



## **REAL ESTATE APPRAISAL REPORT**

### **IMMOKALEE FIRE STATION - NEW MARKET**

**Commercial**

502 New Market Road East  
Immokalee, Collier County, Florida, 34142

**PREPARED FOR:**

Chief Michael Choate  
District Manager / Chief  
Immokalee Fire Control District  
502 New Market Road East  
Immokalee, Florida 34142

**EFFECTIVE DATE OF THE APPRAISAL:**

April 6, 2021

**DATE OF THE REPORT:**

April 27, 2021

**REPORT FORMAT:**

Appraisal Report

**PREPARED BY:**

RKL Appraisal and Consulting, PLC  
RKL File Number: 2021-099



**Immokalee Fire Station - New Market**  
502 New Market Road East  
Immokalee, Florida



April 27, 2021

Chief Michael Choate  
Immokalee Fire Control District  
502 New Market Road East  
Immokalee, Florida 34142

Re: Real Estate Appraisal  
Immokalee Fire Station - New Market  
502 New Market Road East, Immokalee,  
Collier County, Florida, 34142  
RKL File Number: 2021-099

Dear Chief Choate:

At your request, RKL Appraisal and Consulting, PLC has prepared the accompanying appraisal for the above referenced property. The purpose of the appraisal is to estimate the market value of the fee simple interest in the subject property. The intended users for the assignment are Immokalee Fire Control District, and the intended use of the appraisal is to estimate the market value for possible disposition by the Immokalee Fire Control District. We use the appraisal report option of Standards Rule 2-2 of USPAP to report the assignment results.

Please reference the appraisal scope section of this report for important information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis, and valuation methodology.

The accompanying appraisal conforms with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and the appraisal guidelines of Immokalee Fire Control District.

The subject is an existing four bay fire station containing 3,200 square feet and a 7,376 square foot administration center with dorm rooms. The improvements were constructed in 1986 and 1991. They are operated by the Immokalee Fire Control District as a fire station and administrative headquarters as of the effective date of the appraisal. The site consists of 0.914 acres, or 39,812 square feet.

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, Extraordinary Assumptions and Hypothetical Conditions (if any), we have made the following value conclusion(s):

VALUE CONCLUSIONS			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value, As Is	Fee Simple	April 6, 2021	\$1,150,000

**Significant Factor**

*The world, including the United States, is in the midst of a health crisis since early 2020 due to the rise of COVID 19. The global outbreak was officially declared a pandemic by the World Health Organization (WHO). The analyses and value opinion(s) in this appraisal are based on the data available to the appraiser at the time of the assignment and apply only as of the effective date indicated. No analyses or opinions contained in this appraisal should be construed as predictions of future market conditions or value(s).*

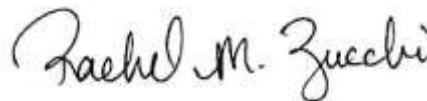
The value conclusion(s) are subject to the following hypothetical conditions and extraordinary conditions. These conditions may affect the assignment results.

Hypothetical Conditions:	None.
Extraordinary Assumptions:	None.

Respectfully submitted,  
**RKL APPRAISAL AND CONSULTING, PLC**



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## SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

### GENERAL

<b>Subject:</b>	Immokalee Fire Station - New Market 502 New Market Road East, Immokalee, Collier County, Florida, 34142
<b>Owner:</b>	Immokalee Fire Control District
<b>Legal Description:</b>	Lengthy legal
<b>Tax Identification:</b>	00120400001
<b>Intended Use:</b>	The intended use is to estimate the market value for possible disposition by the Immokalee Fire Control District.
<b>Intended User(s):</b>	Immokalee Fire Control District

### PROPERTY

<b>Land Area:</b>	Total: 0.914 acres; 39,812 square feet
<b>Improvements:</b>	
Year Built:	1986
Renovations:	3,376 square foot addition in 1991
Gross Building Area (GBA):	10,576
Gross Leasable Area (GLA):	10,576
<b>Zoning:</b>	I - Industrial District
<b>Highest and Best Use</b>	
<b>As if Vacant</b>	Industrial or commercial development
<b>As Improved</b>	The highest and best use is as currently improved.
<b>Exposure Time</b>	18-24 months
<b>Marketing Period</b>	18-24 months

### VALUE INDICATIONS

	<b>As Is</b>
<b>Cost Approach:</b>	\$1,110,000
<b>Sales Comparison Approach:</b>	\$1,160,000
<b>Income Approach:</b>	Not developed
<b>Reconciled Value(s):</b>	<b>As Is</b>
Value Conclusion(s)	\$1,150,000
Effective Date(s)	April 6, 2021
Property Rights	Fee Simple

### Significant Factor

*The world, including the United States, is in the midst of a health crisis since early 2020 due to the rise of COVID 19. The global outbreak was officially declared a pandemic by the World Health Organization (WHO). The analyses and value opinion(s) in this appraisal are based on the data available to the appraiser at the time of the assignment and apply only as of the effective date indicated. No analyses or opinions contained in this appraisal should be construed as predictions of future market conditions or value(s).*

The value conclusion(s) are subject to the following hypothetical conditions and extraordinary conditions. These conditions may affect the assignment results.

Hypothetical Conditions:	None.
Extraordinary Assumptions:	None.

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## INTRODUCTION INFORMATION

### SUBJECT IDENTIFICATION

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<b>Subject:</b>	Immokalee Fire Station - New Market 502 New Market Road East, Immokalee, Collier County, Florida, 34142
<b>Legal Description:</b>	Lengthy legal
<b>Tax Identification:</b>	00120400001

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The subject is an existing four bay fire station containing 3,200 square feet and a 7,376 square foot administration center with dorm rooms. The improvements were constructed in 1986 and 1991. They are operated by the Immokalee Fire Control District as a fire station and administrative headquarters as of the effective date of the appraisal. The site consists of 0.914 acres, or 39,812 square feet.

### CURRENT OWNERSHIP AND PROPERTY HISTORY

#### Owner

The owner of the property is Immokalee Fire Control District.

#### Sale History

According to public records, the subject has not sold in the last three years.

#### Current Listing/Contract(s):

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

To the best of our knowledge, no other sale or transfer of ownership has occurred within the past three years, and as of the effective date of this appraisal, the property is not subject to an agreement of sale or option to buy, nor is it listed for sale.

### APPRAISAL SCOPE

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(s). Therefore, the appraiser must identify and consider:

- the client and any other intended users;
- the intended use of the appraiser's opinions and conclusions;
- the type and definition of value;
- the effective date of the appraiser's opinions and conclusions;
- subject of the assignment and its relevant characteristics
- assignment conditions
- the expectations of parties who are regularly intended users for similar assignments; and

- what an appraiser's peer's actions would be in performing the same or a similar assignment.

### **CLIENT, INTENDED USER, AND INTENDED USE**

The client and the intended user of the appraisal are Immokalee Fire Control District. The intended use is to estimate the market value for possible disposition by the Immokalee Fire Control District. The appraisal is not intended for any other use or user.

### **DEFINITION OF MARKET VALUE**

Market value definition used by agencies that regulate federally insured financial institutions in the United States is defined by *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015) as:

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

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- 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.” (Source: 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)

### **DEFINITION OF PROPERTY RIGHTS APPRAISED**

Fee simple estate is defined as an: “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.” (Source: *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015))

### **PURPOSE OF APPRAISAL, PROPERTY RIGHTS APPRAISED, AND DATES**

The purpose of the appraisal is to estimate the market value of the fee simple interest in the subject property. The effective date of the subject appraisal is April 6, 2021. The date of inspection was April 6, 2021. The date of the report is April 27, 2021.



## SCOPE OF WORK

The problem to be solved is to estimate the market value of the fee simple interest in the subject property.

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### SCOPE OF WORK

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Report Type:	This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a summary or description of the appraisal process, subject and market data and valuation analyses.
Property Identification:	The subject has been identified by the legal description and the assessors' parcel number.
Inspection:	A complete interior and exterior inspection of the subject property has been made, and photographs taken.
Market Area and Analysis of Market Conditions:	A complete analysis of market conditions has been made. The appraiser maintains and has access to comprehensive databases for this market area and has reviewed the market for sales and listings relevant to this analysis.
Highest and Best Use Analysis:	A complete as vacant and as improved highest and best use analysis for the subject has been made. Physically possible, legally permissible and financially feasible uses were considered, and the maximally productive use was concluded.

#### Valuation Analyses

Cost Approach:	A cost approach was applied as a typical buyer does utilize this valuation technique for build-to-suit and special purpose properties such as subject.
Sales Comparison Approach:	A sales approach was applied as there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.
Income Approach:	An income approach was not applied as the subject is currently a special use property and the most probable buyer is an owner occupant who would not put any weight on this approach.
Hypothetical Conditions:	None.
Extraordinary Assumptions:	None.

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#### **Significant Factor**

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**Comments**

The individual sections of the report detail the additional research, confirmation, and analysis of relevant data.

## ECONOMIC ANALYSIS

### NATIONAL ECONOMIC ANALYSIS

The Federal Reserve Open Market Committee (FOMC) released the following statement on March 17, 2021. The Federal Reserve is committed to using its full range of tools to support the U.S. economy in this challenging time, thereby promoting its maximum employment and price stability goals. The COVID-19 pandemic is causing tremendous human and economic hardship across the United States and around the world. Following a moderation in the pace of the recovery, indicators of economic activity and employment have turned up recently, although the sectors most adversely affected by the pandemic remain weak. Inflation continues to run below 2 percent. Overall financial conditions remain accommodative, in part reflecting policy measures to support the economy and the flow of credit to U.S. households and businesses.

The path of the economy will depend significantly on the course of the virus, including progress on vaccinations. The ongoing public health crisis continues to weigh on economic activity, employment, and inflation, and poses considerable risks to the economic outlook. The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. With inflation running persistently below this longer-run goal, the Committee will aim to achieve inflation moderately above 2 percent for some time so that inflation averages 2 percent over time and longer-term inflation expectations remain well anchored at 2 percent. The Committee expects to maintain an accommodative stance of monetary policy until these outcomes are achieved. The Committee decided to keep the target range for the federal funds rate at 0 to 1/4 percent and expects it will be appropriate to maintain this target range until labor market conditions have reached levels consistent with the Committee's assessments of maximum employment and inflation has risen to 2 percent and is on track to moderately exceed 2 percent for some time.

In addition, the Federal Reserve will continue to increase its holdings of Treasury securities by at least \$80 billion per month and of agency mortgage-backed securities by at least \$40 billion per month until substantial further progress has been made toward the Committee's maximum employment and price stability goals. These asset purchases help foster smooth market functioning and accommodative financial conditions, thereby supporting the flow of credit to households and businesses.

The pledge to keep rates near zero until it is comfortable that the U.S. economy is back on its feet continues a historically aggressive policy stance. On March 3, 2020 rates were cut by 1/2 percentage point, a move that was the first time since the 2008-2009 global recession that the Federal Open Market Committee (FOMC), the Federal Reserve's policy-making body, cut its key federal-funds rate in between policy meetings.

The following table details the economic forecasts of Federal Reserve Board members and Federal Reserve Bank presidents as of December 2020. The previous (as of June 2020) projections of a 6.5% contraction in real GDP in 2020 have been revised upward to

a 2.4% contraction. The 2021 projection was revised downward from a 5.0% increase to a 4.2% increase. Unemployment (previously projected at 9.3% for 2020) was revised downward to 6.7%. The 2021 projection was also decreased from 6.5% to 5.0%.

Variable	Median <sup>1</sup>					Central Tendency <sup>2</sup>					Range <sup>3</sup>				
	2020	2021	2022	2023	Longer run	2020	2021	2022	2023	Longer run	2020	2021	2022	2023	Longer run
Change in real GDP	-2.4	4.2	3.0	2.4	1.8	-2.5-2.2	3.7-5.0	3.0-3.5	2.2-2.7	1.7-2.0	-3.3-1.0	0.5-5.5	2.5-4.0	2.0-3.5	1.6-2.2
September projection	-3.7	4.0	3.0	2.5	1.9	-4.0-3.0	3.8-4.7	2.5-3.3	2.4-3.0	1.7-2.0	-5.5-1.0	0.0-5.5	2.0-4.5	2.0-4.0	1.8-2.2
Unemployment rate	6.7	5.0	4.2	3.7	4.1	5.7-6.6	4.7-5.4	3.8-4.6	3.5-4.3	3.8-4.3	6.6-6.8	4.0-6.8	3.5-5.8	3.3-5.0	3.5-4.5
September projection	7.9	5.5	4.6	4.0	4.1	7.0-8.0	5.0-6.2	4.0-5.0	3.5-4.4	3.9-4.3	6.5-8.0	4.0-8.0	3.5-7.5	3.5-6.0	3.5-4.7
PCE inflation	1.2	1.8	1.8	2.0	2.0	1.2	1.7-1.8	1.8-2.0	1.8-2.1	2.0	1.1-1.8	1.2-2.3	1.5-2.2	1.7-2.2	2.0
September projection	1.3	1.7	1.8	2.0	2.0	1.1-1.3	1.8-1.9	1.7-1.9	1.9-2.0	2.0	1.0-1.8	1.2-2.4	1.5-2.2	1.7-2.1	2.0
Core PCE inflation <sup>4</sup>	1.4	1.8	1.9	2.0		1.4	1.7-1.8	1.8-2.0	1.9-2.1		1.3-1.5	1.5-2.3	1.6-2.2	1.7-2.2	
September projection	1.5	1.7	1.8	2.0		1.3-1.5	1.8-1.8	1.7-1.9	1.9-2.0		1.2-1.6	1.5-2.4	1.6-2.2	1.7-2.1	
Memo: Projected appropriate policy path															
Federal funds rate	0.1	0.1	0.1	0.1	2.5	0.1	0.1	0.1	0.1-0.4	2.3-2.5	0.1	0.1	0.1-0.4	0.1-1.1	2.0-3.8
September projection	0.1	0.1	0.1	0.1	2.5	0.1	0.1	0.1	0.1-0.4	2.3-2.5	0.1	0.1	0.1-0.8	0.1-1.4	2.0-3.8

According to Freddie Mac Chief Economist Sam Khater, the housing market has been showing strength despite the challenges the economy faces from the coronavirus pandemic. "Refinance activity is solid and homebuyer demand continues, resulting in increased sales and an acceleration in house price growth."

Lawrence Yun, NAR chief economist predicts the U.S. economy will continue to improve in 2021. Despite job losses and lower GDP in 2020, Yun said personal income was actually up by 10.7% in the second quarter of 2020 and 4.3% in the fourth quarter thanks to federal stimulus measures, including direct payments and unemployment compensation. The higher income combined with reduced activity during the pandemic resulted in an elevated savings rate, which could result in a strong economic resurgence once the COVID-19 vaccine distribution becomes widespread. "Once we reach herd immunity, all these savings could be unleashed," said Yun. "It could be as soon as the second half of this year." Yun predicted GDP growth of 4% and job gains of 3 million for 2021.

Calvin Schnure, the National Association of Real Estate Investment Trusts' (NAREIT) senior vice president of research and economic analysis, said that the trajectory of commercial real estate recovery in 2021 will be different from previous recoveries after economic downturns – specifically he expects a much faster recovery. "Work from home is having a real effect, but I'm not sure if this is permanent. Some signs suggest this may be temporary," Schnure said. "Retail should attract new customers and retain current ones," said Hardin, though he did note that the retail rebound does ultimately depend on how comfortable consumers feel going into stores. He said adaptive reuse in the retail sector – repurposing a building to be used in a different way than originally intended – will create opportunities. Industrial also emerged as a bright spot in commercial, Hardin said, partly driven by the need to support e-commerce. Warehousing and storage jobs in February 2021 posted year-over-year increases of 72,400 jobs, and industrial posted positive rent growth in the fourth quarter of 2020, as well as occupancy gains for 80% of markets in 2020.

The 2021 CBRE U.S. Real Estate Market Outlook projects that the strongest growth of 2021 will occur in Q2 and Q3, 5.5% and 5.6% respectively, on an annualized basis

bringing U.S. GDP back to pre-COVID levels in Q3. The real estate recovery is expected to lag that of the broader economy, particularly for the office, retail and hotel sectors. More aid to state and local governments could reduce pressure to raise taxes on real estate. However, the popular 1031 tax-free exchange program would be threatened and luxury retail, energy, finance, defense contractors and tech could face headwinds from tax and spending policy changes and increased regulations.

According to the Deloitte Center for Financial Services annual Commercial Real Estate Outlook for 2021, the pandemic is disrupting the value proposition of CRE, especially for offices, retail, and hotels, causing most CRE companies to reevaluate existing portfolios. Meanwhile, CRE companies face cost pressures due to softening operating fundamentals: Respondents plan to reduce costs by 20% on average. Optimizing operational costs and using technology to reposition space and for facilities management can improve operational resilience.

According to the PwC Emerging Trends in Real Estate 2021, overall real estate prices are anticipated to fall 5-10% as income is curtailed for several years. Industrial properties, data centers and single-family homes are expected to rise in value, while retail and hospitality will see the largest decline. The long-term outlook in the real estate sector hinges on the country's ability to reign in COVID-19.

## **FLORIDA ECONOMIC ANALYSIS**

According to the U.S. Census Bureau, many midwestern and northeastern states continue to see their populations shrink while large southern states draw in residents. Florida's population grew by 2.12% in 2020 (July 2019 to July 2020), the 7th highest rate in the country. Florida gained the second-most number of people in 2020, an additional 241,256 residents, second to Texas which gained 373,965 residents. Florida has a population of 21,733,312 million as of July 2020. The Bureau of Economic and Business Research at the University of Florida projects the state's population, which surpassed 20 million in mid 2015, to rise to 24.43 million by 2030 and 26.43 million by 2040.

According to the November 2020 Florida Forecast prepared by the Institute for Economic Competitiveness at the University of Central Florida, Florida's economy, as measured by real Gross State Product, will expand at an average annual rate of 1.5% from 2020 to 2023. After contracting by 2.4% in 2020, real Gross State Product will rise by 4.9% in 2021. Housing starts will pick up going forward, but not fast enough to ease the large shortage of single-family housing in the short run. Total starts will be 139,438 in 2020; 134,329 in 2021; 132,969 in 2022 and 133,853 in 2023. House price appreciation will slowly decelerate over this period as supply catches up with strong demand.

The labor force is projected to grow at an average rate of 1.9% through 2022 with unemployment projected at 3.5% in 2021 and reducing to 2.8% and 2.4% in 2022 and 2023 respectively.

**Table 1. Annual Summary of the University of Central Florida Forecast for Florida**

	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Personal Income and GSP</b>									
Personal Income (Bil. \$)	915.9	942.5	1004.1	1066.4	1118.3	1173.5	1154.4	1204.1	1263.0
Florida.(%Ch Year ago)	7.0	2.9	6.5	6.2	4.9	4.9	-1.6	4.3	4.9
U.S.(%Ch Year ago)	4.9	2.8	4.9	5.3	3.9	7.8	-1.9	3.8	3.8
Personal Income (Bil. 2012\$)	894.4	910.6	952.6	991.3	1026.1	1060.3	1025.8	1049.7	1078.4
Florida.(%Ch Year ago)	6.7	1.8	4.6	4.1	3.5	3.3	-3.2	2.3	2.7
U.S.(%Ch Year ago)	4.7	1.7	3.0	3.1	2.4	6.6	-3.8	2.0	1.9
Disp. Income (Bil. 2012\$)	794.3	817.0	856.9	896.4	927.4	963.5	921.0	942.7	967.7
Florida.(%Ch Year ago)	6.0	2.9	4.9	4.6	3.5	3.9	-4.4	2.4	2.7
U.S.(%Ch Year ago)	4.2	2.0	3.1	3.6	2.2	7.5	-4.5	2.0	1.9
GSP (Bil. \$)	895.1	938.8	985.7	1039.2	1093.1	1081.9	1159.4	1209.9	1264.1
(%Ch Year ago)	6.6	4.9	5.0	5.4	5.2	-1.0	7.3	4.4	4.5
GSP (Bil. 2012\$)	839.1	866.7	896.1	924.9	950.8	928.0	972.2	989.3	1008.2
(%Ch Year ago)	4.2	3.3	3.4	3.2	2.8	-2.4	4.9	1.8	1.9
<b>Employment and Labor Force (Household Survey % Change Year Ago)</b>									
Employment	1.4	2.9	3.4	2.0	1.8	0.0	4.8	2.7	1.9
Labor Force	0.5	2.3	2.7	1.3	1.5	2.0	2.9	1.9	1.6
FL Unemployment Rate (%)	5.4	4.8	4.2	3.6	3.3	5.2	3.5	2.8	2.4
U.S. Unemployment Rate (%)	5.3	4.9	4.4	3.9	3.7	8.2	5.8	4.7	4.2

**COVID-19**

Governor Ron DeSantis issued a "safer-at-home" order on April 3, 2020 in an effort to limit the spread of coronavirus. Governor DeSantis announced on April 29, 2020 that he would lift the "safer-at-home" order on May 4, 2020. Retailers and restaurants are allowed to reopen in limited capacities while movie theaters, gyms, bars, and face-to-face personal service providers (such as barbers and nail salons) will remain closed. Phase One of the three-phase “Safe. Smart. Step-by-Step” plan excludes Miami-Dade, Broward, and Palm Beach counties.

As of September 25, 2020 Governor DeSantis announced Florida would be entering Phase 3 in reopening the state, meaning restaurants, bars, salons and other businesses will be allowed to reopen under full capacity.

**COLLIER COUNTY AREA ANALYSIS**

Collier County has long been an attractive place to retire and it continues to be an area that experiences a great deal of seasonal population increases. According to the Collier County Comprehensive Planning Department, Collier County’s population increases up to 25% between November and April due to seasonal residents and short-term agricultural workers in the Immokalee area. The population increase creates a high degree of seasonality within the retail, service, and hospitality sectors of Collier County’s economy.

Collier County is located less than 150 miles from Fort Myers, Fort Lauderdale, Miami, Sarasota, and West Palm Beach as shown in the following table.

Distance to Other Major Markets			
Metro Area			Miles
Fort Myers	44	Jacksonville	378
Fort Lauderdale	107	Tallahassee	435
Miami	128	Atlanta	616
Sarasota	120	New York	1,311
West Palm Beach	150	Dallas	1,315
Tampa	169	Chicago	1,335
Orlando	238		

**Population**

The Bureau of Economic and Business Research, University of Florida released the following population statistics for Southwest Florida. As shown, total population increased in all six Southwest Florida counties with the greatest growth (2010-2020) in Lee County and the second highest in Collier County.

**Table 3. Population and Population Change for Counties in Florida, 1990 to 2020**

State and County	Population				Percent Change		
	2020	2010	2000	1990	2010 to 2020	2000 to 2010	1990 to 2000
FLORIDA*	21,596,068	18,801,332	15,982,824	12,938,071	14.9	17.6	23.5
Charlotte	187,904	159,978	141,627	110,975	17.5	13.0	27.6
Collier	387,450	321,520	251,377	152,099	20.5	27.9	65.3
Glades	13,609	12,884	10,576	7,591	5.6	21.8	39.3
Hendry	40,953	39,140	36,210	25,773	4.6	8.1	40.5
Lee	750,493	618,754	440,888	335,113	21.3	40.3	31.6
Sarasota	438,816	379,448	325,961	277,776	15.6	16.4	17.3

Sources: US Census Bureau and University of Florida, Bureau of Economic and Business Research, 2020.

The following table shows the projected population through 2040. As shown, Lee County also has the highest projected growth rates with Collier County as a close second.

**Projections of Florida Population on by County, 2020 to 2040**

State and County	Population			Percent Change	
	2020	2030	2040	2020 to 2030	2030 to 2040
FLORIDA*	21,596,068	24,426,200	26,428,700	0.13	0.08
Charlotte	187,904	208,700	225,200	0.11	0.08
Collier	387,450	451,700	498,400	0.17	0.10
Glades	13,609	13,700	14,100	0.01	0.03
Hendry	40,953	43,500	45,500	0.06	0.05
Lee	750,493	904,700	1,010,900	0.21	0.12
Sarasota	438,816	489,600	529,400	0.12	0.08

Sources: US Census Bureau and University of Florida, Bureau of Economic and Business Research, 2020.

U.S. News & World Report, the global authority in rankings and consumer advice evaluated the country's 150 most populous metropolitan areas based on affordability, job prospects and desirability. The 2020-2021 25 Best Places to Retire is dominated by Florida metro areas, largely due to affordable homes, low taxes and high ratings for happiness and desirability. Increases in Desirability and Job Market scores lifted Sarasota from No. 2 last year to overtake Fort Myers for the No. 1 spot for 2020-2021. Naples was No. 4 on the list behind Port St. Lucie.

## Employment

The local economy is largely dependent on the real estate market. Covid-19 has negatively impacted overall employment and the service and leisure and hospitality sectors in particular; however, jobs continue to return as the market improves. The following table shows Collier County employment by major industry division for the 3Q of 2020.

Florida Employment and Wages by County						
Industry Title	Employment			Total Wages	Average Monthly	Average Quarterly
	Jul-20	Aug-20	Sep-20			
Total, All Industries	133,628	139,034	139,485	\$1,755,606,476	137,382	\$12,779
Service-Providing	110,196	115,405	115,771	\$1,450,118,461	113,791	\$12,744
Trade, Transportation, and Utilities	26,441	26,629	26,499	\$309,044,024	26,523	\$11,652
Education and Health Services	23,501	28,354	28,815	\$364,636,426	26,890	\$13,560
Goods-Producing	23,432	23,629	23,714	\$305,488,015	23,592	\$12,949
Leisure and Hospitality	22,864	22,677	22,738	\$180,403,641	22,760	\$7,926
Health Care and Social Assistance	19,975	20,096	20,297	\$303,817,311	20,123	\$15,098
Retail Trade	19,841	20,022	19,955	\$184,919,748	19,939	\$9,274
Accommodation and Food Services	17,008	16,914	16,952	\$111,095,958	16,958	\$6,551
Construction	16,870	16,920	16,877	\$219,079,839	16,889	\$12,972
Professional and Business Services	16,358	16,469	16,392	\$238,591,412	16,406	\$14,543
Administrative and Waste Services	9,895	10,025	10,015	\$98,199,986	9,978	\$9,841
Financial Activities	8,243	8,258	8,193	\$185,833,602	8,231	\$22,576
Professional and Technical Services	6,072	6,052	5,990	\$126,395,763	6,038	\$20,933
Public Administration	5,927	6,167	6,205	\$95,971,753	6,100	\$15,734
Arts, Entertainment, and Recreation	5,856	5,763	5,786	\$69,307,682	5,802	\$11,946
Other Services, Except Public Administration	5,705	5,710	5,748	\$53,842,924	5,721	\$9,411
Manufacturing	4,835	4,844	4,788	\$69,991,824	4,822	\$14,514
Finance and Insurance	4,237	4,286	4,193	\$136,399,729	4,239	\$32,180

\*Source: Florida Department of Economic Opportunity, 3Q 2020

The following table shows employment projections through 2028 by the Florida Department of Economic Opportunity. As shown, agricultural employment is projected to decline while the leisure and hospitality industry has the largest projected growth rate of 30.9% followed by Other Services.



## Employment Projections

### CHARLOTTE, COLLIER, GLADES, HENDRY, AND LEE COUNTIES

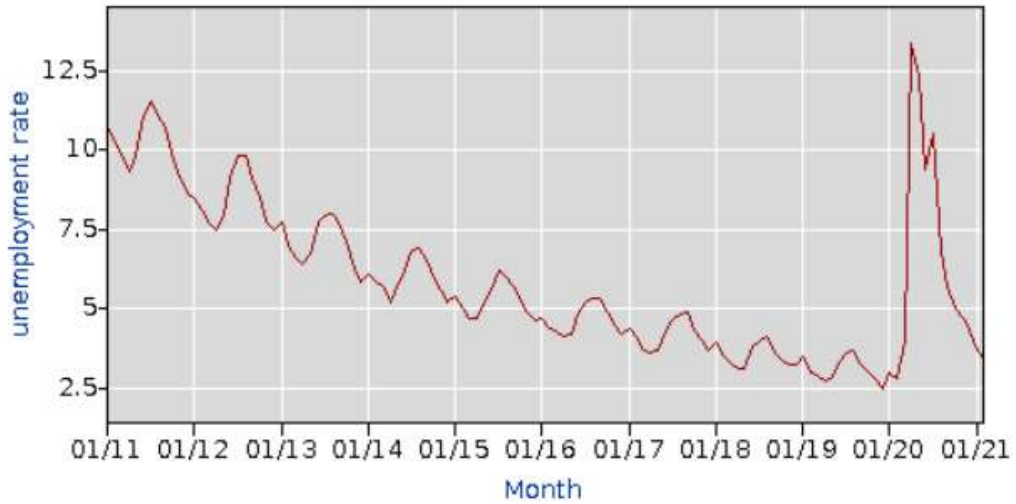
NAICS Title	Employment			Percent Growth
	2020	2028	Growth	
<b>Total, All Industries</b>	525,140	603,554	78,414	14.9
<b>Agriculture, Forestry, Fishing &amp; Hunting</b>	8,703	8,195	-508	-5.8
<b>Mining</b>	329	339	10	3.0
<b>Construction</b>	55,059	63,342	8,283	15.0
<b>Manufacturing</b>	12,165	12,706	541	4.4
<b>Trade, Transportation and Utilities</b>	94,905	103,656	8,751	9.2
<b>Information</b>	5,199	5,205	6	0.1
<b>Financial Activities</b>	26,205	27,805	1,600	6.1
<b>Professional and Business Services</b>	60,428	69,219	8,791	14.5
<b>Education and Health Services</b>	103,476	120,942	17,466	16.9
<b>Leisure and Hospitality</b>	69,807	91,361	21,554	30.9
<b>Other Services, Ex. Public Admin</b>	19,963	24,276	4,313	21.6
<b>Government</b>	65,119	71,028	5,909	9.1
<b>Self Employed and Unpaid Family Workers, All Jobs</b>	41,327	47,860	6,533	15.8

Collier County unemployment peaked in August 2010 at 13.0% and had generally been declining until the Covid-19 pandemic with unemployment peaking again at 13.4% in April 2020. The rate in 2020 ranged from a low of 2.8% (pre-COVID) to a high of 13.4%. The preliminary reported unemployment rate in February 2021 was only 3.4%.

The annual Collier County rate peaked in 2010 at 11.6% and had declined steadily since until the spike from the Covid-19 pandemic in April 2020. However, unemployment numbers have steadily decreased since August 2020 as the economy continues to improve.

**Local Area Unemployment Statistics**

**Series Id:** LAUCN120210000000003  
 Not Seasonally Adjusted  
**Area:** Collier County, FL  
**Area Type:** Counties and equivalents  
**State/Region/Division:** Florida  
**Measure:** unemployment rate



As of February 2021, the unemployment rate for the State of Florida was 5.0%, down from the peak in May 2020 of 14.3%. On a national level, the unemployment rate in February 2021 was 6.2%, a decrease from the peak in April 2020 of 14.8%. Collier County currently has a lower February rate, at 3.4%, than state and national levels.

The local economy is largely dependent on the real estate market. The following table from the U.S. Department of Labor shows Naples/Immokalee/Marco Island employment from 2011 through February 2021. As shown, unemployment from the Covid-19 pandemic has affected the service and leisure and hospitality sectors the most. The leisure and hospitality sector has nearly regained all lost jobs and is only 3% down from 2019 levels. The service sector is back at 2019 levels.

Naples - Immokalee - Marco Island										
Year	Service- Providing	% Change	Goods Producing	% Change	Mining, Logging, & Const.	% Change	Leisure and Hospitality	% Change	All Employees, Total Nonfarm	% Change
2011	103,400	3.7%	11,500	0.0%	9,000	-1.1%	22,600	6.1%	114,900	3.3%
2012	106,600	3.1%	12,100	5.2%	9,400	4.4%	23,600	4.4%	118,700	3.3%
2013	109,700	2.9%	13,500	11.6%	10,500	11.7%	24,400	3.4%	123,300	3.9%
2014	114,500	4.4%	15,400	14.1%	12,100	15.2%	25,500	4.5%	129,900	5.4%
2015	119,100	4.0%	17,000	10.4%	13,600	12.4%	26,500	3.9%	136,100	4.8%
2016	124,000	4.1%	18,700	10.0%	14,900	9.6%	27,500	3.8%	142,600	4.8%
2017	126,300	1.9%	19,400	3.7%	15,400	3.4%	28,300	2.9%	145,600	2.1%
2018	129,600	2.6%	21,500	10.8%	17,200	11.7%	29,100	2.8%	151,000	3.7%
2019	133,200	2.8%	22,400	4.2%	17,700	2.9%	30,000	3.1%	155,600	3.0%
2020	126,300	-5.2%	22,200	-0.9%	17,300	-2.3%	25,400	-15.3%	148,400	-4.6%
2021*	133,200	-4.7%	22,600	1.3%	17,600	1.4%	29,200	-10.9%	155,800	-3.9%

\*Through February 2021; percentage increase in comparison to February 2020 YTD  
 Source: U.S. Department of Labor

Collier County and the entire Southwest Florida Region is substantially dependent on the real estate and construction sectors. Therefore, the area has been and should be more susceptible to cyclical fluctuations that have occurred in other areas dominated by a single industry. The Southwest Florida Economic Development Alliance reports key employers in Southwest Florida (Collier, Lee and Charlotte County) from Biofuels, healthcare, technology, apparel design, to sugar production are a driving force behind the region’s success. The table below provides a few examples of some key employers in Southwest Florida.

- Industrial Biotechnology, Algenol Biofuels – Global Headquarters
- Medical Devices, [Arthrex, Inc.](#) – Global Headquarters
- Women’s Specialty Apparel Retailer, [Chico’s FAS](#) – Global Headquarters
- Specialty Electronics Manufacturer, [Fox Electronics](#) – Global Corporate Headquarters
- Global IT Research and Advising, [Gartner, Inc.](#)
- Vehicle Rentals and Sales, [Hertz, Inc.](#) – Global Headquarters
- Subsidiary Pittsburgh Glass Works, [Lynx Services, LLC](#) – Customers Service Center
- Manufacturing Fluid Management, [Shaw Development](#) – Global Headquarters
- Agricultural and Food Manufacturer, [U.S. Sugar Corporation](#) – Headquarters
- Healthcare, [21st Century Oncology](#) – Global Headquarters

The following table shows the Top 25 Employers as reported by the Southwest Florida Economic Development Alliance.

**Southwest Florida  
2019**

<b>Rank</b>	<b>Company Name</b>	<b>Employment</b>
1	Lee Health**	13,595
2	Lee County School District	12,936
3	Lee County Local Government*	9,038
4	Publix Super Market	8,728
5	NCH Healthcare System**	7,017
6	Walmart	6,516
7	Collier County School District	5,604
8	Collier County Local Government*	5,119
9	Florida Gulf Coast University	3,430
10	Bayfront Health	3,060
11	Charlotte County School District	2,553
12	Arthrex, Inc.**	2,500
13	Charlotte County Local Government*	2,464
14	McDonald's	2,447
15	City of Cape Coral	2,253
16	US Sugar	2,100
17	Home Depot	2,040
18	Winn-Dixie	1,994
19	Hope Hospice	1,768
20	Ritz Carlton-Naples	1,450
21	Florida SouthWestern State College**	1,441
22	Gartner, Inc.**	1,200
23	Walgreens	1,191
24	City of Naples	1,169
25	Target	1,150

## Development

Growth continues to shift east with Ave Maria becoming the top-selling single-family residential community in Collier County. It has maintained the top ranking in the Naples-Fort Myers market for the past six years and reported a record breaking 400 new home sales in November 2020 year-to-date, a substantial increase from the 259 new home sales in 2019. There are currently four residential builders in Ave Maria, CC Homes, Del Webb Naples, Lennar and Pulte Homes. The grand opening of The National Golf and Country Club at Ave Maria, a bundled golf community by Lennar, was held on January 7, 2021. The Immokalee Road corridor between Naples and Ave Maria is projected to see thousands of new homes developed in the next few years.

In January 2020, in what has been described as one of the most important votes for the future of growth in Collier County, commissioners approved Rivergrass Village. The village is the first of three planned 1,000-acre villages stretching from just north of Oil Well Road to east of Golden Gate Boulevard East. Rivergrass Village will allow for up to 2,500 homes; 100,000 square feet of retail and office uses and a minimum of 25,000 square feet for civic government, and institutional buildings. Longwater Village will allow for up to 2,600 homes; 65,000 square feet of retail and office space and 25,000 square feet for civic government, and institutional buildings and Bellmar Village will allow for up to 2,750 homes; 85,000 square feet of retail and office space and 27,500 square feet for civic government, and institutional buildings. In a near unanimous decision, the Collier County Planning Commission agreed to recommend approval of Longwater in March 2021. The project has sparked controversy because the property sits in the environmentally sensitive Rural Lands Stewardship Area, or RLSA. The developer still faces legal challenges by opponents including the Conservancy of Southwest Florida.

According to Collier County Planning Commission Chairman, Mark Strain, there are more than \$1 billion in proposed new luxury high-rise developments near the coast including One Naples at the northeast corner of Vanderbilt Beach Road and Gulf Shore Drive as well as Pelican Bay (Mystique completed in 2019) and Kalea Bay (Towers 100 and 200 are complete) in North Naples. New commercial development is very active at the intersections of Collier Boulevard and US 41 East as well as Collier Boulevard and Immokalee Road. Lastly, Strain reported future road projects including an overpass at Immokalee Road and Collier Boulevard and at Collier Boulevard and US 41 East as well as a flyover at Davis Boulevard and Collier Boulevard. Construction is scheduled to commence in 2021.

In its 4th Quarter 2020 report, the Office of Federal Housing Enterprise Oversight (OFHEO) found that the Naples- Marco Island MSA had a 4.59% increase in home prices (all-transactions including purchase and refinance mortgage) over the trailing 12 months. Home prices in the state of Florida increased 11.01% over the past year (4Q 2019 - 4Q 2020) which was 22nd in the nation.

The continuing care retirement community, Moorings Park, is teaming up with London Bay Homes to develop an independent living development with 275 residences in 17 buildings. All of the buildings will be six stories over parking. Grande Lake, will be built on 55 acres off Golden Gate Parkway, between Airport-Pulling and Livingston Roads.

Phase 1 consisting of three, seven-story buildings totaling 47 units opened in May 2020. Entrance fees start at \$1.5 million and are 70% refundable. Assisted living, memory care and concierge physician services are included. The community closed more than \$77 million in sales within the first two weeks.

Arthrex, a medical device manufacturer and one of the county's largest employers, completed construction of its latest expansion plan at its headquarters along Goodlette-Frank Road in early 2020. The development includes a 300,000 square-foot, six-story office complex with an auditorium, a four-story Innovation Hotel with approximately 160 rooms, a two-story wellness center, and a 3-acre park. The hotel hosts orthopedic surgeons from the U.S. and around the world for medical education on the company's devices and instruments. Arthrex has contracted with a Tampa-based company, Mainsail, to manage all elements of the hotel operation, including employees.

The first regional store for Phoenix-based Sprouts Farmers Market anchors The Landings at Logan, a new 18-acre retail center at the southeast corner of Immokalee Road and Logan Boulevard in North Naples. NCH Healthcare Northeast located at the northeast quadrant of Immokalee Road and Collier Blvd (CR 951) opened in late 2015 and is the first free standing ER facility in Collier County. The two-story building consists of approximately 41,500± square feet.

Barron Collier Companies and Metro Development Group broke ground on Founders Square, a 55-acre mixed-use development located on the southeast corner of Immokalee Road and Collier Boulevard in January 2020. The development will be anchored by The Pointe, a collection of 10 separate restaurants and other retail tenants. It will also include a 400-unit Class A apartment community, known as The Haldeman; a 35,000 square foot medical office building; and a 110,000 square foot self-storage facility. The project is expected to be completed in late 2021.

Seed to Table, a new Oakes Farm grocery store at the northeast corner of Livingston and Immokalee Roads in North Naples opened in December 2019. The former Albertson's was completely gutted and consists of 77,000+ square foot store with sit-down dining, a full-service bar, three bars for beer and wine, wine room with samples on tap, a wood-fired brick oven for pizza, a raw bar, sushi bar, grilling area, coffee bar and stations preparing fresh pasta, guacamole, cheese, cut vegetables, sandwiches, smoothies and even homemade ice cream with indoor-outdoor seating.

Paradise Coast Sports Complex, is Collier County's partially completed \$100 million Amateur Sports Complex. The county hopes to become a destination for traveling youth sports teams and amateur athletes. While the focus of the complex is athletics, there will be 20 fields between soccer, baseball and softball, plus a 10,000-person championship stadium, the goal is to get people to stay after the game is over with The Cove and The Factory. The Cove is a bar and food truck area for patrons to relax, listed to live music and play a variety of yard games (bag toss, oversized Connect Four and Jenga, plus ping pong). The Factory is an outdoor workout facility focusing on functional fitness (similar to CrossFit) which is available on a monthly membership basis. Additionally, the man-made lake next to The Cove includes a 2/3 mile jogging loop with three workout stations.

There is a climbing wall for public use and a beach volleyball court. The county hopes to have sixteen more fields by the end of 2021.

**Investment Trends**

The following CoStar data shows Collier County trends in the Multi-Family, Retail, Office, and Industrial sectors as of Q1 2021.

After the pandemic brought the Collier County multifamily investment market to a virtual standstill with no trades during the second and third quarters, multifamily investors strongly returned during the fourth quarter. By early November, the fourth quarter had already seen one of the highest quarterly sales volumes over the past five years, largely due to the trades of Wild Pines of Naples for a little over \$25 million and Naples 701 for \$24 million. The late December trade of Inspira pushed the quarterly total to the second-highest on record for Collier County. Market cap rates have flattened over the past two years, though market price growth is gently rising and at record levels.

Naples Multi-Family										
Asset Value		12 Mo Sales Volume			Market Cap Rate		12 Mo Mkt Sale Price/Unit Chg			
<b>\$2.5B</b>		<b>\$135.9M</b>			<b>4.7%</b>		<b>17.5%</b>			
12 MO SALES VOLUME				Total	Lowest	Highest	12 MO SALES PRICE			
Transactions				7	-	-	Average	Lowest	Highest	Market
Sales Volume				\$135.9M	\$880K	\$82.3M	\$185.1K	\$56.3K	\$270.6K	\$218.4K
Properties Sold				7	-	-	Sale Price	\$19.4M	\$880K	\$82.3M
Transacted Units				734	6	304	Sale vs Asking Price	-12.7%	-19.6%	-3.7%
Average Units				104	6	304	% Leased at Sale	96.4%	89.0%	100%

Retail investment activity picked up during the fourth quarter of 2020, though not by enough to prevent a third straight year of slowing sales volume. Market cap rates have slipped mildly over the past three years and market pricing has essentially held flat during the same time period.

Naples Retail										
Asset Value		12 Mo Sales Volume			Market Cap Rate		12 Mo Mkt Sale Price/SF Chg			
<b>\$6.3B</b>		<b>\$217.6M</b>			<b>5.9%</b>		<b>-1.1%</b>			
12 MO SALES VOLUME				Total	Lowest	Highest	12 MO SALES PRICE			
Transactions				92	-	-	Average	Lowest	Highest	Market
Sales Volume				\$217.6M	\$150K	\$13.9M	\$262	\$67	\$1.6K	\$261
Properties Sold				87	-	-	Sale Price	\$2.9M	\$150K	\$13.9M
Transacted SF				888.3K	600	134.7K	Sale vs Asking Price	-10.1%	-40.7%	0%
Average SF				9.7K	600	134.7K	% Leased at Sale	94.9%	0%	100%

Office investors have increasingly targeted Collier County office space over the past two years and after virtually no trades in the second and third quarters, activity has surged since the end of September. The strong fourth-quarter rebound allowed 2020 to finish with one of the highest annual sales volumes of the past decade and the first quarter of 2021 posted one of the highest first-quarter sales volumes on record.

<b>Naples Office</b>									
Asset Value		12 Mo Sales Volume		Market Cap Rate	12 Mo Mkt Sale Price/SF Chg				
<b>\$2.4B</b>		<b>\$61.6M</b>		<b>7.3%</b>	<b>2.4%</b>				
12 MO SALES VOLUME		Total	Lowest	Highest	12 MO SALES PRICE	Average	Lowest	Highest	Market
Transactions		53	-	-	Cap Rate	5.5%	5.0%	6.0%	7.3%
Sales Volume		\$61.6M	\$145K	\$8.9M	Sale Price/SF	\$195	\$21	\$989	\$237
Properties Sold		39	-	-	Sale Price	\$1.6M	\$145K	\$8.9M	-
Transacted SF		355.4K	777	69.8K	Sale vs Asking Price	-6.3%	-31.1%	17.3%	-
Average SF		6.7K	777	69.8K	% Leased at Sale	94.9%	0%	100%	-

Industrial sales volume remained heightened in Q1 2021 and investment activity has been at a record level for the past five years. Both market cap rates and market pricing are at record highs for the market, though market cap rates have been essentially flat for the past four+ years.

<b>Naples Industrial</b>									
Asset Value		12 Mo Sales Volume		Market Cap Rate	12 Mo Mkt Sale Price/SF Chg				
<b>\$1.7B</b>		<b>\$127.1M</b>		<b>7.2%</b>	<b>9.2%</b>				
12 MO SALES VOLUME		Total	Lowest	Highest	12 MO SALES PRICE	Average	Lowest	Highest	Market
Transactions		98	-	-	Cap Rate	6.8%	6.0%	7.5%	7.2%
Sales Volume		\$127.1M	\$150K	\$28M	Sale Price/SF	\$156	\$66	\$648	\$126
Properties Sold		66	-	-	Sale Price	\$1.8M	\$150K	\$28M	-
Transacted SF		883.5K	630	186.5K	Sale vs Asking Price	-12.8%	-20.0%	13.8%	-
Average SF		9K	630	186.5K	% Leased at Sale	89.3%	0%	100%	-

**Income**

Personal income is a significant factor in determining the real estate demand in a given market. The following table shows Collier County households by income from the CCIM Site to do Business. Overall, Collier County has an average household income of \$108,633 and a per capita income of \$45,359.

Households by Income	2020		2025	
	Number	Percent	Number	Percent
<\$15,000	11,741	7.3%	11,192	6.3%
\$15,000 - \$24,999	11,758	7.3%	11,440	6.5%
\$25,000 - \$34,999	12,311	7.6%	12,176	6.9%
\$35,000 - \$49,999	20,508	12.7%	20,845	11.8%
\$50,000 - \$74,999	27,125	16.8%	28,633	16.2%
\$75,000 - \$99,999	21,399	13.3%	23,535	13.3%
\$100,000 - \$149,999	23,030	14.3%	26,878	15.2%
\$150,000 - \$199,999	13,613	8.4%	17,060	9.7%
\$200,000+	19,970	12.4%	24,559	13.9%
Median Household Income	\$71,593		\$78,208	
Average Household Income	\$108,633		\$120,829	
Per Capita Income	\$45,359		\$50,571	

**Conclusion**

The long term economic outlook for Collier County is positive. The area lures people from all over the country for tourism as well as retirement, with the beaches and weather considered major demand drivers.

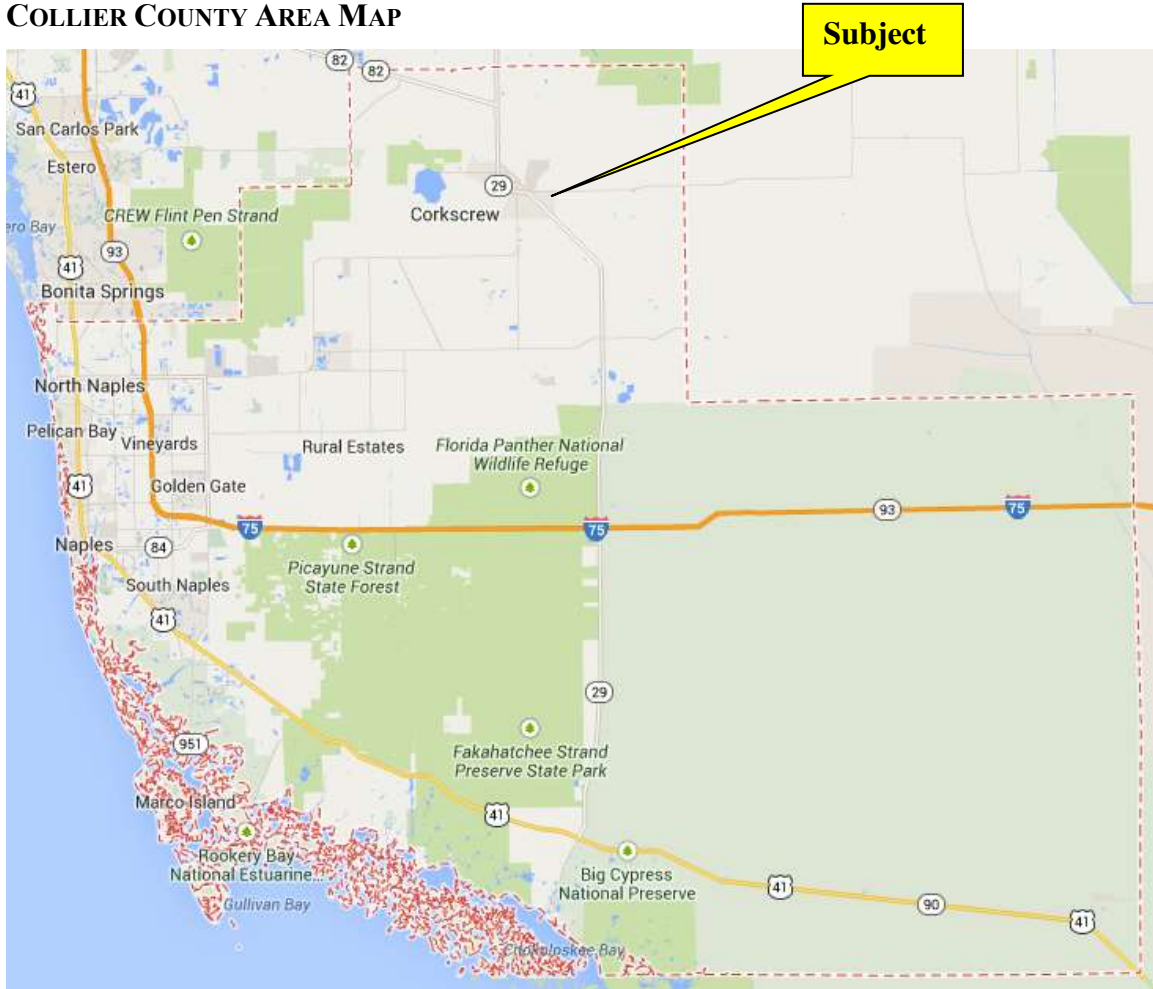


The projected growth in population and employment provide an economic base that supports demand for real estate in the subject neighborhood and for the subject property. These conditions have resulted in increasing property values and should stimulate continued increases within the foreseeable future. Prior to the coronavirus pandemic, the residential market had stabilized after several years of an expansion period, with sustained growth in demand and increasing construction. Since the coronavirus pandemic, residential demand has increased significantly with record sales in 2020. Inventory shortages continue to drive prices up; however, extended shortages and surging construction prices may begin to temper demand.

According to the According to the Naples Area Board of Realtors (NABOR), there was a record \$18.2 billion in sales in Collier County during 2020. The year-end 2020 Market Report released by NABOR shows overall closed sales increased 19% from 2019. Home values continue to increase with the 2020 median closed price of \$370,000 up 11% from the 2019 median price.

Generally, the commercial market lags the residential market. Aside from some signs of an upcoming decline, characterized by positive but falling demand with increasing vacancy, the overall commercial market was projected to continue to increase at a stabilized rate prior to the coronavirus outbreak. The significant residential demand since the pandemic has generally stabilized the commercial market overall. There is an increased demand for the industrial sector and select retail and office properties. The trajectory of the Southwest Florida economy will depend on how widely the virus spreads and how long containment policies like social distancing need to be maintained.

**COLLIER COUNTY AREA MAP**



## **MARKET AREA ANALYSIS**

### **Boundaries**

The subject is in the northeastern part of Collier County in the unincorporated area (town) of Immokalee. At the present time, the area is mostly influenced by the surrounding farming community as well as Ave Maria University and the supporting town of Ave Maria. During the residential boom of 2004 and 2005 the area became more attractive to developers of affordable housing as home prices continued to rise in the western portions of Collier County.

Lake Trafford, a 1,500 acre lake, is located west of Immokalee. It is regarded as a premiere fishing lake.

### **Market Area Access and Linkages**

Primary access to the area from Interstate 75 is by:

- State Road 29 (I-75 exit 80) at Miles City.
- County Highway 846 (Immokalee Road, I-75 exit 111).
- State Road 80 (Palm Beach Boulevard; I-75 exit 141) then south on SR 29.


State Road 29 is important as it runs from Chokoloskee and Everglades City in the south through Immokalee and La Belle (Hendry County Seat) and into Glades County where it intercepts US 27. US 27 is a the major interior highway in south Florida, intersecting I-4 just west of Orlando then extending northwest through Tallahassee and eventually terminating in Mackinaw City, MI. Road access to Immokalee is average for a rural Florida city.

### **Employment Demand Generators**

Primary employers/employment centers are currently the surrounding farms. According to The Site to Do Business 2016 Employment by NAICS Code Report; Health Care & Social Assistance comprise 31.7% of total employment followed by Public Administration at 11.9%, Educational Services at 11.6%, and Retail Trade at 10.9%. Employment began to increase again 2011 and is projected to return to a more stabilized level in the foreseeable future.

**Demographics**

The following table shows the historical, current and projected population, households, housing, and income demographics for the immediate market area defined as a 2 mile radius from the subject. The table was developed using data from STDBOnline.com.



Demographic and Income Profile				
Immokalee Fire Station 502 New Market Rd E, Immokalee, Florida, 34142 Ring: 2 mile radius			Prepared by Esri Latitude: 26.42178 Longitude: -81.41024	
Summary	Census 2010	2020	2025	
Population	14,125	15,964	17,155	
Households	3,404	3,893	4,205	
Families	2,537	2,858	3,077	
Average Household Size	3.85	3.84	3.84	
Owner Occupied Housing Units	1,122	1,195	1,317	
Renter Occupied Housing Units	2,282	2,697	2,888	
Median Age	28.0	30.0	30.8	
Trends: 2020-2025 Annual Rate	Area	State	National	
Population	1.45%	1.33%	0.72%	
Households	1.55%	1.27%	0.72%	
Families	1.49%	1.23%	0.64%	
Owner HHs	1.96%	1.22%	0.72%	
Median Household Income	0.98%	1.51%	1.60%	
Households by Income	2020		2025	
	Number	Percent	Number	Percent
<\$15,000	921	23.7%	930	22.1%
\$15,000 - \$24,999	715	18.4%	757	18.0%
\$25,000 - \$34,999	532	13.7%	577	13.7%
\$35,000 - \$49,999	477	12.3%	536	12.7%
\$50,000 - \$74,999	561	14.4%	637	15.1%
\$75,000 - \$99,999	337	8.7%	386	9.2%
\$100,000 - \$149,999	170	4.4%	192	4.6%
\$150,000 - \$199,999	89	2.3%	100	2.4%
\$200,000+	90	2.3%	91	2.2%
Median Household Income	\$30,078		\$31,574	
Average Household Income	\$47,677		\$50,463	
Per Capita Income	\$11,707		\$12,422	

**Retail and Public Services**

The nearest commercial area with restaurants, convenience stores and support services is located within Immokalee, all within a few miles of the subject property.

The main public school area of Immokalee includes Immokalee High School, the Immokalee Middle School and the newer Immokalee Tech Center. The enrollment for Immokalee High School is approximately 1,450. The Immokalee Tech Center is accredited with Southern Association of Colleges and Schools Council on Accreditation and School Improvement (SACS CASI). The Immokalee Technical Center focuses on state of the art career and technical education programs that will challenge adults to earn a vocational certificate from iTECH and an industry certification within their program field. The center also offers ABE/GED and adult literacy programs.

The Immokalee Sports Complex is located just northwest of the subject property. It includes a gymnasium/indoor basketball, 2 lit football/soccer fields, game room, fitness center, aquatic facility with 25-yard by 25-meter pool (heated), 1 one-meter springboard, slide and children's activity pool (heated).

Lastly, Collier County received a \$13 million grant from the U.S. Department of Transportation to build 20 miles of sidewalks; upgrade 32 intersections; add 22 shaded bus stops; add lights to most intersections and build 20 miles of drainage ditches along roads in Immokalee. The work is expected to be completed in 2021.

### **Land Use**

Market area land uses at this time are primarily agricultural and residential uses. In 1999 the U.S. Department of Agriculture named Immokalee and parts of eastern Hendry County a Rural Federal Enterprise Community. The Enterprise Community designation includes all of Immokalee; Harlem, Montura, South Clewiston and Hookers Point in Hendry County; and the Seminole Tribe of Florida's Indians reservations in Big Cypress and Immokalee. The purpose of the Federal Enterprise Community program is to help the working poor become self-sufficient and to improve their quality of life.

In addition to the funding received for the farm worker housing project, the Collier County Housing Authority has been awarded grants and loans from the U.S. Department of Agriculture to build units at Farm Worker Village in Immokalee.

Construction of new single-family homes has commenced again in Arrowhead Reserve, a development that comprises 307.3 acres of which 274 acres are located in the Low Residential District on the Immokalee Future Land Use Map. Within this district, 15 acres are proposed for commercial use and the district permits 4 dwelling units per acre or 1,245 units on 259 acres. The 15 acres of commercial land will be consistent with C-2, C-3 and C-4 zoning and will be allowed a maximum of 130,000 square feet of improvements. The amenities include 15 lakes, a community park with clubhouse and pool, a second clubhouse and pool for the apartments, recreation trails, over 40 acres of open space and preserve which creates a wildlife corridor. The community consists of single family homes, town homes, and multi-family apartments. The decline in residential supply has continued to increase the price of homes in Arrowhead Reserve. As of late April 2021, pricing for a three-bedroom, two-bath home begins at \$199,900.

Phase One of the Boys & Girls Club of Collier County Bolch Campus in Immokalee opened in October 2016 and consists of a 27,786 square foot youth center with classrooms, game rooms, a teen center, a library, kitchen, and dance and art rooms. The facility hosts an after-school program serving over 400 children. Construction for the second and third phases consisting of a 14,000 square foot gymnasium and outdoor pavilion; a 5,000 square foot swimming pool; a weight room; and an athletic field will be completed by DeAngelis Diamond.

Salazar Machine and Steel, a company specializing in machinery and upgraded technology for packing constructed a new 20,000 square foot facility at the Immokalee Regional Airport (IMM) in June 2011. The United States Department of Agriculture (USDA) provided a grant to build the facility and it will add to the growing commerce at the airport.

Additionally, a new business incubator is a major part of the Immokalee Area Master Plan that will support an assembly area for tenants of a manufacturing incubator that

opened at the airport in 2009. In March 2017 Collier officials celebrated the start of construction of a culinary accelerator for entrepreneurs. A vacant building at Immokalee Regional Airport was transformed into a state-of-the-art food manufacturing plant. The 5,274 square foot facility includes a commercial-grade kitchen with ovens, grills, fryers, a bakery, heat pasteurization, industrial-size mixing bowls and other cooking tools and equipment. The state-funded \$1.2 million center also includes areas for packaging, labeling and shipping. The facility, which had been delayed for several months due to unforeseen regulatory issues, opened in March 2018.

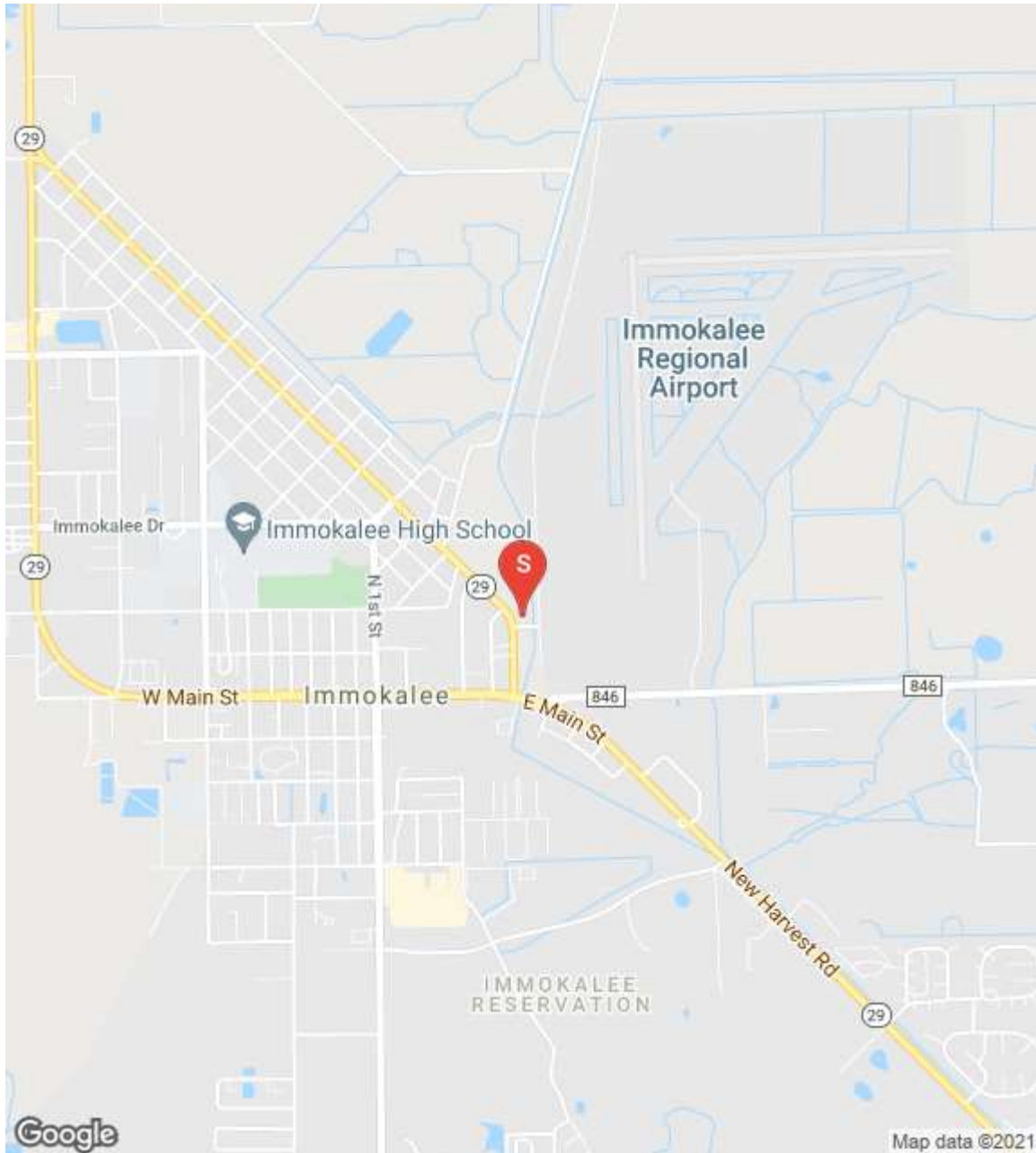
### **Outlook and Conclusions**

The expected growth in Collier County should provide an economic base that supports demand for real estate in the subject neighborhood and for the subject property. These conditions should stimulate increases in general property values within the foreseeable future.

Prior to the coronavirus pandemic, the residential market had stabilized after several years of an expansion period, with sustained growth in demand and increasing construction. Since the coronavirus pandemic, residential demand has increased significantly with record sales in 2020. Inventory shortages continue to drive prices up; however, extended shortages and surging construction prices may begin to temper demand.

Generally, the commercial market lags the residential market. Aside from some signs of an upcoming decline, characterized by positive but falling demand with increasing vacancy, the overall commercial market was projected to continue to increase at a stabilized rate prior to the coronavirus outbreak. The significant residential demand since the pandemic has generally stabilized the commercial market overall. There is an increased demand for the industrial sector and select retail and office properties. The trajectory of the Southwest Florida economy will depend on how widely the virus spreads and how long containment policies like social distancing need to be maintained.

### Market Area Map



## **VALUATION IMPACTS OF COVID-19**

Following are several local market participant comments collected by RKL Appraisal and Consulting as well as national trends represented by CoStar, Real Capital Analytics, CBRE, and PwC Real Estate Investor Surveys, etc.

At the March 9, 2021 Market Trends of Southwest Florida event, Randy Thibaut, ALC, Chief Executive Officer of LSI Companies; Denny Grimes President of Keller Williams and Stan Stouder, CCIM of CRE Consultants discussed 2020 real estate trends and made projections for the 2021 outlook. Randy Thibaut noted there were 23,000 more driver licenses issued in 2020 than in 2019 in Lee, Charlotte and Collier counties. “Builders don’t know what the cost will be to build a home in six months,” Thibaut said. “So, they’re building spec homes. In this new economic environment, they’re rushing in herds to buy land. We’re seeing significant increases in land prices.”

Denny Grimes of Keller Williams reported similar activity. “We’re having some of the best months ever. In my 40 years of real estate, I’ve never seen it this hot. But it can’t last forever. Are we headed for a bubble? No. I think we’re heading for something worse. What’s worse than a bubble? A lack of inventory. Without inventory, there’s no gas to move our market forward.”

Stan Stouder, CCIM of CRE Consultants reported a surge in construction prices is having an impact. These price increases could impact new construction moving forward, he said, but they could be offset by better financing opportunities and low interest rates. He expects commercial is going to be a stable sector with the exception of restaurants. Stouder has noticed the office sector bouncing back as those who have been working from home tire of the freedom of doing so allowed them when the pandemic began. Industrial real estate is like the single-family home market. It’s on fire, Stouder said. “If you’re looking for a vacant industrial building to buy, you’re going to have to build it to sell,” Stouder said. “My takeaways: There’s a key to success in real estate, and that’s if residential is good, then commercial is good. Low interest rates, easy access to money.

In late November, Gary Tasman, CEO & Principal Broker, Cushman & Wakefield Commercial SWF FL reported that the Federal Reserve and Government were the driving forces in the economy. The Fed has reported unlimited amount of money will be spent to keep the economy moving. Gary reiterated that population growth which has already fueled increased home sales (although some home builders are reporting they are dropping prices) will continue to fuel the southwest Florida economy. He also reported approximately 98% of the tenants in the properties they manage (nearly 1,000 tenants) have paid their rent every month since April. The tenant mix consists of approximately 70% office/industrial and approximately 30% retail. While there are tenants in rent abatement and deferral programs they are all paying rent. Gary also reported that the Office market has turned a corner with speculative construction in both Naples and Fort Myers. Medical office is robust and the capital markets are rebounding. Gary cited a Microsoft earnings report which said that over two years of technology adaptation has occurred in the past two months. This has accelerated many trends that were already



apparent especially in the retail sector. Finally, Gary continues to see the Southwest Florida market benefitting from migration from other areas of the country, especially more urban areas.

As of late November, Dan O'Berski Managing Broker of Trinity Commercial Group, reported the flight to quality has been prevalent in retail sales with stable, non-COVID impacted transactions occurring. He reported massive winners and massive losers in the retail sector. Like many of the local brokers, Dan is expecting there will be a lot of money chasing "safe cash flow" deals and is expecting a broadening gap in value. Properties leased by quality "Class A" rated tenants will likely see a decrease in cap rates while properties leased by "Class B" rated tenants, or tenants with significantly more risk, will likely see an increase in cap rates. Dan is very optimistic and expects 2021 will be the best year he has seen in the last 15 years.

Doug Olson, Principal at Trinity Commercial Group, reported they expect to be down slightly in 2020 in comparison to 2019 which was a record year for them. The decline is largely due to development deals being delayed, so he is anticipating 2021 to be a record-breaking year for their business. He anticipates some trouble with retail collections in the next few months before a vaccine is readily available. However, most landlords still have incentives available to help tenants through this period.

In mid September, Robert E. Carroll, CCIM, MAI with IPC, reported that of all asset classes, industrial has performed by far the best through the COVID 19 pandemic with far fewer rent abatement/deferment requests. He expects this trend to continue going forward as the industrial class represents the most affordable rent in our market, and has always served as a collector for B and C retail and office users as well. He also reported an uptick in showings overall and currently has 10 new pending office leases. Lastly, he noted a softening in retail rents of approximately 10-15% as landlords are becoming more willing to negotiate.

As of late November, Dan Miller, Director, Industrial and Land Services at Colliers International, reported the land market continues to be a bright spot, but activity on all fronts is robust. He also reported a greater level of trepidation with tenants leasing space. Land is his strongest market with industrial leasing second. Dan expects to see a similar trend in industrial distribution as is appearing in corporate office space with smaller satellite distribution facilities that backfill major markets and service as last mile. These facilities will also serve as supply chain backup in case larger cities are in trouble.

As of late November, Adam Palmer CCIM, Principal/Managing Director at LandQwest reported demand for quality credit investments was high as the spread between cost of capital and cap rates remains to be favorable. He also reported a high demand for build to suit medical and the industrial market continues to be strong. Southwest Florida may benefit from employees and employers moving in from urban markets. He has also seen an uptick in capital investment activity from out of state investors.

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The following graph compiled by LSI Companies shows residential permit activity in 2020 vs. 2019. According to Randy Thibaut, ALC, Chief Executive Officer of LSI Companies, New home permits rose by a combined 16% across the three regional counties. The hot spot for those permits are in Babcock Ranch (533 permits last year), The Place at Corkscrew (379 permits) and Ave Maria (367 permits).

	2019	2020	Change
Charlotte County	2,239	2,867	28.05% ↑
Lee County	9,327	10,701	14.73% ↑
Collier County	4,344	4,852	11.69% ↑
<b>TOTAL</b>	<b>15,910</b>	<b>18,420</b>	<b>15.78% ↑</b>

Ave Maria becoming the top-selling single-family residential community in Collier County. It has maintained the top ranking in the Naples-Fort Myers market for the past six years and reported a record breaking 400 new home sales in November 2020 year-to-date, a substantial increase from the 259 new home sales in 2019.

Neal Communities reported August 2020 sales in Lakewood Ranch were up 71% over August 2019. The company reported 136 sales in August which surpasses the previous all-time monthly high of 124 sales in March 2019. According to their press release, after a dip in March and April, the company saw a swift recovery in May back to pre-virus numbers. The uptick in sales applied to Neal's entire market from Manatee to Collier counties. Additionally, the luxury home division, Neal Signature Homes, beat forecasted sales goals. Neal also reported a strong start to 2021.

According to the Naples Area Board of Realtors (NABOR), there was a record \$18.2 billion in sales in Collier County during 2020. The year-end 2020 Market Report released by NABOR shows overall closed sales increased 19% from 2019. Home values continue to increase with the 2020 median closed price of \$370,000 up 11% from the 2019 median price. Budge Huskey, CEO of Premier Sotheby's International Realty reported "We have been beneficiaries of a tragic event that just accelerated real estate," Huskey said. "The psychological and behavioral impact the virus had on people was significant. Faced with possible loss of loved ones and money tied up in things they couldn't enjoy and didn't truly impact their lives caused many people to ask 'What am I doing?' It was the people who said 'One day, I'll do this', that reacted to the virus most, and it compelled those people to finally take action in 2020. The virus has people rethinking the priorities in their lives, and many felt 'being with my family in a beautiful place rather than making more money' was what really mattered."

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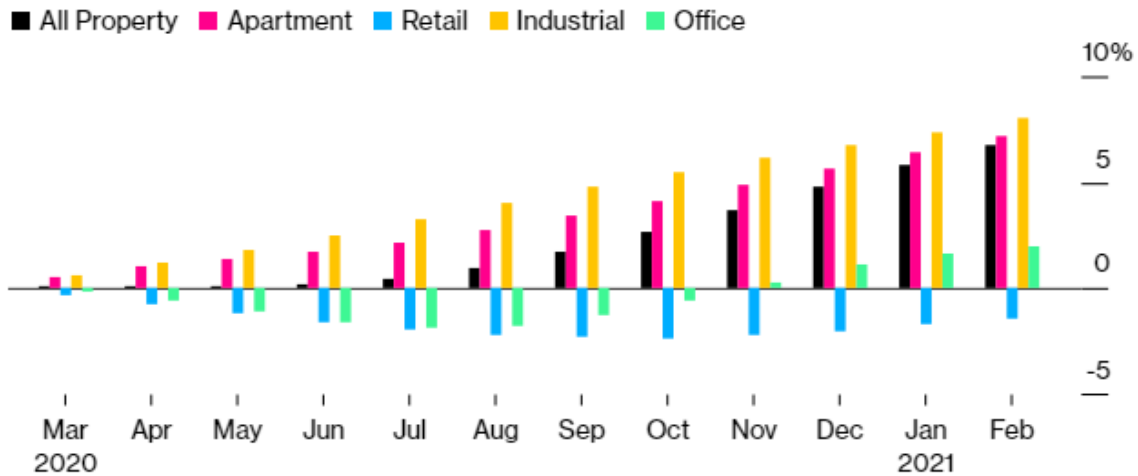
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The following graph from Real Capital Analytics shows commercial property prices mostly rose through the pandemic. Now, troubled properties are in recovery mode as vaccines liberate people to travel, swarm shopping centers and return to offices. Consumer spending is forecast to grow 6.1% in 2021.



Source: Real Capital Analytics commercial property price indices

The following are excerpts from the 2021 CBRE Research U.S. Real Estate Market Outlook.

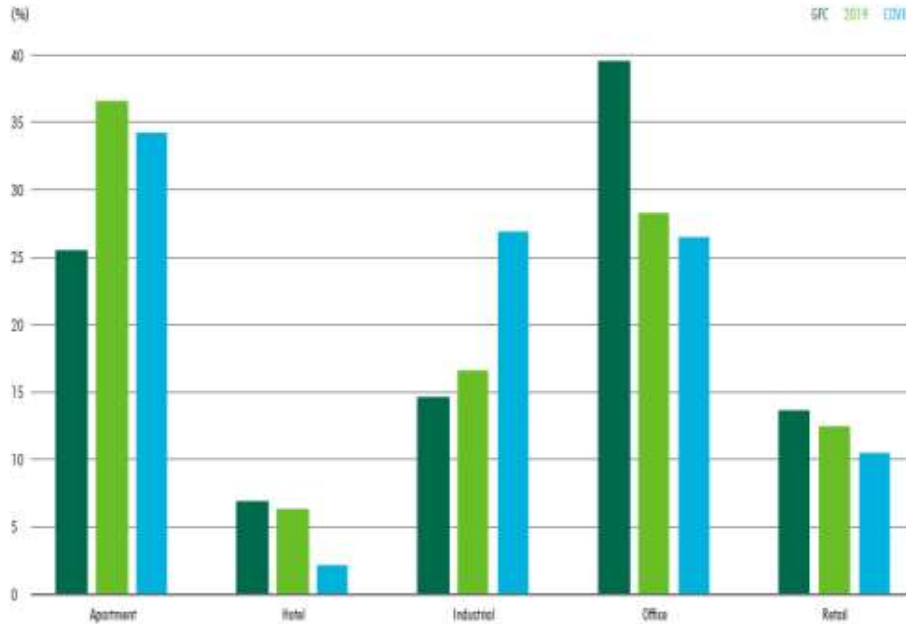
Industrial & logistics, along with certain alternative sectors like life sciences, cold storage and data centers, have thrived in the COVID era, while others like office, retail and hotels have suffered. With expectations that the COVID crisis may end sometime in 2021, the question will be which of these sectors will be permanently changed and which will return to “old normal” pre- COVID conditions. It will take until the second half of 2021 for the office sector to begin returning to normal or begin to undergo a permanent change. Only when workers can safely return to the office will the long-term extent of remote working levels become clear. Nevertheless, the powerful forces of teamwork, easy collaboration and face-to-face business interaction should not be underestimated. Investor demand for office assets might surprise on the upside, not least because an expected period of dollar weakness will make U.S. assets very attractive to foreign investors.

GDP is expected to contract by 4.0% this year, which should be followed by a 4.5% rebound in 2021. CBRE forecasts that the strongest growth of 2021 will occur in Q2 and Q3—5.5% and 5.6%, respectively, on an annualized basis— bringing U.S. GDP back to pre-COVID levels in Q3. The real estate recovery is expected to lag that of the broader economy, particularly for the office, retail and hotel sectors.

A disconnect on pricing has occurred between buyers and sellers. Based on CBRE’s latest Cap Rate Survey, 61% of buyers are seeking discounts while only 9% of

sellers are willing to offer them. Lending activity has also been sluggish due to uncertainty over near-term rental income.

FIGURE 6: INVESTOR PREFERENCES HAVE SHIFTED



Note: Proportion of investment by property type during Global Financial Crisis (GFC), 2019 and COVID-19 era.  
 Source: CBRE Research, Real Capital Analytics, Q3 2020.

Office fundamentals should stabilize in 2021, although rents will continue to fall and vacancies will continue to rise at least through the first half of the year. The very gradual reentry of employees to the traditional workplace will constrain transaction activity in 2021 as occupiers reassess their office space requirements. Class A space likely will rebound quicker as more progressive portfolio strategies are employed to support new workstyles brought on by the pandemic. In the interim, this uncertainty is muting investment volume as buildings occupied by long-term creditworthy tenants are favored.

The following is from the First Quarter 2021 PwC Investor Survey.

### National Suburban Office Market

**FORECAST VALUE CHANGE [NEXT 12 MONTHS]:**

Range: (10.0%) – 0.0%

Average: (3.5%)

The following is from the First Quarter 2021 PwC Investor Survey.

Despite office tenants keeping employees working remotely, 2020 fundamentals for the U.S. office sector ended the year in relatively good shape. For 2021, fundamentals may

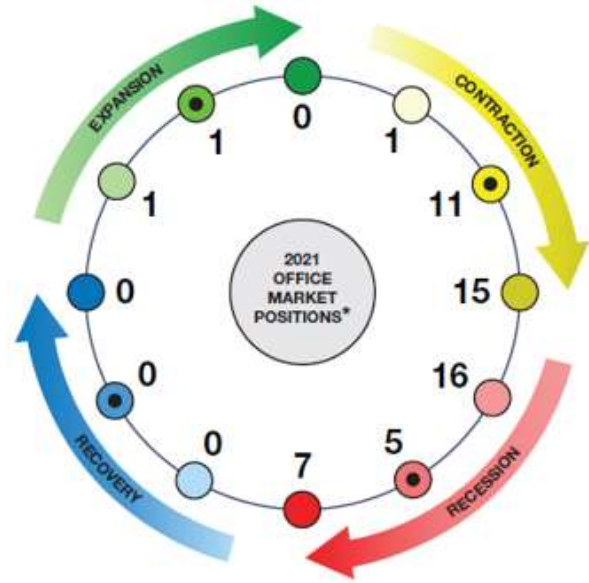
find themselves in transition, moving from the pre-pandemic to the next normal. The current outlook has 29 metros shifting into recession by year-end 2021. A temporary recovery is projected to get started in 2022 and into 2023, driven by a return of absorption.

**PwC REAL ESTATE BAROMETER**

U.S. Office Market Forecasts

**SOUTH REGION**

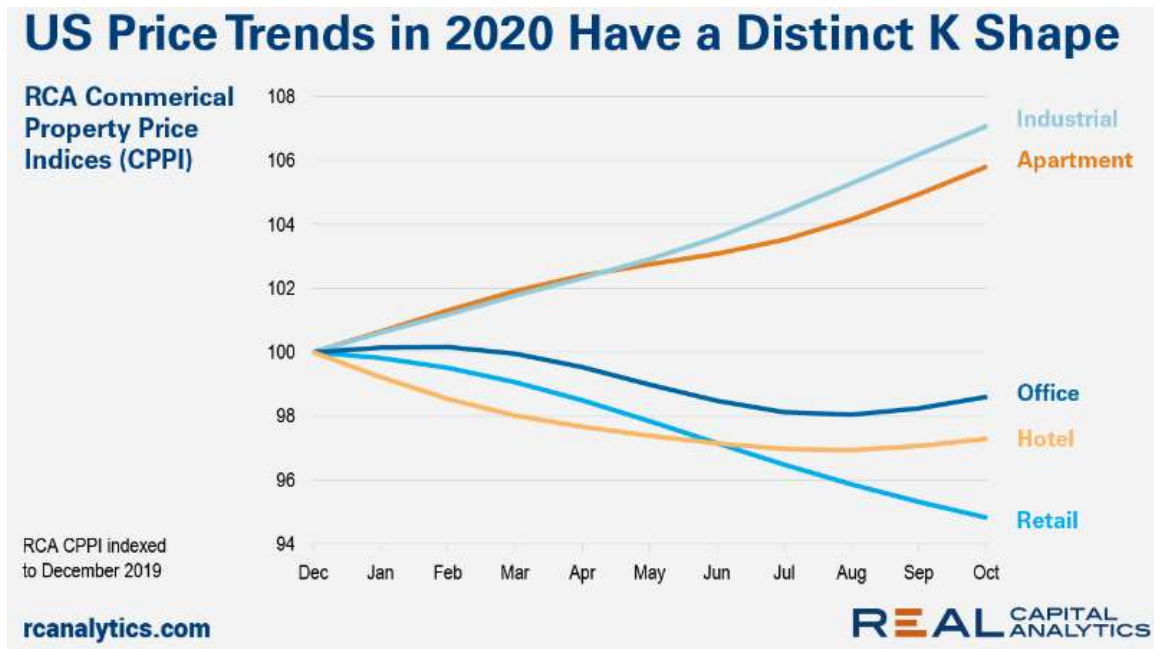
MSA Name	2021	2022	2023	2024
Atlanta	●	●	●	●
Austin	●	●	●	●
Baltimore	●	●	●	●
Charlotte	●	●	●	●
Dallas	●	●	●	●
Fort Lauderdale	●	●	●	●
Fort Worth	●	●	●	●
Houston	●	●	●	●
Jacksonville	●	●	●	●
Memphis	●	●	●	●
Miami	●	●	●	●
Nashville	●	●	●	●
Orlando	●	●	●	●
Raleigh	●	●	●	●
Richmond	●	●	●	●
San Antonio	●	●	●	●
Tampa	●	●	●	●
Washington, DC	●	●	●	●
West Palm Beach	●	●	●	●
Wilmington	●	●	●	●



According to a January 4, 2021 Florida Realtors article, more than 40% of company CEOs believe business conditions will recover to pre-pandemic levels in 2021, according to a quarterly survey from the Business Roundtable. The CEOs expect the economy to grow at a 1.9% annual rate in 2021, an improvement over a negative growth rate expected this year due to the pandemic. Overall, CEOs are optimistic about sales growth and capital spending in the new year.

According to a December 7, 2020 RCA Insights article, economists have added a K-shaped recovery to this partial alphabet: personal income and job growth is on a favorable path for knowledge sector workers operating from the comfort of their homes, while workers in lower-skilled positions are suffering. The same K-shaped variation in performance can be seen in commercial property prices.





Plotting out the path of U.S. property prices by sector throughout 2020, the industrial and apartment sectors are the clear winners. Through October, the RCA CPPI for the industrial sector is up 7.1% from the starting point of December 2019. The apartment sector is up 5.8% in this time frame. Deal volume is down from a year earlier for both of these sectors because of the mechanical challenges of completing deals while socially distancing. Despite these challenges, investors are hungry for the steady income provided by many of these properties in this uncertain climate.

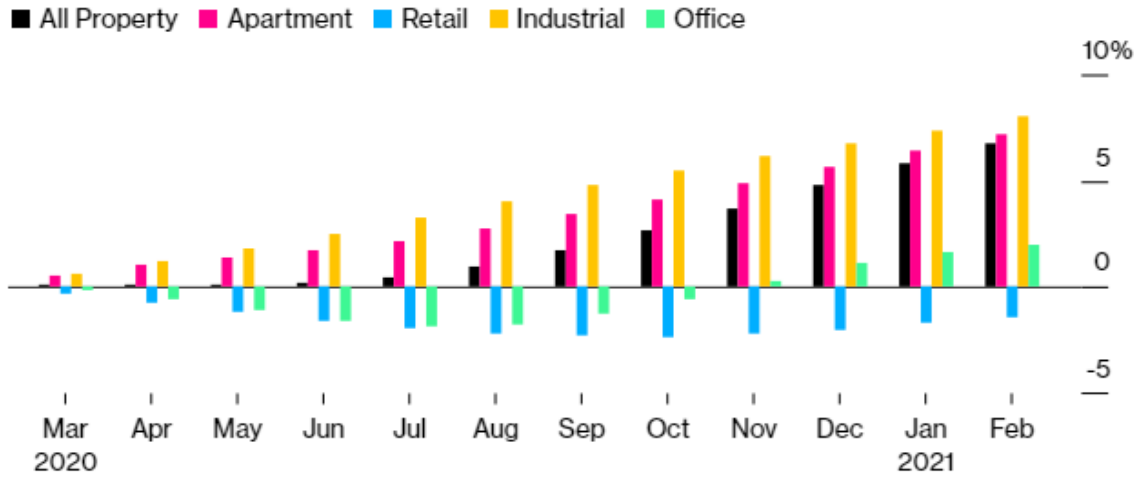
The retail sector has seen the worst of it, with prices down 5.2% from this December 2019 starting point. The office and hotel sectors have fared better, showing total declines of only 1.4% and 2.7%, respectively, but current investors in these sectors should not get their hopes up about the little lift in trends through October. These series do not always follow a linear path and the pileup of distressed assets will weigh on the performance of these sectors into 2021.

The process of price discovery is getting underway for commercial property, with distressed loans entering the workout phase and becoming distressed asset sales. In the RCA US Capital Trends report published last month, the hotel and retail sectors led the pack with the highest shares of distressed sales relative to total sales in these sectors. Such sales are still under 1% of total office sales, but RCA is tracking more than \$10 billion in potentially distressed assets in the office market.

With the overhang of potential distress and investor uncertainty about the future, conditions for the three property sectors on the bottom side of the K are unlikely to improve in the near term.

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vaccines liberate people to travel, swarm shopping centers and return to offices. Consumer spending is forecast to grow 6.1% in 2021.



Source: Real Capital Analytics commercial property price indices

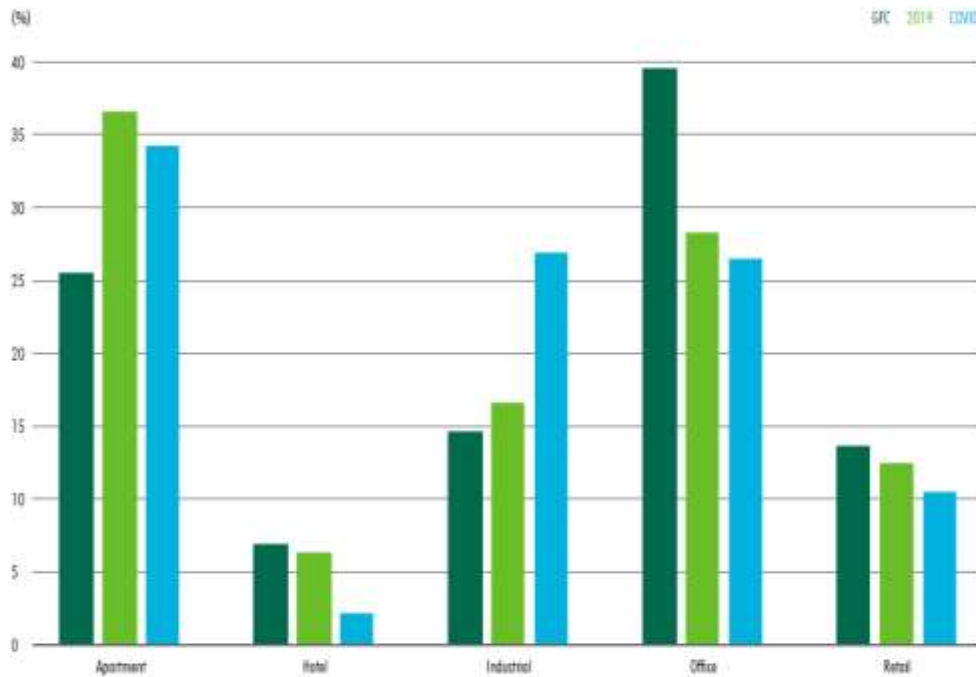
The following are excerpts from the 2021 CBRE Research U.S. Real Estate Market Outlook.

Industrial & logistics, along with certain alternative sectors like life sciences, cold storage and data centers, have thrived in the COVID era, while others like office, retail and hotels have suffered. With expectations that the COVID crisis may end sometime in 2021, the question will be which of these sectors will be permanently changed and which will return to “old normal” pre- COVID conditions. Industrial & logistics enters 2021 with the strongest fundamentals and investor interest.

GDP is expected to contract by 4.0% this year, which should be followed by a 4.5% rebound in 2021. GDP is expected to contract by 4.0% this year, which should be followed by a 4.5% rebound in 2021. CBRE forecasts that the strongest growth of 2021 will occur in Q2 and Q3—5.5% and 5.6%, respectively, on an annualized basis— bringing U.S. GDP back to pre-COVID levels in Q3. The real estate recovery is expected to lag that of the broader economy, particularly for the office, retail and hotel sectors.

A disconnect on pricing has occurred between buyers and sellers. Based on CBRE’s latest Cap Rate Survey, 61% of buyers are seeking discounts while only 9% of sellers are willing to offer them. Lending activity has also been sluggish due to uncertainty over near-term rental income.

FIGURE 6: INVESTOR PREFERENCES HAVE SHIFTED



Note: Proportion of investment by property type during Global Financial Crisis (GFC), 2019 and COVID-19 era.  
 Source: CBRE Research, Real Capital Analytics, Q3 2020.

The U.S. industrial market will continue to flourish next year with low vacancy rates, record-high rental rates, robust development and a return to pre-COVID levels of absorption gains. Demand will be driven by an increase in online sales. Occupiers will expand both by location and size of facilities to accommodate supply sourcing, inventory control and customer reach. While economic and trade volatility remain potential headwinds, the volume and source of consumption will continue to dictate demand.

The following is from the First Quarter 2021 PwC Investor Survey.

## National Warehouse Market

### FORECAST VALUE CHANGE [NEXT 12 MONTHS]:

Range: (15.0%) – 10.0%

Average: 2.2%

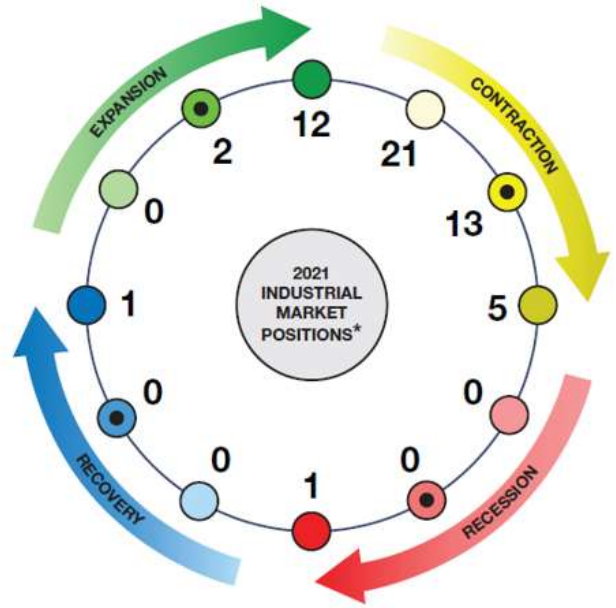
### PwC Real Estate Barometer – U.S. Industrial Market Forecasts (4Q 2021)

The U.S. industrial sector has seen improving fundamentals during the pandemic, ending 2020 with 29 metros in expansion mode. Moreover, ten metros are beginning 2021 with vacancy rates at 20-year lows, including Atlanta, Baltimore, and Phoenix. Even though

new supply is expected to catch up with demand in 2021, fundamentals are forecasted to remain strong as absorption should continue to increase in 2022 and 2023.

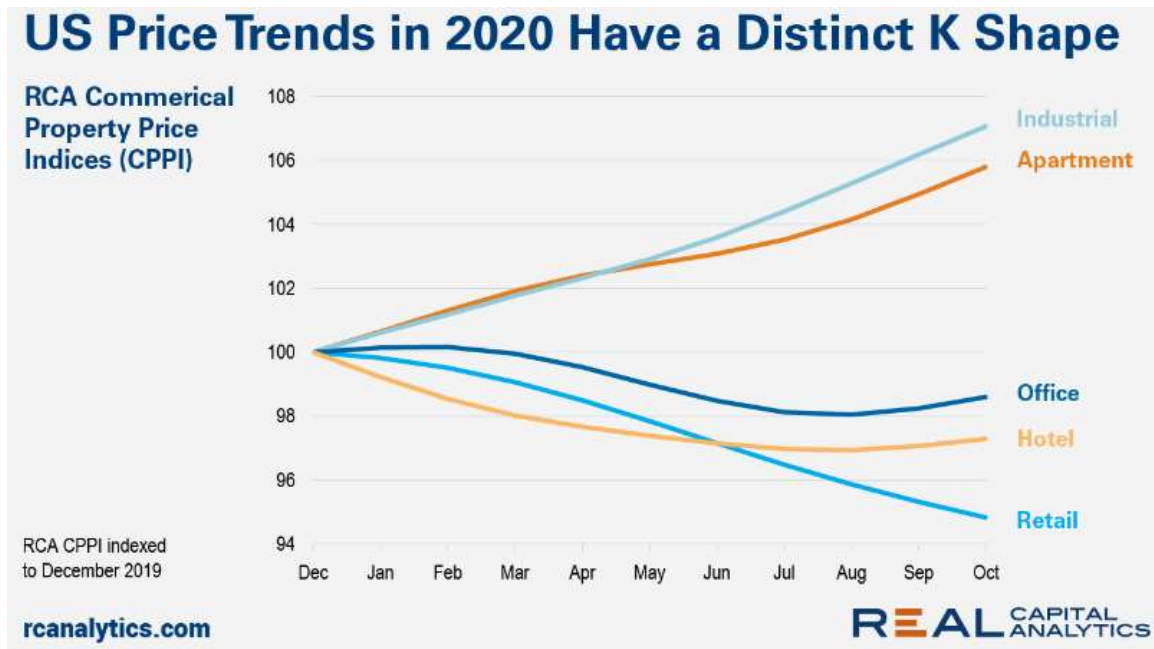
**SOUTH REGION**

MSA Name	2021	2022	2023	2024
Atlanta	●	○	●	●
Austin	●	○	●	●
Baltimore	●	●	●	●
Charlotte	●	●	○	○
Dallas	○	●	●	●
Fort Lauderdale	●	○	○	●
Fort Worth	●	●	○	●
Houston	●	●	●	●
Jacksonville	○	●	●	○
Memphis	○	○	●	○
Miami	●	○	○	●
Nashville	○	○	●	●
Orlando	●	●	●	●
Raleigh	○	●	●	●
Tampa	●	●	●	●
Washington, DC	●	○	●	●
West Palm Beach	●	●	●	●
Wilmington	●	●	●	●



According to a January 4, 2021 Florida Realtors article, more than 40% of company CEOs believe business conditions will recover to pre-pandemic levels in 2021, according to a quarterly survey from the Business Roundtable. The CEOs expect the economy to grow at a 1.9% annual rate in 2021, an improvement over a negative growth rate expected this year due to the pandemic. Overall, CEOs are optimistic about sales growth and capital spending in the new year.

According to a December 7, 2020 RCA Insights article, economists have added a K-shaped recovery to this partial alphabet: personal income and job growth is on a favorable path for knowledge sector workers operating from the comfort of their homes, while workers in lower-skilled positions are suffering. The same K-shaped variation in performance can be seen in commercial property prices.



Plotting out the path of U.S. property prices by sector throughout 2020, the industrial and apartment sectors are the clear winners. Through October, the RCA CPPI for the industrial sector is up 7.1% from the starting point of December 2019. The apartment sector is up 5.8% in this time frame. Deal volume is down from a year earlier for both of these sectors because of the mechanical challenges of completing deals while socially distancing. Despite these challenges, investors are hungry for the steady income provided by many of these properties in this uncertain climate.

The retail sector has seen the worst of it, with prices down 5.2% from this December 2019 starting point. The office and hotel sectors have fared better, showing total declines of only 1.4% and 2.7%, respectively, but current investors in these sectors should not get their hopes up about the little lift in trends through October. These series do not always follow a linear path and the pileup of distressed assets will weigh on the performance of these sectors into 2021.

The process of price discovery is getting underway for commercial property, with distressed loans entering the workout phase and becoming distressed asset sales. In the RCA US Capital Trends report published last month, the hotel and retail sectors led the pack with the highest shares of distressed sales relative to total sales in these sectors. Such sales are still under 1% of total office sales, but RCA is tracking more than \$10 billion in potentially distressed assets in the office market.

With the overhang of potential distress and investor uncertainty about the future, conditions for the three property sectors on the bottom side of the K are unlikely to improve in the near term.

## PROPERTY DESCRIPTION AND ANALYSIS

### SITE ANALYSIS

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

Land Summary		
Parcel ID	Gross Land Area (Acres)	Gross Land Area (Sq Ft)
00120400001	0.914	39,812

SITE	
Location:	The subject is located northeast corner of the intersection of New Market Road and Airport Access Road.
Current Use of the Property:	Improved as EMS and fire station with administrative offices.
Shape:	The site is roughly rectangular.
Road Frontage/Access:	The subject property has average access with frontage as follows: <ul style="list-style-type: none"> <li>• New Market Road (a two laned, primary commercial corridor): 160 feet</li> <li>• Airport Access Road (a two laned access road): 250 feet</li> </ul> The site has an average depth of 250 feet. It is a corner lot.
Traffic Count (FDOT 2019):	12,100 along New Market Road (a two laned, primary commercial corridor)
Visibility:	Average
Topography:	The subject has level topography at grade and no known areas of wetlands.
Soil Conditions:	We were not provided with a soils report for the purpose of this appraisal. We are not experts in soils analysis; however, the soil conditions observed at the subject appear to be typical of the region and adequate to support development.
Utilities:	Electricity: LCEC Sewer: Immokalee Water and Sewer District Water: Immokalee Water and Sewer District Underground Utilities: The site is not serviced by underground utilities Adequacy: The subject's utilities are typical and adequate for the market area.
Site Improvements:	<ul style="list-style-type: none"> <li>• Street Lighting: There is no street lighting along New Market Road nor Airport Access Road.</li> <li>• Sidewalks: There are concrete sidewalks along New Market Road and none along Airport Access Road.</li> <li>• Curbs and Gutters: There are no curbs and gutters along New Market Road nor Airport Access Road.</li> <li>• Curb Cuts: The subject has an extended curb cut on New Market Road and Airport Access Road.</li> <li>• Landscaping: The subject has average landscaping.</li> </ul>
Flood Zone:	The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject is located in FEMA

flood zone AH and X. Zone AH is classified as a flood hazard area.

FEMA Map Number: 12021C 0145 H

FEMA Map Date: May 16, 2012

The subject is in a flood zone. The appraiser is not an expert in this matter and is reporting data from FEMA maps.

Environmental Issues: We were not provided with an environmental assessment report for the purpose of this appraisal. Environmental issues are beyond our scope of expertise; therefore, we assume the property is not adversely affected by environmental hazards.

Encumbrance / Easements: A current title report was not provided for the purpose of this appraisal. We are not aware of any easement, restrictions, or encumbrances that would adversely affect value. Therefore, our valuation assumes the subject has a clear and marketable title with no adverse easement, restrictions, or encumbrances.

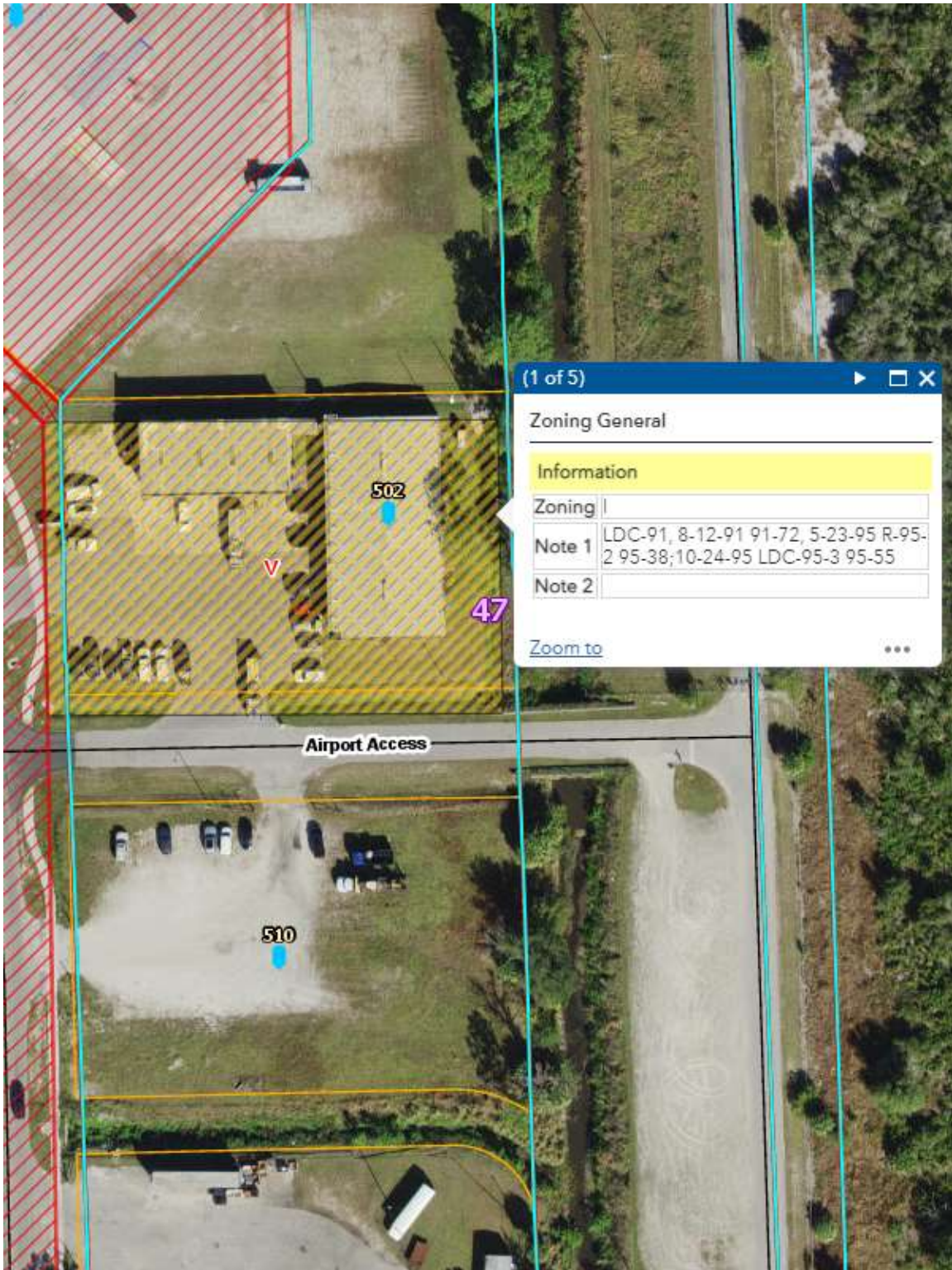
Site Comments: The site is 39,812 square feet or 0.914 acres. It includes 160 feet of frontage on New Market Road and 250 feet of frontage on Airport Access Road. There is one extended curb cut on each roadway. It is generally rectangular in shape. The property is located in both AH and X flood zones.

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<b>ZONING</b>	
Zoning Code	I
Zoning Authority	Collier County
Zoning Description	Industrial District
Permitted Uses	Agricultural services; automotive repair; service and parking; barber shops; building construction; crematories; eating places; fabricated metal products; general aviation airport; heavy construction; laundry; outdoor storage yards; welding repair, and wholesale trade; et al.
Actual Density of Use	0.27
Current Use Legally Conforming	The subject is legal and conforming use.
Zoning Change Likely	A zoning change is unlikely.
Zoning Change Description	N/A
Minimum Lot Area (SF)	20,000
Minimum Floor Area (SF)	1,000
Minimum Street Frontage (Feet)	100
Front Set Back Distance (Feet)	25
Rear Set Back Distance (Feet)	Non-residential 15; Residential: 50; Waterfront: 25
Side Yard Distance (Feet)	The total of all side yard setbacks shall equal 20% of the lot width, with a maximum of 50 feet. No side yard shall be less than 10 feet. Residential: 50; Waterfront: 25
Maximum Density/FAR	40%
Maximum Building Height (Feet)	50
Zoning Comments	We were not supplied with a survey indicating building setbacks and have assumed that the improvements conform to current building codes.
Future Land Use Designation	Commerce Center - Industrial Subdistrict



### Zoning Map



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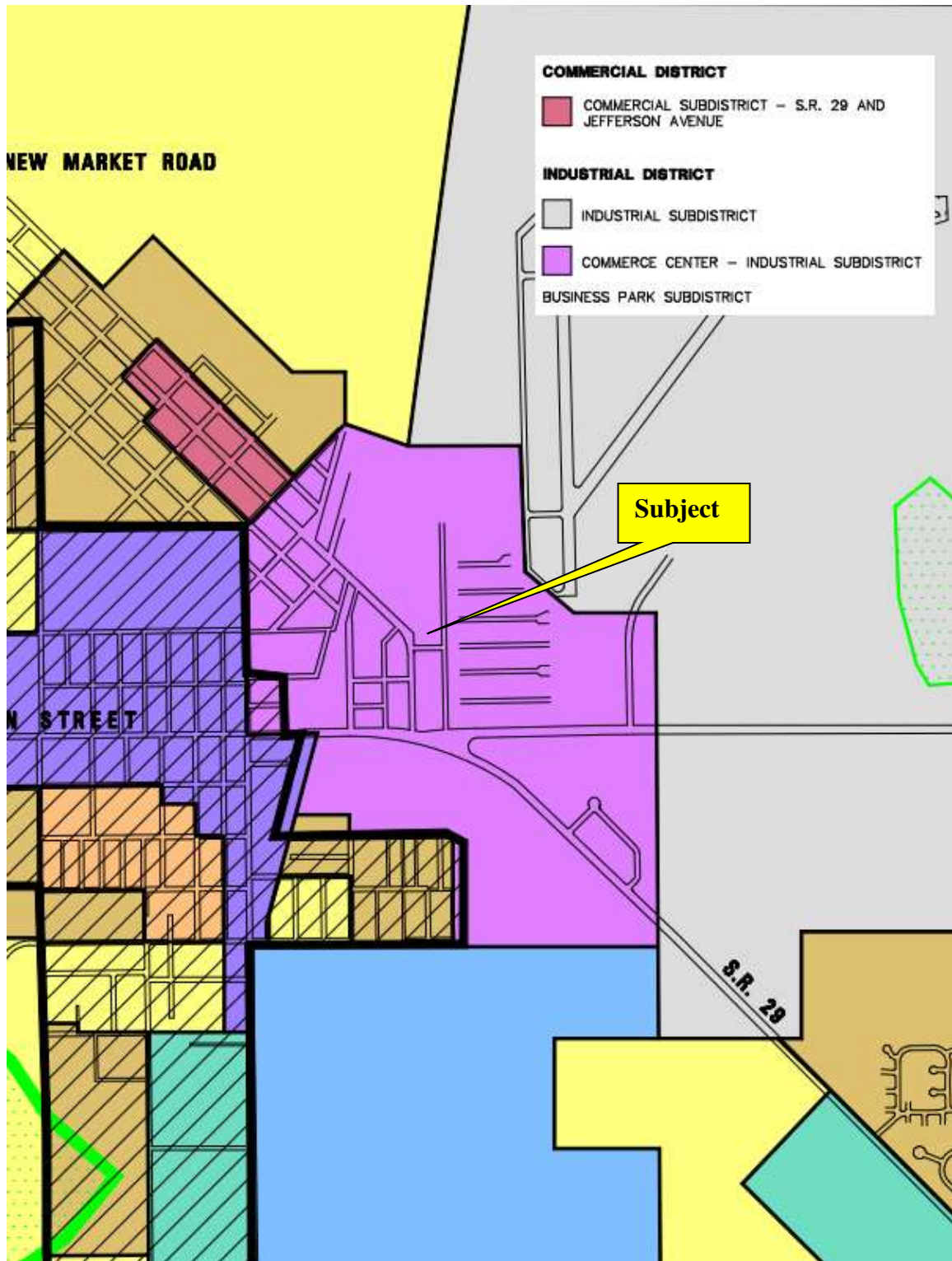
**FUTURE LAND USE DESIGNATION**

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Designation	Commerce Center - Industrial Subdistrict
Description	The purpose of this Subdistrict is to create a major Activity Center that serves the entire Immokalee Urban Designated Area and surrounding agricultural areas. The Commerce Center-Industrial Subdistrict shall function as a major employment center for industrial and commercial uses as described in the Land Development Code for the Commercial (C-1 through C-5), Industrial and Business Park Zoning Districts
Permitted Uses	The Subdistrict also permits higher intensity uses, including packing houses, industrial fabrication operations and warehouses. Accessory uses and structures customarily associated with the uses allowed in this Subdistrict include, but not limited to, offices and retail sales, are also allowed
Conformity	The subject property conforms to all requirements of the Future Land Use Element of the Comprehensive Plan.
Concurrency	As of the effective date of this appraisal, traffic, utilities, etc. are at concurrent levels with the future land use requirements.
Moratorium	As of the effective date of this appraisal, there are no building moratoriums affecting the subject property.

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### Future Land Use Map



**Aerial**

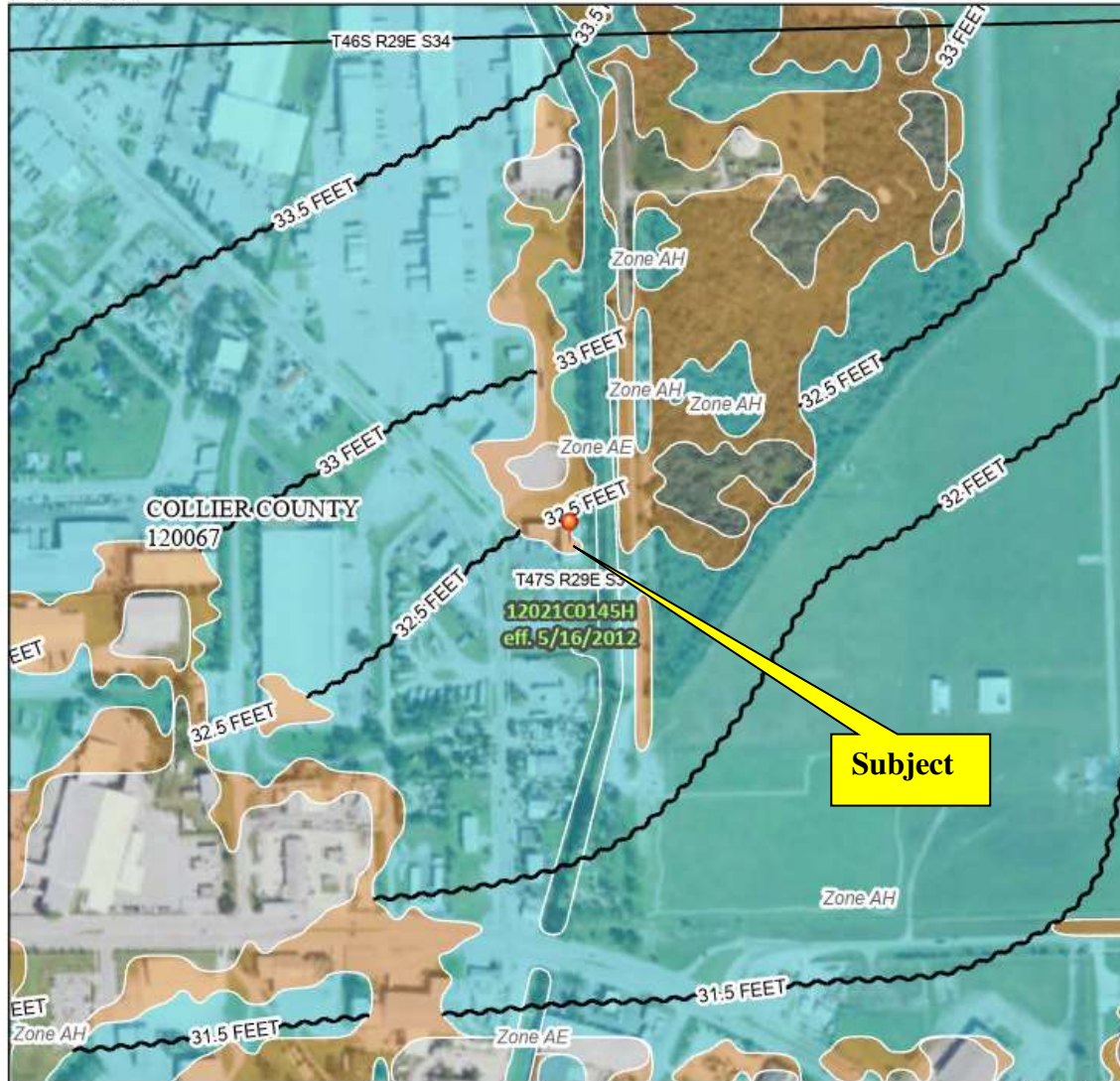


Flood Map

# National Flood Hazard Layer FIRMette



81°24'56"W 26°25'35"N



0 250 500 1,000 1,500 2,000 Feet 1:6,000

Basemap: USGS National Map: Orthoimagery: Data refreshed October, 2020

## Legend

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

SPECIAL FLOOD HAZARD AREAS	
	Without Base Flood Elevation (BFE) Zone A, V, AD9
	With BFE or Depth Zone AE, AD, AH, VE, AR
	Regulatory Floodway

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

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

GENERAL STRUCTURES	
	Channel, Culvert, or Storm Sewer
	Levee, Dike, or Floodwall

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

MAP PANELS	
	Digital Data Available
	No Digital Data Available
	Unmapped

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

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

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 4/23/2021 at 11:49 AM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

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

Tax Map



**Site Photographs**



New Market Road looking northwesterly  
(Photo Taken on April 6, 2021)



New Market Road looking southerly  
(Photo Taken on April 6, 2021)

**Site Photographs**



Airport Access Road looking westerly towards the intersection with New Market Road (Photo Taken on April 6, 2021)



Airport Access Road looking easterly  
(Photo Taken on April 6, 2021)



**IMPROVEMENTS ANALYSIS**

The subject is an existing four bay fire station containing 3,200 square feet and a 7,376 square foot administration center with dorm rooms. The improvements were constructed in 1986 and 1991. They are operated by the Immokalee Fire Control District as a fire station and administrative headquarters as of the effective date of the appraisal. The site consists of 0.914 acres, or 39,812 square feet.

<b>IMPROVEMENTS DESCRIPTION</b>					
Property Type:	Commercial				
Property Sub Type:	Special Use				
Occupancy Type:	Single tenant				
<b>Building Summary</b>					
<b>Building Name/ID</b>	<b>Year Built</b>	<b>Condition</b>	<b>Number of Stories</b>	<b>Gross Building Area</b>	<b>Rentable Area</b>
Immokalee Fire Station - New Market	1986 with addition in 1991	Average	One	10,576	10,576
Notes:	The following description is based on our property inspection and public records. The square footage reported herein is based on public records which were verified by onsite measurements.				

<b>GENERAL</b>	
Building Description:	Special Use
Construction Class:	Class S
Appeal/Appearance:	Average
Year Built:	1986
Renovations:	3,376 square foot addition in 1991
Actual Age (Yrs.):	35
Effective Age (Yrs.):	20
MVS Expected Life (Yrs.):	40
Remaining Useful Life (Yrs):	20
Condition:	Average
Number of Buildings:	One
Ratios:	Site Area (SF): 39,812
	Floor Area Ratio (FAR): 0.27
	Building Efficiency Ratio: 100.0%
	Land to Building Ratio: 3.76 to 1

<b>FOUNDATION, FRAME &amp; EXTERIOR</b>	
Foundation:	Poured concrete slab
Structural Frame:	Steel frame
Exterior:	Painted metal
Windows:	Fixed casement
Service Access/ Overhead Doors:	The apparatus bay is served by 4 overhead doors.
Roof/Cover:	Shed style / Metal

**INTERIOR**

Interior Layout:	Four bay fire station. The apparatus bay is 3,200 square feet at 40' x 80'. It was constructed in 199. The overhead doors are 14' x 16' each. The clear height is 18 feet. The attached residential and administrative offices were constructed in 1986 at 7,200 sf. This space is attached to the apparatus bay by a 176 sf equipment room. The residential portion includes a dorm room with two full baths, a dayroom and kitchen. The administrative areas include reception two restrooms, 10+ offices, chiefs' office, lieutenant's office, shift commander's office, operations office, finance offices and exercise room.
Percent Office Space:	68%
Floor Cover:	Ceramic tile, laminate and commercial grade carpet in the finished areas.
Walls:	Painted drywall
Ceilings & Ceiling Height:	2' x 4' acoustic ceiling panels in the finished areas. Insulated ceiling in the apparatus bay. / 8 feet in the finished areas and 18 feet in the apparatus bay.
Lighting:	A mix of fluorescent, LED and incandescent lighting.
Restrooms:	Men's dorm restroom with two urinals, two commodes, shower and two sinks. Women's dorm restrooms with commode, shower and sink. Chief's restroom with shower, commode and sink. Men's admin restroom with two sinks, two urinals and two commodes. Women's admin restroom with two commodes and two commodes and two sinks.

**MECHANICAL SYSTEMS**

HVAC:	Package Units
Electrical:	Assumed adequate
Plumbing Condition:	Assumed adequate
Sprinkler:	None
Elevators:	None
Security:	Private

There is generator backup for the building.

**PARKING AND LANDSCAPING**

Parking:	Type: Paved open surface parking Condition: Average
Landscaping:	The subject has average landscaping.

**PROPERTY ANALYSIS**

Design & Functional Utility:	The overall design and utility of the building is adequate for its current use.
Deferred Maintenance:	There was no deferred maintenance noted on the date of inspection.
Capital Improvements:	We were not made aware of any planned capital improvements.
Comments:	The quality, maintenance, and overall appeal of the subject are considered to be consistent with that of competing properties.

**Occupancy Status**

The property is occupied as a fire station and administrative headquarters by the Immokalee Fire Control District.

**Americans with Disabilities Act**

There do not appear to be any ADA violations based on our inspection of the subject property. However, we are not experts in matters pertaining to the Americans with Disabilities Act and therefore recommend a further study to assess the ADA compliance.

**Hazardous Substances**

We were not provided with an environmental assessment report for the purpose of this appraisal. Environmental and hazardous substance issues are beyond our scope of expertise. Unless otherwise stated, we assume no hazardous conditions exist on or near the subject.

**Personal Property**

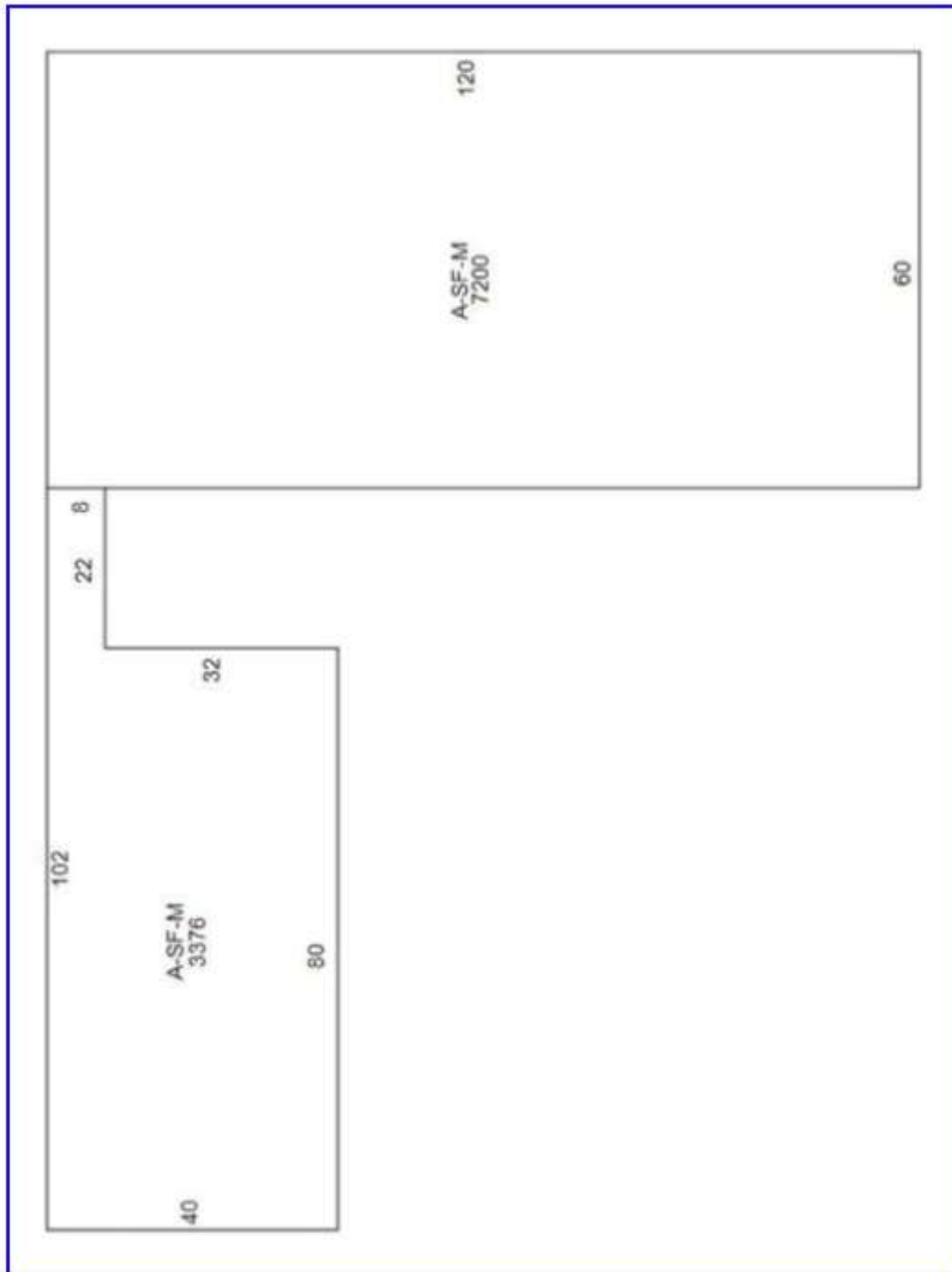
There are no items of personal property that would be significant to the overall valuation.

**Improvement Analysis Conclusion**

The quality, maintenance, and overall appeal of the subject are considered to be consistent with that of competing properties.

**Improvements Plan**

**Collier County Property Appraiser**



### Improvement Photographs



Front view of the administrative building  
(Photo Taken on April 6, 2021)



Rear view of the administrative building  
(Photo Taken on April 6, 2021)

## Improvement Photographs



Rear view of the administrative building and the apparatus bays  
(Photo Taken on April 6, 2021)



Front view of the apparatus bays  
(Photo Taken on April 6, 2021)

### Improvement Photographs



Apparatus bays  
(Photo Taken on April 6, 2021)



Apparatus bays  
(Photo Taken on April 6, 2021)

### Improvement Photographs



Chief's office  
(Photo Taken on April 6, 2021)



Lieutenant's office  
(Photo Taken on April 6, 2021)



## Improvement Photographs



Dorm  
(Photo Taken on April 6, 2021)



Training Room  
(Photo Taken on April 6, 2021)

### Improvement Photographs



Kitchen  
(Photo Taken on April 6, 2021)



Conference room  
(Photo Taken on April 6, 2021)

### Improvement Photographs



Gym  
(Photo Taken on April 6, 2021)



Equipment room  
(Photo Taken on April 6, 2021)

**REAL ESTATE TAXES AND ASSESSMENTS**

The real estate tax assessment of the subject is administered by Collier County. In 2008, Florida voters amended the Constitution to give non-homestead property owners some protection against increases in their annual property tax assessments. As amended, the Florida Constitution now prohibits the assessment of certain non-homestead property from increasing by more than 10% per year. The 10% cap applies to most types of commercial property, including non-homestead residential property (i.e. apartments and other rental property) and nonresidential property (i.e. commercial property and vacant land). The cap was set to expire on January 1, 2019; however, in November 2018 Florida voters amended the Constitution to make the cap permanent. The protection of the 10% cap is lost when there is a change of ownership or control.

The property tax identification number and assessed value of the property for tax year 2020 are as follows:

<b>ASSESSED VALUES</b>	
Tax Identification Number	00120400001
Land Assessed Value	\$79,624
Building Assessed Value	\$362,620
10% Assessment Cap	<u>-\$442,244</u>
Total Assessed Value	\$0
<b>Totals</b>	
Total Land Assessed Value	\$79,624
Total Building Assessed Value	\$362,620
Tax Exemption	<u>-\$442,244</u>
Total Assessment	\$0
Total Assessment per GLA	\$0.00
Total Assessment per Land Acre	\$0
<b>Rates, Taxes, More</b>	
Tax Rate	1.46975%
Ad Valorem Tax Amount	\$0
Special Assessment Amount	\$0
Special Assessment Comments	None
Total Tax Liability	\$0
Property Tax Comments	The property is tax exempt.

The tax assessment for subject property, excluding the tax exemption, is currently \$41.82 per square foot. Based on our valuation analysis, the subject’s assessment appears low.

## HIGHEST AND BEST USE

Highest and best use may be defined as:

The reasonably probable use of property that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. <sup>1</sup>

- Physically possible for the land to accommodate the size and shape of the ideal improvement.
- Legally permissible under the zoning regulations, building codes, environmental regulations, and other restrictions that apply to the site. A property use that is either currently allowed or most probably allowable.
- Financially feasible to generate sufficient income to support the use.
- Maximally productive, or capable of producing the highest value from among the permissible, possible, and financially feasible uses.

### Highest and Best Use As If Vacant

#### Physically Possible

The subject site is 0.91 acres or 39,812 square feet with 160 feet of frontage along New Market Road (a two laned, primary commercial corridor) and 250 feet along Airport Access Road (a two laned access road). The physical characteristics of the subject tract should reasonably accommodate any use that is not restricted by its size.

The subject's utilities are typical and adequate for the market area. The site is roughly rectangular.

The site is located in a FEMA flood zone AH and X area per FEMA Flood Map Number: 12021C 0145 H, dated May 16, 2012. Zone AH is classified as a flood hazard area.

There are no known physical reasons that would unusually restrict development. The site is considered to have a functional utility suitable for a variety of uses.

#### Legally Permissible

The subject site is zoned Industrial District (I) which generally allows for uses including manufacturing, processing, storage and warehousing, wholesaling, and distribution. Permitted uses include: Agricultural services; automotive repair; service and parking; barber shops; building construction; crematories; eating places; fabricated metal products; general aviation airport; heavy construction; laundry; outdoor storage yards; welding repair, and wholesale trade; et al.

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<sup>1</sup> *The Dictionary of Real Estate Appraisal* 6<sup>th</sup> ed. (Chicago: Appraisal Institute, 2015)

The subject is also located with the Commerce Center-Industrial Subdistrict. The subdistrict shall function as a major employment center for industrial and commercial uses as described in the Land Development Code for the Commercial (C-1 through C-5), Industrial and Business Park Zoning Districts

The Subdistrict also permits higher intensity uses, including packing houses, industrial fabrication operations and warehouses. Accessory uses and structures customarily associated with the uses allowed in this Subdistrict include, but not limited to, offices and retail sales, are also allowed.

Recognizing the principle of conformity, we consider the prevailing land use patterns in the area. Therefore, only industrial and commercial uses are given further consideration in determining the highest and best use of the site, as if vacant.

### **Financially Feasible**

Financial feasibility is an analysis of the ability of a property to generate sufficient income to support the use, or a reasonable probability of producing a positive income stream net of operating expenses, financial costs, and capital amortization.

Prior to the coronavirus pandemic, the residential market had stabilized after several years of an expansion period, with sustained growth in demand and increasing construction. Since the coronavirus pandemic, residential demand has increased significantly with record sales in 2020. Inventory shortages continue to drive prices up; however, extended shortages and surging construction prices may begin to temper demand.

Generally, the commercial market lags the residential market. Aside from some signs of an upcoming decline, characterized by positive but falling demand with increasing vacancy, the overall commercial market was projected to continue to increase at a stabilized rate prior to the coronavirus outbreak. The significant residential demand since the pandemic has generally stabilized the commercial market overall. There is an increased demand for the industrial sector and select retail and office properties. The trajectory of the Southwest Florida economy will depend on how widely the virus spreads and how long containment policies like social distancing need to be maintained. As coronavirus vaccines begin to roll out, there is optimism for 2021 as the current market disruption could be short-term.

On this basis, barring unforeseen changes in the market, a well-designed commercial/industrial product that is appropriately marketed and priced, should be received favorably by the market.

### **Maximally Productive**

The maximally productive land use yields the highest value of the possible uses. Industrial or commercial development is the only use that meets the tests of physically possible, legally permissible, and financially feasible. Therefore, industrial or commercial development is concluded to be the maximally productive and highest and best use of the site.

**Highest and Best Use as Improved**

As of the effective date of this appraisal, the existing improvements are occupied by the Immokalee Fire Control District as a fire station and administrative headquarters. The projected adaptive reuse is as office with an industrial component. It would require minimal costs to convert from public to investment usage.

Upon current or adaptive use, the property should produce a positive net operating income that is projected to continue. A continuation of the current or an adaptive use is concluded to be financially feasible due to the quality, age and location of the improvements.

There are no apparent alternative uses that would indicate a higher present value than the current use. Furthermore, the value of the existing improvements, as is, exceeds the value of the site. Therefore, the highest and best use is as currently improved.

**Most Probable Buyer**

Consider the size, class, and location of the property, the most probable buyer is an owner-user such as an individual, partnership or governmental entity.

## VALUATION METHODOLOGY

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

1. The Cost Approach
2. The Sales Comparison Approach
3. The Income Approach

### **Cost Approach**

The Cost Approach estimates the current cost to construct the existing structure including an entrepreneurial incentive, depreciation, and the estimated land value. This approach is particularly applicable when the improvements represent the highest and best use of the land and are relatively new. It is also applicable when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

### **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. This approach is most reliable in an active market, and is least reliable when valuing a property for which no direct comparable sales data is available.

### **Income Approach**

The Income Approach converts the anticipated flow of future benefits (cash flows and reversion) to a present value estimate through a capitalization and or a discounting process. This approach generally reflects a typical investor's perception of the relationship between the potential income of a property and its market value.

### **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. The reconciliation of the approaches is based on an evaluation of the quantity and quality of the available data in each approach. Furthermore, 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 developed because a typical buyer does utilize this valuation technique for build-to-suit and special purpose properties such as subject.

A **sales comparison analysis** was considered and was developed because there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.

An **income analysis** was considered and was not developed because the subject is currently a special use property and the most probable buyer is an owner occupant who would not put any weight on this approach.

## **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 applied process is as follows:

- Estimate the land value according to its Highest and Best Use. We have used the Sales Comparison Approach; the process is as follows:
  - Comparable sales, contracts for sale and current offerings are researched and documented.
  - Each comparable is analyzed and adjusted to equate with the subject property.
  - The value indication of each comparable is analyzed and the data reconciled for a land value indication.
- 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 Value**

The subject's land value has been developed via the sales comparison approach.

### **Sales Comparison Approach – 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.

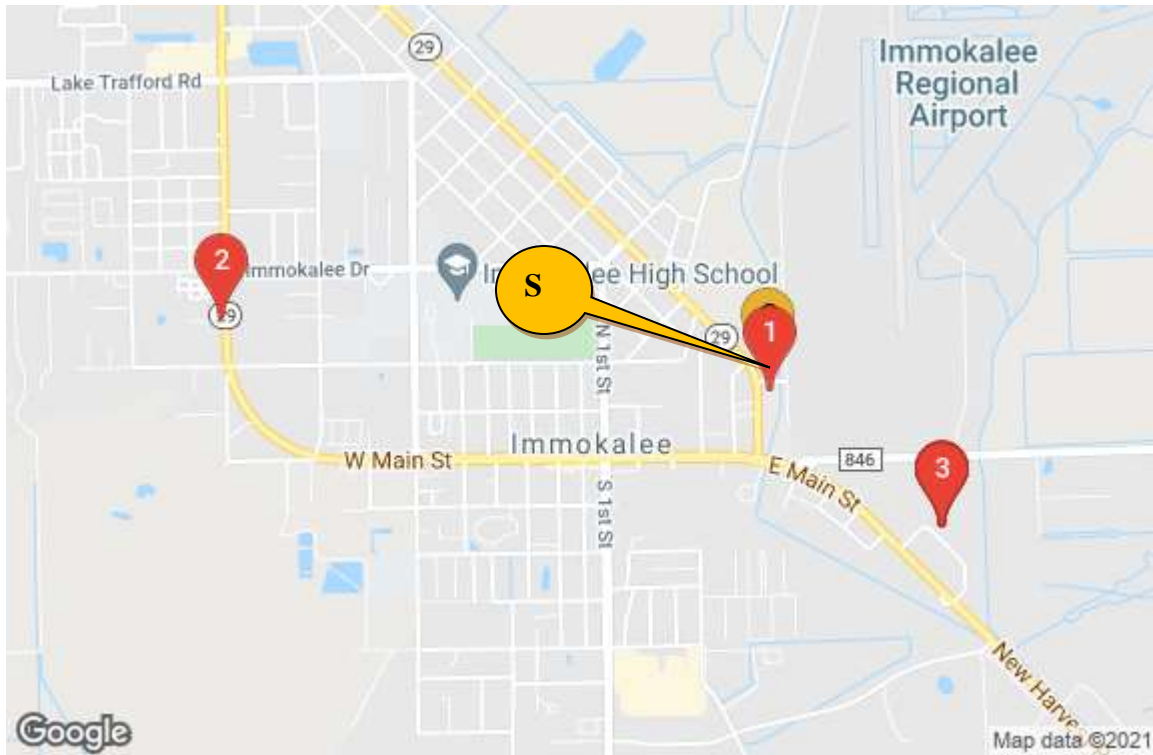
- The value indication of each comparable sale is analyzed and the data reconciled for a final indication of value via the Sales Comparison Approach.

**Land Comparables**

We have researched three comparables for this analysis; 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. For this analysis, we use the price per square foot as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis.

Comp	Address City	Date Land SF	Price Price Per SF	Comments
<b>Subject</b>	502 New Market Road East Immokalee	4/6/2021 39,812		
<b>1</b>	510 New Market Road Immokalee	3/27/2019 39,813	\$259,000 \$6.51	Property was not listed. The fire department owns and operates the administrative offices and station directly north of the property across Airport Access Road.
<b>2</b>	423 N 15th Street Immokalee	3/31/2021 13,225	\$120,000 \$9.07	Listed at \$149,900 on 1/14/2020. Extended on 12/11/2020 and pended on 3/27/2021. Located in the State Road 29 Commercial Overlay Subdistrict.
<b>3</b>	New Harvest Road Immokalee	8/3/2018 73,616	\$222,000 \$3.02	Listed at \$240,000. Cul-de-sac location

### Comparables Map



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**Analysis Grid**

The above sales have been analyzed and compared with the subject property. We have considered adjustments in the areas of:

---

<b>Effective Sale Price</b>	This takes into consideration unusual conditions involved in the sale that could affect the sales price, such as excess land, non-realty components, commissions, or other similar factors. Usually the sale price is adjusted for this prior to comparison to the subject.
<b>Real Property Rights</b>	Property rights dissimilar to the subject which affect value.
<b>Financing Terms</b>	Favorable or unfavorable seller financing, or assumption of existing financing.
<b>Conditions of Sale</b>	Circumstances that atypically motivate the buyer or seller, such as 1031 exchange transaction, assemblage, or forced sale.
<b>Market Conditions</b>	Inflation or deflation since sale date due to economic influences
<b>Location</b>	Market or submarket area influences on sale price; surrounding land use influences.
<b>Physical Characteristics</b>	Attributes such as size, shape, utilities, frontage, zoning, etc.

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On the following page is a sales comparison grid displaying the subject property, the comparables and the adjustments applied.

Land Analysis Grid		Comp 1		Comp 2		Comp 3	
Name	Immokalee Fire Station - 510 New Market Road New Market		423 N 15th Street		New Harvest Road		
Address	502 New Market Road East	510 New Market Road	423 N 15th Street		New Harvest Road		
City	Immokalee	Immokalee	Immokalee		Immokalee		
Date	4/6/2021	3/27/2019	3/31/2021		8/3/2018		
Price		\$259,000	\$120,000		\$222,000		
Land SF	39,812	39,813	13,225		73,616		
Land SF Unit Price		\$6.51	\$9.07		\$3.02		
<b>Transaction Adjustments</b>							
Property Rights	Fee Simple	Fee simple	0.0%	Fee simple	0.0%	Fee simple	0.0%
Financing		Cash sale	0.0%	Cash sale	0.0%	Private	0.0%
Conditions of Sale		Arm's length	0.0%	Arm's length	0.0%	Arm's length	0.0%
<b>Adjusted Land SF Unit Price</b>		<b>\$6.51</b>	<b>\$9.07</b>		<b>\$3.02</b>		
Market Trends Through	4/6/2021	5.0%	10.4%	0.1%		14.0%	
<b>Adjusted Land SF Unit Price</b>		<b>\$7.18</b>	<b>\$9.08</b>		<b>\$3.44</b>		
Location	New Market	New Market	15th Street/ SR 29		New Harvest Road		
% Adjustment		0%	-10%		25%		
\$ Adjustment		\$0.00	-\$0.91		\$0.86		
Land SF	39,812	39,813	13,225		73,616		
% Adjustment		0%	-5%		15%		
\$ Adjustment		\$0.00	-\$0.45		\$0.52		
Flood Zone	AH and X	Zone AH per FIRM 12021C 0145 H	Zone X per FIRM 12021C 0145 H		Primarily Zone X with AH per FIRM 12021C		
% Adjustment		0%	-5%		0%		
\$ Adjustment		\$0.00	-\$0.45		\$0.00		
Shape	Rectangular	Nearly rectangular	Square		Irregular		
% Adjustment		0%	0%		0%		
\$ Adjustment		\$0.00	\$0.00		\$0.00		
Zoning	I	I- Industrial District	C-4 General Commercial		I- Industrial		
% Adjustment		0%	-5%		0%		
\$ Adjustment		\$0.00	-\$0.45		\$0.00		
<b>Adjusted Land SF Unit Price</b>		<b>\$7.18</b>	<b>\$6.81</b>		<b>\$4.81</b>		
<b>Net Adjustments</b>		0.0%		-25.0%		40.0%	
<b>Gross Adjustments</b>		0.0%		25.0%		40.0%	

**Comparable Land Sale Adjustments**

**Property Rights**

All of the comparables transferred in fee simple interest; therefore, no adjustments for property rights are required.

**Financing**

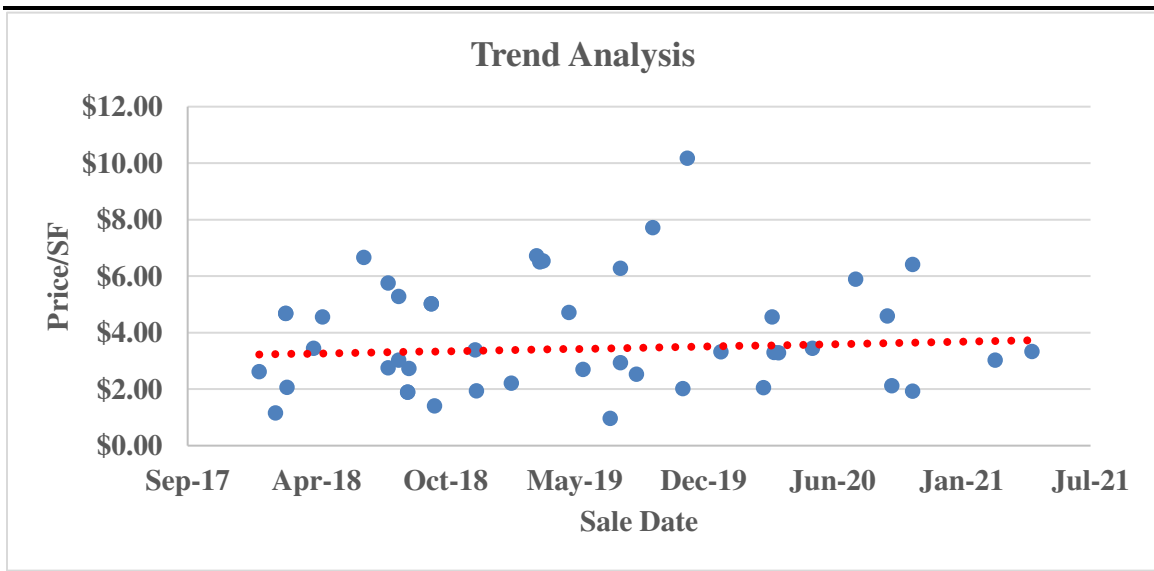
All of the comparable sales had market orientated financing or were cash transactions; therefore, no adjustments for financing are required.

**Conditions of Sale**

All of the comparable sales were arm’s length transactions; therefore, no adjustments for conditions of sale are required.

**Economic Trends**

The following graph developed from CoStar shows commercial and industrial land sales less than 3 acres in Immokalee, LaBelle and Lehigh Acres since January 1, 2018. Certain outliers were excluded.



The survey includes 46 sales. The sales range from 8,712 to 115,434 square feet and average 46,711 square feet. Sales prices ranged \$0.96 to \$10.17 per square foot and average \$3.89 psf. The trend indicates a stabilizing market between \$3.50 to \$4.00 per square foot. However, it is noted this is unadjusted raw data and does not relate directly to the subject.

The analyses and value opinion in this appraisal are based on the data available to the appraiser at the time of the assignment and apply only as of the effective date indicated. No analyses or opinions contained in this appraisal should be construed as predictions of future market conditions or value. As discussed, the trajectory of the Southwest Florida

economy will depend on how widely the virus spreads and how long containment policies like social distancing need to be maintained. As coronavirus vaccines begin to roll out, there is optimism for 2021 as the current market disruption could be short-term. The significant residential demand since the pandemic has generally stabilized the commercial market overall. There is an increased demand for the industrial sector and select retail and office properties.

Based on the previous analysis and considering the increased demand for industrial property, we have applied a 5.0% annual adjustment.

**Location**

The following table summarizes the population growth and average household income within a one mile radius. The CoStar commercial statistics include office, retail and industrial uses. Traffic counts are from Florida Dept. of Transportation. All comparables are located in Immokalee, like subject.

<b>Locational Adjustment - Site to Do Business (1 Mile Radius)</b>				
	<b>Subject</b>	<b>Comp 1</b>	<b>Comp 2</b>	<b>Comp 3</b>
<b>Address</b>	502 New Market Road East	510 New Market Road	423 N 15th Street	New Harvest Road
<b>City</b>	Immokalee	Immokalee	Immokalee	Immokalee
<b>2020 Population</b>	5,730	6,635	12,656	2,594
<b>2025 Population</b>	6,205	7,210	13,739	2,820
<b>% Change</b>	8.29%	8.67%	8.56%	8.71%
<b>Avg Household Income</b>	\$47,501	\$44,798	\$50,174	\$40,318
<b>CoStar Commercial Analysis (1 Mile Radius)</b>				
<b>Total Commercial SF</b>	1,805,080	1,805,080	501,232	1,570,081
<b>Average Rental Rates</b>	\$13.55	\$13.55	\$17.64	\$12.82
<b>Average Vacancy Rate</b>	0.1%	0.1%	5.3%	0.1%
<b>Traffic Count</b>				
<b>Street</b>	New Market	New Market	SR 29	Main Street
<b>Frontage</b>	Direct	Direct	Direct	Indirect
<b>Count</b>	12,100	12,100	17,000	9,300

Source: STDB Online, CoStar and Florida Department of Transportation

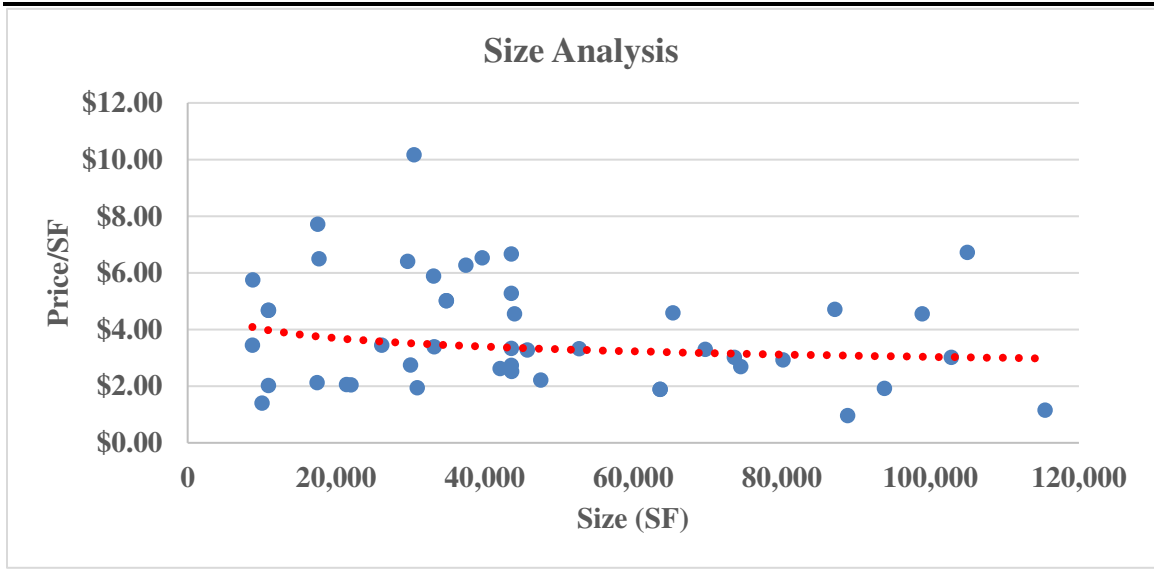
Comparable 1 is located directly south of subject and was purchased by the fire district. Population and market influences are similar to subject. Comparable 2 is located along State Road 29 in the heart of the retail district. It has superior traffic counts, demographics and rental rates. Comparable 3 is located in an industrial park. It has no direct frontage.



The comparables are evaluated and adjusted for accordingly.

**Size**

The following graph was developed using data from the trend analysis survey.



Size and price per square foot are typically inversely related; therefore comparable 3 is adjusted upward for its larger size while comparable 2 is adjusted downward for its smaller size.

**Flood Zone**

The subject and Comparables 1 and 3 are located within Flood Zone with some AH flood plains; therefore, no adjustments are required. Comparable 2 is adjusted for its X location.

**Configuration**

All of the comparables are relatively similar in terms of configuration; therefore, no adjustments are required.

**Zoning**

Comparables 1 and 3 are zoned Industrial, like subject. Comparable 3 is adjusted for its superior C-4 zoning.

**Sales Comparison Approach Conclusion – Land Valuation**

All of the value indications have been considered, and in the final analysis, comparables 1 and 2 have been given most weight in arriving at our final reconciled per square foot value of \$7.00.

<b>Land Value Ranges &amp; Reconciled Values</b>				
<b>Number of Comparables:</b>	<b>3</b>	<b>Unadjusted</b>	<b>Adjusted</b>	<b>% Δ</b>
	<b>Low:</b>	\$3.02	\$4.81	59.53%
	<b>High:</b>	\$9.07	\$7.18	-20.84%
	<b>Average:</b>	\$6.20	\$6.27	1.13%
<b>Reconciled Value/Unit Value:</b>			\$7.00	
<b>Subject Size:</b>			39,812	
<b>Indicated Value:</b>			\$278,684	
<b>Reconciled Final Value:</b>			<b>\$280,000</b>	

### Cost Analysis

The next step in the Cost Approach is to estimate the replacement cost of the buildings and site improvements.

### Replacement Cost

Replacement cost is the current cost to construct improvements with equivalent utility to the subject, using modern materials and current standards, design, and layout. The three components of replacement cost are: direct costs, indirect costs or soft costs, and entrepreneurial incentive.

### Direct Costs

Direct costs include materials, equipment, labor, and contractor's overhead and profit. The replacement cost of the building and site improvements are based on Marshall & Swift, a nationally recognized cost service.

### Indirect Costs / Soft Costs

Marshall & Swift includes several indirect costs such as architectural and engineering fees, and interest on the building loan during construction. We include an allowance the following soft costs which are not included in Marshall & Swift; taxes and carrying costs on the land during construction, legal and accounting fees, and marketing and finance costs prior to stabilization. We estimate an indirect cost allowance of 10.0% of building cost is appropriate.

### Entrepreneurial Incentive / 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 10% to 20%. We have not included any entrepreneurial incentive.

### 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**

Physical Deterioration results from deterioration from aging and use. This type of depreciation may be curable or incurable.

**Functional Obsolescence**

Functional Obsolescence results from a lack of utility or desirability due to design or market perception of the improvements. This type of depreciation may be curable or incurable.

**External Obsolescence**

External Obsolescence 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.

**Depreciation Accrued to the Subject**

<b>Depreciation: Section 1 of 1</b>					
<b>Component</b>	<b>Eff. Age</b>	<b>Life</b>	<b>Percent</b>		<b>Amount</b>
Physical Depreciation: Building	20	40	50%		\$763,305
Physical Depreciation: Site	8	20	40%		\$43,012
Functional Obsolescence Building .....			0%		\$0
External Obsolescence Building .....			0%		\$0
			<b>Total Depreciation</b>		<b>\$806,317</b>
			<b>Depreciated Value of Improvements</b>		<b>\$827,823</b>

**Cost Approach Conclusion**

Based on the analysis detailed on the following page, we have reconciled to a cost approach value of \$1,110,000 as of April 6, 2021.

Marshall & Swift	
<b>Cost Source:</b> Marshall & Swift	# 15: Offices, Medical & Public Buildings
<b>No. of Stories Multiplier:</b> 1.000	<b>Local Multiplier:</b> 0.920
<b>Height/Story Multiplier:</b> 1.000	<b>Current Cost Multiplier:</b> 1.110
<b>Perimeter Multiplier:</b> 1.000	<b>Combined Multipliers:</b> 1.021

Building Improvements					
Item	Unit Type	Cost	Quantity	Multiplier	Total
Fire Stations - Staffed (322)	Sq. Ft.	\$128.50	10,576	1.021	\$1,387,827
<b>Total Building Improvement Costs</b>					<b>\$1,387,827</b>
Price per SF Gross Building Area					\$131.22

Site Improvements					
Item	Unit Type	Cost	Quantity		Total
Site Preparation & Improvements	Sq. Ft.	\$0.90	39,812		\$35,831
Asphalt	Sq. Ft.	\$3.75	19,120		\$71,700
<b>Total Site Improvement Costs</b>					<b>\$107,531</b>
<b>Subtotal: Building &amp; Site Costs</b>					<b>\$1,495,358</b>
Price per SF Gross Building Area					\$141.39

Soft Costs			
Item		Percent Type	Total
Indirect Costs .....	10.0%	% of Building Cost	\$138,783
<b>Total Soft Costs</b>			<b>\$138,783</b>

Total Costs			
Subtotal: Building, Site & Soft Costs			\$1,634,141
Developer's Profit 0.0%			\$0
<b>Total Cost</b>			<b>\$1,634,141</b>
Price per SF Gross Building Area			\$154.51

Depreciation: Section 1 of 1					
Component	Eff. Age	Life	Percent		Amount
Physical Depreciation: Building	20	40	50%		\$763,305
Physical Depreciation: Site	8	20	40%		\$43,012
Functional Obsolescence Building .....			0%		\$0
External Obsolescence Building .....			0%		\$0
<b>Total Depreciation</b>					<b>\$806,317</b>
<b>Depreciated Value of Improvements</b>					<b>\$827,823</b>
Cost Per Square Foot Gross Building Area					\$78.27

Land Value	
Land Value .....	\$280,000
Other .....	\$0
<b>Cost Approach Value Indication</b>	
<b>Rounded \$1,110,000</b>	
Price per SF Gross Building Area \$104.95	

## **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.

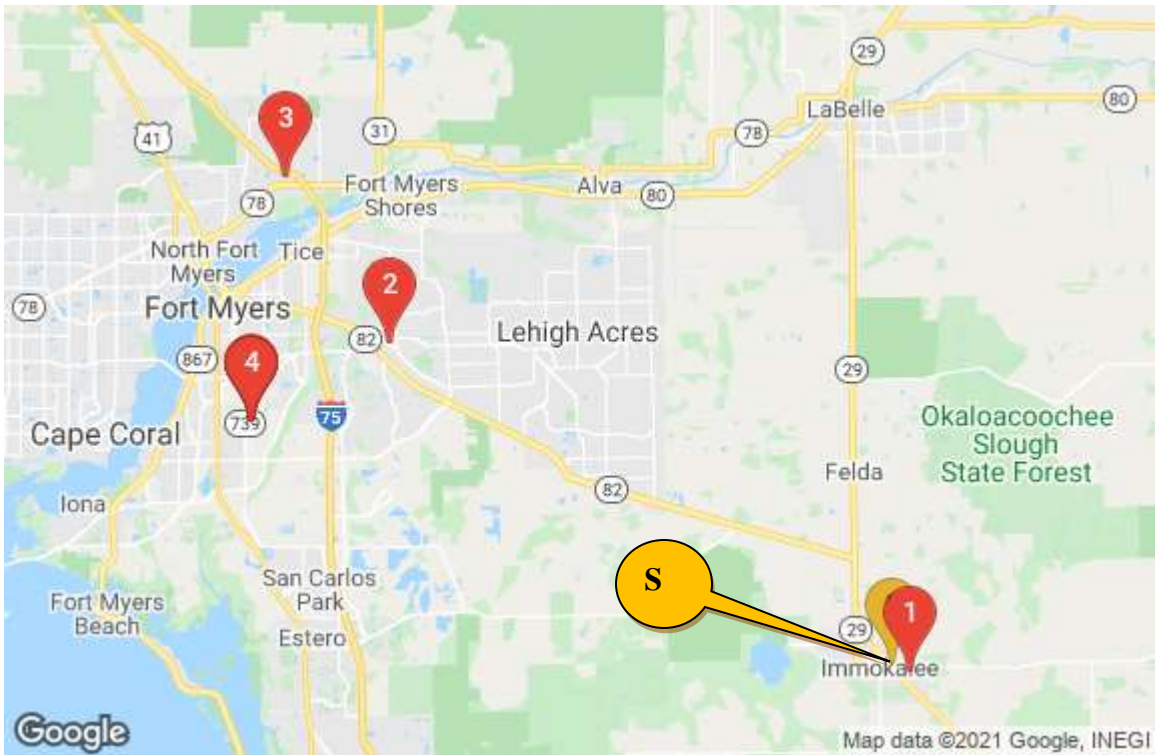
### **Comparables**

We have researched four comparables for this analysis. 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. For this analysis, we use the price per square foot as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis.

A survey using CoStar and SWFLA MLS indicated no recent realtor related sales of industrial grade properties in the Immokalee marketplace. There were several direct seller to buyer transactions but only one, Comparable 1, could be independently confirmed.

Comp	Address	Price	Price Per SF	
	City	Date	GLA	Comments
<b>Subject</b>	502 New Market Road East			
	Immokalee	4/6/2021	10,576	
<b>1</b>	2055 Global Drive	\$1,750,000	\$87.50	Property was not listed for sale. Property includes a 1,475 square foot mezzanine.
	Immokalee	9/4/2020	20,000	
<b>2</b>	5612 6th Street West	\$775,000	\$86.11	Property was originally built out for two tenants but was converted to single tenant use. The tenant was going bankrupt and they were also involved in the seller ownership. Buyer is an investor who used a 1031 exchange. Income and expense is estimated.
	Lehigh Acres	9/13/2019	9,000	
<b>3</b>	17600 East St	\$1,100,000	\$103.52	Masonry and metal construction fully sprinkled building. Currently owner occupied and buyer plans to occupy. The building can be demised into two units as separate water and electric metering is in place. Consists of 1,580/sf (15%) good quality office space and the remainder is insulated warehouse space serviced by 3 (10' x 12') overhead doors. There is a 2,500 SF (100' x 25') concrete slab with footers poured in the rear yard which can support a light-industrial storage building. Randy Krise, listing agent, thought the asking price of \$1.4 million was too high and suggested they list the property at \$1.1 MM. He expected the building to sell in the \$980,000 - \$1,050,000 range. He was able to get the buyers to submit an offer of \$1.1 MM after "encouragement" which he still considers above market, but is a sign of the limited supply and increased demand.
	North Fort Myers	2/26/2021	10,626	
<b>4</b>	11860 Lacy Lane	\$900,000	\$112.47	Listed at \$975,000 or \$121.88/psf. Also listed for lease at \$8.75 psf with a CAM of \$1.55 psf. This property has 2,040/sf (25.5%). Front office area includes 5 offices and a reception area on the street side. Rear area includes one office and reception. Building includes 4 restrooms. Remainder of the building is warehouse with 2 OH doors. Tenant was being evicted at time of sale. Buyer will be owner occupant.
	Fort Myers	11/30/2020	8,002	

### Comparables Map



### Analysis Grid

The above sales have been analyzed and compared with the subject property. We have considered adjustments in the areas of:

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<b>Effective Sale Price</b>	This takes into consideration unusual conditions involved in the sale that could affect the sales price, such as excess land, non-realty components, commissions, or other similar factors. Usually the sale price is adjusted for this prior to comparison to the subject.
<b>Real Property Rights</b>	Property rights dissimilar to the subject which affect value.
<b>Financing Terms</b>	Favorable or unfavorable seller financing, or assumption of existing financing.
<b>Conditions of Sale</b>	Circumstances that atypically motivate the buyer or seller, such as 1031 exchange transaction, assemblage, or forced sale.
<b>Market Conditions</b>	Inflation or deflation since sale date due to economic influences
<b>Location</b>	Market or submarket area influences on sale price; surrounding land use influences.
<b>Physical Characteristics</b>	Attributes such as size, shape, utilities, frontage, zoning, etc.
<b>Age/Condition</b>	Attributes such as size, shape, age, number of stories, etc.
<b>Economic Characteristics</b>	Material differences between the subjects' net operating income and the net operating income of the comparables on a per unit basis.

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On the following page is a sales comparison grid displaying the subject property, the comparables and the adjustments applied.



Analysis Grid		Comp 1		Comp 2		Comp 3		Comp 4	
Name	Immokalee Fire Station - New Market	2055 Global Drive	5612 6th Street West	17600 East St	11860 Lacy Lane				
Address	502 New Market Road East	2055 Global Drive	5612 6th Street West	17600 East St	11860 Lacy Lane				
City	Immokalee	Immokalee	Lehigh Acres	North Fort Myers	Fort Myers				
Date	4/6/2021	9/4/2020	9/13/2019	2/26/2021	11/30/2020				
Price		\$1,750,000	\$775,000	\$1,100,000	\$900,000				
GLA	10,576	20,000	9,000	10,626	8,002				
GLA Unit Price		\$87.50	\$86.11	\$103.52	\$112.47				
<b>Transaction Adjustments</b>									
Property Rights	Fee Simple	Fee simple	0.0%	Fee simple	0.0%	Fee Simple	0.0%	Leased fee	0.0%
Financing		Conventional	0.0%	Cash sale	0.0%	Conventional	0.0%	Cash sale	0.0%
Conditions of Sale		Arm's length	0.0%	Arm's length	0.0%	Arm's Length	0.0%	Arms length	0.0%
<b>Adjusted GLA Unit Price</b>		<b>\$87.50</b>	<b>\$86.11</b>	<b>\$103.52</b>	<b>\$112.47</b>				
Market Trends Through	4/6/2021	5.0%	2.9%	7.9%	0.5%	1.7%			
<b>Adjusted GLA Unit Price</b>		<b>\$90.04</b>	<b>\$92.94</b>	<b>\$104.06</b>	<b>\$114.40</b>				
Location	Immokalee	Immokalee	Lehigh Acres	North Fort Myers	Fort Myers				
% Adjustment		5%	5%	0%	0%				
\$ Adjustment		\$4.50	\$4.65	\$0.00	\$0.00				
GLA	10,576	20,000	9,000	10,626	8,002				
% Adjustment		0%	0%	0%	0%				
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00				
Year Built	1986	1994	2003	2006	2000				
% Adjustment		0%	-5%	-5%	-5%				
\$ Adjustment		\$0.00	-\$4.65	-\$5.20	-\$5.72				
Condition	Average	Average	Average	Good	Average				
% Adjustment		0%	0%	-5%	0%				
\$ Adjustment		\$0.00	\$0.00	-\$5.20	\$0.00				
% Office/% AC Area	68% 68%	2% 49%	23% 23%	15% 15%	25% 25%				
% Adjustment		15%	10%	15%	10%				
\$ Adjustment		\$13.51	\$9.29	\$15.61	\$11.44				
Land to Building Ratio	3.76 to 1	5.49:1	4.71:1	4.19:1	5.19:1				
% Adjustment		-5%	0%	0%	0%				
\$ Adjustment		-\$4.50	\$0.00	\$0.00	\$0.00				
<b>Adjusted GLA Unit Price</b>		<b>\$103.55</b>	<b>\$102.24</b>	<b>\$109.26</b>	<b>\$120.12</b>				
<b>Net Adjustments</b>		15.0%	10.0%	5.0%	5.0%				
<b>Gross</b>		25.0%	20.0%	25.0%	15.0%				

**Comparable Sale Adjustments**

**Property Rights**

All of the comparables transferred in fee simple or leased fee interest at market rates; therefore, no adjustment for property rights is required.

**Financing**

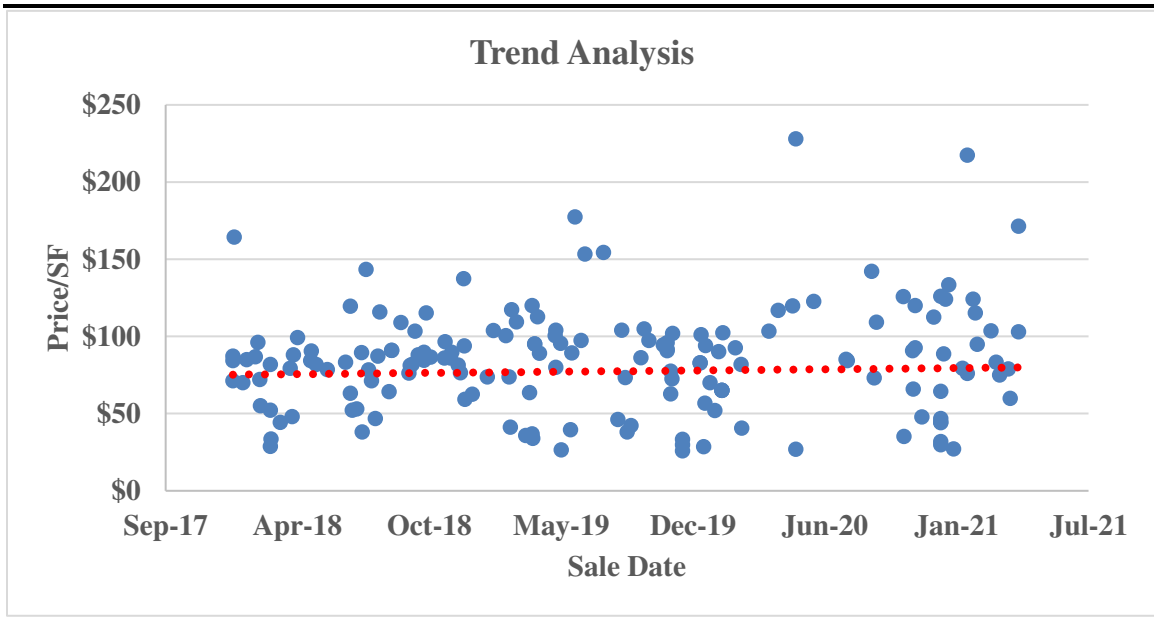
All of the comparable sales had market orientated financing or were cash transactions; therefore, no adjustments for financing are required.

**Conditions of Sale**

All of the comparable sales were arm’s length transactions; therefore, no adjustments for conditions of sale are required.

**Economic Trends**

The following graph developed from CoStar shows industrial sales since January 1, 2018. The area analysis includes Fort Myers, Immokalee, Labelle, Lehigh Acres and North Fort Myers. The survey includes properties ranging from 5,000 to 50,000 square feet. The properties were built between 1960 to 2000. Certain outliers were excluded.



The survey included 167 transactions. The sales ranged from 5,035 to 43,800 square feet and averaged 12,470 square feet. Prices per square foot ranged from \$22.43 to \$227.92 per square foot and averaged \$84.02 psf. Year Built ranged from 1962 to 2009 and averaged 1991. The trend indicates a relatively level corridor in sales prices from January 2018 through the current date. However, it is noted this is unadjusted raw data and does not relate directly to the subject.

The analyses and value opinion in this appraisal are based on the data available to the appraiser at the time of the assignment and apply only as of the effective date indicated. No analyses or opinions contained in this appraisal should be construed as predictions of future market conditions or value. As discussed, the trajectory of the Southwest Florida economy will depend on how widely the virus spreads and how long containment policies like social distancing need to be maintained. As coronavirus vaccines begin to roll out, there is optimism for 2021 as the current market disruption could be short-term. The significant residential demand since the pandemic has generally stabilized the commercial market overall. There is an increased demand for the industrial sector and select retail and office properties.

Based on the previous analysis and considering the increased demand for industrial property, we have applied a 5.0% annual adjustment.

**Location**

The following table summarizes the population growth and average household income within a one mile radius. The CoStar commercial statistics include office and industrial uses. Traffic counts are from Florida Dept. of Transportation.

<b>Locational Adjustment - Site to Do Business (1 Mile Radius)</b>					
	<b>Subject</b>	<b>Comp 1</b>	<b>Comp 2</b>	<b>Comp 3</b>	<b>Comp 4</b>
<b>Address</b>	502 New Market Road East	2055 Global Drive	5612 6th Street West	17600 East St	11860 Lacy Lane
<b>City</b>	Immokalee	Immokalee	Lehigh Acres	North Fort Myers	Fort Myers
<b>2020 Population</b>	5,730	2,040	5,512	791	4,186
<b>2025 Population</b>	6,205	2,183	6,128	1,331	4,689
<b>% Change</b>	8.29%	7.01%	11.18%	68.27%	12.02%
<b>Avg Household Income</b>	\$47,501	\$38,716	\$67,843	\$88,778	\$76,748
<b>CoStar Commercial Analysis (1 mile radius)</b>					
<b>Total Industrial SF</b>	1,402,578	986,594	1,034,508	874,233	4,110,796
<b>Average Rental Rates</b>	\$11.48	\$10.84	\$8.20	\$8.21	\$8.98
<b>Average Vacancy Rate</b>	0.0%	0.0%	14.5%	0.0%	1.4%
<b>Total Office SF</b>	61,837	6,473	28,327	5,598	285,349
<b>Average Rental Rates</b>	\$23.15	\$21.89	\$16.40	\$17.78	\$20.29
<b>Average Vacancy Rate</b>	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Traffic Count</b>					
<b>Street</b>	New Market	Main	Lee Blvd.	Bayshore	Plantation
<b>Frontage</b>	Direct	Indirect	Indirect	Indirect	Indirect
<b>Count</b>	12,100	9,300	40,000	25,500	14,100

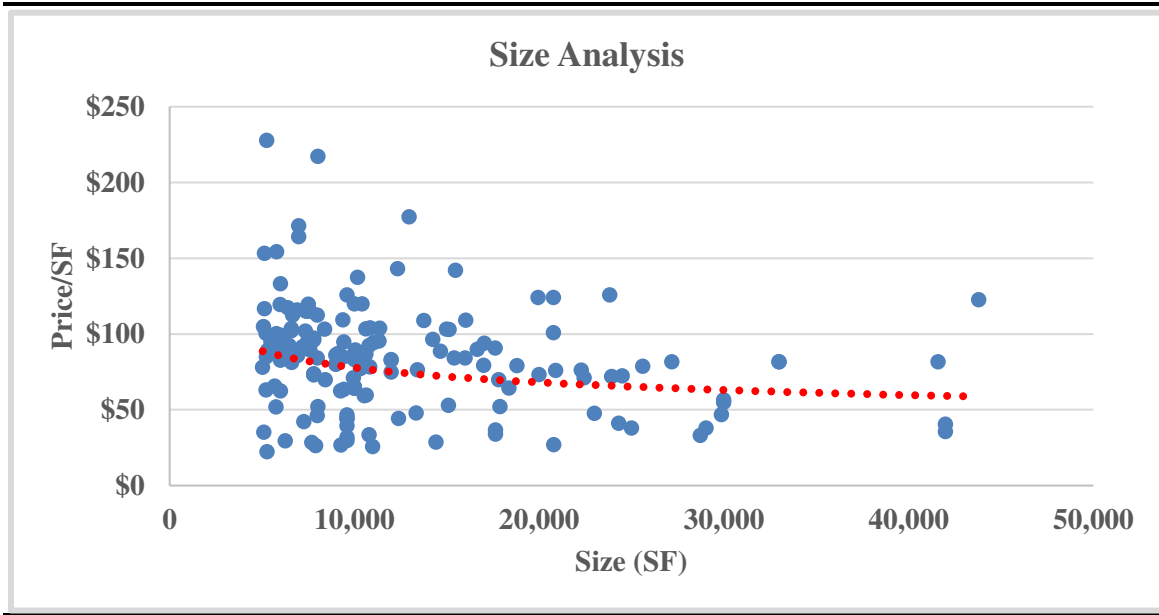
Source: STDB Online, CoStar and Florida Department of Transportation

Comparable 1 is located in Immokalee, like subject. Comparable 2 is located in nearby Lehigh Acres. Comparable 3 is located in North Fort Myers while Comparable 4 is located in Fort Myers. Comparable 3 has quick access to I-75. The subject has the highest population count but the second lowest household incomes. The Immokalee location has higher rents. The subject property also has direct frontage on a primary arterial.

The comparables are evaluated and adjusted for accordingly.

**Physical Characteristics**

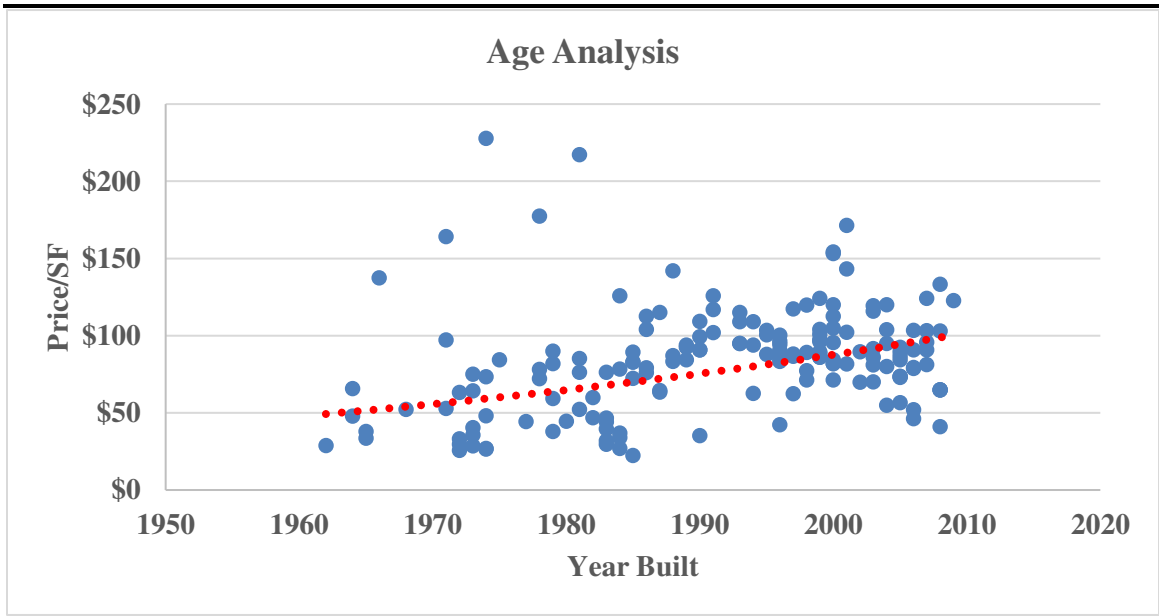
This adjustment reflects differences in attributes such as size, shape, number of stories, etc. The following was developed with data from the Trend Analysis.



Comparable 1 includes coolers and covered canopy in its gross leasable area. Additionally, it has mezzanine space. No adjustment was employed. For this analysis, all of the comparable sales are relatively similar in terms of size; therefore, no adjustments are required.

**Age**

This adjustment reflects differences in age and condition. The following was developed with data from the Trend Analysis.



For this analysis, comparables 2, 3, and 4 are adjusted downward for their newer age.

Comparable 3 was in good condition and is adjusted downward additionally.

### Percent Office /Air Conditioning

This adjustment reflects differences in build out or condition of the interior; i.e. percentage of office or AC space. Approximately 68% of the subject building is finished out office area and 0% of the warehouse area is air conditioned for a total of 68% of the building being air conditioned area. Marshall Valuation Service estimates that the cost to finish out office area in a warehouse is \$56.50/sf and the cost to air condition a warehouse is \$8.13/sf. The following chart summarizes the calculations upon which the adjustments were made. It is noted that this chart does not include factors such as differences in quality of finish out, depreciation or size differentials, etc. This has been taken into consideration in the concluded adjustment.

	Subject	Comp 1	Comp 2	Comp 3	Comp 4
<b>SF</b>	10,576	20,000	9,000	10,626	8,002
<b>SF/Office</b>	7,200	350	2,083	1,580	2,040
<b>% Office</b>	68%	2%	23%	15%	25%
<b>% Office Cost of Building Cost</b>	43%	2%	21%	14%	22%
<b>% Difference</b>		41%	23%	29%	21%
<b>Sale Price \$ Adjustment</b>		\$36.15	\$19.52	\$29.99	\$23.67
<b>% Adjustment Office</b>		41%	23%	29%	21%
<b>SF/Warehouse</b>	3,376	19,650	6,917	9,046	5,962
<b>SF/Warehouse AC</b>	0	9,375	0	0	0
<b>% of Warehouse AC</b>	0%	48%	0%	0%	0%
<b>% AC Whse Cost of Building Cost</b>	0%	7%	0%	0%	0%
<b>% Difference</b>		-7%	0%	0%	0%
<b>Sale Price \$ Adjustment</b>		-\$6.03	\$0.00	\$0.00	\$0.00
<b>% Adj Whse</b>		-7%	0%	0%	0%
<b>Total Indicated Adjustment</b>		34%	23%	29%	21%
<b>Concluded Adjustment</b>		15%	10%	15%	10%

### Land to Building Ratio

This adjustment category generally reflects material differences between the size of the land and the size of the building. The subject land to building ratio is 3.76 to 1 and the comparables are different to various degrees. Because of the shortage of land, the size of the supporting land will have an impact on overall value of an improved property. The following chart summarizes the calculations upon which the adjustments were made. It is noted that this chart does not include factors such as location of building on the site; usability of the unimproved land; overall sizes of site and improvements; etc. These factors have been taken into consideration in the concluded adjustments.

	<b>Subject</b>	<b>Sale 1</b>	<b>Sale 2</b>	<b>Sale 3</b>	<b>Sale 4</b>
Sale Price		\$1,750,000	\$775,000	\$1,100,000	\$900,000
Bldg/sf	10,576	20,000	9,000	10,626	8,002
Lot size/sf	39,812	109,771	42,400	44,528	41,548
Land to Bldg Ratio	3.76 to 1	5.49:1	4.71:1	4.19:1	5.19:1
Land needed to equal subject					
Land to Bldg Ratio		75,287	33,879	40,000	30,123
Difference/Land/SF		-34,484	-8,521	-4,528	-11,425
Value of difference		-\$241,385	-\$59,645	-\$31,694	-\$79,978
% of Sale Price		-14%	-8%	-3%	-9%
Concluded Adjustment		-5%	0%	0%	0%

**Sales Comparison Approach Conclusion**

All of the value indications have been considered in arriving at our final reconciled per square foot value of \$110.00.

<b>Value Ranges &amp; Reconciled Values</b>				
<b>Number of Comparables:</b>	<b>4</b>	<b>Unadjusted</b>	<b>Adjusted</b>	<b>% Δ</b>
	<b>Low:</b>	\$86.11	\$102.24	18.72%
	<b>High:</b>	\$112.47	\$120.12	6.80%
	<b>Average:</b>	\$97.40	\$108.79	11.69%
<b>Reconciled Value/Unit Value:</b>			\$110.00	
<b>Subject Size:</b>			10,576	
<b>Indicated Value:</b>			\$1,163,360	
<b>Reconciled Final Value:</b>			<b>\$1,160,000</b>	

## RECONCILIATION

The process of reconciliation involves the analysis of each approach to value. The quantity and 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

<b>Cost Approach:</b>	\$1,110,000
<b>Sales Comparison Approach:</b>	\$1,160,000
<b>Income Approach:</b>	Not developed

### Cost Approach

A cost analysis was considered and was developed because a typical buyer does utilize this valuation technique for build-to-suit and special purpose properties such as subject.

### Sales Comparison Approach

The sales comparison approach is most reliable in an active market when an adequate quantity and quality of comparable sales data are available. Typically, this is the most relevant method for owner-user properties, because it directly considers the prices of alternative properties with similar utility for which potential buyers would be competing.

The subject property is a fire station with administrative headquarters. The adaptive reuse is as office space with industrial component. The analysis and adjustment of the sales provides a reasonably narrow range of value indications. This approach is given primary weight.

### Income Approach

The income approach is usually given greatest weight when evaluating investment properties. An owner/user is the most likely purchaser of the appraised property, and a typical owner/user would not place greatest reliance on this analysis. For these reasons, the income approach is not considered.

**Value Conclusion**

Based on the data and analyses developed in this appraisal, we have reconciled to the following value conclusion(s), as of April 6, 2021, subject to the Limiting Conditions and Assumptions of this appraisal.

VALUE CONCLUSIONS			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value, As Is	Fee Simple	April 6, 2021	\$1,150,000

**Significant Factor**

*The world, including the United States, is in the midst of a health crisis since early 2020 due to the rise of COVID 19. The global outbreak was officially declared a pandemic by the World Health Organization (WHO). The analyses and value opinion(s) in this appraisal are based on the data available to the appraiser at the time of the assignment and apply only as of the effective date indicated. No analyses or opinions contained in this appraisal should be construed as predictions of future market conditions or value(s).*

The value conclusion(s) are subject to the following hypothetical conditions and extraordinary conditions. These conditions may affect the assignment results.

Hypothetical Conditions:	None.
Extraordinary Assumptions:	None.

**Exposure and Marketing Times**

Exposure time is always presumed to precede the effective date of the appraisal and is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Marketing time is an estimate of the amount of time it might take to sell a property at the estimated market value immediately following the effective date of value.

Based on our review of recent sales transactions for similar properties and our analysis of supply and demand in the local market it is our opinion that the probable marketing and exposure time for the property is 18-24 months.



## 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, unbiased professional analyses, opinions and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and have no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. 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.
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 & Standards of Professional Appraisal Practice of the Appraisal Institute.
8. My reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. K. C. Lowry, MAI, CPA has made an inspection of the subject property. Rachel M. Zucchi, MAI, CCIM has not made an inspection of the subject property.
11. No one provided significant real property appraisal assistance to the person signing this certification.
12. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.

13. This appraisal is not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
14. We have not relied on unsupported conclusions relating to characteristics such as race, color, religion, national origin, gender, marital status, familial status, age, receipt of public assistance income, handicap, or an unsupported conclusion that homogeneity of such characteristics is necessary to maximize value.
15. K. C. Lowry, MAI, CPA and Rachel M. Zucchi, MAI, CCIM have appraised this property in the three years prior to accepting this assignment. We appraised the property on September 13, 2018 for the Immokalee Fire Control District.
16. As of the date of this report, K. C. Lowry, MAI, CPA and Rachel M. Zucchi, MAI, CCIM have completed the continuing education program for Designated Members of the Appraisal Institute.



**K. C. Lowry, MAI, CPA**

Florida State-Certified General Real Estate Appraiser RZ #2355  
klowry@rklac.com; Phone 239-596-0800 Ext. 202



**Rachel M. Zucchi, MAI, CCIM**

Florida State-Certified General Real Estate Appraiser RZ #2984  
rzucchi@rklac.com; Phone 239-596-0800 Ext. 203

## ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is based on the following assumptions, except as otherwise noted in the report.

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal is subject to the following limiting conditions, except as otherwise noted in the report.

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be

- scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
  8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.
  9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
  10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.
  11. Information, estimates and opinions contained in the report, obtained from third-party sources are assumed to be reliable and have not been independently verified.
  12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
  13. 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.
  14. 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.
  15. 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.
  16. 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.

17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
18. The *Americans with Disabilities Act (ADA)* became effective January 26, 1992. We have not made a specific survey or analysis of any 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. A 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.
19. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property and the person signing the report shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
21. The person signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
22. RKL Appraisal and Consulting, PLC is not a building or environmental inspector. RKL Appraisal and Consulting, PLC does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.

23. The appraisal report and value conclusion for an appraisal assumes the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
24. The intended use of the appraisal is stated in the General Information section of the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
25. All prospective value estimates presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

## **ADDENDA**

## **ADDENDUM A**

# **APPRAISER QUALIFICATIONS**





## **RKL Appraisal and Consulting, PLC**

### **COMPANY PROFILE:**

RKL Appraisal and Consulting, PLC was founded in 2009 by three designated Members of the Appraisal Institute. It is our mission to maximize our combined appraisal experience to provide our clients with the highest quality of Real Estate Appraisal and Consulting Services.

**Rachel M. Zucchi, MAI, CCIM**  
Partner / Managing Director  
rzucchi@rklac.com

**K.C. Lowry, MAI, CPA**  
Partner  
klowry@rklac.com

**Louis C. Bobbitt, MAI**  
Senior Partner (Retired)  
lbobbitt@rklac.com

### **BUSINESS FOCUS:**

Practice is focused on community/neighborhood shopping centers, retail and office buildings, industrial warehouse/distribution buildings, residential and commercial condominium and subdivision projects, hotels and motels, vacant land and special purpose properties. Specialized services include appraisal review, business valuations, market feasibility studies, acquisition/disposition counseling, and litigation support in connection with real estate transactions including bankruptcy, eminent domain, estate valuations, and matrimonial and equitable distribution. Clients served include banks and financial institutions, developers and investors, law firms, government, and property owners.

**PROFESSIONAL QUALIFICATIONS OF  
KENNETH C. LOWRY, MAI, CPA**

<b>REAL ESTATE EXPERIENCE:</b>	<p><b>RKL APPRAISAL AND CONSULTING, PLC</b> Naples, Florida Partner (2009 – Present)</p> <p><b>INTEGRA REALTY RESOURCES – SOUTHWEST FLORIDA - NAPLES</b> Naples, Florida Senior Real Estate Analyst (1996 – 2009)</p> <p><b>STEVEN GRAVES ASSOCIATES</b> Greenwood, Indiana Fee Appraiser (1994 – 1996)</p> <p><b>AVL APPRAISAL SERVICES, INC.</b> Greenwood, Indiana Appraiser/Vice President (1991 – 1996)</p> <p><b>AMERICAN COMMUNITY DEVELOPMENT CORPORATION</b> Indianapolis, Indiana Controller (1990 – 1991)</p> <p><b>MANSUR DEVELOPMENT, INC.</b> Indianapolis, Indiana Senior Accountant (1988 – 1990)</p>
<b>PROFESSIONAL ACTIVITIES:</b>	<p>Member: Appraisal Institute – MAI Certificate No. 12501</p> <p>Licensed: Florida State Certified General Real Estate Appraiser License No. RZ 2355</p> <p>Licensed: Indiana State – Certified Public Accountant #CPO8800355</p>
<b>EXPERT WITNESS:</b>	<p>Qualifies as an expert witness in the Twentieth Judicial Circuit Court of Collier County, Lee County, and Charlotte County</p>
<b>EDUCATION:</b>	<p>Bachelor of Science-1981; Indiana University–Bloomington; School of Business; Accounting Major.</p> <p>Successfully completed numerous real estate and business valuation courses and seminars sponsored by the Appraisal Institute, Institute of Business Appraisers, accredited universities and others.</p>
<b>BUSINESS FOCUS:</b>	<p>Actively engaged in real estate valuation and consulting since the early 1990’s. Practice is focused on community/neighborhood shopping centers, power centers, office buildings, warehouse/distribution, multi-family, condominium projects, hotels and motels, vacant land and special purpose properties. Specialized services include appraisals, business valuations, market feasibility studies, and litigation support in connection with real estate transactions. Clients served include banks and financial institutions, developers and investors, law firms, business/industry and government, and mortgage bankers. Valuations have been performed for condemnation purposes, estate, financing, and due diligence support.</p>

Ron DeSantis, Governor Halsey Beshears, Secretary



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

**FLORIDA REAL ESTATE APPRAISAL BD**

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



**LOWRY, KENNETH C**  
4500 EXECUTIVE DRIVE, SUITE 300  
NAPLES FL 34119

**LICENSE NUMBER: RZ2355**

**EXPIRATION DATE: NOVEMBER 30, 2022**

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**PROFESSIONAL QUALIFICATIONS OF  
Rachel M. Zucchi, MAI, CCIM**

<b>EXPERIENCE:</b>	<p><b>Partner / Managing Director of RKL Appraisal and Consulting, PLC</b> Naples, FL (2009 – Present)</p> <p><b>President of D&amp;R Realty Group, Inc.</b> Naples, FL (2009 – Present)</p> <p><b>Senior Real Estate Analyst, Integra Realty Resources – Southwest Florida</b> Naples, FL (2003 – 2009)</p> <p><b>Research Associate, Integra Realty Resources – Southwest Florida</b> Naples, FL (2002-2003)</p>
<b>PROFESSIONAL ACTIVITIES:</b>	<p>Member: Appraisal Institute – MAI Certificate Number 451177</p> <p>President Appraisal Institute Florida Gulf Coast Chapter (2020)</p> <p>Vice President Appraisal Institute Florida Gulf Coast Chapter (2019)</p> <p>Secretary / Treasurer: Appraisal Institute Florida Gulf Coast Chapter (2017 / 2018)</p> <p>Region X Representative: Appraisal Institute Florida Gulf Coast Chapter (2017 - 2020)</p> <p>Board of Directors: Appraisal Institute Florida Gulf Coast Chapter (2015 &amp; 2016)</p> <p>LDAC Attendee: Leadership Development &amp; Advisory Council Appraisal Institute - Washington, D.C. (2016, 2017, 2018)</p> <p>Member: CCIM Institute - CCIM Designation Pin Number 21042</p> <p>Member: Naples Area Board of REALTORS</p> <p>Licensed: Florida State Certified General Real Estate Appraiser License No. RZ 2984</p> <p>Licensed: Real Estate Broker (Florida) License No. BK3077672</p>
<b>EXPERT WITNESS:</b>	<p>Qualified as an expert witness in the Twentieth Judicial Circuit Court of Collier County and Lee County</p>
<b>EDUCATION:</b>	<p>Bachelor of Arts Major in Economics Florida Gulf Coast University, 2002 Graduated Magna Cum Laude Honor Society, Key Club, Phi Eta Sigma Presented at Eastern Economic Association Conference</p> <p>Successfully completed real estate and valuation courses and seminars sponsored by the Appraisal Institute and others.</p>
<b>BUSINESS FOCUS:</b>	<p>Actively engaged in real estate valuation and consulting since 2003. Practice is focused on community/neighborhood shopping centers, retail and office buildings, industrial warehouse/distribution, multi-family and single family subdivisions, condominium developments, hotels/motels, vacant land and special purpose properties. Specialized services include market feasibility studies and litigation support in connection with real estate transactions. Clients served include banks and financial institutions, developers and investors, law firms, government, and property owners. Valuations have been performed for eminent domain, bankruptcy, estate, matrimonial/equitable distribution, financing, and due diligence support.</p>



Ron DeSantis, Governor

Halsey Beshears, Secretary



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**DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

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4500 EXECUTIVE DRIVE  
SUITE 300  
NAPLES FL 34119

**LICENSE NUMBER: RZ2984**

**EXPIRATION DATE: NOVEMBER 30, 2022**

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



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## **ADDENDUM B**

# **FINANCIALS AND PROPERTY INFORMATION**

# Collier County Property Appraiser Property Summary

Parcel No	00120400001	Site Address <u>*Disclaimer</u>	502 NEW MARKET RD E	Site City	IMMOKALEE	Site Zone <u>*Note</u>	34142
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Name / Address	IMMOKALEE FIRE CONTROL DIST						
	502 NEW MARKET RD E						
City	IMMOKALEE	State	FL	Zip	34142-3804		

Map No.	Strap No.	Section	Township	Range	Acres <u>*Estimated</u>
2E03	000100 040 2E03	3	47	29	0.91

Legal	3 47 29 ALL THAT PORTION OF FOLLOWING DESC PROPERTY LYING N OF NLY LI OF EASEMENT DESC IN OR 798-592, OR 1618 PG 1784
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<u>Millage Area</u> ①	5	<u>Millage Rates</u> ① <u>*Calculations</u>		
Sub./Condo	100 - ACREAGE HEADER	School	Other	Total
<u>Use Code</u> ①	86 - COUNTIES INCLUDING NON-MUNICIPAL GOV.	5.016	9.6815	14.6975

### Latest Sales History

(Not all Sales are listed due to Confidentiality)

Date	Book-Page	Amount
05/24/91	1618-1784	\$ 380,000
05/01/91	1618-1783	\$ 0

### 2020 Certified Tax Roll

(Subject to Change)

Land Value	\$ 79,624
(+) Improved Value	\$ 362,620
(=) Market Value	\$ 442,244
(=) Assessed Value	\$ 442,244
(-) School Taxable Value	\$ 0
(=) Taxable Value	\$ 0

If all Values shown above equal 0 this parcel was created after the Final Tax Roll

2020 Paid Collier County Notice of Ad Valorem Taxes and Non-Ad Valorem Assessments

If Paid By	Apr 30, 2021				
Please Pay	\$0.00				

Parcel Number	Legal Description	Mill Code	Escrow Code
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00120400001	3 47 29 ALL THAT PORTION OF FOLLOWING DESC PROPERTY LYING N OF NLY LI OF EASEMENT DESC IN OR 798-592 Continued (See Tax Roll)	5	
	<p><b>Pay in U.S. Funds Drawn on a U.S. Bank To:</b>                  Collier County Tax Collector                  3291 E. Tamiami Trail                  Naples, FL 34112-5758</p> <p>POST DATED CHECKS ARE NOT ACCEPTED AND WILL BE RETURNED                  Visit our website: <a href="http://www.colliertaxcollector.com">www.colliertaxcollector.com</a></p>	IMMOKALEE FIRE CONTROL DIST 502 NEW MARKET RD E IMMOKALEE, FL 34142-3804	

Assessed Value	District	Mill Rate	Assessed Value	Exempt Amt	Taxable Value	Tax Amount
442,244	GENERAL FUND	3.5645	442,244	442,244	0	0.00
	WATER MANAGEMENT FUND-SOUTH	0.1103	442,244	442,244	0	0.00
	BIG CYPRESS BASIN	0.1152	442,244	442,244	0	0.00
Exemptions	SCHOOL BOARD - STATE LAW	2.7680	442,244	442,244	0	0.00
Government property	SCHOOL BOARD - LOCAL BOARD	2.2480	442,244	442,244	0	0.00
	COLLIER COUNTY LIGHTING	0.1391	442,244	442,244	0	0.00
	COLLIER MOSQUITO CONTROL	0.1662	442,244	442,244	0	0.00
	IMMOKALEE FIRE	3.7500	442,244	442,244	0	0.00
	UNINCORP GEN - MSTD	0.8069	442,244	442,244	0	0.00
	C.C. WATER POLLUTION CTRL PGM	0.0293	442,244	442,244	0	0.00
	IMMOKALEE BEAUTIFICATION MSTU	1.0000	442,244	442,244	0	0.00

<b>Millage Total</b>	14.6975	<b>Total Ad Valorem</b>	\$0.00
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Pay your current taxes online at: <a href="http://www.colliertaxcollector.com/">http://www.colliertaxcollector.com/</a>	Non-Ad Valorem District	Type of Assessment	Amount
<b>Non-Ad Valorem Total</b>			\$0.00
<i>See reverse side for important information</i>	<b>Combined Ad Valorem and Non-Ad Valorem Total</b>		\$0.00

(Detach and Return with your Payment)

2020 Paid Collier County Notice of Ad Valorem Taxes and Non-Ad Valorem Assessments

If Paid By	Apr 30, 2021				
Please Pay	\$0.00				

Parcel Number	Mill Code	Escrow Code
---------------	-----------	-------------

00120400001	5	
Legal Description 3 47 29 ALL THAT PORTION OF FOLLOWING DESC PROPERTY LYING N OF NLY LI OF EASEMENT DESC IN OR 798-592 Continued (See Tax Roll)	IMMOKALEE FIRE CONTROL DIST 502 NEW MARKET RD E IMMOKALEE, FL 34142-3804	
<b>Amount Paid to Date: 0.00</b>		

*Rob Stoneburner*

Please Retain this portion for your records



See # 2187

01483199

MAY 21 1991

This Instrument Prepared by:  
Philip L. Burnett, P.A.  
P.O. Box 2255  
Ft. Myers, FL 33902

COLLIER COUNTY

RECORDED

Property Appraisers Parcel #

REC 5.00  
PRM 7.00  
DOC 15.00  
INT  
TND

618

101781

Grantee's Tax I.D. #  
59-2198877

OR BOOK

PAGE

380,000

WARRANTY DEED

THIS INDENTURE, made this 21<sup>st</sup> day of May, 1991, between WILLIAM C. PADGETT, of Walterboro, State of South Carolina, Grantor, and IMMOKALEE FIRE CONTROL DISTRICT, whose post office address is 1107 Carson Road, Post Office Box 5031, Immokalee, Florida, 33934, Grantee.

WITNESSETH, that said Grantor, for and in consideration of the sum of TEN (\$10.00) AND 00/100 DOLLARS, and other good and valuable consideration to said Grantor in hand paid by said Grantee, the receipt and sufficiency whereof are hereby acknowledged, has granted, bargained and sold to the said Grantee, and Grantee's heirs and assigns forever, the following described land, situate, lying and being in Collier County, Florida, to-wit:

All that portion of the following described property lying North of the Northerly line of that Grant of Easement described in O.R. Book 798, Page 592, Public Records of Collier County, Florida:

Beginning at the point of intersection of the Northerly and Easterly Right-of-way lines of Newmarket Road, which point is Northeasterly of Lot 2, Block 56 of the recorded Plat of Newmarket Subdivision as recorded in Plat Book 1, at Page 105 of the Public Records of Collier County, Florida; thence N 88°50'22" E 245.9 feet; thence S 2°10'38" E along the West bank of Airport Canal 460.76 feet to the point of curve; thence along the arc of a curve to the left with a central angle of 88°59' a radius of 45.00 feet and a chord bearing of N 46°40'08" W chord distance of 63.08 feet, an arc distance of 69.89 feet to Point of Tangent; thence S 88°50'22" W 208.17 feet to the Easterly Right-of-Way Line of Newmarket Road; thence N 1°09'38" W along said Right-of-Way Line 415 feet to Point of Beginning. Lying and being in Section 3, Township 47 South, Range 29 East, Collier County, Florida.

THIS IS NOT AND HAS NEVER BEEN THE HOMESTEAD OF THE HEREIN GRANTOR.

And the said Grantor does hereby fully warrant the title to said land, and will defend the same against the lawful claims of all persons whomever.

IN WITNESS WHEREOF, Grantor has hereunto set her hand and seal the day and year first above written.

Signed, sealed and delivered in our presence:

Ruth King  
Witness

J. M. Stabel  
Witness

William C. Padgett  
WILLIAM C. PADGETT

Received \$ 2090.00 Documentary Stamp Tax  
Received \$ N/A Class "C" Intangible Personal Property Tax

STATE OF SOUTH CAROLINA )  
COUNTY OF Colleton )

COLLIER COUNTY CLERK OF COURTS  
BY Shelley Strobel D.C.

I HEREBY CERTIFY that on this day before me, an officer duly qualified to take acknowledgements, personally appeared WILLIAM C. PADGETT, to me known to be the person described in and who executed the foregoing instrument and he acknowledged before me that he executed the same.

WITNESS my hand and official seal in the County and State last aforesaid this 21<sup>st</sup> day of May, 1991.

Shelley Strobel  
NOTARY PUBLIC

My Commission Expires:  
November 21, 1998

NOTARY PUBLIC  
COLLIER COUNTY, FLORIDA  
JANET L. JAMES, CLERK

**ADDENDUM C**

**COMPARABLE DATA**

## Land Sale No. 1



### Property Identification

<b>Record ID</b>	1133
<b>Property Type</b>	Industrial, Commercial site
<b>Property Name</b>	510 New Market Road
<b>Address</b>	510 New Market Road, Immokalee, Collier County, Florida 34142
<b>Location</b>	Southeast corner of New Market Road and Airport Access
<b>Tax ID</b>	00115720000
<b>Latitude N1</b>	26°25'16.16"N
<b>Longitude N1</b>	81°24'37.49"W
<b>MSA</b>	Naperville
<b>Market Type</b>	Suburban

### Sale Data

<b>Grantor</b>	Guadalupe & Maribel Herrera
<b>Grantee</b>	Immokalee Fire Control District
<b>Sale Date</b>	March 27, 2019
<b>Deed Book/Page</b>	Instr. 5692649
<b>Property Rights</b>	Fee simple
<b>Conditions of Sale</b>	Arm's length
<b>Financing</b>	Cash sale
<b>Sale History</b>	None in last 3 years
<b>Verification</b>	Chief Michael Choate; (239) 657-2111, March 16, 2018; Other sources: Appraisal and public records, Confirmed by Louis Bobbitt

<b>Sale Price</b>	\$259,000
<b>Cash Equivalent</b>	\$259,000

## **Land Sale No. 1 (Cont.)**

### **Land Data**

<b>Zoning</b>	I- Industrial District, Industrial
<b>Topography</b>	Level at grade
<b>Utilities</b>	All public
<b>Shape</b>	Nearly rectangular
<b>Landscaping</b>	Cleared
<b>Flood Info</b>	Zone AH per FIRM 12021C 0145 H
<b>Depth</b>	250

### **Land Size Information**

<b>Gross Land Size</b>	0.914 Acres or 39,813 SF
<b>Front Footage</b>	410 ft Total Frontage: 160 ft New Market Road; 250 ft Airport Access Road;

### **Indicators**

<b>Sale Price/Gross Acre</b>	\$283,376
<b>Sale Price/Gross SF</b>	\$6.51
<b>Sale Price/Front Foot</b>	\$632

### **Remarks**

Property was not listed. The fire department owns and operates the administrative offices and station directly north of the property across Airport Access Road.

## Land Sale No. 2



### Property Identification

<b>Record ID</b>	1132
<b>Property Type</b>	Commercial, Commercial site
<b>Property Name</b>	423 N 15th Street
<b>Address</b>	423 N 15th Street, Immokalee, Collier County, Florida 34142
<b>Location</b>	West side of 15th Street/ State Road 29 approximately 1,100 feet south of the intersection with Immokalee Drive
<b>Tax ID</b>	00127840004
<b>Latitude N1</b>	26°25'26.08"N
<b>Longitude N1</b>	81°26'2.22"W
<b>MSA</b>	Naples
<b>Market Type</b>	Suburban

### Sale Data

<b>Grantor</b>	Monique Saincy and Yfto Mayette
<b>Grantee</b>	Royal Green, LLC
<b>Sale Date</b>	March 31, 2021
<b>Deed Book/Page</b>	Instr. 6031104
<b>Property Rights</b>	Fee simple
<b>Conditions of Sale</b>	Arm's length
<b>Financing</b>	Cash sale
<b>Sale History</b>	None in last 3 years
<b>Verification</b>	Elvira Nodal w/ David C. Brown Realty, Inc.; (239)878-8001, April 23, 2021; Other sources: SWFLAMLS and public records, Confirmed by KC Lowry
<b>Sale Price</b>	\$120,000
<b>Cash Equivalent</b>	\$120,000

## Land Sale No. 2 (Cont.)

### Land Data

<b>Zoning</b>	C-4 General Commercial District, Commercial
<b>Topography</b>	Level at grade
<b>Utilities</b>	All public
<b>Dimensions</b>	115' x 115'
<b>Shape</b>	Square
<b>Landscaping</b>	Mostly cleared
<b>Flood Info</b>	Zone X per FIRM 12021C 0145 H
<b>Depth</b>	115

### Land Size Information

<b>Gross Land Size</b>	0.304 Acres or 13,225 SF
<b>Front Footage</b>	115 ft Total Frontage: 115 ft N 15th Street / SR 29;

### Indicators

<b>Sale Price/Gross Acre</b>	\$395,257
<b>Sale Price/Gross SF</b>	\$9.07
<b>Sale Price/Front Foot</b>	\$1,043

### Remarks

Listed at \$149,900 on 1/14/2020. Extended on 12/11/2020 and pended on 3/27/2021. Located in the State Road 29 Commercial Overlay Subdistrict.

### Land Sale No. 3



#### Property Identification

<b>Record ID</b>	851
<b>Property Type</b>	Industrial, Industrial Park
<b>Property Name</b>	New Harvest Road
<b>Address</b>	New Harvest Road, Immokalee, Collier County, Florida 34142
<b>Location</b>	Immokalee Industrial Park
<b>Tax ID</b>	51290140004
<b>Latitude N1</b>	26°24'57.29"N
<b>Longitude N1</b>	81°24'11.05"W
<b>MSA</b>	Naples
<b>Market Type</b>	Suburban

#### Sale Data

<b>Grantor</b>	Barron Collier Partnership, LLLP
<b>Grantee</b>	Iron Ranch Recycling, Inc.
<b>Sale Date</b>	August 03, 2018
<b>Deed Book/Page</b>	Instr. 5595417
<b>Property Rights</b>	Fee simple
<b>Conditions of Sale</b>	Arm's length
<b>Financing</b>	Private financing
<b>Sale History</b>	None in last 3 years
<b>Verification</b>	Austin Howell w/ Barron Collier Companies; (239)262-2600, October 01, 2018; Other sources: CoStar and public records, Confirmed by KC Lowry

<b>Sale Price</b>	\$222,000
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**Land Sale No. 3 (Cont.)**

**Cash Equivalent** \$222,000

**Land Data**

**Zoning** I- Industrial, Industrial

**Topography** Level at grade

**Utilities** All public

**Shape** Irregular

**Flood Info** Primarily Zone X with AH per FIRM 12021C 0145 H

**Land Size Information**

**Gross Land Size** 1.690 Acres or 73,616 SF

**Front Footage** New Harvest Road;

**Indicators**

**Sale Price/Gross Acre** \$131,361

**Sale Price/Gross SF** \$3.02

**Remarks**

Listed at \$240,000. Cul-de-sac location.



## Improved Sale No. 1



### Property Identification

<b>Record ID</b>	2609
<b>Property Type</b>	Industrial, Light Industrial
<b>Property Name</b>	2055 Global Drive
<b>Address</b>	2055 Global Drive, Immokalee, Collier County, Florida 34142
<b>Location</b>	Southeast corner of Tradeport Parkway and Global Drive
<b>Tax ID</b>	51202520751
<b>Latitude N1</b>	26°24'59.63"N
<b>Longitude N1</b>	81°23'53.17"W
<b>MSA</b>	Naples
<b>Market Type</b>	Suburban

### Sale Data

<b>Grantor</b>	Tomato Life, LLC
<b>Grantee</b>	Estrada & Sons, Inc.
<b>Sale Date</b>	September 04, 2020
<b>Deed Book/Page</b>	Instr. 5922944
<b>Property Rights</b>	Fee simple
<b>Conditions of Sale</b>	Arm's length
<b>Financing</b>	Conventional
<b>Mortgagee</b>	AgAmerica Lending, LLC
<b>Original Mortgage</b>	\$1,500,000
<b>Sale History</b>	None in last 3 years
<b>Verification</b>	Mike Meininkaitis w/ Tomato Life LLC; (860) 747-0764, April 26, 2021; Other sources: CoStar and public records, Confirmed by KC Lowry
<b>Sale Price</b>	\$1,750,000
<b>Cash Equivalent</b>	\$1,750,000

## Improved Sale No. 1 (Cont.)

### Land Data

<b>Land Size</b>	2.520 Acres or 109,771 SF
<b>Front Footage</b>	705 ft Total Frontage: 470 ft Global Drive; 235 ft Tradeport Parkway;
<b>Zoning</b>	I - Industrial, Industrial
<b>Topography</b>	Level at grade
<b>Utilities</b>	All public
<b>Dimensions</b>	185' x 71' x 420' x 235' x 470'
<b>Shape</b>	Nearly rectangular
<b>Flood Info</b>	Zone X and AE per FIRM 12021C 0145 H
<b>Depth</b>	235

### General Physical Data

<b>Building Type</b>	Single Tenant
<b>Gross SF</b>	20,000
<b>Net SF</b>	20,000
<b>Area Breakdown</b>	Coolers 9,375 Warehouse 7,150 Office 350 Canopy 3,125
<b>Construction Type</b>	Steel frame with metal siding
<b>Roof Type</b>	Gable with metal
<b>Foundation</b>	Poured concrete
<b>HVAC</b>	Office and coolers
<b>Stories</b>	1
<b>Year Built</b>	1994
<b>Condition</b>	Average
<b>Truck High Docks</b>	5 with levelers
<b>Other</b>	6 overhead doors @ 10' w x 8' h

### Indicators

<b>Sale Price/Gross SF</b>	\$87.50
<b>Sale Price/Net SF</b>	\$87.50

### Remarks

Property was not listed for sale. Property includes a 1,475 square foot mezzanine.

## Improved Sale No. 2



### Property Identification

<b>Record ID</b>	2608
<b>Property Type</b>	Industrial, Light Industrial
<b>Property Name</b>	5612 6th Street West
<b>Address</b>	5612 6th Street West, Lehigh Acres, Lee County, Florida 33971
<b>Location</b>	North side of 6th Street West approximately 228 feet east of the intersection with Leonard Blvd.
<b>Tax ID</b>	30-44-26-01-00009.0020
<b>Latitude N1</b>	26°37'7.72"N
<b>Longitude N1</b>	81°45'16.11"W
<b>MSA</b>	Fort Myers-Cape Coral
<b>Market Type</b>	Suburban

### Sale Data

<b>Grantor</b>	5612 6th Street, LLC
<b>Grantee</b>	Shanahan Enterprises, LLC
<b>Sale Date</b>	September 13, 2019
<b>Deed Book/Page</b>	Instr. 2019000215522
<b>Property Rights</b>	Fee simple
<b>Conditions of Sale</b>	Arm's length
<b>Financing</b>	Cash sale
<b>Sale History</b>	\$550K on 4/28/2016
<b>Verification</b>	Todd Holman w/ Woodyard & Assoc.; (239) 425-6000, April 26, 2021; Other sources: CoStar and public records, Confirmed by KC Lowry
<b>Sale Price</b>	\$775,000
<b>Cash Equivalent</b>	\$775,000

## Improved Sale No. 2 (Cont.)

### Land Data

<b>Land Size</b>	0.973 Acres or 42,400 SF
<b>Front Footage</b>	200 ft Total Frontage: 200 ft 6th Street West;
<b>Zoning</b>	IL - Light Industrial, Industrial
<b>Topography</b>	Level at grade
<b>Utilities</b>	All public
<b>Dimensions</b>	200' x 212'
<b>Shape</b>	Rectangular
<b>Flood Info</b>	Zone X Per FIRM 12071C 0432 F
<b>Depth</b>	212

### General Physical Data

<b>Building Type</b>	Single Tenant
<b>Gross SF</b>	9,000
<b>Net SF</b>	9,000
<b>Area Breakdown</b>	Office 2,083 Warehouse 6,917
<b>Construction Type</b>	CBS w/ steel frame
<b>Roof Type</b>	Gable w/ metal
<b>Foundation</b>	Poured concrete
<b>Stories</b>	1
<b>Year Built</b>	2003
<b>Condition</b>	Average
<b>Parking</b>	Surface 21
<b>Clear Span</b>	16
<b>Other</b>	4 Overhead door @ 10' w x 14' h

### Income Analysis

<b>Potential Gross Income</b>	\$81,000
<b>Vacancy</b>	\$2,430
<b>Effective Gross Income</b>	\$78,570
<b>Expenses</b>	\$22,500
<b>Net Operating Income</b>	\$56,070

### Indicators

<b>Sale Price/Gross SF</b>	\$86.11
<b>Sale Price/Net SF</b>	\$86.11
<b>Floor Area Ratio</b>	0.21
<b>Land to Building Ratio</b>	4.71:1
<b>Gross Income Multiplier</b>	9.57
<b>Eff. Gross Income Multiplier</b>	9.86
<b>Expenses/Sq. Ft.</b>	\$2.50

### Improved Sale No. 2 (Cont.)

<b>Overall or Cap Rate</b>	7.23%
<b>Net Operating Income/Sq. Ft.</b>	\$6.23

#### **Remarks**

Property was originally built out for two tenants but was converted to single tenant use. The tenant was going bankrupt and they were also involved in the seller ownership. Buyer is an investor who used a 1031 exchange. Income and expense is estimated.

### Improved Sale No. 3



#### **Property Identification**

<b>Record ID</b>	2560
<b>Property Type</b>	Industrial, Flex warehouse
<b>Property Name</b>	17600 East St
<b>Address</b>	17600 East St, North Fort Myers, Lee County, Florida 33917
<b>Location</b>	I-75 Bayshore Rd Industrial Park
<b>Tax ID</b>	21-43-25-04-00000.009B
<b>Latitude N1</b>	26°43'15.81"N
<b>Longitude N1</b>	81°49'32.22"W
<b>MSA</b>	North Fort Myers

#### **Sale Data**

<b>Grantor</b>	CMRW LLC
<b>Grantee</b>	TNT Properties of SWFL LLC
<b>Sale Date</b>	February 26, 2021
<b>Deed Book/Page</b>	2021000063483
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's Length
<b>Financing</b>	Conventional
<b>Mortgagee</b>	Huntington National Bank
<b>Original Mortgage</b>	\$1,202,000
<b>Sale History</b>	None in previous 3 years
<b>Verification</b>	Randy Kirse; Krise Commercial Group; 239-633-8672, February 28, 2021; Other sources: Listing Brochure, Confirmed by Rachel Zucchi

**Improved Sale No. 3 (Cont.)**

**Sale Price** \$1,100,000  
**Cash Equivalent** \$1,100,000

**Land Data**

**Land Size** 1.022 Acres or 44,528 SF  
**Front Footage** 176 ft Total Frontage: 176 ft East St;  
**Zoning** Light Industrial (IL), Industrial  
**Topography** Level  
**Utilities** All public  
**Dimensions** 176' x 253'  
**Shape** Rectangular  
**Flood Info** Zone X  
**Depth** 253

**General Physical Data**

**Building Name** 17600 East  
**Building Type** Single Tenant  
**Gross SF** 10,626  
**Net SF** 10,626  
  
**Construction Type** Stem wall  
**Roof Type** Metal  
**Foundation** Poured concrete  
**Electrical** 220  
**HVAC** Office Package  
**Sprinklers** Wet  
**Stories** 1  
**Floor Height** 20  
**Year Built** 2006  
**Condition** Good  
  
**Clear Span** 20  
**Truck High Docks** 3

**Income Analysis**

**Potential Gross Income** \$109,448  
**Vacancy** \$5,472  
**Effective Gross Income** \$103,976  
**Expenses** \$29,786  
**Net Operating Income** \$74,190

**Indicators**

**Sale Price/Gross SF** \$103.52  
**Sale Price/Net SF** \$103.52  
**Floor Area Ratio** 0.24  
**Land to Building Ratio** 4.19:1  
**Gross Income Multiplier** 10.05

### Improved Sale No. 3 (Cont.)

<b>Eff. Gross Income</b>	10.58
<b>Multiplier</b>	
<b>Expenses/Sq. Ft.</b>	\$2.80
<b>Overall or Cap Rate</b>	6.74%
<b>Net Operating Income/Sq. Ft.</b>	\$6.98

#### **Remarks**

Masonry and metal construction fully sprinkled building. Currently owner occupied and buyer plans to occupy. The building can be demised into two units as separate water and electric metering is in place. Consists of 1,580/sf (15%) good quality office space and the remainder is insulated warehouse space serviced by 3 (10' x 12') overhead doors. There is a 2,500 SF (100' x 25') concrete slab with footers poured in the rear yard which can support a light-industrial storage building. Randy Krise, listing agent, thought the asking price of \$1.4 million was too high and suggested they list the property at \$1.1 MM. He expected the building to sell in the \$980,000 - \$1,050,000 range. He was able to get the buyers to submit an offer of \$1.1 MM after "encouragement" which he still considers above market, but is a sign of the limited supply and increased demand. Income/expense data is pro-forma based on market.



## Improved Sale No. 4



### Property Identification

<b>Record ID</b>	2511
<b>Property Type</b>	Industrial, Flex warehouse
<b>Property Name</b>	11860 Lacy Lane
<b>Address</b>	11860 Lacy Lane, Fort Myers, Lee County, Florida 33966
<b>Location</b>	Mid-Metro Industrial Park Phase 2
<b>Tax ID</b>	07-45-25-09-00000.0010
<b>Latitude N1</b>	26°34'14.54"N
<b>Longitude N1</b>	81°50'57.72"W
<b>MSA</b>	Fort Myers

### Sale Data

<b>Grantor</b>	K P Properties of Florida LLC
<b>Grantee</b>	Rent Lacy, LLC
<b>Sale Date</b>	November 30, 2020
<b>Deed Book/Page</b>	Instr. 2020000298899
<b>Property Rights</b>	Leased fee
<b>Conditions of Sale</b>	Arm's length
<b>Financing</b>	Cash sale
<b>Sale History</b>	\$675,000 on 4/30/2018
<b>Verification</b>	Pam Wittenauer w/ RE/Max Realty Group; (239) 989-7077, December 15, 2020; Other sources: CoStar, SWFLAMLS and public records, Confirmed by KC Lowry

<b>Sale Price</b>	\$900,000
<b>Cash Equivalent</b>	\$900,000

### Land Data

<b>Land Size</b>	0.954 Acres or 41,548 SF
<b>Front Footage</b>	110 ft Total Frontage: 110 ft Lacy Lane;

### **Improved Sale No. 4 (Cont.)**

<b>Zoning</b>	IL (Light Industrial), Light Industrial
<b>Topography</b>	Level at grade
<b>Utilities</b>	All public
<b>Dimensions</b>	110' x 378'
<b>Shape</b>	Rectangular
<b>Flood Info</b>	Zone AH and X per FIRM 12071C 0428 F
<b>Depth</b>	378

#### **General Physical Data**

<b>Building Type</b>	Single Tenant
<b>Gross SF</b>	8,002
<b>Net SF</b>	8,002
<b>Construction Type</b>	Structural steel
<b>Roof Type</b>	Gable/metal
<b>Foundation</b>	Slab on grade
<b>Electrical</b>	220
<b>HVAC</b>	Package in offices
<b>Sprinklers</b>	None
<b>Stories</b>	1
<b>Floor Height</b>	18
<b>Year Built</b>	2000
<b>Condition</b>	Average

**Clear Span** 18

#### **Income Analysis**

<b>Potential Gross Income</b>	\$80,420	\$8.50 plus CAM
<b>Vacancy</b>	\$2,413	
<b>Effective Gross Income</b>	\$78,007	
<b>Expenses</b>	\$13,203	\$1.65 psf
<b>Net Operating Income</b>	\$64,804	

#### **Indicators**

<b>Sale Price/Gross SF</b>	\$112.47
<b>Sale Price/Net SF</b>	\$112.47
<b>Floor Area Ratio</b>	0.19
<b>Land to Building Ratio</b>	5.19:1
<b>Gross Income Multiplier</b>	11.19
<b>Eff. Gross Income Multiplier</b>	11.54
<b>Expenses/Sq. Ft.</b>	\$1.65
<b>Overall or Cap Rate</b>	7.2%
<b>Net Operating Income/Sq. Ft.</b>	\$8.10

### **Improved Sale No. 4 (Cont.)**

#### **Remarks**

Listed at \$975,000 or \$121.88,psf. Also listed for lease at \$8.75 psf with a CAM of \$1.55 psf. This property has 2,040/sf (25%) office space. Front office area includes 5 offices and a reception area on the street side. Rear area includes one office and reception. Building includes 4 restrooms. Remainder of the building is warehouse with 2 OH doors. Tenant was being evicted at time of sale. Buyer will be owner occupant.

## **ADDENDUM D**

### **LETTER OF AUTHORIZATION**

## K.C. Lowry

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**From:** Michael Choate <Mchoate@immfire.com>  
**Sent:** Tuesday, March 16, 2021 8:13 AM  
**To:** Rachel Zucchi  
**Subject:** RE: Appraisal

Good morning, yes... that sounds good. Please proceed and just let me know if you need anything in terms of scheduling a time.

Thank you,

Michael J. Choate, CDM, CFO  
**District Manager | Fire Chief**  
Immokalee Fire Control District  
502 New Market Rd. E.  
Immokalee, FL 34142  
Office: (239) 657-2111  
Fax: (239) 657-9489  
Cell: (239) 986-7839  
Web: [www.immfire.com](http://www.immfire.com)

“A leader is one who knows the way, goes the way, and shows the way” – **John C. Maxwell**

**From:** Rachel Zucchi <[rzucchi@rklac.com](mailto:rzucchi@rklac.com)>  
**Sent:** Monday, March 15, 2021 5:33 PM  
**To:** 'Michael Choate' <[Mchoate@immfire.com](mailto:Mchoate@immfire.com)>  
**Subject:** RE: Appraisal

Good afternoon Michael;

It's good to hear from you! We can update the 502 New Market Road appraisal for a fee of \$2,200. Delivery will be within 4 weeks of engagement.

Please let me know if you would like to proceed with the assignment and I will forward a formal engagement letter.

Thank you again,

Rachel

**Rachel M. Zucchi, MAI, CCIM**  
State-Certified General Real Estate Appraiser RZ #2984  
Partner / Managing Director  
**RKL Appraisal and Consulting, PLC**  
4500 Executive Drive, Suite 300 | Naples, FL 34119  
P: 239-596-0800 Ext. 203 | F: 239-596-0802  
[www.rklac.com](http://www.rklac.com)

**From:** Michael Choate <[Mchoate@immfire.com](mailto:Mchoate@immfire.com)>  
**Sent:** Monday, March 15, 2021 1:56 PM  
**To:** Rachel Zucchi <[rzucchi@rkflac.com](mailto:rzucchi@rkflac.com)>  
**Subject:** Appraisal

Good afternoon Rachel;

I am in need of an updated appraisal for our fire station. Given all of the variables since the last one was completed, I'm certain the value has changed.

I need 502 New Market Rd. East updated for appraised value. You guys did indeed give a very fair appraisal last time. Can we get this scheduled at your convenience?

Just let me know what, if anything you may need to proceed.

Thank you,

Michael J. Choate, CDM, CFO  
**District Manager | Fire Chief**  
Immokalee Fire Control District  
502 New Market Rd. E.  
Immokalee, FL 34142  
Office: (239) 657-2111  
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