

# FOR SALE

## **+/- 1,099 Sq. Ft. Freestanding Retail/Office** **in** **Cedar Key, Florida**



**509 2nd Street**

**Asking Price:**

**\$395,000**



**Alex Garcia** | *SVP, Director of Real Estate & Facilities*

50 SE Kindred Street, Suite 201 Stuart, FL 34995

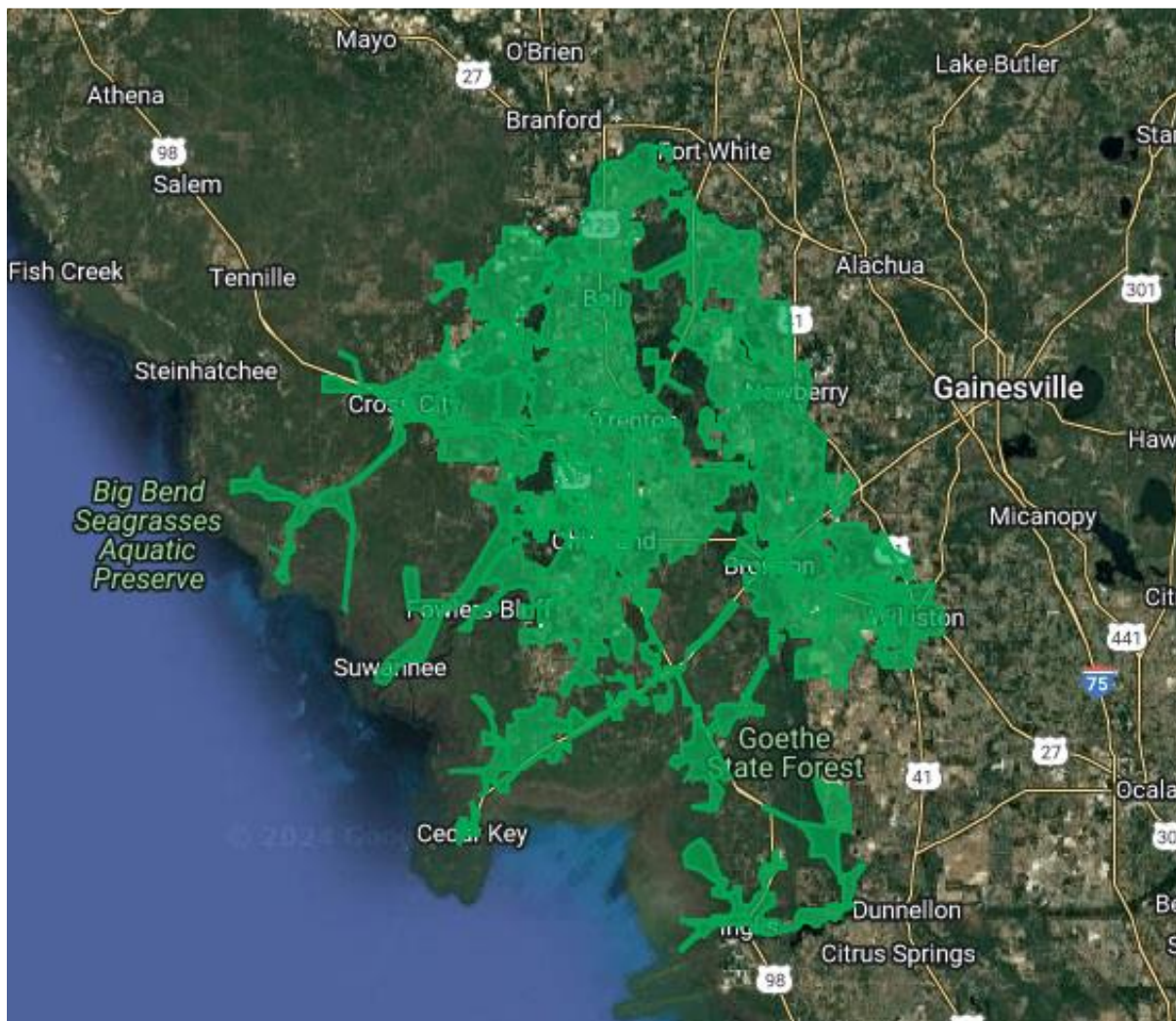
**[Alex.Garcia@SeacoastBank.com](mailto:Alex.Garcia@SeacoastBank.com)** | **C: 407.242.4086**

# Summary of Salient Facts

|                             |  |
|-----------------------------|--|
| Property Name:              | Former Attorney Offices  |
| Address:                    | 509 2 <sup>nd</sup> St.<br>Cedar Key, Florida 32626  |
| Assessor's Parcel Number:   | 0856100000   |
| Legal Description           | Lot 2, Block 11, Cedar Key, according to plat therefore recorded in Plat Book 1, Page 3, Public Records of Levy County, Florida.   |
| Zoning:                     | MU - Commercial  |
| Land Use:                   | Commercial/Office/Retail   |
| Permitted Uses:             | The City Compatibility requirements shall not be construed to require specific similarity of uses and styles but shall accommodate a wide range of situations in keeping with the development patterns and styles that have occurred over time in the City.  |
| Existing Improvements:      |  |
| Age/Condition:              | Built in 1901, in good condition   |
| Property Type:              | One-story building; wood frame construction w/siding over wood frame   |
| Size:                       |  |
| Gross Building Area:        | 1,099 SF   |
| Physical Characteristics:   |  |
| Site Area:                  | 2,500 square feet, or .0574 acres  |
| Shape:                      | Rectangular  |
| Parking Spaces:             | Surface street parking   |
| Topography:                 | Level at street grade  |
| Parcel Location:            | Not on lighted corner but contains good frontage along a primary throughfare for its neighborhood. Pedestrian traffic is considered to be good.  |
| Access:                     |  |
| At Signalized Intersection: | No   |
| Overall Visibility:         | Visibility and exposure is considered good from its respective roadways  |
| Site Description            |  |
|                             | The property appraised contains 2,500 square feet site currently being utilized for office use. Additionally, the property is located in a low-lying area and considered to be in Flood Zone AE, a High-Risk flood designation. The property was reported as being flooded during the past five years but was primarily due to a recent hurricane. During normal conditions, the property was reported as being able to adequately drain and divert excess water through public amenities and natural topographical conditions. Overall, the site appears well suited for its current use. |
| Flood Zone Data:            |  |
| Flood FIRM Panel:           | 12075C0443G, dated November 02, 2018   |
| Flood Zone:                 | AE   |

# Regional and Market Area Analysis

## REGIONAL MAP



## Introduction

Levy County is bordered on the east by Marion County; on the south by Citrus County; on the west by the Gulf of Mexico and Dixie County, and on the north by Gilchrist and Alachua Counties. Jacksonville lies approximately 80 miles to the northeast, Tallahassee 131 miles to the northwest, Orlando 90 miles to the southeast, and Tampa 100 miles south.

Levy County, Florida has over 1,000 square miles of land and is the 9th largest county in Florida by total area. The county contains incorporated cities/towns known as Fanning Springs, Cedar Key, Chiefland, Inglis, Otter Creek, Williston, Yankeetown, and Bronson. Other smaller bedroom communities are also located throughout the area. Bronson is the county seat of Levy County and contains a general mixture of uses. Growth within the city has been limited with most commercial buildings being owner occupied for an extended period which is typical for rural northern Florida.



## Infrastructure

Infrastructure in Levy county includes several primary roadways: State Road 24, U.S. Highway 19, U.S. Highway 27, and U.S. Highway 129. State Road 24 spans 72.6 miles, starting at Cedar Key and passing through Otter Creek and Bronson before ending in Waldo, Florida. U.S. Highway 19 is a major 264-mile route that travels through Inglis, Gulf Hammock, Otter Creek, Chiefland, Fanning Springs, and into southern Georgia. U.S. Highway 27, a major highway stretching nearly 500 miles across Florida, passes through Williston, Bronson, and Chiefland. U.S. Highway 129 connects Chiefland, Trenton, Live Oak, and Jasper in North Florida. It originates from U.S. 19/98/27 Alternate in Chiefland, heading northeast and then north through agricultural areas into Gilchrist County.

Many of the incorporated cities/towns within Levy county offer public utilities such as water, sewer, and electricity. Areas located outside the city limits typically require a private well and septic tank, which is typical for rural areas. The table below shows a list of the cities/towns within Levy County that offers public services.



### Cities/Towns-Levy County

| Utilities          | Fanning Springs | Cedar Key | Chiefland | Inglis      | Otter Creek | Williston | Yankeetown  | Bronson   |
|--------------------|-----------------|-----------|-----------|-------------|-------------|-----------|-------------|-----------|
| <b>Electricity</b> | Available       | Available | Available | Available   | Available   | Available | Available   | Available |
| <b>Water</b>       | Available       | Available | Available | Available   | Available   | Available | Available   | Available |
| <b>Sewer</b>       | Available       | Available | Available | Unavailable | Unavailable | Available | Unavailable | Available |

The fiber optic expansion project in Levy, Gilchrist, and Dixie counties is another significant development that will have a large impact on the county's infrastructure. The fiber optic expansion is a large project aimed at expanding high-speed internet access to rural communities through a partnership between Central Florida Electric Cooperative (CFEC) and Conexon. With a \$100 million investment, the project will cover over 4,300 miles of CFEC lines and reach nearly 11,000 homes and businesses in its first phase, starting with areas such as Chiefland, Trenton, Bell, and North Dixie County. The construction is expected to take several years, with the first phase aiming for completion by 2024. Below is a map of the current areas serviced by the project.

### Government

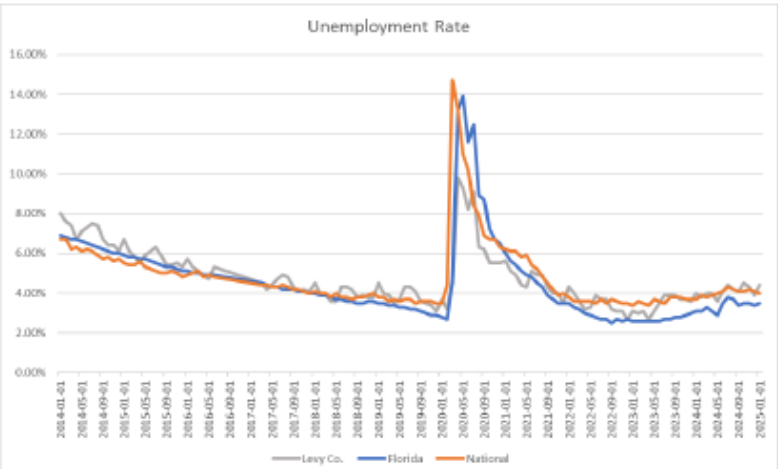
Local governments are run by both elected and appointed officials. Both spending and taxation are reviewed annually. The current level of assessments and taxes is well within the reasonable guidelines established by the state. Homestead exemption of \$50,000 is available for permanent residents and up to a four percent discount is available for early payment of taxes. A big drawing power to the state and area is that there are still no state or local personal income taxes. Services provided by local governments include public water and sewer, police and fire protection, zoning and building regulations, and other administration. Trash collection is divided between city and county governments, and private contractors.

### Consumer Price Index

The Consumer Price Index (CPI) for All Consumers is a crucial measure of inflation that reflects the average change over time in the prices paid by consumers for goods and services. This index includes a wide range of items, such as food, clothing, housing, transportation, medical care, recreation, and education. The CPI is one of the most widely used indicators of inflation and is crucial for economic policy, cost-of-living adjustments, and economic analysis. Over the years, the CPI has shown a general upward trend, reflecting the rising costs of living. Several factors contribute to this increase, including economic growth, supply and demand dynamics, and changes in production costs. Recently, the COVID-19 pandemic led to unique economic conditions, including supply chain disruptions, labor shortages, and increased demand for certain goods and services. These factors caused a significant rise in the CPI, with inflation reaching levels not seen in decades. As the economy started to stabilize in 2023, the rate of increase in the CPI began to moderate.

Employment

According to the most recent unemployment statistics released by the Florida Department of Economic Opportunity, the Levy County unemployment rate for January 2025 is 4.40%, slightly above the prior month, and up 0.40 percentage points from a year ago. The unemployment rate for Levy County is above the state of Florida average rate of 3.50% and the national average rate of 4.00%. The unemployment rate for the recent past is displayed in graphical format below:



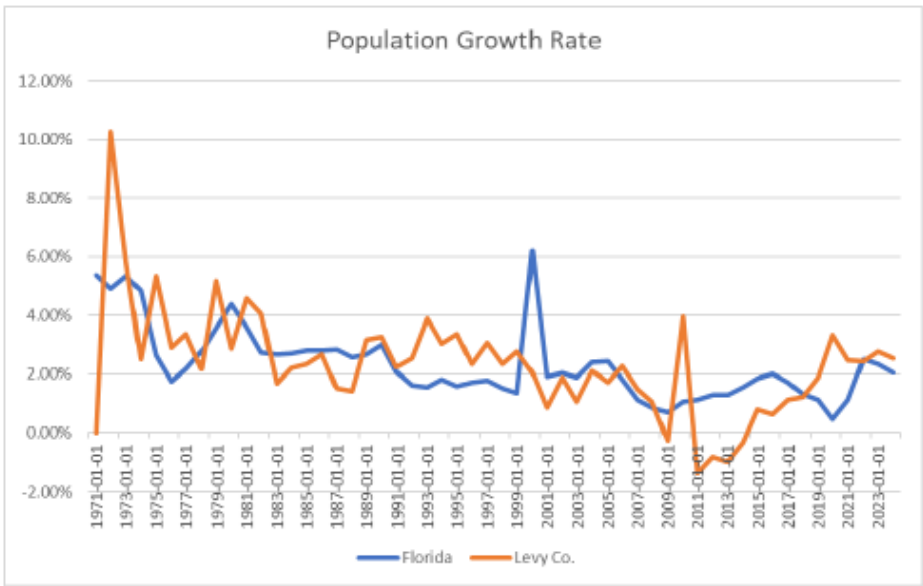
Fixed Mortgage Interest Rates - Source: Freddie Mac

Inflation has a direct impact on mortgage rates, particularly the 30-year fixed mortgage rates. When inflation rises, the purchasing power of money decreases, prompting lenders to demand higher interest rates to compensate for the loss of value over time. Banks, like the Federal Reserve in the United States, respond to rising inflation by increasing interest rates to control inflationary pressures. This, in turn, leads to higher mortgage rates. Consequently, the housing market experiences reduced activity. Higher interest rates also reduce overall consumer spending power, further impacting economic growth.



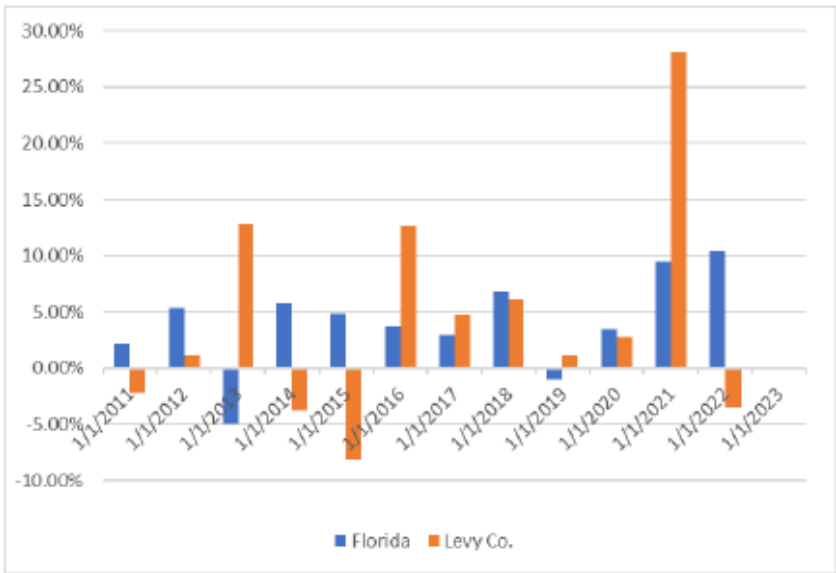
## Population

According to the United States Census, the Levy County population continues to grow at a steady rate. Based on these estimates, population growth in Levy County between 2014 and 2024 was 2.14% per year on average.



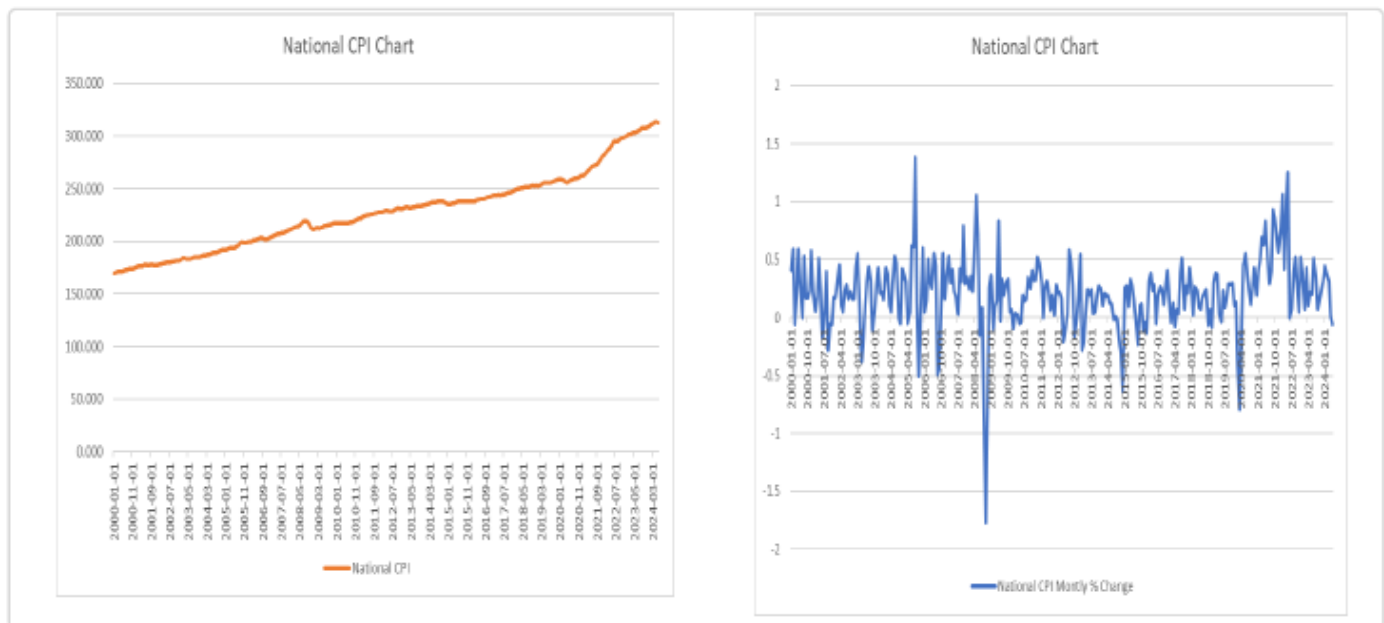
## Median Household Income

According to the United States Census, the Levy County median household income continues to grow at a steady rate, though has slightly dropped between 2022 and 2023. Based on these estimates, income growth in Levy County from 2022 to 2023 was -3.51%. Median household income was reported as being \$53,214 which is considerably below those reported by the State of Florida of \$72,200.



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## Demographics Conclusion

Overall, Levy County contains positive income, population growth, and low unemployment. These three indications are often considered primary economic generators. An increase in population can be indicative of increased housing growth and positive job creation. When employment opportunities are growing, the economy of an area is generally considered healthy. Increases in income are also considered to be a healthy sign of an economy. Households generate demand for space designed to fulfill basic human needs such as the need for housing and retail and medical services. Overall, all three indications show no signs of adverse trends. While these indications are modest, they are positive economic indicators.



# Local Market Analysis

## Market Reaction To Recent Natural Disasters

Based on the on-site inspection and through conversations with the point of contact, the subject property contained minimal damage from the recent hurricanes Debby, Milton, and Helene and all damage sustained has been mitigated.

In regards to the subject property's neighborhood/market area, significant damage occurred to the Town of Cedar Key due to Hurricanes Debby, Milton, and notably Helene. This damage was in the form of flooded buildings, fallen trees, damaged fencing, debris, and even some damaged buildings that required demolition. According to a local realtor, a total of 42 houses within Cedar Key were damaged beyond repair and required demolition. Based on the on-site inspection of the market area, a large portion of the damage has been mitigated and the Town of Cedar Key is currently in the process of rebuilding from the recent catastrophic events. Due to the scale of these natural disasters, the appraiser went beyond the typical scope of this analysis to determine any possible impacts on marketability and value trends. This additional research involved market based conversations with local realtors within Cedar Key, researching historic value trends before and after natural disasters, and studying the price to list ratio before and after natural disasters.

Based on the local MLS, the town of Cedar Key has only has minimal sales that have occurred subsequent to Hurricane Milton, the most recent natural disaster that impacted the subject property's neighborhood/market area. However, due to the limited time that has past, data regarding the extent of any impact is limited. In general, the town of Cedar Key only contains a minimal amount of sales each year. The appraiser also spoke with local realtors about the marketability of properties within Cedar Key and value trends subsequent to the most recent disaster. The realtor indicated that people typically are aware of the frequent Hurricanes within Cedar Key and that all properties (Commercial and Residential) within the town face the same risk of hurricanes with no significant impacts on value or marketability.

After researching the market's reactions to historic hurricanes within the neighborhood/market area, the appraiser determined that there was no significant adverse impact on the value trends of residential oriented properties within the subject's neighborhood/market area. This conclusion was based on researching the price to list ratio of historic sales that were listed prior to Hurricane Idalia in 2023 and sold shortly after. The appraiser also compared median prices and median days on market for similar gulf towns that were also affected by the recent hurricanes. Upon research, the appraiser found a number of residential properties that sold with a typical price to list ratio for the area, indicating no adverse impact. Additionally, the appraiser found that median home prices and median days on market have fluctuated but have remained relatively stable within the past two years, further indicating the conclusion of no significant adverse impact. According to local realtors, the impact is generally the same for commercial properties as well.

Cedar Key is also known for containing many short term rental and income producing properties. According to a representative of a local property management company that manages over 70 properties, vacancy is low and there is a current occupancy rate of 97%. The property management company also indicated that rental rates have not decreased due to the hurricane, which further supports our previous conclusions. Additionally, based on the on-site inspection, commercial vacancy is low for the town of Cedar Key.

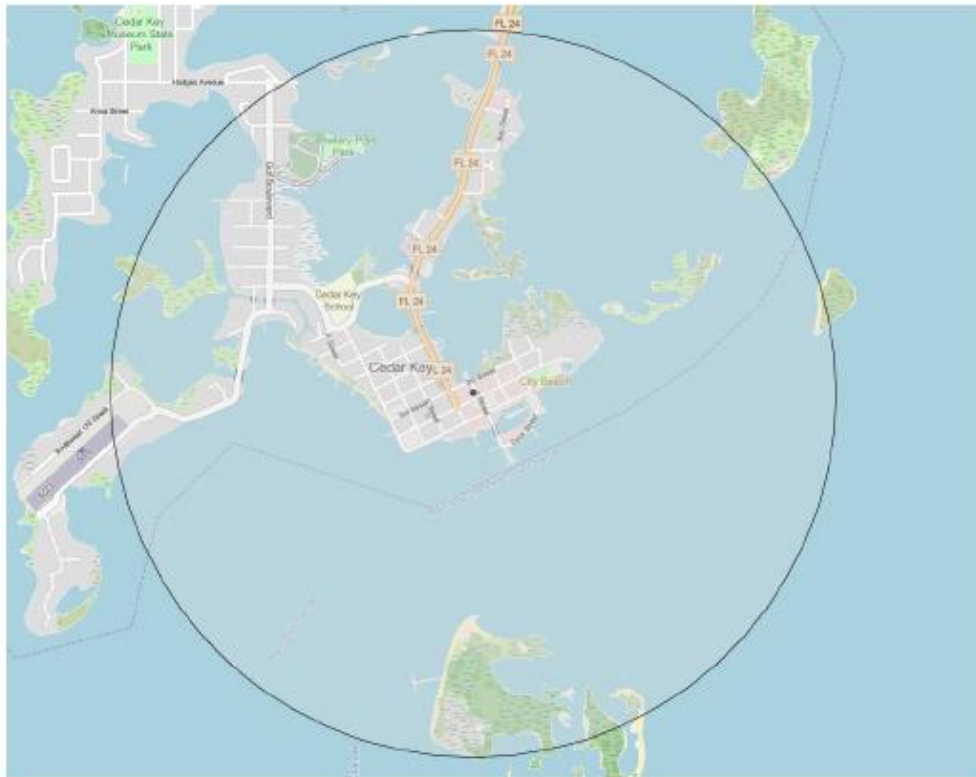
Given the frequent occurrence of hurricanes in Cedar Key, the market has already accounted for any potential impact. Both commercial and residential properties in the area are subject to the same hurricane risks.

## Immediate Area Analysis

In this section of the report, we provide details about the local area and describe the influences on the real estate market as well as the subject property. Insights into the local area based on fieldwork, interviews, demographic data and experience working in this market are described.

### Locational Overview

The subject is located on the north side of 2nd Street in Downtown Cedar Key, Florida. More specifically, the subject is located within a well built-up commercial section more commonly referred to as the Downtown area, an area well traveled by pedestrians and is the most visited area by tourist for shopping. Other well visited areas are the marina and Big Dock which boast several well known restaurants but is limited by available parking. Below is an approximate 1-Mile Radius from the subject property.



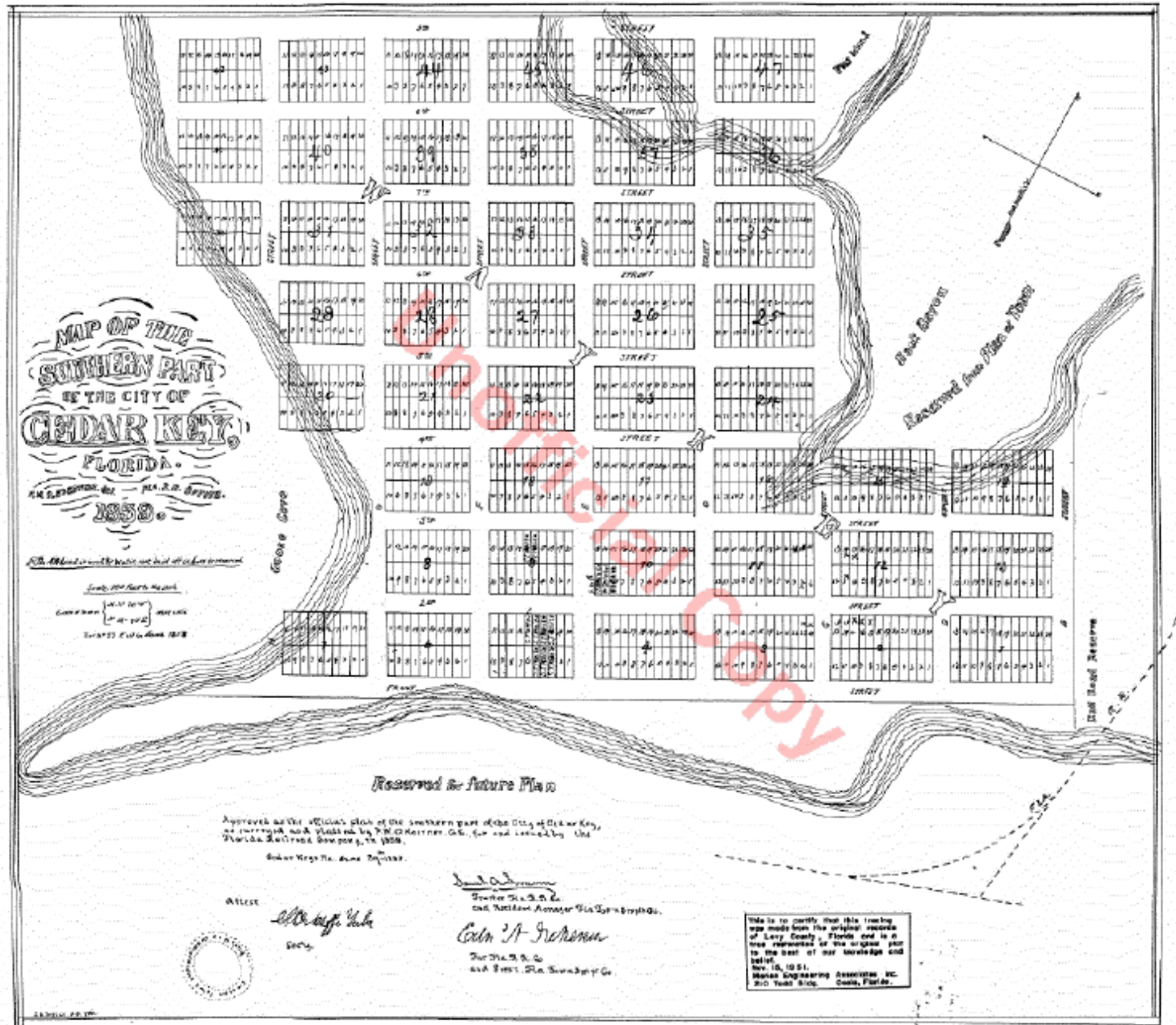
The subject neighborhood is considered to include those properties located along 2nd Street and west of A Street and east of D Street. The subject neighborhood can be characterized as an older established commercial area of Cedar key which is well traveled by tourist. Typical uses include retail, medical, professional office, and various residential uses. Compatibility of land use patterns and an area within which similar properties are subject to similar influences on value are the reasons for this delineation.

### Conclusion

Overall, the neighborhood contains numerous favorable characteristics for office and retail purposes which include an increase in population, income, employment, and tourism which are the primary drivers of demand for commercial real estate.



## Plat Map



## Satellite Imagery









## Subject Photos



View East Along 2nd Street



View West Along 2nd Street



Exterior View



Interior View (Obtained From Past Appraisal)



Interior View (Obtained From Past Appraisal)



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