

Attachment 4 - YMCA/Langley Appraisal



FRUITTICHER - LOWERY  
APPRAISAL GROUP

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November 8, 2018

YMCA of Northwest Florida  
165 East Intendencia Street  
Pensacola, FL 32502

Attn: Mr. Michael Bodenhausen,  
CEO

Letter of Transmittal

RE: An Appraisal Report of the existing  
YMCA of Northwest Florida - Langley  
Campus located at 3215 Langley Avenue in  
Pensacola, FL.

Dear Mr. Bodenhausen:

At your request, information was obtained and reviewed of the above referenced property for the purpose of estimating the current market value of the fee simple estate of the existing YMCA of Northwest Florida - Langley Campus. In compliance with the "Uniform Standards of Professional Appraisal Practice", this letter of transmittal is followed by an appraisal report in which all applicable approaches to value are used and with the value conclusion reflecting all known information about the subject property, current and projected market conditions, and other available data. This report contains to the fullest extent possible and practical, explanations of the data, reasoning and analysis used to develop the opinion of value. It also includes thorough descriptions of the subject property, the property's locale, the market for the property type, and my opinion of highest and best use.

Market value will be defined in the appraisal report, but basically assumes a willing buyer-seller, both knowledgeable of the subject real estate market and with the valuation at the property's highest and best use. Both exposure and marketing time periods are estimated to be between 3-6 Months. In accordance with USPAP, I am informing the client that I have performed no real estate services regarding the subject property within the past three years prior to the engagement of these services.

RODGER K. LOWERY, MAI  
State-Certified General Real Estate Appraiser  
FL #RZ0001922 \* AL #G00445



TOM FRUITTICHER, MAI  
State-Certified General Real Estate Appraiser  
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The subject property consists of a currently developed 215,638 square foot or 4.95-acre parcel of land located in Pensacola, Escambia County, Florida. The property is zoned "R-2", with the existing improvements being an allowable use for the site.

The improvements to the site consist of the original YMCA improvements including an approximate 11,440 square foot, two-story concrete block building with an attached covered basketball court and an approximate 1,156 square foot, one-story maintenance and restrooms building. The improvements were constructed in 1965 and have reached the end of their economic lives. Other on-site improvements include an Olympic sized inground pool, fenced playground and baseball fields and soccer fields. Parking is located near the front of the building and is primarily a dirt and gravel parking.

This appraisal is based upon the extraordinary assumption that all equipment is in good working order and there are structural deficiencies that would affect the operations of the property. This appraisal is based upon the extraordinary assumption that all information provided to the appraiser by the client and property representative are correct to include survey, site plan, and property information. The appraisal is based upon the extraordinary assumption that there are no adverse environmental conditions that would affect the marketability or the value of the property.

Subject to the above and the limiting conditions and certification as set forth herein, it is my opinion that the current market value of the Fee Simple estate as of the last date of inspection, November 2, 2018, was:

**CURRENT MARKET VALUE**

**FIVE HUNDRED TWENTY THOUSAND DOLLARS**

**\$520,900**

The above value does not include the value of the ground lease to Verizon Wireless. Verizon has approximately 24-months remaining on the initial lease with monthly net payments of \$1,200. The Lessee also has three automatic renewals of five-years each with 10% increases each renewal option. The tenant can elect to not renew, but it is likely the tenant will renew through at least the first extension and probable through all three extensions. I have estimated the value of the rental income over the remaining term of the initial lease period based upon a discount rate of 8% at \$26,532.

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Assuming the Lessee continues through the first renewal period, the net income based upon a monthly rent of \$1,320 for 60-months starting November 1, 2020 with a discount rate of 9% would be \$53,150 in current value.

Assuming the Lessee extends through the second renewal period, the monthly income would be \$1,452 beginning November 1, 2025. Using a discount rate of 11%, the income stream would reflect a current value of \$31,030.

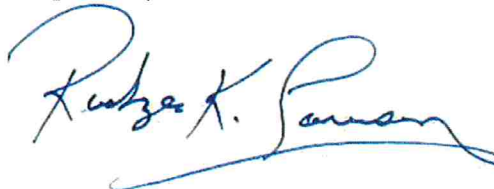
Assuming the Lessee continues through the third renewal period, the monthly income would be \$1,597 for 60-months. Using a discount rate of 13%, the income stream for the third renewal period would reflect a current value of \$14,873.

I have increased the discount rate for each renewal period to compensate for the additional risk inherent in the uncertainty of a lease renewal. However, given the prominence and use of cellular service and data in society, it is my opinion the rates are conservative regarding the risk of renewal. I have not included these values in the value of the land, but are offered as an analysis of the ground lease in place.

I hereby certify I have no interest, present or contemplated, in the appraised property. This appraisal has been prepared utilizing all of the requirements set forth as Standards for Real Estate Appraisals as established for federally related transactions and the State of Florida. The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP) and the requirements of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA). The fee for this appraisal was not based on a minimum value nor was the assignment undertaken based on a pre-determined value or guaranteed loan amount.

I appreciate the opportunity of doing this work for you and your client. After your review, should you have questions, please don't hesitate to call.

Respectfully submitted,



Rodger K. Lowery, MAI  
State-Certified General Real Estate Appraiser #RZ1922  
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## SUMMARY OF SALIENT FACTS AND CONCLUSIONS

CLIENT: YMCA of Northwest Florida

INTENDED USER: YMCA of Northwest Florida, Inc.

INTENDED USE: The intended use is to establish a value for potential sale purposes..

PROPERTY LOCATION: The subject property is located along the south right-of-way of Langley Avenue, across from Hilltop Road. The YMCA of Northwest Florida - Langley Campus has a street address of 3215 Langley Avenue, Pensacola, Alabama.

SITE SIZE: The existing parcel contains approximately 215,638 square feet or 4.95-acres.

The subject property has good access with frontage as follows:

- Langley Avenue: 664 feet

IMPROVEMENTS: The improvements to the site consist of the original YMCA improvements including an approximate 11,440 square foot, two-story concrete block building with an attached covered basketball court and an approximate 1,156 square foot, one-story maintenance and restrooms building. The improvements were constructed in 1965 and have reached the end of their economic lives. Other on-site improvements include an Olympic sized inground pool, fenced playground and baseball fields and soccer fields. Parking is located near the front of the building and is primarily a dirt and gravel parking.

ZONING: The subject property is zoned R-2. The subject's current use is an allowable use. However, the highest and best use would be the redevelopment of the site with a residential use maximizing the density financially feasible for the site.

ENVIRONMENTAL CONCERNS: The property appears to have no areas of environmental concerns. No evidence of surface soil stain was noted on the property and there does not appear to be any jurisdictional wetlands associated with the site.

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

HIGHEST AND BEST USE: The highest and best use as vacant is a residential development maximizing the density of the property.

DATE OF VALUE: The current date of value is November 2, 2018.

ASSESSED VALUE: \$663,126

ANNUAL PROPERTY TAXES: \$0

PROPERTY RIGHTS APPRAISED: Fee Simple Estate

VALUE INDICATIONS – MARKET VALUE

Summary of Values	
Value Premise	As Is
	11/2/2018
Value Conclusion:	\$520,000
<b>Value Conclusion:</b>	<b>\$520,000</b>