

Emerson

Appraisal

Emerson Appraisal Company, Inc.

Appraisers • Consultants • Market Analysts

September 21, 2021

Don Emerson, Jr., MAI, SRA
CERT. GEN. RZ101

Charles Emerson
CERT. GEN. RZ236

William Emerson, MAI
CERT. GEN. RZ248

Ms. Kara Brecken
Land Rights Coordinator
CITY OF GAINESVILLE
405 Northwest 39th Avenue
Gainesville, FL 32609

RE: APPRAISAL OF AIRPORT ACREAGE PARCELS 1 AND 2, CONSIDERING REVISED PARCEL SIZES, 4440-4480 BLOCK NORTHEAST 49TH AVENUE, GAINESVILLE, ALACHUA COUNTY, FLORIDA 32609.

Dear Ms. Brecken:

At your request, our firm recently completed market value appraisals of two parcels located in the Airport Industrial Park generally referred to as Parcel 1 containing 10.769 acres and the adjoining Parcel 2 containing 3.92 acres of land area. Both properties are located in the 4460 block of Northeast 49th Avenue just north of the main airport facility.

The initial appraisal provided a value estimate for each property as if sold separately and reported a value conclusion of \$198,000 for the smaller 3.92 acre parcel and a separate value of \$372,000 for the larger 10.769 acre parcel, as described in the previous appraisal reports.

This communication is a revaluation of the same two parcels based upon a reconfiguration of the properties to support different parcel size and configuration. For convenience, the two parcels are referred to as the West Parcel (Original Parcel 1) that is a revised configuration for the original Parcel 1, reducing the land area from the original 10.769 acre parcel size to a new configuration supporting 6.3± acres, based upon rough approximations from available city maps without the benefit of a current survey (see attached "Site Map"). The land area that was subtracted from the West Parcel is being added to the adjoining East Parcel increasing the size of the East Parcel from 3.92 acres to a larger revised parcel size of about 8.3 acres providing for a parcel with about the same road frontage, but with a significantly greater depth consistent with the "FedEx" property located immediately east and adjacent to the parcel. The West Parcel will retain its existing relatively narrow strip access corridor fronting along Northeast 49th Avenue that is considered in the value estimate for this portion of the city ownership.

Overall, the two parcels have the same highest and best use for future industrial development purposes, same general locational characteristics, available utilities, and other property features. The only significant difference is the change in lot size that affects the price per acre applicable under each valuation scenario.

Industrial land sales information included in the previous appraisal reports is integral to proper understanding of this revision and is incorporated herein by reference. Also, the trendline relationship between parcel size and price per acre is considered of the revised parcel configuration with land values estimated under the revised analysis, as summarized on the following "Land Value Summary Table". Further, the revised lot sizes are approximate, based on rough calculations from the county Map Genius GIS program. Actual sizes will vary and a detailed survey of each parcel is recommended.

The West Parcel has a significant decrease in overall parcel size that increases the price per acre. Given the relationship expressed in the trend graph in the previous appraisal, whereas parcel size decreases, the price per acre increases. However, an adjustment is also made for the limited direct frontage of the West Parcel along Northeast 49th Avenue with a land value estimate based upon reconfiguration of about \$38,700 per acre area. Applying this amount to the revised 6.306 acre parcel size indicates an approximate land value rounded to \$244,000, as shown the following "Land Value Summary Table".

Letter to Ms. Brecken
September 21, 2021
Page 2

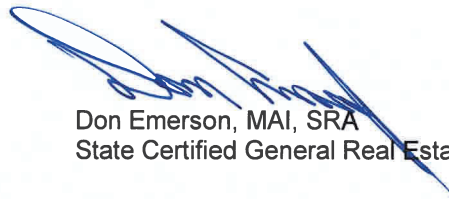
A similar analysis was also made for the East Parcel. However, the East Parcel is expanding from the previous smaller size of 3.92 acres to an expanded parcel containing 8.33 acres and has more favorable road frontage than the adjoining parcel to the west. Land value under the reconfiguration of the East Parcel is estimated at about \$38,000 per acre, indicating a revised land value rounded to \$317,000, as shown the following "Land Value Summary Table".

The overall combined value for both parcels is about \$561,000 that is just below the combined value under the previous valuation scenarios with current lot size and configuration. However, this is a relatively minimal difference (less than 2 percent) that is primarily due to rounding of the acreage amounts and is not a significant difference.

Based upon available information provided for the reconfiguration and considering the comparable sales analysis and data provided in the initial appraisals, in my opinion, the properties under the proposed lot size revision would support land values summarized in the following table. However, the analysis does not consider any cost to create the larger lots, such as surveying, city approvals and any other required surveys, subdivision plats or studies to establish the revised parcel sizes. Inherently, the analysis assumes that the properties can be subdivided to the desired configuration for purposes of the valuation.

All information contained in the previous appraisal reports is integral to proper understanding of this communication, including the attached Special Appraisal Assumptions, Assumptions and Limiting Conditions, and Appraisal Certification. If any additional information is needed, please feel free to call.

Sincerely,



Don Emerson, MAI, SRA
State Certified General Real Estate Appraiser RZ101

DEjr/jp

Attachments

- Land Value Summary Table
- Parcel Map
- Appraisal Certification
- Special Appraisal Assumptions
- General Assumptions and Limited Conditions

2021-121-3
Airport Acreage East and West Parcel

Land Value Summary

Revised Analysis

Parcel	Size Acres ²	Value Per/Acre	Estimated Market Value	Rounded
West Parcel	6.306	\$38,700 ¹	\$244,042	\$244,000
East Parcel	8.330	\$38,000	\$316,540	\$317,000
				<hr/> \$561,000

Fee Simple Land Values

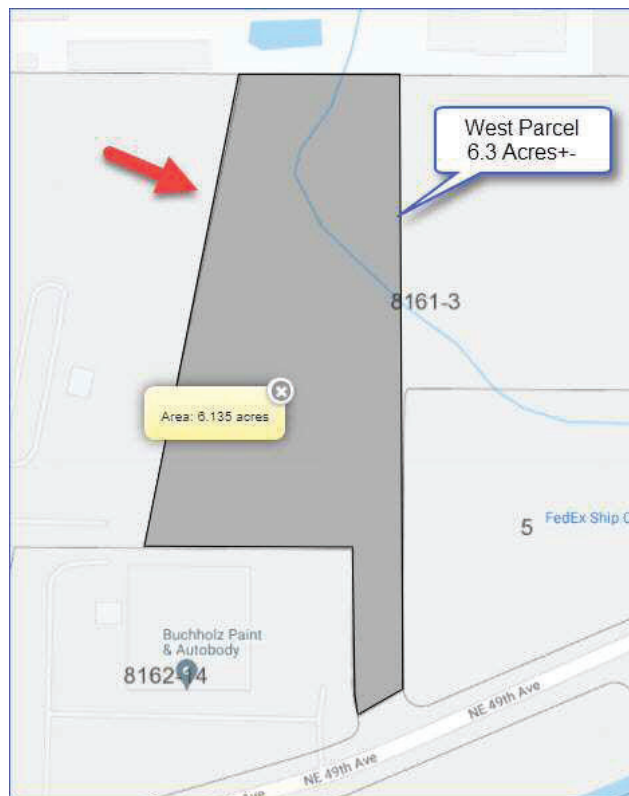
Date of Valuation 9/20/2021

¹ Land value adjusted to reflect limited road frontage

² Parcel size may vary, a survey is recommended

Site Map

Note, parcel sizes are approximate.



APPRAISAL CERTIFICATION

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

Required USPAP Disclosures:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment, except as follows: Previous Appraisal – August 2021.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
9. I have made a personal inspection (type of viewing described below) of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the person(s) signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated, see below.)

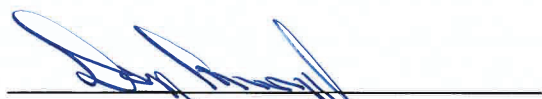
Financial Institution Disclosures:

11. This appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
12. The appraisers completing this analysis have complied with USPAP appraisal standards including the competency provision.

Appraisal Institute Disclosures:

13. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
14. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
15. As of the date of this report, Don Emerson, MAI, has completed the continuing education program of the Appraisal Institute.

Property: Airport Acreage East and West Parcels
4480 block Northeast 49th Avenue
Gainesville, Alachua County, Florida 32609



Don Emerson, Jr., MAI, SRA
State Certified General Real Estate Appraiser RZ101
Personally Viewed Property

Rev. 7/20

SPECIAL APPRAISAL ASSUMPTIONS

This appraisal analysis and conclusions are contingent upon the following Assumptions and/or Conditions. The use of these hypothetical conditions and extraordinary assumptions may have affected the value conclusions and other assignment results.

Hypothetical Conditions

(That which is contrary to what exists but is supposed for purposes of analysis).

None.

Extraordinary Assumptions

(An assumption directly related to a specific assignment which, if found to be false, could alter the appraiser's opinions or conclusions).

1) Survey/Title Search Information

At time of appraisal, a current site survey and/or title search information was not available. As such, actual lot size, status of any easements, encroachments and the final value conclusion could vary depending upon results of a current survey and/or title search information. The enclosed value estimate was based upon available information at time of analysis.

2) Wetlands and Development Status

This appraisal is made given available public records data information at time of analysis without the benefit of detailed engineering studies, development plans or approvals and/or environmental surveys where more accurate information is available in terms of the actual flood and wetland areas on the property, parcel size as verified by a current survey and/or what stipulations would be required by the city for any development of the subject property. Inherently, this appraisal anticipates that the property could be used to support industrial use and, to the extent possible, considers wetlands, flood areas and other characteristics of the site, as described in the report. However, the values could vary depending upon more accurate information that may be obtained as a result of wetlands and flood area surveys, engineering surveys, and the results of a site plan review process by the City of Gainesville where actual criteria for future development could be determined. Accordingly, the values are subject to variability, as described in the report.

3) Environmental Status

The subject property is located in the Airport Industrial Park that supports surrounding industrial uses as well as the Gainesville Regional Airport campus just south and across Northeast 49th Avenue from the subject site. At time of appraisal, no environmental audits and been provided to the appraiser. However, an engineering report for the overall park was provided and considered the analysis (see "Geosyntec Information" in addenda). The property is appraised assuming it is in conformance with all environment regulations and has no contamination. If this is not the case for the subject property, then the value could be less than the value expressed in this appraisal report. Any potential purchaser of the property is recommended to have an environmental audit with a current assessment of the subject real estate.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal has been made with the following assumptions and limiting conditions:

1. The conclusions and opinions expressed in this report apply to the date of value set forth in the report and letter of transmittal. The dollar amount of any value opinion or conclusion rendered or expressed in this report is based upon the economic period and purchasing power of the American dollar existing on the date of value.
2. The appraiser assumes no responsibility for economic, physical or demographic factors which may affect or alter the opinions in this report if said economic, physical or demographic factors were not present as of the date of the report and/or letter of transmittal accompanying this report. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions. The appraiser is not obligated to predict future political, economic or social trends.
3. In preparing this report, the appraiser was required to rely on information furnished by other individuals or found in previously existing records and/or documents. Unless otherwise indicated, such information is presumed to be reliable. However, no warranty, either express or implied, is given by the appraiser for the accuracy of such information and the appraiser assumes no responsibility for information relied upon later found to have been inaccurate. The appraiser reserves the right to make such adjustments to the analysis, opinions and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.
4. No opinion as to the title of the subject property is rendered. Data related to ownership and legal description was obtained from County Public Records and/or the client and is considered reliable. Title is assumed to be good and marketable, unless otherwise stated, and free and clear of all liens, encumbrances, easements and restrictions, except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent property management, and available for its highest and best use.
5. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, ground water or structures that render the subject property more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
6. Unless otherwise stated, the subject property is appraised assuming it to be in full compliance with all applicable zoning and use regulations and restrictions, unless a non-conformity has been described in the appraisal report.
7. It is assumed that all required licenses, permits, certificates of occupancy, consents or other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the opinion of value contained in this report is based.
8. No engineering surveys or studies have been made by the appraiser. All engineering studies or information provided by other sources is assumed to be correct. Except as specifically stated, data relative to size and area of the subject property was taken from sources considered reliable. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass unless expressly noted in the report.
9. No opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials, except as is expressly stated.
10. Maps, drawings and other illustrative material in this report are included only to help the reader visualize the property. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced or used apart from the report.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

11. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
12. The physical condition of the improvements is based upon visual viewing. No liability is assumed for the soundness of the structure, if any, since no engineering tests were made of the building.
13. The distribution, if any, of the total valuation in this report between land, improvements, equipment or any business value or good will applies only under the stated program of utilization. The separate values allocated for land, buildings and other components must not be used in conjunction with any other appraisal and are invalid if so used.
14. Possession of this report, or a copy of it, does not carry with it the right of publication. Without the written consent of the appraiser, this report may not be used for any purpose by any person other than the party to whom it is addressed. In any event, this report may be used only with proper written qualification and only in its entirety for its stated intended use.
15. The appraiser's duties, pursuant to his/her employment to make the appraisal, are complete upon delivery and acceptance of the appraisal report.
16. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
17. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the previous written consent of the appraiser and/or of the client; nor shall it be conveyed by any including the client to the public through advertising, public relations, news, sales or media, without the written consent and approval of the author, particularly as to valuation conclusions, the identity of the appraiser, or a firm with which he is connected, or any reference to any professional society or institute or any initialed designations conferred upon with the appraiser.
18. The intended use of this appraisal report and the intended user(s) are described in the scope of work section of the appraisal. This appraisal may not be appropriate for other use(s) or user(s).
19. The appraiser has not been provided any information regarding the presence of any material or substance on or in any portion of the subject property or improvements thereon, which material or substance possesses or may possess toxic, hazardous and/or other harmful and/or dangerous characteristics. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption that there is no such material on or in the property or in proximity that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The intended user is urged to retain an expert in this field, if desired.
20. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraiser(s) have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity of the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since the appraiser(s) have no direct evidence relating to this issue, I (we) did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

Rev. 1/14