

# REPORT OF COUNCIL ACTION

## OFFICE OF THE CITY CLERK

September 8, 2011

Agenda Item: 11B

Subject: PROPERTY ACQUISITION - 113 NORTH "C" STREET

Ordinance #: \_\_\_\_\_

### Action Taken:

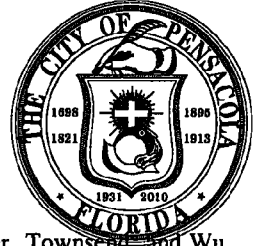
Approved by Council     Motion Failed     First Reading     Second Reading

### Referred To:

Staff     Other     Committee

Council Member	Action				
	Absent	Motion	Second	Yes	No
Maren DeWeese - Chair			✓		
Sam Hall			✓		
John Jerrals			✓		
Larry B. Johnson	✓				
Sherri Myers			✓		
Megan B. Pratt			✓		
Brian Spencer			✓		
Ronald P. Townsend			✓		
P.C. Wu - Vice Chair			✓		

Copies:  Council File     Municipal Code



# Report of Consent Agenda

September 8, 2011

Item 11

Members Present: DeWeese, Hall, Jerrals, Myers, Pratt, Spencer, Townsend, and Wu.

Members Absent: Johnson

All Items Passed Unanimously in Committee of the Whole - September 6, 2011

## CONSENT AGENDA

### A. REPORTING OF EXECUTED CITY CONTRACTS AND EXPENDITURES OVER \$25,000

That City Council adopt the resolution for reporting of executed City contracts and expenditures over \$25,000.

### B. PROPERTY ACQUISITION - 113 NORTH "C" STREET

That City Council approve the acquisition of the property located at 113 North "C" Street at a purchase price not to exceed \$225,000.00, plus closing costs estimated at approximately \$25,000.00, contingent upon 1) Seller conveying to the City of Pensacola by Warranty Deed free and clear of any liens and encumbrances arising during ownership of the Seller, excepting those arising from City of Pensacola recorded code enforcement fines and liens which will be forgiven upon the City obtaining ownership; and 2) approval by the U.S. Department of Housing and Urban Development (HUD) of the Community Development Block Grant (CDBG) Program amendment and reallocation of CDBG funds to a new activity, Westside Neighborhood Improvements.

### C. AMENDMENT TO ESCAMBIA CONSORTIUM FIVE YEAR (FY2005-2010) CONSOLIDATED PLAN AND FY2005 THROUGH FY2010 ANNUAL PLANS FOR THE CITY OF PENSACOLA'S COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

That City Council approve the proposed amendment to the Escambia Consortium Five Year (FY2005-2010) Consolidated Plan and Fiscal Years 2005 through 2010 Annual Plans for the City of Pensacola's Community Development Block Grant (CDBG) Program and reallocate funds to a new CDBG activity, Westside Neighborhood Improvements.

### D. ORDINANCE AMENDMENT - SANITATION FEES AND CHARGES

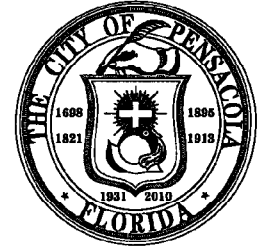
That City Council approve the proposed amendment to Section 4-3-97 of the Code of the City of Pensacola adjusting the monthly fee for garbage, recycling and yard trash collection to \$22.80 per month.

### E. ORDINANCE AMENDMENT - COMMERCIAL SOLID WASTE FRANCHISE FEES

That City Council approve the proposed amendment to Section 4-3-105 of the Code of the City of Pensacola adjusting the commercial solid waste franchise fees.

# COMMITTEE MEMORANDUM

September 6, 2011



Members: Maren DeWeese, P.C. Wu, Sam Hall, John Jerrals, Larry B. Johnson, Sherri Myers, Megan B. Pratt, Brian Spencer, Ronald P. Townsend

**FROM:** Ashton J. Hayward, III, Mayor *AJH/AJH*  
**SUBJECT:** Property Acquisition – 113 North “C” Street (Old Blount School Property)

## RECOMMENDATION:

That City Council approve the acquisition of the property located at 113 North “C” Street at a purchase price not to exceed \$225,000.00, plus closing costs estimated at approximately \$25,000.00, contingent upon 1) Seller conveying to the City of Pensacola by Warranty Deed free and clear of any liens and encumbrances arising during ownership of the Seller, excepting those arising from City of Pensacola recorded code enforcement fines and liens which will be forgiven upon the City obtaining ownership; and 2) approval by the U.S. Department of Housing and Urban Development (HUD) of the Community Development Block Grant (CDBG) Program amendment and reallocation of CDBG funds to a new activity, Westside Neighborhood Improvements.

## SUMMARY:

The property, formerly known as the “Blount School”, encompasses the entire City block between “C” and “D” Streets and Gregory and Chase Streets. The property, which includes two buildings, has been abandoned for many years and has created a sense of disinvestment and a destabilizing influence on surrounding residential neighborhoods.

On April 14, 2009, due to conditions that posed a serious threat to public health, safety and welfare, Blount Redevelopment, LLC, owner of subject property, was officially assessed a fine by the City of Pensacola. The initial fine of \$50.00 per day was increased on June 8, 2011 to \$250.00 per day. As of August 17, 2011, outstanding City liens total \$56,700.00. The City will accept the property with recorded City of Pensacola code enforcement liens which will be forgiven once the City obtains ownership.

In conjunction with the City’s Westside Neighborhood Plan, acquisition of this property will initiate the elimination of an extremely blighted urban core property. Phase II of the CDBG Westside Neighborhood Improvement Project in fiscal year 2012 will include demolition and removal of current structures on the property to provide for future development opportunities.

**PRIOR ACTION:** None

**FUNDING:** Budget: \$222,713.00 CDBG Funds  
 Actual: \$222,713.00 CDBG Funds

Committee of the Whole  
Property Acquisition – 113 North “C” Street (Old Blount School Property)  
September 6, 2011  
Page 2

**FINANCIAL IMPACT:**

Funding in the amount of \$222,713.00 is available from reallocation of funds from completed prior years CDBG projects/activities. Remaining funding estimated to be approximately \$25,000.00 will come from other City sources.

**STAFF CONTACT:**

William H. Reynolds, City Administrator  
Pat Hubbard, Housing Director

**ATTACHMENTS:**

- 1) Site Maps
- 2) Property Photographs
- 3) Sales Contract

**PRESENTATION:**

No.



# 113 N C St



Date: 8-18-2011

This map was prepared by the GIS section of the City of Pensacola and is provided for information purposes only and is not to be used for development of construction plans or any type of engineering services based on information depicted herein. It is maintained for the function of this office only. It is not intended for conveyance nor is it a survey. The data is not guaranteed accurate or suitable for any other purpose.



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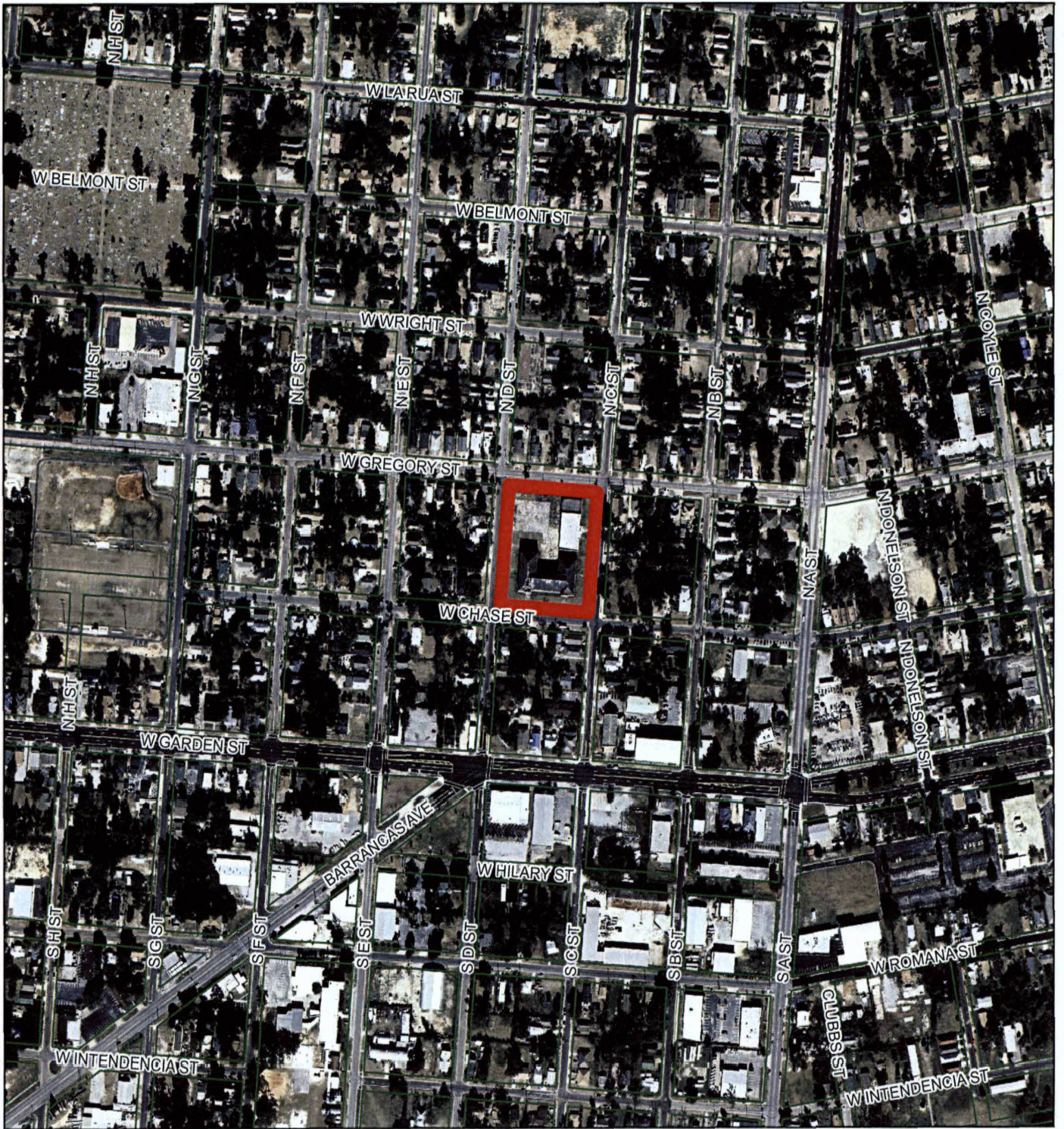
Feet

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# 113 N C St



Date: 8-18-2011

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Feet

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# COMMERCIAL SALES CONTRACT CITY OF PENSACOLA

**PARTIES:**

The CITY OF PENSACOLA ("BUYER") agrees to buy and  
BLOUNT REDEVELOPMENT, LLC ("SELLER") agrees to sell the  
 following property upon the following terms and conditions:

**1. DESCRIPTION:**

Street Address: 113 NORTH "C" STREET, PENSACOLA, FLORIDA

Legal Description: Attached hereto as Exhibit A and subject to verification by survey, and the following personal property: None (all collectively referred to as the "Property").

**2. PENSACOLA CITY COUNCIL APPROVAL REQUIRED:**

Regardless of the execution of this Contract, this Contract is expressly contingent upon final, formal approval of the City Council of the City of Pensacola for the purpose of acquiring the Property for development as a Community Development Block Grant (CDBG) project. It is anticipated that this Contract will be presented to the City Council of the City of Pensacola on September 8, 2011.

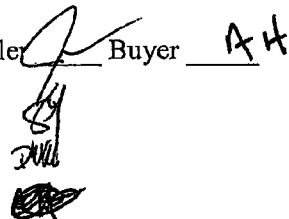
**3. TIME FOR ACCEPTANCE AND EFFECTIVE DATE:** The Effective Date of this Contract is the date on which the last of the Parties signs the latest offer. Time is of the essence of this Contract. Time periods of five (5) days or less shall be computed without including Saturday, Sunday, or national legal holidays and any time period ending on a Saturday, Sunday or national legal holiday shall be extended until 5:00 p.m. on the next business day. Due to CDBG program requirements, in no event shall closing occur later than September 30, 2011.

<b>4. PURCHASE PRICE:</b>	<b>\$225,000.00</b>
a) Deposit to be held in escrow by ESCROW AGENT, upon acceptance.....	\$ 0.00
b) LESS: Additional deposit to be made within <u>N/A</u> days from Effective Date .....	\$ N/A
c) LESS: Total mortgages.....	\$ <u>N/A</u>
d) Balance to close, subject to adjustments and pro-rations, to be made with cash, locally drawn certified or cashier's check or wire transfer.....	<b><u>\$225,000.00</u></b>

City of Pensacola  
 Commercial Sales Contract

Initials: Seller [Signature] Buyer AH

**ORIGINAL**



5. **TITLE:**

SELLER has the legal capacity to and shall convey marketable, clean and clear title to the Property by statutory warranty deed, free of any clouds on the title, including but not limited to any claims, legal actions or proceedings, easements and encumbrances, covenants, restrictions, or public utility easements of record, or liens with the sole exception of recorded City of Pensacola liens, and free of any other matters to which title may be subject, and anything which may prevent the BUYER'S intended use of said property as a Community Development Block Grant ("CDBG") Project. Property taxes on the Property shall be prorated for the year 2011 through the closing date.

a) **EVIDENCE OF TITLE:** BUYER shall, at \_\_\_ SELLER'S X BUYER'S expense, and not later than fifteen (15) days prior to the Closing Date, obtain a title insurance policy by a Florida licensed title insurer and, upon BUYER recording the deed, an ALTA owner's policy in the amount of the purchase price for fee simple title subject only to an exception of recorded City liens on the Property. BUYER shall, within seven (7) days from receipt of the commitment, deliver written notice to SELLER of title defects. Title shall be deemed acceptable to BUYER if (1) BUYER fails to deliver proper notice of defects, or (2) BUYER delivers proper notice and SELLER cures the defects within fifteen (15) days from receipt of the notice ("Curative Period"). If the defects are cured within the Curative Period, closing shall occur within ten (10) days from receipt by BUYER of such curing. SELLER may elect not to cure defects if SELLER reasonably believes any defect cannot be cured within the Curative Period. If the defects are not cured within the Curative Period, BUYER shall have ten (10) days from receipt of notice of SELLER'S inability to cure the defects to elect whether to terminate this Contract or accept title subject to existing defects and close the transaction without reduction in purchase price. (If the BUYER needs a title commitment during the Inspection Period, the BUYER may have one prepared at its expense.)

b) **SURVEY:**

i) SELLER shall, within five (5) business days from Effective Date, deliver to BUYER copies of pertinent documents that SELLER has in its possession, including but not limited to: leases, surveys, plans, specifications and engineering documents for the subject property, *if any*, in SELLER'S possession.

ii) BUYER shall, at BUYER'S expense and within the Inspection Period, obtain a current certified survey of the Property from a registered surveyor. If the survey reveals encroachments on the Property, or that the improvements encroach on the lands of another, such encroachments shall constitute a title defect to be cured within the Curative Period.

c) **INGRESS AND EGRESS:** Intentionally Left Blank.

d) **POSSESSION:** SELLER shall deliver possession and keys for all locks and alarms to BUYER at closing.



6. **CLOSING DATE AND PROCEDURE:**

This transaction shall be closed on or before September 30, 2011, in Escambia County, Florida. BUYER shall designate the Closing Agent. BUYER and SELLER shall, within five (5) days from the expiration of the Inspection Period as referenced in Paragraph \_\_\_ hereunder, deliver to Escrow Agent signed instructions which provide for closing procedure. If an institutional lender is providing purchase funds, lender requirements as to place, time of day and closing procedures shall control over any contrary provisions in this Contract.

a) **COSTS:**

i) BUYER shall pay taxes and recording fees on notes, mortgages and financing statements and recording fees for the new deed. BUYER shall pay documentary stamps on the deed. If a septic tank inspection is required, BUYER will pay the required fee to the Department of Health and arrange for said inspection prior to closing. If SELLER is obligated to discharge any encumbrance at or prior closing and fails to do so, BUYER may use purchase proceeds to satisfy the encumbrances.

ii) SELLER shall pay recording fees for any documents needed to cure title defects.

b) **DOCUMENTS:**

i) SELLER shall provide the deed, bill of sale, mechanic's lien affidavit, assignments of leases, updated rent roll, tenant and lender estoppel letters, assignments of permits and licenses, corrective instruments and letters notifying tenants of the change in ownership/rental agreement. If any tenant refuses to execute an estoppel letter, SELLER shall certify that information regarding the tenant's lease is correct. If SELLER is a corporation, SELLER shall deliver a resolution of its Board of Directors authorizing the sale and delivery of the deed and certification by the corporate Secretary certifying the resolution and setting forth facts showing the conveyance conforms either the requirements of local law. SELLER shall transfer security deposits to BUYER.

ii) BUYER shall provide the closing statement, mortgages and notes, security agreements and financing statements.

c) **TAXES, ASSESSMENTS, AND PRORATIONS:**

The following items, as applicable, shall be made current and prorated as of Closing Date: real estate taxes, property taxes, bond and assessment payments assumed by BUYER, interest, rents, association dues, and assumable insurance premiums acceptable to BUYER. If the amount of taxes and assessments for the current year cannot be ascertained, rates for the previous year shall be used with due allowance being made for improvements and exemptions. SELLER is aware of the following assessments affecting or potentially affecting the Property: recorded City of Pensacola liens and 2011 Property Taxes

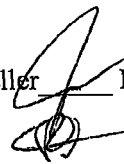
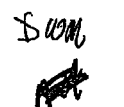
BUYER shall be responsible for all assessments of any kind which become due and owing on or after Effective Date, unless the improvement is substantially completed as of Closing Date, in which case SELLER shall be obligated to pay the entire assessment.

- d) **FIRPTA Tax Withholding:** The Foreign Investment in Real Property Act ("FIRPTA") requires BUYER to withhold at closing a portion of the purchase proceeds for remission to the Internal Revenue Service if SELLER is a "foreign person" as defined by the Internal Revenue Code. The parties agree to comply with the provisions of FIRPTA and to provide, at or prior to closing, appropriate documentation to establish any applicable exemption from the withholding requirement. If withholding is required and BUYER does not have cash sufficient at closing to meet the withholding requirement, SELLER shall provide the necessary funds and BUYER shall provide proof to SELLER that such funds were properly remitted to the I.R.S.
7. **ESCROW:** There is no deposit to be held in Escrow.
8. **PROPERTY CONDITION:**  
BUYER shall take possession of the Property in its current condition as of closing "AS IS". SELLER shall deliver the Property to BUYER at the time agreed in its present "as is" condition, ordinary wear and tear accepted, and shall maintain the Property in its current condition until closing. SELLER makes no warranties other than marketability of title. By accepting the Property "as is", BUYER waives all claims against SELLER for any defects in the Property. **BUYER PROHIBITS SELLER FROM SALVAGING ANY MATERIALS OUT OF THE BUILDING.**
9. **OPERATION OF PROPERTY DURING CONTRACT PERIOD:** SELLER shall take no action with regard to the Property which would adversely impact the Property.
10. **ATTORNEY'S FEES AND COSTS:** In connection with any litigation, action, claim or proceedings arising out of this Contract, the prevailing party shall be entitled to attorney's fees and costs from the losing party.
11. **VENUE:** Venue for any claim, action or proceeding arising out of this contract shall be Escambia County, Florida.
12. **STATE LAW APPLICATION:** The law of the State of Florida shall be the law applied in the resolution of any action, claim or other proceeding arising out of this contract.
13. **ARBITRATION:** This contract is not subject to arbitration.

City of Pensacola  
Commercial Sales Contract

- 4 -

Initials: Seller \_\_\_\_\_ Buyer \_\_\_\_\_

  
  
SUM  
AK

14. **BROKERS:**

Neither BUYER nor SELLER has utilized the services of, or for any other reason owes compensation to, a licensed real estate Broker other than:

a) Listing Broker: **NAI Halford, who is an agent of the SELLER**  
and who will be compensated by SELLER as per the terms of separate listing agreement with SELLER.

b) Cooperating Broker: \_\_\_\_\_  
And who will be compensated by SELLER

(collectively referred to as "Broker") in connection with any act relating to the Property, including but not limited to inquiries, introductions, consultations and negotiations resulting in this transaction. SELLER agrees to indemnify and hold Broker harmless from and against losses, damages, costs and expenses of any kind, including reasonable attorney's fees, and from liability to any person, arising from (1) compensation claimed which is inconsistent with the representation in this Paragraph, (2) any duty accepted by Broker at the request of SELLER, which duty is beyond the scope of services regulated by Chapter 475, F.S., or (3) recommendations of services provided and expense incurred by any 3rd party whom Broker refers, recommends or retains for or on behalf of SELLER.

15. **ASSIGNABILITY; PERSONS BOUND: This contract is not assignable.**

16. **MISCELLANEOUS:**

a) The terms of this Contract constitute the entire agreement between BUYER and SELLER. Modifications to this Contract shall not be valid or binding unless in writing and executed by the party to be bound. This Contract may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. A facsimile copy of this Contract and any initials or signature thereon shall be deemed as original. This Contract shall be construed under Florida law. Delivery of any written notice to any party's agent shall be deemed delivery to that party.

b) **THE CLOSING ON SUBJECT PROPERTY IS CONTINGENT ON CLEAR TITLE, EXCEPT AFOREMENTIONED CITY LIENS**

c) **TIME IS OF THE ESSENCE IN THIS CONTRACT.**

d) **THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, SEEK THE ADVICE OF AN ATTORNEY PRIOR TO SIGNING. A REAL ESTATE BROKER IS QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. BUYER AND SELLER ARE ADVISED TO CONSULT AN APPROPRIATE PROFESSIONAL FOR LEGAL, TAX, ENVIRONMENTAL AND OTHER SPECIALIZED ADVICE.**

City of Pensacola  
Commercial Sales Contract

- 5 -

Initials: Seller \_\_\_\_\_ Buyer \_\_\_\_\_

DWM  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

e) **CONFIRMATION OF RESPONSIBILITY FOR CLOSING COSTS (As Applicable):**

	<b>SELLER</b>	<b>BUYER</b>
Title Insurance (Owner Policy)	_____	<u>X</u>
Doc Stamps on Deed	_____	<u>X</u>
Doc Stamps on Note	_____	<u>X</u>
Broker Fees: 5% of Sales Price	_____	<u>X</u>
Septic Tank Inspection:	<u>N/A</u>	<u>N/A</u>
Appraisal	_____	<u>X</u>
Recording Fees	_____	<u>X</u>
Title Insurance (Mortgagee Policy)	<u>N/A</u>	<u>N/A</u>
Intangible Tax on Mortgage	<u>N/A</u>	<u>N/A</u>
Survey	_____	<u>X</u>
Phase I Environmental	_____	<u>X</u>
Lender's Fees	<u>N/A</u>	<u>N/A</u>

In the event of any conflict between this confirmation and the terms written otherwise within this Sales Contract, this check list shall prevail.

f) **DEPOSIT RECEIPT: N/A**

g) **OFFER:** together with  
Addendum 1, attached  
 BUYER offers to purchase the Property on the above terms and conditions./ Unless acceptance is signed by SELLER and a signed copy delivered to BUYER or BUYER's Broker no later than 4:00 P.M., Central Daylight Time, on \_\_\_\_\_, BUYER may revoke this offer.

Date: \_\_\_\_\_ BUYER: \_\_\_\_\_ Tax ID: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_ Phone: \_\_\_\_\_  
 Title: \_\_\_\_\_ Fax: \_\_\_\_\_  
 Address: \_\_\_\_\_ E-Mail: \_\_\_\_\_

h) **ACCEPTANCE:**  
**SELLER** accepts BUYER'S offer and agrees to sell the Property on the above terms and Conditions, subject to any signed Addendum or initialed changes included herein. Should the Listing Agreement that was in effect as of the signing of this Sales Contract expire while the Contract is valid, the terms and conditions of said Listing Agreement will continue in full force and effect through termination, either through closing or otherwise, of this Contract and any extensions thereof.

City of Pensacola  
 Commercial Sales Contract

Initials: Seller [Signature] Buyer AK

DWM  
 AK

Date: B17-11 SELLER: Blount Redevelopment Tax ID: 20-1689265  
Printed Name: John M. O'Neill III Phone: 850-554-7489  
Title: Number Fax: 850-484-3586  
Address: 8500 Fowler Ave E-Mail: MIKE@KTSUPPLYCO.COM  
Pensacola Fl. 32534

IN WITNESS WHEREOF, the City and Blount Redevelopment LLC have executed this Sales Contract on the \_\_\_\_\_ day of \_\_\_\_\_, 2011.

BUYER  
CITY OF PENSACOLA

By: [Signature]  
Ashton J. Hayward, III, Mayor

Attest

\_\_\_\_\_  
Ericka L. Burnett, City Clerk

SELLER:  
BLOUNT REDEVELOPMENT LLC

By: [Signature]  
by [Signature]  
as attorney for  
Blount Redevelopment LLC

Witnesses:  
[Signature]  
Signature  
Sharon Regan (as to  
Print seller)

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print

Approved as to content:  
[Signature]  
Housing Director

Approved as to form and  
Execution:  
[Signature]  
City Attorney [Signature]

City of Pensacola  
Commercial Sales Contract

Initials: Seller [Signature] Buyer [Signature]  
[Signature]  
[Signature]

EXHIBIT 'A'  
Legal Description  
(subject to survey)

General Information

Reference: 000S009080001018  
Account: 152475000  
Owners: BLOUNT REDEVELOPMENT LLC  
Mail: 7465 N PALAFOX ST  
PENSACOLA, FL 32503  
Situs: 113 N C ST  
Use Code: STORE/OFFICE/SFR   
Taxing Authority: PENSACOLA CITY LIMITS

Legal Description

LTS 1 TO 30 BLK 18 MAXENT TRACT OR 5503 P 28 CA 104

Property Description

Approx Acreage: 2.63  
Zoned: R-1A

Initials: Seller \_\_\_\_\_ Buyer AK

ADDENDUM TO COMMERCIAL SALES CONTRACT CITY OF PENSACOLA

This Addendum Number 1 to the Commercial Sales Contract City of Pensacola dated \_\_\_\_\_, 2011 is agreed between the SELLER, Blount Redevelopment LLC, and the BUYER, City of Pensacola, and upon execution by both parties, the terms of this Addendum shall supercede and control over any contrary or inconsistent terms that may be contained in the prior terms of the parties' agreement.

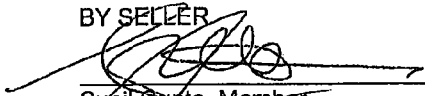
EXHIBITS to this Addendum:

- Exhibit "A": Policy of Title Insurance No:OPM-2956309 effective October 4, 2004
- Exhibit "B": Survey of L.E. Shontz dated October 12, 2004
- Exhibit "C": Warranty Deed dated October 1, 2004 recorded at ORB 5503 Page 28
- Exhibit "D": Cohen Deed dated February 10, 1921
- Exhibit "E": Shipley, Ross, DeArmon Deed dated February 2, 1938
- Exhibit "F": Order foreclosing interest of Goldie E. Adams and Cecelia Adams dated June 26, 1928; and
- Exhibit "G": Order of Dismissal dated February 21, 1938

1. Code Enforcement Liens. The Property shall be conveyed by the SELLER to BUYER by Warranty Deed free and clear of liens and encumbrances arising during the ownership of the SELLER excepting those arising as a result of the City of Pensacola code enforcement liens, responsibility for which shall be assumed and become the responsibility of BUYER after closing.
2. Title Evidence. Title evidence of the SELLER is shown in Exhibits "A", "B", and "C", attached hereto. SELLER has also provided copies of its research and documentation concerning the exceptions listed and numbered 7, 8, and 9 in Schedule B of Exhibit "A" to the BUYER. Because each of the exceptions listed and numbered 7, 8, and 9 in Schedule B of Exhibit "A" is at least 70 years old and pre-dates the ownership of the Escambia County School Board (the most recent interest being 1938), the records indicating that such exceptions appear to be precluded by lost instruments or operation of law, the BUYER accepts the title of the SELLER together with the disclosed exceptions that are listed as number 7, 8, and 9 in Schedule B of Exhibit "A"
3. Survey. SELLER provides to BUYER a copy of Exhibit "B" to assist BUYER and makes no further warranty or representation in connection therewith.
4. Inspection Period. SELLER agrees that BUYER shall have full access to the Property upon execution of the Commercial Sales Contract City of Pensacola and any Addenda to commence its due diligence and to make full inspection of the Property, to obtain its title commitment, its survey, and any other professional inspections that BUYER may desire, during which time SELLER shall make no alterations to the Property. During this Inspection Period all city code enforcement liens shall be deemed suspended and shall not accrue. After formal approval of the City Council of the City of Pensacola, BUYER shall, within three (3) business days thereafter, notify SELLER of any issues that preclude Closing. Thereafter all inspection contingencies will be deemed satisfied or waived under the agreement.
5. Property Taxes and Broker Fees. At closing, proceeds of the sale due to SELLER shall be reduced only by brokerage fees payable by SELLER and prorated 2010 property taxes payable by SELLER.  
Upon closing of the sale of the Property, SELLER's liability for City of Pensacola code enforcement liens on the Property shall be deemed to be simultaneously terminated, and the risk of loss or destruction of Property under any and all policies of insurance and otherwise, shall thereupon shift to the BUYER.

The parties' agreement shall be binding on the parties hereto, their successors, heirs and legal representatives. DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2011.

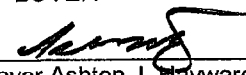
BY SELLER

  
Sunil Gupta, Member

  
J. Michael O'Neil, III, Member

  
Donald Moore, Member

BY BUYER

  
Mayor Ashton J. Hayward, III

Attest:

  
Ericka L. Burnett, City Clerk

  
**ORIGINAL**

OWNER'S TITLE INSURANCE POLICY

**Attorneys' Title Insurance Fund, Inc.**

ORLANDO, FLORIDA

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, ATTORNEYS' TITLE INSURANCE FUND, INC., a Florida corporation, herein called The Fund, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Fund will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

*In Witness Whereof*, ATTORNEYS' TITLE INSURANCE FUND, INC. has caused this policy to be signed and sealed as of Date of Policy shown in Schedule A, the policy to become valid when countersigned by an authorized signatory.



Attorneys' Title Insurance Fund, Inc.

By

Charles J. Kovaleski  
President

SERIAL

OPM - 2956309





# Attorneys' Title Insurance Fund, Inc

## OWNER'S POLICY Schedule A

Policy No.:  
OPM-2956309

Effective Date:  
October 4, 2004 @ 11:00 PM


Agent's File Reference:  
Blount Redev

Amount of Insurance: \$100,000.00

1. Name of Insured: Blount Redevelopment, L.L.C., a Florida limited liability company
2. The estate or interest in the land described herein and which is covered by this policy is a Fee Simple and is at the effective date hereof vested in the named insured as shown by instrument recorded in Official Records 5503, Page 28, of the Public Records of Escambia County, Florida.
3. The land referred to in this policy is described as follows:  
  
Lots 1 to 30, both inclusive, Block 18, Maxent Tract, City of Pensacola, Florida, according to the map of said city copyrighted by Thomas C. Watson in 1906, O.R. Book 4058, page 934 CA 104, Public Records of Escambia County, Florida.

Agent No.: 28878

<p>Issuing Agent:</p> <p>Attorneys' Title Insurance Fund, Inc P.O. Box 628600 Orlando, FL 32862-8600 Wm. Rod Mitchell</p>
---------------------------------------------------------------------------------------------------------------------------------------

  
\_\_\_\_\_  
Agent's Signature  
Ford MacConnell  
Vice President - ATIF - Claims

# Attorneys' Title Insurance Fund, Inc

## OWNER'S POLICY Schedule B

Policy No.:  
OPM-2956309

Agent's File Reference:  
Blount Redevel

This policy does not insure against loss or damage by reason of the following exceptions:

1. Taxes for the year of the effective date of this policy and taxes or special assessments which are not shown as existing liens by the public records.
2. Rights or claims of parties in possession not shown by the public records.
3. Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the premises.
4. Easements or claims of easements not shown by the public records.
5. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
6. Any adverse ownership claim by the State of Florida by right of sovereignty to any portion of the lands insured hereunder, including submerged, filled and artificially exposed lands, and lands accreted to such lands.
7. Subject to any interest of Violet Adams Shipley, Betty Adams Ross, H. C. Ross, Jeanne Adams DeArmon & Benjamin DeArmon and their heirs and assigns. *Deed 1938*
8. Subject to any interest of Goldie Eulalie Adams and Cecelia Adams and their heirs and assigns. *ORDER 1928*
9. Subject to any interest of Theresa Cohen and A. M. Cohen and their heirs and assigns. *Deed 1921*

7  
8  
9

## EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and The Fund will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
  - (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
  3. Defects, liens, encumbrances, adverse claims or other matters:
    - (a) created, suffered, assumed or agreed to by the insured claimant;
    - (b) not known to The Fund, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to The Fund by the insured claimant prior to the date the insured claimant became an insured under this policy;
    - (c) resulting in no loss or damage to the insured claimant;
    - (d) attaching or created subsequent to Date of Policy; or
    - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy;
  4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
    - (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
    - (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
      - (i) to timely record the instrument of transfer; or
      - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

## CONDITIONS AND STIPULATIONS

### 1. Definition of Terms

Following terms when used in this policy mean:

- (a) "insured": the insured named in Schedule A, and, subject to any rights or defenses The Fund would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors
- (b) "insured claimant": an insured claiming loss or damage.
- (c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.
- (d) "land": the land described or referred to in Schedule A, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, or any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.
- (e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument
- (f) "public records": records established under state statutes at date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a) (iv) of the Exclusions from Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.
- (g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

### 2. Continuation of Insurance After Conveyance of Title

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or

from the insured of either (i) all estate or interest in the land, or (ii) all indebtedness secured by a purchase money mortgage given to the insured.

### 3. Notice of Claim To Be Given by Insured Claimant

The insured shall notify The Fund promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which The Fund may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If prompt notice shall not be given to The Fund, then as to the insured all liability of The Fund shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify The Fund shall in no case prejudice the rights of any insured under this policy unless The Fund shall be prejudiced by the failure and then only to the extent of the prejudice.

### 4. Defense and Prosecution of Actions; Duty of Insured Claimant

#### To Cooperate

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, The Fund, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Fund shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Fund will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Fund shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Fund may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If The Fund shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever The Fund shall have brought an action or interposed

I may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires The Fund to prosecute or defend, The Fund shall secure to The Fund the right to so prosecute or provide assistance in the action or proceeding, and all appeals therein, and permit The Fund to use, at its option, the name of the insured for this purpose. Whenever requested by The Fund, the insured, at The Fund's expense, shall give The Fund all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of The Fund may be necessary or desirable to establish the title to the estate or interest as insured. If The Fund is prejudiced by the failure of the insured to furnish the required cooperation, The Fund's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

#### Proof of Loss or Damage

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided The Fund, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to The Fund within 90 days after the insured claimant shall obtain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the insured or other matter insured against by this policy which constitutes the cause of loss or damage and shall state, to the extent possible, the basis for calculating the amount of the loss or damage. If The Fund is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, The Fund's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage. In addition, the insured claimant may reasonably be required to submit to The Fund, under oath by any authorized representative of The Fund, and shall produce for examination, inspection and copying, at reasonable times and places as may be designated by any authorized representative of The Fund, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after the date of policy, which reasonably pertain to the loss or damage. If requested by any authorized representative of The Fund, the insured claimant shall grant its permission, in writing, for any authorized representative of The Fund to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to The Fund pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of The Fund, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other information reasonably requested or grant permission to secure reasonably necessary information from third parties as required in this Section shall terminate any liability of The Fund under this policy as to the claim.

#### Options To Pay or Otherwise Settle Claims; Termination of Liability

In the event of a claim under this policy, The Fund shall have the following additional options:

##### To Pay or Tender Payment of the Amount of Insurance.

Upon tender payment of the amount of insurance under this policy by The Fund with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by The Fund, up to the time of tender or payment and which The Fund is obligated to

pay, the exercise by The Fund of this option, all liability and obligations incurred under this policy, other than to make the payment tendered, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be deemed to have been cancelled.

##### To Pay or Otherwise Settle With Parties Other than the Insured or the Insured Claimant.

(i) To pay or otherwise settle with other parties for or in the event of an insured claimant any claim insured against under this policy together with any costs, attorneys' fees and expenses incurred

by the insured claimant which were authorized by The Fund up to the time of payment and which The Fund is obligated to pay; or

(ii) To pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by The Fund up to the time of payment and which The Fund is obligated to pay.

Upon the exercise by The Fund of either of the options provided for in paragraphs (b) (i) or (ii), The Fund's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

#### 7. Determination, Extent of Liability and Coinsurance

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of The Fund under this policy shall not exceed the least of:

(i) the amount of insurance stated in Schedule A; or,

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) *(This paragraph dealing with Coinsurance was removed from Florida policies.)*

(c) The Fund will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

#### 8. Apportionment

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by The Fund and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

#### 9. Limitation of Liability

(a) If The Fund establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by The Fund or with The Fund's consent, The Fund shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Fund shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of The Fund.

#### 10. Reduction of Insurance; Reduction or Termination of Liability

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

#### 11. Liability Noncumulative

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount The Fund may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

#### 12. Payment of Loss

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of The Fund.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations,

the loss or damage shall be payable within 30 days thereafter.

### 13. Subrogation Upon Payment or Settlement

#### (a) The Fund's Right of Subrogation.

Whenever The Fund shall have settled and paid a claim under this policy, all right of subrogation shall vest in The Fund unaffected by any act of the insured claimant.

The insured shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by The Fund, the insured claimant shall transfer to The Fund all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit The Fund to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, The Fund shall be subrogated to these rights and remedies in the proportion which The Fund's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but The Fund, in that event, shall be required to pay only that part of any losses insured against by his policy which shall exceed the amount, if any, lost to The Fund by reason of the impairment by the insured claimant of The Fund's right of subrogation.

#### (b) The Fund's Rights Against Non-insured Obligors.

The Fund's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

#### 4 Arbitration

Unless prohibited by applicable law, arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association may be

demand if agreed to by both The Fund and the insured. Arbitrable matters may include, but are not limited to, any controversy or claim between The Fund and the insured arising out of or relating to this policy, and service of The Fund in connection with its issuance or the breach of a policy provision or other obligation. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from The Fund upon request.

### 15. Liability Limited to this Policy; Policy Entire Contract

(a) This policy together with all endorsements, if any, attached hereto by The Fund is the entire policy and contract between the insured and The Fund. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, or Agent of The Fund.

### 16. Severability

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

### 17. Notices, Where Sent

All notices required to be given The Fund and any statement in writing required to be furnished The Fund shall include the number of this policy and shall be addressed to The Fund at its principal office at Post Office Box 628600, Orlando, Florida 32862-8600.

OWNERS  
TITLE INSURANCE  
POLICY

Attorneys'  
Title Insurance Fund,  
Inc.

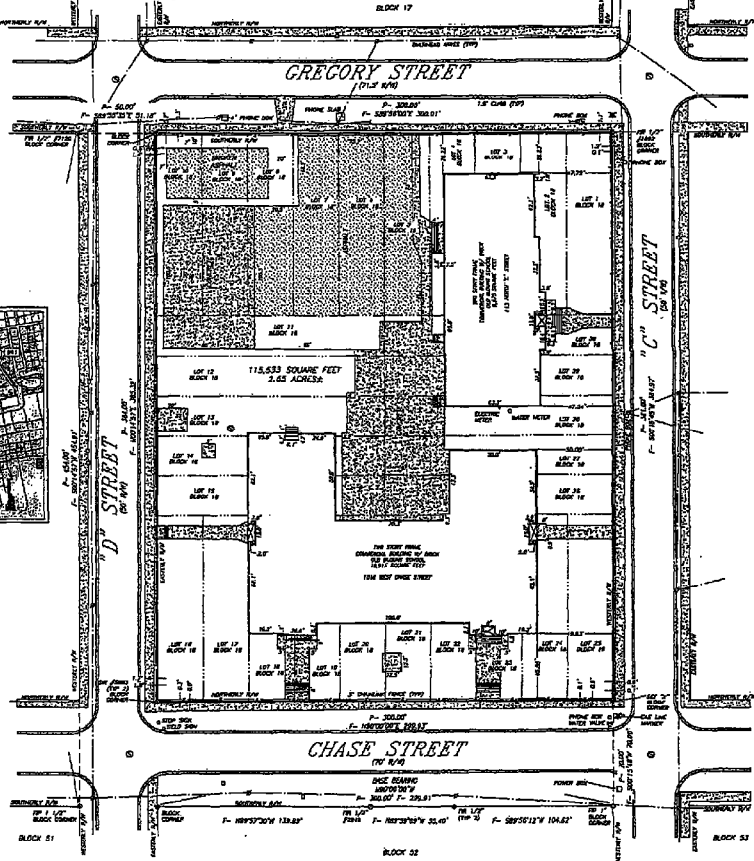
ORLANDO, FLORIDA



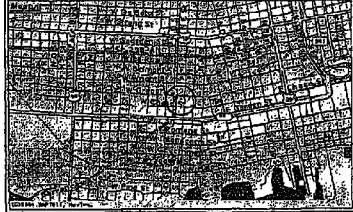
For information about coverage or assistance in resolving complaints, call 407-240-3863.

Offices at  
6545 Corporate Centre Boulevard  
Orlando, FL 32812  
(407) 240-3863 • (800) 336-3863

# ALTA/ACSM LAND TITLE SURVEY



VICINITY MAP



- LEGEND**
- MANHOLE COVER
  - POWER POLE
  - CUT WIRE
  - ⊗ FIRE HYDRANT
  - ⊕ WATER METER

**NOTE:**  
NO ELEVATION WORK WAS PERFORMED BY THIS SURVEYOR.

**DESCRIPTION:**  
LOTS 1 TO 30, BOTH INCLUSIVE, BLOCK 18, WARENT TRACT, CITY OF PENSACOLA, ACCORDING TO MAP OF SAID CITY, COPYRIGHTED BY THOMAS G. WATSON IN 1906.

**EXPLANATIONS:**  
TO BLUNT ADVISORSHIP, I, C. AND ATTORNEY'S TITLE INSURANCE FUND, ONE IS TO CORRECT THE SIZE MAP OR PLAN AND THE SURVEY ON WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH STANDARD DETAIL REQUIREMENTS FOR ALTA/ACSM LAND TITLE SURVEYS, JOINTLY ESTABLISHED AND ADOPTED BY ALTA, ACSM AND NPSI IN 1991, AND INCLUDES ITEMS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, AND 16 OF SAID A. PURSUANT TO THE ACCURACY STANDARDS AS ADOPTED BY ALTA, NPSI, AND ACSM AND IN EFFECT OF THE DATE OF THIS CERTIFICATION, UNDERSIGNED FURTHER CERTIFIES THAT THE SURVEY MEASUREMENTS WERE MADE IN ACCORDANCE WITH THE USUAL CARE, DILIGENCE, AND SKILL REASONABLY EXPECTED OF A SURVEYOR IN THE PRACTICE OF HIS PROFESSION.

DATED: 10-11-04  
 SURVEYOR: L.E. SHONTZ  
 REGISTRATION NUMBER: 3463



**APPROVED BY:** [Signature]  
 [Title]  
 [Address]

**ALTA/ACSM REQUIREMENTS:**  
 THIS SURVEY IS BASED ON THE ALTA/ACSM REQUIREMENTS AS SET FORTH IN THE ALTA/ACSM MANUAL, 1991 EDITION, AND THE ALTA/ACSM MANUAL, 2000 EDITION.  
 THIS SURVEY IS BASED ON THE ALTA/ACSM REQUIREMENTS AS SET FORTH IN THE ALTA/ACSM MANUAL, 1991 EDITION, AND THE ALTA/ACSM MANUAL, 2000 EDITION.  
 THIS SURVEY IS BASED ON THE ALTA/ACSM REQUIREMENTS AS SET FORTH IN THE ALTA/ACSM MANUAL, 1991 EDITION, AND THE ALTA/ACSM MANUAL, 2000 EDITION.

SCALE	1"=40'	FIELD	TRIP	PRICE
BOUNDARY	DATE	DATE	DATE	DATE
SITE PLAN				
FOUNDATION				
FINAL				

REVISIONS	
DATE	METHOD

**REVISIONS:**  
 DATE: 10-11-04  
 METHOD: [Signature]  
 [Title]  
 [Address]

2004  
185

OR BK 5503 PG0028  
Escambia County, Florida  
INSTRUMENT 2004-289496

DEED DOC STAMPS PD @ ESC CO \$2800.00  
10/04/04 ERNIE LEE HAGANA, CLERK

THIS INSTRUMENT PREPARED BY:  
SHARON D. REGAN  
REGAN & ROARK, L.L.C.  
125 South Alcaniz Street, Suite One  
Pensacola, Florida 32501  
Florida Bar No.: 0907308  
Tel (850) 439-1000  
Facs (850) 439-1002

STATE OF FLORIDA

COUNTY OF ESCAMBIA

WARRANTY DEED

KNOW ALL BY THESE PRESENTS, made this 1st day of October, 2004, by and between Frank J. McGinley (SSN#464-84-2050) and Vickie G. McGinley (SSN# 237-04-9034), Husband and Wife, ("Grantor"), and Blount Redevelopment, L.L.C., a Florida limited liability company authorized to transact business in Florida, having its principal place of business and mailing address of 7465 N. Palafox Street, Pensacola, FL 32503, and having federal identification number 20-1689265, ("Grantee").

**W I T N E S S E T H:**

THAT SAID GRANTOR, for and in consideration of the sum of FOUR HUNDRED THOUSAND DOLLARS (\$400,000.00), and other good and valuable considerations to said Grantor in hand paid by Grantee, the receipt of which is hereby acknowledged, does grant, sell, release, remise and convey unto Grantee, Grantee's heirs, successors and assigns, forever, the following described real property, situate, lying and being in Escambia County, Florida, to-wit:

Lots 1 to 30, both inclusive, Block 18, Maxent Tract, City of Pensacola, Florida, according to the map of said city copyrighted by Thomas C. Watson in 1906, OR 4058 P 934 CA 104,

located at 113 N. "C" Street, Pensacola, FL, and 1016 W. Chase Street, Pensacola, FL, and constituting approximately 2.68 acres of land; and

THIS IS THE HOMESTEAD OF THE GRANTOR.

Subject to taxes for the current year, zoning ordinances and restrictions, limitations and easements of record.

The above described property bears Property Appraiser Parcel Identification No. 000S00-9080-001-018.

"Grantor" and "Grantee" are used for singular or plural, as context requires.

Together with all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, free from all exemptions and right of homestead. Subject to oil, gas, and mineral rights reservations of record.



IN WITNESS WHEREOF, Grantors have signed and sealed these presents the day and  
yar first above written.

GRANTORS:

ATTEST: Two Witnesses are Required:

*Rachael Stone*

*Frank J. McGinley, Jr.*  
Frank J. McGinley, Jr.  
GRANTORS:

ATTEST: Two Witnesses are Required:

*Rachael Stone*

*Vickie G. McGinley*  
Vickie G. McGinley

STATE OF FLORIDA  
COUNTY OF ESCAMBIA

THE FOREGOING INSTRUMENT was acknowledge before me this 1 day of  
October 2004, by Mr. Frank J. MCGinley, Jr., and Mrs. Vickie G. McGinley who are either  personally known to me or  produced Fla. Drivers Lic.# \_\_\_\_\_ as identification, and who did take an oath.



*Sharon Regan*  
Notary Public Signature  
Sharon Regan  
(Printed Notary Name)  
My Commission Expires: 12-16-06  
Commission Number: DD 172170

RCD Oct 04, 2004 09:44 am  
Escambia County, Florida

ERNIE LEE MAGAHA  
Clerk of the Circuit Court  
INSTRUMENT 2004-289496



State of Florida,  
Escambia County.

WARRANTY DEED.

Know All Men by These Presents, That We, Theresa Cohen and A. M. Cohen,  
wife and husband

for and in consideration of the sum of One Hundred (\$100.00) Dollars and other  
good and valuable considerations DOLLARS  
to us in hand paid by The Board of Public Instruction for the County of  
Escambia, State of Florida, the receipt whereof is hereby  
acknowledged, have granted, bargained and sold; and by these presents do grant, bargain, sell and convey unto  
the said The Board of Public Instruction, for the County of Escambia,  
State of Florida, its successors  
the following described real estate, situate, lying and being in  
the City of Pensacola, County of Escambia, State of Florida, to-wit: Lots Twenty-four (24) and  
Twenty-five (25) in Block Eighteen (18) of the Maxant Tract, as per  
map of the City of Pensacola copyrighted by Thos. C. Watson in 1906.

Together with the improvements thereon, and the hereditaments and appurtenances thereunto belonging or in any-  
wise appertaining: TO HAVE AND TO HOLD the said above described premises unto the said The Board  
of Public Instruction for the County of Escambia, State of Florida  
its successors  
heirs and assigns, forever, free from all exemption or homestead right or claim of OURS, the said grantor(s)  
if any such right or claim WE possess: And WE, the said grantor(s) for OURSELVES  
and OUR heirs, do covenant with the said grantee its SUCCESSORS and assigns, that WE  
well seized of the said property, and have a good right to convey the same; that it is free from any lien or incum-  
brance in law or equity except 1921 taxes and that said grantor(s) shall and will warrant and by these presents forever defend the  
said premises unto the said grantee its SUCCESSORS and assigns, against the lawful claims of all and every  
person or persons whomsoever.

In Testimony Whereof, WE have hereunto set OUR hand and seal this 10th  
day of February, A. D. 1921.

Signed, sealed and delivered in the presence of  
N. H. Frohlichstein  
Edward A. ...

Theresa Cohen Seal  
A. M. Cohen Seal  
Seal  
Seal



State of Florida,  
Escambia County.

This day, before the undersigned, personally appeared Theresa Cohen and A. M. Cohen  
wife and husband

to me well known to be the individual described in and who executed the foregoing Deed of Conveyance, and  
acknowledged that they executed the same for the uses and purposes therein expressed, and the said  
Theresa Cohen wife of the said A. M. Cohen

upon a private examination by me, held separate and apart from her said husband, acknowledged and declared that  
she executed the same freely and voluntarily and without fear or apprehension, compulsion or constraint, of or from  
her said husband, and for the purpose of relinquishing, renouncing and conveying all her rights of whatever kind  
in and to the said property.

In Testimony Whereof, I have hereunto set my hand and affixed my official seal, this 10th  
day of February, A. D. 1921.

*Edward A. Clark*  
Notary Public

My commission expires 2/20 1921

WARRANTY DEED.

Theresa Cohen and A. M. Cohen,  
wife and husband

TO

The Board of Public Instruction  
for the County of Escambia,  
State of Florida.

*Blair*

ESCAMBIA COUNTY, FLORIDA.

FILED FOR RECORDS \_\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and duly recorded in

Book \_\_\_\_\_ Page \_\_\_\_\_

Filed \_\_\_\_\_

Clerk Circuit Court.



*W.A. Blount School*

STATE OF FLORIDA:

WARRANTY DEED

ESCAMBIA COUNTY:

KNOW ALL MEN BY THESE PRESENTS That we, Violet Adams Shipley, a widow, Betty Adams Ross and H. C. Ross, her husband and Jeanne Adams DeArmon and Benjamin DeArmon, her husband, (the said grantors together with Brady being the sole and only heirs of Ammie Adams, deceased), for and in consideration of One Dollar (\$1.00) and other monetary considerations the receipt whereof is hereby acknowledged, do bargain, sell, convey and grant unto The Board of Public Instruction of Escambia County, Florida, its successors, executors, administrators and assigns, forever an undivided three-fourth interest in and to the following described real property, situate, lying and being in the City of Pensacola, County of Escambia, State of Florida to-wit:

Lots sixteen (16), seventeen (17) and the West half (w $\frac{1}{2}$ ) of Lot eighteen (18) in Block eighteen (18) of the Maxent Tract as per Watson's map published in 1906.

Together with all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, free from all exemptions and right of homestead.

And we covenant that we are well seized of an indefeasible estate in fee simple in the said property, and have a good right to convey the same, that it is free of incumbrance, and that we, our heirs, executors and administrators, the said grantee, its successors, executors, administrators and assigns, in the quiet and peaceable possession and enjoyment thereof, against all persons lawfully claiming the same, shall and will forever warrant and defend.

IN WITNESS WHEREOF we have hereunto set our hands and seals this 2nd day of February, A. D. 1938.

Signed, sealed and delivered in the presence of:

*Shirley M. ...*  
*Frederick ...*  
As to Violet Adams Shipley

*Violet Adams Shipley* (SEAL)  
*Betty Adams Ross* (SEAL)  
*H. C. Ross* (SEAL)  
*Jeanne Adams DeArmon* (SEAL)  
*Benjamin D. DeArmon* (SEAL)

*Joseph ...*  
*Anna ...*  
As to Betty Adams Ross and H.C. Ross

*W. DeArmon*  
*B. Sanders*  
As to Jeanne Adams DeArmon and Benjamin DeArmon



STATE OF MARYLAND:  
COUNTY OF

Before the subscriber personally appeared Violet Adams Whaley, known to me, and known to me to be the individual described by said name in and who executed the foregoing instrument and acknowledged that she executed the same for the uses and purposes therein set forth.

Given under my hand and official seal this 7th day of February A. D. 1938.

Frederick Ball  
Notary Public  
My commission expires

STATE OF NEW JERSEY  
COUNTY OF Middlesex

Before the subscriber personally appeared H. C. Ross and Betty Adams Ross, his wife, known to me, and known to me to be the individuals described by said names in and who executed the foregoing instrument and acknowledged that they executed the same for the uses and purposes therein set forth, and the said Betty Adams Ross wife of the said H. C. Ross, on a private examination by me held, separate and apart from her said husband, acknowledged and declared that she executed the same freely and voluntarily, and without fear, apprehension, compulsion or constraint of or from her said husband, and for the purpose of renouncing, relinquishing and conveying all her right of whatsoever kind in and to the said property.

Given under my hand and official seal this 7 day of February A. D. 1938.

George A. Spilator  
Notary Public  
My commission expires

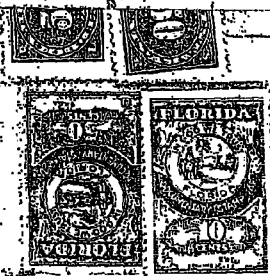
STATE OF NORTH CAROLINA:  
COUNTY OF Wahlburg

Before the subscriber personally appeared Benjamin Dearmon, and Jeanne Adams Dearmon his wife, known to me, and known to me to be the individuals described by said names in and who executed the foregoing instrument and acknowledged that they executed the same for the uses and purposes therein set forth, and the said Jeanne Adams Dearmon wife of the said Benjamin Dearmon, on a private examination by me held, separate and apart from her said husband, acknowledged and declared that she executed the same freely and voluntarily, and without fear, apprehension, compulsion or constraint of or from her said husband, and for the purpose of renouncing, relinquishing and conveying all her right of whatsoever kind in and to the said property.

Given under my hand and official seal this 7th day of February A. D. 1938.

B. Dearmon  
Notary Public  
My commission expires Oct. 2

As to Jeanne Adams Dearmon  
and Benjamin Dearmon



STATE OF MARYLAND:  
COUNTY OF \_\_\_\_\_

Before the subscriber personally appeared Violet Adams Chiley, known to me, and known to me to be the individual described by said name in and who executed the foregoing instrument and acknowledged that she executed the same for the uses and purposes therein set forth.

Given under my hand and official seal this 10 day of February A. D. 1938.

*Fredrick Ball*  
Notary Public  
My commission expires \_\_\_\_\_

STATE OF NEW JERSEY  
COUNTY OF Madison

Before the subscriber personally appeared H. C. Ross and Betty Adams Ross, his wife, known to me, and known to me to be the individual described by said names in and who executed the foregoing instrument and acknowledged that they executed the same for the uses and purposes therein set forth, and the said Betty Adams Ross wife of the said H. C. Ross, on a private examination by me held, separate and apart from her said husband, acknowledged and declared that she executed the same freely and voluntarily, and without fear, apprehension, compulsion or constraint of or from her said husband, and for the purpose of renouncing, relinquishing and conveying all her right of whatsoever kind in and to the said property.

Given under my hand and official seal this 7 day of February A. D. 1938.

*George A. Spilator*  
Notary Public  
My commission expires \_\_\_\_\_

STATE OF NORTH CAROLINA:  
COUNTY OF Woolfburg

My commission expires  
OCTOBER 9, 1941

Before the subscriber personally appeared Benjamin Pearson, and Jeanne Adams Pearson his wife, known to me, and known to me to be the individuals described by said names in and who executed the foregoing instrument, and acknowledged that they executed the same for the uses and purposes therein set forth, and the said Jeanne Adams Pearson wife of the said Benjamin Pearson, on a private examination by me held, separate and apart from her said husband, acknowledged and declared that she executed the same freely and voluntarily, and without fear, apprehension, compulsion or constraint of or from her said husband, and for the purpose of renouncing, relinquishing and conveying all her right of whatsoever kind in and to the said property.

Given under my hand and official seal this 10 day of February A. D. 1938.

*B. Pearson*  
Notary Public  
My commission expires Oct. 29

OF MARYLAND:  
OF

Before the subscriber personally appeared Violet Adams Shipley, to me, and known to me to be the individual described by said name and who executed the foregoing instrument and acknowledged she executed the same for the uses and purposes therein set forth.

Given under my hand and official seal this 7<sup>th</sup> day of February 1938.

Frederick Bill  
Notary Public

My commission expires

OF NEW JERSEY:  
Y OF Middletown

Before the subscriber personally appeared H. C. Ross, and Betty Ross, his wife, known to me, and known to me to be the individuals described by said names in and who executed the foregoing instrument acknowledged that they executed the same for the uses and purposes therein set forth, and the said Betty Adams Ross wife of the said H. C. Ross, on a private examination by me held, separate and apart from her husband, acknowledged and declared that she executed the same voluntarily, and without fear, apprehension, compulsion or constraint of or from her said husband, and for the purpose of renouncing, relinquishing and conveying all her right of whatsoever kind in to the said property.

Given under my hand and official seal this 7 day of February 1938.

George P. Spilator  
Notary Public

My commission expires

STATE OF NORTH CAROLINA:  
COUNTY OF Woodsboro

MY COMMISSION EXPIRES  
OCTOBER 9, 1941

Before the subscriber personally appeared Benjamin Dearmon, and Jeanne Adams Dearmon his wife, known to me, and known to me to be the individuals described by said names in and who executed the foregoing instrument and acknowledged that they executed the same for the uses and purposes therein set forth, and the said Jeanne Adams Dearmon wife of the said Benjamin Dearmon, on a private examination by me held, separate and apart from her said husband, acknowledged and declared that she executed the same freely and voluntarily, and without fear, apprehension, compulsion or constraint of or from her said husband, and for the purpose of renouncing, relinquishing and conveying all her right of whatsoever kind in and to the said property.

Given under my hand and official seal this 7<sup>th</sup> day of February 1938.

Benjamin Dearmon  
Notary Public

My commission expires Oct. 29, 1938

Benjamin Dearmon



IN THE COUNTY JUDGE'S COURT OF ESCAMBIA COUNTY, FLORIDA.

M.S. BENTON, as Sheriff and ex-officio administrator of the estate of ANNIE ADAMS, deceased.

---VS---

LILLIAN KATHLEEN BRADY, HENRY M. BRADY, her husband, VIOLET SHIPLEY, ALVIN R. SHIPLEY, her husband, GOLDIE EULALIE ADAMS, and JOSIE CECELIA ADAMS, the last two being minors.

The above matter coming on for final hearing upon application of the petitioner for an order as prayed in and by the petition and it appearing to the Court that due notice of said application has been given to Violet Shipley, the Guardian as Litem, heretofore appointed for the minors, Goldie Eulalie Adams and Josie Cecelia Adams, that the Guardian ad Litem has heretofore filed his answer in this case; and testimony has been submitted to the Court sustaining the material allegations of the petition, the Court does now order, adjudge and decree as follows, to-wit:

1. That the Judge of this Court did on the 16th day of December, A.D. 1927, make an order, directed to Lillian Kathleen Brady, and Henry M. Brady, her husband, Violet Shipley, Alvin R. Shipley, her husband, Goldie Eulalie Adams, and Cecelia Adams, the last two being minors, and to all the other persons interested in the hereinafter described real estate, citing them and admonishing them to be and appear in this Court on the 17th day of January, A.D. 1928, to show cause, if any they have, why said petition should not be granted, and that a copy of said citation was published once each week for four (4) consecutive weeks in the Pensacola News, a newspaper published in Escambia County, Florida, the dates of publication, as shown by due proof thereof produced to the Court being the 6th, 13th, 20th and 27th days of December 1927 and the 3rd day of January 1928; and the Clerk of this Court has shown by his certificates herein filed that he on the 16th day of December, A.D. 1927, mailed a copy of the said order or citation at Pensacola, Florida, to each of the defendants postage prepaid, and on the date of mailing of said copy posted a true

DEPUTY CLERK

EMILIE LEE WAGNER, CLERK  
CIRCUIT COURT AND COUNTY COURT  
BY: *Emilie Lee Wagner*  
DEPUTY CLERK

THIS IS TO CERTIFY THAT THE ABOVE MENTIONED DOCUMENTS ARE TRUE AND CORRECT COPIES OF THE ORIGINAL RECORDS OF THE CIRCUIT COURT OF THE COUNTY OF ESCAMBIA, FLORIDA, AND THAT THESE IMAGES WERE MADE IN THE USUAL COURSE OF BUSINESS IN ACCORDANCE WITH A REGULARLY SCHEDULED MICROFILMING PROGRAM.



# 1

copy of the said order to appear at the door of the Court House of  
Escambia County, Florida; that none of the defendants and no other  
person has entered any appearance herein, nor filed any answer, save  
and except W. F. Whitley, the Guardian ad  
Litem for the minor defendants, Goldie Eudelle Adams and Jessie  
Gould Adams.

2. That the debts and charges due and owing by the estate  
of Annie Adams, deceased, exceed the value of her personal estate to  
be administered in the State of Florida, and the personal estate of  
the said Annie Adams in the State of Florida, is insufficient to pay  
the debts and charges of the said estate is being shown to the Court,  
and the Court finding that no personal estate has come into the hands  
of the petitioner as administrator and that an indebtedness of One  
Hundred Forty Four and 30/100 ( \$ 144.30 ) Dollars, has been proved  
against the estate as alleged in the petition.

3. That it be further ordered that the petitioner, M. B.  
Benton, Sheriff and ex-officio administrator of the estate of Annie  
Adams, deceased, being and he is hereby authorized to take possession  
of the real estate described in the petition, to-wit: the following  
described real estate in the City of Pensacola, Escambia County,  
Florida:

Lot Sixteen ( 16 ), Lot Seventeen ( 17 ), and the West  
Half ( 1/2 ) of Lot Eighteen ( 18 ), in Block  
Eighteen ( 18 ) of the Maxent Tract, in the City of  
Pensacola, Escambia County, Florida, according to  
the map of the City of Pensacola, as copyrighted  
by Thomas C. Watson in 1906.

as assets of the estate of Annie Adams, deceased, for the payment of  
debts, and that the said petitioner do have leave at any time after  
the making of this order to apply to this Court for an order autho-  
rizing him to make sale of the said real estate for the payment of  
debts and for the disposition of the proceeds arising therefrom in  
accordance with law.

DONE, ORDERED ADJUDGED and DECREED at Pensacola, Florida,  
on this the 24 day of June A.D. 1928.

Robert B. T. [Signature]  
County Judge.

THIS IS TO CERTIFY THAT THE MICROFILMED REPRODUCTIONS OF THE ORIGINAL RECORDS THAT  
HEREIN ARE IN THE CUSTODY OF THE CLERK OF THE CIRCUIT COURT AND COUNTY COURT ON THE DATE OF DULING THE PERIOD INDICATED AND THAT THESE IMAGES  
WERE MADE IN THE NORMAL COURSE OF BUSINESS IN ACCORDANCE WITH A REGULARLY SCHEDULED MICROFILMING PROGRAM.

REGISTERED MAIL AND OFFICIAL SEAL:  
DATE: June 24 1928

EMILIE LEE MAGNALL, CLERK  
CIRCUIT COURT AND COUNTY COURT  
BY: [Signature]  
DEPUTY CLERK



WEEK IN THE COURSE OF THE CLERK OF THE SUPREME COURT OF VIRGINIA, WHOSE DUTIES ARE DESCRIBED IN THE REGULAR COURSE OF BUSINESS IN ACCORDANCE WITH A REGULARLY SCHEDULED MICROFILMING PROGRAM.

WITNESS MY HAND AND OFFICIAL SEAL:  
DATE: April 1987

RENIE LEE JACZYVA, CLERK  
CIRCUIT COURT AND COUNTY COURT  
BY: Jaczeva  
DEPUTY CLERK

*Handwritten signature and date: April 1987*

CLERK OF CIRCUIT COURT & ESCAMBIA COUNTY & PENINSULA, FLORIDA  
 CERTIFICATE OF AUTHENTICITY

THIS IS TO CERTIFY THAT THE MICROPHOTOGRAPHS APPEARING ON THIS FILM ARE TRUE AND ACCURATE REPRODUCTIONS OF THE ORIGINAL RECORDS THAT WERE IN THE CUSTODY OF THE CLERK OF THE CIRCUIT COURT AND COUNTY COURT ON THE DATE OR DURING THE PERIOD INDICATED AND THAT THESE IMAGES WERE MADE IN THE NORMAL COURSE OF BUSINESS IN ACCORDANCE WITH A REGULARLY SCHEDULED MICROFILMING PROGRAM.

WITNESS MY HAND AND OFFICIAL SEAL:  
 DATE: *11/18/87*

ERNIE LEE MAGALA, CLERK  
 CIRCUIT COURT AND COUNTY COURT  
 BY: *[Signature]*  
 DEPUTY CLERK

IN THE COUNTY JUDGE'S COURT ESCAMBIA COUNTY, FLORIDA	
In Re the Estate of	
Annie Adams deceased.	
P. S. Penton, Adm.	
CONTENTS	
Petitions of Administration	
Book 42-35 page 124;	

IN THE CIRCUIT COURT OF ESCAMBIA COUNTY, STATE OF FLORIDA,  
FIRST JUDICIAL CIRCUIT, IN CHANCERY.

LILLIAN ADAMS BRADY,  
Plaintiff,

-vs-

VIOLET SHIPLEY, MRS. JEANNE  
de ARMON and BENJAMIN de  
ARMON, her husband, and  
BESSIE ROSS and WICKIE ROSS,  
her husband,  
Defendants.

This cause coming on to be heard upon motion of Plaintiff  
for an order of dismissal and it appearing to the court that  
the interests of all parties concerned have been conveyed to  
the Board of Public Instruction of Escambia County, Florida,  
and that partition is neither necessary nor desirable and all  
parties consenting, it is:

ORDERED and DECREED that the bill of complaint herein be  
and the same is hereby dismissed at Plaintiff's cost.

DONE and ORDERED in chambers at Pensacola, Escambia County,  
Florida, this the 21<sup>st</sup> day of February, A.D. 1938.

*L. J. Sturmske*  
Circuit Judge.

ERNEST LEE MACGARA, CLERK  
CIRCUIT COURT, ESCAMBIA COUNTY, FLORIDA  
BY *Ernest Lee MacGara*  
DEPUTY CLERK

THIS IS TO CERTIFY THAT THE MICROPHOTOGRAPHS/APPEARING ON THIS FILM ARE TRUE AND ACCURATE REPRODUCTIONS OF THE ORIGINAL RECORDS THAT  
WERE IN THE CUSTODY OF THE CLERK OF THE CIRCUIT COURT AND COUNTY COURT ON THE DATE OR DURING THE PERIOD INDICATED AND THAT THESE IMAGES  
WERE MADE IN THE NORMAL COURSE OF BUSINESS IN ACCORDANCE WITH A REGULARLY SCHEDULED MICROFILMING PROGRAM.  
DATE: *November 1988* STAT.



THIS IS TO CERTIFY THAT THE MICROPHOTOGRAPHS APPEARING ON THIS FILM ARE TRUE AND ACCURATE REPRODUCTIONS OF THE ORIGINAL RECORDS THAT WERE IN THE CUSTODY OF THE CLERK OF THE CIRCUIT COURT AND COUNTY COURT ON THE DATE OR DURING THE PERIOD INDICATED AND THAT THESE IMAGES WERE MADE IN THE NORMAL COURSE OF BUSINESS IN ACCORDANCE WITH A REGULARLY SCHEDULED MICROFILMING PROGRAM.

WITNESS MY HAND AND OFFICIAL SEAL:  
DATE: November 1990

ERNIE LEE MACARA, CLERK  
CIRCUIT COURT AND COUNTY COURT  
BY: [Signature]  
DEPUTY CLERK

IN THE CIRCUIT COURT OF  
ESCAMBA COUNTY, STATE OF  
FLORIDA, FIRST JUDICIAL  
CIRCUIT, IN CHANCERY.

LILLIAN ADAMS BRADY,  
Plaintiff,  
-vs-  
VIOLET SHIPLEY, et al,  
Defendants.

ORDER OF DISMISSAL.

COE & McLANE, Attorneys  
for Plaintiff.

FILED FOR RECORD July 21st  
RECORDED IN Chancery Court  
NO. 22 PAGE 22  
By: [Signature]  
CLERK CIRCUIT COURT  
DEPUTY CLERK

COPY

**Blount Redevelopment, L.L.C.**  
**A Florida Limited Liability Company**  
RESOLUTION OF THE MEMBERS AUTHORIZING SALE OF REAL PROPERTY

A Special Meeting of Managers and Members of the above named Company, was held at the offices of the corporate counsel in person or telephonically on August 12, 2011 at 125 S. Alcaniz Street, Pensacola, FL 32501. Present at the meeting were the following persons:

John Michael O'Neill, III,  
Donald Moore,  
Dr. Sunil Gupta

constituting all of the Managers and Members of the Company, and Sharon Regan, attorney at law.

John M. O'Neill, III presided as Chairman of the meeting and counsel served as secretary for the meeting. The Chairman called the meeting to order and stated that a quorum each of the Members and Managers were present for the conduct of business. The secretary presented and read a Waiver of Notice of the Special Meeting to be signed by all of the Members and Managers of the Company which was ordered to be made part of the minutes of this meeting. The document was signed by John M. O'Neill, III, and Donald Moore.

The Chairman then discussed the business of the Company, being the predicament of the Chase Street property and the offer of purchase received from the Housing Department, the desirability for sale due to the accrual of code enforcement liens and the cost of repairs. The totality of sums invested to date for purchase and taxes and title research were discussed as well as the bids for repairs and the financial condition were discussed, as well as past offers of purchase. The terms of the offer to purchase were reviewed and certain clarifications were agreed to be added in an addendum to make certain the code enforcement liens would be cancelled and released by the Buyer, and that title could be conveyed with the remaining exceptions. After making notes of the terms to be added, upon motion duly made and unanimously carried the terms of the offer presented to the managers were accepted as modified in the addendum terms, and were approved and the actions of the members and managers of the Company were ratified, approved and confirmed.

Whereupon the undersigned, being all the managing members of the above named Florida Company, do hereby unanimously adopt the following resolutions.

It is hereby:

**RESOLVED AS FOLLOWS:**

1. That the offer of purchase at the net sales price of \$225 thousand be and hereby is accepted, under the proposed terms as modified by the addendum items. Seller to pay brokerage fees and real estate taxes, pro rata, only, from the sale proceeds.

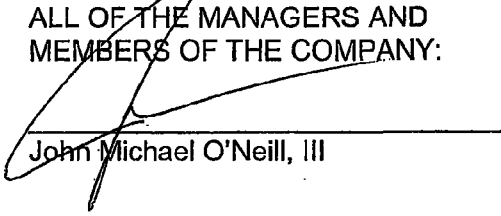
2. That the current managing member O'Neill be and is authorized to execute the contract for sale and purchase and the addendum on behalf of the Company, and to negotiate any such additional terms, set-offs, or other advantageous incidental matters as may become necessary to effectuate and expedite the agreed sale.

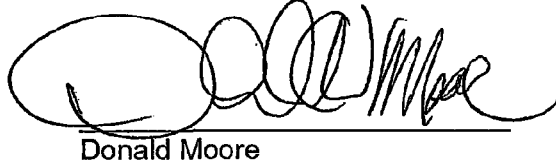
3. That the current managing member O'Neill be and is further authorized to attend closing and to execute such documents in connection with finalizing and closing upon the sale of the property at 113 N. "C" Street (Chase St) as may arise in the course of the transaction, including settlement statements, affidavits, deeds, contracts, addenda, disclosures, disclaimers, releases, and any and all other documents and instruments as may be proper or prudent to effectuate the sale, and to deposit the sale proceeds into the account of the Company.

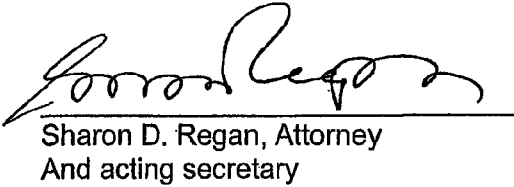
4. That each of the above resolutions shall continue in force until rescinded or modified.

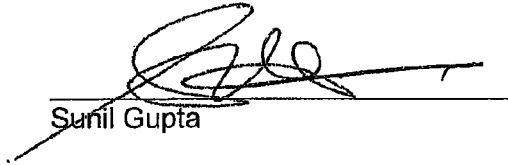
There being no further business to come before the meeting, upon motion duly made and carried, the meeting was adjourned.

ALL OF THE MANAGERS AND MEMBERS OF THE COMPANY:

  
\_\_\_\_\_  
John Michael O'Neill, III

  
\_\_\_\_\_  
Donald Moore

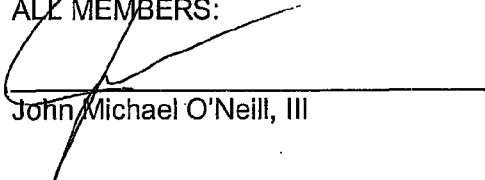
  
\_\_\_\_\_  
Sharon D. Regan, Attorney  
And acting secretary

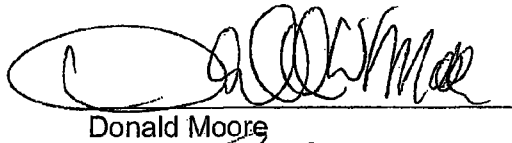
  
\_\_\_\_\_  
Sunil Gupta

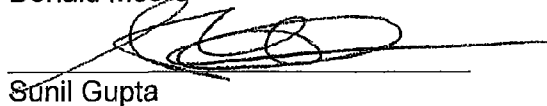
**WAIVER OF NOTICE OF THE SPECIAL MEETING**

We, the undersigned, being all of the Managers and Members of the Company, do hereby waive all notice of the Special Meeting of Members and Managers of said Company, that was held on August 12, 2011 telephonically or at the office of the attorney for the Company for the purpose of discussion of the offer of purchase of the real property.

ALL OF THE MANAGERS AND ALL MEMBERS:

  
\_\_\_\_\_  
John Michael O'Neill, III

  
\_\_\_\_\_  
Donald Moore

  
\_\_\_\_\_  
Sunil Gupta

<b>SUMMARY APPRAISAL</b>
<b>REPORT</b>

---

**TYPE OF PROPERTY**

2.63 ACRES RESIDENTIAL PARCEL

**LOCATION**

113 N. 'C' STREET  
PENSACOLA, FL 32501

**DATE OF VALUE**

AUGUST 3, 2011

**DATE OF REPORT**

AUGUST 20, 2011

**PREPARED FOR**

MRS. PATRICIA HUBBARD  
CITY OF PENSACOLA  
DEPARTMENT OF HOUSING  
PENSACOLA, FL 32501

---

**John Priller & Associates**  
**812 E. DeSoto Street**  
**Pensacola, FL 32501**  
**(850) 433-3360 Office**  
**(850) 433-3569 Fax**

Mrs. Patricia Hubbard  
Director  
Department of housing 420 W. Chase street  
City of Pensacola  
FL 32501

August 20, 2011

RE: ±2.63 Acres Parcel Located at  
113 N. "C" Street  
Pensacola, FL 32502  
File #B110804

Dear Mrs. Hubbard

In accordance with your request for an appraisal of the above referenced property, I hereby certify that I have made a thorough, personal inspection of the property and all data contained in this report are believed to be correct.

This report is made for the purpose of expressing My opinion of the market value of the subject property in the physical condition as of August 20, 2011. This appraisal includes the real estate comprising the land only. No land improvements are included in the final value estimate. The property will be appraised as a fee simple estate, subject to normal limitations, with typical real estate financing. Market value may be defined as follows:

"The most probable price in terms of money which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and the seller, each acting prudently, knowledgeable and assuming the price is not affected by undue stimulus; providing the purchaser receives a warranty deed and takes advantage of typical financing; and providing the seller receives all cash or its equivalent." This definition will be more fully discussed within the main body of the report.

This report comprises:

1. This letter of identification and summary of the results of the investigation.
2. A report containing a description of the land, summary of the approach to value and a conclusion of value.
3. Explanatory exhibits which include:
  - a. A map depicting the relative size and location of the subject site.
  - b. Photographs of the subject property.

If the signature to this letter and the accompanying report are not in original ink, as opposed to a



duplicating process, the report is invalid.

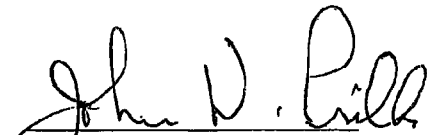
John W. Priller, is licensed in the State of Florida under the Department of Professional Regulation. Mr. Priller holds a current Real Estate Broker's License and is a Florida State Certified General Appraiser (#RZ-99). These licenses are required in the State of Florida in order to perform real estate appraisals/evaluations.

After completing an analysis of the property as reflected in the attached report, it is my opinion the market value of the subject property, with an estimated marketing time up to 12 months, as of August 3, 2011, is as follows:

**FEE SIMPLE VALUE  
MINUS FORTY SIX THOUSAND DOLLARS**

**MINUS (\$46,000.00)**

Sincerely,

A handwritten signature in cursive script that reads "John W. Priller". The signature is written in black ink and is positioned above a horizontal line.

John W. Priller,  
State Certified General  
Real Estate Appraiser #RZ-99

## **SPECIAL ASSUMPTIONS/ LIMITING CONDITIONS**

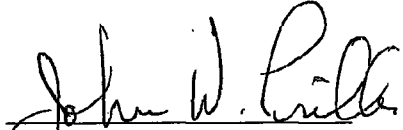
The aforementioned values are subject to the General Assumptions and General Limiting Conditions within this report. The appraiser considered only the real estate portion of the subject property. Further, the aforementioned values stated above are represented as of the effective date of the appraisal and value estimates could change in the future. The value assumes the subject site and surrounding properties being free and clear of any hazardous waste materials. It should be noted a potential purchaser of a property with hazardous waste or dangerous building materials might assume financial liability for removal of such materials. If any hazardous waste or dangerous building materials are found on the subject property, the values could change accordingly.

## CERTIFICATE OF APPRAISAL

The undersigned hereby certifies:

- \* That John W. Priller, personally inspected the subject property and is familiar with the subject neighborhood and its environs.
- \* That the undersigned was employed directly by City of Pensacola, Department of Housing and has no direct or indirect, present or contemplated future interest in said property appraised. No personal bias with respect to the parties involved exists.
- \* That the analyses, opinions, and conclusions contained in the report are limited by the assumptions and limiting conditions set forth and are the personal, unbiased, professional analyses, opinions and conclusions of the appraiser.
- \* That to the best of my knowledge and belief, the statements contained in the appraisal are true, and the information upon which the opinions expressed are correct, subject to the stated limiting conditions herein.
- \* That this appraisal assignment was not based upon a requested minimum cost or a specific cost.
- \* That compensation is not contingent upon an action or event resulting from the analyses, opinions or conclusions in this report or the use of this report.
- \* That this appraisal report sets forth all the known limiting conditions (imposed by the terms of this assignment or by the undersigned) affecting the analyses, opinions and conclusions contained in this report.
- \* That the analyses, opinions and conclusions were developed and reported in conformity with the requirements of the Appraisal Institute and comply with the Uniform Standards of Professional Appraisal Practice.
- \* That the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized authorities.

- \* That the appraiser has the appropriate knowledge and experience to complete this assignment competently in accordance with the competency provision as required by USPAP. Appraiser qualifications are at the end of this report.
- \* That John W. Priller is a State Certified General Appraiser in the State of Florida, #RZ-99 .
- \* As of the date of this report, I, (John W. Priller, Sr.), have completed the requirements of the continuing education program for the State of Florida Department of Real Estate for re-certification by November 30, 2012.

  
John W. Priller  
St. Certified General  
Real Estate Appraiser  
#RZ-99

File #B110804

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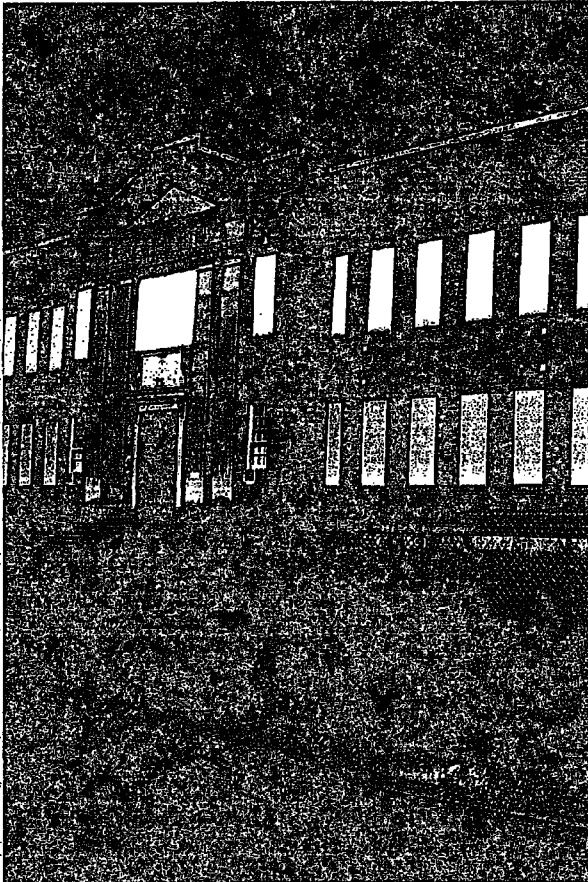
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**SUBJECT PHOTOGRAPHS**

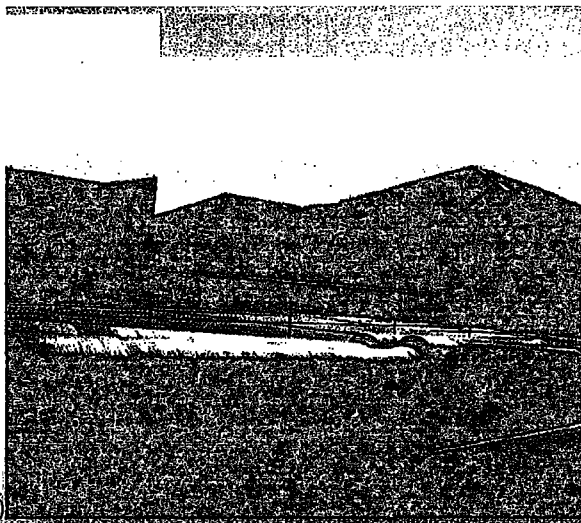
Front View

Side View

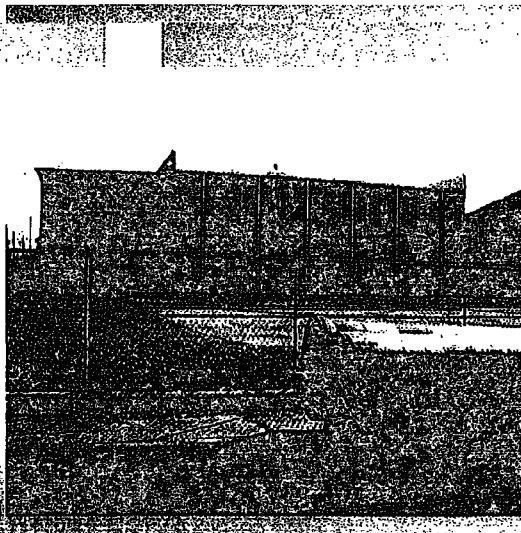


**SUBJECT PHOTOGRAPHS (CONT'D)**

**Rear View**



**Rear View**





## SUMMARY OF SALIENT FACTS

Property Type:	Vacant Residential Parcel
Location:	113 North C Street Pensacola, FL 32501
Real Estate Zone:	Zone 5
Ownership:	Blount Redevelopment LLC
Interest Appraised:	Fee Simple Estate
Size and Shape of Tract:	±2.63 acres on one parcel and rectangular in shape with frontage along North "C" Street, West Gregory Street, North "D" Street and West Chase Street.
Improvements:	There is an old Public School which is slated for demolition.
Zoning	R-1A Residential District
Highest and Best Use:	As Vacant: Residential As Improved: Residential

## VALUATION ESTIMATES

<b>"As Is" Market Value</b>		
Cost Approach:		Not Applicable
Market Approach:	MINUS	(\$46,000.00)
Income Approach:		Not Applicable
<b>Final Value</b>	<b>MINUS</b>	<b>(\$46,000.00)</b>

## **APPRAISAL REPORT INTRODUCTION**

The property under review is located at 113 North "C" Street. The legal description is described as follows: Lots 1-30 Block 18, Maxent Tract.

The subject property is located in an area in Pensacola that is zoned R-1A, Residential District. The site contains  $\pm 2.63$  acres or  $\pm 114,563$  square feet of land with  $\pm 300$  feet of road frontage along West Gregory & Chase Streets and 384 feet of frontage along North "C" & "D" Streets. There is currently an old, closed public school located on the property which is to be demolished. The subject parcel encompasses an entire city block.

## **DESCRIPTION OF THE PROCESS**

### **Scope of Work**

The appraiser has collected, confirmed and reported data considered applicable in the appraisal process. Data collection involved the use of various sources available, including in-house appraisal file material. The data researched and collected have been reported to an extent considered sufficient for this particular appraisal problem. A detailed list of the more significant areas of research encountered during this appraisal process is as follows:

**Site and Improvement Analysis:** Documentation of all characteristics of the physical site and its improvements.

**History of Property:** Current use, prior sales information, current market activity, and ownership interests.

**Regional and Neighborhood Analysis:** Patterns of land use, trends in real estate development, nature of existing and future population, economic influences, government regulations, etc.

**Highest and Best Use:** Review and interpret current zoning, use permits of variances, general plan flooding and seismic hazard. Determine the highest and best use considering physical improvements, economic feasibility and legality.

**Market Data:** Search and analyze applicable land sales. Verify effective sales price, inspection and analysis of data. Process data through comparability analysis.

**Real Estate Valuation:** Estimate the market value considering the selected approach(es) to value. All three traditional approaches to value are considered: the cost approach, the sales comparison approach, and the income approach. However, only the sales comparison approach is applicable for this assignment and also agreed upon by the client.

## **PURPOSE OF THE APPRAISAL**

The purpose of this appraisal is to provide the appraiser's best estimate of the market value of the property under review.

## **FUNCTION OF THE APPRAISAL**

The appraisal was prepared at the request of The City of Pensacola Housing Department. The function of the appraisal is to provide the client with the fair market value to assist the client in decision-making.

## **PROPERTY RIGHTS APPRAISED**

The fee simple title is regarded as an estate without limitations or restrictions. Anything less than the complete estate results in a partial interest which is created by selling or leasing, or otherwise limiting the bundle of rights in a fee estate. An appraisal assignment may require the appraisal of fee simple title or partial interest such as a leasehold estate or an easement. The three most common types of property rights involved in the appraisal process are defined in *The Appraisal of Real Estate*, 11th Edition, pages 137-138, published in 1996 by the Appraisal Institute as follows:

1. Fee simple estate: "Absolute ownership unencumbered by any other interest or estate; subject only to the limitations of eminent domain, escheat, police power, and taxation.
2. Leased fee estate: "An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; usually consists of the right to receive rent and the right to repossession at the termination of the lease.
3. Leasehold estate: "The right to use and occupy real estate for a stated term under certain conditions; conveyed by a lease."

The property rights appraised are those of the fee simple estate, inasmuch as the property is appraised as vacant land.

## **APPRAISAL DATES DEFINED**

As used in this appraisal, the date of value is the effective date of the appraisal, either current or at a past point in time. The date of report is the date on which the appraisal process is completed to the point of submission of an appraisal report.

Date of Value: August 3, 2011

Date of Report: August 20, 2011

## **MARKET VALUE**

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

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

## **PROPERTY HISTORY**

A search of the public records for Escambia County, Florida reveals that the property with the physical address at 113 North "C" street is currently owned by Blount Redevelopment LLC, since October, 2004 for a reported price of \$400,000.00 (O.R. 5503, Page 0028). There is a prior sale to Mr. Frank McGinley in September 1996 in the amount of \$5,000.00.

## **PENSACOLA**

The City of Pensacola is the seat of Escambia County at the western end of Florida's Panhandle. It covers approximately 25.09 square miles in southeastern Escambia County with the Cities of Gulf Breeze, Milton and Pace located in Santa Rosa County serving as bedroom communities.

### **SOCIAL TRENDS**

#### **Population**

According to Pensacola Chamber of Commerce, there are approximately 67,000 people in the Pensacola city limits, with approximately 1,000 newcomers anticipated annually. The growth of the city promotes the growth of its surrounding area. According to Woods and Poole Economics, the population of Pensacola MSA, which includes the City of Pensacola, Pace, Milton and Gulf Breeze, was estimated at about 461,750 residents for 2007 with the projected population growth of 9.9% for 2007-2012. The average household size is about 2.6 people per residence; there is currently 177,540 household. The impetuses for population increase are the area's military facilities and its location along the Gulf Coast of Florida that draws thousands of tourists each year.

#### **Services**

The Pensacola Fire Department within city limits or a volunteer fire department in unincorporated areas provides fire protection. Similarly, law enforcement is handled by the Pensacola Police Department within city limits or by the Escambia County Sheriff's department in unincorporated areas.

Gulf Power Company furnishes electricity, while Southern Bell provides telephone. Both sewage and water services are available through Escambia County Utilities Authority, or People's Water Service Co. And lastly, Energy Services of Pensacola supplies natural gas to the area residents.

#### **Amenities**

As mentioned earlier, abundant recreational and cultural activities are available. Shopping facilities, schools, religious centers, and libraries are also plentiful. The Escambia County School District alone has 68 schools and centers. Specialized health care needs are serviced by four general hospitals (one naval), numerous medical treatment centers, and specialized clinics or nursing care centers for the elderly.

## **PENSACOLA (CONT'D)**

### **ECONOMIC TRENDS**

According to the Agency for Workforce Innovation, average annual wages in the Pensacola MSA in 2005 ranged from a low \$13,484 in accommodation and food services to a high of \$59,460 in management of companies and enterprises. The 2005 average annual wage for all industries in the area was \$32,050. The unemployment rate has generally been lower in Pensacola than in Florida and the nation.

#### **Labor Supply**

Corporations looking to relocate have come to respect Pensacola's bank of skilled labor from the colleges and military. Another boost to the labor supply is the large number of military dependents and retirees young enough to start second careers.

#### **Military Presence**

The military has been the largest driving force behind this area's economy since 1826. The military is now generating about \$1,369 million in total industry output per year and is responsible for employing 13,000 persons earning \$1,240 million in payroll annually. Its multiplier effect is attributed to the majority of airline tickets sold for related travels in addition to the many reunions and conventions scheduled.

#### **Tourism**

Tourism, the second largest contributor to the economy, is experiencing rapidly increasing revenues. It has an \$876.6 million economic impact on the area, representing 19,000 jobs and \$288.5 million in wages and produces \$425.2 million in total value added activity to the area. World travelers spend millions in the area annually, an amount that increases steadily. A major direct source of impact is the additional construction generated by visitor demand for accommodations.

#### **Construction**

The construction industry is experiencing tremendous growth and demand in the Pensacola area. According to Woods and Poole Economics, from 1995 to 2004, the construction industry experienced an average growth rate of 2% while the average annual growth rate was 1.3%. This industry has \$1,673 million in total industry output per year, employing 17,000 persons who earn a total of \$526.8 million in wages, and produces \$727 million in total value added activity.

## **PENSACOLA (CONT'D)**

### **ECONOMIC TRENDS (CONT'D)**

#### **Finance & Insurance**

There are 19 banks within the Pensacola MSA. The Pensacola banking group has a total of 14 offices and \$5.4 million in deposits ending in June 30, 2006. The finance and insurance industry is responsible for \$881.4 million in total industry output per year, employing over 5,800 people who earn a total of \$231.8 million in wages, and produces \$537.4 million in total value added activity.

#### **Real Estate**

The real estate industry is being fueled by the area's population growth, outside investment and low interest rates. The real estate industry is responsible for \$349.2 million in total industry output per year, employing over 2,000 persons who earn a total of \$59.2 million in wages, and produces \$244.6 million in total value added activity.

#### **Healthcare**

The healthcare industry is becoming an increasingly important component to the economic viability of the Pensacola area. There are six hospitals in the Pensacola MSA. The healthcare industry is responsible for \$1,766.2 million in total industry output per year, employing over 20,000 persons who earn a total of \$89.7 million in wages, and produces \$1,057.1 million in total value added activity.

#### **Employment**

As mentioned earlier, international companies are being targeted for relocation or expansion in the area. A significant boost will be realized now that the Chamber of Commerce Committee of 100 has combined forces with the Pensacola Escambia Development Committee. These entities now share a joint budget with the goal of increasing the local job market.

Manufacturing and industrial jobs play a vital role in the economic stability and account for one of the highest pay scales in the area. Major steps have been taken recently to entice more "clean" or environmentally conscious firms to locate here.

## **PENSACOLA (CONT'D)**

### **GOVERNMENTAL CONTROLS AND REGULATIONS**

The Escambia County government is a five member Board of Commissioners elected every four years by their respective districts. They appoint a County Administrator who oversees the county budget and operations.

Pensacola has a City Council Manager government with 10 council members elected to two-year terms. They, in turn, appoint a City Manager. The Council also elects the Mayor, who moderates the council meetings and serves in an ambassadorial role.

The county and city both have zoning ordinances that regulates land uses. The county also has a state required Future Land Use Plan that is to insure organized growth in the over its 20 year life span. The plan is reviewed every 5 years to insure the plan is keeping up with the area's growth needs. The major topics handled by the plan include consistency, environmentally endangered and threatened species, land use approval on site plans, concurrency and permitting.

### **PHYSICAL/ENVIRONMENTAL FACTORS**

#### **Transportation**

Two federal interstate highways bisect the Greater Pensacola area. Interstate 10 runs east/west along the northern fringes, while I-110 connects I-10 on the north and runs downtown. Several major corridors are also available for surface street travel. North/south primary arterials include: Pine Forest Road, Mobile Highway, Blue Angel Parkway, "W" Street, Highway 29, Palafox Highway, Pace Boulevard, Davis Highway, Ninth Avenue, and Scenic Highway.

Linkages traversing in the east/west direction are Olive Road, Burgess Road, Creighton Road, Airport Boulevard, State Roads 295 and 296, Cervantes Street, Lillian Highway, Jackson Street, State Road 30, and Gulf Beach Highway/Barrancas Avenue.

The Intracoastal Waterway and port merge in the heart of downtown. The Port of Pensacola is owned and operated by the City of Pensacola and is positioned on approximately 50 acres of property on Pensacola Bay. As one of America's best-protected harbors, it is also only 11 miles from the deep-water sea buoy to dockside. A host of trucking firms is available and Burlington Northern and CSX railroad companies serve the area with freight deliveries. The regional airport, which was recently expanded, now operates with a six-gate concourse and accommodates approximately 65 flights per day.

Amtrak also passes through Pensacola three times per week on the Los Angeles to Miami route. Greyhound Bus Lines provide intercity travel while the Escambia County Transit System serves the entire ~100 square miles. Several taxicab companies also aid in local ground transportation.



## **PENSACOLA (CONT'D)**

### **REAL ESTATE TRENDS**

#### **Housing**

The Pensacola area's renter population typifies 30% of the total population with homeowners making up the remaining 70%. Residential development is radiating away from the main corridors to secondary streets. Housing is primarily smaller in size (800 SF to 2,500 SF) and averages 30 years in age. However, new inventory is available or turn-of-the-century homes in one of the many historic districts. According to the Pensacola Association of Realtors the median sales price decreased 2% approximately percent from \$209,368 in September of 2006 to \$204,611 in September of 2007.

#### **Commercial/Retail Market**

According to the Smith and Company Building Occupancy Report, Pensacola, in particular, had a "city-wide" vacancy of  $\pm 10\%$  as of spring 2003. Rental rates, per the survey, range from \$9 per square foot to \$23 per square foot on a full-service gross basis and are increasing. No major new construction is planned. The short-term outlook is favorable as rental rates continue to rise and vacancies decrease due to the relocations from neighbor states impacted by Hurricane Katrina.

As for retail, occupancies generally range from 80-100%, with a few centers experiencing 60-79% occupancy levels due to large, single spaces being vacant. Some new construction is evident in the neighborhoods with little vacancy. As the economy improves, rents are expected to increase while vacancy levels decrease. The upward trend in taxable sales over the past several years is a strong indication that this sector will continue to thrive.

#### **Financing**

Pensacola, the banking center of northwest Florida, has representation from all the major southeast regional banks and local banks as well. The current 30 years fixed mortgage rate for single-family properties is around 6.3%. Commercial loans are typically at 1% to 2% above the Wall Street prime rate. As a result of the low financing rates and ample money supply, construction loans are available as well as attractive terms for refinancing.

### **CONCLUSION**

In summary, Pensacola has been declining in recent years due to a downturn in the economy; however it is widely believed that there is a bright future on the horizon. As previously mentioned in the area description, this neighborhood has tremendous physical characteristics. Land is available for limited new development and visitors and residents have a multitude of recreational facilities. The climate and ample drinking water are also advantages.

The economy and the real estate market have been declining over the past few years and will continue to decline for the foreseeable future; however an increasing population and continually increasing per capita income will aid in the expansion and redevelopment of area commercial businesses. The subject neighborhood has been undergoing gentrification over the past few years as younger families move into the area and refurbish some of the older homes. While Pensacola is

approximately 90% developed, the past positive trends are expected to continue in the real estate market into the foreseeable future. Rental rates and sale prices should continue to decline for the short term for commercial properties. However; the long-term outlook for the area's real estate is favorable.

## SUBJECT'S SURROUNDINGS

The subject neighborhood is bounded by I-110 to the east, Pace Boulevard to the west, Cervantes Street to the north and Main Street to the south. The subject is located west of Pensacola's central business district and inside the city limits. The neighborhood is nearly 100% built up and the growth rate is stable, mainly due to a lack of available land for new construction. Present land use composition is as follows: single family—78%, 2-4 family—2%, multi-family—1%, condo—1%, commercial—15%, and vacant—3%. Predominant occupancy is owner-occupied and vacancies are 5% or less. Residential property values have decreased dramatically since the second quarter of 2005, however values although still declining due to an oversupply of inventory appear to be declining at a slower rate than previously. Commercial property values have also been steadily declining but at slower rate than residential properties..

The subject area is considered to be convenient to the downtown central business district, banks, restaurants, hotels and shopping facilities. Commercial properties extend primarily along Palafox street and Garden street. Traffic on these major thoroughfares is extremely congested during rush hours due to the ongoing expansion projects on I-10 and N. Davis Highway. The project appears to be nearing completion and will undoubtedly alleviate some of the traffic congestion we are now experiencing. The commercial properties located along those major thoroughfares do not appear to have an adverse effect upon residential property values.

## REAL ESTATE TAXES

Address	Account ID	Parcel ID	Assessed Value 2010	Tax Burden * Assessment (Storm water)**
113 N. "C" Street	152475000	00-0S-00-9080-001-018	341,640.00	6,634.64* 966.24 **

\* Includes improvements and land assessment

\*\* Real estate taxes are due and payable without penalty or discount in March of the year following assessment. Discounts are offered for early payment with the discount beginning at 4% in November and decreasing 1% each month until March of the following year. Based on 2010 city of Pensacola millage rate of 19.4200 mills, the figure above indicates a tax burden of \$6,369.26 after applying a 4% discount for early payment. It is logical to assume that a prudent individual would take advantage of the early payment discount. Taxes are current

## SITE ANALYSIS

<b>SITE AREA/SHAPE:</b>	The subject property encompasses an entire city block and is located between "C" & "D" Streets and west Gregory and west Chase Streets. The land size of 2.63 acres or ±114,563 SF.
<b>LEGAL DESCRIPTION:</b>	The legal description is described as follows: Lots 1 to 30, Block 18, Maxent Tract in the City of Pensacola, Escambia County, Florida
<b>FRONTAGE:</b>	Approximately 300 feet of frontage along W. Gregory & W. Chase Streets, And 384 Feet of frontage along North "C" and "D" Streets; encompasses an entire city block
<b>INGRESS/EGRESS:</b>	The subject site is accessible via north "C" Street; north "D" Street both of which are two lane streets. And access is also available via west Gregory and west Chase streets which are also two lane streets. These streets provide convenient ingress and egress.
<b>TOPOGRAPHY:</b>	Basically level and at curb grade.
<b>FLOOD ZONE:</b>	Zone X, Community Panel 12033C 0380G, dated 09-19-06 (Not in a Flood Hazard Area).
<b>ZONING:</b>	R-1A, Residential District
<b>DRAINAGE:</b>	The property appeared to be well drained with no standing water noted.
<b>UTILITIES AVAILABLE:</b>	Public and private utilities are available to the subject site.
<b>ENCROACHMENTS:</b>	Per the information provided, there are no encroachments on the subject site.
<b>EASEMENTS:</b>	Per the information provided, there are no easements on the subject site.

## **SITE ANALYSIS (CONT'D)**

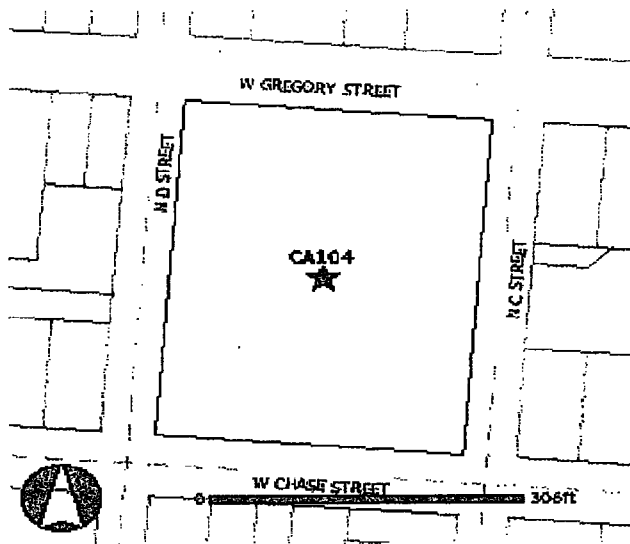
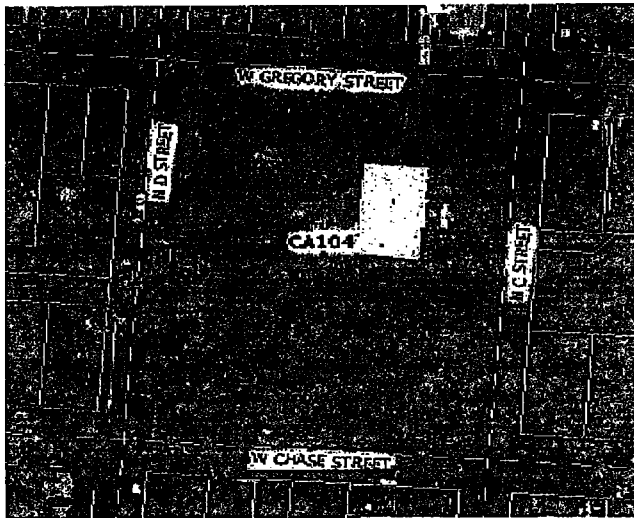
### **COMMENTS:**

The subject site is located west of the downtown Pensacola central business district. The general vicinity is primarily residential in nature with a scattering of commercial and light industrial properties throughout the area. The site is currently improved with an old school building which was constructed circa 1930. The building has reached the end of its economic life and is scheduled for demolition. The site has good visibility and features moderate traffic. Overall, this area is highly accessible to major employment centers and shopping facilities. Current growth in the area is considered to be moderate and consists of mainly of gentrification as the old homes in the area are bought up and refurbished . Soil and drainage conditions appear to be adequate and typical for the area.

The property is being appraised as though vacant inasmuch as the existing improvements have no contributing value and are in fact a detriment to the property.

# PARCEL MAP

**Aerial Photograph Post Hurricane Ivan**





## **HIGHEST AND BEST USE COMMENTARY**

According to the *Dictionary of Real Estate Appraisal*, Third Edition, as published by the Appraisal Institute on page 171, Highest and Best Use may be defined as:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and 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 profitability."

- 1) The reasonable and probable use that supports the highest present value of vacant land or improved property, as defined, as of the date of the appraisal.
- 2) The reasonably probable and legal use of land or sites as though vacant, found to be physically possible, appropriately supported, financially feasible and that results in the highest present land value.
- 3) The most profitable use. Implied in the definition is that the determination of highest and best use takes into account the contribution of a specific use of the community development goals as well as the benefits of that use to individual property owners. Hence, in certain situations the highest and best use of land may be for parks, greenbelts, preservation, conservation, wildlife habitats and the like.

The highest and best use of the land as vacant or the property as improved must meet four basic criteria.

- 1) **Legally Permissible**: What uses are permitted, and how are these uses restricted by zoning, building codes, governmental regulations, private restrictions, or possible long-term leases.
- 2) **Physically Possible**: What uses are physically possible for the site, considering size, shape and topography.
- 3) **Financially Feasible**: Which of the possible and permissible uses will produce a return equal to or greater than the amount needed to satisfy operating expenses, financial obligations and capital amortization. All uses producing a positive return are considered to be financially feasible.
- 4) **Maximally Productive**: Among the various feasible uses, the use which produces the highest price, or value capitalized at an appropriate rate warranted by the market is the highest and best use.

## HIGHEST AND BEST USE (CONT'D)

### Highest and Best Use "As Vacant"

1. Legally Permissible: Escambia County has zoned the subject property R-1A, Residential District, which is intended to provide for medium density residential detached housing. **No title policy was provided for review; therefore, the appraiser is not alert to any deed restrictions.**
2. Physically Possible: The overall site contains approximately ±2.63 acres. Physical aspects of the site are not limited by topography; as there is sufficient land for development. Access to the property is good overall via west Gregory & west Chase Streets as well as "C" & "D" Streets. Based on the size and shape, as well as considering the frontage to depth ratio of the tract, it would be physically possible to construct a variety of commercial or residential developments. However, due to the surrounding uses and locational characteristics, neighborhood residential uses are considered to be most viable.
3. Financially feasible: The uses, which are financially feasible, are uses that would generate a profit or financial return. As described earlier within the appraisal, the overall neighborhood in which the subject site is located is considered to be viable for residential development.
4. Maximally Productive: Considering the location of the site, access and exposure, it is my opinion that a residential development would be the most appropriate and best for this site and also results in the greatest return to the land. Therefore, the highest and best use of the subject site would be to construct a residential development.

## THE APPRAISAL PROCESS

According to the nature of the property and the scope of the assignment, supporting data is gathered, classified, and analyzed to provide the value estimate. In the process, three methodologies for valuation are considered: the cost approach, the sales comparison approach and the income approach.

As mentioned above only the Market Comparison Approach is applicable to this appraisal problem

The sales comparison approach is based on the concepts of anticipation and change, supply and demand, substitution, and externalities. It involves the comparison of recent sales of properties similar to the subject property indicating a basis for determining its value. Analysis of the most relevant properties is then conducted with respect to differences or similarities in date of sale, location, physical characteristics and amenities. The appraiser then reconciles a value for the subject property by selectively rating the comparables as to their overall similarity. This approach is typically considered to be a good indicator of value as it represents the actions of willing buyers and sellers in the current market.

Since the subject property will be appraised as vacant land, the sales comparison approach is deemed most important when estimating the value of the subject.

## SITE VALUATION

Utilizing the sales comparison approach will develop a valuation of the subject site. In this approach, the appraiser compares transactions of similar sites, found in the general area, with the subject and makes adjustments for differences between them. Typical adjustments are made in several categories as if the land comparable possessed the same characteristics as the subject site. All differences are then accumulated in total. Typical differences include site size, location, utility, financing terms, zoning, etc. The range of adjusted values for the subject is then reconciled into one final value by selective rating the land comparables as to their overall qualities. Because the subject site is currently improved with an old school building which is to be demolished since it has reached the end of its economic life; the cost of demolition must be deducted from the estimated land value as found above in order to reach a final estimated value.

The sales comparison approach utilized for valuing the subject site has been defined in *The Dictionary of Real Estate Appraisal*, op.cit., page 318 as:

“A set of procedures in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison and making adjustments to the sales prices of the comparables based on the elements of comparison. The sales comparison approach may be used to value improved properties, vacant land or land being considered as though vacant; it is the most common and preferred method of land valuation when comparable sales data are available.”

The method of comparison utilized within this analysis is the “**price-per-lot**”, a recognized method for the subject area and property type. Note: The Property is zoned R-1A; residential single family.

The appraiser focused the vacant land comparable search on the transactions and current listings which were located in proximity to the subject. A detailed description of the most similar vacant land comparables is presented on the following pages.

## LAND VALUE ANALYSIS

A valuation of the subject site as vacant is made as a basis for use in the market approach. In estimating the value of the subject property as vacant, sales shown below will be analyzed. Because there are few sales of vacant land in the area that are similar to the subject property it was necessary to extend the search back in time to 2008 in order to locate meaningful sales. These sales will be adjusted for conditions such as date of sale, size and location.

*Table 1—Land Sales*

Sale #	Location	Date	Sale \$	Land Size SF	\$/Lot
1	2511 W. Strong St.	05/24/2010	12,000	7,840	12,000
2	2909 W. Brainard St.	05/12/2010	11,000	6,050	11,000
3	701 N. "Z" St.	05/10/2011	11,000	9,148	11,000
4	2710 W. Gonzales St.	10/12/2010	10,500	7,840	10,500
Subject	113 N. "C" Street	Current		114,563	

The following chart depicts our adjustments to the above land sales:

*Table 2—Land Sales Adjustments*

Sale #	\$/Lot	Date	Date Adj.	\$/Lot After	Size Adj.	Final Adj. \$/SF
1	12,000	05/24/2010	-3.75%	11,550	-0-	11,550
2	11,000	05/12/2010	-3.75%	10,588	-0-	11,588
3	11,000	05/10/2011	-.75%	10,918	-0-	10,918
4	10,500	10/12/2010	-2.5%	10,238	-0-	10,238

## LAND VALUE ANALYSIS (CONT'D)

### Land Sales Adjustments Discussion

*Time Adjustments:* The sales are adjusted downward at 1/4% per month. This is a modest adjustment as several market indicators are as high as 6% per year especially for smaller properties.

*Size Adjustments:* When land is sold by the lot the market typically looks at the utility of the site to determine if it is large enough to construct a home. If the lot meets their needs the sales price tends to be unaffected by small variations in size.

*Location Adjustments:* All of the sales are located in an area that provides a buffer between commercial district and residential use. Because all of the sales are located within the same market area as the subject, no adjustments were deemed necessary.

### Reconciliation of Land Sales

The above land sales adjust to a range from \$10,238 per lot to \$11,588 per lot with a mean of \$11,074 per lot. Considering the current market activities, the appraiser has estimated a unit value of \$11,000.00 per lot for the subject site. As mentioned, the old school building on site is considered to have no value contribution and is to be demolished. The cost of demolition must be deducted from the estimated land value. Therefore, the valuation of the subject property is as follows:

$$30 \text{ Lots @ } \$11,000.00/\text{Lot} = \$330,000.00$$

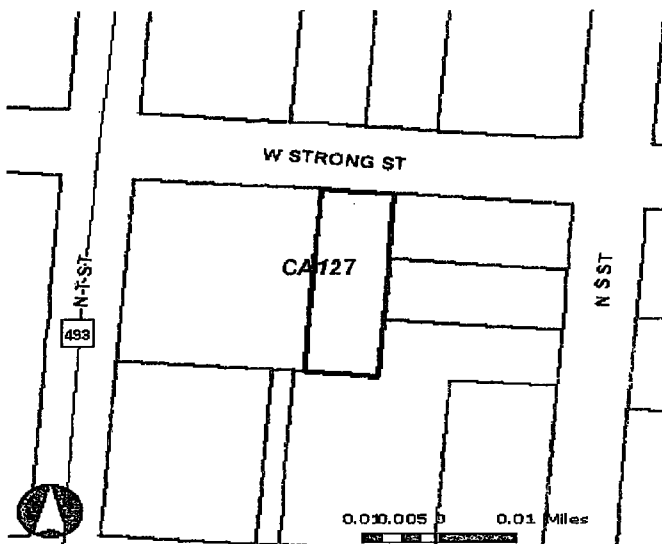
### **ESTIMATED VALUE OF THE SUBJECT SITE BEFORE DEDUCTION FOR BUILDING DEMOLITION**

**\$330,000.00**



## COMPARABLE LAND SALE 1

<b>Use</b>	Vacant Lot
<b>Sale Date</b>	05/24/2010
<b>Location</b>	2511 W. Strong Street
<b>Grantor</b>	Martin A. & Ester Kumi
<b>Grantee</b>	Shin Kuman
<b>Reference</b>	O.R. 6595, Page 6595, Escambia County
<b>Parcel ID</b>	00-0S-00-9060-011-196
<b>Sale Price</b>	\$12,000
<b>Financing</b>	Conventional
<b>Land Size</b>	7,841 SF
<b>Price/lot</b>	\$12,000
<b>Verification Date</b>	August 20, 2011, Public Records
<b>Comments</b>	This sale is located in the middle of the block, between "S" & "T" streets. All public utilities are available to the site.

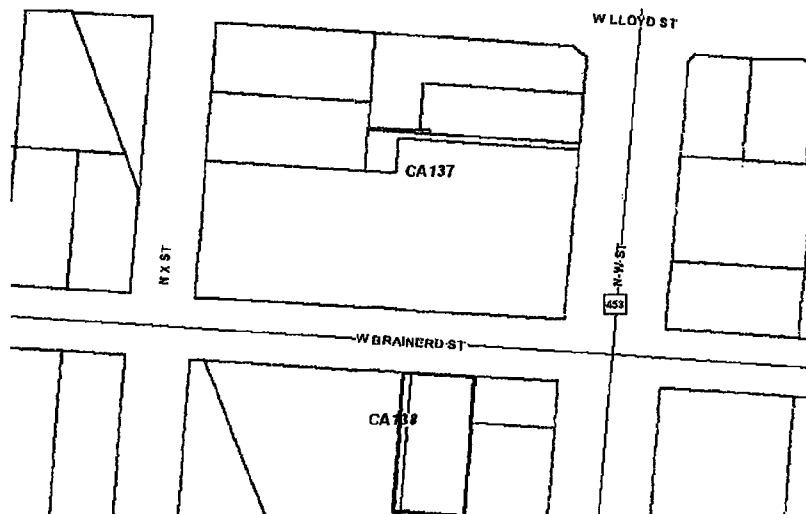


Sale # 1

## COMPARABLE LAND SALE 2

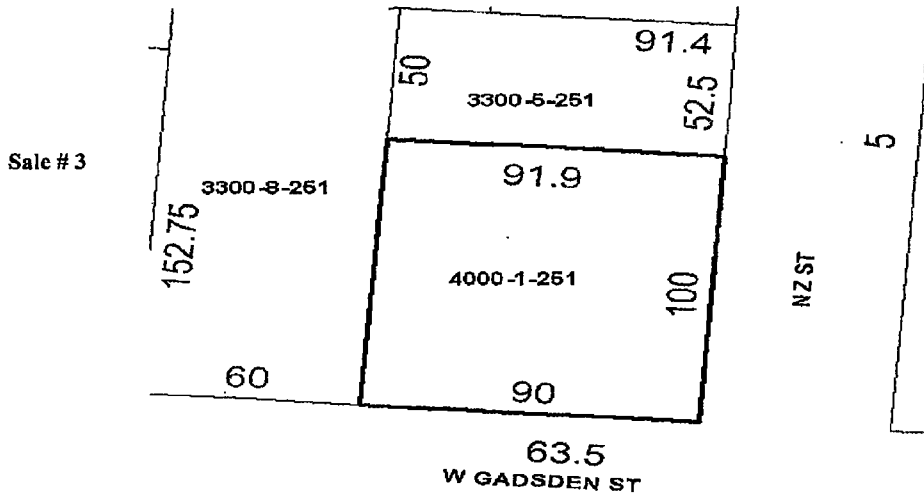
<b>Use</b>	Vacant Lot
<b>Sale Date</b>	05/12/2010
<b>Location</b>	2909 W. Brainerd Street
<b>Grantor</b>	M. Mitchell
<b>Grantee</b>	Sergio E. & Sandra A. Martinez
<b>Reference</b>	O.R. 6595, Page 1216, Escambia County
<b>Parcel ID</b>	00-0S-00-9060-010-225
<b>Sale Price</b>	\$11,000
<b>Financing</b>	Conventional Mortgage
<b>Land Size</b>	6,970 SF
<b>Price/Lot</b>	\$11,000.00
<b>Verification Date</b>	August 20, 2011, Public Records
<b>Comments</b>	This property is located on Brainerd Street between South "J" Street and South "K" Street. All punlic utilities are available to the site.

SALE #2



### COMPARABLE LAND SALE 3

**Use** Vacant Lot  
**Sale Date** 05/10/2011  
**Location** 701 North Z Street  
**Grantor** Ngo An Thi.  
**Grantee** Pensacola Habitat For Humanity  
**Reference** O.R. 6719, Page 1385 Escambia County  
**Parcel ID** 33-2S-30-4000-001-251  
**Sale Price** \$11,000.00  
**Financing** Conventional  
**Land Size** 9,095 SF  
**Price/Lot** \$11,000.00  
**Verification Date** August 20, 2011, Public Records  
**Comments** This lot is located on North "Z" Street on the Northwest Corner of W. Gadsden Street.



## COMPARABLE LAND SALE 4

<b>Use</b>	Vacant Lot
<b>Sale Date</b>	10/12/2010
<b>Location</b>	2710 W. Gonzalez Street
<b>Grantor</b>	Acayucan, Inc.
<b>Grantee</b>	Pensacola Habitat For Humanity
<b>Reference</b>	O.R. 6647 Page 1645 Escambia County
<b>Parcel ID</b>	00-0S-00-9060-023-217
<b>Sale Price</b>	\$10,500.00
<b>Financing</b>	Conventional
<b>Land Size</b>	7,841 SF
<b>Price/Lot</b>	\$10,500.00
<b>Verification Date</b>	August 20, 2011, Public Records
<b>Comments</b>	This is a vacant parcel located in the middle of the block Sale #4



## ESTIMATED COST TO DEMOLISH EXISTING BUILDING

The costs presented are average costs of removal per square foot of total building floor area, except as noted, including loading and hauling, but not dump fees. It is also assumed that the materials have no salvage value.

Costs for removal vary greatly depending on the size and complexity of the job and the extent of contamination regarding hazardous materials such as asbestos or lead.

Reference is made to the Marshall valuation Service Cost manual, Section 66, Page 11

The school building is believed to be a Class "C" structure having brick walls and wood floor trusses. The cost range for this type of construction is \$3.20 to \$4.75 per square foot. Because the building was constructed circa 1930, I believe that there would be asbestos in the building which would increase the costs due to the hazardous nature of this material. Therefore, I believe that a cost of \$5.00 per square foot would cover the demolition costs. These costs must be adjusted for current cost factors and local area costs. Therefore:

\$5.00 per square foot Times Current Cost Factor of 1.05, Times Local Area Costs .82 equals \$4.31

Say \$4.30/Square Foot

The building has a total of 87,434 square feet counting the large front porch.

87,434 SF @ \$4.30/SF = \$375,966.20

Say \$376,000.00

### Estimated Cost of Demolition

**\$376,000.00**

Estimated value of subject land      \$330,000.00  
Less: Estimated cost of demolition    \$376,000.00

Remainder                                  Minus (\$ 46,000.00)

Estimated value of the subject property "as is" as of August 3, 2011

**MINUS FORTY SIX THOUSAND DOLLARS**

**(\$46,000.00)**

## ESTIMATED EXPOSURE TIME

Exposure time is described as the length of time property remains on the market. In other words, it is the estimated time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. It can also apply to a retrospective estimate based upon past events assuming a competitive and open market. Generally, it is presumed to occur prior to the effective date of the appraisal. The following characteristics describe the exposure period.

1. The property will be actively exposed and aggressively marketed to potential purchasers through marketing channels commonly used by sellers of similar-type properties.
2. The property will be offered at a price reflecting the most probable mark-up over market value used by sellers of similar-type properties.
3. A sale would be consummated under the terms and conditions of the definition of market value.
4. The interior improvements are in good condition

The selected exposure time should closely mirror the exposure time of the comparable properties. Regarding the comparables used in this report, exposure times are not always reported accurately; therefore further research was conducted. Due to the location primarily and current market conditions, the exposure time is estimated to be **9-12 months**.





## ASSUMPTIONS AND LIMITING CONDITIONS

### 1. LIMIT OF LIABILITY:

The liability of John W. Priller and associates is limited to the client only and to the amount of the fee actually received by John W. Priller. No accountability, obligation or liability to any third party exists. If the appraisal report is disseminated to anyone other than the client, the client shall make such party or parties aware of all limiting conditions and assumptions affecting the appraisal assignment. Neither John W. Priller or associates are in any way responsible for any costs incurred to discover or correct any physical, financial and/or legal deficiencies of any type present in the subject property. In the case of limited partnerships, syndication offerings or stock offerings in real estate, the client agrees that in the event of a lawsuit brought by a lender, partner of part owner in any form of ownership, a tenant or any other party, the client will hold John W. Priller and associates completely harmless in such action with respect to any and all awards or settlements of any type of such lawsuits. This appraisal was prepared at the request of and for the exclusive use of the client to whom the appraisal is addressed. No third party shall have any right to use or rely upon this appraisal for any purpose.

### 2. COPIES, PUBLICATION, DISTRIBUTION, USE OF REPORT:

Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for other than its intended use; the physical report remains the property of the appraiser for the use of the client, the fee being for the analytical services only. The report may not be used for any purpose by any person or corporation other than the client or the party to whom it is addressed or copied without the written consent of John W. Priller and then only in its entirety.

Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations efforts, news, sales, or other media, without the written consent and approval of John W. Priller.

It is suggested that those who possess this appraisal report should not give copies to others. Certainly legal advice should be obtained on potential liability issues before this is done. Anyone who gives out an incomplete or altered copy of the appraisal report (including all attachments) does so at their own risk and assumes complete liability for any harm caused by giving out an incomplete or altered copy. The appraiser assumes no liability for harm caused by reliance upon an incomplete or altered copy of the appraisal report given out by others. Anyone with a question as to whether or not their copy of an appraisal report is incomplete or altered should contact my office.

### 3. CONFIDENTIALITY:

The appraiser may not divulge the material (evaluation) contents of the report, analytical findings or conclusions, or give a copy of the report to anyone other than the client or a designee as specified in writing except as may be required by the Appraisal Institute as it may request in confidence for ethics enforcement, or by a court of law or body with the power of subpoena.

This appraisal is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analysis are set forth in the report and were prepared by the appraiser whose signature appears on the appraisal report, unless indicated as "Review Appraiser." No change of any item in the report shall be made by anyone other than the appraiser. The appraiser shall assume no responsibility if any such unauthorized change is made.

### 4. TRADE SECRETS:

This appraisal was obtained from John W. Priller and consists of "trade secrets and commercial or financial information" which is privileged and confidential and exempted from disclosure under 5 U.S.C. 552 (b) (4). Notify the appraiser signing the report of any request to reproduce this appraisal in whole or part.

5. INFORMATION USED:

No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee, published data sources or public records. The comparable data relied upon in this report have been attempted to be confirmed with one or more parties familiar with the transaction or from affidavit; all are considered appropriate for inclusion to the best of my factual judgment and knowledge.

As can be seen from limitations presented above, this appraisal has been performed with a limited amount of data. Data limitations result from a lack of certain areas of expertise by the appraiser (that go beyond the scope of the ordinary knowledge of an appraiser), the inability of the appraiser to view certain portions of the property, the inherent limitations of relying upon information provided by others, etc.

An economic constraint exists, however. The appraisal budget (and the fee for this appraisal) did not contain unlimited funds for investigation. I have spent time and effort in the investigative stage of this appraisal in those areas where I think it will do the most good, but inevitably there is a significant possibility that I do not possess all information relevant to the subject property.

Before relying on any statement made in this appraisal report, interested parties should contact me for the exact extent of our data collection on any point which they believe to be important to their decision-making. This will enable such interested parties to determine whether they think the extent of my data gathering process was adequate for their needs or whether they would like to pursue additional data gathering for a higher level of certainty.

6. TESTIMONY, CONSULTATION, COMPLETION OF CONTRACT FOR APPRAISAL SERVICES:

The contract for appraisal, consultation or analytical service, is fulfilled and the total fee is payable upon completion of the report. The appraiser or those assisting in preparation of the report will not be asked or required to give testimony in court or a hearing, nor engage in post appraisal consultation with the client or third parties except under separate and special arrangements and at an additional fee. If expert witness testimony is required at a later date concerning the contents and opinions contained herein, the appraiser will conduct business at an hourly rate of \$125.00.

7. EXHIBITS:

The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photos, if any, are included for the same purpose and are not intended to represent the property in other than actual status, as of the date of the photos. Site plans are not surveys unless shown from separate surveyor.

8. APPRAISAL IS NOT A SURVEY:

It is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and that there is no encroachment or trespass unless noted within the report. No survey of the property has been made by the appraiser and no responsibility is assumed in connection with such matters. Any maps, plats, or drawings reproduced and included in this report are intended only for the purpose of showing spatial relationships. The reliability of the information contained on any such map or drawing is assumed by the appraiser and cannot be guaranteed to be correct. A surveyor should be consulted if there is any concern on boundaries, setbacks, encroachments, or other survey matters.

9. LEGAL, FINANCIAL, ENGINEERING, STRUCTURAL OR HIDDEN COMPONENTS OF A MECHANICAL NATURE, SOIL, HAZARDOUS WASTES AND TOXIC MATERIALS:

Legal: No responsibility is assumed for matters legal in character or nature, nor matters of survey, nor of any architectural, structural, mechanical or engineering nature. No opinion is rendered as to the title, which is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in particular parts of the report.

The legal description is assumed to be correct as used in this report as furnished by the client, his designee, or as derived by the appraiser.

The Americans with Disabilities Act (ADA) was signed into law in July 1990. As of January 23, 1993 owners and tenants of real estate properties of any size are subject to provisions of the law. The ADA contains five titles. Title III, which applies to any place of trade or commerce, requires accessibility for the disabled. The appraiser has made no specific compliance survey or analysis of the property appraised to determine whether or not it is in conformity with 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. In the absence of direct evidence relating to this issue, possible non-compliance with the requirements of the ADA has not been considered in estimating the value of the property.

Soils: The appraiser has inspected as far as possible, by observation, the land and the improvements thereon; however, it was not possible to personally observe conditions beneath the soil or hidden structural, or other components. The value estimate considers there being no such conditions that would cause a loss of value. The land or the soil of the area being appraised is assumed to be firm; however, subsidence in the area is not known to the appraiser. The appraiser does not warrant against this condition or occurrence of problems arising from soil conditions. The appraiser is not qualified to render expert judgment in matters of soil conditions.

Hidden Defects, Mechanical, Subsoil, Insulation: The appraisal is based on there being no hidden, unapparent, or apparent conditions of the property site, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them. I have not critically inspected mechanical components within the improvements and no representations are made herein as to these matters unless specifically stated and considered in the report. All mechanical components are assumed to be in operable condition and status standard for properties of the subject type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

No judgment is made as to adequacy of insulation, type of insulation, or energy efficiency of the improvements or equipment. I do not have the ability to determine the presence of ureaformaldehyde foam insulation and cannot warrant its effect on value. This substance is determined to be a health risk by the United States Consumer Product Safety Commission.

This appraisal should not be considered a report on the physical items that are a part of this property. Although the appraisal may contain information about the physical items being appraised (including their adequacy and/or condition), it should be clearly understood that this information is to be used only as a general guide for property valuation and not as a complete or detailed physical report. The appraiser is not a construction, engineering, environmental, or legal expert, and any statement given on these matters in this report should be considered preliminary in nature.

The observed condition of the foundation, roof, exterior walls, interior walls, floors, heating system, plumbing, insulation, electrical service and all mechanicals and construction is based on a casual inspection only and no detailed inspection was made. For instance, I am not an expert on heating systems and no attempt was made to inspect the interior of the furnace. The structures were not checked for building code violations, and it is assumed that all buildings meet applicable building codes unless so stated in the report.

Some items such as conditions behind walls, above ceilings, behind locked doors or under the ground are not exposed to casual view and therefore were not inspected. The existence of insulation, if any is mentioned, was found by conversation with others and/or circumstantial evidence. Since it is not exposed to view, the accuracy of any statements about insulation cannot be guaranteed.

Wells and septic systems, if any, are assumed to be in good working conditions and of sufficient size and capacity for the stated highest and best use unless otherwise stated.

Termites: If the appraiser has not been supplied with a termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranties are made concerning obtaining the above-mentioned items.

Flood Insurance: The appraiser assumes no responsibility for any costs or consequences arising due to the need or the lack of need for flood hazard insurance. An agent of the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

Hazardous and/or Toxic Waste: The appraiser assumes no responsibility for any hazardous or toxic substances or wastes (including the existence of asbestos or asbestos-based construction materials) which may be found underground, used in construction, or stored above or underground on, in or around the subject property. The existence of any such substances which may have been noted in the inspection is noted in the main body of the report. The appraiser, however, is not qualified to render expert judgment in these matters and assumes no responsibility for possible future discovery of such wastes or toxic materials.

No chemical or scientific tests were performed by the appraiser on the subject property, and it is assumed that the air, water, ground, and general environment associated with the property present no physical or health hazard of any kind unless otherwise noted in the report. It is further assumed that the lot does not contain any type of dumpsite and that there are not underground tanks (or any underground source) leaking toxic or hazardous chemicals into the groundwater or the environment unless otherwise noted in the report.

Should hazardous waste or toxic materials be discovered on, in or around the subject property in the future, or any of the aforementioned, the value estimates expressed in this report will be subject to revaluation at additional cost.

10. LEGALITY OF USE:

The appraisal is based on the premise that, there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the report. A comprehensive examination of laws and regulations affecting the subject property was not performed for this appraisal. It is assumed that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report.

Further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate. Appropriate government officials and/or an attorney should be consulted if an interested party has any questions or concerns on these items since we have not made a comprehensive examination of laws and regulations affecting the subject property.

11. COMPONENT VALUES:

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

12. AUXILIARY AND RELATED STUDIES:

No environmental or impact studies, special market study or analysis, or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report. The appraiser reserves the unlimited right to alter, amend, revise or rescind any of the statements, findings, opinions, values, estimates, or conclusions upon any subsequent such study or analysis or previous study or analysis subsequently becoming known to him/her at a later date.

13. DOLLAR VALUES, PURCHASING POWER:

The market value estimated, and the costs used, correspond to the respective "date of value." All dollar amounts

are based on the purchasing power and price of the dollar as of the date of the value estimate.

14. INCLUSIONS:

Furnishings and equipment or business operations except as specifically indicated and typically considered as part of going concern value if applicable, have been disregarded with only the real estate being considered in the value estimate unless otherwise stated.

15. PROPOSED IMPROVEMENTS, CONDITIONED VALUE:

Improvements proposed, on-site or off-site as well as any repairs required are considered for purposes of this appraisal to be completed in a good and workmanlike manner according to information submitted and/or considered by the appraiser. In cases of proposed construction, the appraisal is subject to change upon inspection of property after construction is completed. This estimate of market value corresponds to the date of value shown, if proposed, as if completed and operated at levels shown and projected.

EXISTING IMPROVEMENTS:

The age of any improvements on the subject site mentioned in this report should be considered a rough estimate. I am not sufficiently skilled in the construction trade to be able to reliably estimate the exact age of improvements by observation. I, therefore, rely on circumstantial evidence which may come into my possession (such as dates on architectural plans) or conversations with those who might be somewhat familiar with the history of the property such as property owners, on-site personnel or others. Parties interested in knowing the exact age of improvements on the land should contact us to ascertain the source of our data and then make a decision as to whether or not they wish to pursue additional investigation.

Because no detailed inspection was made, and because such knowledge goes beyond the scope of this appraisal, any observed condition or other comments given in this appraisal report should not be taken as a guarantee that a problem does not exist. Specifically, no guarantee is made as to the adequacy or condition of the foundation, roof, exterior walls, interior walls, floors, heating system, air conditioning system, plumbing, electrical service, insulation, or any other detailed construction matters. If any interested party is concerned about the existence, condition or adequacy of a particular item, I would strongly suggest that a construction expert be hired for a detailed investigation.

16. VALUE CHANGE, DYNAMIC MARKET, INFLUENCES:

The estimated market value is subject to change with market conditions over time; value is highly related to exposure, time, promotional efforts, terms, motivation, and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the market place. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the present owners or occupants of properties in the vicinity of the property appraised.

In cases of appraisals involving the capitalization of income benefits, the estimate of market value is a reflection of such benefits as well as the appraiser's interpretation of income and yields and other factors derived from general and specific market information. Such estimates are based upon the specified date of value; they are thus subject to change because the market is naturally dynamic.

The appraiser reserves the right to alter the opinion of value on the basis of any information previously withheld or not discovered in the normal course of a diligent investigation.

Since projected mathematical models and other projections are based on estimates and assumptions that are inherently subject to uncertainty and variation depending upon evolving events, I do not represent them as results that will actually be achieved.

This appraisal is an estimate of value based on an analysis of information known to me at the time the appraisal was performed. I do not assume any responsibility for incorrect analysis because of incorrect or incomplete information. If new information of significance comes to light, the value stated in this report is subject to change without notice.

Opinions and estimates expressed herein represent my best judgment, but should not be construed as advice or recommendation to act. Any actions taken by you, the client, or any others should be based on your own judgment, and the decision process should consider many factors other than just the value estimate and information given in this report.

17. MANAGEMENT OF THE PROPERTY:

It is assumed that the property which is the subject of this report will be under prudent and competent ownership and management, neither inefficient nor superefficient.

18. FEE:

The fee for this appraisal or study is for the service rendered and not for the time spent on the physical report.

19. REVIEW BY OTHERS:

Due to the varying requirements of individual review appraisers, this report cannot be guaranteed to meet any one review appraiser's opinion of acceptability. Any changes required by a review appraiser will be completed at the client's expense and at the appraiser's option.

20. AUTHENTIC COPIES:

The authentic copies of this report are signed in blue ink. Any copy that does not have the above is unauthorized and may have been altered.

21. APPRAISAL REPORT LIMITATIONS:

Appraisal reports are technical documents addressed to the specific technical needs of clients. Casual readers should understand that this report does not contain all of the information I have concerning the subject property or the real estate market. While no factors I believe to be significant but unknown to the client have been knowingly withheld, it is always possible that I have information of significance which may be important to others but which, with my limited acquaintance of the property and my limited expertise, does not seem to be important to use.

Appraisal reports made for lenders are technical documents specifically made to lender requirements. Casual readers are cautioned about their limitations and are cautioned against possible misinterpretation of the information contained in these reports.

22. ACCEPTANCE OF AND/OR USE OF THIS APPRAISAL REPORT CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS.

QUALIFICATIONS OF APPRAISER

## **QUALIFICATIONS OF JOHN PRILLER**

### **Professional Experience:**

John entered the Real Estate business in Pensacola, Florida in 1973. Since then John has completed many different courses and done many hours of continuing education to further his knowledge of the Real Estate market in Escambia & Santa Rosa counties. John has served as an instructor at Pensacola Junior College for Real Estate Licensing courses and has testified as an expert witness in Civil & Federal Courts throughout Northwest Florida. He is a MAI and has specialized in Real Estate Appraising for over **32 years** devoting 100% of his time to this field of practice.

John has experience in several types of appraisals such as: Single Family Residential, Estates, Acreage, Plans & Specifications, Mobile Homes, Condominium Projects, Proposed Subdivisions, Commercial Properties, Multi-Tenant Office Buildings, Shopping Centers, Apartment Complexes, Hotels, Vacant Land and Multi-Family Housing. Also, John is **FHA & VA** approved.

### **Professional Organizations:**

- President of the Northwest Florida Chapter of the Appraisal Institute-Region V11- 1998
- MAI, Member of the Appraisal Institute – 1990-2009
- CCIM, Member of Commercial Investment Real Estate Institute – 1995-2009
- ERC, Employee Relocation Services - 1990
- National Association of Realtors, Real Estate Appraisal Section
- National Institute of Real Estate Brokers
- Florida Association of Realtors
- Mortgage Lenders Association of West Florida – Associate Member
- Pensacola Association of Realtors
- Pensacola Five Flags Rotary- Paul Harris Fellow

### **Professional Licenses:**

- State Certified General Real Estate Appraiser, RZ-99, Florida
- Licensed Real Estate Broker, BK-0115693, Florida



### **Academic Background:**

- Bachelor of Science Degree in Management, University of West Florida, 1979
- Associate of Science, Business & Administration, Pensacola Junior College, 1974
- Completed Comprehensive Exam for Certified Commercial Investment Members, CCIM, Weston, VA, 1996
- Completed CI-408 Comprehensive Review for the Commercial Investment Real Estate Institute, Weston, VA, 1996
- Completed CI-401 Introduction to Commercial Real Estate Analysis for the Commercial Investment Real Estate Institute of the National Association of Realtors, Pensacola, FL, 1995
- Completed CI-301 Decision Analysis for Commercial Real Estate for the Commercial Investment Real Estate Institute of the National Association of Realtors, Pensacola, FL, 1995
- Completed CI-201 Market Analysis for Commercial Real Estate for the Commercial Investment Real Estate Institute of the National Association of Realtors, Pensacola, FL, 1995
- Completed CI-101 Financial Analysis for Commercial Real Estate for the Commercial Investment Real Estate Institute of the National Association of Realtors, Pensacola, FL, 1993
- Completed Standards of Professional Appraisal Practice Parts A&B for the Appraisal Institute, Florida State University, 1993
- Passed Comprehensive Exam for CRP, Certified Relocation Professional, 1990
- Passed Comprehensive Exam & Completed Narrative Demonstration Report for MAI, 1990
- Member of the Appraisal Institute, 1990
- Completed Single Family Residential Appraiser VIII, American Institute of Real Estate Appraisers, University of Tampa, 1976
- Completed Principles & Practices of Real Estate, Registered Real Estate Broker State of Florida, 1974
- Completed Principles & Practices of Real Estate, Real Estate Sales Person State of Florida, 1973

### **Current Seminars & Continuing Education:**

- Florida Laws and Regulations 09/2006
- USPAP Update 09/2006
- Appraisal Institute 2006 Conference 6/2006
- 2006 Scope of Work and the New USPAP
- Annual Fee Appraiser Training and Update
- Disclosures and Disclaimers
- Market Analysis & Site to do Business
- New Technologies for RE Appraisers
- Annual Fee Appraiser Training and Update 05/2006
- Appraisal Institute 2005 Conference 7/2005
  - o Valuing High-End Homes and other Unusual Residences
  - o Residential Consulting
  - o Inspecting Commercial
  - o Designing for Maintainability
  - o Residential Retrofit
  - o Internet Research

### **Current Seminars & Continuing Education (Cont'd)**

- Professional's Guide to URAR (Fannie Mae) 5/2005
- Appraisal Institute 2005 Conference 5/2004
- Florida Laws and Regulations
- National USPAP Equivalent
- Does My Report Comply with USPAP
- Florida Laws and Regulations
- Limited Appraisal & the Scope of work
- Residential Construction 05/2004
- Condemnation Appraising & Advanced Topics and Applications, 07/1999
- National USPAP Update Course, 10/1997
- Comprehensive Exam for CCIM, Certified Commercial Investment Member
- Comprehensive Review, Commercial Investment Real Estate Institute (CIREI), 1996
- Appraisal Institute 1995 Continued Education
- Market Abstracted Depreciation for FEMA/Hurricane Damage Evaluation, 11/1995
- Lenders Views on Limited, Restricted & Summary Reports, 05/1995
- Appraisals on Retail Properties, 05/1995
- Introduction to Commercial Real Estate Analysis, CIREI
- Decision Analysis for Commercial Real Estate, CIREI
- Market Analysis for Commercial Real Estate, CIREI
- Appraisal Institute 1993 Continued Education
- Financial Analysis for Commercial Real Estate, CIREI
- Standards of Professional Appraisal Practice (Part A & Part B), Appraisal Institute
- Appraising Troubled Properties, Appraisal Institute, 1991
- Litigation Valuation, Appraisal Institute, 1991
- Comprehensive Exam for CRP (Certified Relocation Professional), 1990
- Comprehensive Exam for MAI, Appraisal Institute, 1990
- Narrative Demonstration Report for the MAI Designation, 1989
- Basic Valuation Procedure, American Institute of Real Estate Appraisers (AIREA), 1989
- Capitalization Theory & Techniques, Part A & Part B, AIREA, 1989
- Real Estate Appraisal Principles, University of West Florida, 1986
- Appraising Residential Condominiums, Society of Real Estate Appraisers, 1981
- Real Estate Analysis, American Institute of Real Estate Appraisers, August 1981
- Case Studies in Real Estate Valuation, AIREA, 1980
- Valuation Analysis and Report Writing, AIREA, 1980
- Standards of Professional Practice, American Institute of Real Estate Appraisers, 1980

**Current Clients:**

American Dreamhome Funding  
American General Finance, Inc., Pensacola, FL & Foley, AL  
AmSouth Bank & Mortgage, Inc., Pensacola, FL & Birmingham, AL  
Bank of Pensacola, Pensacola, FL  
Banco Popular, Rosemont, IL  
Beach Community Bank, Destin & Pensacola, FL  
Cendant Mortgage Corp., Mt. Laurel, NJ  
JP Morgan Mortgage Corp., Atlanta, GA  
Chase Mortgage Company, Tampa, FL  
Chem-Executive Relocation Services  
City of Pensacola Housing & Community Development, Pensacola, FL  
Compass Bank, Pensacola, FL  
Countrywide Home Loans, Pensacola, FL  
Escambia County Employees Credit Union, Pensacola, FL  
Equitable Relocation Company  
Federal Housing Administration, Jacksonville, FL & Birmingham, AL  
First Bank Mortgage, Irvine, CA  
First Navy Bank, Pensacola, FL  
First Wachovia Mortgage Company, Pensacola, FL  
Five Flags Lending, Pensacola, FL  
Genesis Relocation Company, Stanford, CT & Dallas, TX  
Gordon Financial Group, Hallandale, FL  
Gulf Coast Community Bank, Pensacola, FL  
Harvesters Federal Credit Union, Pensacola, FL  
Home Equity Relocation Company, Danbury, CT  
Monsanto Employees Credit Union, Pensacola, FL  
Nationwide Bank, Pensacola, FL  
Navy Federal Credit Union, Pensacola, FL  
Oak Street Mortgage, Jacksonville, FL  
Pen Air Federal Credit Union, Pensacola, FL  
Pensacola Guarantee Mortgage, Pensacola, FL  
People's First Community Bank  
PHH Mortgage, Mt. Laurel, NJ  
Premier Mortgage Corp.  
Prudential Relocation Services, Norwalk, CT  
Regions Bank, Pensacola, FL  
South Trust Mortgage, Pensacola, FL  
USAA, San Antonio, TX  
Veterans Administration, St. Petersburg, FL  
Xonex Relocation Services

**\*John's services are also used by various attorneys, real estate agents, and individuals throughout Northwest Florida.**