pump (Parcel One)  
Photo taken June 11, 2024



Signage (Parcel One)  
Photo taken June 11, 2024

**SUBJECT PHOTOGRAPHS**



Parcel One Looking East  
Photo taken June 11, 2024



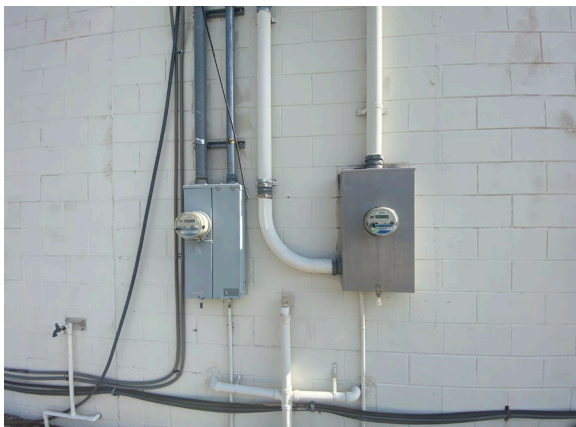
Front View of SFR (Parcel Two)  
Photo taken June 11, 2024



Westside View of SFR (Parcel Two)  
Photo taken June 11, 2024



Rear View of SFR (Parcel Two)  
Photo taken June 11, 2024



Electrical Meters Convenience Store (Parcel One)  
Photo taken June 11, 2024



Electrical Meters SFR (Parcel Two)  
Photo taken June 11, 2024

## HIGHEST AND BEST USE

### Definition

The 7<sup>th</sup> Edition of *The Dictionary of Real Estate Appraisal*, (Chicago: Appraisal Institute, 2022), defines highest and best use as:

"The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

1. **Legal Permissibility:** *"a property use that is either currently allowed or most probably allowable under zoning codes, building codes, environmental regulations, and other applicable laws and regulations that govern land use."*
2. **Physical Possibility:** *"the parcel of land must be able to accommodate the construction of any building that would be a candidate for the ideal improvement."*
3. **Financial Feasibility:** *"the capability of a physically possible and legal use of property to produce a positive return to the land after considering risk and all costs to create and maintain the use."*
4. **Maximally Productive Use:** *"a specific land use must yield the highest value of all the physically possible, legally permissible, and financially feasible possible uses."*

These tests are performed sequentially, as it is irrelevant if a certain use is financially feasible when not physically possible or legally permissible. When identifying the highest and best use of an improved property these tests are performed first on the property under the hypothetical assumption it is vacant. If the highest and best use is to improve the property, then the ideal improvement is determined using these same four criteria. Then, the subject improvements are compared to the ideal improvement. A determination is then made on whether to maintain the existing improvement in its existing use or modify the improvement to conform more to the ideal.





## **HIGHEST AND BEST USE “AS IF VACANT” – BOTH PARCELS**

### **LEGALLY PERMISSIBLE**

Parcel One is zoned BA (Neighborhood Business District) with a future land use of Commercial and Parcel Two is zoned AR (Agricultural/Residential District) with a future land use of Rural Residential. To our knowledge, there are no other legal restrictions such as easements or deed restrictions that would effectively limit the use of the property. Legally permissible uses for the Parcel One includes various commercial and retail uses and Parcel Two includes various residential and agricultural uses. Based on the subject’s location as well as surrounding zoning and land uses, it is our opinion, Parcel Two could in all likelihood be rezoned to BA at minimal costs.

### **PHYSICALLY POSSIBLE**

The physically possible uses for the subject are limited to the legally permissible uses that current zoning and land use of the site mandates. The physical characteristics of the site do not appear to impose unusual restrictions on development. The property is located on State Road 16.

Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for any of the legally permitted uses, but favor retail given the good accessibility and exposure and surrounding area uses.

### **FINANCIALLY FEASIBLE**

Financially feasible uses for the subject are governed by legally permissible uses and the physically possible uses for that site. Also, the influence of the surrounding market area considering commercial, industrial, and residential uses and the growth within the market area and its effect on the subject must be considered. The primary determinant of financial feasibility is if a specific use is likely to produce a greater income level than the combined need to satisfy operating expenses, financial expenses, and capital amortization.

Based on our analysis of the market, there is currently adequate demand for retail use in the subject area. It appears that a newly developed retail building on the site would have a value commensurate with its cost. Therefore, retail use is considered financially feasible.

### **MAXIMALLY PRODUCTIVE**

Maximally productive uses are governed by the subject's legally permissible, physically possible, and financially feasible uses. The final criterion addresses the question of the maximum productivity of the subject development that would require consideration of alternate potential uses.

There appears to be no reasonably probable use of the site that would generate a higher residual land value than retail use. Accordingly, in our opinion, retail use developed to the normal market density level is the maximally productive and highest and best use of the property as if vacant

Considering the legally permissible, physically possible, financially feasible, and maximally productive uses, the highest and best use of the subject as if vacant is to develop a commercial retail property.

### **HIGHEST AND BEST USE “AS IMPROVED” – BOTH PARCELS**

Parcel One is developed with an older convenience store with gas and Parcel Two is developed with an older single-family residence, both of which have been vacant for at least the past five years and are both in poor condition.

The improvements on Parcel One and Parcel Two are legally permissible under the current zoning. They currently exist; there, they are physically possible. The existing improvements on both parcels are currently vacant and are in poor condition and likely need to be demolished and redeveloped.

Based on our analysis, there appears to be no alternative use that could reasonably be expected to provide a higher present value than the demolition of the currently improvements, rezoning of Parcel Two and retail development for both parcels is concluded to be maximally productive and the highest and best use of the subject properties as improved.

### **MOST PROBABLE BUYER/USER**

Considering the property's size, layout, and characteristics, the most likely buyer is a developer.

## **VALUATION METHODOLOGY & DEFINITIONS**

Three basic approaches may be applicable and utilized, then reconciled to arrive at an estimate of market value. An approach to value is included or eliminated based on its applicability to the property type being value and the information available. The reliability of each approach depends on the availability and comparability of market data and the motivation and thinking of purchasers. Applicable approaches and whether they were utilized are summarized below:

The Cost Approach is based upon the principle of substitution, which states a prudent purchaser would not pay more for a property than the amount required to purchase a similar site and construct similar improvements without undue delay, producing property of equal desirability and utility. This approach is particularly applicable when the appraised improvements are relatively new or proposed or when the improvements are so specialized that there is little or no sales data from comparable properties.

The Sales Comparison Approach compares sales of similar properties with the subject property. Each comparable sale is adjusted for its inferior or superior characteristics. The values derived from the adjusted comparable sales form a range of values for the subject. By process of correlation and analysis, a final indicated value is derived. The Sales Comparison Approach is considered the best indicator of value for vacant land and was used exclusively in this appraisal.

In the Income Capitalization Approach, the income-producing capacity of a property is estimated using contract rents on existing leases and by estimating market rent from the rental activity at competing properties for the vacant space. Deductions are then made for vacancy and collection loss and operating expenses. The resulting net operating income is divided by an overall capitalization rate to derive an opinion of value for the subject property. The capitalization rate represents the relationship between net operating income and value. This method is referred to as Direct Capitalization.

The appraisal process concludes with the Final Reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others and as noted. Since the subject has improvements in minimal condition and provide no contributory value, the property is considered to be vacant land, the Sales Comparison Approach is the most applicable approach and is used exclusively within this appraisal.

Estimated demolition costs of the existing buildings and site improvements for both parcels will be deducted from our opinion of the underlying land value to arrive at a conclusion of the as is market value.

## **SALES COMPARISON APPROACH**

The Sales Comparison Approach to Value is a method of valuation in which a comparison of similar sold properties is made to the subject property. The Sales Comparison Approach to Value is based on the economic principle of substitution. According to the Principle of Substitution, a buyer will not pay more for one property than another that is equally desirable.

The following steps describe the applied process of the Sales Comparison Approach.

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

We researched numerous comparables for this analysis. We chose the most similar sales, which are documented on the following pages, followed by a location map and sales summary. All sales were researched through numerous sources and verified by a party to the transaction.

# Future Extra Space Storage

Comparable 1

## Sale Information

Buyer	GD Middleburg, LLC	
Seller	Vault Investors Two, L.P.	
Sale Date	9/28/2022	
Transaction Status	Closed	
Sale Price	\$1,000,000	\$7.50 /SF Land
Recording Number	4655/504	
Rights Transferred	Fee Simple	
Financing	Cash to seller	
Conditions of Sale	Arm's length	



## Property

Land Area	3.06 Acres (133,294 SF)
Number of Parcels	1
Zoning	BB-2
Shape	Irregular
Topography	Level
Corner	No
Utilities	Directly available
Flood Zones	Zone X (Unshaded)

2530 County Rd 220  
Middleburg, FL 32068

County  
Clay

Submarket  
Orange Park/Clay County

APN  
35-04-25-008223-008-04



## Confirmation

Date 6/16/2024

## Remarks

This is a sale of a commercial land sale, located on the north side of County Road 220, east of College Drive. The site contains 0.83-acre freshwater emergent wetlands on the north end. The property was mostly clear at the time of sale and was purchased to develop an Extra Space Storage facility.

# Future Extra Space Storage

## Comparable 2

### Sale Information

Buyer	VRE Storage Discovery, LLC	
Seller	VRE Storage Discovery, LLC	
Sale Date	3/14/2023	
Transaction Status	Closed	
Sale Price	\$1,500,000	\$11.71 /SF Land
Recording Number	4707/45	
Rights Transferred	Fee Simple	
Financing	Cash to seller	
Conditions of Sale	Arm's length	

### Property

Land Area	2.94 Acres (128,066 SF)
Number of Parcels	1
Zoning	PUD
Shape	Generally Rectangular
Topography	Generally Level
Corner	Yes
Utilities	Electric only
Flood Zones	Zone X (Unshaded)



3710 Integrity Way  
Middleburg, FL 32068

County  
Clay

Submarket  
Orange Park/Clay County

APN  
18-04-25-007953-001-34



### Confirmation

Date 6/16/2024

### Remarks

This is a commercial land sale, located at the northwest corner of Discovery Drive and Integrity way. The property was cleared at the time of sale and was purchased to develop and Extra Space Storage facility.

# Future Dollar General

Comparable 3

## Sale Information

Buyer	Concept Development, Inc.	
Seller	Ellen Huntley Dube & L. Ward Huntley	
Sale Date	4/28/2023	
Transaction Status	Closed	
Sale Price	\$425,000	\$4.88 /SF Land
Recording Number	4716/244	
Rights Transferred	Fee Simple	
Financing	Cash to seller	
Conditions of Sale	Arm's length	



## Property

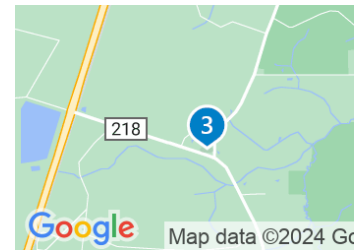
Land Area	2 Acres (87,120 SF)
Number of Parcels	1
Zoning	BA
Shape	Trapezoid
Topography	Generally Level
Corner	Yes; Non-Signalized
Utilities	Electric only

6345 Co Rd 218  
Jacksonville, FL 32234

County  
Clay

Submarket  
Orange Park/Clay County

APN  
16-04-23-000116-001-00



## Confirmation

Date 6/16/2024

## Remarks

This is a commercial land sale, located at the northwest corner of County Road 218 and County Road 217. The property was mostly cleared at the time of sale and was purchased to develop a Dollar General.

# Future Self Storage

Comparable 4

## Sale Information

Buyer	Horizon Real Estate Fund, LP	
Seller	Rick Baker Properties, LLC	
Sale Date	5/12/2023	
Transaction Status	Closed	
Sale Price	\$1,650,000	\$7.83 /SF Land
Recording Number	4720/32	
Rights Transferred	Fee Simple	
Financing	Cash to seller	
Conditions of Sale	Arm's length	



## Property

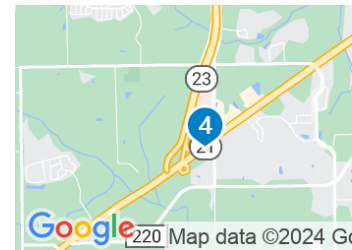
Land Area	4.84 Acres (210,830 SF)
Number of Parcels	1
Zoning	BFPUD
Shape	Rectangular
Topography	Level
Corner	No
Utilities	All available
Flood Zones	Zone X (Unshaded)

1556 Baxley Road  
Middleburg, FL 32068

County  
Clay

Submarket  
Clay County

APN  
31-04-25-008094-000-00



## Confirmation

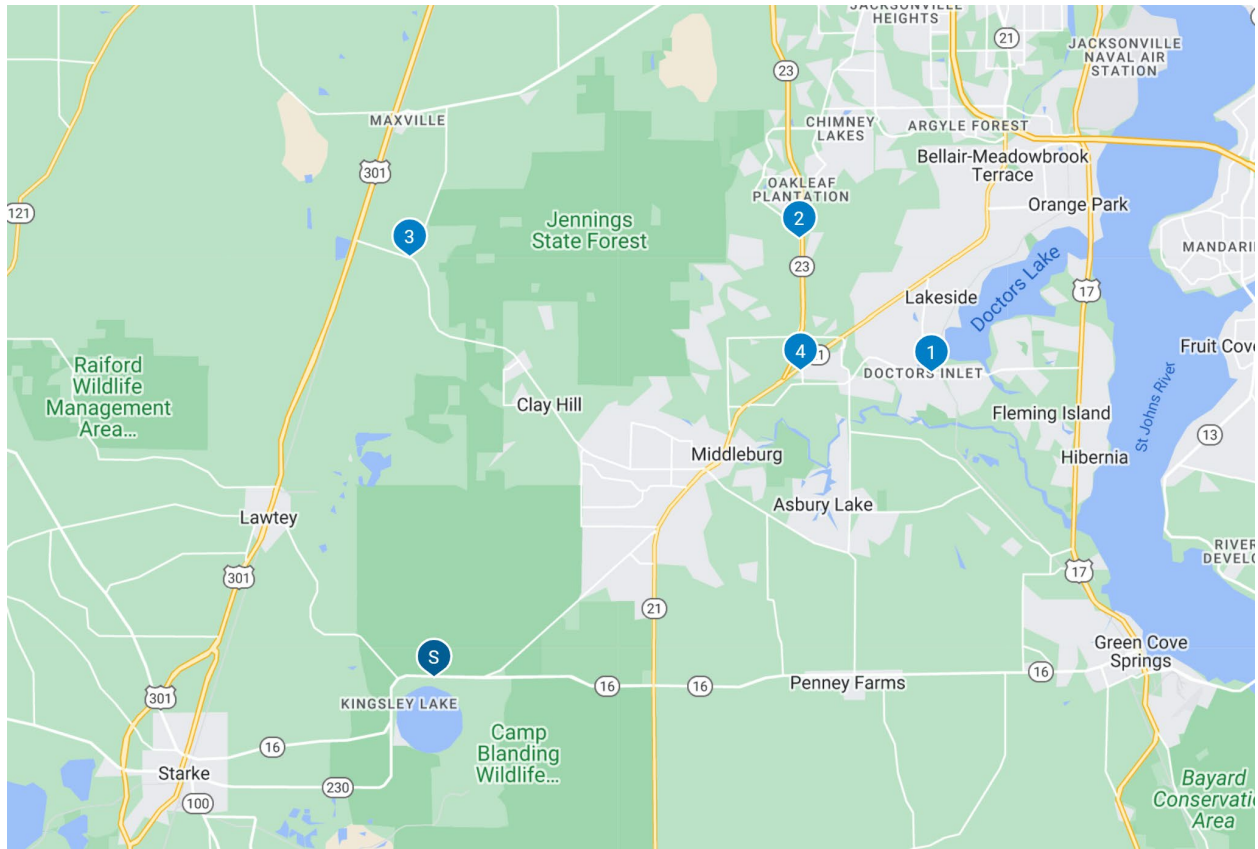
Date 2/7/2024

## Remarks

This property was purchased to develop a self-storage facility. Upon completion, the improvements will contain 992 storage units and 20 RV & boat outdoor units. Retention is required on-site.



## LAND SALES MAP



## LAND SALES SUMMARY

No.	Address	Sale Date	Effective Price	Upland SF	Upland Acres	\$/USF
1	2530 County Road 220	9/28/22	\$1,000,000	133,294	3.06	\$7.50
2	3710 Integrity Way	3/14/23	\$1,500,000	128,066	2.94	\$11.71
3	6372 County Road 218	4/28/23	\$425,000	87,120	2.00	\$4.88
4	1556 Baxley Road	5/12/23	\$1,650,000	210,830	4.84	\$7.83
Averages			\$1,143,750	139,828		\$7.98



## ANALYSIS OF LAND SALES

The adjustment process is typically applied through either quantitative or qualitative analysis or a combination of the two. Quantitative adjustments are often developed as a dollar or percentage amounts. They are most credible when there is enough data to perform a paired sales or statistical analysis. Qualitative adjustments are based on qualitative judgment rather than empirical data when there is insufficient data to develop a sound quantified estimate within a reasonable degree of confidence. For this analysis, we used both quantitative and qualitative adjustments. Qualitative adjustments are based on a scale calibrated in 5% increments, with a minor adjustment considered 5% and increasing upward with the more perceived difference between a comparable property and the subject. If the comparable is superior to the subject, its sale price is adjusted downward to reflect the subject's relative inferiority; if the comparable is inferior, its price is adjusted upward. The transactional elements of comparison are:

### LAND SALES ADJUSTMENT GRID

	Subject	Sale 1	Sale 2	Sale 3	Sale 4
Date of Value	6/11/2024	9/28/2022	3/14/2023	4/28/2023	5/12/2023
Unadjusted Sale Price	N/A	\$1,000,000	\$1,500,000	\$425,000	\$1,650,000
Usable Land SF	151,719	133,294	128,066	87,120	210,830
Unadjusted Sale Price PSF		\$7.50	\$11.71	\$4.88	\$7.83
<b>Transactional Adjustments</b>					
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment		0.00%	0.00%	0.00%	0.00%
Adjusted Price		\$7.50	\$11.71	\$4.88	\$7.83
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
Adjustment		0.00%	0.00%	0.00%	0.00%
Adjusted Price		\$7.50	\$11.71	\$4.88	\$7.83
Conditions of Sale		Arm's Length	Arm's Length	Arm's Length	Arm's Length
Adjustment		0.00%	0.00%	0.00%	0.00%
Adjusted Price		\$7.50	\$11.71	\$4.88	\$7.83
Market Conditions	Improving	Improving	Improving	Improving	Improving
Value Growth/Decline per Year	3.00%				
Adjustment		5.11%	3.74%	3.37%	3.25%
Adjusted Price PSF		\$7.89	\$12.15	\$5.04	\$8.08
<b>Property Adjustments</b>					
Location/Site Prominence	Average				
Compared to the Subject		Superior	Superior	Inferior	Superior
Adjustment		-5.00%	-15.00%	25.00%	-5.00%
Zoning	BA/AR	BB-2	PUD	BA	BFPUD
Compared to the Subject		Similar	Similar	Similar	Similar
Adjustment		0.00%	0.00%	0.00%	0.00%
Usable Acres	3.48	3.06	2.94	2.00	4.84
Compared to the Subject		Smaller	Smaller	Smaller	Smaller
Adjustment		-1.27%	-1.63%	-4.45%	4.07%
Physical Characteristics	Irregular/Mostly Clear	Irregular/Mostly Clear	Rect/Clear	Trapezoidal/Mostly Clear	Irregular/Clear
Compared to the Subject		Similar	Superior	Similar	Superior
Adjustment		0.00%	-10.00%	0.00%	-5.00%
Utilities	Electric, water	Electric Only	Electric Only	Electric Only	Electric Only
Compared to the Subject		Inferior	Inferior	Inferior	Inferior
Adjustment		5.00%	5.00%	5.00%	5.00%
Net Property Adjustment		-1.27%	-21.63%	25.55%	-0.93%
Adjusted Sale Price		\$7.79	\$9.52	\$6.33	\$8.01
Summary Indicators		Range	Average	Median	
Comparables - Unadjusted	\$4.88	\$11.71	\$7.98	\$7.66	
Comparables - Adjusted	\$6.33	\$9.52	\$7.91	\$7.90	



**DEMOLITION COSTS**

We estimate the cost to demolish the existing improvements at \$7.50 per square foot of building area or \$50,000.

A local general contractor with ERS Corp. indicated that the price to remove the storage tanks and fuel dispersing pumps would be roughly \$75,000 as long as the contamination to the soil is minimal. Considering the results of the provided environmental report, it is our opinion that the subject would benefit from connection to public water serving the adjacent neighborhood and removing the existing wells, therefore, we estimate demolition costs at \$150,000 for the removal of the four underground storage tanks and two double-sided fuel dispersing pumps, canopy and existing wells.

The total demolition costs for the subject property are estimated at \$200,000, which is deducted from our opinion of the as is market value.

The conclusion of the Sales Comparison Approach is presented below.

**CONCLUSION OF SALES COMPARISON APPROACH**

The sales have all occurred since September 2022 and once adjusted for various property characteristics, derived a range of adjusted values. All the sales are given weight and we reconcile to a unit value of **\$7.90 PSF** for the subject property.

Our concluded opinion of market value is shown below.

Market Value As Is Underlying Land Value		
151,719 Usable SF	x \$7.90 PSF	\$1,198,584
Less: Estimated Demolition Cost of Existing Building and Site Improvemer		<u>(\$200,000)</u>
As Is Market Value		\$998,584
<b>Rounded:</b>		<b>\$1,000,000</b>



## RECONCILIATION OF VALUES

The process of reconciliation involves the analysis of each approach to value. The quality of data applied, the significance of each approach as it relates to market behavior, and the defensibility of each approach is considered and weighed. Finally, each is considered separately and comparatively with each other.

### COST APPROACH

The Cost Approach is most reliable for newer properties with no significant amount of accrued depreciation. Due to the age of the subject improvements, estimates of depreciation are subjective, limiting the reliability of this approach. Additionally, the Cost Approach is not typically used by market participants, except for newer or special use properties. Accordingly, the Cost Approach was not used in this appraisal.

### SALES COMPARISON APPROACH

The Sales Comparison Approach is most reliable in an active market when an adequate quantity and quality of comparable sales data are available. It is typically the most relevant method for owner-user and investment-grade properties when there is an active market. It directly considers the prices of alternative properties with similar utility for which potential buyers would be competing. The sales occurred in the recent past and are located within Jacksonville. The analysis and adjustment of the sales provided a narrow range of adjusted prices and a good value indication and is the only applicable approach.

### INCOME APPROACH

The Income Approach, both direct capitalization and discounted cash flow analysis, is usually given the greatest weight when evaluating investment properties. The value indication from the Income Capitalization Approach is supported by market data regarding income, expenses, and required rates of return. Since the subject is vacant land, the Income Approach is not applicable.

### VALUE CONCLUSIONS

Based on the data and analyses developed in this appraisal, we reconcile to the following value conclusions, as of the effective date of this appraisal, subject to the Limiting Conditions and Assumptions of this appraisal.

Value Premise	As Is
Effective Date of Value	June 11, 2024
Cost Approach	Not Considered Applicable
Sales Comparison Approach	\$1,000,000
Income Capitalization Approach	Not Considered Applicable
Value Conclusion	\$1,000,000

## **EXPOSURE TIME**

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

## **MARKETING TIME**

Marketing time estimates the time it might take to sell a property at the concluded market value immediately following the effective date of value. Based on the preceding information, it is our opinion, a reasonable marketing period for the subject will likely be consistent with the exposure time. Accordingly, we estimate the subject's marketing period at six to twelve months.



## ASSUMPTIONS & LIMITING CONDITIONS

This appraisal is subject to the following limiting conditions:

1. The effective date is June 11, 2024. The appraiser assumes no responsibility for economic or physical factors occurring at some later date, which may affect the opinions stated herein.
2. The legal description is assumed accurate. No responsibility for legal matters is assumed, although such matters may be discussed in the report. No opinion is rendered as to the title, which is assumed marketable and free and clear of all liens, encumbrances, easements, encroachments, and restrictions, except herein described. The property was appraised, assuming it is under responsible ownership and competent management and available for its highest and best use.
3. Certain information in this report was furnished from sources believed reliable; however, such information is not guaranteed as to its accuracy, although it has been checked insofar as possible and is believed to be correct.
4. No encroachments are assumed to exist unless specifically mentioned in the report.
5. No engineering test boring was made to determine soil-bearing qualities. The soil of the area under appraisal appears firm and solid unless otherwise stated. Subsidence in the area is unknown or uncommon, but the appraiser does not warrant against this condition or occurrence.
6. Based on the preceding information, it appears there are Business Environmental Risks connected with the subject property and a Phase I Environmental Site Assessment prepared by Matanzas Geosciences, Inc. indicates the properties drinking water exceeds the Maximum Contaminant Level of 0.02 parts per billion, because of the presences of ethylene dibromide (EDB), a historical crop fumigant and gasoline additive and should be tested again to confirm the presences of EDB in the drinking water. Contrarily, the existing wells could be removed and connection made to nearby public water lines. Additionally, although not observed, asbestos containing building materials or lead-based paints may be present in the subject property due to the nature and date of the building construction. Finally, mold and water/moisture intrusion conditions were observed in the subject building including ceiling and floor damage from apparent water intrusion.
7. Subsurface oil, gas, or mineral rights were not considered in this report unless otherwise stated.
8. The appraiser, by reason of this report, is not required to give testimony in court regarding the property herein appraised, nor is the appraiser obligated to appear before any governmental body, board, agent, or representative for investigation questioning,

depositions, conferences, or hearings unless specific arrangements have been previously made therefore concerning time and fees.

9. Any drawings, maps, or exhibits included in this report are for illustration only as an aid in visualizing the property and its surroundings. They may not be relied upon for any other purpose.
10. A Designated Member of The Appraisal Institute signed this report. The Bylaws and Regulations of the Institute require each member to control the use and distribution of each appraisal report signed by such members. Therefore, no out-of-context quoting or partial reprinting of this report is authorized. Further, neither all nor any part of this appraisal report shall be disseminated to the general public using media for public communication without the previous written consent of the signatory of this appraisal report. The Bylaws and Regulations of the Institute also provide for review of appraisal reports by its duly authorized representatives in certain cases. No change of any item in the appraisal report shall be made by anyone other than the appraiser, and the appraisers have no responsibility for any such unauthorized change.
11. Any distribution of the total estimated values in this report between land, improvement, and/or personal property applies only to the property's planned utilization as described in this report. These separate value estimates must not be used in conjunction with any other appraisal or any other intended use and are invalid if used. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
12. J. Mark Williams, MAI and George Richard inspected the subject property on June 11, 2024. This appraisal is conditioned upon there being no hidden or unapparent conditions of the property, subsoil or structure, no major structural defects, nor any termite and/or other insect infestations or damages not visible to the appraisers during the inspection which, had such been observed, would be discussed herein.
13. The highest and best use analysis of the subject and the valuation estimate of the analysis and report are subject to the continuing land uses identified herein, remaining in effect according to the Clay County Comprehensive Plan.
14. We assumed full compliance with all applicable federal, state, and local environmental regulations and laws and that all zoning, building, and use regulations and restrictions of all types have been complied with (unless noncompliance is stated, defined, and considered in the appraisal report). It is further assumed that all licenses, consents, permits, or legislative or administrative authority required by any local, state, federal, and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimates.
15. No claim is intended to be expressed for matters of expertise that require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. we

claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.

16. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the appraisal contents without the express written consent of Moody Williams Appraisal Group, LLC and the client. The client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability, or accountability to any third party.
17. The distribution of this report is at the sole discretion of the client. However, no third parties not listed as an intended user on the face of the appraisal or the engagement letter may rely upon the appraisal's contents. In no event shall the client give a third party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
18. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Moody Williams Appraisal Group, LLC.
19. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed all required licenses, consents, certificates of occupancy, or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.
20. We attempted to reconcile data sources discovered or provided during the appraisal process, including county appraiser department data. Ultimately, the measurements deemed by us the most accurate and/or reliable are used within this report. While the measurements and accompanying sketches are considered reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire a greater level of measuring detail, they are urged to retain a qualified professional (space planner, architect, or building engineer). We reserve the right to use an alternative source of building size and amend the analysis, narrative, and concluded values (at additional cost) should this alternative measurement source reflect or reveal substantial differences with the measurements used within the report.
21. The Americans with Disabilities Act ("ADA") became effective on January 26, 1992. We have not made a specific compliance survey of the property to determine if it conforms with the ADA's various requirements. A compliance survey of the property, together with an analysis of the ADA requirements, could reveal the property is not in compliance with one or more of the Act's requirements. If so, this could negatively affect the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with ADA's requirements in developing an opinion of value.



22. This appraisal applies to land and building improvements only. The value of trade fixtures, furnishings, and other equipment or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.
23. No changes in any federal, state, or local laws, regulations, or codes (including, without limitation, the Internal Revenue Code) are anticipated unless specifically stated to the contrary.
24. The data gathered during this assignment shall remain the property of the Appraisers. The client authorizes the Appraiser to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraisers to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.
25. Acceptance and/or use of this appraisal report constitutes acceptance of these general assumptions and limiting conditions



## **CERTIFICATION – J. MARK WILLIAMS, MAI**

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three years immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. The appraisal assignment was not based on a minimum value, specific value, or approval of a loan.
7. I have not been sued by a regulatory agency or financial institution for fraud or negligence involving an appraisal report.
8. 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 any subsequent event related to the intended use of this appraisal.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*.
10. I personally inspected the subject property on March 19, 2024.
11. George Richard provided significant appraisal assistance to the person signing this certification.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

13. As of the date of this report, J. Mark Williams, MAI, has completed the continuing education program for Designated Members of the Appraisal Institute.

A handwritten signature in blue ink that reads "J. Mark Williams". The signature is written in a cursive style with a long horizontal flourish at the end.

J. Mark Williams, MAI, President  
State-Certified General  
Real Estate Appraiser RZ1501



## CERTIFICATION – GEORGE RICHARD

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three years immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. The appraisal assignment was not based on a minimum value, specific value, or approval of a loan.
7. I have not been sued by a regulatory agency or financial institution for fraud or negligence involving an appraisal report.
8. 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 any subsequent event related to the intended use of this appraisal.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*.
10. I personally inspected the subject property on June 11, 2024.
11. J. Mark Williams, MAI, provided significant appraisal assistance to the person signing this certification.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

13. As of the date of this report, J. Mark Williams, MAI, has completed the continuing education program for Designated Members of the Appraisal Institute.



George Richard  
State-Registered Trainee Appraiser RI25484



## **ADDENDUM**



## QUALIFICATIONS OF J. MARK WILLIAMS, MAI

**President**

**Moody Williams Appraisal Group, LLC.**

### State Certifications

Florida Certified General  
Real Estate Appraiser RZ1501

Georgia Certified General  
Real Estate Appraiser 345269

North Carolina Certified General  
Real Estate Appraiser A7010

South Carolina Certified General  
Real Estate Appraiser 7557

Alabama Certified General Real  
Estate Appraiser G01345

### Education

Bachelor of Science  
Business Administration & Real  
Estate & Urban Analysis  
University of Florida, Graduated  
1984

### Contact Details

Moody Williams  
Appraisal Group, LLC  
1300 Riverplace Blvd, Ste 640  
Jacksonville, FL 32207  
Phone: 904-516-8900  
Direct: 904-803-1106  
Email: mwilliams@moodywilliams.com

### Appraisal Institute & Related Courses

Course 1A-A Capitalization Theory & Techniques (1988)  
Course 2-1 Case Studies in Real Estate Valuation (1990)  
Course 2-2 Report Writing and Valuation Analysis (1993)  
Course 520 Highest & Best Use and Market Analysis (2004)  
Course 530 Advanced Sales Comparison and Cost  
Approaches (2004)  
Course SPP Standards of Professional Practice (2014)  
Attended numerous other courses and seminars sponsored  
by the Appraisal Institute, area Board of Realtors, and the  
National Assn of Industrial & Office Properties (NAIOP)

### Court Experience

Qualified Expert Witness for Duval County Circuit Court, St.  
Johns Circuit Court, and Federal Bankruptcy Court.  
Served as a Special Magistrate for Duval County

### Other Testimony

Value Adjustment Board Hearings in Duval & Clay Counties  
Jacksonville Planning and Zoning Committee and City  
Council

### Experience

- Moody Williams Appraisal Group, President  
(November 2018-Present)
- JLL Valuation & Advisory – Managing Director (May  
2017-October 2018)
- IRR-Jacksonville, formerly Crenshaw Williams  
Appraisal Company- Commercial Appraiser, Vice  
President & Senior Director (1999 – 2017)
- Broom, Moody, Johnson & Grainger, Senior  
Commercial Appraiser (1989-1999)

- Pardue, Heid, Church, Smith & Waller, Inc., Orlando, FL, Independent Fee Appraiser Residential & Commercial Properties (1985-1988)

Appraisal/valuation and consulting assignments in Florida, Georgia & North Carolina include downtown & suburban office buildings, shopping centers, restaurants (sit down & fast food), all types of net lease facilities, retail buildings including big box stores, marinas, apartments, hotels/motels, storage & distribution warehouses, manufacturing facilities, golf courses, assisted & independent living facilities, residential subdivisions, residential & commercial condominium projects, special purpose properties, agricultural properties including livestock facilities and farms, and all types of vacant land.



## QUALIFICATIONS OF "HARLEY" GEORGE THOMAS RICHARD, JR.

**State-Registered Trainee Real Estate Appraiser  
Moody Williams Appraisal Group, LLC**



### State Certifications

State of Florida  
State-Registered Trainee  
Appraiser RI25484

### Education

Bachelor of Science  
University of South Florida

### Contact Details

Moody Williams  
Appraisal Group, LLC  
1300 Riverplace Blvd, Ste 640  
Jacksonville, FL 32207  
Phone: 904-516-8900  
Cell: 904.505.5793  
Email: hrichard@moodywilliams.com

### Appraisal Experience

**Commercial Trainee Appraiser**  
Moody Williams Appraisal  
Group, LLC (January 2022 to  
Present)

### **Appraisals of various types of properties in Florida including:**



- Office buildings
- Retail buildings
- Shopping centers
- All types of net leased facilities
- Industrial buildings
- Special purpose properties
- Vacant land projects
- All Types of Insurable Values

Assignments have been concentrated in the Jacksonville Metropolitan area (Duval County) and surrounding counties of Clay, Nassau, St Johns, Baker, Flagler and Putnam counties.

# APPRAISER'S LICENSE

Ron DeSantis, Governor

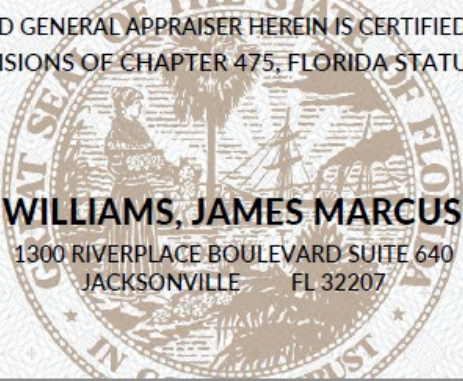
Melanie S. Griffin, Secretary



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

**FLORIDA REAL ESTATE APPRAISAL BD**

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




**WILLIAMS, JAMES MARCUS**  
1300 RIVERPLACE BOULEVARD SUITE 640  
JACKSONVILLE FL 32207

**LICENSE NUMBER: RZ1501**

**EXPIRATION DATE: NOVEMBER 30, 2024**

Always verify licenses online at [MyFloridaLicense.com](http://MyFloridaLicense.com)



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Ron DeSantis, Governor

Melanie S. Griffin, Secretary



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

**FLORIDA REAL ESTATE APPRAISAL BD**

THE REGISTERED TRAINEE APPRAISER HEREIN HAS REGISTERED UNDER THE  
PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

**RICHARD, GEORGE THOMAS JR**

587 TARA FARMS DRIVE  
MIDDLEBURG FL 32068

**LICENSE NUMBER: RI25484**

**EXPIRATION DATE: NOVEMBER 30, 2024**

Always verify licenses online at [MyFloridaLicense.com](http://MyFloridaLicense.com)



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## ENGAGEMENT LETTER



Via Email: [jbrumbaugh@nardellalaw.com](mailto:jbrumbaugh@nardellalaw.com)

May 23, 2024

Hilco Development, LLC  
4244 County Road 218  
Middleburg, FL 32068  
c/o Juliane Brumbaugh  
c/o Robert Aguilar

RE: Appraisal of an Improved Commercial and an Improved Residential Parcel  
6023 and 6042 Kingsley Lake Drive  
Tax Parcel Nos. 15-06-23-021643-001-00 and 16-06-23-021473-000-00  
Starke, Clay County, FL 32091

Dear Ms. Brumbaugh:

Moody Williams Appraisal Group, LLC appreciates the opportunity to provide a proposal for appraisal services concerning the above referenced property. It is my understanding the intended use of the appraisal will be used to establish an opinion of the as is market value of the above referenced property to be used to establish a fair list/sale price for the property.

The scope of work will include the following.

- Exterior and interior inspection of the subject property.
- Research commercial retail market area trends and statistics within the Jacksonville MSA and the subject's submarket.
- Gather, verify and analyze comparable land and improved sales within the subject submarket and Jacksonville MSA.
- Estimate the Highest and Best Use of the property
- Perform a Sales Comparison Approach to determine a market value conclusion for the subject property.

My research, analysis, conclusions, and opinion of market value will be presented within a Restricted Report format compliant with Standards Rule 2-2(b) of USPAP and could be prepared for a fee of \$2,000. The completed appraisal and report could be delivered within 10 business days of your acceptance of this proposal letter.

The appraisal and report will comply with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

It is noted I have not provided an appraisal or any other real estate services pertaining to the referenced property within the three years preceding this engagement.

Return of this proposal letter with signature authorizes me to commence work on the assignment and represents a contract for us to complete appraisal services for the agreed upon fee and timing.

1300 Riverplace Blvd, Suite 640, Jacksonville, FL 32207 | 904.516.8900 | [moodywilliams.com](http://moodywilliams.com)



March 27, 2024  
Page 2

Payment would be required at or prior to our inspection of the property.

If my engagement is ended for any reason prior to delivery of the final report, I shall be entitled to a reasonable fee proportionate to the part of appraisal services completed to the date of termination.

I look forward to working with you on this appraisal assignment.

Respectfully submitted,

**MOODY WILLIAMS APPRAISAL GROUP**

J. Mark Williams, MAI  
FL State-Certified General  
Real Estate Appraiser RZ 1501  
Cell Phone: (904) 803-1106

/s/ Juliane M. Brumbaugh

Date: May 24, 2024

1300 Riverplace Blvd, Suite 640, Jacksonville, FL 32207 | 904.516.8900 | moodywilliams.com