

COMMERCIAL APPRAISAL REVIEW FORM

The appraisal report which is the subject of this review is briefly identified and described as follows:

Name of Project/Property N6200 - 6200 Tippin Avenue
 Location/Legal LT 1 BLK 2 COLLEGE HEIGHTS PB 5 P 9 LESS OR 2808 P 596- 12TH AVE R/W OR 4105 P 598 LESS OR 4308 P 581
 Type of Property Existing Proposed Construction
 Name of Appraiser Roger K Lowery, MAI Telephone 850-982-9032
 Address 3000 Langley Avenue, Suite 402, Pensacola, FL 32504
 Report Addressed to: City of Pensacola - Pensacola International Airport Telephone _____
 Address 2430 Airport Boulevard, Suite 225, Pensacola, FL 32504
 Type of Appraisal Report: Narrative Printed Form Other (identify)

Section I - Purpose and Function of Appraisal

Value Sought: Market Value Other (identify) _____ Date of Value: Current Future Past
 Interests Valued: Fee Simple Leased Interest _____ Definitions Given For: Value Sought Interest To Be Valued
 Easements Other (identify) _____ Market Rent Other (identify)
 Real Estate Valued Land Improvements _____ Assumptions and Limiting Conditions: Standard Consistent with Valuation Process
 Ground Lease Personal Property _____ Third Party Report Unreasonable or Excessive
 Other (identify) _____
 Comments: Report appears to be complete relative to purpose and function sections, as per USPAP. Land and Improvements are valued together.

Section II - Property Identification, Ownership and Assessment

	Yes	No	N/A		Yes	No	N/A
Does the report adequately contain or identify:				Owners of Record	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Location/Address	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	History of Ownership	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Legal Description	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	If Applicable to Subject Property:			
Real Estate Tax Information	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Amount of Purchase Price	<input type="checkbox"/>	\$ _____	
Assessments, Bonds, etc.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Pending Sales Price	<input type="checkbox"/>	\$ _____	
Existence of:				Asking Price	<input checked="" type="checkbox"/>	\$ <u>175,000</u>	
Deed Restrictions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Option Price	<input type="checkbox"/>	\$ _____	
Covenants, Conditions, Restrictions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other	<input type="checkbox"/>	\$ _____	
Moratoriums	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

Comments: Extraordinary assumptions are included relative to the billboard not being included in the property, and that the lot size and age of the improvements is correct as described in the Escambia County tax rolls. An extraordinary assumption is also included relative to there being no adverse easements or encroachments. A current listing on the property by Beck Properties was disclosed.

Section III - Location Analysis

	Yes	No	N/A		Yes	No	N/A
Does the report adequately describe or identify:				Does Report:			
Region	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sum up and rate the area	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
City	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Identify and discuss important trends	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Neighborhood	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Identify nuisances or hazards	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments: The neighborhood boundaries are defined, but are relatively broad in nature, relative to the boundaries in essence being the city limits of Pensacola. The data provided all appears to be factual.

Section IV - Property Description

	Yes	No		Yes	No
Comment upon the descriptions and analysis of the following:			IMPROVEMENTS:		
SITE:			Adequate description of physical features	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Adequate description of physical features	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Attention given to:		
Identification of encumbrances	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Quality	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Does report state adequacy of site for existing or proposed use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Functional Utility and Appeal	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Utilities available	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Age	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Special Problems:			Condition	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Flood	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Hazardous Conditions	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Environmental Hazards, Seismic, Toxic etc.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ZONING:		
Other (identify) <u>Billboard</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>
			Definition	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Comments: The description of site and improvements appears complete.

Section V - Highest and Best Use

	Yes	No		Yes	No
Definition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does property conform to zoning and neighborhood	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Components	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is use legal and physically possible	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Conclusion of highest and best use <u>Continued retail/office</u>			Has the report in this or other sections discussed:		
Current Zoning <u>COM-Commercial</u>			Marketability (supply-demand, market trends, absorption occupancy levels)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Status zoning change <u>None</u>			Other (identify) _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Status of building permit (if proposed construction) _____			Were other studies/reports considered	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Does report discuss feasibility/profitability	<input checked="" type="checkbox"/>	<input type="checkbox"/>			

Comments: The highest and best use appears to be complete.

Section VI - Property Valuation

Comment and rate the approaches to value:

COST APPROACH:	Satisfactory	Unsatisfactory	DISCOUNTED CASH FLOW ANALYSIS (DCF)	Satisfactory	Unsatisfactory
Format	<input type="checkbox"/>	<input type="checkbox"/>	Format	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of data	<input type="checkbox"/>	<input type="checkbox"/>	Adequacy of data and support for:		
Source of costs	<input type="checkbox"/>	<input type="checkbox"/>	Holding Period	<input type="checkbox"/>	<input type="checkbox"/>
Land value estimate	<input type="checkbox"/>	<input type="checkbox"/>	Growth Rates	<input type="checkbox"/>	<input type="checkbox"/>
Estimated cost new	<input type="checkbox"/>	<input type="checkbox"/>	Discount Rate	<input type="checkbox"/>	<input type="checkbox"/>
Depreciation estimate	<input type="checkbox"/>	<input type="checkbox"/>	Development of Cash Flow Estimates	<input type="checkbox"/>	<input type="checkbox"/>
SALES COMPARISON APPROACH:			Reversionary Value	<input type="checkbox"/>	<input type="checkbox"/>
Format	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other Methods of Processing		
Adequacy of data	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Income Stream (Mortgage Equity, Band of Investments, etc.)	<input type="checkbox"/>	<input type="checkbox"/>
Sources of data	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RECONCILIATION:		
Summary of sales table	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Indicated values are:		
Use of adjustment grid table	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Cost Approach	\$	_____
Comparative analysis of sales	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sales Comparison Approach	\$	<u>110,000</u>
INCOME CAPITALIZATION APPROACH:			Income Approach	\$	<u>125,000</u>
Format	<input checked="" type="checkbox"/>	<input type="checkbox"/>	DCF Analysis	\$	_____
Selection of proper capitalization method	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other (Pending Sale, etc.)	\$	_____
Adequacy of data and support for:			Value Conclusion	\$	<u>120,000</u>
Comparable Rentals	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Allocation as Follows:		
Vacancy and Loss Factor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Land	\$	_____
Operating History	<input type="checkbox"/>	<input type="checkbox"/>	Improvements	\$	_____
Rent Roll	<input type="checkbox"/>	<input type="checkbox"/>	Personal Property	\$	_____
Income Estimate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other	\$	_____
Expense Estimate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Total Value	\$	<u>120,000</u>
Net Operating Income	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Capitalization Rate	<input checked="" type="checkbox"/>	<input type="checkbox"/>			

Comments: Direct Capitalization was utilized, with overall capitalization rate developed from actual sales and income data. No Cost Approach was needed or developed. The two approaches applied provide a reasonable range of indicated value.

Section VII - Other Report Requirements

Does report contain a certification	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Does principal appraiser make state- ment of concurrence with value conclusion	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is the report co-signed	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Does report contain appraiser(s) qualifications	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Did principal appraiser sign report	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No			
Did principal appraiser personally inspect subject property	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No			

Section VIII - Final Rating of Appraisal

Report Format	Acceptable	Unacceptable	Property Valuation:	Acceptable	Unacceptable
Readability and neatness	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Feasibility/Profitability	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mathematical accuracy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Market Trends	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Exhibits (Photos, Maps, etc.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Cost Approach	<input type="checkbox"/>	<input type="checkbox"/>
Appraiser's analytical ability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sales Comparison Approach	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Purpose and function of appraisal	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Income Approach	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Property identification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	DCF	<input type="checkbox"/>	<input type="checkbox"/>
Locational analysis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Reconciliation	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Property Description:			Date of Appraisal	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Site	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Overall Rating of Appraisal	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Improvements	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Highest and Best Use	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Brief Comments on Unacceptable Ratings:	The valuation is developed well and supported.				

Section IX - Reviewer's Conclusions - Recommendations

Scope of Review:			If reviewer does not concur with the soundness of conclusion, then what is the recommended action:
Read report	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Totally reject appraisal
Interviewed appraiser	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Have appraiser rework, revise, update the appraisal
Field Review	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Have another appraisal prepared by someone else
Does the Reviewer concur with the soundness of conclusion:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Other
Concluding Comments:	The report is acceptable as it is written.		

Reviewer's Signature G. Daniel Green, MAI, SRA Date _____
 Name of Reviewer G. Daniel Green, MAI, SRA
 Position _____ Department _____
 Address 103 Bay Bridge Dr Telephone (850) 934-1797 x100
 City, State, Zip Gulf Breeze, FL 32561

Supplemental Addendum

File No. 170814294

Borrower						
Property Address 6200 Tippin Ave						
City	Pensacola	County	Escambia	State	FL	Zip Code 32504
Lender/Client City of Pensacola						