

LAND APPRAISAL REPORT

The purpose of this summary appraisal report is to provide the lender/client with an accurate and adequately supported opinion of the market value of the subject property.

CLIENT AND PROPERTY IDENTIFICATION

Property Address: 400 block W Gadsden Street City: Pensacola State: FL Zip: 32501
 Borrower: N/A Owner of Public Record: City of Pensacola County: Escambia
 Legal Description: LT 30 BLK 28 BELMONT TRACT OR 1564 P 55 CA 94
 Assessor's Parcel #: 00-0S-00-9010-300-028 Tax Year: 2016 R.E. Taxes: None (Municipally-owned)
 Neighborhood Name: Belmont-Devilliers Map Reference: Z05 Census Tract: 37860-12-033-0001.00
 Special Assessments: N/A PUD Yes No HOA: \$ N/A Per Year Per Month
 Property Rights Appraised: Fee Simple Leasehold Other (describe) _____
 Assignment Type: Purchase Transaction Refinance Transaction Other (describe) Client planning
 Lender/Client: City of Pensacola Address: PO Box 12910, Pensacola, FL 32521-0031

CONTRACT ANALYSIS

I did did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.
The subject has no contract.
 Contract Price \$: _____ Date of Contract: _____ Is the property seller the owner of public record? Yes No Data Source(s) _____
 Is there any financial assistance (loan charges, sale concessions, gift or down payment assistance, etc.) to be paid by any party on behalf of the borrower? Yes No
 If Yes, report the total dollar amount and describe the items to be paid. \$ _____

NEIGHBORHOOD DESCRIPTION

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics			One-Unit Housing Trends			One-Unit Housing		Present Land Use %			
Location	<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	PRICE	AGE	One-Unit	60 %
Built-Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply	\$(000)	(yrs)	2-4 Unit	5 %
Growth	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths	<input checked="" type="checkbox"/> 3-6 mths	<input type="checkbox"/> Over 6 mths	30 Low	New	Multi-Family	5 %
Neighborhood Boundaries: <u>The subject neighborhood is bound by Cervantes Street to the north, E Street to the west, Garden Street to the south, and Palafox Street to the east.</u>								500 High	115	Commercial	25 %
								200 Pred.	Mixed	Other Vacant	5 %

	Good	Aver.	Fair	Poor		Good	Aver.	Fair	Poor
Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Property Compatability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Primary Education	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Adequacy of Police/Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employment Stability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Overall Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Neighborhood Description: The subject property is located at the northwestern edge of downtown Pensacola business district. The subject neighborhood is characterized by a mix of single-family dwellings, commercial buildings, houses of worship, and a few vacant lots. The area is within a reasonable distance to shopping, schools, and employment. Market appeal is considered to be average.

Market Conditions (including support for the above conclusions): Current market conditions in and around the subject market area appear stable with a typical marketing period of three to six months. Traditionally, lots with commercial possibility sell for more than similar lots limited to only residential use. There are a few vacant lots in the market. There has been a noticeable increase in real estate transactions in the market area during the last eighteen to twenty-four months. With this increased activity, marketing time is estimated at between three and six months.

SITE DESCRIPTION

Dimensions: 30' x 150' Area: 4,500 Acres Sq.Ft. Shape: Rectangular View: Interior
 Zoning Classification: R-NCB Zoning Description: Residential Neighborhood Commercial (B)
 Zoning Compliance: Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe) _____
 Uses permitted under current zoning regulations: Limited commercial, as well as residential
 Highest & Best Use: Commercial or residential
 Describe any improvements: None
 Do present improvements conform to zoning? Yes No No improvements If No, explain: _____

Present use of subject site: Vacant Current or proposed ground rent? Yes No If Yes, \$ _____
 Topography: Level Size: 4,500 Square Feet Drainage: Unknown
 Corner Lot: Yes No Underground Utilities: Yes No Fenced: Yes No If Yes, type: _____
 Special Flood Hazard Area Yes No FEMA Flood Zone: X FEMA Map #: 12033C0390G FEMA Map Date: 09/29/2006

UTILITIES	Public	Other	Provider or Description	Off-Site Improvements	Type/Description	Public	Other
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Street Surface	Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Street Type/Influence	Secondary		
Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Curb/Gutter	Gutter/Concrete	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sanitary Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Sidewalk	Concrete	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>		Street Lights	Mercury Vapor	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>		Alley		<input type="checkbox"/>	<input type="checkbox"/>

Are the utilities and off-site improvements typical for the market? Yes No If No, describe: _____
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe: _____

Site Comments: The subject lot has 30 feet fronting along the north side of West Gadsden Street. With a depth of 150 feet, the lot size is 4,500 square feet. Development of adjoining lots includes a commercial building to the west and a detached, single-family home to the east.

LAND APPRAISAL REPORT

There are 0 comparable sites currently offered for sale in the subject neighborhood ranging in price from \$ 0 to \$ 0
 There are 5 comparable sites sold in the past 12 months in the subject neighborhood ranging in sale price from \$ 19,000 to \$ 40,000

COMPARABLE SALES

FEATURE	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Address	400 block W Gadsden Street	500 block W Cervantes Street	400 block W Belmont Street	1st block E Strong Street
City/St/Zip	Pensacola, FL 32501	Pensacola, FL 32501	Pensacola, FL 32501	Pensacola, FL 32501
Proximity to Subject				
Data Source(s)	Inspection	Deed: OR 7675, p 1401	Deed: OR 7623, p 1762	Deed: OR 7666, p 185
Verification Source(s)	Public Records	Public Records	Public Records	Public Records
Sale Price	\$ N/A	\$ 30,000	\$ 30,000	\$ 40,000
Price/ SF	\$ TBD	\$ 4.94	\$ 6.67	\$ 6.67
Date of Sale (MO/DA/YR)	N/A	02/21/2017	11/14/2016	02/09/2017
Days on Market	90-180	Unknown	Unknown	Unknown
Financing Type	Cash or equivalent	Similar	Similar	Similar
Concessions	None	None	None	None
Location	Urban	Urban	Urban	Urban
Property Rights Appraised	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site Size Sq.Ft.	4,500	6,075	4,500	6,000
View	Interior	Interior	Interior	Interior
Topography	Level	Level	Level	Level
Available Utilities	elec,gas,wtr,ss	Similar	Similar	Similar
Street Frontage	30'	45'	30'	40'
Street Type	Secondary	Main Thoroughfare	Secondary	Secondary
Water Influence	None	None	None	None
Fencing	None	None	None	None
Improvements	None	None	None	None
Zoning	R-NCB	R-NCB	C-2	R-NC

Net Adjustment (Total, in \$)	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 1.48	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 0.33	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 0.67
Adjusted sales price of the Comparable Sales (in \$)	Net Adj. -30.0%	Gross Adj. 30.0%	\$ 3.46	Net Adj. -4.9%	Gross Adj. 4.9%	\$ 6.34
						\$ 6.00

The Appraiser has researched the transfer history of the subject property for the past 3 years and the listing history of the subject for the past 12 months prior to the effective date of this appraisal. The appraiser has also researched the transfer and listing history of the comparable sales for the past 12 months.

The appraiser's research did did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of the appraisal.
 Data Sources: Public records, Pensacola Association of Realtors Multiple Listing Service (PARMLS), Metro Market Trends (MMT).
 The appraiser's research did did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.
 Data Sources: Public records, PARMLS.
 The appraiser's research did did not reveal any prior listings of the subject property or comparable sales for the year prior to the effective date of the appraisal.
 Data Sources: Public records, PARMLS.

Listing/Transfer History (if more than two, use comments section or an addendum.)	Transfer/Sale (ONLY) of the Subject in past 36 months:	Listing and Transfer history of Comp 1 in past 12 months:	Listing and Transfer history of Comp 2 in past 12 months:	Listing and Transfer history of Comp 3 in past 12 months:
	\$ N/A	\$ 100 01/24/2017	\$ N/A	\$ N/A
	\$	\$	\$	\$

Subject Property Is Currently Listed For Sale? Yes No Data Source:

Current Listing History	List Date	List Price	Days on Market	Data Source
		\$		

Subject Property has been listed within the last 12 Months? Yes No Data Source:

12 Month Listing History	List Date	List Price	Days on Market	Data Source
		\$		
		\$		

Comments on Prior Sales/Transfers and Current and Prior Listings: It appears that Comparable One was involved in a court-ordered transfer in January 2017. The documents are not viewable, but transfer the property from Gertrude H. Simpson, deceased, to Gwendolyn S. Bullard. After its June 23, 2016, sale, Comparable Four was transferred into the name of Handi Pro Kleen Services, Inc., from Joel and Lisa Rios on August 30, 2016. This is not considered to be an arm's length transaction, as Mr. and Mrs. Rios own Handi Pro Kleen Services.

Summary of the Sales Comparison Approach: See Attached Addendum

Reconciliation Comments: See Attached Addendum

This appraisal is made "as is", or subject to the following conditions or inspections: The appraisal is made of the subject "as-is." This assumes a reasonable marketing period of three to six months.

Based on a complete visual inspection of the subject site and those improvements upon said site, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of market value, as defined, of the real property that is the subject of this report is:

Opinion of Market Value: \$ 28,000, as of: May 25, 2017, which is the date of inspection and the effective date of this appraisal.

LAND APPRAISAL REPORT

PRODUCT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s): Detached Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project: _____

Total number of phases: _____ Total number of units: _____ Total number of units sold: _____

Total number of units rented: _____ Total number of units for sale: _____ Data source(s): _____

Was the project created by the conversion of existing building(s) into a PUD? Yes No If Yes, date of conversion: _____

Does the project contain any multi-dwelling units? Yes No Data Source: _____

Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion: _____

Describe common elements and recreational facilities: _____

CERTIFICATIONS AND LIMITING CONDITIONS

This report form is designed to report an appraisal of a parcel of land which may have some minor improvements but is not considered to be an "improved site". All improvements are considered to be of relatively minor value impact on the overall value of the site. This report form is not designed to report on an "improved site" where significant value is derived from the improvements. This appraisal report form may be used for single family, multi-family sites and may be included within a PUD development.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions and certifications. The appraiser must, at a minimum; (1) perform a complete visual inspection of the subject site and any limited improvements, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions and conclusions in this appraisal report.

INTENDED USE: The intended use of the appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this report is the lender/client identified within the appraisal report.

DEFINITION OF MARKET VALUE: 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 the 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 each acting in what they consider their own best interest; (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. (Source: OCC, OTS, FRS, & FDIC joint regulations published June 7, 1994)

* Adjustments to the comparables must be made for special or creative concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect the subject property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. The appraiser has noted in this appraisal report any adverse conditions (such as the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the subject property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties express or implied. The appraiser will not be responsible for any such conditions that do exist or for the engineering or testing that might be required to discover whether such condition exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal must not be considered as an environmental assessment of the property.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the subject site and any limited improvements. I have reported the information in factual and specific terms. I identified and reported the deficiencies of the subject site that could affect the utility of the site and its usefulness as a building lot(s).
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of the Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them unless indicated elsewhere within this report as there are no or very limited improvements and these approaches to value are not deemed necessary for credible result and/or reliable indicators of value for this appraisal assignment.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of the sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining multiple transactions into reported sales
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I have verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.

CERTIFICATIONS AND LIMITING CONDITIONS (continued)

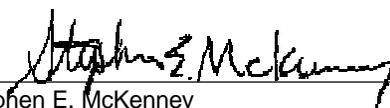
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believed to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature", as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature", as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

SIGNATURES

APPRAISER

Signature 
 Name Stephen E. McKenney
 Company Name Presley-McKenney & Associates, Inc.
 Company Address P.O. Box 329
Pensacola, Florida 32591
 Telephone Number 850-916-7066
 Email Address presleymckenney@gmail.com
 Date of Signature and Report 06/05/2017
 Effective Date of Appraisal May 25, 2017
 State Certification # _____
 or State License # St. Reg. Trn. REA #RI8246
 or Other (describe) _____ State # _____
 State FL
 Expiration Date of Certification or License 11/30/2018

ADDRESS OF PROPERTY APPRAISED
400 block W Gadsden Street
Pensacola, FL 32501

APPRAISED VALUE OF SUBJECT PROPERTY \$ 28,000

LENDER/CLIENT

Name Karen K. Thompson, AICP
 Company Name City of Pensacola
 Company Address PO Box 12910
Pensacola, FL 32521-0031
 Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature 
 Name M. Eugene Presley, MAI, SRA
 Company Name Presley-McKenney & Associates, Inc.
 Company Address P.O. Box 329
Pensacola, Florida 32591
 Telephone Number 850-916-7066
 Email Address presleymckenney@gmail.com
 Date of Signature 06/05/2017
 State Certification # Cert Gen RZ 103
 or State License # _____
 State FL
 Expiration Date of Certification or License 11/30/2018

SUBJECT PROPERTY

Did not inspect subject property
 Did inspect exterior of subject property from street
 Date of Inspection _____

COMPARABLE SALES

Did not inspect exterior of comparable sales from street
 Did inspect exterior of comparable sales from street
 Date of Inspection _____

ADDENDUM

Borrower: N/A	File No.: 17084Z5
Property Address: 400 block W Gadsden Street	Case No.: SEM
City: Pensacola	State: FL Zip: 32501
Lender: City of Pensacola	

Comments on Sales Comparison

All of the sales have occurred within the last twelve months. They bracket the subject for overall size. Three of the sales have 30 feet of street frontage. Three of the sales have frontage along secondary roads that are similar to the subject's road.

Four of the five per unit sales price indications require adjustment for at least one characteristic when the subject is compared to each comparable property. These adjustments are necessary in only three areas of comparison: street frontage (width of lot), street type (main thoroughfare, primary road, or secondary road), and zoning (degree of development restrictions).

Sale One has 45 feet of frontage along the south side of Cervantes Street. While our subject is located along a secondary road, Cervantes Street is a main traffic thoroughfare with around 30,000 vehicles passing by Comparable One each day. While the Florida Department of Transportation (FDOT) does not have average daily traffic count recordings for that portion of the subject street along which the subject is located, the average daily traffic count for nearby Spring Street just south of Cervantes is estimated at about 2,400 vehicles. A downward 20% adjustment is made to the per unit sales price of Sale One to account for the subject's inferior street type. An additional 10% downward adjustment is made to account for the subject's 30 feet of street frontage versus the 45 feet of frontage that Comparable One has.

Like the subject, the property that is Comparable Two has 30 feet of frontage along a secondary road. However, while the subject has R-NCB zoning, the sale has C-2 zoning. C-2 zoning allows for more diverse commercial development than is allowed by the subject's R-NCB zoning. An argument can be made that the subject zoning also allows for diverse development by allowing residential uses. The subject's R-NCB zoning is considered to be slightly inferior to the C-2 zoning, reflected in a 5% downward adjustment.

When the subject is compared to Comparable Three, a downward adjustment is made for the subject's 30 feet of road frontage versus the sale's 40 feet of frontage.

The subject is then compared to Comparable Four. This sale requires negative adjustment for street type (being located on the well-travelled A Street), as well as positive adjustment for zoning.

No adjustment is necessary for Comparable Five when the subject is compared to it.

Final Reconciliation

Following all adjustments, the five sales show a per square foot sales price range from \$3.46 to \$7.24 with a mean of \$5.92/SF, a median of \$6.34/SF, and a standard deviation of \$1.45/SF. Without the lower and upper limits of the range the standard deviation tightens to \$0.28/SF with a mean of \$6.30/SF.

With consideration to all available information, it is our opinion that the sales indicate a market value of \$6.25 per square foot for the subject lot. With the subject having 4,500 square feet, this computes to \$28,125, which is rounded to \$28,000.

SUBJECT PHOTOGRAPHS

Borrower: N/A	File No.: 17084Z5
Property Address: 400 block W Gadsden Street	Case No.: SEM
City: Pensacola	State: FL
Lender: City of Pensacola	Zip: 32501



View of Subject from Gadsden Street



View of Gadsden Street, Looking West toward Intersection with Devilliers Street



View of Gadsden Street, Looking East

PLAT MAP

Borrower: N/A

File No.: 17084Z5

Property Address: 400 block W Gadsden Street

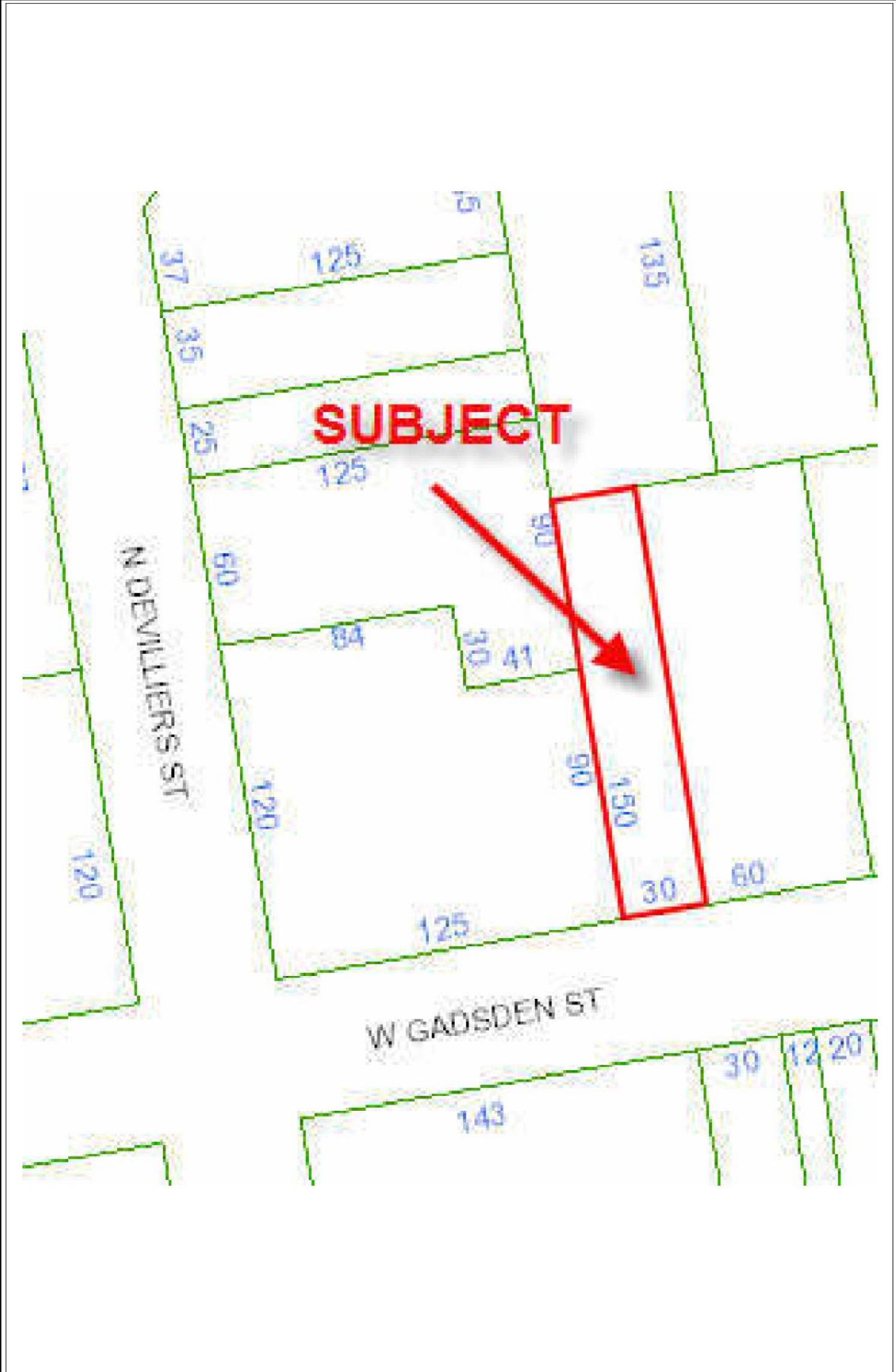
Case No.: SEM

City: Pensacola

State: FL

Zip: 32501

Lender: City of Pensacola



AERIAL PHOTOGRAPH OF SUBJECT

Borrower: N/A

File No.: 17084Z5

Property Address: 400 block W Gadsden Street

Case No.: SEM

City: Pensacola

State: FL

Zip: 32501

Lender: City of Pensacola



FEMA FLOOD HAZARD MAP SHOWING SUBJECT AREA

Borrower: N/A

File No.: 17084Z5

Property Address: 400 block W Gadsden Street

Case No.: SEM

City: Pensacola

State: FL

Zip: 32501

Lender: City of Pensacola



COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: N/A	File No.: 17084Z5	
Property Address: 400 block W Gadsden Street	Case No.: SEM	
City: Pensacola	State: FL	Zip: 32501
Lender: City of Pensacola		



COMPARABLE SALE #1

500 block W Cervantes Street
Pensacola, FL 32501
Sale Date: 02/21/2017
Sale Price: \$ 30,000



COMPARABLE SALE #2

400 block W Belmont Street
Pensacola, FL 32501
Sale Date: 11/14/2016
Sale Price: \$ 30,000



COMPARABLE SALE #3

1st block E Strong Street
Pensacola, FL 32501
Sale Date: 02/09/2017
Sale Price: \$ 40,000

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: N/A	File No.: 17084Z5	
Property Address: 400 block W Gadsden Street	Case No.: SEM	
City: Pensacola	State: FL	Zip: 32501
Lender: City of Pensacola		



COMPARABLE SALE #4

508 North A Street
Pensacola, FL 32501
Sale Date: 06/23/2016
Sale Price: \$ 19,000



COMPARABLE SALE #5

511 West Wright Street
Pensacola, FL 32501
Sale Date: 10/31/2016
Sale Price: \$ 31,500



COMPARABLE SALE #6

Sale Date:
Sale Price: \$

LOCATION MAP

Borrower: N/A

File No.: 17084Z5

Property Address: 400 block W Gadsden Street

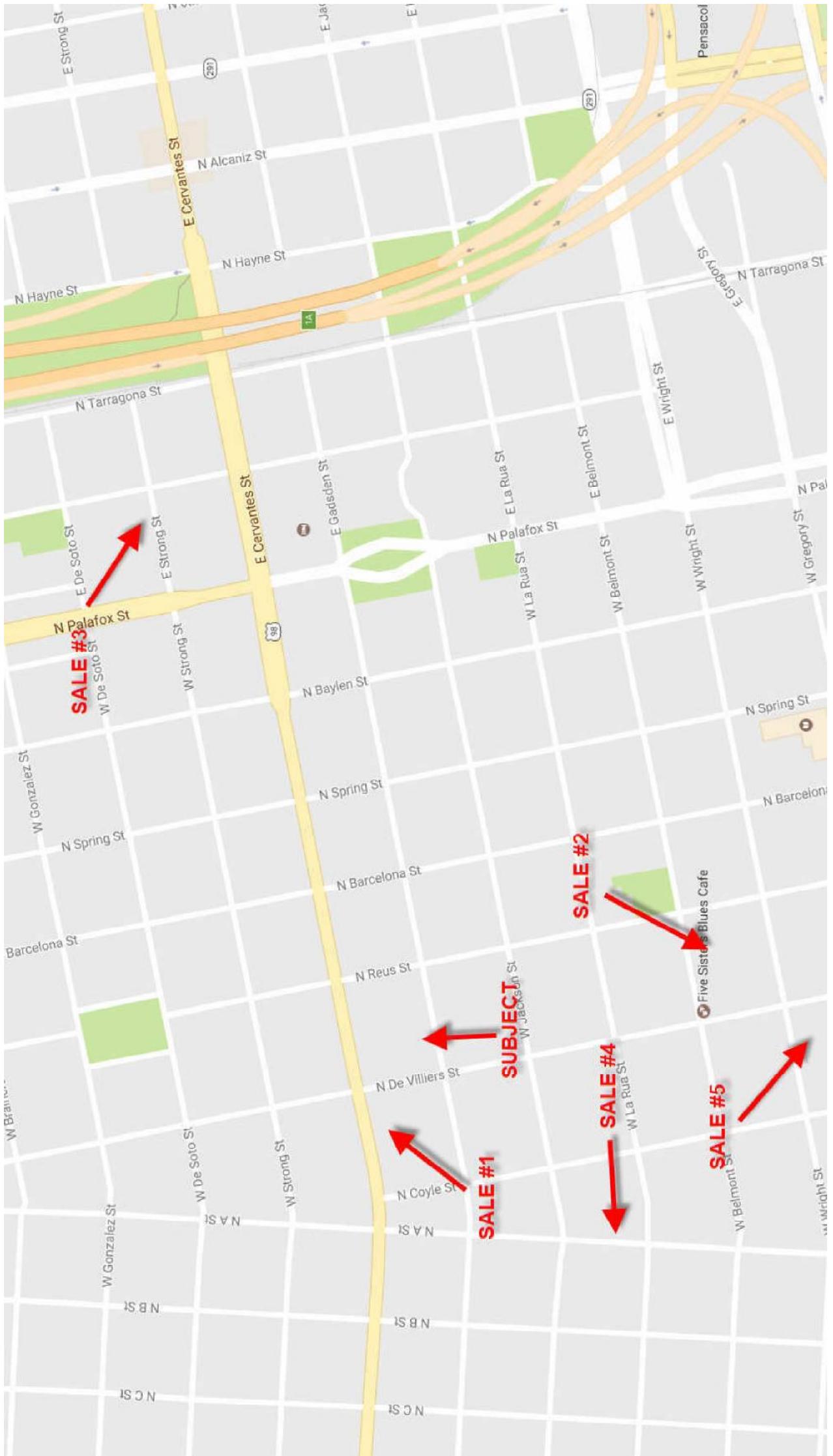
Case No.: SEM

City: Pensacola

State: FL

Zip: 32501

Lender: City of Pensacola



USPAP ADDENDUM

Borrower: N/A
 Property Address: 400 block W Gadsden Street
 City: Pensacola County: Escambia State: FL Zip Code: 32501
 Lender: City of Pensacola

APPRAISAL AND REPORT IDENTIFICATION

This report was prepared under the following USPAP reporting option:

- Appraisal Report** A written report prepared under Standards Rule 2-2(a).
- Restricted Appraisal Report** A written report prepared under Standards Rule 2-2(b).

Reasonable Exposure Time

My opinion of a reasonable exposure time for the subject property at the market value stated in this report is: 90-180

Exposure time is the estimated length of time that 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. This is a retrospective opinion based on an analysis of past events that assumes a competitive and open market. The appraiser has determined the subject property would have to be exposed three to six months on the open market of the effective date of this appraisal, at the appraised market value.

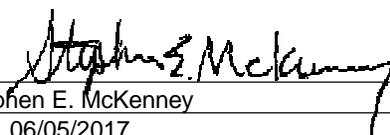
Additional Certifications

- I have performed **NO** services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I **HAVE** performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

Additional Comments

Stephen McKenney, Florida State Registered Real Estate Trainee Appraiser #RI8246, provided significant real property appraisal assistance to the person signing this certification. This assistance included visiting the subject property; researching the market area, subject property, and market trends; analyzing the market and comparable properties; and reporting of descriptions, research, and analysis.

APPRAISER:

Signature: 
 Name: Stephen E. McKenney
 Date Signed: 06/05/2017
 State Certification #: _____
 or State License #: State Registered Trainee REA #RI8246
 or Other (describe): _____ State #: _____
 State: FL
 Expiration Date of Certification or License: 11/30/2018
 Effective Date of Appraisal: May 25, 2017

SUPERVISORY APPRAISER (only if required):

Signature: 
 Name: M. Eugene Presley, MAI, SRA
 Date Signed: 06/05/2017
 State Certification #: Cert Gen RZ103
 or State License #: _____
 State: Florida
 Expiration Date of Certification or License: 11/30/2018
 Supervisory Appraiser inspection of Subject Property:
 Did Not Exterior-only from street Interior and Exterior