



**TUTTLE ARMFIELD WAGNER**  
**APPRAISAL & RESEARCH, INC.**

**REAL ESTATE APPRAISAL REPORT  
OF THE  
COMMUNITY CENTER  
LOCATED AT:  
1361 FLORIDA AVE NE,  
PALM BAY, BREVARD COUNTY, FL 32905**

**Prepared For:**  
Mr. Brett Wherry  
Treasurer  
The Brevard Neighborhood Development Coalition  
DBA: Neighbor Up Brevard

**Effective Dates of the Appraisal:**  
April 5, 2023 - As Is

**Date of the Report:**  
April 13, 2023

**Prepared by:**  
TUTTLE-ARMFIELD-WAGNER APPRAISAL & RESEARCH, INC.  
Matthew W. Jehs, MAI, Cert. Gen. RZ2806  
Lynne Lendo, Cert. Gen. RZ-3523

File Name: SP23-0336

Tuttle-Armfield-Wagner Appraisals & Research, Inc.  
412 E. New Haven Avenue, Melbourne, FL 32901

*Matthew W. Jehs, MAI, Cert Gen RZ2806*  
*Email: [taw@t-a-w.com](mailto:taw@t-a-w.com)*  
*Phone: (321) 723-7010*

*Gary DiGiacomo Cert Gen RZ1630*  
*Email: [tawres@t-a-w.com](mailto:tawres@t-a-w.com)*  
*Fax: (321) 723-4375*

April 13, 2023

Mr. Brett Wherry  
Treasurer  
The Brevard Neighborhood Development  
Coalition DBA: Neighbor Up Brevard

Re: Real Estate Appraisal Report  
Professional Community Center  
1361 Florida Ave NE,  
Palm Bay, Brevard County, FL 32905  
File Name: SP23-0336

Mr. Wherry:

At your request, we have prepared an appraisal for the above referenced property. The subject property is legally described in the accompanying report, of which this letter is hereby made a part of and incorporated therein. This report is for your exclusive use and we are not responsible for any unauthorized use.

This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). It presents a discussion of the data, reasoning, and analyses that were used in the appraisal process to develop the opinion of value. Additional supporting documentation concerning the data, reasoning, and analyses is retained in our file.

The subject of this appraisal is a community center located in Palm Bay, FL. Built in 2018 of concrete block, the subject is made up of 6,068 SF and is divided into three primary areas which include the Evans Market (3,178 SF), the Community Room (1,075 SF), and the Brevard Health Alliance (1,815 SF). The Evans Market is a local grocery and hot food kitchen that aims to raise the standard of health in the community by providing access to affordable, quality foods. The Community Room is rented out for events such as, job training, club meetings, birthday parties, and more. The Brevard Health Alliance is a private, not for profit medical office and is Brevard's only federally qualified health center offering services on a slide fee scale. The subject is owned by the Evans Center which is a local non-profit organization committed to raising the standard of health and improving the quality of life in the community. The subject is in good condition and benefits from a corner location between Florida Ave NE and Pelham St NE.

The property is further identified as 1361 Florida Ave NE, Palm Bay, Brevard County, FL 32905 and Brevard County Property Appraiser Parcel ID's 28-37-14-50-3-23 , 28-37-14-50-3-22, 28-37-14-50-3-21, 28-37-14-50-3-20.

Mr. Wherry  
April 13, 2023

We note that the subject property represents a development designed to accommodate a specific non-for-profit mission and was constructed with grant funds and donations. It continues to operate using donations and grant funds, and is not originally intended to be a for-profit facility. However, at the request of the client, the purpose of this appraisal is to estimate the Current Market Value of the subject property's Fee Simple estate in its "As Is" condition which would be a market oriented use, effective April 5, 2023, and a Fee Simple Special Purpose Value in Use "As Is" condition which is in-line with the intended original mission, effective April 5, 2023.

This letter of transmittal is not an appraisal report; however, the attached report sets forth the data, research, and analyses that support our value conclusions. Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, we have made the following value conclusions:

Summary of Values		
Value Premise	As Is	As Is
Date of Value	4/5/2023	4/5/2023
Value Type	Market Value	Value in Use
Value Perspective	Current	Current
Interest Appraised	Fee Simple	Fee Simple
Land Analysis	N/A	\$130,000
Cost Analysis	N/A	\$1,300,000
Improved Sales Analysis	\$1,030,000	N/A
<b>Value Conclusion:</b>	<b>\$1,030,000</b>	<b>\$1,300,000</b>

*Community centers may include specialized fixtures and/or equipment that are considered personal property and are not part of the real estate. We have not included the value of such items, nor have we included the value of any furniture, fixtures or equipment, unless so stated. As a special-purpose property,*


Please reference Page 8 of this report for important information regarding the Limiting Conditions and Assumptions; Page 11 for Extraordinary Assumptions, and Page 16 for scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis and valuation methodology. Acceptance of this report constitutes an agreement with these conditions and assumptions.

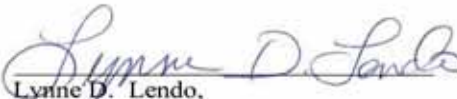
We certify that we have no present or contemplated future interest in the property beyond this estimate of value. The appraiser has not performed any prior services regarding the subject within the previous three years of the effective date of this appraisal. Parties who receive a copy of this report do not become a party to the appraiser-client relationship and do not become intended users of this report unless the parties were specifically identified as such at the time of the engagement for services.

Mr. Wherry  
April 13, 2023

The intended users of this report are The Brevard Neighborhood Development Coalition DBA: Neighbor Up Brevard, and is intended only for use by them in estimating the market value of the subject property. We believe you will find this report to be self-explanatory; however, you are invited to contact us should you have any questions or require further information relative to this matter. We thank you for the opportunity to provide our professional services.

Respectfully submitted,  
Tuttle-Armfield-Wagner Appraisal & Research, Inc.

  
Matthew W. Jehs, MAI  
Cert Gen RZ2806

  
Lynne D. Lendo,  
Cert Gen RZ3523

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## Summary of Important Facts and Conclusions

Subject Summary	
<b>Property Name</b>	Community Center
<b>Property Major Type</b>	Special Purpose
<b>Address</b>	1361 Florida Ave NE
<b>City</b>	Palm Bay
<b>County</b>	Brevard
<b>State</b>	FL
<b>Zip</b>	32905
<b>Tax ID</b>	28-37-14-50-3-23 , 28-37-14-50-3-22, 28-37-14-50-3-21, 28-37-14-50-3-20
<b>Owner</b>	Evans Center Inc
<b>Land SF</b>	34,412
<b>Acres</b>	0.79
<b>FAR</b>	0.18
<b>Zoning</b>	IU
<b>Zoning Type</b>	IU-Institutional Use District
<b>Highest and Best Use</b>	The subject is located in an area that is primarily made up of multi family and single family properties but the subject is zoned for institutional use. The subject's current zoning classification is a restrictive classification that serves to limit the potential number of users of the property. It clearly excludes retail/commercial use and most other uses that are not public in nature. Any change in use that is not public or semipublic in nature would most likely require a change in zoning, therefore we believe the highest and best use as vacant is for institutional development.
<b>GBA</b>	6,068
<b>Rentable Area</b>	6,068
<b>Year Built</b>	2018
<b>Renovations</b>	Ownership did not mention any recent renovations.
<b>No. of Buildings</b>	1
<b>No. of Stories</b>	1
<b>Construction</b>	Masonry Concrete
<b>Quality</b>	Average
<b>Condition</b>	Good
<b>Design Appeal</b>	Good

## Intended Use and Users

### Intended Use

The client will rely upon this appraisal for internal use, including but not limited to, determining the market value of the subject.

### Intended Users

Intended user of the report is specifically identified as the client. Parties who receive a copy of this report do not become a party to the appraiser-client relationship and do not become intended users of this report unless the parties were specifically identified as such at the time of the engagement for services.

Real Estate Assessment and Taxes						
Tax ID	Total Assessment	Millage Tax Rate	Ad Valorem Taxes	Non Ad Valorem Taxes	Total Parcel Taxes	
28-37-14-50-3-23 , 28-37-14-50-3-22, 28-37-14-50-3-21, 28-37-14-50-3-20	\$791,170	18.6659	\$0.00	\$2,005	\$2,005	

Land Summary						
Parcel ID	Gross Land Area (Acres)	Gross Land Area (Sq Ft)	Usable Land Area (Acres)	Usable Land Area (Sq Ft)	Traffic Count	Access
28-37-14-50-3-23 , 28-37-14-50-3-22, 28-37-14-50-3-21, 28-37-14-50-3-20	0.79	34,412	0.79	34,412	Not Tracked	Average

Building Summary						
Building Name/ID	Year Built	Condition	Gross Building	Rentable Area	Construction	Appeal and Appearance
Community Center Building	2018	Good	6,068	6,068	masonry Concre	Good

Summary of Values		
Value Premise	As Is	As Is
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<b>Value Conclusion:</b>	<b>\$1,030,000</b>	<b>\$1,300,000</b>

## **Limiting Conditions and Assumptions**

1. Acceptance of and/or use of this report constitutes acceptance of the following limiting conditions and assumptions; these can only be modified by written documents executed by both parties.
2. The values given in this appraisal report represent the opinion of the signers as to the values as of the dates specified herein. Values of real estate are affected by an enormous variety of forces and conditions which will vary with future conditions, sometimes sharply within a short time. Responsible ownership and competent management are assumed.
3. This appraisal report covers the premises herein described only. Neither the figures herein nor any analysis thereof, nor any unit values derived therefrom are to be construed as applicable to any other property, however similar the same may be.
4. It is assumed that the title to said premises is good; that the legal description of the premises is correct; that the improvements are entirely and correctly located on the property; but no investigation or survey has been made, unless so stated.
5. The value given in this appraisal report is gross, without consideration given to any encumbrance, restriction or question of title, unless so stated.
6. Information as to the description of the premises, restrictions, improvements and income features of the property involved in this report is as has been submitted by the applicant for this appraisal or has been obtained by the signer hereto. All such information is considered to be correct; however, no responsibility is assumed as to the correctness thereof unless so stated in the report.
7. Possession of any copy of this report does not carry with it the right of publication, nor may it be used, or relied upon, for any purpose by anyone other than the client without prior written authorization of the client and identified as such herein, and in any event, only in its entirety. Parties who receive a copy of this report as a consequence of disclosure requirements applicable to our client do not become a party to the appraiser-client relationship and do not become intended users of this report unless the parties were specifically identified as such by our client at the time of engagement for services.
8. Neither all nor part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent of the author; particularly as to the valuation conclusions, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute, or to the SRA or MAI designations.
9. The appraiser herein, by reason of this report is not required to give testimony in court or attend hearings, with reference to the property herein appraised, unless arrangements have been previously made therefore.



10. The Contract for the appraisal of said premises is fulfilled by the signer hereto upon the delivery of this report duly executed.
11. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and zoning laws unless noncompliance is stated, defined and considered in the appraisal report. Necessary licenses, permits, consents, legislative or administrative authority from any local, state or Federal government or private entity are assumed to be in place or reasonably obtainable.
12. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors. The appraiser does not consider mineral rights.
13. All data relating to land sales, improved property sales, and comparable rentals used in this report are considered to be proprietary; that is, owned by Tuttle-Armfield-Wagner. It is provided to the client for use within this report only. Any other use or distribution of this data without the prior written consent of Tuttle-Armfield-Wagner is specifically prohibited.
14. An environmental assessment was not provided for use in this assignment. No evidence of contamination was observed during our inspection, nor did we note the presence of commonly known toxic chemicals/hazardous materials. Nonetheless, we are not qualified to inspect/evaluate a site for potential hazards or contamination. Therefore, lacking contrary information, we assume that no contamination or environmental hazards exist that would adversely affect the subject utility and/or market value. Accordingly, the market value estimate contained herein is based on the accuracy of this assumption (subject to verification via a current environmental assessment as conducted by a duly qualified environmental scientist or engineer).
15. There are no proposed judgments or pending or threatened litigation that could affect the value of the property.
16. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
17. No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.

18. The current purchasing power of the dollar is the basis for the value stated in our appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
19. The value found herein is subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
20. Information, estimates and opinions are verified where possible, but cannot be guaranteed. Maps and plans provided are intended to assist the client in visualizing the property; no other use of these plans is intended or permitted.
21. Unless stated herein, the property is assumed to be outside of areas where flood hazard insurance is mandatory. Maps used by public and private agencies to determine these areas are limited with respect to accuracy. Due diligence has been exercised in interpreting these maps, but no responsibility is assumed for misinterpretation.
22. It is assumed there are no encroachments, easements or other restrictions which would affect the subject property, unless otherwise stated.
23. This appraisal is to be used only for the purpose stated herein. While distribution of this appraisal in its entirety is at the discretion of the client, individual sections shall not be distributed; this report is intended to be used in whole and not in part.
24. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of this property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. In as much as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, we cannot comment on compliance to ADA. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. Specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

## Extraordinary Assumptions

An assumption is a statement or condition which is presumed or assumed to be true and from which a conclusion can be drawn. An extraordinary assumption is an assumption which if found to be false could alter the resulting opinion or conclusion. We note that the use of the following Extraordinary Assumptions might have an effect on assignment results if later found out to be untrue or faulty.

### Extraordinary Assumptions

There are no Extraordinary Assumptions for this appraisal.

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### Hypothetical Conditions

There are no Hypothetical Conditions for this appraisal.

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## Identification of Subject

The subject of this appraisal is a community center located in Palm Bay, FL. Built in 2018 of concrete block, the subject is made up of 6,068 SF and is divided into three primary areas which include the Evans Market (3,178 SF), the Community Room (1,075 SF), and the Brevard Health Alliance (1,815 SF). The Evans Market is a local grocery and hot food kitchen that aims to raise the standard of health in the community by providing access to affordable, quality foods. The Community Room is rented out for events such as, job training, club meetings, birthday parties, and more. The Brevard Health Alliance is a private, not for profit medical office and is Brevards only federally qualified health center offering services on a slide fee scale. The subject is owned by the Evans Center which is a local non-profit organization committed to raising the standard of health and improving the quality of life in the community. The subject is in good condition and benefits from a corner location between Florida Ave NE and Peleham ST NE.



## Purpose of the Appraisal

At the request of the client, the purpose of this appraisal is to estimate the Current Market Value of the subject property's Fee Simple estate in its "As Is" condition, effective April 5, 2023, and a Fee Simple Special Purpose Value in Use "As Is" condition, effective April 5, 2023. The "Market Value" and "Fee Simple" interests are defined in the Addendum.

The subject property represents a development designed to accommodate a specific non-for-profit mission and was constructed with grant funds and donations. It continues to operate using donations and grant funds, and is not originally intended to be a for-profit facility. Further, special use is our concluded H&BU, and a community center is a type of special use. However, it is specialized to the point of having a limited market. As such, there is not enough data to indicate that the current use of the property would represent market value, but it would meet the requirements for a Special Purpose Property designed to meet specific design needs and our analysis includes a **Value in Use**.

The Dictionary of Real Estate Appraisal (Appraisal Institute) defines **Special Purpose Property** as follows: "A property with a unique physical design, special construction materials, or a layout that particularly adapts its utility to the use for which it was built; e.g. a clubhouse, a church property, a public museum, a public school; also, a building that cannot be converted to another use without significant capital investment."

The Appraisal of Real Estate discusses special-purpose or special-design properties within the context of use value and limited market properties. The subject is a community center containing a food market, medical office, and community room all under one roof.

### Definition of Value in Use:

The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually.

Separately, the client has requested a Market Value of the property. This would likely entail a buyer purchasing the subject for either investment to lease to tenants or owner-occupancy. This likely would require modifications, conversion, or acceptance of lower rental rates due to the neighborhood low traffic location that may not be commensurate with original construction costs.

## Client

This appraisal report has been prepared for The Brevard Neighborhood Development Coalition DBA: Neighbor Up Brevard, to the attention of Mr. Wherry, Treasurer.

## **Intended Use and User of Appraisal**

Intended user of the report is specifically identified as the client. Parties who receive a copy of this report do not become a party to the appraiser-client relationship and do not become intended users of this report unless the parties were specifically identified as such at the time of the engagement for services. The client will rely upon this appraisal for internal use, including but not limited to, determining the market value of the subject. No one other than the named client or any other party not identified as an intended user should use or rely on this appraisal for any purpose. Such parties are advised to obtain an appraisal from an appraiser of their own choosing if they require an appraisal for their own use.

## **Owner of Record and Sales History**

The Brevard County Property Appraiser's Record Card indicates current ownership is listed as Evans Center Inc. In 2016, the Evans Center purchased the vacant lots that the subject currently sits on for \$10,000 from the City of Palm Bay. The subject was built in 2018 for an estimated cost of \$1,280,000 and the certificate of occupancy was given in 2019. The Evans Center is a local non-profit organization committed to raising the standard of health and improving the quality of life in the community. They accomplish this by building partnerships with organizations and local leaders determined to disrupt the status quo of scarce resources in low to moderate income communities. These partnerships help provide job training, access to quality, affordable healthcare, fresh foods and clean living. The subject is divided into three primary areas which include the Evans Market (3,178 SF), the Community Room (1,075 SF), and the Brevard Health Alliance (1,815 SF). The subject is a community hub but was negatively impacted by Covid and most recently by rising inflation. Cost of goods sold are high for the market and cause the market to run at a significant loss. The deli within the market does very well and is the market's greatest source of income. Foot traffic to the subject has been low but recently has been boosted by the hiring of a marketing agent.

This information was verified with the Brevard County Property Appraiser records. We assume this information is accurate as described by ownership and public records, however, if further verification is required, we strongly suggest it be obtained via a current title search. The property is not currently listed for sale nor under contract for sale.

## **Existing Leases, Rentals or Use Agreements**

The Brevard Health Alliance leases the 1,075 SF medical office space within the subject. BHA originally entered into the lease on August 31, 2017 for a term of 3 years and an annual rent of \$12,000 or \$1,000 per month. The tenant pays their own electric, a pro rata share of water/sewer, and a pro rata share of garbage collection. The landlord is responsible for insurance and CAM. The lease has since been renewed and expires October 31, 2027. The annual base rent was increased from \$1,000 per month to \$1,100 per month. This lease structure is most similar to a modified gross lease structure where the landlord is responsible for insurance, CAM, and real estate taxes. We note that the annual rent translates to approximately \$12.30 PSF MG which is considerably lower than comparable medical office spaces in the subject's market area. The Community Center is also rented out for events such as job training, club meetings, birthday parties, and more.

In 2022 it brought in a total of \$8,500 and is estimated to bring in close to \$10,000 in 2023.

## Legal Description

The following Legal Description was obtained Brevard County Records. We assume it is correct but strongly advise a current title policy be obtained if further verification is necessary.

### EXHIBIT "A"

Lot 20, 21, 22, 23 and 24, Block 3, Powell's Subdivision, as per plat thereof, recorded in Plat Book 3, Page 84, of the Public Records of Brevard County, Florida.

### Aerial View



### Plat Map



*The above aerial depiction is from the Brevard County Property Appraiser records. The property boundaries are not exact. They are for illustrative purposes only.*

## Scope of Work

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user. Therefore, the appraiser must identify and consider:

- the client and intended users of the report as well as the intended use;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

### Scope Summary - Definition of the Problem

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#### **Problem**

The purpose of the appraisal is to estimate the Current Market Value of the Fee Simple interest of the subject property on an 'As Is' basis.

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#### **Intended Use**

The client will rely upon this appraisal for internal use, including but not limited to, determining the market value of the subject.

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#### **Intended User(s)**

Intended user of the report is specifically identified as the client. Parties who receive a copy of this report do not become a party to the appraiser-client relationship and do not become intended users of this report unless the parties were specifically identified as such at the time of the engagement for services.

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#### **Appraisal Report**

Based on the intended users understanding of the subject's physical, economic and legal characteristics, and the intended use of this appraisal, an appraisal report format was used.

This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). It presents a discussion of the data, reasoning, and analyses that were used in the appraisal process to develop the opinion of value. Additional supporting documentation concerning the data, reasoning, and analyses is retained in our file.

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## Utilized Approaches to Value

### Cost Approach

☒

There is adequate data to develop a land value and the depreciation accrued to the improvements can be reasonably measured. As the subject is a special purpose property and newer construction, market participants place significant weight on this approach. This approach most closely aligns with the "Value In Use" as the subject is a special purpose property designed to accommodate a specific non-for-profit mission.

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### Sales Comparison Approach

☒

There is adequate data to develop a value estimate and this approach reflects market behavior for this property type. This approach most closely aligns with the "Market Value" but less weight is applied to this approach as the market for similar specialized properties is limited. A buyer purchasing the subject property would most likely be required to modify or convert the subject to a use that conforms with the market norms.

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### Income Approach

☐

While a portion of the the subject is income producing, this approach does not reflect market behavior for this property type. This approach is not a good indicator of value for the subject property as the rental rates required to break even are far and above the current rental rates of the subject medical space.

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**Scope of Work**

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**Property Identification**

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The subject has been identified by the assessors' parcel number, legal description, and address.

**Is this a 'Land Only' appraisal?**

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No

**Inspection**

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An inspection of the subject property has been made, with photographs.

**Zoning**

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A review of zoning and applicable land use controls has been made.

**Market Analysis**

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The subject marketing area and surrounding neighborhoods within the county were examined in order to determine factors that significantly affect the subject property. Local land use policies, community support facilities, traffic patterns, demographics, and development trends were considered. A summary of the most pertinent details is presented.

**Highest and Best Use Analysis**

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An "As Vacant" and "As Improved" H&BU analysis for the subject has been made. Physically possible, legally permissible and financially feasible uses were considered, and the most reasonably probable and maximally productive use was concluded.

**Information Sources**

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The appraiser maintains a comprehensive database for this market area and has reviewed the market for sales, rentals and listings relevant to this analysis. In addition, market data acquired in the course of previous appraisal work is retained in the appraiser's work files. Other sources include, but are not limited to the following: Multiple Listing Services, public records, interviews with brokers, buyers, and sellers, appraisal files, published articles and surveys. Information pertaining to this data was verified by one or more parties involved with, or having reliable knowledge of, each individual transaction when possible.

**Information Not Available**

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We had sufficient information to conclude a reliable value conclusion.

**Comments**

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The employed methods and level of analysis provides a credible value conclusion for the subject property.

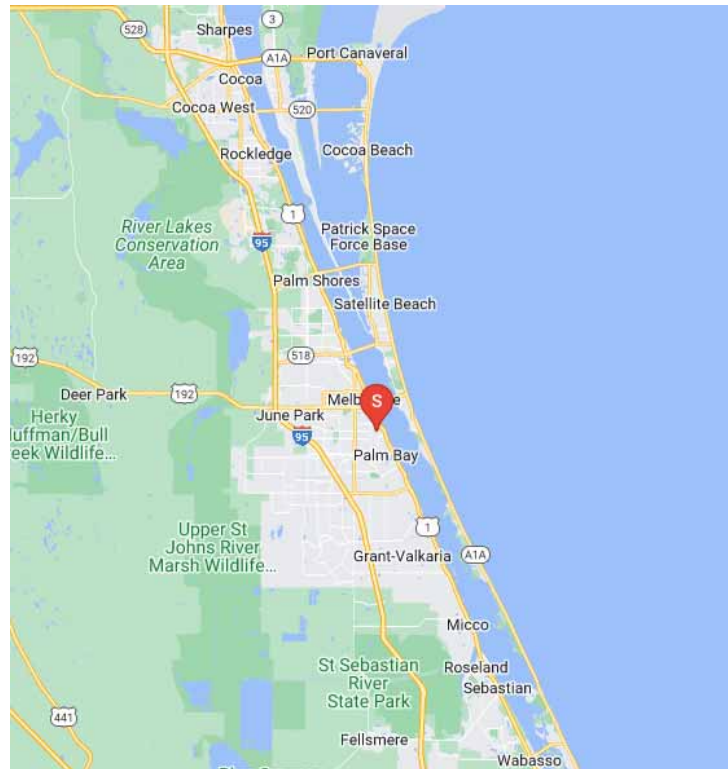
**Competency Comment**

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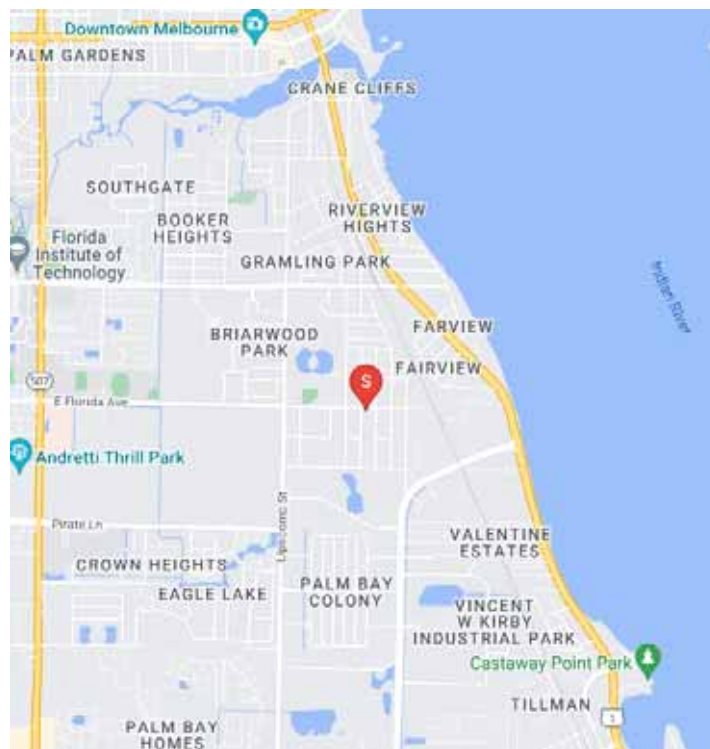
The person(s) signing this report are licensed to appraise real property in the state the subject is located. They affirm they have the experience, knowledge, and education to value this type property. They have previously appraised similar real estate.

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## Location Maps



**Regional Perspective**



**Neighborhood Perspective**

## **Neighborhood Analysis**

### **Area Location and Boundaries:**

The subject is located in the City of Palm Bay. The city is located on east central Florida's Space Coast. Palm Bay is about an hour's drive south of the Kennedy Space Center, and 1-1/2 hours due east of Disney World. Palm Bay is reported to be the 16<sup>th</sup> largest city in Florida by population (with over 115,000 residents) and is the state's 9<sup>th</sup> largest city by size, covering approximately 97 square miles. It is also a principal city of the Palm Bay – Melbourne – Titusville, Florida Metropolitan Statistical Area.

The neighborhood is considered to be the area bordered by Crane Creek to the north, Palm Bay Road on the south, Babcock Street to the west and the Indian River to the east. The defined area is predominantly a mixed use residential/commercial/industrial area located in southern Melbourne and eastern Palm Bay. The subject is situated in the northeastern central portion of the neighborhood.

### **Market Area and Property Characteristics**

West of the subject's neighborhood are residential properties in Melbourne and Palm Bay. North of the subject's neighborhood is the older (downtown) area of the City of Melbourne. East of the neighborhood is the Indian River Lagoon and the barrier island communities of Indialantic and Melbourne Beach. South of the subject's neighborhood is a mixed use area in the City of Palm Bay.

The area is developed with a variety of commercial, industrial, and residential uses. One primary focus of the neighborhood's development trend along U.S.1. is retail in nature. As evidenced by a commercial presence, retail dominates the use of the neighborhood along this linkage and is the primary property use along this section of U.S.1.

Commercial properties dominate Babcock Street and Palm Bay Road. The remainder of the neighborhood mostly consists of residential developments, both multi-family and single-family developments. Most of the residential and commercial properties were developed in the period from the 1970's to the 1990's; however, new subdivisions to the northwest and further south are prevalent.

There is limited office space within the subject's immediate area as compared to industrial use properties. Scattered office properties are located along U.S.1. A cluster of office development is also located along Palm Bay Road, west of the Lipscomb Street intersection. Most of the existing offices in the defined area are over 20 years old, built at a time when city hall and the related city departments were situated nearby. However, the city's population growth shifted to areas further to the west and southwest of the defined subject neighborhood. These changes reduced demand for new general office construction within the defined subject market area.

### **Bayfront Community Redevelopment District**

The southeastern portion of the subject's neighborhood has been designated by the City of Palm Bay as the "Bayfront Redevelopment District." This district consists of a 4-mile section along U.S.1 from the City of Melbourne on the north to the Town of Malabar on the south. The City of Palm Bay established the Bayfront Redevelopment District in 1999 and a revitalization plan has been implemented for the next 30-years.

### **Institutional Influence**

There are a number of institutional uses in the immediate area. The Dr. Martin Luther King, Jr. public library is directly to the north of the subject. Stone Magnet Middle School is to the north, and Lipscomb Park is to the north west. Brother's Park is to the north. The Florida Department of Health office is about a mile to the north west, and the Florida Institute of Technology is approximately two miles to the west. This is a college campus that includes a botanical garden and a large library. The Palm Bay Senior High School is approximately two mile to the south west.

### **Access and Linkages**

U.S.1 is a six-lane arterial road that connects the Melbourne area with Rockledge/Cocoa to the north and Palm Bay to the south, and points beyond. The highway experiences high traffic counts in the defined area.

Palm Bay Road extends from U.S.1 westward through Palm Bay, terminating at Minton Road, just west of its I-95 interchange. This roadway has been widened to six lanes.

Robert J. Conlan Boulevard connects to U.S.1 to the north-east and Palm Bay Road to the south. Robert J. Conlan Boulevard is considered a secondary traffic artery that predominantly serves as a convenient commuter route to the local L3Harris facilities.

University Boulevard is an east-west, four-lane road that runs from the Indian River to the FIT campus.

Babcock Street is a four-lane traffic artery that connects the neighborhood with Palm Bay to the south and U.S.1 to the northeast. This road provides an alternate north/south route to U.S.1 through the south part of the Melbourne area.

The Melbourne-Orlando International Airport (MIA) is located about two miles northwest of the subject. Public Transportation is provided within Brevard County by Space Coast Area Transit. Connecting routes allow access to all of Brevard County. The local market perceives public transportation as average compared to other market areas in the region. However, the primary mode of transportation in this area is the personal automobile. The area traffic system and transportation facilities appear to adequately serve the existing and near-term future local transportation needs.

[illegible]

## Commercial Trends

University Plaza is another retail center located along Babcock Street. It is a two-story retail complex mostly tenanted by local small businesses that serve the FIT student body.

Tuttle-Armfield-Wagner Appraisal &amp; Research, Inc.



Florida Institute of Technology (FIT) is located in the west part of the neighborhood. It is an independent private technical research university with an undergraduate enrollment of approximately 5,600 students. The FIT campus encompasses 130 acres. In addition, support housing and facilities are located in the university's immediate area. Overall, FIT provides a positive influence for development of the lands located in this area.

A Dollar General store was built in April 2017 at the northwest corner of Robert J. Conlan Boulevard and Ersoff Boulevard. The 7,539 SF store is situated at the entrance road to the Palm Bay Colony residential development. This is an existing built-out 600 ± lot deed restricted mobile home community for residents aged at least 55 years old. The store's location is near the north end of Kirby Circle and within ½ mile of the subject.

The subject property is located in an area of Palm Bay that does not contain many commercial or retail properties. Commercial properties in the subject market are typically located along main arterials such as University Blvd to the subjects north, Babcock St to the subjects west, and US-1 to the subjects east. University Blvd is approximately half a mile away. Babcock St is approximately a 1.50 miles away. Access to US-1 is approximately a 1.0 mile away.



## **Industrial Trends**

Harris Corporation, which recently merged with L3 to become L3 Harris, has a major presence in the subject neighborhood. The company's ESS System Facility is located at the southwest corner of Robert J. Conlan Boulevard and Palm Bay Road. The local L3 Harris facilities have a major impact on the neighborhood as well as the entire south Brevard County area.

L3 Harris recently completed a \$100 million high-tech center on its Palm Bay campus. This facility is expected to become the centerpiece for some of the company's most advanced engineering efforts. The six-story, 450,000-square-foot center is part of a broader modernization initiative designed to foster engineering innovation while retaining existing and attracting new highly-skilled engineers to the region. The subject is located just west of L3 Harris. The new L3 Harris building should have a positive effect on the entire neighborhood from an economic standpoint.

Highlights of the new L3 Harris high-tech center initiative include:

- 100 added technical and support positions planned
- 300 contractor/construction positions expected to work on project
- 1,200-1,400 employees will be relocated there
- Advanced innovation labs and collaborative work spaces

Kirby Industrial Park consists mostly of light industrial/service type properties and several unimproved vacant industrial zoned lots. United Parcel Service has an area Customer Center in the 100,000 SF distribution warehouse at 2730 Kirby Circle. Another large business in the Kirby Industrial Park is the Tibbets Lumber truss manufacturing plant at 2820 Kirby Circle.

Woodlake Commerce Park is located west of Robert J. Conlan Boulevard. This park is made up of predominantly high tech and flex space properties.

Another neighborhood industrial and office property is the "Exchange," a retail/showroom complex located at the northeast corner of Palm Bay Road and Robert J. Conlan Boulevard. A self-storage facility is located at 1741 NE Robert J. Conlan Boulevard which was completed in 2009. There is a total of 165 self-storage units and 6 flex space units in a separate building. The site also provides a pad area ready for the future development of two more storage buildings.



## Area Residential Trends

The immediate area is dominated by older single-family subdivisions, newer condominiums, and some high-end waterfront housing along the Indian River. The area is built up, and there have not been any significant new subdivisions, other than a few waterfront condominiums that were developed between 2000-2007.

Aqua Palm Bay Apartments is a new project located at 2155 Robert J. Conlon Boulevard. It was built in 2020 as a 320-unit luxury apartment complex on a 22.94-acre parcel. Vacant land parcels fronting RJC Boulevard are intended to support future neighborhood retail shops. This includes a currently planned 5-unit, 46,000 SF retail strip center.

The West Shore Apartments is under construction along the north side of Commerce Park Drive. The project will have 248 apartment units and is expected to be completed by the end of 2022.

The Harbor Pointe Apartments is planned development that will be situated on a 21.83 parcel on the west side of U.S.1 and the north side of Robert J. Conlon Boulevard. The project will have 352 apartment units.



## MLS Statistics - February 2023

You will find monthly, quarterly, and yearly reports of Brevard County Sales, detailed by Single Family Homes and Townhouses/Condos, on our website. In addition, there are Yearly Distressed Market Summaries for both types of properties.



### A quick recap of the Brevard County Residential Report for February 2023:

- **Closed Sales are down -6.9%** for February 2023 in which the number of units closed was 819 compared to 880 in February 2022, with an **decrease in cash sales of -17.4%**.
- **New Pending Sales are down -9.9%** and New Listings are down -9.7%.
- **The Median Sales Price for Brevard Single Family homes is up 4.2%** to \$349,000 compared to a year ago, which was \$335,000.
- **Months' Supply of Inventory is up 214.3%** to 2.2 months, an increase from 0.7 months in February 2022.
- **Traditional Sales are down -6.9%** with a median sales price of \$348,430.
- **Foreclosure/REO Sales are 0.0%** with 5 closed sales and a median sales price of \$365,000.
- **Short Sale Closings are down -100.0%** with 0 closed sales and a median sales price of (no sales).

The information indicates that rising interest rates are having an impact on sales activity within the Brevard County residential market.

A map of nearby property sales from the first 4 months of 2023 is shown below. The map source is the Brevard County Property Appraiser.



## Mayfair Isles Development

To the west of the subject property is 257 acres of vacant land located between Palm Bay High and Melbourne Central Catholic High — one of the city's largest remaining wooded tracts. In 2006, Southern Homes received City Hall permission to construct "Mayfair Isles" here, featuring 14 mini-neighborhoods containing 1,381 single-family homes, townhouses and villas.

The real estate market crash delayed that idea. However, in 2016 the developer revised a new master plan — featuring a new strip of commercially zoned property along Babcock Street — that could act as a catalyst for economic growth in south Melbourne. Additional proposed changes are listed below.

- Widening Pirate Lane — which extends along the Palm Bay High campus, Pirate Stadium and various subdivisions — from four to six lanes.
- Expanding Melbourne Terrace Rehabilitation Center, which could create 40 to 45 new jobs.
- Negotiating with Florida Institute of Technology officials for possible expansion, such as student housing and academic buildings, developer's representative Alexander Aguirre told City Council.

We spoke with the City of Melbourne regarding the vacant land and were informed that as of April 2023 there are no concrete plans in place to break ground and no real progress on the proposed project has been made.



## Summary and Conclusion

Commercial development in the subject's immediate neighborhood is located primarily along U.S. 1, with the most intense development near the U.S.1 and University Boulevard intersection. Properties along U.S.1 vary in use, while primarily Commercial in use, Residential, and Institutional properties are present.

There are no adverse neighborhood conditions known to exist (nor were any observed) that would preclude or severely limit the subject's utilization according to its highest and best use as estimated herein. In comparison to other areas in the region, the market area is rated as follows:

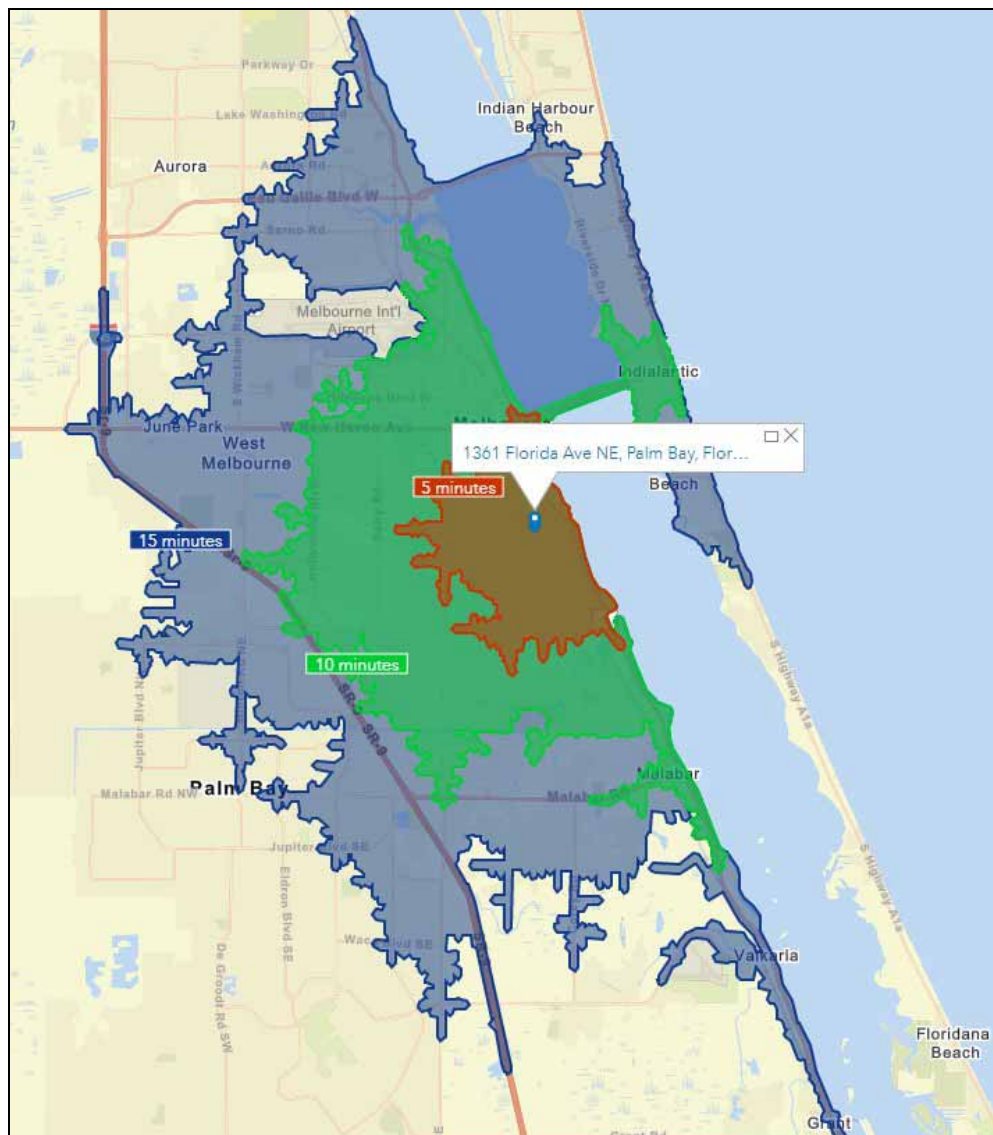
MARKET AREA ATTRIBUTE RATINGS	
Highway Access	Average
Demand Generators	Average
Convenience to other supporting land uses	Average
Convenience to Public Transportation	Below Average
Employment Stability	Average
Police and Fire Protection	Average
General Appearance of Properties	Below Average
Appeal to Market	Average
Prices/Value Trend	Stabilizing for Residential Stabilizing for Commercial Stabilizing for Industrial



## Demographics

For demographic data, we have included a detailed analysis of the neighborhood provided by ESRI, the endorsed GIS firm utilized by both the Appraisal Institute and CCIM members. This data incorporates information reported by U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI then makes credible forecasts for 2022 and 2027. ESRI converted the Census data into 2010 geography. Due to the geographical factors presented by the Indian River Lagoon, the most appropriate study areas are 5, 10, and 15 minute drive times.

Population and income information for the five, ten and fifteen-minute drive times are shown on the following table. All three study areas have slight increases forecast for population levels; the 15-minute drive time area has the greatest income levels.





## Community Profile

1361 Florida Ave NE, Palm Bay, Florida, 32905  
Drive Time: 5, 10, 15 minute radii

Prepared by Esri  
Latitude: 28.05627  
Longitude: -80.59945

	5 minutes	10 minutes	15 minutes
<b>Population Summary</b>			
2010 Total Population	10,770	59,128	125,946
2020 Total Population	11,702	67,566	142,829
2020 Group Quarters	349	3,221	3,978
2022 Total Population	11,994	70,335	147,412
2022 Group Quarters	349	3,200	3,978
2027 Total Population	12,668	72,093	151,203
2022-2027 Annual Rate	1.10%	0.49%	0.51%
2022 Total Daytime Population	15,249	84,571	164,445
Workers	7,833	44,714	86,267
Residents	7,416	39,857	78,178
<b>Household Summary</b>			
2010 Households	4,763	26,871	54,611
2010 Average Household Size	2.21	2.12	2.26
2020 Total Households	5,126	29,883	60,846
2020 Average Household Size	2.21	2.15	2.28
2022 Total Households	5,400	31,259	62,930
2022 Average Household Size	2.16	2.15	2.28
2027 Total Households	5,738	32,179	64,678
2027 Average Household Size	2.15	2.14	2.28
2022-2027 Annual Rate	1.22%	0.58%	0.55%
2010 Families	2,621	14,624	32,561
2010 Average Family Size	2.85	2.75	2.84
2022 Families	2,926	16,583	36,769
2022 Average Family Size	2.80	2.81	2.89
2027 Families	3,095	16,952	37,602
2027 Average Family Size	2.79	2.81	2.89
2022-2027 Annual Rate	1.13%	0.44%	0.45%
<b>Housing Unit Summary</b>			
2000 Housing Units	5,329	26,635	54,103
Owner Occupied Housing Units	46.0%	54.9%	62.0%
Renter Occupied Housing Units	40.6%	34.0%	28.2%
Vacant Housing Units	13.5%	11.1%	9.9%
2010 Housing Units	5,791	32,077	63,813
Owner Occupied Housing Units	46.4%	50.3%	57.5%
Renter Occupied Housing Units	35.9%	33.5%	28.1%
Vacant Housing Units	17.8%	16.2%	14.4%
2020 Housing Units	5,863	33,816	67,854
Vacant Housing Units	12.6%	11.6%	10.3%
2022 Housing Units	6,171	35,204	70,040
Owner Occupied Housing Units	47.8%	52.3%	61.0%
Renter Occupied Housing Units	39.7%	36.5%	28.9%
Vacant Housing Units	12.5%	11.2%	10.2%
2027 Housing Units	6,511	36,116	71,848
Owner Occupied Housing Units	46.5%	52.3%	61.3%
Renter Occupied Housing Units	41.7%	36.8%	28.8%
Vacant Housing Units	11.9%	10.9%	10.0%
<b>Median Household Income</b>			
2022	\$37,516	\$50,352	\$57,111
2027	\$42,148	\$58,937	\$68,967
<b>Median Home Value</b>			
2022	\$118,571	\$199,121	\$248,008
2027	\$212,303	\$265,252	\$292,669
<b>Per Capita Income</b>			
2022	\$24,405	\$31,806	\$35,471
2027	\$30,005	\$38,324	\$42,062
<b>Median Age</b>			
2010	42.7	45.3	45.0
2022	45.0	48.2	47.5
2027	45.4	48.8	48.0

**Data Note:** Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.

**Source:** Esri forecasts for 2022 and 2027. U.S. Census Bureau 2000 and 2010 decennial Census data converted by Esri into 2020 geography.

April 05, 2023

## Zoning

Requirements noted below are not intended to represent all applicable aspects of the ordinance. They do provide the reader with knowledge of general legal parameters.

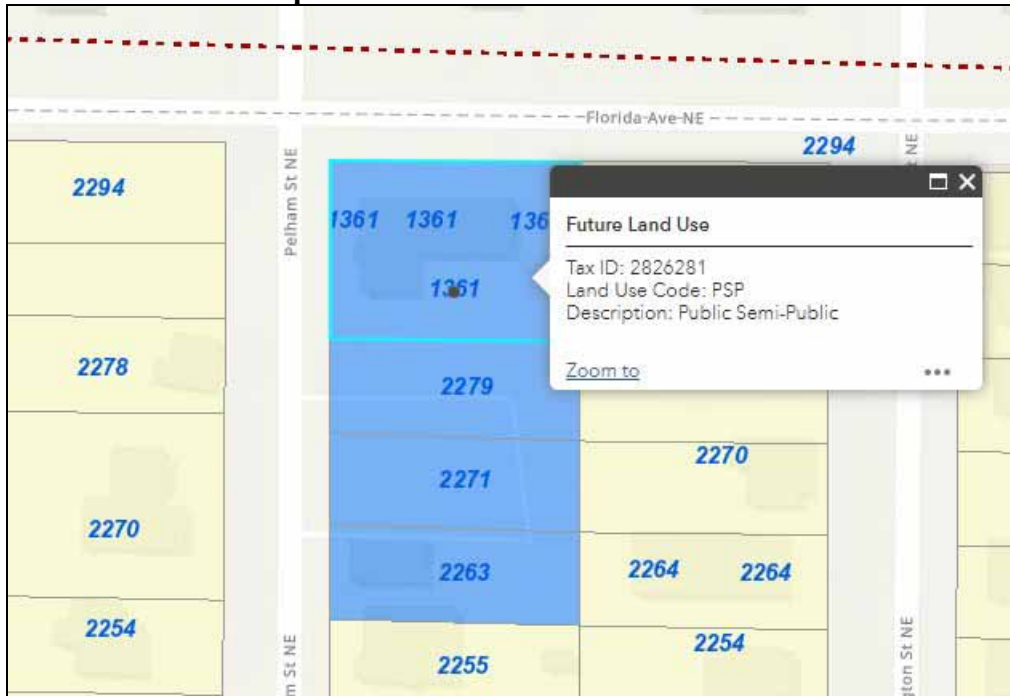
Zoning Summary	
<b>Zoning Authority</b>	City of Palm Bay
<b>Zoning Code</b>	IU
<b>Zoning Type/Description</b>	IU-Institutional Use District
<b>Zoning Intent/Summary</b>	The provisions of this district are intended to apply to an area which can service the need of the city for public and semipublic facilities of an educational, governmental, recreational, health or cultural nature. Lot sizes and other restrictions are intended to ensure proper functioning and development of such uses.
<b>Permitted Uses</b>	Permitted Uses: Public educational institutions, including, but not limited to, elementary schools, junior high schools, high schools, junior or community colleges, colleges, and universities. Governmental uses for federal, state, county, and city agencies and entities. Public parks, playgrounds or other public recreational facilities. Public utility equipment and facilities. Churches. Historic sites. Camouflaged communication towers and facilities. Conditional Uses: Private schools. Nonprofit youth, business, civic, service and cultural facilities and organizations. Hospitals and associated medical clinics and offices. Nursing homes, congregate living facilities and group care homes. Cemetery. Airports.
<b>Future Land Use</b>	Public Semi-Public
<b>Minimum Lot Area</b>	1 acre
<b>Minimum Lot Width</b>	150 ft
<b>Minimum Lot Depth</b>	200 ft
<b>Front Set Back Distance</b>	25 ft
<b>Side Yard Distance</b>	25 ft
<b>Back Yard Distance</b>	25 ft
<b>Maximum Building Height</b>	40 ft
<b>Deed Restrictions/Moratoriums</b>	To our knowledge, there are no land use regulations other than zoning that would affect the property. Further, there is no moratorium on development.
<b>Entitlements</b>	We were provided no information by ownership that the subject site possesses any Entitlements which would affect the subject site. We assume that the subject does not have Entitlements in place which would significantly affect the value.

Appraisers Note: We spoke with the City of Palm Bay Planning and Zoning Department about the possibility of the subject being rezoned to allow commercial or retail use. We were informed this would be highly unlikely and quite difficult as it would cause “spot zoning”.

## Zoning Map



## Future Land Use Map



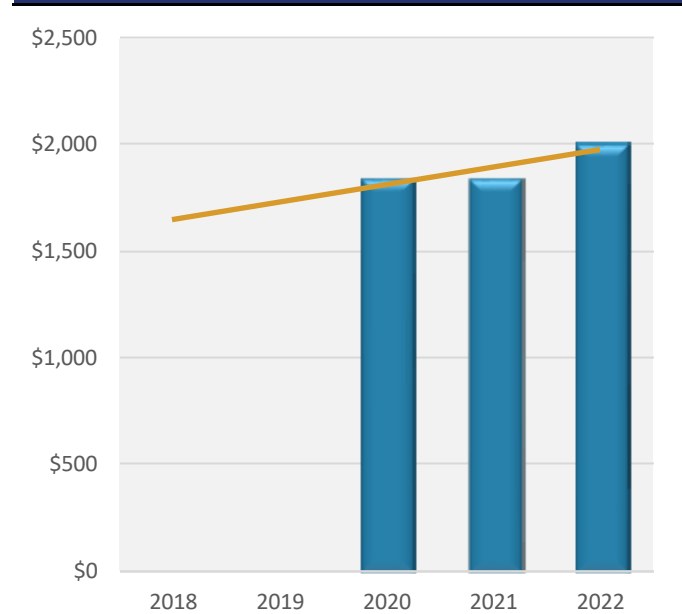


## Assessment and Taxes

Real Estate Assessment and Taxes					
Tax ID	Total Assessment	Millage Tax Rate	Ad Valorem Taxes	Non Ad Valorem Taxes	Total Parcel Taxes
28-37-14-50-3-23 , 28-37-14-50-3-22, 28-37-14-50-3-21, 28-37-14-50-3-20	\$791,170	18.6659	\$0.00	\$2,005	\$2,005

The tax year runs from January 1st to December 31st. Real estate taxes in Brevard County are paid one year in arrears (2022 taxes are paid in 2023), and are due and payable November 1st of each year or as soon thereafter as the certified tax roll is received by the Tax Collector from the Property Appraiser. Properties in Brevard County are assessed Ad Valorem Taxes and Non-Ad Valorem Taxes. Ad valorem taxes, or real property taxes, are based on the value of such property. Non-ad valorem assessments are NOT based on value but are set amounts. The Non-Ad Valorem Taxes the subject is responsible for goes toward solid waste disposal and emergency medical services. According to Florida law, assessments are to be at 'Full Just Value'. This term is generally held to be 100% Market Value, less reasonable costs of sales. It has been our experience, however, that assessments vary widely in relation to market value as defined in this report. Reassessments are annual based on a calendar year.

Tax History			
Assessed Year	Total Assessment	Taxes	% Change
2020	\$735,170	\$1,839	
2021	\$686,180	\$1,839	0.0%
2022	\$791,170	\$2,005	9.0%



Source: Brevard County

Appraisers Note: The subject is a charitable non-profit and is exempt from Ad Valorem taxes.

## Property Description

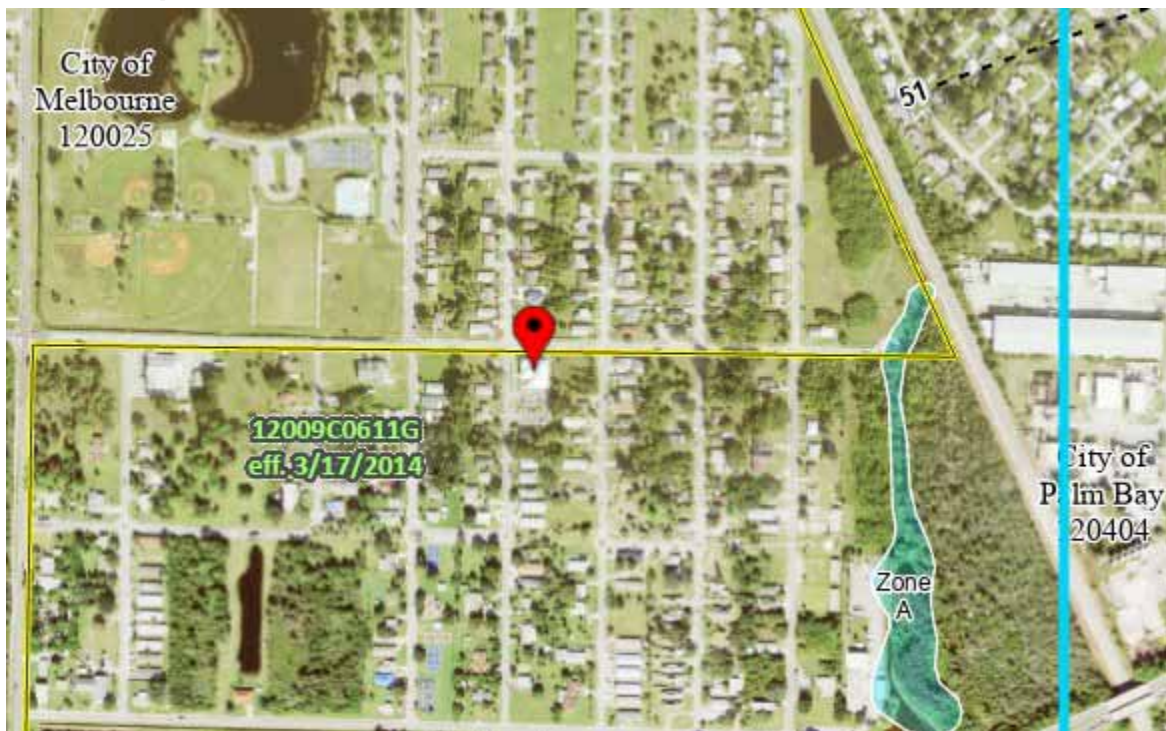
The following description is based on our property inspection, public records, and site plans.

Site Summary	
Parcel ID	28-37-14-50-3-23 , 28-37-14-50-3-22, 28-37-14-50-3-21, 28-37-14-50-3-20
Location	The subject has an assigned address of 1361 Florida Ave NE, Palm Bay, FL, 32905.
Land Use	3220 - Recreation Hall
Current Use	Improved as a community center
Proposed Use	Continued Use
Traffic Count (Most Recent)	Not Tracked
Map Latitude	28.056273
Map Longitude	-80.599429
Adjacent Land Uses	The subject is surrounded primarily by single family residential housing. One block to the west is a Church, and to the north west is a large public park. There are no commercial or retail land uses in the subjects immediate area.
Site Size Attributes	
Gross Land Area (Sq Ft)	34,412
Gross Land Area (Acres)	0.79
Usable Land Area (Sq Ft)	34,412
Usable Land Area (Acres)	0.79
Excess Land Area Comments	There is no indicated excess land. The subject Floor Area Ratio (FAR) meets or exceeds current building trends for this property type.
Usable Land Area Comments	Other than the setback ordinances required by zoning, we have been provided no information that any of the subject land is unuseable.
Source for Site Size	Property appraiser record card.
Site Size Analysis	The subject is a special purpose property. The site utility is considered to be average. The site has adequate size, shape, access, utilities, and topography for its current use. Considering neighborhood trends and physical features, the subject site is suited for its current special purpose use as a community center.
Site Utilities	
Adequacy of Utilities	Utilities are typical of the surrounding properties and allow for the adequate use of the subject property. All utilities and services are provided at rates and with efficiency comparable to the surrounding neighborhood and area in general.
Public Electricity	The site is served by public electricity.
Water Supply Type	City water
Sewer Type	City sewer

Site Characteristics	
Corner Lot	is
Primary Frontage Street Name	Florida Ave NE
Secondary Frontage Street Name	Peleham St NE
Frontage - Primary Street (Feet)	139
Frontage - Secondary Street (Feet)	193
View	Average
View Description	The subject site is surrounded by primarily single family residential homes. There is no view amenity.
Access	Average
Access Description	Access to the subjects site is via one of two ingress/egress entrances along Peleham St NE.
Site Visibility	Average
Site Visibility Description	The subject is located on the corner of Florida Ave NE and Peleham St NE. Neither of these streets track average dailt traffic counts. Passing traffic is limited primarily to residents in the surrounding neighborhoods.
Site Improvements	The site improvements include an asphalt paved access drive and parking area. The parking is an open, paved area with marked spaces. Additional site improvements include signage, The subject's site improvements appear in Average condition.
Off-Site Improvements	The off-site improvements consist largely of the improved roadways and municipal utilities.
Street Lighting	There is street lighting along both Florida Ave NE and Peleham St NE.
Sidewalks	There are sidewalks along both Florida Ave NE and Peleham St NE.
Curb and Gutter	There are curbs and gutters along both Florida Ave NE and Peleham St NE.
Drainage	There is an on-site retention area towards the eastern boundary. We assume this adequately services the site, but we were not provided with information regarding whether the site currently meets the on-site compensatory stormwater requirements.
Landscaping	The subject has average landscaping.
Topography	The subject has level topography at grade and no areas of wetlands.
Shape	The site is irregularly shaped
Soil Conditions	The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors. The appraiser does not consider mineral rights.

Site Hazards	
FEMA Map #	12009C0611G
FEMA Map Date	3/17/2014
Flood Zone	X
Flood Zone Comments	The Flood Zone X classification denotes areas that are “determined to be outside the 500-year flood”, and are considered to be of minimal flood hazard. The appraiser is not an expert in this matter and is reporting data from FEMA maps.
Encumbrance / Easement Description	There no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.
Environmental Issues	We were not provided with an Environmental Survey report addressing potential contaminants or hazards. No adverse environmental conditions on the subject site were reported to the appraisers, and we assume the site is free and clear of environmental hazards. Please reference Limiting Conditions and Assumptions.
Encroachments	No encroachments onto the subject property were noted by inspection or survey. We assume there are no encroachments onto the subject site.
Percent Wetlands	
Retention	On-Site
Possible Nuisance	No nuisances were observed upon inspection of the subject property.

## Flood Map





## Subject Photographs



Subject West Elevation



Subject North Elevation



Subject South Elevation



Subject East Elevation



Subject Market Entrance



Subject South Elevation



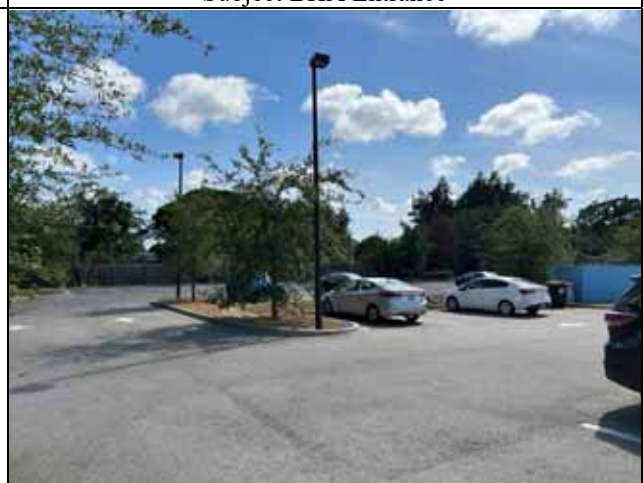
Subject Community Room Entrance



Subject BHA Entrance



Subject Signage



Subject Parking Lot



Peleham St Facing North



Peleham St Facing South





Florida Ave Facing East



Subject Market Area



Subject Market Area



Subject Market Area



Subject Market Area



Subject Market Area



Subject Market Area



Subject Market Area



Subject Bathroom



Subject Community Room



Subject Community Room



Subject Community Room





Subject Medical Office Area



Subject Medical Office Area



Subject Medical Office Area



Subject Medical Office Area

**POWELL'S SUBDIVISION**  
**BLOCK 4**  
**P.B. 3, PG. 84**

**FLORIDA AVENUE**  
 C/L FLORIDA AVENUE  
 (60' R/W)

**RANDOLPH STREET**  
 C/L RANDOLPH STREET  
 (50' R/W)

**PELHAM STREET**  
 C/L PELHAM STREET  
 (50' R/W)

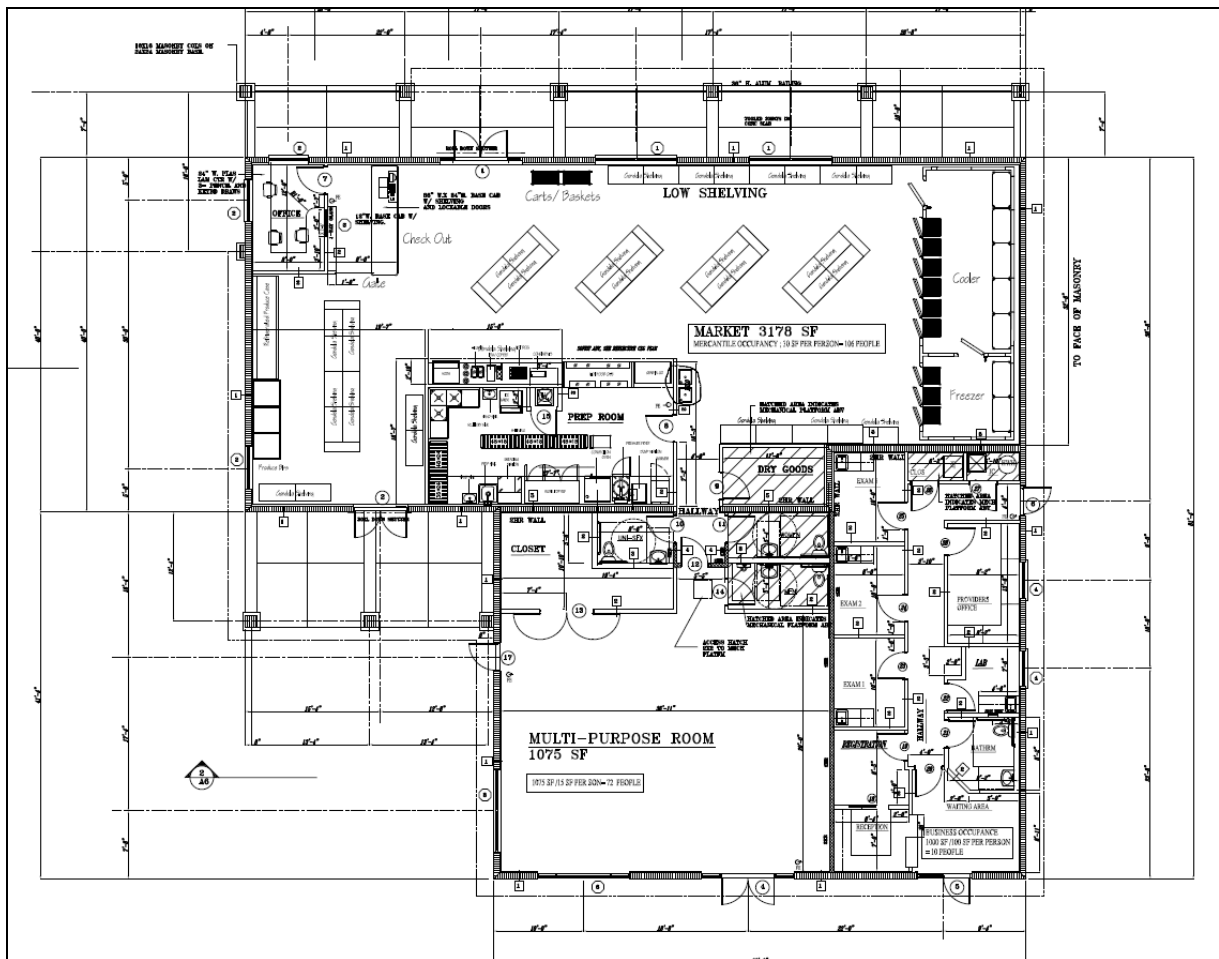
**ONE STORY BUILDING**  
 TOTAL = 6,000 SF

**LOT 1**  
**LOT 2**  
**LOT 3**  
**LOT 4**  
**LOT 5**

**DETAILS:**

- (A) SIDEWALK EASEMENT FOR NEW SIDEWALK ENDOGRAPHING ONTO THE SITE PRIOR TO CO. LEGAL DESCRIPTION & EASEMENT SHALL BE REVIEWED & APPROVED BY PUBLIC WORKS PRIOR TO RECORDING. PUBLIC WORKS WILL PROVIDE AN EASEMENT DEED DRAFT FOR RECORDING THE EASEMENT PRIOR TO CO.
- (B) SIDEWALK EASEMENT FOR NEW SIDEWALK ENDOGRAPHING ONTO THE SITE PRIOR TO CO. LEGAL DESCRIPTION & EASEMENT SHALL BE REVIEWED & APPROVED BY PUBLIC WORKS PRIOR TO RECORDING. PUBLIC WORKS WILL PROVIDE AN EASEMENT DEED DRAFT FOR RECORDING THE EASEMENT PRIOR TO CO.
- (C) STOP SIGN DETAIL
- (D) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (E) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (F) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (G) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (H) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (I) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (J) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (K) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (L) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (M) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (N) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (O) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (P) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (Q) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (R) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)
- (S) SIDEWALK CURB RAMP REF. FOOT INDEX 304 PAGE 5 OF 8 (CR-L, OFRN A)

## Floor Plans



## Improvements Description

Overall Building Summary	
Capsule Description	The subject of this appraisal is a community center located in Palm Bay, FL. Built in 2018 of concrete block, the subject is made up of 6,068 SF and is divided into three primary areas which include the Evans Market (3,178 SF), the Community Room (1,075 SF), and the Brevard Health Alliance (1,815 SF). The Evans Market is a local grocery and hot food kitchen that aims to raise the standard of health in the community by providing access to affordable, quality foods. The Community Room is rented out for events such as, job training, club meetings, birthday parties, and more. The Brevard Health Alliance is a private, not for profit medical office and is Brevards only federally qualified health center offering services on a slide fee scale. The subject is owned by the Evans Center which is a local non-profit organization committed to raising the standard of health and improving the quality of life in the community. The subject is in good condition and benefits from a corner location between Florida Ave NE and Peleham ST NE.
Number of Buildings	1
Predominant Construction	Masonry Concrete
Construction Quality	Average
Overall Land to Building Ratio	5.67 to 1
Overall Floor Area Ratio (FAR)	0.18
Site Coverage Ratio	0.18
Parking Type	Paved open surface parking
Total Number of Parking Spaces	29
Condition of Parking Lot	Average
Parking Ratio Type	Spaces per GBA
Parking Ratio	4.78 spaces per 1,000 square feet
Parking Adequacy	The subject is an existing community center building with twenty-nine marked parking spaces. According to the City of Palm Bay's Planning and Zoning Department, the amount of parking provided is considered adequate for its community center use. Therefore, we conclude that the facility has adequate parking.
Source For Square Foot Areas	Brevard County Property Appraiser Records and measurements from inspection.
Overall Deferred Maintenance	Ownership did not mention any items of deferred maintenance.
Overall Design/Appeal & Functional Utility	The building was constructed in 2018 and contains 6,068 square feet of GBA with an rectangular shape. The construction is concrete block on a poured concrete slab foundation. The roof is enamel metal panels. We note the building is newer and in good condition with no deferred maintenance. The building has a functional layout and physical characteristics that are sufficient to meet its current use as a community center.
Planned Capital Improvements	Representatives of property ownership did not report any recent or planned capital improvements.
Most Probable Buyer	The most probable buyer of the subject is dependant on many factors. If the use of the original mission is desired , or the medical office decides to expand the most probably buyer is an owner user. If a restaurant operator decided to come in to take over the market area then the most probable buyer may be a partial owner user. Purchase by an investor is unlikely.

<b>Building Summary</b>	
Building Name/ID	Community Center Building
Building Description	Community Center Building
Construction Class	Class C
Construction	Masonry Concrete
Construction Quality	Average
Year Built	2018
Renovations	Ownership did not mention any recent renovations.
Effective Age	5
Total Economic Life	45
Remaining Economic/Useful Life	40
Planned Capital Improvements	Representatives of property ownership did not report any recent or planned capital improvements.
Condition	Good
Appeal and Appearance	Good
Number of Stories	1
<b>Building Area</b>	
Gross Building Area	6,068
Rentable Area	6,068
Usable Area	6,068
Finished Area	6,068
Open Porch	1,068
Source for SF Area	Brevard County Property Appraiser Records and measurements from inspection.
Percent Finished	100.00%
Percent Under AC	100.00%
Building Efficiency Ratio	1.00
<b>Foundation Frame/Ext.</b>	
Foundation	Poured concrete slab
Frame	Masonry Concrete
Exterior Walls	Hardi Board
Windows	Fixed Casement
Roof Type	Wood Truss
Roof Cover	Metal panel
Roof Condition	The subject roof was not inspected, and this appraisal assumes the roof is in adequate and serviceable condition. Ownership reports no leaks and no recent updates or repairs.

<b>Interior</b>	
Floor Plan Layout	The subject building is broken up into three primary areas, the Evans Market, the Community Room, and the Brevard Health Alliance. The Evans Market contains 3,178 SF and includes a kitchen/deli area, cooler/freezer area, open shopping area with shelving for food products, office and checkout area, and dry goods storage. The Community Room contains 1,075 SF of mostly open space with two bathrooms and a closet. The Brevard Health Alliance is a medical office containing 1,815 SF and includes a reception room/waiting area, three exam rooms, a providers office, a lab, and a single bathroom.
Interior Finish Rating	Average
Floor Covering	Primarily finished concrete, carpet in the community room.
Walls	Painted drywall
Ceiling Cover	Acoustic ceiling panels
Ceiling Height (Effective, Feet)	9'
Eave/Building Height	13'
Interior Lighting	A mix of fluorescent and incandescent lighting.
Restrooms	Four two-fixture restrooms
<b>Mechanical Systems</b>	
Heating	Electric fired combination central air unit.
Cooling	Package Units
Electrical	Assumed Adequate but not inspected.
Plumbing Condition	Assumed Adequate but not inspected.
Fire Sprinkler	No sprinkler system.
Security	Security cameras
<b>Parking Attributes</b>	
Parking Spaces	29
Parking Type	Paved open surface parking
Parking Adequacy	The subject is an existing community center building with twenty-nine marked parking spaces. According to the City of Palm Bay's Planning and Zoning Department, the amount of parking provided is considered adequate for its community center use. Therefore, we conclude that the facility has adequate parking.
Parking Ratio	4.78 spaces per 1,000 square feet



### ***Discussion on Value In Use***

The Appraisal of Real Estate discusses special-purpose or special-design properties within the context of use value and limited market properties. The subject is a community center containing a food market, medical office, and community room all under one roof.

The Dictionary of Real Estate Appraisal (Appraisal Institute) defines **Special Purpose Property** as follows: “A property with a unique physical design, special construction materials, or a layout that particularly adapts its utility to the use for which it was built; e.g. a clubhouse, a church property, a public museum, a public school; also, a building that cannot be converted to another use without significant capital investment.”

Because of the subject’s designation as a special use property, it is valued in the context of “Value In Use”.

Value in use is defined as “the value of a property assuming a specific use, which may or may not be the property’s highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually.”

## Highest and Best Use

Before an opinion of value can be developed, the highest and best use of the property must be determined for both the subject site as though vacant, and for the property as improved. Highest and best use may be defined as

“The reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value <sup>1</sup>.”

1. **Permissible Use.** What uses are permitted by zoning and other legal restrictions?
2. **Possible Use.** To what use is the site physically adaptable?
3. **Feasible Use.** Which possible and permissible use will produce any net return to the owner of the site?
4. **Maximally Productive.** Among the feasible uses which use will produce the highest net return, (i.e., the highest present worth)?

Because the use of the land can be limited by the presence of improvements, highest and best use is determined separately for the land or site as though vacant and available to be put to its highest and best use, and for the property as improved.

The first determination reflects the fact that land value is derived from potential land use. The highest and best use of a property as improved refers to the optimal use that could be made of the property including all proposed structures.

The determination of the highest and best use of land as though vacant is useful for land or site valuation; determining the highest and best use of an improved property provides a decision regarding continued use or demolition of the property.

### Highest and Best Use As Vacant Legally Permissible

The category of Legally Permissible uses includes an analysis of public development regulations, including current and possible future changes in zoning regulations and procedures, and private constraints including deed restrictions, leases, or any known encumbrances on title.

As discussed earlier in the zoning section, the current zoning classification is IU. Permitted Uses: Public educational institutions, including, but not limited to, elementary schools, junior high schools, high schools, junior or community colleges, colleges, and universities. Governmental uses for federal, state, county, and city agencies and entities. Public parks, playgrounds or other public recreational facilities. Public utility equipment and facilities. Churches. Historic sites. Camouflaged communication towers and facilities. Conditional Uses: Private schools. Nonprofit youth, business, civic, service and cultural facilities and organizations. Hospitals and associated medical clinics and offices.

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<sup>1</sup> *The Appraisal of Real Estate* 15th Edition, Page 305, Appraisal Institute

Nursing homes, congregate living facilities and group care homes. Cemetery. Airports. Nonprofit community center properties are an allowed use under the zoning.

The subject's current zoning classification is a restrictive classification that serves to limit the potential number of users of the property. It clearly excludes retail/commercial use and most other uses that are not public in nature. Any change in use that is not public or semipublic in nature would most likely require a change in zoning.

The current use of a medical clinic is a privately oriented use that is allowed by zoning. We note that neighborhood food market, restaurant, and office uses are not allowed in a for profit property. They are allowed only due to the community service aspect of the facility.

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### **Physically Possible**

The category of Physically Possible uses is an analysis of the subject's ability to support various improvement types. Included in this category is an analysis of the physical attributes of the land, access and transportation, infrastructure and available public services, environmental considerations, along with current and expected future neighborhood development trends.

The subject is a special purpose property but is physically possible. The site utility is considered to be average. The site has adequate size, shape, access, utilities, and topography for its current use but does not have enough traffic count to attract traditional commercial applications. Considering neighborhood trends and physical features, the subject site is suited for its current special purpose use as a community center, but would struggle to attain sufficient demand for traditional retail or office use without discount to rental rates.

### **Financially Feasible**

Financial Feasibility is an analysis of the ability of the property to return the highest possible yield to the investment of land and improvements based on its income producing capability and the return requirements of investors in the market.

The subject is located in an area that is primarily made up of multifamily and single family properties but the subject is zoned for institutional use.

The chart below showcases the financial feasibility of the subject as if it were a new project. Construction costs PSF are given for the three space types, which then land value PSF and site improvements costs PSF are added to. A total cost new before profit is then calculated and a capitalization rate is applied. Allowances are made for NNN expenses and vacancy. The last line is the concluded NNN rent required to make the project financially feasible.

The required rental rates are most likely not achievable at the subject location and therefore the project is not financially feasible on a speculative basis. The subject was constructed for a not-for-profit mission because the private marketplace was not filling this role in the community, it was not built to satisfy an investment return.

Break Even Feasibility Rent			
	Professional Office	Retail	Medical Office Only
Construction Cost PSF Before Profit	\$144	\$114	\$181
Land Value PSF of Building Area	\$21	\$21	\$21
Site Improvements & Site Costs	\$42	\$42	\$42
Total Cost New Before Profit	\$208	\$178	\$245
OAR	7.50%	7.50%	7.00%
Implied Break Even NOI PSF	<b>\$15.58</b>	<b>\$13.33</b>	<b>\$17.13</b>
NNN Expense Ratio	9%	9%	9%
Implied EGI per SF	<b>\$17.12</b>	<b>\$14.65</b>	<b>\$18.82</b>
Vacancy Allowance	10%	10%	10%
Implied GPI per SF NNN	<b>\$19.02</b>	<b>\$16.27</b>	<b>\$20.91</b>
Achievable NNN Rent In Market	<b>\$18.00</b>	<b>\$20.00</b>	<b>\$20.00</b>

### Maximally Productive Use

Reviewing the permitted principal uses set forth under the zoning ordinance, as well as recent developments in the neighborhood, it is our opinion that institutional development is the most feasible use of the land due to both zoning and physical features of the site.

The subject is located in an area that is primarily made up of multi family and single family properties but the subject is zoned for institutional use. The subject's current zoning classification is a restrictive classification that serves to limit the potential number of users of the property. It clearly excludes retail/commercial use and most other uses that are not public in nature. Any change in use that is not public or semipublic in nature would most likely require a change in zoning, therefore we believe the highest and best use as vacant is for institutional development.

## **Highest and Best Use As Improved**

We must also address the Highest and Best Use of the property considering the planned improvements, to determine if the plans should be modified in some way to become more productive or replaced in favor of more appropriate improvements.

The subject of this appraisal is a community center located in Palm Bay, FL. Built in 2018 of concrete block, the subject is made up of 6,068 SF and is divided into three primary areas which include the Evans Market (3,178 SF), the Community Room (1,075 SF), and the Brevard Health Alliance (1,815 SF). The Evans Market is a local grocery and hot food kitchen that aims to raise the standard of health in the community by providing access to affordable, quality foods. The Community Room is rented out for events such as, job training, club meetings, birthday parties, and more. The Brevard Health Alliance is a private, not for profit medical office and is Brevard's only federally qualified health center offering services on a slide fee scale. The subject is owned by the Evans Center which is a local non-profit organization committed to raising the standard of health and improving the quality of life in the community. The subject is in good condition and benefits from a corner location between Florida Ave NE and Pelham ST NE.

The subject's current zoning classification is a restrictive classification that serves to limit the potential number of users of the property. It clearly excludes retail/commercial use and most other uses that are not public in nature. Any change in use that is not public or semipublic in nature would most likely require a change in zoning.

The building was constructed in 2018 and contains 6,068 square feet of GBA with an rectangular shape. The construction is concrete block on a poured concrete slab foundation. The roof is enamel metal panels. We note the building is newer and in good condition with no deferred maintenance. The building has a functional layout and physical characteristics that are sufficient to meet its current use as a community center.

There is no indicated excess land. The subject Floor Area Ratio (FAR) meets or exceeds current building trends for this property type. The subject, as improved, represents a higher value than as vacant land.

The subject building is legally permitted and is a physically possible use. The interior and finishes are in good condition as it is new construction. We are not aware of any specific financially feasible changes that could be made to make the property more desirable or competitive within the market, however, its location is not conducive to typical locations for restaurant, retail, office, or medical office applications. As a result, the subject could not likely garner secondary or tertiary customers, and nearly the entirety of the customer base would be immediate local area. This likely would result in owner-users or tenants trying to operate at reduced profitability and require a lower rental rate as a result. We note that there are business decisions and policies the subject could change to increase profitability which include sales of common market items (cigarettes, lottery, alcohol). These do not fit the mission statement of the current non-for profit, and create part of the divergence in Market Value vs Value in Use.

The subject is being valued using both a “Value in Use” and a “Market Value”, as such two H&BU conclusions are being provided. The H&BU for the “Value in Use” is continued community center use, and the H&BU for the “Market Value” is institutional use to meet the needs of the supporting non for profit that seeks to improve community access to groceries, meals, and medical services.

### **Exposure Time**

Exposure time is the estimated length of time that the subject would have been offered on the market prior to a hypothetical sale of the property on the effective date of the appraisal. Based on data obtained from sales transactions and interviews with market participants, it is our opinion that the probable exposure time for the property at the concluded, "as is", as vacant land, market value is 4-6 Months for the effective date of April 5, 2023.

### **Marketing Period**

Marketing period is an opinion of the amount of time it might take to sell the subject at the concluded market value during the period immediately following the effective date of the appraisal. Because we foresee no significant changes in market conditions in the near term, it is our opinion that a reasonable marketing period for the subject is the same as its exposure time. Therefore, we estimate the subject’s marketing period to be 4-6 Months for the effective date of April 5, 2023.



## **Market Analysis**

### **Melbourne Economic Summary**

The Melbourne metro area is an integral part of the region known as Florida's Space Coast, a world-renowned aerospace hub. The region is home to NASA's Kennedy Space Center and Cape Canaveral Air Force Station, in addition to the launch and manufacturing operations of space companies including SpaceX, Boeing Co., Blue Origin, and Lockheed Martin Corp. The Space Coast is also home to the 45th Space Wing and the 920th Rescue Wing, both at Patrick Air Force Base, and the Naval Ordnance Test Unit at Cape Canaveral Air Force Station.

Melbourne's targeted industries include aerospace and defense, business services, communications, education, environment services, financial services, and information technologies. There are more people employed in the manufacturing sector in Melbourne than in the leisure and hospitality sector, which is notable given the economic impact of tourism on Florida. Manufacturing is a key industry in Melbourne, and a company that makes infrastructure for liquid hydrogen systems is planning a large expansion in Brevard County. GenH2, currently based out of Exploration Park at Kennedy Space Center, is preparing a \$35 million headquarters campus in Titusville on the former site of an automotive property. Site plans call for the redevelopment of an existing building into 60,000 SF of lab and offices, 100,000 SF of manufacturing area, and an observation deck for demonstrations and rocket launches.

The metro reported a 2.3% unemployment rate as of December 2022, 120 basis points below the overall U.S. rate of 3.5%.

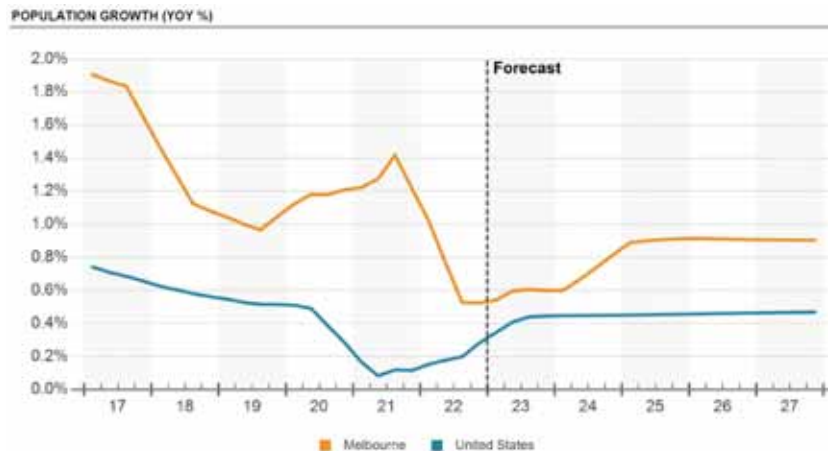
Melbourne is also one of the nation's 10 most undervalued housing markets, according to a recent report by the National Association of Realtors, and was ranked #4 on U.S. News & World Report's recent ranking of the top places to retire in the U.S. Melbourne Orlando International Airport (MLB) is America's fastest-growing aviation and aircraft manufacturing center, generating an estimated economic impact of nearly \$3 billion per year. Over 20,000 people work on the airport grounds every weekday, representing companies like Northrop Grumman, L3Harris, Embraer Executive Jets, Collins Aerospace, STS Mod Center, Thales, GE Transportation, Southeast Aerospace, Satcom Direct, and Avidyne Corp. The airport is underway on a terminal renovation and expansion project that includes \$72 million in upgrades, including the addition of 86,000 SF of new facilities.

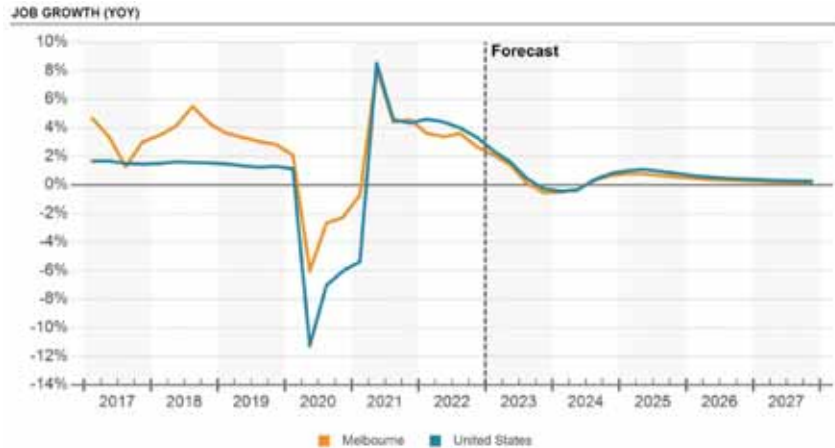
Located directly on the main shipping lines along Florida's east coast, Port Canaveral offers 11 deep water berths and a deep draft main channel that offers unencumbered transit. Nearly 4 million tons of dry and liquid bulk cargo are handled annually at the port. Outside of cargo handling, the cruise industry is a driving force here, and cruise operations are driving a steadily increasing share of the port's total revenue now that the sector has recovered from initial pandemic-induced strains. Port Canaveral is ranked as the world's 2nd busiest cruise port in multi-day embarkations, and the best U.S. cruise homeport for 2021, and although virus concerns persist passenger traffic has rebounded markedly. Royal Caribbean International recently announced its new ship Wonder of the Seas, the largest cruise ship in the world, will homeport at Port Canaveral beginning November 2022.

There have been several significant new business announcements in Melbourne over the past year, perhaps the most noteworthy of which involved Terran Orbital Corp's plans to invest \$300 million in a satellite manufacturing facility that would create 2,100 high-wage jobs. The new facility would have been constructed at Cape Canaveral Spaceport but the company announced in late October 2022 that it would be building in California instead as it was taking too long to get everything financed and permitted. That said, there was a good deal of excitement generated from the announcement, and even though it will not come to fruition there could be a myriad of ripple benefits despite the loss. The company still plans to grow its engineering team in the area.

French jet manufacturer Dassault Aviation announced in October 2022 its plans to build a substantial local presence in Melbourne. The company is expected to break ground in the coming months on a \$115 million, 175,000-SF facility that will generate approximately 400 jobs to support its Dassault Falcon Jet subsidiary. Plans call for the new campus to be open in late 2024, and the average annual wage is projected at just over \$85,000/year - more than \$30,000/year higher than the average wage in the Space Coast.

E-commerce giant Amazon has been rapidly expanding its footprint across the state of Florida, and the Melbourne area is home to a couple of new projects. The company is constructing a delivery station in Melbourne on a 65-acre site situated at West Eau Gallie Boulevard and Sarno Road, and recently completed construction on a 201,475-SF last-mile distribution center on 28.2 acres at 3655 Grissom Pkwy. in Cocoa. Amazon announced in July 2022 that it was postponing occupancy of the Cocoa facility, a determination made after the company reported a \$4 billion financial loss in the first quarter of 2022.





## Competitive Listings

The subject is a 6,068 square foot community center in Good condition and Quality. We researched CoStar.com and the MLS to establish the available buildings in Brevard County similar to the subject.

Only one such property was considered to have relevance to the subject, due to the low supply attributed to the subject's designation as a special use property. The lack of available supply for similar buildings indicates there is not a considerable market for similar properties.



SHARE FAVORITE

211 NIEMAN AVE  
MELBOURNE, FL 32901

**\$750,000**

Listed By Derrick Real Estate Group, Inc, Natalie Ann Derrick

The listing is a 7,687 SF building constructed in 1962. It was previously used as an Elks Lodge and has common areas, a kitchen, individual offices, and bathrooms. It is listed for \$750,000 or \$97.57 PSF.

## Valuation Methodology

Three basic approaches may be used to arrive at an estimate of market value. They are:

### Cost Approach

The Cost Approach is summarized as follows:

$$\begin{array}{r} \text{Cost New} \\ - \text{Depreciation} \\ + \text{Land Value} \\ \hline = \text{Value} \end{array}$$

### Income Approach

The Income Approach converts the anticipated flow of future benefits (income) to a present value estimate through a capitalization and or a discounting process.

### Sales Comparison Approach

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 value for the subject. By process of correlation and analysis, a final indicated value is derived.

### Final Reconciliation

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.

### Analyses Applied

A **cost analysis** was considered and was applied as there is adequate data to develop a land value and the depreciation accrued to the improvements can be reasonably measured. As the subject is a special purpose property and newer construction, market participants place significant weight on this approach. This approach most closely aligns with the 'Value In Use' as the subject is a special purpose property designed to accommodate a specific non-for-profit mission.

A **sales comparison analysis** was considered and was developed as there is adequate data to develop a value estimate and this approach reflects market behavior for this property type. This approach most closely aligns with the 'Market Value' but less weight is applied to this approach as the market for similar specialized properties is limited. A buyer purchasing the subject property would most likely be required to modify or convert the subject to a use that conforms with the market norms.

An **income analysis** was considered and was not developed. while a portion of the the subject is income producing, this approach does not reflect market behavior for this property type. This approach is not a good indicator of value for the subject property as the rental rates required to break even are far and above the current rental rates of the subject medical space.

## **Cost Approach**

The Cost Approach is based on the principle of substitution - that a prudent and rational person would pay no more for a property than the cost to construct a similar and competitive property, assuming no undue delay in the process. The Cost Approach tends to set the upper limit of value before depreciation is considered. The applied process is as follows:

- Estimate the land value according to its Highest and Best Use. We have used the Sales Comparison Approach for the land valuation analysis.
- Estimate the replacement cost of the building and site improvements.
- Estimate the physical, functional and/or external depreciation accrued to the improvements.
- Sum the depreciated value of the improvements with the value of the land for an indication of value.

## **Land Valuation**

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

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

## **Land Comparables**

We have researched available sales records to locate properties, which are considered sufficiently comparable with the subject. In addition to the subject's neighborhood, we searched for comparable sales in surrounding similar trade areas, due to the lack of land sales with similar zoning.

### Land Comparable 1



Transaction			
<b>Address</b>	1430 Helen Street Ne	<b>ID</b>	8661
<b>City</b>	Palm Bay	<b>Date</b>	2/25/2022
<b>County</b>	Brevard	<b>Actual Price</b>	\$315,000
<b>Zip</b>	32905	<b>Price Adjustment</b>	
<b>Tax ID</b>	28-37-23-00-750	<b>Price</b>	\$315,000
<b>Grantor</b>	All Brevard Collision Repair	<b>Price Per Acre</b>	\$151,442
<b>Grantee</b>	LAFFERTY HOLDINGS LLC	<b>Price Per Land SF</b>	\$3.48
<b>Book/Page or Reference</b>	Not recorded yet	<b>Conditions of Sale</b>	None known
<b>Financing</b>	Cash to seller	<b>Days on Market</b>	203
Site			
<b>Acres</b>	2.08	<b>Zoning</b>	HC
<b>Land SF</b>	90,605	<b>Utilities</b>	All to site
<b>Usable Acres</b>		<b>Traffic Count</b>	18,210
<b>Corner</b>	Yes	<b>Road Frontage</b>	
<b>Visibility</b>	Good	<b>Shape</b>	Rectangular
<b>Access</b>	Average	<b>Distance</b>	1.65
Sale Comments			

This 2.24 acre commercial land site is located on the northwest corner of Palm Bay Road NE. and Helen Street NE in Palm Bay. The property was listed for \$325,000 with an approved site plan that includes four buildings totaling 28,870 square feet. A survey was obtained which indicated the site is 2.08 acres which is used instead of public record. The property sold for \$315,000 or \$3.48 per square foot.



## Land Comparable 2



Transaction			
Address	1917 Danr Drive Northeast	ID	8795
City	Palm Bay	Date	1/31/2022
County	Brevard	Actual Price	\$275,000
Zip	32905	Price Adjustment	\$0
Tax ID	28-37-14-FK-*-3.26	Price	\$275,000
Grantor	Waterbury Trust, Waterbury, Donald L.	Price Per Acre	\$152,778
Grantee	Tinker, Marsha E.	Price Per Land SF	\$3.51
Book/Page or Reference	9402/2525	Conditions of Sale	None known
Financing	Cash	Days on Market	381
Site			
Acres	1.80	Zoning	Light Industrial
Land SF	78,408	Utilities	All available to site
Usable Acres	1.8	Traffic Count	0
Corner	No	Road Frontage	110' on Danr Drive
Visibility	Average	Shape	Irregular
Access	Average	Distance	0.79
Sale Comments			

This 1.8 acre industrial site is located on the west side of Danr Drive Northeast just south of Southover Drive Northeast in Palm Bay. Danr. Drive traverses a residential area before providing access the the adjacent light industrial area n which the parcel is located. The property has been cleared and fenced with previous permits for a 4,000 square foot building. The subject shares its eastern boundary with the FEC Railroad. The property was listed at \$295,000 for approximately one year before closing at \$275,000 or \$3.51 per square foot.

### Land Comparable 3



Transaction			
<b>Address</b>	SWC of Dixie Hwy & Hiawatha Avenue	<b>ID</b>	9148
<b>City</b>	Palm Bay	<b>Date</b>	1/26/2022
<b>County</b>	Brevard	<b>Actual Price</b>	
<b>Zip</b>	32905	<b>Price Adjustment</b>	
<b>Tax ID</b>	28-37-13-50-R-1, 28-37-13-50-C-	<b>Price</b>	\$275,000
<b>Grantor</b>	Ahmad Alaghband, Farid Alaghband &	<b>Price Per Acre</b>	\$203,704
<b>Grantee</b>	Ronald Chabot & Tara Williamson	<b>Price Per Land SF</b>	\$4.68
<b>Book/Page or Reference</b>	9399/45	<b>Conditions of Sale</b>	None
<b>Financing</b>	Cash to Seller	<b>Days on Market</b>	193
Site			
<b>Acres</b>	1.35	<b>Zoning</b>	HC; RM-20
<b>Land SF</b>	58,806	<b>Utilities</b>	Public water; Sewer
<b>Usable Acres</b>	1.06	<b>Traffic Count</b>	20,870
<b>Corner</b>	Yes	<b>Road Frontage</b>	Dixie Hwy NE- 284'
<b>Visibility</b>	Average	<b>Shape</b>	Mostly Rectangular
<b>Access</b>	Above Average	<b>Distance</b>	1.2
Sale Comments			

This is the sale of three land parcels totaling 1.35 acres and approximately 1.06-acres of uplands. Two parcels are located on the SWC of Dixie Highway NE and Hiawatha Avenue NE, and the third parcel is located on the east side of Dixie Highway NE and appears to be submerged land with no uplands. . The site is level and clear. The site is a corner lot with approximately 284 feet of road frontage on Dixie Highway NE and 159.47' on Hiawatha Avenue NE. The two parcels on the west side of Dixie Highway are zoned HC - Highway Commercial with a FLU of Commercial and Multi-family residential. The parcel on the east side of Dixie Highway is zoned RM-20 Multi-family residential with a FLU of Multi-family residential.

The site was initially listed for \$450,000 on June 23, 2020, by Thomas Donnelly with Re/Max Alternative Realty. The listing was extended six times with multiple price reductions. The property closed on January 26, 2022, for \$275,000. According to Mr. Donnelly, this was an arms-length sale with no unusual motivations, conditions or terms. He said the site on the east side of Dixie Highway is not a buildable site. He said you could possibly build a dock but nothing more.

#### Land Comparable 4



Transaction			
Address	1403 Knecht Road	ID	9312
City	Palm Bay	Date	5/7/2021
County	Brevard	Actual Price	\$120,000
Zip	32909	Price Adjustment	
Tax ID	28-37-22-00-557	Price	\$120,000
Grantor	Peter G. Pappas and Harry Trafalis	Price Per Acre	\$142,755
Grantee	Prime Holdings, Inc.	Price Per Land SF	\$3.28
Book/Page or Reference	9119/1832	Conditions of Sale	Assemblage
Financing	Cash to Seller	Days on Market	
Site			
Acres	0.84	Zoning	CC
Land SF	36,616	Utilities	All to Site
Usable Acres	0.8406	Traffic Count	1,200
Corner	No	Road Frontage	167
Visibility	Average	Shape	Rectangular
Access	Average	Distance	1.82
Sale Comments			

This is a 36,616 SF parcel of vacant commercial land located on the east side of Knecht Road in Palm Bay. The location is within an area with a mix of low intensity commercial and residential use properties. The parcel is adjacent to an existing multi-tenant office building that has frontage along Palm Bay Road. The parcel has a rectangular shape with 167 feet of frontage along Knecht Road and a depth of 219.26 feet. The land appears to be level, at street grade, with a dense cover of trees and scrub brush.

This was an off-market sale. The buyers own the multi-tenant office property that is situated adjacent to the north of this parcel and it was purchased for assemblage purposes.

### Land Comparable 5



Transaction			
Address	502-514-526 Martin Rd	ID	9314
City	Palm Bay	Date	3/15/2022
County	Brevard	Actual Price	\$300,000
Zip	32909	Price Adjustment	
Tax ID	29-37-03-26-1990-23, 24, & 25	Price	\$300,000
Grantor	Performance PC's, Inc.	Price Per Acre	\$147,060
Grantee	Dan-Nico Properties, LLC	Price Per Land SF	\$3.38
Book/Page or Reference	9447/0015	Conditions of Sale	None
Financing	Cash to Seller	Days on Market	95
Site			
Acres	2.04	Zoning	GC
Land SF	88,862	Utilities	All to Site
Usable Acres	2.03999	Traffic Count	
Corner	No	Road Frontage	300
Visibility	Average	Shape	Irregular
Access	Average	Distance	4.98
Sale Comments			

This is a 2.04 acre parcel of vacant commercial land located on the west side of Martin Road in Palm Bay. Its location is within the interior of an area of offices and service repair businesses in the southeast quadrant of Babcock Street and Malabar Road. The parcel has an irregular shape with 300 feet of frontage along a curving portion of Martin Road. The site depth varies, but is approximately 240 feet for most of the site. The land appears to be level, at street grade, with a dense cover of trees and scrub brush. The buyer intends to develop the entire 2.04 acre property with an automotive service shop that will be owner occupied.

The property sold previously in September 2021 for \$270,000 in a transaction that was purchased for planned owner

### Land Comparable 6

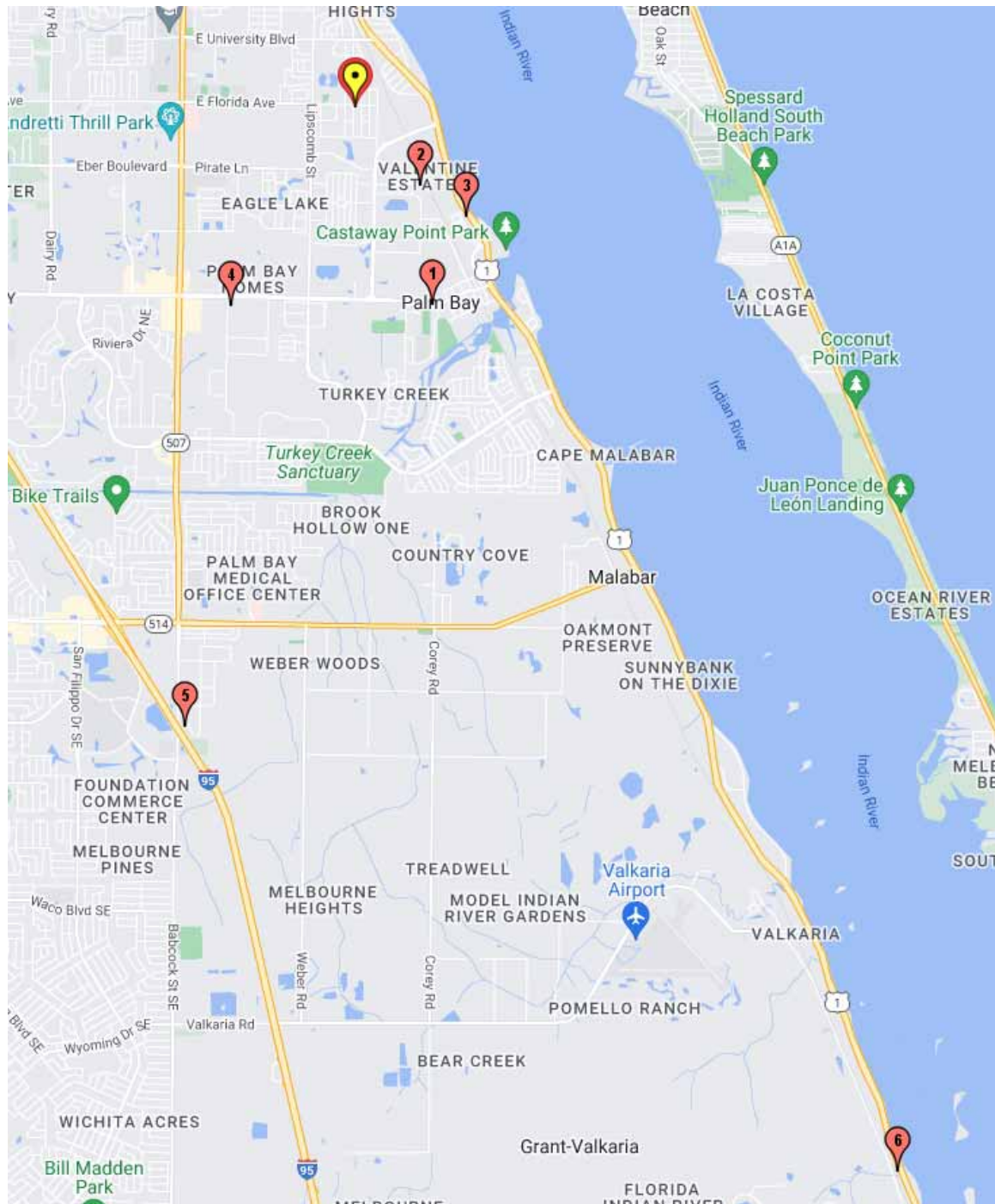


Transaction			
Address	Not Assigned	ID	8739
City	Grant -Valkaria	Date	2/4/2022
County	Brevard	Actual Price	\$110,000
Zip	32949	Price Adjustment	
Tax ID	29-38-28-25-0000b.0-0018.00	Price	\$110,000
Grantor	POND APPLE ENTERPRISE INC	Price Per Acre	\$186,441
Grantee	BALRAM,LENNY	Price Per Land SF	\$4.28
Book/Page or Reference	9406/188	Conditions of Sale	None known
Financing	Cash to seller	Days on Market	482
Site			
Acres	0.59	Zoning	General Retail
Land SF	25,700	Utilities	Electric to site, Septic
Usable Acres	0.59	Traffic Count	13,310
Corner	No	Road Frontage	185
Visibility	Above Average	Shape	Rectangular
Access	Average	Distance	9.25
Sale Comments			

This 0.59 acre site is located on the west side of Highway 1 just south of Atlantic Ridge Lane in Grant-Valkaria. According to the listing agent the property was somewhat limited for potential parking needed for commercial uses and the buyer plans to build a home on the site. The property was listed for approximately one and half years at \$149,000 before selling at \$110,000 or \$4.28 per square foot.


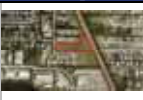

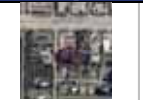

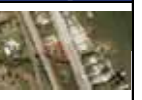


## Comparable Sales Map





## Analysis Grid – Land

Land Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6
							
Address	1361 Florida Ave	1430 Helen Street	1917 Danr Drive	SWC of Dixie	1403 Knecht Road	502-514-526	Not Assigned
City	Palm Bay	Palm Bay	Palm Bay	Palm Bay	Palm Bay	Palm Bay	Grant - Valkaria
County	Brevard	Brevard	Brevard	Brevard	Brevard	Brevard	Brevard
Date	4/5/2023	2/25/2022	1/31/2022	1/26/2022	5/7/2021	3/15/2022	2/4/2022
Price	--	\$315,000	\$275,000	\$275,000	\$120,000	\$300,000	\$110,000
Acres	0.79	2.08	1.80	1.35	0.84	2.04	0.59
Acre Unit Price		\$151,442	\$152,778	\$203,704	\$142,755	\$147,060	\$186,441
<b>Transaction Adjustments</b>							
Property Rights	Fee Simple	Fee	0.0%	Fee	0.0%	Fee	0.0%
Financing	Conventional	Cash to	0.0%	Cash	0.0%	Cash to	0.0%
Conditions of Sale	Cash	None	0.0%	None	0.0%	Assembl	0.0%
Expend. After Sale		\$0	\$0	\$0	\$0	\$0	\$0
<b>Adjusted Acre Unit Price</b>		<b>\$151,442</b>	<b>\$152,778</b>	<b>\$203,704</b>	<b>\$142,755</b>	<b>\$147,060</b>	<b>\$186,441</b>
Market Trends Through	11/1/2022	6.0%	4.1%	4.5%	4.6%	9.1%	3.8%
<b>Adjusted Acre Unit Price</b>		<b>\$157,583</b>	<b>\$159,609</b>	<b>\$212,982</b>	<b>\$155,682</b>	<b>\$152,584</b>	<b>\$194,653</b>
Subsequent Trends Ending	11/1/2022	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Adjusted Acre Unit Price</b>		<b>\$157,583</b>	<b>\$159,609</b>	<b>\$212,982</b>	<b>\$155,682</b>	<b>\$152,584</b>	<b>\$194,653</b>
<b>Characteristics Adjustments</b>							
Location		Average	Average	Above Average	Average	Average	Average
% Adjustment		0%	0%	-5%	0%	0%	0%
Qualitative		Similar	Similar	Superior	Similar	Similar	Similar
Acres	0.79	2.08	1.80	1.35	0.84	2.04	0.59
% Adjustment		5%	5%	5%	0%	5%	-5%
Qualitative		Inferior	Inferior	Inferior	Similar	Inferior	Superior
Topography	The subject has	Level w/grade	Level w/grade	Level/Cleared	Level, wooded	Level, wooded	Level w/grade
% Adjustment		0%	0%	0%	5%	5%	0%
Qualitative		Similar	Similar	Similar	Inferior	Inferior	Similar
Shape	Rectangular	Rectangular	Irregular	Mostly	Rectangular	Irregular	Rectangular
% Adjustment		0%	0%	0%	0%	0%	0%
Qualitative		Similar	Similar	Similar	Similar	Similar	Similar
Utilities	All to site	All to site	All available to site	Public water;	All to Site	All to Site	Electric to site,
% Adjustment		0%	0%	0%	0%	0%	0%
Qualitative		Similar	Similar	Similar	Similar	Similar	Similar
Zoning	IU	HC	Light Industrial	HC; RM-20	CC	GC	General Retail
% Adjustment		-5%	-5%	-5%	-5%	-5%	-5%
Qualitative		Superior	Superior	Superior	Superior	Superior	Superior
Traffic Count	Not Tracked	18210	0	20870	1200	0	13310
% Adjustment		-5%	0%	-5%	0%	0%	-5%
Qualitative		Superior	Similar	Superior	Similar	Similar	Superior
<b>Adjusted Acre Unit Price</b>		<b>\$149,704</b>	<b>\$159,609</b>	<b>\$191,684</b>	<b>\$155,682</b>	<b>\$160,213</b>	<b>\$165,455</b>
Net Adjustments		-5.0%	0.0%	-10.0%	0.0%	5.0%	-15.0%
Gross Adjustments		15.0%	10.0%	20.0%	10.0%	15.0%	15.0%

## **Analysis and Adjustments**

In order to make the comparison meaningful, the comparable sales are reduced to a basic unit of comparison, i.e., the price paid per acre of land area. For Property Rights, Financing, Conditions of Sale, Expenditures After Purchase, and Time-Market Conditions adjustments we have applied Quantitative adjustments. Qualitative analysis is used for the remaining physical features. We have considered each sale regarding its relative similarity with the subject in the factors noted above. Then a conclusion is drawn regarding the comparable sale's overall similarity with the subject.

### **Property Rights**

This adjustment is generally applied to reflect the transfer of property rights different from those being appraised, such as differences between properties owned in fee simple and in leased fee. All of the sales reported Fee Simple property rights and no adjustments for this category are indicated.

### **Financing**

This adjustment is generally applied to a property that transfers with atypical financing, such as having assumed an existing mortgage at a favorable interest rate. Conversely, a property may be encumbered with an above-market mortgage which has no prepayment clause or a very costly prepayment clause. Such atypical financing often plays a role in the negotiated sale price. All of the sales have conventional financing, all cash, or seller financing at market terms, and no adjustments are required.

### **Conditions of Sale**

This adjustment category reflects extraordinary motivations of the buyer or seller to complete the sale. Examples include a purchase for assemblage involving anticipated incremental value or a quick sale for cash. This adjustment category may also reflect a distress-related sale, or a corporation recording a non-market price. In this case, no adjustments are warranted for Conditions of Sale.

### **Economic Trends**

This category reflects investors' perceptions of prevailing market conditions. This adjustment category reflects value changes, if any, which have occurred between the date of the sale and the effective date of the appraisal.

In the course of our appraisal work we interview market participants including planning and zoning officials on planned projects, general contractors on costs, and brokers on supply and demand. Overall, we believe an annual time adjustment of 6.0% per year through November 1, 2022 is appropriate, but the increased macro concerns in late 2022 and early 2023 have led to a stabilization and with no time adjustment from November until now is appropriate.

**Location**

The subject site is located within a primarily residential area on a road with low traffic counts. The site is visible due to its corner location but sees very little passing traffic. The subject's neighborhood is considered to be Average with no significant view, access, or visibility. Comparable 3 is adjusted downwards for its superiority.

**Physical Characteristics**

The sales are adjusted qualitatively for physical characteristic differences. We considered the size of the site, Shape, Topography, Utilities, Traffic Count, and Zoning.

Sales 2 and 4 required the least gross adjustment. Sale 2 is the most proximate to the subject. Sale 5 is the most recent sale.

***Sales Comparison Approach Conclusion***

The comparables are based on a value per square foot of land area. The adjusted values of the comparable properties range from \$149,704 per acre to \$191,684 per acre; the average is \$163,724 per acre. The median is \$159,911 per acre.

The concluded value of the subject site is trended towards the average of the range in concluding a value of \$165,000 per acre of land area.

Land Value Ranges & As Is Reconciled Value				
Number of Comparables:	6	Unadjusted	Adjusted	% Δ
Low:		\$142,755	\$149,704	5%
High:		\$203,704	\$191,684	-6%
Average:		\$164,030	\$163,724	0%
Median:		\$152,110	\$159,911	5%
Reconciled Value/Unit Value:			\$165,000	acre
Subject Size:			0.79	
Indicated Value:			\$130,348	
Reconciled Final As Is Value:			<b>\$165,000</b>	
<b>One Hundred Sixty Five Thousand Dollars</b>				

## **Cost Analysis**

The next step in the Cost Approach is to estimate the replacement cost of the building and site improvements. The subject is new construction; therefore, the Marshall Valuation Service was utilized in our analysis. The subject is addressed in its *as complete* condition.

### **Contractor Costs**

In discussion with ownership, we were informed that the construction costs provided by MH Williams in 2018 were estimated at \$1,280,000. Actual costs were requested but were unable to be provided.

### **Marshall & Swift Estimate of Replacement Cost**

With more than 30,000 component costs, over 300 building types, and 3 different cost estimating approaches, the Marshall Valuation Service (MVS) is the industry standard used by professional appraisers in determining reliable cost estimates for improvements. But the MVS only provides an indication for hard costs, labor, and some soft costs (architects, engineering, etc). Contingencies, impact fees, and developer profit incentives are not included and must be separately accounted for.

### **Direct Costs**

Direct costs are expenditures for labor, materials, equipment and contractor's overhead and profit. We use Marshall Valuation Service (MVS) as the basis of our direct cost estimate. In addition to direct costs, MVS includes certain indirect costs such as architectural and engineering fees, and interest on building loan funds during construction.

The base cost of the building components has been estimated. The subject is unusual in that it is a community center made up of a medical office, multipurpose room, and food market. Because the subject is essentially made up of three different types of buildings, three different base costs were used to estimate the total building cost.

The appropriate base costs per square foot for the Evans Market space is Markets Class C, Good Cost Quality. The costs are selected from Section 13, Page 21. The base cost for Good Quality is \$144.00 per square foot. The resulting multiplier, when considering height, perimeter, location, and current cost is 1.009.

The appropriate base costs per square foot for the Multi Purpose space is Office Buildings Class C, Average Cost Quality. The costs are selected from Section 15, Page 17. The base cost for Average Quality is \$144.00 per square foot. The resulting multiplier, when considering height, perimeter, location, and current cost is 1.009.

The appropriate base costs per square foot for the Medical Office space is Medical Office Buildings Class C, Average Cost Quality. The costs are selected from Section 15, Page 22. The base cost for Average Quality is \$181.00 per square foot. The resulting multiplier, when considering height, perimeter, location, and current cost is 1.009.

## Site Improvements

Site improvements are often tailored to a specific project and are difficult to determine from cost manuals. Site improvements are estimated for earthwork, utilities, parking lot, landscaping, fencing, etc.

In our experience, it is difficult to use MVS to estimate local site costs. As an alternative, and in our experience, a more credible methodology is to extract sitework costs from other local new construction projects. To arrive at a credible estimate for site construction costs of a new facility, we have gathered comparable site costs for commercial projects in this market. Each of the comparables in the chart represents new facilities that we have recently appraised and the costs are the actual contractor's bid. We have analyzed them both on Cost per SF of building area and cost PSF of land area. We have found higher correlation in the Cost PSF of Land Area. A site improvements cost of \$6.50 PSF is used for the subject.

Site Area	Building Area	Developers Actual Site Costs	Cost Per SF of Building Area	Cost Per SF of Land Area
28314	4193	200701	\$47.87	\$7.09
29185	3600	189176	\$52.55	\$6.48
30492	4250	213670	\$50.28	\$7.01
30492	10052	137077	\$13.64	\$4.50
33106	1421	205706	\$144.76	\$6.21
36633	6986	207320	\$29.68	\$5.66
37026	7169	298855	\$41.69	\$8.07
38925	3847	245300	\$63.76	\$6.30
42012	7020	299944	\$42.73	\$7.14
45738	3820	243977	\$63.87	\$5.33
47916	5713	315276	\$55.19	\$6.58

## Indirect (Soft) Costs

In addition to hard costs there are a number of soft costs. They include the taxes during construction, accounting, surveys, legal, miscellaneous expenses, and contingencies. We estimate 3% for all soft costs.

## Impact Fees, Permits and Legal

Brevard County and individual municipalities traditionally impose development Impact Fees for water connection, Transportation Services, Emergency Services and Correction Facilities. These fees are typically assessed by the use category based on a set dollar amount per 1,000 SF of building area. For office buildings of less than 10,000 square feet, the impact fees are \$90 per 1,000 square feet. This equates to \$550 for the subject.

## Developer's Profit

This factor reflects the profit necessary for the developer to undertake the management, responsibility and risks of construction associated with the subject property. Current valuation theory states that the four components that create value are land, labor, capital and coordination. Developer's profit as used in the Cost Approach reflects the coordination component of value. Typically, developer's profit runs 8% to 15%, depending upon risk and product type. An allowance of 10% is included for Developer's Profit. *General Contractor's Overhead* is already included in MVS cost estimates.

### **Total Cost New**

After all items of construction are considered, total replacement cost new is estimated at \$1,330,170. This equates to a replacement cost new of \$219.21 per square foot.

### **Depreciation Analysis**

Depreciation may be defined as any loss of value from any cause. There are three general areas of depreciation: physical deterioration, functional obsolescence and external obsolescence. Depreciation may be curable or incurable, the test being that money spent to cure the depreciation be gained in value. If the depreciation costs more to fix than will be gained in value, then the depreciation is considered incurable.

### **Physical Deterioration**

This results from deterioration from aging and use. This type of depreciation may be curable or incurable. The subject is new construction, with no physical deterioration.

### **Functional Obsolescence**

Functional obsolescence can be curable or incurable and can be caused by any functional deficiency which is the depreciation or value loss due to the inadequacy of a structure to economically perform the function for which it is intended or by some super-adequacy. Such design defects could include the arrangement of rooms within a building, inadequate on-site parking, low ceilings and inadequate air conditioning. Super-adequacies include excess electrical capacity, excess building height and inordinate or expensive upgrades. No functional obsolescence is indicated for the subject project.

### **External Obsolescence**

This is due to circumstances outside the property itself, such as industry, demographic and economic conditions or an undesirable proximate use. This type of depreciation is rarely curable. In this case, no external obsolescence is included.

### **MVS Cost Approach Conclusion**

The property buyer, who is also the developer, reported that the figures provided to us account for all expected costs. We assume all costs necessary to complete the project are included. We then add the land value previously determined.

The MVS estimate, which is not specifically tailored to the subject project, but is a representation of estimates based on national trends, indicates \$1,300,000. This accounts for general construction elements and includes land value of \$130,000.

The owner's development costs were estimated at \$1,280,000, which is created specifically for the subject. These costs *do not include* a land value. The cost of the land purchased by ownership was reported at \$10,000. The Marshall Estimate is based on national averages for construction costs of similar buildings, with adjustments to reflect the subject's size and local conditions. Utilizing the MVS costs, at \$1,300,000 equates to \$214.24 per square foot, on an "As Is" basis, subject to the Limiting Conditions and Assumptions of this appraisal. This fully accounts for all construction costs, site costs, soft costs, and current market land value. The costs are detailed below.



Marshall Valuation Service	
<b>Cost Source:</b> Marshall Valuation Service	
<b>No. of Stories Multiplier:</b> 1.000	<b>Local Multiplier:</b> 0.930
<b>Height/Story Multiplier:</b> 1.000	<b>Current Cost Multiplier:</b> 1.080
<b>Perimeter Multiplier:</b> 1.005	<b>Combined Multipliers:</b> 1.009

Building Improvements					
Item	Unit Type	Cost	Quantity	Multiplier	Total
Evans Market	Sq. Ft.	\$144.00	3,178	1.009	\$461,944
Multi Purpose Room	Sq. Ft.	\$144.00	1,075	1.009	\$156,259
Medical Office	Sq. Ft.	\$181.00	1,815	1.009	\$331,610
<b>Total Building Improvement Costs</b>					<b>\$949,813</b>
Price per SF Gross Building Area					\$156.53

Site Improvements					
Item	Unit Type	Cost	Quantity		Total
Site Preparation & Improvements	Lump Sum	\$6.50	34,412		\$223,678
<b>Total Site Improvement Costs</b>					<b>\$223,678</b>
<b>Subtotal: Building &amp; Site Costs</b>					<b>\$1,173,491</b>
Price per SF Gross Building Area					\$193.39

Soft Costs			
Item		Percent Type	Total
Soft Costs .....	3.0%	% Bld. & Site Cost	\$35,205
Impacts, Permits, & Legal .....			\$550
<b>Total Soft Costs</b>			<b>\$35,755</b>
<b>Net Value (Excludes Site Improvements, related Site Soft Costs and Developer's Profit)</b>			<b>\$978,307</b>

Total Costs		
Subtotal: Building, Site & Soft Costs		\$1,209,245
Developer's Profit	10.0%	\$120,925
<b>Total Cost</b>		<b>\$1,330,170</b>
Price per SF Gross Building Area		\$219.21

Depreciation: Section 1 of 1				
Component	Eff. Age	Life	Percent	Amount
Physical Depreciation: Building	5	45	11%	\$120,458
Physical Depreciation: Site	5	20	25%	\$61,511
Functional Obsolescence Building .....			0%	\$0
External Obsolescence Building .....			0%	\$0
<b>Total Depreciation</b>				<b>\$181,970</b>
<b>Depreciated Value of Improvements</b>				<b>\$1,148,200</b>
Cost Per Square Foot Gross Building Area				\$189.22

Land Value		
Land Value .....		\$130,000
Other .....		\$0
	Cost Approach Value Indication	\$1,278,200
	Rounded	\$1,300,000
Price per SF Gross Building Area		\$214.24

## ***Sales Comparison Approach***

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

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

## ***Comparables***

The subject is a community center made up of a food market, community room, and medical office. We have researched a number of comparables for this analysis; several of these are documented on the following pages followed by a location map and analysis grid. All sales have been researched through numerous sources, inspected and verified by a party to the transaction, when available. Due to a lack of sales of similar properties in the subject's neighborhood, and a lack of sales of special use properties like the subject, we were required to go outside the subject's neighborhood and select a mixture of comparable properties that included medical offices, restaurants, and offices.

### Comparable 1



Transaction			
Address	111 Scott St.	ID	8246
City	Melbourne	Date	11/18/2022
Zip	32901	Actual Price	\$625,000
Grantor	Michael Vincent	Price Adjustment	\$0
Grantee	Doxa Academy Inc.	Price	\$625,000
Transaction Type	Closed Sale	Price Per SF	\$126.31
Buyer Type	Owner User	Property Rights	Fee Simple
Sale Verification Source	Joel Ludlow, LA	Conditions of Sale	None Noted
Tax ID	27-37-28-75-* - 193	Financing	Market Terms
Building Description	Low-Rise Office	Days on Market	46
Site			
Acres	1.0	Topography	Level With
Land SF	43,560	Zoning	C1A - Professional
Road Frontage	176' Scott St.	Drainage	No
Shape	Roughly Rectangular	Access	Average
Utilities	Unknown	Visibility	Average
Site Coverage Ratio	0.114	Traffic Count	0
Improvements			
GBA	4,948	Condition	Average
Year Built	1981	Interior Finish	Above Average
Renovations	2000	Quality	Average
Building Height	18	Percent Office	100%
Construction	Wood Frame	Percent Under AC	100%
Parking Ratio GBA	3.03	Distance	3.78
Sale Comments			

This is the closed sale of a 2 story, commercial office building with a total of 4,948 square feet of GBA constructed in 1981 located along Scott Street in Melbourne. The property consists of 0.5 Acres and the adjoining lot consists of 0.5 acres that is proposed for additional parking spaces.

The property was listed for \$650,000 and \$150,000 for the adjacent vacant lot (\$800,000 Total) and after 46 days on market, was under contract for a total price of \$750,000 (\$625,000 attributed to the improvements and an additional \$125,000 for the adjacent lot. The property was listed by Curri Properties. The buyers plan to owner-occupy the entire space with a nursing school and improve the additional 1/2 acre lot for a parking area.

## Comparable 2



Transaction			
Address	1655 Jess Parrish Court	ID	5480
City	Titusville	Date	4/18/2022
Zip	32796	Actual Price	\$379,900
Grantor	Shepard Max Properties LLC	Price Adjustment	\$0
Grantee	GCC FL Properties LLC	Price	\$379,900
Transaction Type	Closed Sale	Price Per SF	\$177.52
Buyer Type	Investor	Property Rights	Fee Simple
Sale Verification Source	Michelle Mariacher	Conditions of Sale	None Noted
Tax ID	21-35-33-01-00000.0-0011.00	Financing	Conventional
Building Description	Medical Office Building	Days on Market	1
Site			
Acres	0.3	Topography	Level w/grade
Land SF	11,326	Zoning	OM
Road Frontage	100' Jess Parrish Ct.	Drainage	
Shape	Rectangular	Access	Average
Utilities	All to Site	Visibility	Average
Site Coverage Ratio	0.189	Traffic Count	0
Improvements			
GBA	2,140	Condition	Average
Year Built	1985	Interior Finish	Average
Renovations	Overtime	Quality	Average
Building Height	14	Percent Office	100%
Construction	Concrete block	Percent Under AC	100%
Parking Ratio GBA	4.67	Distance	41.7

### Sale Comments

This is the closed sale of a medical office with 2,140 square feet located on 0.26 acres within close proximity of Jess Parrish Medical Center in Titusville. The building was constructed in 1985 and has 10 dedicated parking spaces. The floor plan consists of a reception area and waiting room, 4 exam rooms, 1 surgery procedure room, and a large storage area for files.

The property was listed on January 25, 2022 and after one day on market, was under contract for \$379,900 or \$177.52 PSF. In speaking with Blue Marlin Real Estate, the property was sold to an investor and then leased out for \$2,500 per month or \$14.02 PSF on a NNN basis to a medical office tenant.

### Comparable 3



### Transaction

<b>Address</b>	1611 S Apollo Blvd	<b>ID</b>	6831
<b>City</b>	Melbourne	<b>Date</b>	4/21/2021
<b>Zip</b>	32901	<b>Actual Price</b>	\$220,000
<b>Grantor</b>	Susan E Johnston	<b>Price Adjustment</b>	
<b>Grantee</b>	MND Limited Inc	<b>Price</b>	\$220,000
<b>Transaction Type</b>	Closed Sale	<b>Price Per SF</b>	\$132.93
<b>Buyer Type</b>	Owner-User	<b>Property Rights</b>	Fee Simple
<b>Sale Verification Source</b>	Kevin Hill   RE/MAX Alternative	<b>Conditions of Sale</b>	None Noted
<b>Tax ID</b>	28-37-03-35-2-11	<b>Financing</b>	Cash
<b>Building Description</b>	Office - SF Conversion	<b>Days on Market</b>	62

### Site

<b>Acres</b>	0.3	<b>Topography</b>	Level w/improvements
<b>Land SF</b>	14,810	<b>Zoning</b>	C-1A - Professional,
<b>Road Frontage</b>	83' on S Apollo Blvd	<b>Drainage</b>	On-Site
<b>Shape</b>	Rectangular	<b>Access</b>	Average
<b>Utilities</b>	All to site	<b>Visibility</b>	Average
<b>Site Coverage Ratio</b>	0.112	<b>Traffic Count</b>	0

### Improvements

<b>GBA</b>	1,655	<b>Condition</b>	Average
<b>Year Built</b>	1955	<b>Interior Finish</b>	Average
<b>Renovations</b>	New A/C 2021, Roof replaced 2016,	<b>Quality</b>	Average
<b>Building Height</b>	8	<b>Percent Office</b>	100%
<b>Construction</b>	Concrete Block w/Stucco	<b>Percent Under AC</b>	100%
<b>Parking Ratio GBA</b>	2.42	<b>Distance</b>	2.17

### Sale Comments

This is the sale of a single story 1,655 SF building originally developed as a single-family dwelling which was later converted to office use. The interior floorplan consists of a waiting room, private offices and restrooms with showers, and a full kitchen. There are 3 marked spaces in the front of the building with additional unpaved parking in the back. Recent improvements include new A/C 2021, roof replaced 2016, new water heater 2014

The property was listed in January 2021 for \$289,900 and sold for \$220,000 in April 2021. Another realtor purchased cash for owner/user purposes. The listing agent noted the property could use some updating. No leases are in place at the time of sale.

#### Comparable 4



Transaction			
<b>Address</b>	3435 S Fiske Blvd.	<b>ID</b>	8284
<b>City</b>	Rockledge	<b>Date</b>	8/9/2021
<b>Zip</b>	32955	<b>Actual Price</b>	\$950,000
<b>Grantor</b>	C Spellman Inc.	<b>Price Adjustment</b>	\$0
<b>Grantee</b>	Port Village LLC	<b>Price</b>	\$950,000
<b>Transaction Type</b>	Closed Sale	<b>Price Per SF</b>	\$110.65
<b>Buyer Type</b>	Investor	<b>Property Rights</b>	Fee Simple
<b>Sale Verification Source</b>	LBR, Joy	<b>Conditions of Sale</b>	None Noted
<b>Tax ID</b>	25-36-20-00-17	<b>Financing</b>	Market Terms
<b>Building Description</b>	7700 Clubs, Lodges, and Union Halls	<b>Days on Market</b>	194
Site			
<b>Acres</b>	2.0	<b>Topography</b>	Level w/grade
<b>Land SF</b>	87,120	<b>Zoning</b>	C1
<b>Road Frontage</b>	205' S Fiske Blvd.	<b>Drainage</b>	On-Site
<b>Shape</b>	Rectangular	<b>Access</b>	Average
<b>Utilities</b>	All to Site	<b>Visibility</b>	Average
<b>Site Coverage Ratio</b>	0.099	<b>Traffic Count</b>	27,750
Improvements			
<b>GBA</b>	8,586	<b>Condition</b>	Average
<b>Year Built</b>	1990	<b>Interior Finish</b>	Average
<b>Renovations</b>	Overtime	<b>Quality</b>	Average
<b>Building Height</b>	10'	<b>Percent Office</b>	100%
<b>Construction</b>	CBS	<b>Percent Under AC</b>	100%
<b>Parking Ratio GBA</b>	3.49	<b>Distance</b>	19.12
Sale Comments			

This is the sale of an 8,586 SF Banquet Facility/Club/Lodge located on the corner of Martin Rd. and Fiske Blvd in Rockledge. The parcel consists of 2 Acres. The building was constructed in 1990 and had a new roof and air conditioning unit installed in 2019. It is zoned in Rockledge as C1, Residential Commercial.

The property was originally listed for \$1,250,000 and after 194 Days on Market, sold for \$950,000. The property is currently offered under lease terms at an asking rental rate of \$14.00/SF NNN with a \$4 CAM.

This sale was verified with Lightle Beckner Robison (Joy) and had no unusual conditions. The property was purchased as an investment sale.



#### Comparable 5



Transaction			
Address	4725 N. Courtenay Parkway	ID	8321
City	Merritt Island	Date	11/1/2021
Zip	32953	Actual Price	\$760,000
Grantor	Our Mustard Seed LLC	Price Adjustment	\$0
Grantee	Victory-Church of Melbourne Inc	Price	\$760,000
Transaction Type	Closed Sale	Price Per SF	\$152.00
Buyer Type	Owner User	Property Rights	Fee Simple
Sale Verification Source	Emily Merbitz	Conditions of Sale	None Noted
Tax ID	23-36-34-00-750	Financing	Market Terms
Building Description		Days on Market	393
Site			
Acres	3.0	Topography	Level w/ slope,
Land SF	129,808	Zoning	BU-1
Road Frontage	224.01' N Courtenay Pkwy	Drainage	On-Site
Shape	Rectangular	Access	Average
Utilities	Well; Septic	Visibility	Average
Site Coverage Ratio	0.039	Traffic Count	15,610
Improvements			
GBA	5,000	Condition	Average
Year Built	1983	Interior Finish	Average
Renovations	None noted	Quality	Average
Building Height	10'	Percent Office	100%
Construction	Masonry concrete	Percent Under AC	100%
Parking Ratio GBA	8.80	Distance	27.45
Sale Comments			

This is the sale of a 5,000 SF Building constructed in 1983 on 2.98 Acres in Merritt Island with direct road frontage of 205 feet on Courtenay Parkway. The building was completely remodeled with new baseboards, plumbing, new low-E Impact Windows, and drop ceilings. Additionally, there is a storage garage on the property.

The property was listed for \$799,000 and sold for \$760,000.

In Speaking with the Listing Agent, Emily, there were no unusual conditions and the sale was an Arms-Length Transaction. She stated that her clients had fully renovated the space with the intended use as office space until COVID-19 hit and most everyone was working from home. The company already had office space in Rockledge and ultimately found this property to be too much. The buyers were Victory Church of Melbourne and they intend to use this facility as an outreach program with sports at the center (like Boys and Girls Club).

### Comparable 6



Transaction			
<b>Address</b>	2130-2150 Dairy Road	<b>ID</b>	8906
<b>City</b>	West Melbourne	<b>Date</b>	7/22/2022
<b>Zip</b>	32904	<b>Actual Price</b>	\$950,000
<b>Grantor</b>	The Columbus Club of Brevard Co	<b>Price Adjustment</b>	\$0
<b>Grantee</b>	Jeff Gruebel	<b>Price</b>	\$950,000
<b>Transaction Type</b>	Closed Sale	<b>Price Per SF</b>	\$102.28
<b>Buyer Type</b>	Speculative	<b>Property Rights</b>	Fee Simple
<b>Sale Verification Source</b>	Robert Solito, LA	<b>Conditions of Sale</b>	None known
<b>Tax ID</b>	28-37-05-79-0000B.0-0007.00	<b>Financing</b>	Cash to seller
<b>Building Description</b>	Club/Lodge Facility	<b>Days on Market</b>	17
Site			
<b>Acres</b>	2.0	<b>Topography</b>	Level w grade, Cleared
<b>Land SF</b>	86,249	<b>Zoning</b>	IB
<b>Road Frontage</b>	320	<b>Drainage</b>	On-Site
<b>Shape</b>	Rectangular	<b>Access</b>	Average
<b>Utilities</b>	All to site	<b>Visibility</b>	Average
<b>Site Coverage Ratio</b>	0.108	<b>Traffic Count</b>	20,890
Improvements			
<b>GBA</b>	9,288	<b>Condition</b>	Below Average
<b>Year Built</b>	1970	<b>Interior Finish</b>	Below Average
<b>Renovations</b>	Not reported	<b>Quality</b>	Below Average
<b>Building Height</b>	10	<b>Percent Office</b>	0%
<b>Construction</b>	CBS	<b>Percent Under AC</b>	100%
<b>Parking Ratio GBA</b>	3.12	<b>Distance</b>	2.76
Sale Comments			

The property is a 9,288 square foot building located on the west side of Dairy Road just south of W. New Haven Avenue. The property is an older Club/Lodge Facility building in below average condition, and appeal. Built in 1970, the improvements contain approximately 9,342 square feet of Gross Building area. The building is older, nearing the end of its economic life, and likely will be renovated, remodeled, or redeveloped in the near future. The building is oriented on the south portion of the site, diminutive to the total 1.98 acres, equating to a 10.8% site coverage ratio. There is excess land, and the site could be subdivided into two 0.99-acre sites with the building situated on the southern portion and a 0.99-acre excess site on the northern half developable to its own highest and best use. The buyer purchased the property with the intention to sell the excess land and relist the improved property.

The property was listed for \$1,000,000 before going under contract in April 2022 for \$950,000.

### Comparable 7



Transaction			
<b>Address</b>	924 Garfield Street	<b>ID</b>	8208
<b>City</b>	Melbourne	<b>Date</b>	9/30/2021
<b>Zip</b>	32935	<b>Actual Price</b>	\$375,000
<b>Grantor</b>	Palmgray Investments LLC	<b>Price Adjustment</b>	\$0
<b>Grantee</b>	Fontaine Insurance Agency Inc.	<b>Price</b>	\$375,000
<b>Transaction Type</b>	Closed Sale	<b>Price Per SF</b>	\$156.25
<b>Buyer Type</b>	Owner-User	<b>Property Rights</b>	Fee Simple
<b>Sale Verification Source</b>	Brian Lightle	<b>Conditions of Sale</b>	None
<b>Tax ID</b>	27-37-20-26-0000A.0-0020.00	<b>Financing</b>	Conventional
<b>Building Description</b>	Office Building	<b>Days on Market</b>	32
Site			
<b>Acres</b>	0.3	<b>Topography</b>	Level w/grade,
<b>Land SF</b>	12,197	<b>Zoning</b>	RP
<b>Road Frontage</b>	111' Garfield Street	<b>Drainage</b>	None
<b>Shape</b>	Mostly Rectangular	<b>Access</b>	Average
<b>Utilities</b>	City Water/Sewer	<b>Visibility</b>	Average
<b>Site Coverage Ratio</b>	0.197	<b>Traffic Count</b>	17,390
Improvements			
<b>GBA</b>	2,400	<b>Condition</b>	Average
<b>Year Built</b>	1957	<b>Interior Finish</b>	Average
<b>Renovations</b>	Overtime	<b>Quality</b>	Average
<b>Building Height</b>		<b>Percent Office</b>	100%
<b>Construction</b>	Wood Frame	<b>Percent Under AC</b>	
<b>Parking Ratio GBA</b>	2.50	<b>Distance</b>	5.47
Sale Comments			

This is the sale of a 2,400 SF Office Building built in 1957. Located on the corner of Sarno Road and Garfield Road in Melbourne.

The property sold for \$375,000 and the asking price was \$359,000. At time of Sale, Office was 100% occupied by AJL Nursing.

Verified sale with LA who stated this was an Arms Length Transaction and that they came in over ask because of the high demand for the space. Previous tenant's, AJL Nursing, lease expired and they did not renew. The property will be owner-user occupied and by a Farmer's Insurance Agent.

### Comparable 8



Transaction			
Address	4720 Dixie Highway Northeast	ID	3288
City	Palm Bay	Date	7/22/2021
Zip	32905	Actual Price	\$712,500
Grantor	Nineteen Sixty-Seven LLC	Price Adjustment	\$0
Grantee	JCJ4720, LLC	Price	\$712,500
Transaction Type	Closed Sale	Price Per SF	\$187.01
Buyer Type	Investor	Property Rights	Fee Simple
Sale Verification Source	Purchaser	Conditions of Sale	None Noted
Tax ID	28-37-25-FQ-00003.0-0010.00	Financing	Conventional
Building Description	Restaurant	Days on Market	1058
Site			
Acres	1.0	Topography	Level w/ grade,
Land SF	44,866	Zoning	Highway Commercial
Road Frontage	150' on Dixie Highway (US Hwy 1)	Drainage	On-Site
Shape	Rectangular	Access	Average
Utilities	All to site	Visibility	Good
Site Coverage Ratio	0.075	Traffic Count	20,120
Improvements			
GBA	3,810	Condition	Average
Year Built	1984	Interior Finish	Average
Renovations	None reported	Quality	Average
Building Height	12'	Percent Office	
Construction	Masonry concrete block with	Percent Under AC	100%
Parking Ratio GBA	13.39	Distance	2.93

### Sale Comments

This free-standing restaurant situated on a 1.03-acre site along Dixie Highway Northeast in Palm Bay and is located in a mostly residential neighborhood with commercial development along Highway 1. The area is influenced by the Bayfront Redevelopment district with plans for redevelopment of older properties over the next 30 years. The property is currently vacant and had historically been utilized as a full service restaurant. The restaurant contains 2,672 square feet of enclosed area and 1,138 SF of covered patio - Brevard County lists the covered space at 704 SF, however measurements indicate this is incorrect. The total licensed seating is 185. It is our understanding the new buyer is an experienced restaurant operator, and plans to operate the subject as a pizzeria.

The property was originally listed for \$749,000, equating to \$280.31 PSF of enclosed area or \$196.58 PSF including the covered canopy outdoor seating and bar. Mr. Mathew Abraham of Eagle Business & Real Estate Brokers, LLC. Mr. Abraham reported that there were other offers on the property near the list price but ownership thought that the current contract buyer's offer was the most solid/able to close. The property sold for \$712,500, which equates to \$266.65 per square foot of enclosed area or \$187.00 PSF when also including the canopy covered area. According to the listing agent, the contract price includes contents, and there are older tables, chairs and kitchen equipment but buyer reported they did not allocate any specific value nor did they conduct any inspection of the FF&E. The buyer currently operates three other restaurants.

### Comparable 9



Transaction			
Address	5170 HIGHWAY 1	ID	8733
City	Grant Valkaria	Date	11/19/2021
Zip	32949	Actual Price	\$485,000
Grantor	TUSHYS LLC	Price Adjustment	
Grantee	FRATERNAL ORDER OF EAGLES	Price	\$485,000
Transaction Type	Closed Sale	Price Per SF	\$186.54
Buyer Type	Owner-User	Property Rights	Fee Simple
Sale Verification Source	Waterman Real Estate Crystal Jones	Conditions of Sale	None known
Tax ID	29-38-28-25-B-8	Financing	Cash
Building Description	Restaurant	Days on Market	120
Site			
Acres	0.7	Topography	Level w/grade
Land SF	28,314	Zoning	BU-2 - Retail,
Road Frontage	200' on S. US Highway 1	Drainage	On-site
Shape	Rectangular	Access	Average
Utilities	Electric and Septic Well	Visibility	Good
Site Coverage Ratio	0.092	Traffic Count	13,310
Improvements			
GBA	2,600	Condition	Below Average
Year Built	1954	Interior Finish	Below Average
Renovations	Ongoing	Quality	Average
Building Height	10	Percent Office	
Construction	Average	Percent Under AC	100%
Parking Ratio GBA	3.85	Distance	9.45
Sale Comments			

This 2,600 square foot restaurant is located on the west side of S. US Highway 1 in just north of First Street in Grant Valkaria. The property features seating capacity of 98 with a full kitchen and the property was restored in 2019 with no value attributed to the restaurant equipment according to the broker. The property was listed for approximately four months at \$899,900 before selling at \$485,000 or \$186.44 per square foot to the Fraternal Order of Eagles lodge for owner occupancy.

Verified with Crystal Jones of Waterman Real Estate 3/11/2022



### Comparable 10

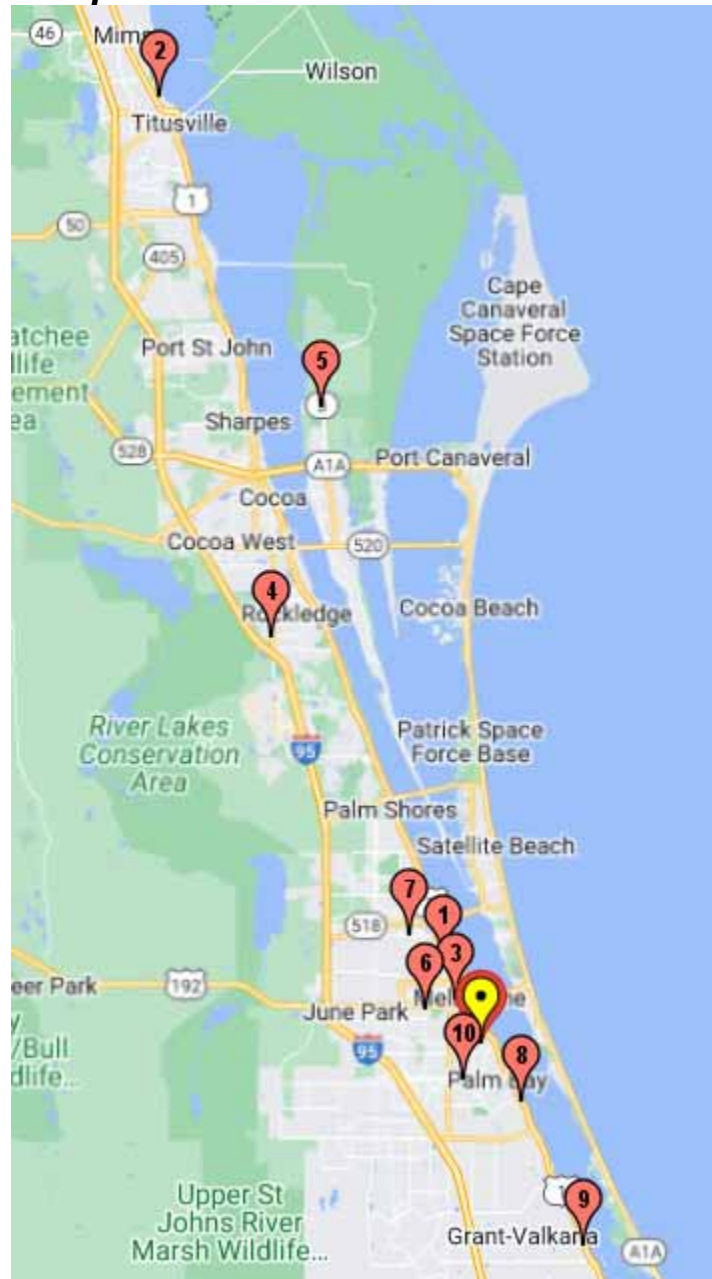


Transaction			
Address	2040 Palm Bay Road Northeast	ID	12335
City	Palm Bay	Date	2/15/2023
Zip	32905	Actual Price	\$142,500
Grantor	CHASE, RICHARD; CHASE,	Price Adjustment	
Grantee		Price	\$142,500
Transaction Type	Closed Sale	Price Per SF	\$191.02
Buyer Type		Property Rights	
Sale Verification Source		Conditions of Sale	
Tax ID	28-37-22-00-750.A	Financing	
Building Description	Commercial Condominium	Days on Market	105
Site			
Acres	0.7	Topography	Level w grade, Cleared
Land SF	30,492	Zoning	Community
Road Frontage	600	Drainage	On-Site
Shape	Rectangular	Access	Average
Utilities	All to site	Visibility	Above Average
Site Coverage Ratio	0.000	Traffic Count	
Improvements			
GBA	746	Condition	Average
Year Built	1978	Interior Finish	Average
Renovations		Quality	Average
Building Height	14	Percent Office	
Construction	CBS	Percent Under AC	100%
Parking Ratio GBA	109.92	Distance	1.72
Sale Comments			

This 746 square foot commercial condominium is Unit 1 is located within the L&C Arlington Pines Condominium on the southeast corner of Palm Bay Road and Arlington Lane Northeast in Palm Bay. The property has restaurant build out as it was formerly operating as a pizza parlor. The property was listed for approximately three months at \$150,000 before selling at \$142,500 or \$191.02 per square foot.



## Comparables Map



Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6	Comp 7	Comp 8	Comp 9	Comp 10
											
Address	1361 Florida Ave	111 Scott St.	1655 Jess Parrish	1611 S Apollo Blvd	3435 S Fiske Blvd.	4725 N. Courtney	2130-2150 Dury	924 Garfield Street	4720 Dine Highway	5170 HIGHWAY 1	2040 Palm Bay
City	Palm Bay	McBourne	McBourne	McBourne	Rockledge	Merritt Island	West McBourne	McBourne	Palm Bay	Grant Valkaria	Palm Bay
County	Brevard	Brevard	Brevard	Brevard	Brevard	Brevard	Brevard	Brevard	Brevard	Brevard	brevard
Date	4/5/2023	11/18/2022	4/18/2022	4/21/2021	8/9/2022	11/1/2021	7/22/2022	9/30/2021	7/22/2021	11/19/2021	2/15/2023
Price	--	\$625,000	\$379,900	\$220,000	\$950,000	\$760,000	\$950,000	\$375,000	\$712,500	\$485,000	\$142,500
Price Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Price	\$0	\$625,000	\$379,900	\$220,000	\$950,000	\$760,000	\$950,000	\$375,000	\$712,500	\$485,000	\$142,500
GBA	6,068	4,948	2,140	1,655	8,586	5,000	9,288	2,400	3,810	2,600	746
Price Per SF	\$0.00	\$126.31	\$177.52	\$132.93	\$110.65	\$152.00	\$102.28	\$156.25	\$187.01	\$186.54	\$191.02
<b>Transaction Adjustments</b>											
Property Rights	0	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional	Market	0.0%	Conventional	0.0%	Market	0.0%	Cash to seller	0.0%	Conventional	0.0%
Conditions of Sale	Cash	None Noted	0.0%	None Noted	0.0%	None Noted	0.0%	None known	0.0%	None Noted	0.0%
Expenditures After Sale	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Price/SF	\$126.31	\$177.52	\$132.93	\$110.65	\$152.00	\$102.28	\$156.25	\$187.01	\$186.54	\$191.02	\$191.02
Market Trends Through	11/1/2022	8.0%	4.2%	12.5%	9.9%	8.0%	2.2%	8.7%	10.3%	7.6%	0.0%
Adjusted Price/SF	\$126.31	\$185.05	\$149.56	\$121.63	\$164.16	\$104.51	\$169.89	\$206.36	\$200.70	\$191.02	\$191.02
Subsequent Trends Ending	4/5/2023	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price/SF	\$126.31	\$185.05	\$149.56	\$121.63	\$164.16	\$104.51	\$169.89	\$206.36	\$200.70	\$191.02	\$191.02
<b>Characteristics Adjustments</b>											
Location	Average	Average	Average	Average	Average	Below Average	Average	Average	Above Average	Above Average	Above Average
% Adjustment	0%	0%	0%	0%	0%	5%	0%	0%	-5%	-5%	-5%
Qualitative	Similar	Similar	Similar	Similar	Similar	Inferior	Similar	Similar	Superior	Superior	Superior
GBA	6,068	4,948	2,140	1,655	8,586	5,000	9,288	2,400	3,810	2,600	746
% Adjustment	0%	-5%	0%	0%	5%	0%	5%	0%	0%	-5%	-5%
Qualitative	Similar	Similar	Superior	Similar	Inferior	Similar	Inferior	Similar	Similar	Similar	Superior
Year Built	2018	1981	1985	1955	1990	1983	1970	1957	1984	1954	1978
% Adjustment	5%	5%	5%	5%	5%	5%	20%	5%	5%	5%	5%
Qualitative	Good	Average	Average	Average	Average	Average	Below Average	Average	Average	Below Average	Average
Condition	5%	5%	5%	5%	5%	5%	10%	5%	10%	10%	5%
% Adjustment	5%	Inferior	Inferior	Inferior	Inferior	Inferior	Inferior	Inferior	Inferior	Inferior	Inferior
Qualitative	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Construction	Masonry Concrete	Wood Frame	Concrete block	Concrete Block	CBS	Masonry concrete	CBS	Wood Frame	Masonry concrete	Average	CBS
% Adjustment	5%	0%	0%	0%	0%	0%	0%	5%	0%	0%	0%
Qualitative	Similar	Inferior	Similar	Similar	Similar	Similar	Similar	Inferior	Similar	Similar	Similar
Traffic Count	Not Tracked	0	0	0	27750	15610	20890	17390	20120	13310	0
% Adjustment	0%	0%	0%	0%	-5%	-5%	-5%	-5%	-5%	-5%	0%
Qualitative	Similar	Similar	Similar	Similar	Superior	Superior	Superior	Superior	Superior	Superior	Similar
Parking Ratio GBA	4.78	3.03	4.67	2.42	3.49	8.80	3.12	2.50	13.39	3.85	110
% Adjustment	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Qualitative	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Adjusted Price/SF	\$145.26	\$194.31	\$164.52	\$133.80	\$180.58	\$135.86	\$186.88	\$206.36	\$210.73	\$191.02	\$191.02
Net Adjustments	15.0%	15.0%	15.0%	10.0%	20.0%	20.0%	40.0%	20.0%	20.0%	25.0%	20.0%
Gross Adjustments	15.0%	15.0%	15.0%	10.0%	20.0%	20.0%	40.0%	20.0%	20.0%	25.0%	20.0%

## Analysis and Adjustments

In order to make the comparison meaningful, the comparable sales are reduced to a basic unit of comparison, i.e., the price paid per square foot of GBA. For Property Rights, Financing, Conditions of Sale, Expenditures After Purchase, and Time-Market Conditions adjustments we have applied Quantitative adjustments. Qualitative analysis is used for the remaining physical features. We have considered each sale regarding its relative similarity with the subject in the factors noted above. Then a conclusion is drawn regarding the comparable sale's overall similarity with the subject.

## Property Rights

This adjustment is generally applied to reflect the transfer of property rights different from those being appraised, such as differences between properties owned in fee simple and in leased fee. In this case, the subject is a fee simple property and the sales are similar in this respect.

## Financing

This adjustment is generally applied to a property that transfers with atypical financing, such as having assumed an existing mortgage at a favorable interest rate. Conversely, a property may be encumbered with an above-market mortgage which has no prepayment clause or a very costly prepayment clause. Such atypical financing often plays a role in the negotiated sale price. In this case, no adjustment is warranted.

**Conditions of Sale**

This adjustment category reflects extraordinary motivations of the buyer or seller to complete the sale. Examples include a purchase for assemblage involving anticipated incremental value or a quick sale for cash. This adjustment category may also reflect a distress-related sale, or a corporation recording a non-market price. No adjustments were necessary.

**Economic Trends**

This category reflects investors' perceptions of prevailing market conditions. This adjustment category reflects value changes, if any, which have occurred between the date of the sale and the effective date of the appraisal.

In the course of our appraisal work we interview market participants including planning and zoning officials on planned projects, general contractors on costs, and brokers on supply and demand. Overall, we believe an annual time adjustment of 8.0% per year through November 1, 2022 is appropriate, but the increased macro concerns in late 2022 and early 2023 have led to a stabilization and with no time adjustment from November until now is appropriate.

**Location**

The subject site is located within a primarily residential area on a road with low traffic counts. The site is visible due to its corner location but sees very little passing traffic. The subject's neighborhood is considered to be Average with no significant view, access, or visibility. Comparable 8, 9 and 10 are adjusted downwards for their superiority.

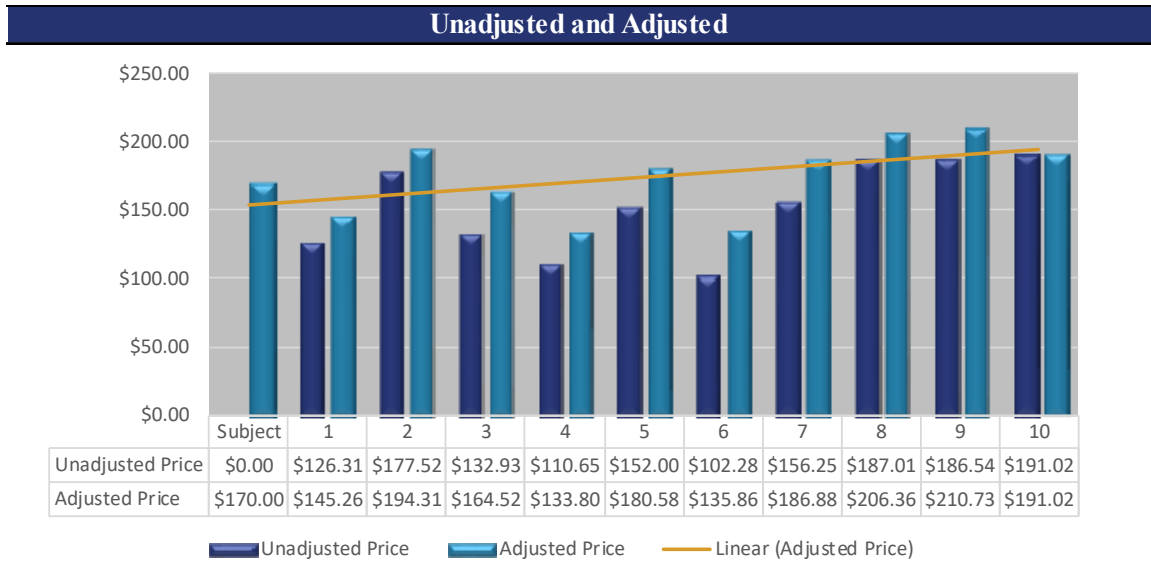
**Physical Characteristics**

The sales are adjusted qualitatively for physical characteristic differences. We considered the size of GBA, Year Built, overall quality and appeal, Construction Type traffic count, and parking.

***Sales Comparison Approach Conclusion***

The adjusted values of the comparable properties range on a per square foot basis from \$133.80 to \$210.73; the average is \$174.93 per square foot and the median is \$175.38 per square foot.

Sale 3 required the least gross adjustments. Sale 10 is the most recent sale, and Sale 6 is a community center. Medical office space and restaurant space set the higher end of the range while the office and community center spaces set the lower end of the range. As the subject is a mixture of all three of these spaces, an average of all space types is taken into account. Taking into consideration the characteristics of the subject and the comparables, the value of the subject is trended toward the average of the range. We reconcile to a value of \$170.00 per square foot.



Compiled by: Tuttle-Armfield-Wagner Appraisal & Research, Inc.

Value Ranges & As Is Reconciled Value				
Number of Comps:	10	Unadjusted	Adjusted	% Δ
Low:		\$102.28	\$133.80	31%
High:		\$191.02	\$210.73	10%
Average:		\$152.25	\$174.93	15%
Median:		\$154.13	\$183.73	19%
Reconciled Value/Unit Value:			\$170.00	
Subject Size:			6,068	
Indicated Value:			\$1,031,560	
Reconciled Final As Is Value:			<b>\$1,030,000</b>	
One Million Thirty Thousand Dollars				

## Final Reconciliation

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 defensibility of each approach are considered and weighed. Finally, each is considered separately and comparatively with each other.

### Value Indications

Summary of Values		
Value Premise	As Is	As Is
Date of Value	4/5/2023	4/5/2023
Value Type	Market Value	Value in Use
Value Perspective	Current	Current
Interest Appraised	Fee Simple	Fee Simple
Land Analysis	N/A	\$130,000
Cost Analysis	N/A	\$1,300,000
Improved Sales Analysis	\$1,030,000	N/A
<b>Value Conclusion:</b>	<b>\$1,030,000</b>	<b>\$1,300,000</b>

### Cost Approach

A cost approach was applied, as there is adequate data to develop a land value and the depreciation accrued to the improvements can be reasonably measured. As the subject is a special purpose property and newer construction, market participants place significant weight on this approach. This approach most closely aligns with the 'Value In Use' as the subject is a special purpose property designed to accommodate a specific non-for-profit mission.

### Sales Comparison Approach

The Sales Comparison Approach was used in this appraisal, as there is adequate data to develop a value estimate and this approach reflects market behavior for this property type. This approach most closely aligns with the 'Market Value' but less weight is applied to this approach as the market for similar specialized properties is limited. A buyer purchasing the subject property would most likely be required to modify or convert the subject to a use that conforms with the market norms. The Sales Comparison Approach best represents the needs of other market participants and what they are willing to pay for a similar property. The comparables represent similar properties, but each is different than the subject in some respect. This value is less than the cost approach and may indicate the subject has less value to a market participant than the current users.

### Income Approach – Direct Capitalization

An income approach was not applied, while a portion of the the subject is income producing, this approach does not reflect market behavior for this property type. This approach is not a good indicator of value for the subject property as the rental rates required to break even are far and above the current rental rates of the subject medical space.

## Value Conclusions

Based on the data and analyses developed in this appraisal, we have reconciled to the following value conclusion(s), subject to the Limiting Conditions and Assumptions of this appraisal.

Value Conclusions			
Premise	Interest Appraised	Effective Date	Value Conclusion
Current As Is Market Value	Fee Simple	4/5/2023	\$1,030,000
Current As Is Value in Use	Fee Simple	4/5/2023	\$1,300,000

## Discussion on Value In Use


The Appraisal of Real Estate discusses special-purpose or special-design properties within the context of use value and limited market properties. The subject is a community center containing a food market, medical office, and community room all under one roof. The Dictionary of Real Estate Appraisal (Appraisal Institute) defines **Special Purpose Property** as follows: “A property with a unique physical design, special construction materials, or a layout that particularly adapts its utility to the use for which it was built; e.g. a clubhouse, a church property, a public museum, a public school; also, a building that cannot be converted to another use without significant capital investment.” Because of the subject’s designation as a special use property, it is valued in the context of “Value In Use”. Value in use is defined as the value of a property assuming a specific use, which may or may not be the property’s highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually.

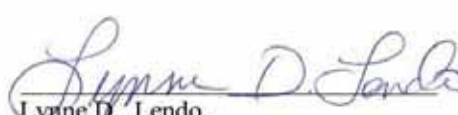


## Certification

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in or bias with respect to the property that is the subject of this report and have no personal interest in or bias with respect to the parties involved with this assignment.
4. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
5. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. This appraisal assignment was not made, nor was the appraisal rendered on the basis of a requested minimum valuation, specific valuation, or an amount which would result in approval of a loan.
7. 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 the Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. Dominic D'Alessandro, Trainee RI25504, provided significant help in site and building inspection and descriptions, tax and zoning analysis, and research of comparable leases.
10. I, the supervisory appraiser of a registered trainee appraiser who contributed to the development or communication of this appraisal, hereby accept full and complete responsibility for any work performed by the registered trainee appraiser named in this report as if it were my own work.
11. As of the date of this report, Matthew Jehs, MAI has completed the continuing education program of the Appraisal Institute.
12. We have made an inspection of the property that is the subject of this report.
13. The appraisers have not performed a prior appraisal or any services regarding the subject property performed by the appraiser, as an appraiser or in any other capacity, within the three-year period immediately preceding the agreement to perform the assignment.

  
Matthew W. Jehs, MAI  
Cert Gen RZ2806

  
Lynne D. Lendo,  
Cert Gen RZ3523

# **Addenda**

## **Definitions**

**Market Value:** As defined by the Office of the Comptroller of Currency (OCC) under 12 CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions, the Board of Governors of the Federal Reserve System (FRS) and the Federal Deposit Insurance Corporation in compliance with Title XI of FIRREA, as well as by the Uniform Standards of Appraisal Practice as promulgated by the Appraisal Foundation, is as follows.

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

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

A **Fee Simple** interest is defined<sup>2</sup> as:

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.

A **Leased Fee** interest is defined<sup>2</sup> as:

An ownership interest held by a landlord with the rights of use and occupancy conveyed by a lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.

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<sup>2</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 4th ed. (Chicago: Appraisal Institute, 2002).

**Marketing Time** is defined<sup>2</sup> as:

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

**Exposure Time** is defined<sup>2</sup> as:

1. The time a property remains on the market.
2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. Exposure time is different for various types of real estate and value ranges and under various market conditions. (Appraisal Standards Board of The Appraisal Foundation, Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions")

Market value estimates imply that an adequate marketing effort and reasonable time for exposure occurred prior to the effective date of the appraisal. In the case of disposition value, the time frame allowed for marketing the property rights is somewhat limited, but the marketing effort is orderly and adequate. With liquidation value, the time frame for marketing the property rights is so severely limited that an adequate marketing program cannot be implemented. (The Report of the Appraisal Institute Special Task Force on Value Definitions qualifies exposure time in terms of the three above-mentioned values.) See also marketing time.

**Gross Building Area (GBA)** is the total floor area of a building, including below-grade space but excluding unenclosed areas, measured from the exterior of the walls. Gross building area for office buildings is computed by measuring to the outside finished surface of permanent outer building walls without any deductions. All enclosed floors of the building including basements, mechanical equipment floors, penthouses, and the like are included in the measurement. Parking spaces and parking garages are excluded.<sup>2</sup>

**Rentable Area (RA)** is the amount of space on which the rent is based; calculated according to local practice.<sup>2</sup>

**Gross Leasable Area (GLA)** the total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines, and measured from the center of interior partitioning to outside wall surfaces; the standard measure for determining the size of shopping centers where rent is calculated based on the GLA occupied. The area for which tenants pay rent.<sup>2</sup>

### **As Is Value**

The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning.<sup>2</sup>

### **Stabilized Value**

1. A value opinion that excludes from consideration any abnormal relationship between supply and demand such as is experienced in boom periods, when cost and sale price may exceed the long-term value, or during periods of depression, when cost and sale price may fall short of long-term value.
2. A value opinion that excludes from consideration any transitory condition that may cause excessive construction costs, e.g., a bonus or premium for material, the abnormal inefficiency of labor, the cost of delay or an excessive sale price, e.g., a premium paid due to a temporary shortage of supply.<sup>2</sup>

In layman's terms, stabilized value is the prospective value of a property after construction has been completed and market occupancy and cash flow have been achieved.<sup>3</sup>

### **As Complete Value**

The prospective value of a property after all construction has been completed. This value reflects all expenditures for lease-up and occupancy that may be expected to have occurred at that point in time, which may or may not put the property at stabilized value.<sup>2</sup>

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<sup>3</sup> Narrative1.com. Thomas W. Armstrong, MAI

**PROFESSIONAL QUALIFICATIONS  
OF  
MATTHEW W. JEHS**

**EXPERIENCE:** Current Managing Director for Tuttle-Armfield-Wagner Appraisal & Research, Inc., Mr. Jehs has 21 years of appraisal experience, receiving his MAI in 2008. He has performed property valuations for a broad array of retail, industrial, and office properties including shopping centers, office/warehouses, bulk distribution warehouses, heavy manufacturing, both low-rise and high-rise professional offices and medical office buildings. Valuations have also included surgical centers, limited-service hospitality properties, condominium developments and conversions, residential subdivisions, and vacant land. Specialized real estate assignments include right-of-way projects, Cape Canaveral Port Facilities, Kennedy Space Center assets, and Melbourne Airport Aviation land, and jurisdictional wetlands. Clients served include accountants, investment firms, law firms, lenders, private corporations, local municipalities, and public agencies, including Veterans Affairs, Florida DEP Approved Appraiser, and SJRWMD. Valuations have been utilized for mortgage loan purposes, equity participation, due diligence support, condemnation proceedings and insurance purposes. Assignments have included the valuation of existing and proposed properties, as well as market studies, highest and best use studies, and property value impact studies.

**EDUCATION:** Bachelor of Arts Degree, Benedictine University, 2000

**Appraisal Course Work Completed:**

*Appraisal Institute*

110-Appraisal Principles  
120-Appraisal Procedures  
210-Residential Case Study  
310-Basic Income Capitalization  
410-Uniform Standards of Professional Practice – Part A  
420-Uniform Standards of Professional Practice – Part B  
510-Advanced Income Capitalization  
520-Highest and Best Use and Market Analysis  
530-Advanced Sales Comparison and Cost Approach  
540-Report Writing and Valuation Analysis  
550-Advanced Applications  
Continuing Education in USPAP, ARGUS, STDB.com

**LICENSES:** State Certified General Real Estate Appraiser #FL-RZ2806

**PROFESSIONAL ORGANIZATIONS:** Member of the Appraisal Institute (MAI) #432527  
2020 Past President Florida East Coast Chapter Appraisal Institute

I have been qualified as an expert witness in Brevard County circuit court. I have testified in court cases involving commercial Real Estate litigation.



## **Lynne D. Lendo**

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Certified General Real Estate Appraiser - Florida - RZ3523.

### **Appraisal and Market Study Experience:**

14 years' appraisal experience including Leaseholds, Condemnation/Right-of-Way, Manufacturing Facilities, Religious Facilities, Seminaries, Colleges, Surgical Centers, and other Special Purpose properties, Easements, Melbourne Airport Aviation land, Jurisdictional Wetlands, Vacant Land, Farmland, Tax Increment Financing (TIF) Properties, Multi-family Developments, Subdivisions, Retail Developments, Single-Family homes and other commercial and residential properties. Provide testimony in valuation disputes.

Market Studies of HUD, LIHTC, Section 8 and HOME properties, Rent Comparability Studies, Feasibility Studies and Appraisals nationwide, both age and income restricted properties.

### **Coursework:**

USPAP – 7 and 15-hour courses

Appraisal Principles

Appraisal Procedures

Basic Income Capitalization

Advanced Sales Comparison and Cost Approach

Market Analysis and Highest and Best Use

Internet Search Strategies for Real Estate Appraisers

Business Practices and Ethics

Valuing Green Buildings

Fair Housing Law

Advanced Income Capitalization

REO and Short Sale Appraisal Guidelines

The Nuts and Bolts of Green Building

Introduction to Green Building

Appraising Apartments – The Basics

Appraising FHA

Declining Market and Sales Concessions

Eminent Domain and Condemnation

Detrimental Conditions in Real Estate

Florida Appraisal Law

The Valuation of Warehouses

Separating Real Property, Personal Property  
and Intangible Business Assets

### **Professional Experience:**

- June 2013 to Present – Commercial Appraiser, Tuttle-Armfield-Wagner, Melbourne, Florida.
- February 2005 to June 2013 – Vice President, Adamson & Associates, Inc. Appraisals, Overland Park, Kansas.
- January 2003 to February 2005 – Associate Appraiser, Accurate Appraisals, Shawnee, Kansas.
- February 2000 to August 2002 – Flight Attendant, Vanguard Airlines, Kansas City, Missouri.
- February 1986 to October 1994 – Senior Network Technician - Data Communications, Trans World Airlines/Worldspan, Kansas City, Missouri.

## **Dominic D'Alessandro**

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State-Registered Trainee Appraiser RI25504

**Appraisal Experience:** Multi Family, Commercial, Vacant Land

**Coursework:**

15-hour National USPAP

Basic Appraisal Principles

Basic Appraisal Procedures

Supervisor- Trainee Course for Florida Appraisal Law

FL Trainee Appraiser Subject Matter 25 hours of electives

**Professional Experience:**

- 2022 to present- Commercial Appraiser Trainee, Tuttle-Armfield-Wagner Appraisal & Research, Melbourne, Florida
- 2021 to 2022- Student, Eastern Florida State College, Melbourne, Florida
- 2019 to 2020- Financial Analyst, L3 Harris, Melbourne, Florida
- 2018 to 2019- Financial Advisor, Edward Jones, Melbourne Beach, Florida

**Education:**

Bachelor of Science in Finance, University of Central Florida, 2018



Ron DeSantis, Governor

Melanie S. Griffin, Secretary



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

**FLORIDA REAL ESTATE APPRAISAL BD**

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PROVISIONS OF CHAPTER 475, FLORIDA STATUTES



**JEHS, MATTHEW W**

111 W NEW HAVEN AVENUE  
MELBOURNE FL 32901

**LICENSE NUMBER: RZ2806**

**EXPIRATION DATE: NOVEMBER 30, 2024**

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DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

**FLORIDA REAL ESTATE APPRAISAL BD**

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PROVISIONS OF CHAPTER 475, FLORIDA STATUTES



**LENDO, LYNNE D**

111 W NEW HAVEN AVENUE  
MELBOURNE FL 32937

**LICENSE NUMBER: RZ3523**

**EXPIRATION DATE: NOVEMBER 30, 2024**

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**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

**D'ALESSANDRO, DOMINIC**

524 DOLPHIN STREET  
MELBOURNE BEACH FL 32951

**LICENSE NUMBER: RJ25504**

**EXPIRATION DATE: NOVEMBER 30, 2024**

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## ***Engagement Letter***

March 27, 2023

Matthew W. Jehs, MAI  
Tuttle-Armfield-Wagner Appraisal & Research, Inc.  
412 E. New Haven Avenue  
Melbourne, FL 32901

RE: Commercial Appraisal Engagement Letter

Dear Matthew,

Please prepare an Appraisal Report of the commercial property described below. Please address the appraisal to The Brevard Neighborhood Development Coalition, Inc. dba Neighbor Up Brevard, Attention: Brett Wherry, Treasurer.

Property Address: 1361 Florida Ave NE, Palm Bay, FL 32905

Tax Account: #2826281

For additional information please contact:

Name: Lynn Brockwell-Carey, Executive Director  
The Brevard Neighborhood Development Coalition, Inc.  
dba Neighbor Up Brevard  
Phone: 321-591-6683 (c) 321-253-4214 (o)

The report is to be in accordance with the minimum standards set forth in this letter and generally accepted appraisal standards. These standards are to be incorporated as part of the scope of the appraisal. You are expected to conform to the current version of the Uniform Standards of Professional Appraisal Practice (USPAP).

You shall sign the appraisal report as the primary appraiser and shall personally inspect the subject and each of the comparable properties used in the report. In addition, all other persons assisting in the collection of data and/or analysis of the appraisal shall be identified. Any other person signing the report shall be state licensed or certified as appropriate for the property being appraised.

The Brevard Neighborhood Development Coalition, Inc. dba Neighbor Up Brevard reserves the right to convey a copy of the appraisal to a third party. You may be requested to discuss the analysis in the appraisal report with us.

The real property interest(s) to be appraised are marked as follows:

Current Market Value  
Current Value In Use  
Estimated Cost Basis

If, in your opinion, a value estimate which is not requested above is applicable, it is your responsibility to contact the undersigned before proceeding.

Please put copies of the signed Engagement Letter and Appraisal Standards in the addenda of your report. Send two copies and email a PDF with original signatures and photos to the attention of the undersigned. Please contact the undersigned if you have questions regarding this engagement. In accordance with our oral communication, your appraisal fee for this assignment will not exceed \$ 3,200.00. The report is to be delivered to the undersigned by **April 12, 2023.**

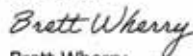
**Confidential Information.** "You" acknowledge that all information and documents disclosed by The Brevard Neighborhood Development Coalition, Inc. dba Neighbor Up Brevard (BNDC) to You, or which comes to your attention during the course of the performance of Services under this Assignment, constitute valuable assets of and are proprietary to BNDC, and also acknowledge that BNDC has a responsibility to its employees and supporters to keep BNDC's records and information confidential and proprietary.

Therefore, You agree not to disclose, either directly or indirectly, to any person, firm or corporation, information of any kind, nature or description concerning matters affecting or relating to the business of BNDC unless the information is already in the public domain. This provision shall survive termination of this Assignment.

Your acceptance of this assignment is evidenced by your signature below. Additionally, your signature serves as confirmation that you do not have any conflict of interest in rendering your opinion. You agree to indemnify and hold harmless The Brevard Neighborhood Development Coalition, Inc. dba Neighbor Up Brevard and related entities if, at any time following your execution of this Engagement Letter, a conflict is revealed that results in a claim against or an adverse effect upon The Brevard Neighborhood Development Coalition, Inc. dba Neighbor Up Brevard.

Thank you for your consideration in performing this assignment.

Sincerely,

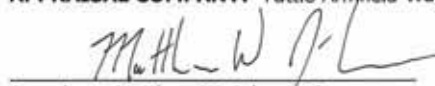


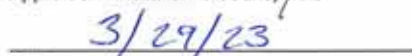
Brett Wherry  
Treasurer

The Brevard Neighborhood Development Coalition, Inc. dba Neighbor Up Brevard

*I have read this engagement letter and agree to complete the appraisal assignment in accordance with these terms and instructions.*

**APPRAISAL COMPANY:** Tuttle-Armfield-Wagner Appraisal & Research, Inc

  
Appraiser: Matthew W. Jehs, MAI

  
Date



## **APPRAISAL STANDARDS**

### **Commercial Properties**

The following requirements are minimum standards for all appraisals completed for The Brevard Neighborhood Development Coalition, Inc. dba Neighbor Up Brevard, with exceptions as noted.

#### **I. FORMAT REQUIREMENTS**

All appraisals shall be presented in a self-contained narrative format, with the following exceptions:

- A. Appraisals on existing income properties which qualify for use of the most recent revision of the Uniform Commercial and Industrial Appraisal Report (UCIAR) form or the Small Residential Income Property Appraisal Report form.
- B. Appraisals on existing multi-family properties prepared on forms approved by the Federal National Mortgage Corporation (Fannie Mae) or the Federal Home Loan Mortgage Corporation (Freddie Mac).
- C. Appraisals on existing proposed one-to-four family residential properties which qualify for use of the most recent revision of the Uniform Residential Appraisal Report (URAR) form or the Small Residential Income Property Appraisal Report form. This exception does not apply to proposed tract developments.

#### **II. MARKET VALUE**

All appraisal reports requiring a fair value estimate must contain the specific definition of fair value that follows:

#### **III. FAIR VALUE**

All appraisal reports requiring a fair value estimate must contain the specific definition of fair value as follows:

The cash price that might reasonably be anticipated in a current sale under all conditions requisite to a fair sale. A fair sale means the buyer and seller is each acting prudently, knowledgeably and under no necessity to buy or sell, i.e., other than in a forced or liquidation sale. A current sale is one occurring within twelve (12) months.

A reasonable marketing period is to be analyzed and reported for the subject property. Marketing time is to be included in the Letter of Transmittal. If the marketing period extends beyond one year, an appropriate market discount is to be applied to that property and a "FAIR VALUE", in addition to the market value, is to be shown in the appraisal. The fair value estimate reflects the price which would motivate a typical market participant to purchase the subject within a 12 month period. If less than a twelve month marketing period is estimated, "market value" and "fair value" are the same. Please itemize each value separately.

The fair value estimate should be analyzed as follows: When a current sale is unlikely the appraiser must discount all cash flows generated by the property to obtain the estimate of fair value. Those cash flows include, but are not limited to, those arising from ownership, development, operation and sale of the property. The discount applied should reflect the appraiser's judgment of what a prudent and knowledgeable purchaser, under no necessity to buy, would be willing to pay for the property in a current sale. Whenever the appraiser believes that more than one year is necessary for a fair sale of the property, the appraiser should state and justify the estimated time and should state the annual discount rate applied. The discount should be taken back to the end of Year One to be consistent with the market value estimate which allows a one year marketing period.



#### IV. MINIMUM REPORTING REQUIREMENTS

In addition to the above, each appraisal report must, at a minimum:

- A. Conform to the Uniform Standards of Professional Appraisal Practice (USPAP) as revised and adopted by the Appraisal Standards Board of the Appraisal Foundation, current version only, except that for purposes of federally related transactions, the Departure Provision does not apply. The appraiser is expected to know these requirements as they apply to the property being appraised.
- B. Include, in addition to the certification required by the USPAP, statements that (1) the appraisal assignment was not based on a requested minimum valuation, a specific valuation or the approval of a loan, and (2) the appraiser's state registration/certification has not been revoked, suspended, cancelled or restricted.
- C. Include a legal description of the real estate being appraised, in addition to the description required by USPAP.
- D. Indicate assessed value(s), tax rate and tax amount for the subject as appraised. If not available (i.e., incomplete or proposed construction, etc.), an estimated tax amount should be indicated and supported. Comment on any taxes which, in your opinion, are unusually high or low for the subject. Explain any effect on the subject valuation.
- E. Indicate, under the Highest and Best Use, separate analysis for the property (1) as vacant and (2) (if applicable) as improved or proposed for improvement. This includes indicating the best alternate uses of the property and listing the possible government violations, i.e., fire, zoning, building permit and codes. Indicate whether the property is a legal non-conforming use and, if any, the effect the legal non-conforming use may have on the value estimate.  
  
This also includes indicating whether the planning and zoning department has been contacted and that you have reviewed planned developments in the immediate area which would impact the value of the subject property. Please evaluate the impact of any "like" construction or planned construction in the market area. These, and nearby competing properties, should be inspected.
- F. Include, for each land and building sale comparable, the listing price and associated marketing time for that listing price when available. This is the information to be utilized in helping to determine an appropriate marketing time for the subject.
- G. Indicate confirmation and/or source of land sales, improved property sales and rental information. It is not sufficient to state that additional data was considered without including it in the report.
- H. Indicate calculations of cash equivalencies.
- I. Include adjustment grids which summarize the analysis for land sales, building sales and rent comparables. Grids should show both the direction and magnitude of each adjustment as compared to the subject.
- J. Contain a copy of the flood map if located in a flood hazard area. Indicate the community panel number and the effective date of the flood zone data.
- K. Contain sufficient maps and plats to show the location of the subject and the comparables for land, improved building sales and rental properties, as applicable. Label all maps and plats with north arrows. Site plans should include, at a minimum, placement of building(s), parking areas, curb cuts and relationship to frontage road(s). Plats are required for all commercial/industrial land sale comparable if the valuation is for land only.

- L. Contain photographs of the subject property, street scenes and any items of major deferred maintenance or unusual characteristics. Include photos of all improved comparable sales and comparable rents.
- M. Include applicable state certification and/or license numbers and expiration dates in the Letter of Transmittal.
- N. Indicate any special or specific assumptions or limiting conditions applicable only to the subject property. These must (1) be set out separately from general assumptions and limiting conditions and (2) be stated in the Letter of Transmittal.
- O. Summarize all value indications in the Letter of Transmittal, Executive Summary and Final Reconciliation. Ensure that all values requested in the Letter of Engagement are itemized.
- P. Discuss any applicable water and/or mineral rights. If applicable, account for such in the value estimate.
- Q. Indicate any existing or potential wetland or other protected area. Please contact BNDC prior to notifying any governmental agency.
- R. Complete and sign the "Hazardous Waste Supplement". If contamination exists, please contact BNDC prior to notifying any governmental agency.

#### **V. REQUIREMENTS BY PROPERTY TYPE**

Different property types call for, as a rule, different specific appraisal requirements. The following descriptions represent the minimum requirements for appraisals pertaining to the specific property type.

- A. Existing Income Properties: All appraisals on existing income properties must contain a summary of actual operating statements, together with a supported forecast of the most likely future financial performance of the property. Current and historical revenue, expenses and vacancies are to be indicated and analyzed.

On all appraisal assignments that involve leases, the appraiser must review all actual leases and lease addenda and comment on their quality and value. A summary of all leases must be included in the report. If leases are not available, the rent roll must be checked with tenants for accuracy (state which tenants were surveyed). The summary must identify all salient features of the lease, including at a minimum: lessor/lessee, lease date, terms/renewals, current rent per square foot, concessions, escalations, services paid by the lessor and vacant space. The summary should also include, when applicable: beginning rent per square foot, common area maintenance (CAM) charges, purchase options, expense stops, tenant improvement allowance (TIs), percentage rents, assignability, etc.

Include the following data for all income-producing improved sales, when available: potential gross income (PGI), vacancy and collection loss, effective gross income (EGI), expenses and net operating income (NOI). All numbers are to be expressed as dollar (\$) figures, with vacancy and expense numbers also expressed as percentages (%). State the potential gross income multiplier (PGIM), effective gross income multiplier (EGIM) and over-all capitalization rate (OAR) when available. Clearly indicate whether each number is actual or estimated as it applied at the time of sale. Please indicate if the estimate is by the appraiser.

Existing income producing properties which have not reached stabilized occupancy require an absorption period estimate and analysis of associated expenses necessary to reach stabilized occupancy. The value is applicable for income producing properties which have high vacancy and generate cash flows which are currently less than the potential cash flows under a stabilized leasing scenario, or are new with a lease-up period. A detailed discounted cash flow analysis which is reflective of the anticipated expenses and costs involved in attaining stabilized occupancy should be

included. The effective date(s) of all valuation estimates must be clearly stated.

- B. Proposed Income Properties: Projects are to be analyzed as instructed for existing income properties, as applicable.

Proposed projects shall contain a prospective value upon completion of construction and a prospective value upon reaching stabilized occupancy. The prospective values upon completion and upon reaching stabilized occupancy must be supported by a detailed discounted cash flow analysis, which takes into account all of the costs involved in achieving these value estimates. Any prospective values are to have effective valuation dates which correspond to the estimated date of completion and/or date when stabilized occupancy is attained. The effective date(s) must be clearly stated whenever the final valuation estimate is discussed.

- C. Discounted Cash Flow Analysis: The discounted cash flow analysis should, at a minimum, account for stabilization expenses such as marketing expenses and leasing commissions; tenant improvement costs typically provided by the lessor; operating expenses not covered by the occupied space; and any rental concessions required to achieve initial occupancy. Each tenant space must be itemized separately. There must be sufficient data and analysis provided so that the spread sheet could readily be reconstructed by a third party.
- D. Construction Plans and Cost Estimate: The appraisal shall contain a reduced copy of pertinent building plans for the proposed project and will include an understandable, detailed and well-supported estimate of the costs involved to construct the proposed improvements within a supported time frame.
- E. Feasibility Study and Highest and Best Use: A proposed project's economic feasibility must be comprehensively analyzed and be well documented, with identification of all source materials used in the analysis. The appropriateness of the proposed development must be discussed in light of the highest and best use of the property (see Section IV, Item E).
- F. Subdivisions and Condominiums: On projects developed for sale to individual buyers the appraisal report must reflect all appropriate adjustments, deductions and discounts, and the anticipated cash flows to be derived from the disposition of the asset over time. Appropriate deductions and discounts are those that reflect all expenses associated with the disposition of the real property, and the cost of capital and entrepreneurial profit.
- G. Ground leases: When the subject property involves a ground lease, the appraisal report must include a summary of all conditions of that lease.

#### **VI. ADDITIONAL STANDARDS**

Nothing contained above shall prevent The Brevard Neighborhood Development Coalition, Inc. dba Neighbor Up Brevard from requiring additional appraisal standards if deemed appropriate.