



AN APPRAISAL

BASED ON A HYPOTHETICAL LAND USE PLAN
OF 99.24 ACRES (59.16 ACRES UPLAND) COMMONLY
KNOWN AS THE ROBERT F. HUNGERFORD PREP HIGH SCHOOL
PROPERTY LOCATED ON THE SOUTHEAST CORNER OF
WYMORE ROAD AND EAST KENNEDY BOULEVARD
IN EATONVILLE, ORANGE COUNTY, FLORIDA 32751

PREPARED FOR

THE TOWN OF EATONVILLE
307 EAST KENNEDY BOULEVARD
EATONVILLE, FLORIDA 32751-6806
ATTENTION: MAYOR BRUCE MOUNT

AND

ORANGE COUNTY PUBLIC SCHOOLS
6501 MAGIC WAY, SUITE 200
ORLANDO, FLORIDA 32809
ATTENTION: MR. HAROLD JENKINS, FAC DIRECTOR
OCPS PURCHASE ORDER #4514025440 (EATONVILLE HUNGERFORD)

DATE OF VALUATION

FEBRUARY 10, 2014 "AS IS" ASSUMING HYPOTHETICAL LAND USE PLAN

DATE OF REPORT

FEBRUARY 27, 2014

PREPARED BY

MERIDIAN APPRAISAL GROUP, INC.

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STATE-CERTIFIED GENERAL REAL ESTATE APPRAISER RZ 805

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February 27, 2014

Mayor Bruce Mount
Town of Eatonville City Hall
307 East Kennedy Boulevard
Eatonville, Florida 32751-6806

Mr. Harold Jenkins, FAC Director
Orange County Public Schools
6501 Magic Way, Suite 200
Orlando, Florida 32809

RE: An appraisal of the Robert F. Hungerford Prep High School property, Eatonville, Orange County, Florida 32751.

Meridian File: 14-SPN
OCPS Purchase Order #: 4514025440 (Eatonville Hungerford)

Dear Mayor Mount and Mr. Jenkins:

As requested, we have made the necessary investigations and analyses incident to appraising the "As Is" Market Value of the Robert F. Hungerford Prep School property **based on an assumed hypothetical land use plan**. The tax roll reports a street address of 100 East Kennedy Boulevard, Eatonville, Florida 32751. [Although located in the Town of Eatonville, the property has a Maitland postal zip code].

This irregular property contains 99.24 gross acres located on the east side of Wymore Road, the south side of East Kennedy Boulevard and the west side of College Avenue, with supplemental frontage on Ruffel Street. The south half of the property includes 40.08 acres in lakes and jurisdictional wetlands. Most of the subject property's 59.16 acres of upland are located within the Town of Eatonville; except for a 3.5 acre upland strip sandwiched between Wymore Road and Lake Wilderness, which is in an unincorporated area of Orange County, Florida.

The north end of the property is improved with the former Robert F. Hungerford High School (f/k/a Wymore Tech and Hungerford Prep). Most of its buildings were built in the mid-1950s with some additions in the mid to late 1960s. The education facilities are functionally obsolete and expensive to operate, by modern standards. The school has been out of service since June 2009. The Town of Eatonville occasionally uses the cafeteria, gym and athletic fields for recreational and community service activities. Also, two former classroom buildings are being refurbished for interim use by the Orlando Predators (Arena Football League) as training (weight and locker rooms near the football field).

The school site encircles a 5,163 square foot "out" containing an historic 1,288 square foot chapel, owned and controlled by the Robert Hungerford Chapel Trust. The chapel has been incorporated into the north end of one of the school buildings.

Excluding the chapel, the demolition and carting of existing improvements is estimated to be \$922,826. We have "grossed up" this amount by 20% for soft costs (engineering, surveying, etc.) and developer's overhead and profit, for indicated total extraordinary site preparation costs of \$1,107,391. We have subtracted this estimated extraordinary site preparation cost from the indicated land value, for purposes of our "As Is" market value conclusion herein.



MAYOR BRUCE MOUNT
MR. HAROLD JENKINS
FEBRUARY 27, 2014
PAGE TWO

There is a two-sided, highway billboard on the property along Wymore Road, visible from Interstate 4. The pending purchase contract for the subject property between the Orange County School Board and the Town of Eatonville effectively excludes the billboard site lease. Accordingly, this appraisal does not include recognition of the contributory value of the billboard site lease.

In addition, a 1951 court-imposed use restriction requiring operation of a public school thereon encumbers the subject property's northwest 36.8 acres as well as most of the adjoining Hungerford Elementary School. This deed/use restriction will not be removed until after the Town of Eatonville has purchased the subject property of this appraisal. **Based on the mutual agreement of both seller (School Board of Orange County) and buyer (Town of Eatonville), this restriction is assumed to have been lifted for purposes of our hypothetical "As Is" market value conclusion.**

Furthermore, the purchase agreement between the two parties, as amended, stipulates an assumed hypothetical land use for the portion of the property located within Eatonville's city limits. **Based on the mutual agreement of both seller (School Board of Orange County) and buyer (Town of Eatonville) as detailed herein, the stipulated land use plan is assumed to be in place for purposes of our hypothetical "As Is" market value conclusion.**

The subject property is further described by both legal and narrative descriptions within the text of the following appraisal report.

The purpose of this appraisal was to derive the Hypothetical "As Is" fee simple Market Value of the subject property, pursuant to the stipulated hypothetical land use plan, as of the date of valuation, February 10, 2014, our most recent date of inspection of the property. The date of preparation of this report is February 27, 2014. The intended use of this appraisal is to aid the clients by **establishing Market Value of the subject property under the hypothetical conditions stipulated by a pending contract for sale/purchase between them.** The intended user is our clients, the Town of Eatonville and Orange County Public Schools. No other use or users are intended. Market value, fee simple interest and other appraisal terms are defined within the text of the following appraisal report.

General Assumptions, Hypothetical Conditions, Limiting Conditions and Extraordinary Assumptions concerning the valuation of the subject project can be found following this section of the report: **Be advised that their use might have affected the assignment results.** This appraisal report is prepared under Standards Rule 2-2(a) and performed under Standard Rule 1 of the Uniform Standards of Professional Appraisal Practice (USPAP).

Hypothetical "As Is" Market Value

Based on the analyses and discussions presented in this report and our experience and training, it is our opinion that the Hypothetical "As Is" fee simple Market Value of the subject property, pursuant to the stipulated hypothetical land use plan, as of the date of valuation February 10, 2014 was:

**"AS IS" FEE SIMPLE MARKET VALUE
ASSUMING HYPOTHETICAL LAND USE PLAN
TEN MILLION FOUR HUNDRED THOUSAND DOLLARS
(\$10,400,000) ***

*** Please see Extraordinary Assumptions, Hypothetical and Limiting Conditions**



MAYOR BRUCE MOUNT
MR. HAROLD JENKINS
FEBRUARY 27, 2014
PAGE THREE

The following report was prepared in conformity with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute. As such, it conforms with the Uniform Standards of Professional Appraisal Practice (USPAP) that became effective January 1, 2014.

This letter of transmittal precedes the appraisal report, further describing the subject property and containing reasoning and most pertinent data leading to the final Market Value conclusion.

Respectfully submitted,

Meridian Appraisal Group, Inc.

A handwritten signature in blue ink that reads "Angela L. Brown".

Digitally signed by Angela L. Brown
DN: cn=Angela L. Brown, o=Meridian
Appraisal Group, Inc., ou,
email=abrown@meridianag.com, c=US
Date: 2014.02.27 14:10:40 -05'00'

Angela L. Brown, MAI, Vice President

State-Certified General Real Estate Appraiser RZ 805

A handwritten signature in blue ink that reads "Frank W. Schieber".

Digitally signed by Frank W.

Schieber, MAI, CCIM

Date: 2014.02.27 14:06:48 -05'00'

Frank W. Schieber, MAI, CCIM, Senior Appraiser

State-Certified General Real Estate Appraiser RZ 124

ALB:FWS:dmh

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CERTIFICATION

The undersigned appraisers hereby certify that to the best of their knowledge and belief:

- the statements of fact contained in this appraisal report (upon which the analyses, opinion and conclusions expressed herein are based) are true and correct.
- the reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and any special assumptions if any, set forth and are the personal, impartial and unbiased professional analyses, opinions and conclusions of the appraisers.
- the appraisers have no present or prospective interest in the property that is the subject of this report and have no personal interest with respect to the parties involved.
- the appraisers have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- the appraisal was not based on a requested minimum valuation, a specific valuation or the approval of a loan.
- the appraisers' engagement in this assignment was not contingent upon developing or reporting predetermined results.
- the appraisers' compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- the reported analyses, opinions and conclusions were developed and this appraisal report has been prepared in conformity with the requirements of the *Code of Professional Ethics* and the *Standards of Professional Appraisal Practice of the Appraisal Institute*.
- the reported analyses, opinions and conclusions were developed and this appraisal report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice, as promulgated by the *Appraisal Standards Board of the Appraisal Foundation*.
- we do not authorize the out-of-context quoting from or partial reprinting of this appraisal report; and neither all nor part of this appraisal report shall be disseminated to the general public by the use of any public communications media without the prior written consent of the undersigned appraisers.
- use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Angela L. Brown, MAI certifies that she has personally inspected the subject property, including the land and a sample of building exteriors, but not building interiors, for this appraisal assignment. Frank Schieber, MAI certifies that he has personally inspected all the comparable sales used in this appraisal report; personally inspected the subject property land and building exteriors for this appraisal assignment; and personally inspected most of the subject's building interiors on June 8, 2012 for a prior appraisal assignment.

CERTIFICATION (CONT'D)

- No one provided significant real property appraisal assistance to the person(s) signing the certification.
- the Appraisal Institute conducts a mandatory program of continuing education for designated members. As of the date of this report, Angela L. Brown, MAI and Frank W. Schieber, MAI have completed the continuing education program of the Appraisal Institute.
- Angela L. Brown, MAI and Frank W. Schieber, MAI have previously appraised the subject property in 2012; but have not performed any other real estate related services involving the subject property during the three years preceding the date of engagement for this assignment.

Property Location

The subject property contains 99.24 gross acres and 59.16 useable acres located on the east side of Wymore Road, the south side of East Kennedy Boulevard and the west side of College Avenue, with supplemental frontage on Ruffel Street. Most of the subject property is located within the Town of Eatonville; the south leg of the property is in an unincorporated area of Orange County, Florida. The tax roll reports a street address of 100 East Kennedy Boulevard, Eatonville, Florida 32751. [Although located in the Town of Eatonville, the property has a Maitland postal zip code].

Date of Valuation and Date of Report

The date of valuation for the "As Is" Market Value conclusion is as of February 10, 2014. The date of this report is February 27, 2014.

Final Value Conclusion

Hypothetical "As Is" Fee Simple Market Value

\$10,400,000*

*** Please see Extraordinary Assumptions, Hypothetical and Limiting Conditions.
Be advised that their use might have affected the assignment results.**

Certified by,

Meridian Appraisal Group, Inc.



Digitally signed by Angela L. Brown
DN: cn=Angela L. Brown, o=Meridian Appraisal
Group, Inc., ou, email=abrown@meridianag.com,
c=US
Date: 2014.02.27 14:11:24 -05'00'

Angela L. Brown, MAI, Vice President

State-Certified General Real Estate Appraiser RZ 805



Digitally signed by Frank W.
Schieber, MAI, CCIM

Date: 2014.02.27 14:07:30 -05'00'

Frank W. Schieber, MAI, CCIM, Senior Appraiser

State-Certified General Real Estate Appraiser RZ 124

EXECUTIVE SUMMARY

Location

The subject property is located on the east side of Wymore Road, the south side of East Kennedy Boulevard and the west side of College Avenue, with supplemental frontage on Ruffel Street. Most of the subject property is located within the Town of Eatonville; the south leg of the property is in an unincorporated area of Orange County, Florida. The tax roll reports a street address of 100 East Kennedy Boulevard, Eatonville, Florida 32751. [Although located in the Town of Eatonville, the property has a Maitland postal zip code].

Type of Property

Redevelopment land, much of which is improved with an obsolete high school no longer in service

Highest & Best Use

Hold for future residential and general commercial/office development, as demand dictates.

Subject Site

This irregular site contains 99.24 gross acres. The south half of the property includes 40.08 acres in lakes and jurisdictional wetlands, so the property has 59.16 acres of upland. The north portion of the property has 1,096.14' frontage along the south side of East Kennedy Boulevard and 1,601.07' frontage along the east side of Wymore Road. The property's Wymore Road frontage is then interrupted by a five acre "out" owned by the Florida Department of Transportation for a future storm water retention pond for highway drainage, unavailable for use by the subject property. South of the FDOT parcel, the property has another 1,620.51' Wymore Road frontage; however, the south 576.12' of frontage is wetlands, leaving 1,044.39' upland road frontage. This southern leg of Wymore Road frontage is an upland strip typically 175' deep which backs up to the 20± acre Lake Wilderness (a former borrow pit).

The north portion of the property has 814.29' additional frontage and access along the west side of College Avenue. It excludes the 175.13' x 206.61' corner of East Kennedy Boulevard and College Avenue. The north portion of the property encircles a 5,163 square foot "out" containing an historic 1,288 square foot chapel, owned and controlled by the Robert Hungerford Chapel Trust. The subject property wraps around the north, west and south sides of Hungerford Elementary School. To the south of the elementary school is about 10.3 acres of upland fronting the north shore of Lake Wilderness, but separated by wetlands from the nearest road access. Another 1.75 acres of upland just east of the elementary school has 172.13' frontage on the south side of Ruffel Street.

Improvements

The north end of the property is improved with the former Robert F. Hungerford High School (f/k/a Wymore Tech and Hungerford Prep). Most of its buildings were built in the mid-1950s and mid to late 1960s. The complex consists of 17 buildings aggregating 90,853 square feet gross building area plus two "portables" totaling 1,978 square feet plus a 2,573 square foot fiberglass greenhouse and 1,980 square foot shade house. Many of the buildings are connected via sheltered concrete walkways. The school has been out of service since June 2009. The Town of Eatonville occasionally uses the cafeteria, gym and athletic fields for recreational and community service activities. Also, two former classroom buildings are being refurbished for interim use by the Orlando Predators (Arena Football League) as training (weight and locker rooms near the football field).

Site improvements include several asphalt paved parking areas and connecting driveways; a football field encircled by an asphalt running track; worn and faded tennis courts; and a little-league ball field. The 1.75 acres of upland just east of the neighboring elementary school include a dry retention pond, which overlaps onto the elementary school site. This site has been improved since 2005 with two tennis courts in use by the adjoining Denton Johnson Community Center.

EXECUTIVE SUMMARY (CONT'D)

There is a two-sided highway billboard on the property along Wymore Road, visible from Interstate 4. The pending purchase contract for the subject property between the Orange County School Board and the Town of Eatonville effectively excludes the billboard site lease. Accordingly, this appraisal does not include recognition of the contributory value of the billboard site lease.

Zoning – Existing

Most of the property is within the Town of Eatonville. Its Comprehensive Future Land Use classifications are Commercial along Wymore Road and wrapping around the FDOT parcel; Residential south of and along much of East Kennedy Boulevard; and a wide strip of Conservation along the north sides of both Lake Wilderness and Lake Bell. Zoning districts include C-3 General Commercial with a High Density Mixed Office Commercial Overlay district (minimum 0.50 Floor Area Ratio) along Wymore Road; C-2 Planned Office with a High Density Mixed Office Commercial Overlay further south along Wymore Road and wrapping the FDOT parcel; and R-2 Medium Density Single Family Residential (up to eight dwelling units per acre) with a strip of Downtown Cultural/Historical Overlay district along the south side of East Kennedy Boulevard. The Town's zoning district boundaries do not entirely correspond with the Future Land Use classifications, and are in some cases incompatible. For example, the Town's only Comprehensive Plan area denoted as Conservation Future Land Use (which allows no development) has an incompatible zoning of C-2 Planned Office with a High Density Mixed Use overlay.

In addition, a 1951 court-imposed use restriction requiring operation of a public school thereon encumbers the subject property's northwest 36.8 acres as well as most of the adjoining Hungerford Elementary School. This deed/use restriction will not be removed until after the Town of Eatonville has purchased the subject property of this appraisal.

The south leg of the property along Wymore Road is in an unincorporated area: It is zoned R-1A Single Family Residential within a compatible Low Density Residential Future Land Use (up to 4 dwelling units per acre) by Orange County.

Hypothetical Zoning/Land Use – Stipulated and Assumed for Appraisal Purposes

There is a pending purchase contract for the subject property between the School Board of Orange County (seller) and the Town of Eatonville (buyer). The purchase agreement between the two parties, as amended, stipulates an assumed hypothetical land use for the portion of the property located within Eatonville's city limits:

- A. *That approximately 20 acres consisting of the frontage of Wymore Road and East Kennedy Boulevard will develop as commercial/retail and office use*
- B. *That approximately 20 acres of the interior portions of the Wymore Road Tract will develop consisting of residential/single family and multi-family use, and*
- C. *That approximately 20 acres will consist of public and private educational, cultural, civic and recreation facilities*
- D. *That the remaining acreage is preservation, parks, roadways, wetlands, open space or other support purposes.*

A, B, C and D above are illustrated by the Exhibit "A" [attached to contract] ...

We have determined that the amended contract's "Exhibit A" (Mr. Porter's "Hungerford Property Conceptual Redevelopment Overlay") does not provide us sufficient detail in order to do an appraisal. This conceptual land use bubble map ("Exhibit A") includes properties beyond the subject property's legal description. We need more detail insofar as specific boundaries and acreages of each hypothetical land use. To that end, Meridian Appraisal Group created a proposed land use

EXECUTIVE SUMMARY (CONT'D)

map, which is intended to “best fit” Exhibit A of the amended sales agreement to the subject property’s legal description boundaries.

The boundaries shown on our land use map/sketch resulted in the following upland distribution:

24.83 Acres Commercial
18.42 Acres Cultural/Educational
15.91 Acres Residential (4.6 Acres Low Density + 11.31 Acres Medium Density)
59.16 Acres Total Upland

This roughly corresponds to the desired approximately 20 acres/20 acres/20 acres of each assumed land use, as stipulated in the contract amendment.

We also needed to clarify what uses and performance standards are allowable in each assumed land use category. Both parties requested that allowable uses generally correspond “... to Eatonville’s comprehensive plan as it relates to density, parking etc.” We also recommended a couple changes, in order to enhance market acceptance of the property. With the concurrence by both buyer and seller, we have recommended and used the following:

- **Low Density/Residential Land Use** – most of this strip is in unincorporated Orange County, zoned R-1A Single Family Residential (minimum 75’ lot width and minimum 7,500 square foot lot size). The north tip of this strip is in the Town of Eatonville.
- **Medium Density/Residential Land Use** – Eatonville’s zoning is R-2 Medium Density Single Family Residential (up to 8 dwelling units per acre, with a minimum 50’ lot width and minimum 5,000 square foot lot size).
- **Commercial Land Use** – Uses permitted correspond to the C-3 General Commercial zoning district with a High Density Mixed Office Commercial Overlay district; however, **the 0.50 minimum FAR requirement is waived.**
- **Cultural/Educational Land Use** – This appears to be intended to be an expanded DC/HO Downtown Cultural/Historical Overlay district. **We perceive and recommend that this area should have a General Commercial underlying zoning/future land use, instead of its existing Residential underlying zoning/future land use.** A commercial zoning/future land use would be more compatible with the DC/HO Downtown Cultural/Historical Overlay district specified allowable uses. The purpose of the Downtown Cultural/Historical Overlay District is to promote a historically unified theme for development and redevelopment in the downtown central business district that is consistent and compatible with the Town’s designation as a historic site on the National Historic Register. Its allowable uses are somewhat more restrictive than other C-3 General Commercial areas.

The south leg of the property along Wymore Road is in an unincorporated area: It is zoned R-1A Single Family Residential within a compatible Low Density Residential Future Land Use (up to 4 dwelling units per acre) by Orange County. Since it is outside Eatonville’s city limits, this portion of the property is unaffected by the assumed hypothetical land use plan.

Based on the mutual agreement of both seller (School Board of Orange County) and buyer (Town of Eatonville) as detailed herein, the stipulated land use plan is assumed to be in place for purposes of our hypothetical “As Is” market value conclusion.

EXECUTIVE SUMMARY (CONT'D)

In addition, a 1951 court-imposed use restriction requiring operation of a public school thereon encumbers the subject property's northwest 36.8 acres as well as most of the adjoining Hungerford Elementary School. **Based on the mutual agreement of both seller (School Board of Orange County) and buyer (Town of Eatonville), this restriction is assumed to have been lifted for purposes of our hypothetical "As Is" market value conclusion.**

Marketing/Exposure Time

One to two years

Interest Appraised

Fee Simple Interest

Date of Valuation and Date of Report

The date of valuation for the Hypothetical "As Is" Market Value conclusion is as of February 10, 2014. The date of this report is February 27, 2014.

Final Value Conclusion

Hypothetical "As Is" Market Value	\$10,400,000*
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*** Please see Extraordinary Assumptions, Hypothetical and Limiting Conditions.
Be advised that their use might have affected the assignment results.**

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

1. The legal description used in this report is assumed to be correct.
2. No survey of the property has been made by the appraiser and no responsibility is assumed in connection with such matters. Sketches in this report are included only to assist the reader in visualizing the property.
3. No responsibility is assumed for matters of legal nature affecting title to the property nor is an opinion of title rendered. The title is assumed to be good and merchantable.
4. Information and data furnished by others is usually assumed to be true, correct and reliable. When such information and data appears to be dubious and when it is critical to the appraisal, a reasonable effort has been made to verify all such information; however, no responsibility for its accuracy is assumed by the appraiser.
5. All mortgages, liens, encumbrances, leases and servitude have been disregarded unless so specified within the report. The property is appraised as though under responsible ownership and competent management.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined and considered in the appraisal report.
9. It is assumed that all required licenses, consents or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
10. It is assumed that the utilization of the land and improvements will be within the boundaries or property lines or the property described and that there will be no encroachments or trespass unless noted within the report.
11. The date of value to which the opinions in this report apply are reported herein. The appraiser assumes no responsibility for economic or physical factors occurring at some later date, which may affect the opinions stated herein.
12. Unless otherwise stated in the report, the existence of hazardous material, which may or may not, be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The reader is urged to retain an expert in this field, if desired.

DEFINITION OF IMPORTANT TERMS

Market Value¹

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, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised and each acting in what they consider their own best interest;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 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.

Highest and Best Use²

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.

Fee Simple Estate³

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.

Hypothetical Condition⁴

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

Definition Sources

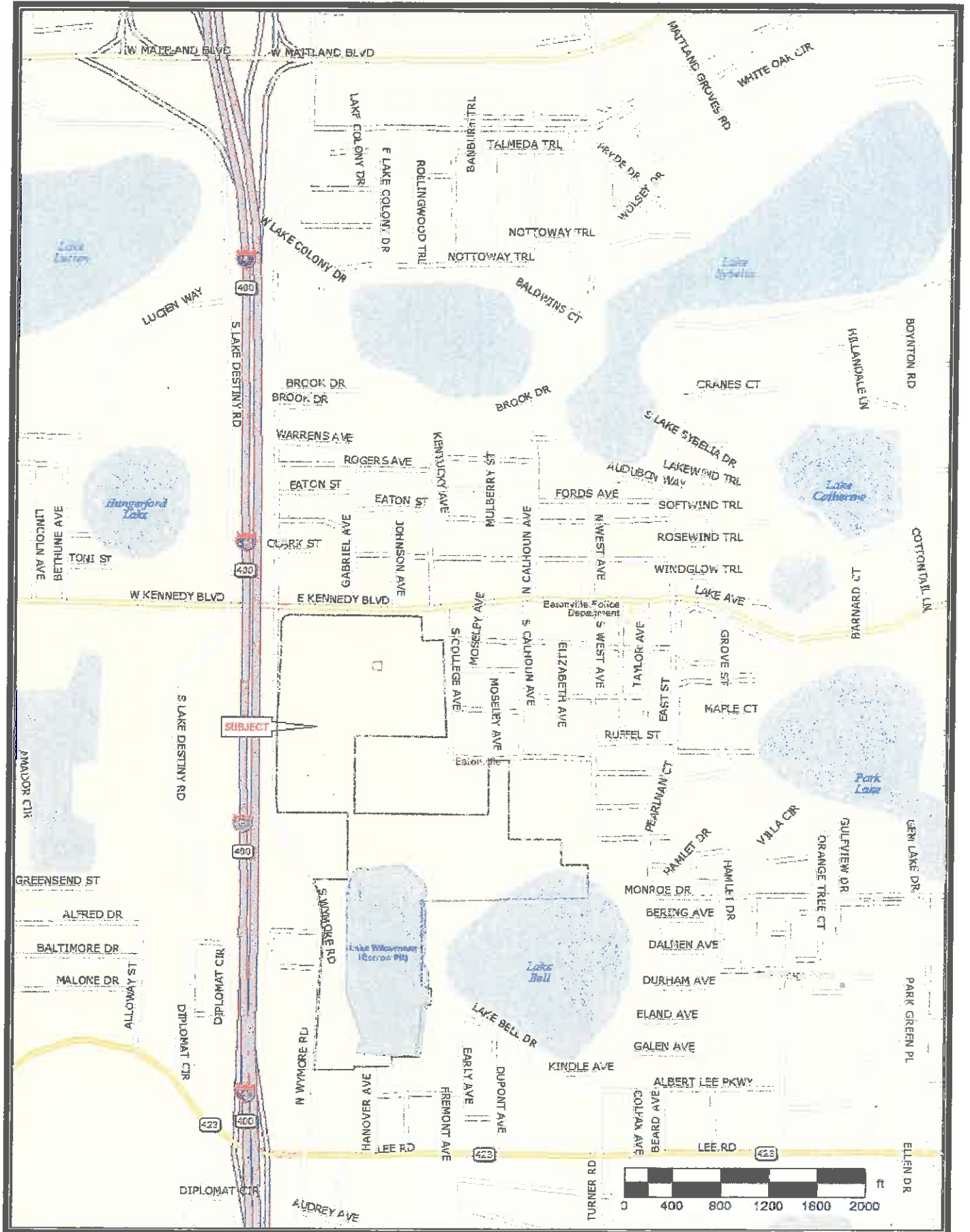
- ¹ Title XI - Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA"), as amended (Pub.L.No.101-73,103 Stat.183 (1989), 12 U.S.C. 3310,3331-3351, and Section 5(b) of the Bank Holding Company Act, 12 U.S.C. 1844(b); Part 225,Subpart G: Appraisals; Paragraph 225.62(f).
Uniform Standards of Professional Appraisal Practice, Pages 1-7
Federal Reserve System, 12 CFR Parts 208 and 225, Sec.225.62
Office of the Comptroller of the Currency, 12 CFR Part 34, Sec.34.42
FDIC, 12 CFR Part 323, Sec.323.2
NCUA, 12 CFR Part 722, Sec.722.2
RTC, 12 CFR Part 1608, Sec. 1608.2
The Appraisal of Real Estate, Appraisal Institute, 13th Edition, 2008, Pages 24-25
- ² The Appraisal of Real Estate, Appraisal Institute, 13th Edition, 2008, Pages 277-278
- ³ The Appraisal of Real Estate, Appraisal Institute, 13th Edition, 2008, Page 114
- ⁴ Uniform Standards of Professional Appraisal Practice, The Appraisal Foundation, 2014-2015 Edition, Page U-3

This map shows the Orlando, Florida metropolitan area and surrounding regions. Key features include:

- Major Highways:** US-17, US-408, US-401, US-417, US-428, US-427, US-429, US-434, US-436, US-438, US-439, US-441, US-442, US-443, US-444, US-445, US-446, US-447, US-448, US-449, US-450, US-451, US-452, US-453, US-454, US-455, US-456, US-457, US-458, US-459, US-460, US-461, US-462, US-463, US-464, US-465, US-466, US-467, US-468, US-469, US-470, US-471, US-472, US-473, US-474, US-475, US-476, US-477, US-478, US-479, US-480, US-481, US-482, US-483, US-484, US-485, US-486, US-487, US-488, US-489, US-490, US-491, US-492, US-493, US-494, US-495, US-496, US-497, US-498, US-499, US-500.
- Lakes:** Lake Mohroe, Lake Marv, Lake Mary, Lake Butler, Lake Buena Vista, Lake Kissimmee, Lake Wekiva, Lake Orange, Lake Nona, Lake Dora, Lake Eola, Lake Toxopeia, Lake Nona, Lake Dora, Lake Eola, Lake Toxopeia, Lake Nona, Lake Dora, Lake Eola, Lake Toxopeia.
- Cities and Towns:** Sonoma, Apopka, Plymouth, Apopka, Winter Garden, Ocoee, Gotha, Lake Butler, Bay Hill, Oak Ridge, Williamsburg, Hunters Creek, Meadow Woods, Taft, Pine Castle, Little Lake, Pine Hills, Orlonista, Orlando, Executive, Azalea Park, Union Park, Goldenrod, Winter Park, Matland, Altamonte Springs, Casselberry, Lorigwood, Winter Springs, Sanford, Midway, Orlando Sanford Intl, Oviedo, University of Central Florida.
- Other Features:** Walt Disney World, Lake Wekiva State Park, Lake Nona, Lake Dora, Lake Eola, Lake Toxopeia, Lake Nona, Lake Dora, Lake Eola, Lake Toxopeia, Lake Nona, Lake Dora, Lake Eola, Lake Toxopeia.

A scale bar at the bottom right indicates distances from 0 to 6 miles.

LOCATION MAP



SUBJECT AERIAL (2013)



**THE SUBJECT PROPERTY IS ON THE EAST SIDE OF WYMORE ROAD AND SOUTH OF EAST KENNEDY BOULEVARD.
AN HISTORIC CHAPEL SITE AND BUILDING LOCATED IN THE NORTH PART OF THE PROPERTY IS EXCLUDED.**

OBLIQUE AERIAL OF IMPROVEMENTS



THE SCHOOL IMPROVEMENTS ON THE NORTH PORTION OF THE PROPERTY WERE MOSTLY BUILT IN THE MID-1950s, PLUS ADDITIONS IN THE MID-1960s.

THE COMPLEX CONSISTS OF 17 BUILDINGS AGGREGATING 90,853 SQUARE FEET GROSS BUILDING AREA PLUS TWO PORTABLES TOTALING 1,978 SQUARE FEET PLUS A 2,573 SQUARE FOOT FIBERGLASS GREENHOUSE AND 1,980 SQUARE FOOT SHADE HOUSE. MANY OF THE BUILDINGS ARE CONNECTED VIA SHELTERED CONCRETE WALKWAYS. THE SCHOOL IS NO LONGER IN USE; HOWEVER, THE TOWN OF EATONVILLE OCCASIONALLY USES THE CAFETERIA, GYM AND ATHLETIC FIELDS FOR RECREATION PROGRAMS AND COMMUNITY SERVICE ACTIVITIES.

THE ENCIRCLED "OUT" IS THE 1,288 SQUARE FOOT STEWART MEMORIAL CHAPEL ON A 5,163 SQUARE FOOT SITE, WHICH IS PRIVATELY OWNED AND USED BY THE ROBERT HUNGERFORD CHAPEL TRUST. THE CHAPEL HAS BEEN INCORPORATED INTO THE NORTH END OF ONE OF THE SCHOOL'S BUILDINGS.

SUBJECT PHOTOGRAPHS



SIGNAGE ON THE SUBJECT'S EAST KENNEDY BOULEVARD FRONTAGE
NOTE: PHOTOS TAKEN 2/10/2014



SIGNAGE ON THE GATEWAY ARCH OVER EAST KENNEDY BOULEVARD IN FRONT OF THE SUBJECT PROPERTY



VIEW WEST FROM SUBJECT'S NORTHWEST CORNER TOWARD INTERSTATE 4 OVERPASS OVER WEST KENNEDY BLVD (NO INTERCHANGE)



VIEW EAST ALONG EAST KENNEDY BOULEVARD; SUBJECT'S "COMMERCIAL LAND USE" FRONTAGE ON RIGHT



VIEW SOUTH FROM KENNEDY BOULEVARD OF THE "COMMERCIAL LAND USE" AREA



VIEW NORTH: THE SUBJECT'S "COMMERCIAL LAND USE" AREA HAS INTERSTATE 4 EXPOSURE ACROSS WYMORE ROAD (SUBJECT ON RIGHT).

SUBJECT PHOTOGRAPHS



MUCH OF THE "COMMERCIAL" LAND ALONG WYMORE ROAD IS A FOOTBALL/SOCCER FIELD ENCLOSED BY AN ASPHALT RUNNING TRACK



WORN AND FADED TENNIS/SPORT COURTS ARE LOCATED NORTHEAST OF THE FOOTBALL FIELD; THE GYMNASIUM IS IN THE BACKGROUND



THE FORMER HUNGERFORD PREP HIGH SCHOOL OCCUPIES THE "CULTURAL/EDUCATIONAL LAND USE" PORTION OF THE PROPERTY.



THE "CULTURAL/EDUCATIONAL LAND USE" AREA'S MOST PROMINENT IMPROVEMENT IS THE GYM/AUDITORIUM, BUILT IN 1953



ITS KENNEDY BOULEVARD FRONTAGE FEATURES AN ATTRACTIVE STREETScape THROUGH EATONVILLE'S TOWN CENTER.



VIEW SOUTH FROM KENNEDY BOULEVARD OF "CULTURAL/EDUCATIONAL" AREA.

SUBJECT PHOTOGRAPHS



AN ENCIRCLED "OUT" OF THE CULTURAL AREA IS THE STEWART CHAPEL, OWNED BY THE ROBERT HUNGERFORD CHAPEL TRUST



WEST SIDE OF CHAPEL "OUT" PARCEL; THE CHAPEL HAS BEEN INCORPORATED INTO THE NORTH END OF A CLASSROOM BUILDING.



THE FORMER HIGH SCHOOL IMPROVEMENTS ARE GENERALLY OBSOLETE, AND ARE NOT BEING MAINTAINED.



REAR OF FORMER ARTS CLASSROOM: NOTE THAT LATEX PAINT HAS COMPLETELY PEELED OFF OF THE UNDERLYING CONCRETE BLOCK.



A BRICK MEDIA CENTER (BUILT 1965) IS AMONG THE NEWEST BUILDINGS: IT HAS FEW WINDOWS AND WAS INTENDED TO BE A STORM SHELTER



ANOTHER BUILDING NEAR THE FOOTBALL FIELD HAS BEEN REFURBISHED FOR INTERIM USE BY THE ORLANDO PREDATORS AS A WEIGHT ROOM

SUBJECT PHOTOGRAPHS



COLLEGE AVENUE PROVIDES ADDITIONAL ACCESS TO THE "CULTURAL/EDUCATIONAL LAND USE" AREA (SUBJECT ON RIGHT)



VIEW WEST FROM COLLEGE AVENUE INTO "CULTURAL/EDUCATIONAL LAND USE" AREA



VIEW EAST ON RUFFEL STREET, SUBJECT AT RIGHT. A BOYS AND GIRLS CLUB JUST EAST (BACKGROUND) WAS COMPLETED IN 2011.



VIEW SOUTH FROM RUFFEL STREET OF THE 172' WIDE STRIP, WHICH IS IMPROVED WITH SPORTS COURTS USED BY THE BOYS AND GIRLS CLUB



THIS 172' STRIP ALONG THE EAST SIDE OF THE NEARBY ELEMENTARY SCHOOL WAS IMPROVED WITH TENNIS COURTS IN 2005



THE SOUTH END OF THE 172' STRIP INCLUDES A RETENTION AREA, WHICH OVERLAPS AND IS USED BY THE ELEMENTARY SCHOOL PROPERTY

SUBJECT PHOTOGRAPHS



THE SOUTHEAST PORTION OF THE SUBJECT PROPERTY IS IN THE 100 YEAR FLOOD ZONE AND DESIGNATED AS JURISDICTIONAL WETLANDS.



LIKELY UNDEVELOPABLE, THIS 100 YEAR FLOOD ZONE AREA WOULD MAKE A NICE PASSIVE PARK ON LAKE BELL (SUBJECT'S WETLANDS AT RIGHT)



THE "RESIDENTIAL USE – MEDIUM DENSITY" AREA IS LOCATED SOUTH OF THE ELEMENTARY SCHOOL AND JUST WEST OF THE WETLANDS



FUTURE DEVELOPMENT OF THE "RESIDENTIAL USE – MEDIUM DENSITY" AREA WILL BENEFIT FROM LAKE WILDERNESS (VIEW SOUTH).



SOUTH OF AN "OUT" OWNED BY FDOT, THE PROPERTY ALSO INCLUDES A STRIP ALONG THE EAST SIDE OF WYMORE ROAD (SUBJECT AT RIGHT)



THIS "RESIDENTIAL USE – LOW DENSITY" UPLAND STRIP IS SANDWICHED BETWEEN WYMORE ROAD AND LAKE WILDERNESS

SUBJECT PHOTOGRAPHS



ALL FUTURE LOTS DEVELOPED FROM THIS
"RESIDENTIAL USE – LOW DENSITY" STRIP WILL
ENJOY VIEWS ACROSS LAKE WILDERNESS



ANOTHER JURISDICTIONAL WETLAND IS
LOCATED AT THE SOUTH END OF THIS STRIP ON
WYMORE ROAD AND LAKE WILDERNESS



A LIFT STATION ON THE SOUTH END OF THE
HIGH SCHOOL PROPERTY MAY BENEFIT FUTURE
DEVELOPMENT OF THE "COMMERCIAL" AND
"CULTURAL/EDUCATIONAL" COMPONENTS OF
THE SUBJECT PROPERTY



THE PURCHASE CONTRACT SPECIFIES THAT THE
SCHOOL BOARD RETAINS INCOME FROM THE
BILLBOARD SITE LEASE FOR 10 YEARS AFTER
CLOSING. ACCORDINGLY, ITS CONTRIBUTORY
VALUE IS EXCLUDED FROM THIS APPRAISAL.

SUBJECT PROPERTY DATA

Purpose and Date of Appraisal

The purpose of this appraisal was to derive the Hypothetical "As Is" fee simple Market Value of the subject property, pursuant to the stipulated hypothetical land use plan, as of the date of valuation, February 10, 2014, our most recent date of inspection of the property. The date of preparation of this report is February 27, 2014.

Intended Use and Intended User of Appraisal Report

The intended use of this appraisal is to aid the clients by **establishing Market Value of the subject property under the hypothetical conditions stipulated by a pending contract for sale/purchase between them.** The intended user is our clients, the Town of Eatonville and Orange County Public Schools. No other use or users are intended. This assignment was jointly authorized by Mayor Bruce Mount, on behalf of the Town of Eatonville and by Mr. Harold Jenkins, on behalf of Orange County Public Schools.

Type and Address

Redevelopment land, much of which is improved with a school no longer in service: The subject property is located on the east side of Wymore Road, the south side of East Kennedy Boulevard and the west side of College Avenue, with supplemental frontage on Ruffel Street. Most of the subject property is located within the Town of Eatonville; the south leg of the property is in an unincorporated area of Orange County, Florida. The tax roll reports a street address of 100 East Kennedy Boulevard, Eatonville, Florida 32751. [Although located in the Town of Eatonville, the property has a Maitland postal zip code].

Property Rights Appraised

Fee Simple Interest

Ownership and History of Subject Property

According to a July 13, 2010 title insurance commitment, the property is owned by the Board of Public Instruction of Orange County, Florida now known as Orange County Public Schools. The Orange County tax rolls report the owner's mailing address as 445 West Amelia Street, Orlando, Florida 32801-1129.

The Orange County tax rolls do not reflect any transfers involving this property during the past five years. The property is presently under an *Agreement For Sale and Purchase* by the Town of Eatonville ("Buyer") dated July 1, 2010, at a price to be determined by appraisal. Terms of this purchase agreement include:

- When the property was acquired by the Board of Public Instruction from the Robert Hungerford Industrial School of Eatonville in May 1951, the court imposed the following restriction (which affects approximately 36.8 acres of the subject property plus the adjoining Hungerford Elementary School property): "... *said real property shall be used as a site for the operation of a public school thereon for negroes with emphasis on the vocational education of negroes and to be known as 'Robert Hungerford Industrial School'...*". This restriction was reaffirmed January 17, 1974 in Case No. 73-5501 (Fla. 9th Jud. Cir. 1974) as recorded in Official Records Book 2491, Page 1184, Orange County. [We note that although the racial component is likely unenforceable, the public school use restriction is]. The purchase agreement makes it the responsibility and at the cost of the Buyer to negotiate removal of these restrictions with the Board of Trustees of the Robert Hungerford Chapel Trust as well as the circuit court in the Ninth Judicial Circuit of Florida; however, the removal of said restrictions shall be expressly contingent on Buyer acquiring title to the affected portions

SUBJECT PROPERTY DATA (CONT'D)

of the subject property. Based on the mutual agreement of both seller (School Board of Orange County) and buyer (Town of Eatonville), this restriction is assumed to have been lifted for purposes of our hypothetical "As Is" market value conclusion.

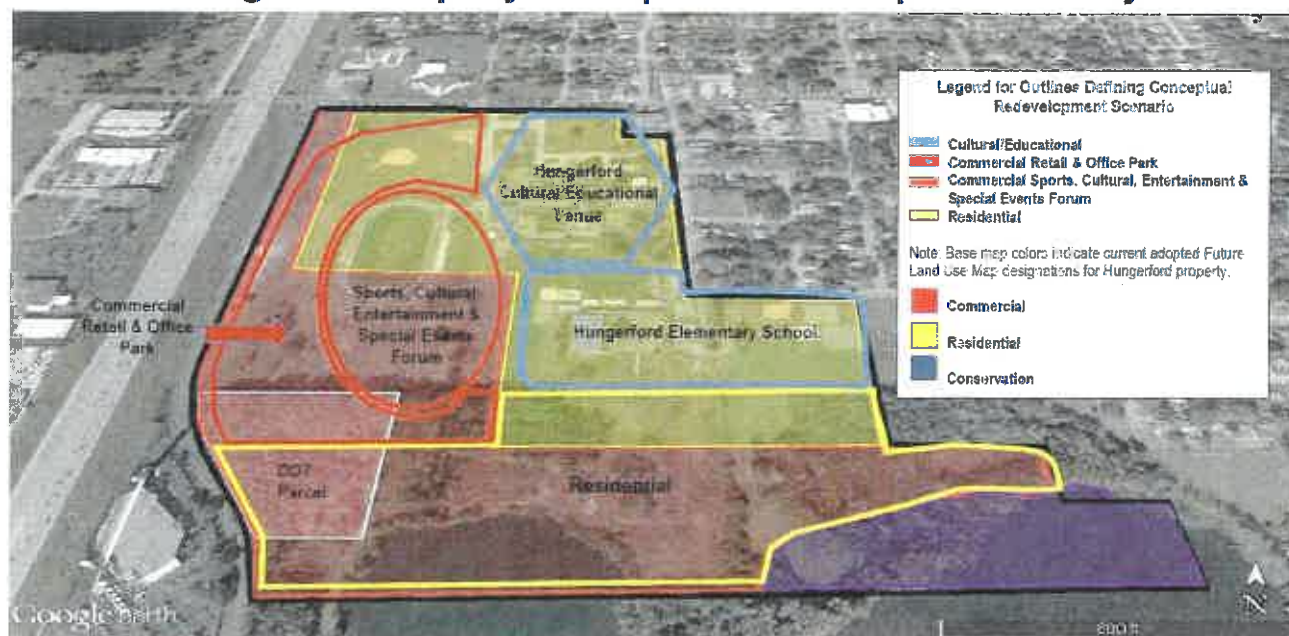
- Seller shall retain all rights in the Billboard located on the property for 10 years subsequent to closing by Buyer.
- The Buyer intends to acquire and vest the property with development rights reasonably necessary in order for Buyer to re-sell the Property to a land developer. The purchase agreement is conditioned upon the Buyer successfully finding a subsequent purchaser for the Property at a purchase price acceptable to the Buyer.

The *First Amendment to Agreement for Sale and Purchase* dated December 10, 2013 extends the closing date to July 1, 2015; and stipulates a hypothetical land use for the portion of the property located within Eatonville's city limits, for appraisal purposes, assuming:

- That approximately 20 acres consisting of the frontage of Wymore Road and East Kennedy Boulevard will develop as commercial / retail and office use*
- That approximately 20 acres of the interior portions of the Wymore Road Tract will develop consisting of residential / single family and multi-family use, and*
- That approximately 20 acres will consist of public and private educational, cultural, civic and recreation facilities.*
- That the remaining acreage is preservation, parks, roadways, wetlands, open space or other support purposes.*

A, B, C and D above are illustrated by the Exhibit "A" [below]:"

Hungerford Property Conceptual Redevelopment Overlay¹



¹ The Hungerford Property Conceptual Redevelopment Overlay depicts one potential conceptual redevelopment land use scenario and cannot be confirmed as the Town's Comprehensive Plan for any redevelopment of the Hungerford Property until completion of appropriate due diligence actions and implementation of Comprehensive Plan Future Land Use Map and zoning map amendments compliant with local, state and federal due process requirements. The due diligence actions include, but are not limited to: analysis of several site specific conditions and improvement needs such as ground/wetland/mitigation conditions, legal constraints on use of the subject site, existing infrastructure conditions and specific future land improvement needs and cost considerations which must be evaluated and determinations rendered by appropriate professionals. Recommendations of a legally defensible and cost feasible redevelopment plan must be deemed sufficient to confirm and support approval of such plan by the Town Council. Such actions are prerequisites to any subsequent amendments to the Town of Eatonville Comprehensive Plan to ensure that any proposed Hungerford property redevelopment is consistent with the local government's adopted Comprehensive Plan, including the Future Land Use Map, and financially feasible Capital Improvement Program and is consistent with the local government's zoning map.

SUBJECT PROPERTY DATA (CONT'D)

This conceptual land use bubble map ("Exhibit A") includes properties beyond the subject property's legal description. We needed more detail insofar as specific boundaries and acreages of each hypothetical land use; as well as to clarify what uses and performance standards are allowable in each assumed land use category. These refinements are detailed in the "Hypothetical Zoning/Land Use" discussions below. Based on the mutual agreement of both seller (School Board of Orange County) and buyer (Town of Eatonville) as detailed herein, the stipulated land use plan is assumed to be in place for purposes of our hypothetical "As Is" market value conclusion.

Legal Description (from 12/07/2010 Survey)

DESCRIPTION:

A portion of Sections 35, Township 21 South, Range 29 East, and Section 7, Township 22 South, Range 29 East, Orange County, Florida, being more particularly described as follows:

COMMENCE at the North 1/4 Corner of Section 2, Township 22 South, Range 29 East; thence along the North line of said Section 2, North 88°54'03" East, 5.08 feet to a point on the Easterly Right of Way line of Wynmore Road, as recorded in Official Records Book 2008, Pages 623 through 624, Public Records of Orange County, Florida, said point also being the POINT OF BEGINNING, said point also being on a non-tangent curve concave Southwesterly, having a radius of 863.00 feet, a central angle of 13°38'27" and a chord bearing and distance of North 16°55'54" West, 204.98 feet; thence along the arc of said curve 205.46 feet to the Southwest corner of lands described in Official Records Book 9635, Pages 4954-4967, Public Records of Orange County, Florida; thence North 89°48'25" East, 281.14 feet along the South line of said lands to the Southeast corner of said lands; thence North 00°11'35" West, 556.92 feet along the East line of said lands to the Northeast corner of said lands; thence South 83°48'25" West, 577.70 feet along the North line of said lands to a point on the aforementioned Easterly Right of Way line, said point also being on a non-tangent curve concave Easterly, having a radius of 803.00 feet, a central angle of 12°37'03" and a chord bearing and distance of North 05°39'06" West, 176.48 feet; thence along said Easterly Right of Way line the following seven (7) courses and distances: (1) along the arc of said curve 176.83 feet; (2) thence North 00°37'38" East, 663.55 feet; (3) thence North 03°44'24" East, 160.30 feet; (4) North 00°36'03" East, 119.97 feet; (5) North 03°41'24" East, 210.43 feet; (6) thence North 00°33'28" East, 249.99 feet to the point of curvature of a curve concave Southeastern, having a radius of 85.00 feet, a central angle of 90°03'17" and a chord bearing and distance of North 45°35'07" East, 91.97 feet; (8) thence along the arc of said curve 102.16 feet to the point of tangency, said point being on the South Right of Way line of East Kennedy Boulevard, as shown on Orange County Engineering Department Right of Way Map for Kennedy Boulevard/Lake Avenue contract NO. Y7-805A prepared by PEC INC., Dated 04/11/1989; thence along said South Right of Way line the following four (4) courses and distances: (1) South 88°23'15" East, 620.61 feet; (2) South 88°11'32" East, 128.68 feet to the point of curvature of a curve concave Northerly, having a radius of 2,904.93 feet, a central angle of 04°40'34" and a chord bearing and distance of North 89°28'11" East, 237.02 feet; (3) along the arc of said curve 237.08 feet to the point of tangency; (4) South 88°20'00" East, 109.77 feet to a point on the West line of lands described in Official Records Book 6210, Pages 4681-4685, Public Records of Orange County, Florida; thence South 02°26'36" East, 206.61 feet along said West line to a point on the South line of said lands; thence North 87°33'24" East, 175.13 feet along said South line to a point on the West Right of Way line of College Avenue as recorded in Official Records Book 286, Page 845, Public Records of Orange County, Florida; thence along said West Right of Way line, South 02°26'06" East, 814.29 feet; thence departing said West Right of Way line, North 89°30'56" West, 765.61 feet; thence South 00°00'00" West, 645.52 feet; thence South 89°30'56" East, 1,113.81 feet; thence North 00°00'00" East, 455.13 feet to the South Right of Way line of Ruffen Street per Official Records Book 2849, Pages 295 and 296, Public Records of Orange County, Florida; thence along said South Right of Way line South 89°33'47" East, 172.13 feet to a point on the West line of lands described in Official Records Book 3154, Page 690, Public Records of Orange County, Florida; thence along said West line, South 00°17'47" East, 660.03 feet to a point on the South line of said lands; thence along said South line, South 89°33'47" East, 435.03 feet to a point on the West line of lands described in Official Records Book 5238, Page 1580, Public Records of Orange County, Florida; thence along said West line, South 00°26'13" West, 204.95 feet to a point on the South line of said lands; thence along said South line, South 89°33'47" East, 227.64 feet to the West Right of Way line of West Street as recorded in Official Records Book 3154, Page 690, Public Records of Orange County, Florida; thence along said West Right of Way line, South 00°17'47" East, 283.74 feet; thence departing said West Right of Way line, along the South line of the Southeast 1/4 of the Southeast 1/4 of said Section 35, South 88°54'03" West, 1385.96 feet to a point on the West line of lands described in Official Records Book 5592, Page 3518, Public Records of Orange County, Florida; thence along said West line, South 00°32'26" East, 705.06 feet to a point on the Southwesterly line of said lands; thence along said Southwesterly line, South 72°26'24" East, 88.25 feet to a point on the West line of lands described in Official Records Book 6359, Page 5156, Public Records of Orange County, Florida; thence along said West line, South 00°32'26" East, 136.40 feet to the North line of lands described in Official Records Book 5592, Page 3922, Public Records of Orange County, Florida; thence along said North line, South 85°51'44" West, 77.02 feet to the Westerly line of said lands; thence along said Westerly line the following three (3) courses and distances, (1) South 07°13'24" West, 431.30 feet; (2) South 89°33'35" West, 196.52 feet; (3) thence South 00°27'20" East, 80.53 feet to the North line of the Southwest 1/4 of the Northeast 1/4 of Section 2, Township 22 South, Range 29 East; thence along said North line, South 89°10'50" West, 316.40 feet; thence South 01°17'30" East, 30.00 feet to the South line of Vacated Right of Way as recorded in Official Records Book 4548, Pages 4029 through 4031, Public Records of Orange County, Florida; thence along said South line, South 89°10'50" West, 334.73 feet to the East Right of Way line of aforesaid Wynmore Road; thence along said East Right of Way line the following three (3) courses and distances: (1) North 03°41'45" East, 1201.08 feet; (2) North 86°18'15" West, 20.00 feet to a point on a non-tangent curve concave Westerly, having a radius of 863.00 feet, a central angle of 13°46'26" and a chord bearing and distance of North 03°12'28" West, 207.46 feet; (3) along the arc of said curve 207.97 feet to the POINT OF BEGINNING.

Containing 99.36 acres, more or less.

AND LESS:

A portion of Section 35, Township 21 South, Range 29 East, Orange County, Florida, being more particularly described in Official Records Book 2491, Pages 1184 through 1189, Public Records of Orange County, Florida as follows:

From a point 759 feet West of the Northeast corner of the Northwest 1/4 of the Southeast 1/4 of Section 35, Township 21 South, Range 29 East; run South 4 degrees 41 minutes East 352.3 feet; thence South 82 degrees 29 minutes West, 377.9 feet; thence South 4 degrees 33 minutes East 20.03 feet to the POINT OF BEGINNING; thence South 4 degrees 33 minutes East 66.9 feet; thence North 85 degrees 27 minutes East 75 feet to center of intersection of South and East walls of Chapel; thence North 4 degrees 33 minutes West, 70.77 feet; thence South 82 degrees 29 minutes West to POINT OF BEGINNING.

Containing 5,163 square feet or 0.12 acres, more or less.

TOTAL AREA 99.24 ACRES, MORE OR LESS.

SUBJECT PROPERTY DATA (CONT'D)

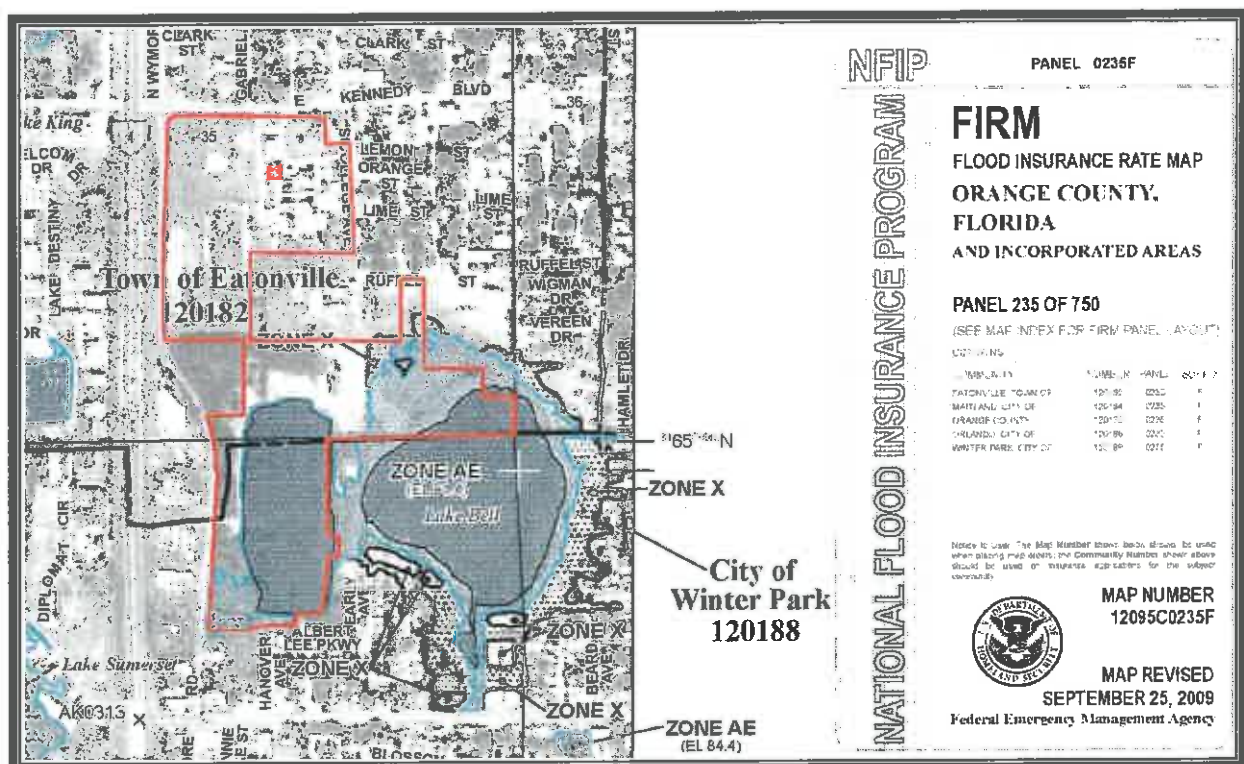
Scope of the Appraisal

Developing an appropriate solution to this appraisal problem involves selective market research, compiling and analyzing pertinent data, and the use of knowledge, experience and judgment. Data regarding factors, which influence the geographical area in which the property is located was obtained, compiled and analyzed. Then an inspection of the neighborhood in which the property is located was made and an analysis of any significant trends, which may affect the property, was conducted. After a physical inspection of the subject property, all pertinent information concerning the property was compiled and evaluated. Utilizing the relevant data resulting from the research, an analysis to determine the highest and best use of the property was then conducted. Once the highest and best use of the property has been established, the next step would typically be to apply the market collected data to each of the traditional approaches to value.

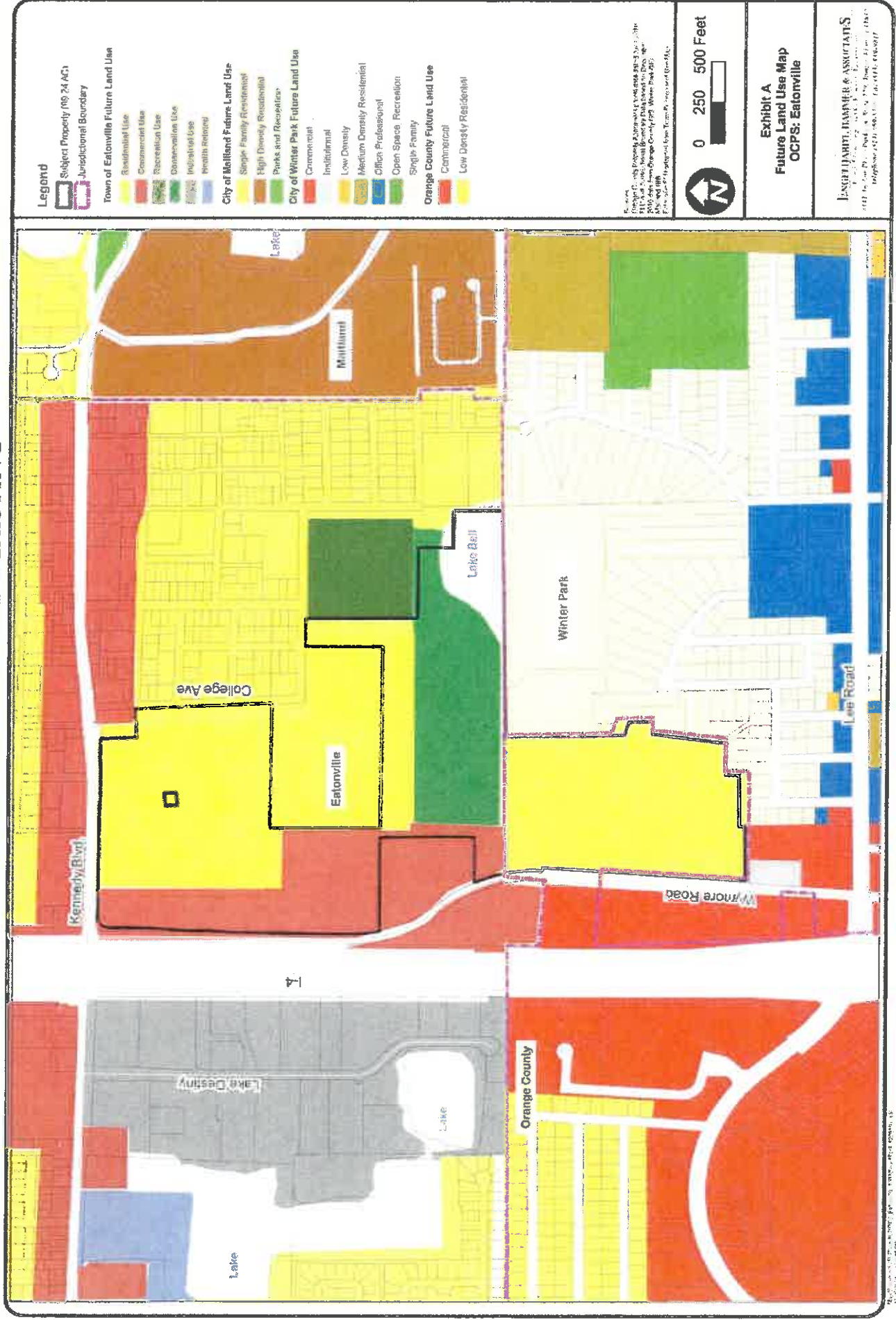
We researched the Greater Orlando area for land sales and salient listings, in order to quantify the Market Value of the subject property's stipulated residential, cultural/educational and commercial land use components. Because the improvements are generally at the end of their useful lives and so no longer contribute value consistent with the highest and best use of the underlying land, we have deducted estimated demolition and carting costs to derive the Hypothetical "As Is" fee simple Market Value of the subject property, pursuant to the stipulated hypothetical land use plan.

Flood Hazard Statement

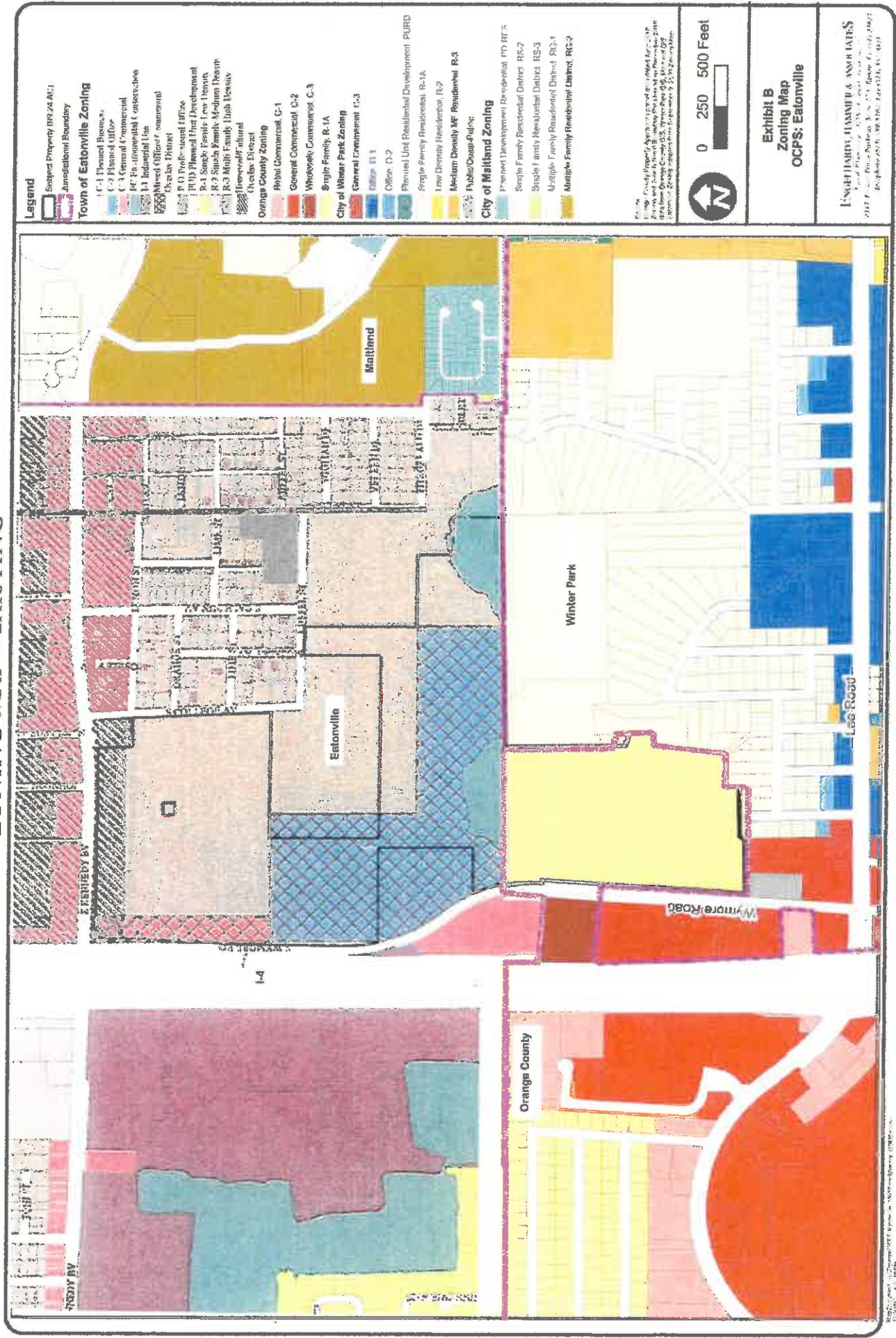
According to the Federal Emergency Management Agency, Flood Insurance Rate Map #12095C0235F for the Town of Eatonville (community #120182) and unincorporated Orange County (community #120179), dated September 25, 2009, the subject property is mostly in **Zone "X"**, an area outside the 500 year flood plain. A couple of areas (north of Lake Bell as well as in the southwest corner) of the property are in **Zone "AE"** flood hazard areas in the 100 year plain with a flood elevation determined at 91.4' above mean sea level and **Zone "X Shaded"** in the 500 year flood plain/100 year less than one foot flood hazard area. These flood hazard areas generally correspond with areas of the subject property which have been identified as jurisdictional wetlands.



FUTURE LAND USE MAP - EXISTING



ZONING MAP - EXISTING



SUBJECT PROPERTY DATA (CONT'D)

Zoning and Future Land Use – Existing

In 2011, the Orange County School Board employed Englehardt, Hammer & Associates, Inc. to do a “Land Use Planning Analysis” of the subject property. We have included two of their exhibits on the previous pages, which do a good job of showing current zoning districts and Future Land Use classifications for the subject property as well as surrounding municipalities.

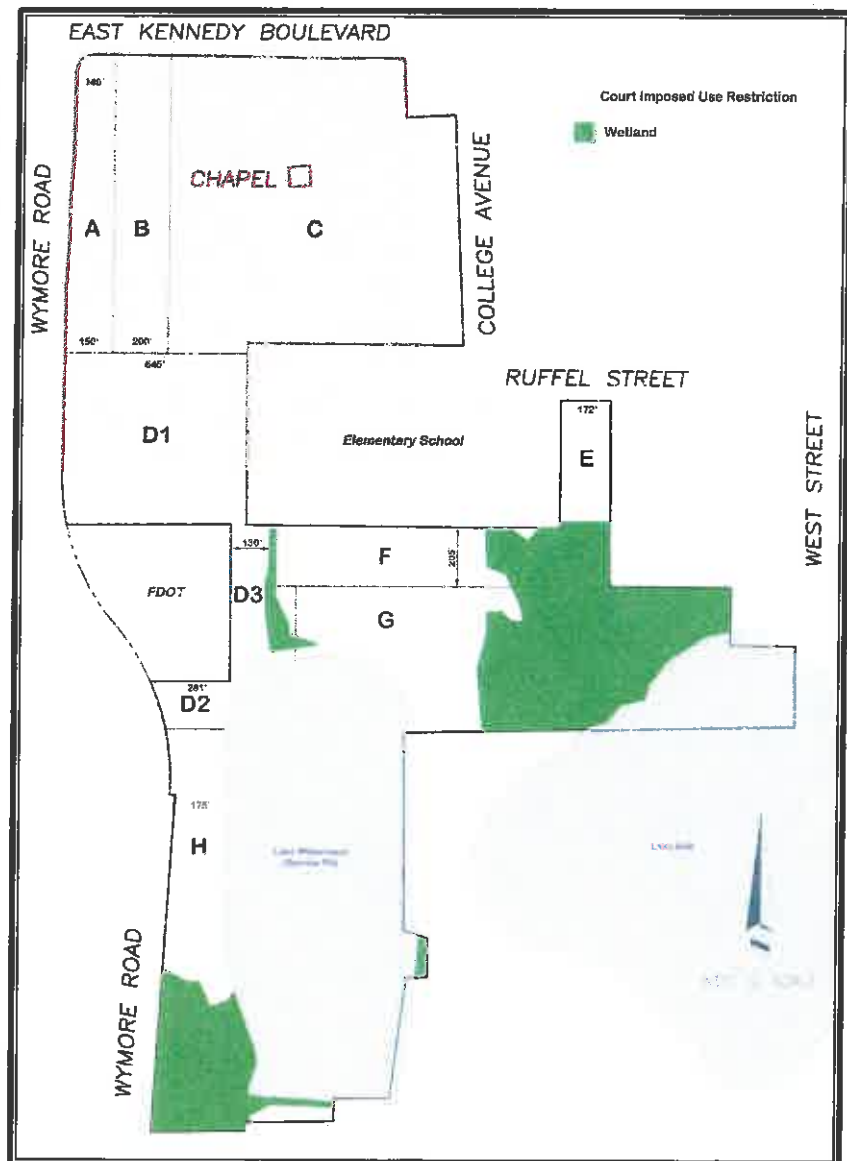
Most of the subject property is in the Town of Eatonville; the southern leg of the property along Wymore Road is in an unincorporated portion of Orange County, surrounded on three sides by the city of Winter Park.

After obtaining official Zoning and Future Land Use maps from the Town of Eatonville for further analysis, we found that (1) not all of the zoning district boundaries correspond with Future Land Use boundaries and (2) some of the zoning is incompatible with the underlying (and controlling) Comprehensive Plan Future Land Use classifications. Accordingly, we have created the simplified exhibit at right, in order to better describe what's what.

The subject property contains 99.24 gross acres per survey, of which 40.08 acres are in lakes or jurisdictional wetlands. This leaves 59.16 acres of upland.

Irrespective of zoning, the aforementioned court-imposed use restriction encumbers the north 36.8 acres of the subject as well as much of the adjoining elementary school property, limiting the shaded area's use to only “public school”. This restriction will not be lifted unless and until the property's sale to the Town of Eatonville has been consummated.

Area A contains 3.5 acres. It fronts the east side of Wymore Road and is 140' to 150' deep. **Area A** has a Future Land Use of Commercial with a compatible zoning C-3 General Commercial by the Town of Eatonville. Uses permitted in the C-3 zoning district include convenience store, retail store, personal service store, business and professional office, business and financial service facilities, restaurant, liquor lounge, package store, or night club, plant nursery, general government facilities, hotel or motel, essential services and day care centers (by interpretation of the Town Council).



SUBJECT PROPERTY DATA (CONT'D)

Automobile gas or service stations are allowable as a special exception. **Area A** is in the High Density Mixed Office Commercial Overlay district, which requires a minimum 0.50 Floor Area Ratio (FAR), maximum of 1.0 FAR, with up to 2.0 FAR obtainable with “development bonuses” at the discretion of the Town Council. This zoning overlay district classification is intended to promote a mixture of high intensity office, support commercial and service uses permitted on a selective basis where transportation and utilities are demonstrably available to support proposed development intensities in excess of those permissible under the existing zoning classifications.

Permitted uses of the High Density Mixed Office Commercial Overlay district include:

- Office parks and office buildings- professional, business, physician, or governmental
- Restaurants with or without lounges
- Personal service uses
- Medical or dental clinics and/or laboratories
- Laundry and dry cleaners
- Quick copy printing shops
- Health and fitness centers
- Garage parking
- Data processing, computer centers
- Financial institutions
- Hotel or motel complexes with meeting space
- Office showrooms
- Any other use deemed compatible with the intent of this ordinance as determined by the Planning Director.

Area A is encumbered by the court-imposed school use restriction.

Area B contains 4.8 acres. It occupies a 200' strip behind Area A. **Area B** is also designated Commercial Future Land Use; however, it is incompatibly zoned R-2 Medium Density Single Family. **Area B** is encumbered by the court-imposed school use restriction.

Area C contains 24.0 acres. It is located on the south side of East Kennedy Boulevard and west side of College Avenue. **Area C** has a Future Land Use of Residential with a compatible R-2 Medium Density Single Family Residential zoning (up to eight dwelling units per acre, with a minimum 50' lot width). Permitted uses include one and two-family dwellings; however, home occupations, churches, schools and adult day care facilities are allowable as special exceptions. **Area A, B and C's** frontage along Kennedy Boulevard to a depth of 175' is in the DC/HO Downtown Cultural/Historical Overlay district. The purpose of the Downtown Cultural/Historical Overlay District is to promote a historically unified theme for development and redevelopment in the downtown central business district that is consistent and compatible with the Town's designation as a historic site on the National Historic Register.

In addition to the permitted uses found within the affected zoning classifications, the following permitted uses are added to all zoning classifications found within the boundary of this overlay district, pursuant to the design and appearance standards found herein:

- Bed and Breakfast-style lodging
- Cultural/Historic-oriented retail shops
- Parking lots intended to serve multiple establishments
- Cultural/Historic museums and exhibits

SUBJECT PROPERTY DATA (CONT'D)

- Automobile service stations, when designed to appear as replicas of pre-World War II service stations, and compatible with the downtown design concept.

Further, some uses that are presently permitted in the affected zoning classifications may not be appropriate for inclusion in Eatonville's Cultural/Historic theme. Consequently, these are hereby prohibited within the DC/HO district. These include:

- Automobile repair businesses
- Commercial landscape nurseries
- Automobile dealerships
- mobile home parks, dealers, and/or individual mobile homes
- Outside equipment or materials storage of any kind
- Drive-through businesses of any kind including restaurants, banks, pharmacies, liquor stores, convenience stores, etc.
- Convenience stores with gas pumps
- Adult-only business establishments including bookstores, movie theaters, vendors of erotic merchandise, and any other non-family oriented forms of entertainment.

Area C is encumbered by the court-imposed school use restriction on 22.0 of its 24.0 acres. Furthermore, many of the uses ostensibly allowable under the Downtown Cultural/Historical Overlay appear to be incompatible with the Comprehensive Plan's Residential Future Land Use classification of **Area C**.

Area D fronts Wymore Road and wraps around a five acre "out" owned by the Florida Department of Transportation (FDOT). **Area D1** contains 9.2 acres and is 645' deep. **Area D2** contains 1.1 acres with an average depth of 235', and backs up to Lake Wilderness. **Area D3** contains 1.5 acres of upland in a narrow strip 130' wide behind the FDOT parcel. **Area D** has a Future Land Use of Commercial with a compatible zoning of C-2 Planned Office. Uses permitted in the C-2 district include business and professional office, business and financial service facilities, pharmacy, restaurant and essential services. Retail stores and personal service stores are permitted by special exception. **Area D** is also in the High Density Mixed Office Commercial Overlay district, which requires a minimum 0.50 Floor Area Ratio (FAR), maximum of 1.0 FAR, with up to 2.0 FAR obtainable with "development bonuses" at the discretion of the Town Council. The north 440' of **Area D1** (6.5 acres) is encumbered by the court-imposed school use restriction, leaving a 185' x 645' strip (2.7 acres) unencumbered and available for C-2 Planned Office development. **Areas D2 and D3** are unencumbered by the court-imposed school use restriction.

Area E contains 1.75 acres of upland. It is east of Hungerford Elementary School and west of the Town of Eatonville's Denton Johnson Community Center. It has 172' on the south side of Ruffel Street and is 443' deep (north/south) to the edge of the jurisdictional wetlands on its south. **Area E** has a Future Land Use of Residential with a compatible R-2 Medium Density Single Family Residential zoning (up to 8 dwelling units per acre, with a minimum 50' lot width and minimum 5,000 square foot lot size). It is improved with a concrete basketball court and two tennis courts which appear to be in use by the Denton Johnson Community Center. Its south end is improved with a dry retention pond, which overlaps onto and serves the elementary school property.

Area F is a 205' wide (north/south) upland strip along the south side of the elementary school. Its 3.65 acres of upland are bounded on the east by jurisdictional wetlands and on the west by a drainage ditch, which provides storm water outfall from the elementary school into Lake Wilderness. **Area F** has a Future Land Use of Residential with a compatible R-2 Medium Density Single Family Residential zoning (up to 8 dwelling units per acre, with a minimum 50' lot width and

SUBJECT PROPERTY DATA (CONT'D)

minimum 5,000 square foot lot size). In order to develop **Area F**, internal access to this upland strip will need to be created either from Wymore Road through **Area D** or east through the jurisdictional wetlands and tennis courts of **Area E**.

Area G contains 6.16 acres of upland. It borders the north end of Lake Wilderness and the jurisdictional wetlands northwest of Lake Bell. **Area G** has a Future Land Use of Conservation, in which no uses are permitted (other than perhaps a passive park). We note that this is the only Conservation classified Future Land Use area in the Town of Eatonville's Comprehensive Plan. It is incompatibly zoned C-2 Planned Office together with an equally incompatible High Density Mixed Office Commercial Overlay. We note that the Conservation classified area also includes an area of jurisdictional wetlands located north of Lake Bell, which is incompatibly zoned R-2 Medium Density Single Family.

Area H contains 3.5 acres of upland. This strip along the east side of Wymore Road averages about 175' deep and features 900' of upland frontage on Lake Wilderness, a 20 acre former borrow pit. **Area H** is in an unincorporated area of Orange County which is surrounded on three sides by the City of Winter Park. It has a Future Land Use of Low Density Residential (up to four dwelling units per acre) with a compatible R-1A Single Family Residential zoning (minimum 75' lot width and minimum 7,500 square foot lot size), by Orange County. Lake setbacks shall be a minimum of 50 feet from the normal high water elevation contour on any adjacent natural surface water body.

In summary, in its "as is" status, the subject contains 59.16 acres of upland, of which 6.16 acres are undevelopable because of **Area G's** Conservation Future Land Use. This leaves 53.0 acres developable upland. Of this, 36.8 acres (**Areas A and B** and large portions of **Areas C and D**) are encumbered by the court-imposed school use restriction, in spite of their Commercial or Residential Future Land Use and assorted zoning and overlay districts. Another 7.40 acres are zoned R-2 Medium Density Single Family (minimum 50' lots), but located in three non-contiguous strips: 2.0 acres along College Avenue (east edge of **Area C**); 1.75 acres in **Area E** and 3.65 acres in **Area F**. Another 3.5 acres comprise a lakefront residential strip (**Area H**) zoned R-1A Single Family (minimum 75' lots). Finally, wrapping around the FDOT parcel are 5.3 acres of **Area D** which are zoned C-2 Planned Office within the High Density Mixed Office Commercial Overlay district.

Hypothetical Zoning/Land Use – Stipulated and Assumed for Appraisal Purposes

The property is presently under an *Agreement For Sale and Purchase* by the Town of Eatonville ("Buyer") dated July 1, 2010, at a price to be determined by appraisal. The terms of this contract, as amended December 10, 2013, include the following stipulations for purposes of appraisal, which affect the property's allowable land uses:

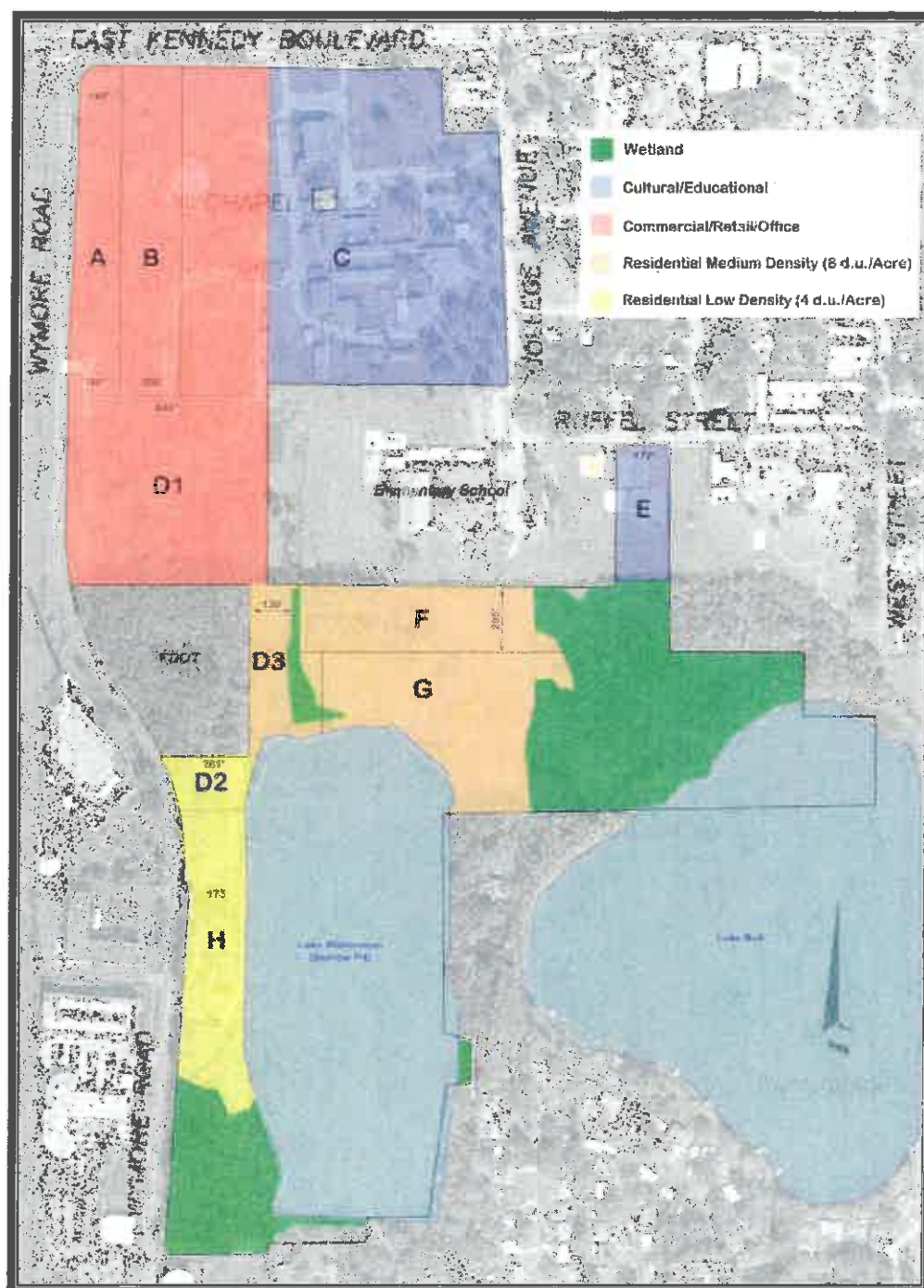
1. A 1951 court-imposed use restriction requiring operation of a public school thereon encumbers the subject property's northwest 36.8 acres as well as most of the adjoining Hungerford Elementary School. **Based on the mutual agreement of both seller (School Board of Orange County) and buyer (Town of Eatonville), this restriction is assumed to have been lifted for purposes of our hypothetical "As Is" market value conclusion.**
2. This contract stipulates a hypothetical land use for the portion of the property located within Eatonville's city limits, for appraisal purposes, assuming:
 - A. *That approximately 20 acres consisting of the frontage of Wymore Road and East Kennedy Boulevard will develop as commercial/retail and office use*
 - B. *That approximately 20 acres of the interior portions of the Wymore Road Tract will develop consisting of residential/single family and multi-family use, and*
 - C. *That approximately 20 acres will consist of public and private educational, cultural, civic and recreation facilities.*

SUBJECT PROPERTY DATA (CONT'D)

D. That the remaining acreage is preservation, parks, roadways, wetlands, open space or other support purposes.

We have determined that the amended contract's "Exhibit A" ("Hungerford Property Conceptual Redevelopment Overlay") does not provide us sufficient detail in order to do an appraisal. This conceptual land use bubble map ("Exhibit A") includes properties beyond the subject property's legal description. We need more detail insofar as specific boundaries and acreages of each hypothetical land use.

To that end, Meridian Appraisal Group has created the proposed land use map sketched below:



SUBJECT PROPERTY DATA (CONT'D)

This map is intended to “best fit” the “Hungerford Property Conceptual Redevelopment Overlay” (Exhibit A of the amended sales agreement) to the subject property’s legal description boundaries. For reference purposes, we have retained the alphabet parcel numbering (A, B, C etc.), which we used earlier to describe the existing Zoning and Future Land Use.

As sketched above, this results in the following upland distribution:

24.83 Acres Commercial
18.42 Acres Cultural/Educational
15.91 Acres Residential (4.6 Acres Low Density + 11.31 Acres Medium Density)
59.16 Acres Total Upland

This roughly corresponds to the desired approximately 20 acres/20 acres/20 acres of each assumed land use, as stipulated in the contract amendment. **For appraisal purposes, the OCPS and Town of Eatonville agreed to the assumed land use boundaries (hence approximate acreages) as sketched above.**

The Commercial Land Use area includes Areas A, B, D1 and the west 30% of Area C. As sketched, this 24.83 acres has approximately 600’ frontage on the south side of East Kennedy Boulevard; 1,601.07’ frontage on the east side of Wymore Road; and up to 645’ depth (east-west) from Wymore Road.

The Cultural/Educational Land Use area includes Area E and the east 70% of Area C. As sketched, the 16.67 acre main portion (net of the 0.12 acre Chapel “out parcel”) has approximately 500’ frontage on the south side of East Kennedy Boulevard; about 1,020’ depth (north-south) to the north edge of the Hungerford Elementary School parcel; and 814’ of frontage on the west side of College Avenue. This area contains all of the former High School structures. Non-contiguous Area E contributes 1.75 acres of uplands and has 172.13’ on the south side of Ruffel Street. It is sandwiched between the Elementary School on the west and the Denton Johnson Community Center on the east. This site has been improved since 2005 with two tennis courts in use by the adjoining Denton Johnson Community Center.

The Residential Land Use area includes Areas D3, F and G, which total 11.31 acres upland (Medium Density Residential); as well as Areas D2 and H, which total 4.6 acres upland (Low Density Residential). The Low Density Residential area fronts the east side of Wymore Road and is a 175’ to 280’ deep (east/west) strip on Lake Wilderness. The Medium Density Residential area has no direct road frontage: The ultimate buyer of the subject property will need to develop interior access roads, including access from Wymore Road to the Medium Density Residential area.

We also needed to clarify what uses and performance standards are allowable in each assumed land use category. Both parties requested that allowable uses correspond “... to Eatonville’s comprehensive plan as it relates to density, parking etc.” We also recommended a couple changes, in order to enhance market acceptance of the property. Accordingly, we have used the following:

Low Density/Residential Land Use – most of this strip is in unincorporated Orange County, zoned R-1A Single Family Residential (minimum 75’ lot width and minimum 7,500 square foot lot size). The north tip of this strip is in the Town of Eatonville.

Medium Density/Residential Land Use – Eatonville’s zoning is R-2 Medium Density Single Family Residential (up to eight dwelling units per acre, with a minimum 50’ lot width and minimum 5,000 square foot lot size).

SUBJECT PROPERTY DATA (CONT'D)

Commercial Land Use – Uses permitted in the C-3 General Commercial zoning district include convenience store, retail store, personal service store, business and professional office, business and financial service facilities, restaurant, liquor lounge, package store, or night club, plant nursery, general government facilities, hotel or motel, essential services and day care centers (by interpretation of the Town Council). Automobile gas or service stations are allowable as a special exception.

This area is also in the High Density Mixed Office Commercial Overlay district, which requires a minimum 0.50 Floor Area Ratio¹ (FAR), maximum of 1.0 FAR, with up to 2.0 FAR obtainable with “development bonuses” at the discretion of the Town Council. This zoning overlay district classification is intended to promote a mixture of high intensity office, support commercial and service uses permitted on a selective basis where transportation and utilities are demonstrably available to support proposed development intensities in excess of those permissible under the existing zoning classifications.

Permitted uses of the High Density Mixed Office Commercial Overlay district include:

- Office parks and office buildings- professional, business, physician, or governmental
- Restaurants with or without lounges
- Personal service uses
- Medical or dental clinics and/or laboratories
- Laundry and dry cleaners
- Quick copy printing shops
- Health and fitness centers
- Garage parking
- Data processing, computer centers
- Financial institutions
- Hotel or motel complexes with meeting space
- Office showrooms
- Any other use deemed compatible with the intent of this ordinance as determined by the Planning Director.

Cultural/Educational Land Use – This appears to be intended to be an expanded DC/HO Downtown Cultural/Historical Overlay district. **We perceive and recommend that this area should have a General Commercial underlying zoning/future land use, instead of its existing Residential underlying zoning/future land use.** A commercial zoning/future land use would be more compatible with the DC/HO Downtown Cultural/Historical Overlay district. The purpose of the Downtown Cultural/Historical Overlay District is to promote a historically unified theme for development and redevelopment in the downtown central business district that is consistent and compatible with the Town’s designation as a historic site on the National Historic Register.

In addition to the permitted uses found within the affected zoning classifications, the following permitted uses are added to all zoning classifications found within the boundary of this overlay district, pursuant to the design and appearance standards found herein:

¹ We consider the 0.50 minimum FAR to be onerous and counter-productive: It compels construction of expensive parking structures (which will make financially infeasible many potential uses); or compels inadequate parking ratios (which also will discourage feasible development). **We highly recommend assuming that the 0.50 minimum FAR will be waived, for purposes of appraisal.**

SUBJECT PROPERTY DATA (CONT'D)

- Bed and Breakfast-style lodging
- Cultural/Historic-oriented retail shops
- Parking lots intended to serve multiple establishments
- Cultural/Historic museums and exhibits
- Automobile service stations, when designed to appear as replicas of pre-World War II service stations, and compatible with the downtown design concept.

Further, some uses that are presently permitted in the affected zoning classifications may not be appropriate for inclusion in Eatonville's Cultural/Historic theme. Consequently, these are hereby prohibited within the DC/HO district. These include:

- Automobile repair businesses
- Commercial landscape nurseries
- Automobile dealerships
- mobile home parks, dealers, and/or individual mobile homes
- Outside equipment or materials storage of any kind
- Drive-through businesses of any kind including restaurants, banks, pharmacies, liquor stores, convenience stores, etc.
- Convenience stores with gas pumps
- Adult-only business establishments including bookstores, movie theaters, vendors of erotic merchandise, and any other non-family oriented forms of entertainment.

For appraisal purposes, both the OCPS and Town of Eatonville agreed to the assumed land uses, as recommended above [specifically, waive the minimum FAR for commercial uses; and use C-3 as the zoning underlying the expanded DC/HO Downtown Cultural/Historical Overlay district.

Assessment and Taxes

According to the Orange County Tax Rolls, the subject property is assessed under tax parcel numbers 35-21-29-0000-00-090 and 02-22-29-0000-00-002.

TAX ROLL ASSESSED VALUES (2014) "WORKING"						
	Upland Acres	Lake Acres	Total Acres	Land Assessed Value	Building Area Excl. Canopies	Improvements Assessed Value
35-21-29-0000-00-090	77.67	11.01	88.68	\$1,763,339	125,638 SF	\$7,510,192
Extra Features (-00-090)	--	--	--	--	11,719 SF	\$225,391
02-22-29-0000-00-002	4.71	22.79	27.50	\$77,943	--	--
Totals	82.38	33.80	116.18	\$1,841,282	137,357 SF	\$7,735,583

The first tax parcel number includes both the high school and elementary school, and does not "less out" the chapel parcel which is separately owned by the Robert Hungerford Chapel Trust. The second tax parcel number is that portion of the subject property in unincorporated Orange County; however, as illustrated by the tax map following this section, it also appears to include a couple small areas fronting on Lake Wilderness which are not included in the subject's legal description of 99.24 acres gross.

By comparison, based on a pre-2004 "as built" survey (and excluding buildings since removed), the high school (subject) consists of 17 buildings aggregating 90,853 square feet gross building area plus two "portables" totaling 1,978 square feet plus a 2,573 square foot fiberglass greenhouse and 1,980 square foot shade house. Hungerford Elementary School (not included in our appraisal) consists of seven buildings aggregating 44,768 square feet plus three "portables" totaling 4,536 square feet. Thus, the survey indicates 135,621 square feet of gross building area plus 11,067 square feet of "extra

SUBJECT PROPERTY DATA (CONT'D)

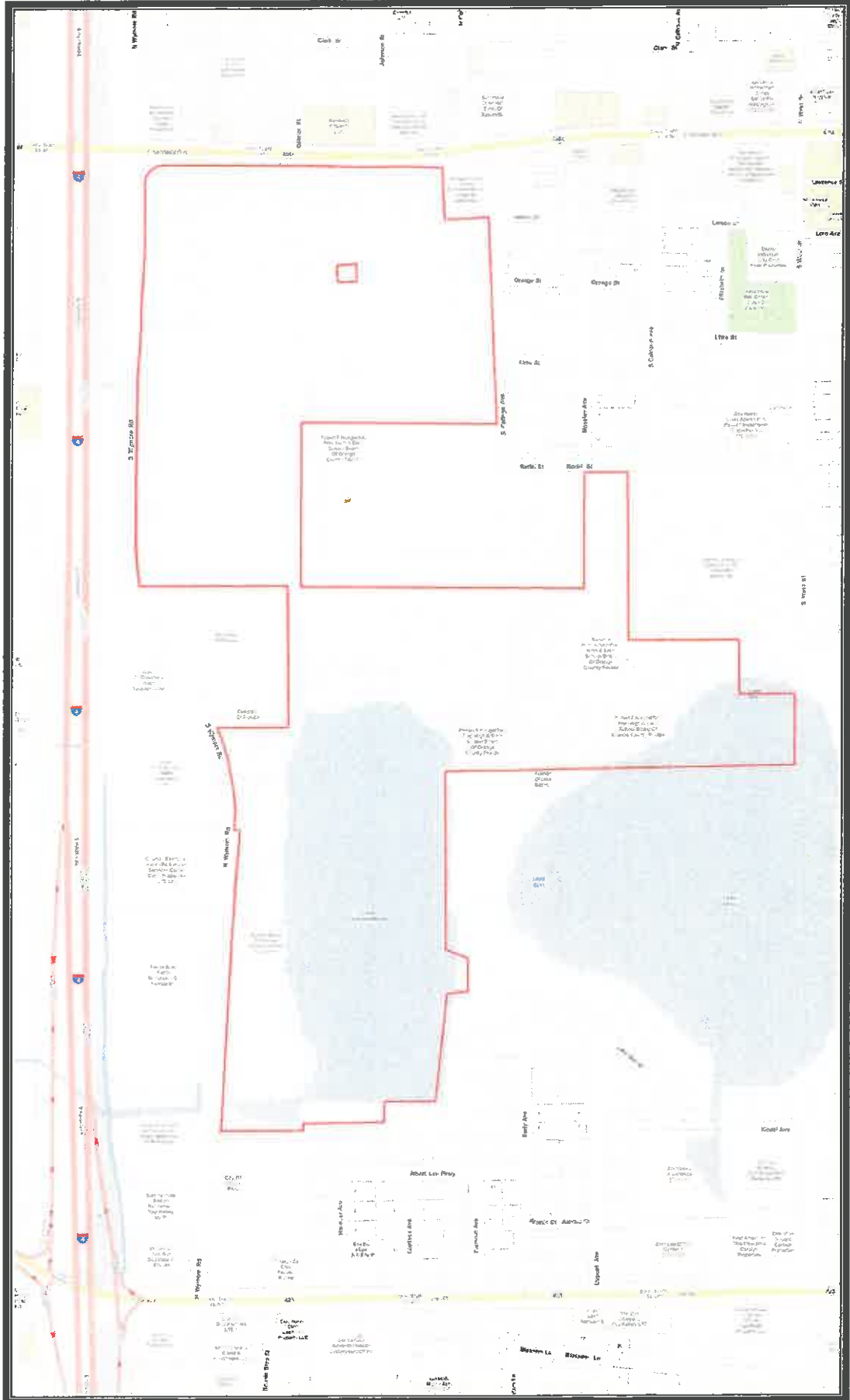
features", for a grand total 146,688 square feet for both schools, excluding canopied areas (such as covered walks and porches). This is about 10,000 square feet of buildings more than reflected in the tax rolls.

Because the property is owned by the School Board of Orange County, it is tax exempt and pays no real estate taxes on the \$9,576,865 total assessed value. We note that the land assessed value is based on \$16,500 per acre of upland for the 4.71 acre residential portion in unincorporated Orange County, plus \$10 per acre of "submerged lands". The land assessed value for the two school sites and excess land is based on \$22,000 and \$24,200 per acre, irrespective of zoning, because the land is being used as a school; \$10 per acre in the lake; and \$50,000 for the billboard site on Wymore Road (not included in our appraisal).

By comparison, the Life Center Church across the street just east of the northeast corner of Wymore Road and E. Kennedy Boulevard has land assessed values of \$4.25 per square foot for its C-3 zoned commercial frontage plus \$19,305 per acre for its R-2 zoned residential backland. It, too, is exempt from real estate taxes because it is a religious institution. Another commercial zoned property located on the north side of W. Kennedy Boulevard just west of Lake Destiny Road is assessed at \$90,000 per acre (\$2.07 per square foot).

In summary, the subject property's underlying land appears appropriately assessed for a school site, albeit below market value. It will likely be reassessed once the underlying zoning/land uses are changed and it is sold to a third party developer.

TAX PARCEL MAP



CENTRAL FLORIDA NEW HOUSING MARKET OVERVIEW

Using data from the 4Q2013 *MetroStudy* database we have summarized the metro area new home single family residential housing market. The following table summarizes closing, starts, housing inventory and vacant developed lot inventory for each of the five counties making up the metro area.

Market Area	Current Profile Status							% Share of Market		4Q12	1Q13	2Q13	3Q13	4Q13	Ann.Rates/ Inv Supply
Lake								9%	Starts	266	365	418	480	327	1,590
								8%	Closings	287	256	282	433	334	1,305
								8%	Housing Inv	572	681	817	864	857	7.9 mos
								17%	VDL Inv	12,112	11,744	11,408	11,166	11,008	83.1 mos
	<u>Occ</u>	<u>Mod</u>	<u>FinVac</u>	<u>U/C</u>	<u>VDL</u>	<u>Future</u>	<u>Total</u>								
	46,686	66	279	512	11,008	84,154	142,705								
Orange								26%	Starts	880	938	1,177	1,463	965	4,543
								25%	Closings	930	805	1,095	1,125	896	3,925
								35%	Housing Inv	3,118	3,251	3,333	3,667	3,736	11.4 mos
								14%	VDL Inv	9,999	9,594	9,155	8,665	8,856	23.4 mos
	<u>Occ</u>	<u>Mod</u>	<u>FinVac</u>	<u>U/C</u>	<u>VDL</u>	<u>Future</u>	<u>Total</u>								
	132,523	164	1,576	1,896	8,856	127,631	273,046								
Osceola								11%	Starts	361	411	519	571	460	1,961
								11%	Closings	319	338	388	552	404	1,682
								11%	Housing Inv	897	970	1,101	1,120	1,176	8.4 mos
								11%	VDL Inv	7,940	7,976	7,400	7,197	7,230	44.2 mos
	<u>Occ</u>	<u>Mod</u>	<u>FinVac</u>	<u>U/C</u>	<u>VDL</u>	<u>Future</u>	<u>Total</u>								
	53,950	73	457	646	7,230	189,889	232,245								
Polk								10%	Starts	312	353	415	546	363	1,677
								9%	Closings	313	370	290	383	374	1,417
								9%	Housing Inv	747	730	855	1,018	1,007	8.5 mos
								19%	VDL Inv	13,540	13,424	13,080	12,527	12,203	87.3 mos
	<u>Occ</u>	<u>Mod</u>	<u>FinVac</u>	<u>U/C</u>	<u>VDL</u>	<u>Future</u>	<u>Total</u>								
	57,104	81	297	629	12,203	134,064	204,378								
Seminole								5%	Starts	219	250	304	300	95	949
								6%	Closings	171	210	220	253	263	946
								5%	Housing Inv	544	584	668	715	547	6.9 mos
								2%	VDL Inv	1,794	1,630	1,436	1,337	1,460	18.5 mos
	<u>Occ</u>	<u>Mod</u>	<u>FinVac</u>	<u>U/C</u>	<u>VDL</u>	<u>Future</u>	<u>Total</u>								
	41,232	30	287	230	1,460	7,404	50,643								

Central Florida Residential Survey (4Q13)
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Sales: 1-800-639-3777

- The metro area had 2,271 quarterly closings in 4Q2013 which is up 12.43% from 4Q2012 data; quarterly starts totaled 2,210 units in 4Q2013 which is up 8.44% from 4Q2012 data; housing inventory totaled 7,323 homes which is an increase of 33.02% since 4Q2012 or an increase of 1,445 homes in the last 12 months; vacant develop lot inventory totaled 40,757 lot which is a 10.6% decline in the last 12 months or a total of 4,628 fewer lots; and as of 4Q2013 there were 523,442 proposed lots noted in the metro area. Annual closings totaled 9,275 homes for the metro area and annual starts totaled 10,720 units. Vacant developed lot inventory is 40,757 lots and dividing this by annual starts of 10,720 units reflects a 3.80 year supply of lots already on the ground. There are 7,323 homes developed in the metro area and adding housing inventory to vacant developed lot inventory reflects 48,080 existing lots and homes and dividing this by annual closings reflects a 5.18 year supply of lots and homes on the ground.
- Orange County had 896 quarterly closings in 4Q2013 which is down 3.6% from 4Q2012 data reflecting 930 closings; quarterly starts totaled 965 units in 4Q2013 which is up 9.7% from 4Q2012 data. Housing inventory totaled 3,736 homes which is up 19.8% compared to the 3,118 homes noted in 4Q2012, for an increase of 618 homes in the last 12 months. Vacant developed lot inventory totaled 8,856 lots which is a decline of 11.4% in the last 12 months or a total of 1,143 lots; and as of 4Q2013 there were 127,931 proposed lots noted. Annual new home closings for Orange County totaled 3,925 units and annual starts totaled 4,543 units. Vacant developed

CENTRAL FLORIDA NEW HOUSING MARKET OVERVIEW (CONT'D)

lot inventory is 8,856 lots: Dividing this by annual starts of 4,543 units infers a 1.95 year supply of lots already on the ground. There are 3,736 existing and unsold homes developed in Orange County. Adding this housing inventory to vacant developed lot inventory reflects 12,592 existing lots and homes; dividing this by annual closings infers a 3.2 year supply of lots and homes on the ground.

The following table summarizes home price distribution for the five individual counties segregated by price point and shows closing, starts, housing inventory and vacant developed lot inventory by price point.

Market Area Lot Range	Market Share of Market		Price Range Segment								Total
			< \$99,999	\$100,000 \$149,999	\$150,000 \$199,999	\$200,000 \$249,999	\$250,000 \$299,999	\$300,000 \$399,999	\$400,000 \$499,999	\$500,000 >	
Lake	9.0%	4Q13 Ann Starts	0	148	544	435	207	163	35	47	1,578
16'-660'	8.3%	4Q13 Ann Closings	0	87	476	408	176	119	27	12	1,305
1,874 sections	7.9%	4Q13 Housing Inv	0	70	247	252	123	90	20	43	845
Active	16.8%	4Q13 VDL Inv	10	933	2,213	2,328	1,493	1,372	741	1,910	11,001
		Housing Supply (mos)	-	9.6	6.2	7.4	8.4	9.0	9.2	42.6	7.8
		VDL Supply (mos)	-	75.8	48.8	64.2	86.7	100.0	254.0	491.7	83.7
Orange	25.9%	4Q13 Ann Starts	0	65	715	845	1,328	1,071	213	306	4,543
15'-330'	25.0%	4Q13 Ann Closings	0	95	901	704	990	849	185	201	3,925
3,331 sections	34.8%	4Q13 Housing Inv	0	26	301	388	1,107	1,464	191	258	3,736
Active	13.5%	4Q13 VDL Inv	0	280	551	1,531	2,243	1,876	502	1,873	8,856
		Housing Supply (mos)	-	3.3	4.0	6.6	13.4	20.7	12.4	15.4	11.4
		VDL Supply (mos)	-	52.1	9.2	21.7	20.3	21.0	28.3	73.4	23.4
Osceola	11.2%	4Q13 Ann Starts	7	49	518	531	347	204	126	76	1,959
15'-842'	10.7%	4Q13 Ann Closings	0	48	611	455	280	156	73	56	1,680
1,614 sections	11.0%	4Q13 Housing Inv	0	62	274	321	202	154	100	63	1,176
Active	11.1%	4Q13 VDL Inv	7	611	1,630	1,881	1,187	865	138	911	7,230
		Housing Supply (mos)	-	15.3	5.4	8.5	8.7	11.9	16.3	13.6	8.4
		VDL Supply (mos)	11.2	150.5	31.6	42.5	41.0	51.0	13.1	143.1	44.3
Polk	9.5%	4Q13 Ann Starts	0	209	708	413	149	137	19	43	1,677
15'-460'	9.0%	4Q13 Ann Closings	3	201	611	355	125	72	12	36	1,416
2,314 sections	9.4%	4Q13 Housing Inv	0	138	321	255	98	150	16	27	1,007
Active	18.7%	4Q13 VDL Inv	373	1,366	3,717	2,782	1,021	1,514	510	919	12,203
		Housing Supply (mos)	1.5	8.2	6.3	8.6	9.4	24.8	16.6	9.1	8.5
		VDL Supply (mos)	-	78.4	63.0	80.9	82.2	132.8	326.5	258.9	87.3
Seminole	5.4%	4Q13 Ann Starts	0	173	175	155	149	144	109	44	949
15'-400'	6.0%	4Q13 Ann Closings	0	180	201	190	100	148	98	38	946
1,070 sections	5.1%	4Q13 Housing Inv	0	66	89	93	98	94	75	32	547
Active	2.2%	4Q13 VDL Inv	0	13	97	275	564	174	188	149	1,460
		Housing Supply (mos)	-	4.4	5.3	5.8	11.7	7.6	10.2	10.1	6.9
		VDL Supply (mos)	-	0.9	6.7	21.3	45.5	14.5	20.6	40.2	18.5

Central Florida Residential Survey (4Q13)
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Sales: 1-800-639-3777 A Handycourt Company

- Looking at the above table, the majority of new home sales were broadly in the \$100,000 to \$300,000 price range with the largest concentration in the \$150,000 to \$199,999 price range. The largest concentration of housing inventory was in the \$150,000 to \$199,999 price range and the largest inventory of vacant developed lots was in the \$150,000 to \$199,999 price range.
- Orange County's largest number of 2013 closings was in the \$250,000 to \$299,999 price range with the second largest concentration in the \$150,000 to \$199,999 price range. The largest number of annual starts in 2013 was in the \$250,000 to \$299,999 price range, with the second largest concentration in the \$300,000 to \$399,000 price range.

CENTRAL FLORIDA NEW HOUSING MARKET OVERVIEW (CONT'D)

The table below summarizes starts, housing inventory and future lots in each county segregated by lot size.

Market Area Price Range (in thousands)	Market Share of Market		Lot Size Segment									Total
			N/A	< 50	50- 54	55- 59	60- 64	65- 69	70- 79	80- 89	90 >	
Lake	9.0%	Ann Starts	48	149	409	58	158	24	281	254	208	1,580
\$16-\$8,500	16.8%	VDL Inv	134	1,333	1,984	345	553	430	1,823	1,179	3,127	11,008
1,874 sections	10.8%	Future Inv	63,424	3,321	8,030	418	2,974	95	3,523	2,114	2,255	84,154
Active		VDL Supply (mos)	33.5	107.4	58.2	70.2	42.0	215.0	82.1	55.7	180.4	83.1
Orange	25.8%	Ann Starts	35	1,601	1,158	191	251	67	639	195	406	4,543
\$45-\$10,500	13.5%	VDL Inv	1,408	1,448	1,185	337	424	216	926	579	2,333	8,856
3,331 sections	16.6%	Future Inv	110,112	5,422	5,493	256	1,855	933	1,467	780	1,590	127,931
Active		VDL Supply (mos)	482.7	10.9	12.3	21.2	20.3	38.7	17.4	35.5	69.0	23.4
Osceola	11.2%	Ann Starts	44	415	642	16	246	233	300	47	18	1,961
\$39-\$1,654	11.0%	VDL Inv	345	2,611	1,126	190	769	537	1,166	148	338	7,230
1,614 sections	22.0%	Future Inv	158,395	5,078	3,980	0	525	245	1,057	266	353	169,889
Active		VDL Supply (mos)	94.1	75.5	21.0	142.5	37.5	27.7	46.6	37.8	225.3	44.2
Polk	9.5%	Ann Starts	0	74	437	205	147	72	452	114	176	1,677
\$25-\$2,500	18.6%	VDL Inv	56	1,339	2,390	1,183	2,153	324	2,596	850	1,312	12,203
2,314 sections	17.4%	Future Inv	97,885	6,112	11,163	2,950	4,720	1,289	6,285	2,309	1,341	134,064
Active		VDL Supply (mos)		217.1	65.6	66.2	175.8	54.0	68.9	89.5	89.5	87.3
Seminole	5.4%	Ann Starts	28	637	53	1	0	0	106	4	120	949
\$59-\$9,250	2.2%	VDL Inv	64	903	91	43	47	0	169	12	131	1,460
1,070 sections	1.0%	Future Inv	4,558	883	557	0	564	0	499	39	304	7,404
Active		VDL Supply (mos)	27.4	17.0	20.6	516.0			19.1	36.0	13.1	18.5

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- The largest concentration of 2013 starts was on lots less than 50' with the 50' to 54' lot size in second place. At the same time the largest inventory of vacant developed lot was also on the less than 50' lot size with the second largest concentration on the 50' to 54' lot size range.
- Orange County also had the largest concentration of 2013 starts on lots less than 50', with the 50' to 54' lot size in second and the 70' to 79' lot size in third. The largest inventory of vacant developed lots was on lots greater than 90', with the under 50' lot size in second and the 50' to 54' lot size in third.

The following table shows average asking prices for the five individual counties over the last five quarters. The current average asking price for new homes in Orange County is \$353,238 or \$122.90 per square foot and this price point has increased 14.9% from 4Q2012 to 4Q2013 looking at absolute prices and 10.6% looking at average price per square foot. Polk County had the lowest average asking price of the five county area at \$199,141, with Lake County having the second lowest price. Seminole County had the highest average asking price at \$380,488 with Orange County second highest. On a per square foot basis, Polk County had the lowest average asking price with Lake County having the second lowest and Osceola County having the third lowest. Seminole County had the highest average asking price per square foot at \$127.80; Orange County has the second highest average asking price per square foot.

The Orlando metropolitan area has a current average asking price of \$282,368 or \$109.50 per square foot and this average asking price has increased 17.1% based on absolute dollar amounts and it increased 10.38% based on prices per square foot over the last 12 months.

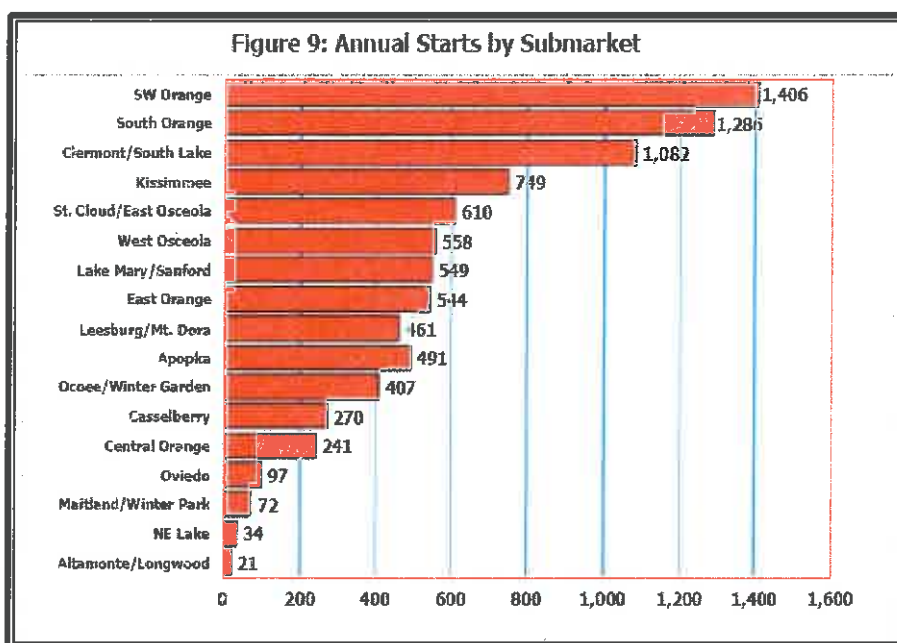
CENTRAL FLORIDA NEW HOUSING MARKET OVERVIEW (CONT'D)

Market Area	4Q12 Averages			1Q13 Averages			2Q13 Averages			3Q13 Averages			4Q13 Averages		
	Price	SqFt	\$/SF	Price	SqFt	\$/SF	Price	SqFt	\$/SF	Price	SqFt	\$/SF	Price	SqFt	\$/SF
Lake	\$212,321	2,319	\$92.9	\$217,219	2,335	\$94.4	\$225,827	2,381	\$96.0	\$231,745	2,351	\$99.4	\$231,050	2,411	\$97.4
Orange	\$307,393	2,785	\$111.1	\$316,806	2,801	\$113.4	\$342,068	2,865	\$120.0	\$359,454	2,918	\$123.8	\$353,238	2,904	\$122.9
Osceola	\$205,634	2,327	\$91.0	\$216,838	2,382	\$93.5	\$230,269	2,382	\$99.2	\$247,322	2,474	\$102.7	\$247,963	2,474	\$103.0
Polk	\$170,355	1,949	\$89.0	\$176,038	1,977	\$90.6	\$189,481	2,025	\$96.0	\$194,538	2,065	\$97.0	\$199,141	2,123	\$96.4
Seminole	\$293,188	2,627	\$108.6	\$328,040	2,774	\$115.3	\$326,853	2,685	\$118.7	\$350,835	2,844	\$122.7	\$380,448	2,946	\$127.8

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The following table summarizes annual starts by sub-market for the metro Orlando area. Southwest Orange County has the largest number of starts, with the South Orange sub-market in second and the Clermont/South Lake sub-market in third. The Altamonte/Longwood, Northeast Lake and Maitland/ Winter Park sub-markets having the least number of starts in the last 12 months. Orange County had the lion's share of starts with 4,447 starts noted, an increase of 27.2%, Osceola County showed 1,917 starts, an increase of 58.2% and Lake County had 1,577 starts, an increase of 77.4%. So



Community	Annual Starts
Lake Nona DRI (Orange)	441
Sawgrass Plantation (Orange)	195
Summerlake (Orange)	194
ChampionsGate (Osceola)	187
Millenia Park (Orange)	180
Independence (Orange)	170
Eagle Creek (Orange)	157
Westside-Osceola (Osceola)	157
Heritage Hills (Lake)	141
Emerson Park (Orange)	128

Lake County has seen a significant percentage increase in starts over the last 12 months.

The table to the right summarizes the top 10 communities in the metro area in terms of annual starts. Lake Nona DRI in Orange County had by far the largest number of starts with Sawgrass Plantation in Orange County and Summerlake in Orange County in second and third. Of the top ten most active communities, seven were in Orange County, two were in Osceola County and one was in Lake County.

CENTRAL FLORIDA NEW HOUSING MARKET OVERVIEW (CONT'D)

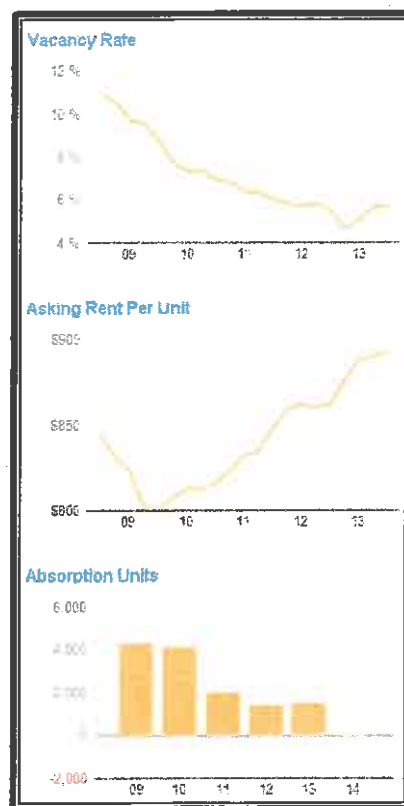
Apartment Market Overview

Leasing Units	Current	5-Year Avg	Inventory in Units	Current	5-Year Avg
Vacant Units	10,517	12,904	Existing Units	256,114	181,421
Vacancy Rate	5.7%	7.1%	12 Mo. Const. Starts	3,981	1,792
12 Mo. Absorption Units	805	2,629	Under Construction	5,595	2,299
			12 Mo. Deliveries	1,810	1,767
Rents	Current	5-Year Avg	Sales	Past Year	5-Year Avg
Studio Asking Rent	\$721	\$662	Sale Price Per Unit	\$76,304	\$63,660
1 Bed Asking Rent	\$786	\$739	Asking Price Per Unit	\$44,930	\$38,057
2 Bed Asking Rent	\$953	\$899	Sales Volume (Mil.)	\$1,735	\$3,984
3+ Bed Asking Rent	\$1,219	\$1,163	Cap Rate	7.2%	7.8%
Concessions	1.9%	4.2%			

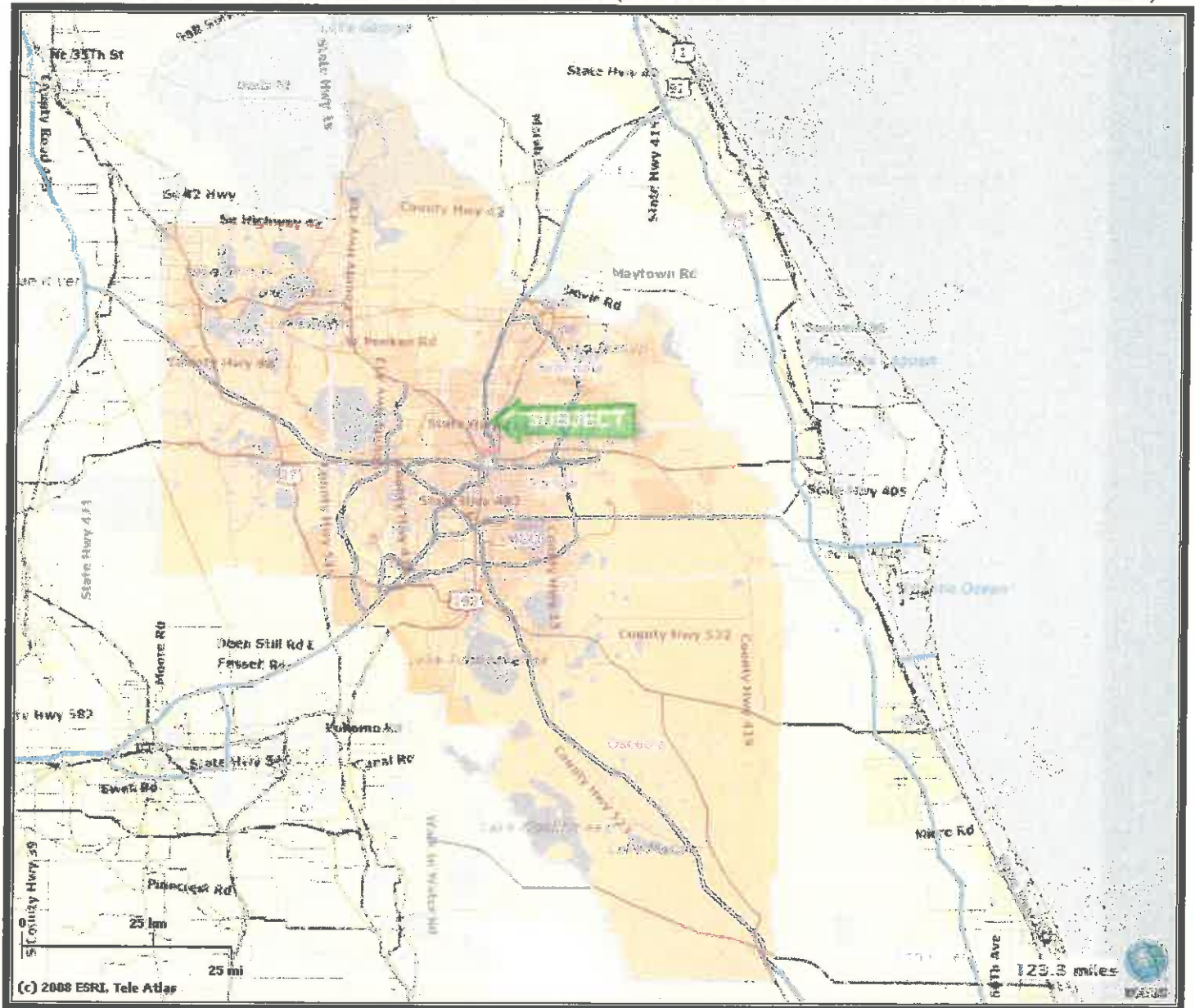
Using data from the *CoStar Properties Group* database reflects 256,114 apartment units in 660 total projects comprising the metro area apartment market. There are 5,595 units under construction with 1,810 units already delivered and 3,981 units started in the last 12 months. There are currently 10,517 units vacant reflecting a current vacancy rate of 5.7% and 805 units were absorbed in the last 12 months, which is much slower than the annual 2,629 unit five-year average.

Vacancy rates have declined from about 11% in early 2009 to a low of about 5% in late 2012 but went up slightly in 2013. Absorption of units was strongest in 2009 and 2010 but declined in 2011 and 2012 only to go up slightly in 2013. Rental rates on average were at a five year low of about \$800 per month in early 2010 but they have been going up ever since showing an overall average rental rate of about \$890 per month for 2013. Current asking rents for studio apartments average about \$721 per month, \$786 per month for one bedroom units, \$953 per month for two bedroom units and \$1,219 per month for three bedroom and larger units. Rental concessions are still prevalent reflecting on average at about 1.9%.

Aggregate apartment sales activity in the past 12 months totaled about \$1,735,000,000 with an average sale price per unit of \$76,304 and an average capitalization rate of 7.2%.



ORLANDO-KISSIMMEE-SANFORD MSA (METROPOLITAN STATISTICAL AREA)



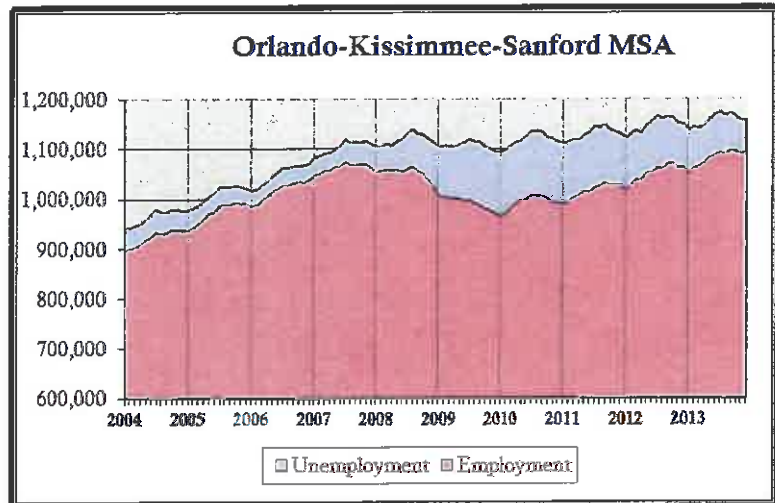
AREA AND NEIGHBORHOOD ANALYSIS

Metropolitan Orlando Perspective

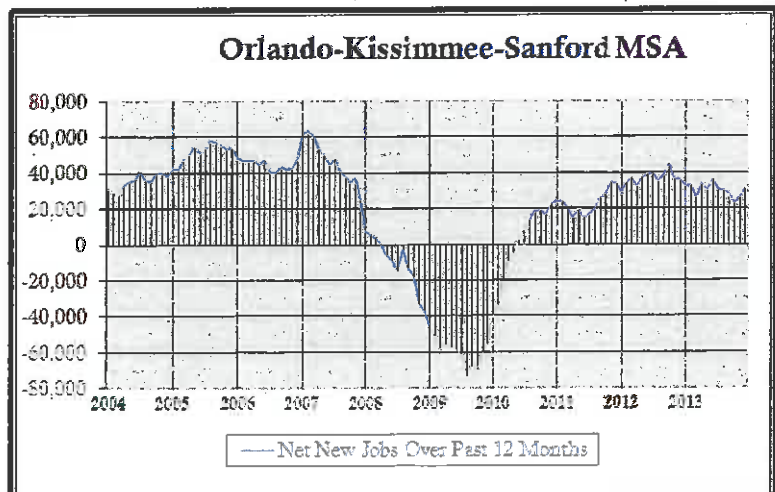
The Orlando-Kissimmee-Sanford MSA (Metropolitan Statistical Area) consists of Orange, Seminole, Osceola and Lake Counties. It is located near the center of peninsular Florida, east of midway between the Atlantic Ocean and the Gulf of Mexico.

The Orlando-Kissimmee-Sanford MSA's population grew from 1,644,561 (2000) to 2,134,411 (2010), averaging 48,985 persons per year. During the same time period, the number of households increased by 173,197, representing direct demand for 17,320 new dwelling units per year. The 2013 population estimate of 2,203,521 persons and 822,216 households reflects much slower recent growth averaging 23,037 persons per year and 7,934 households per year since 2010. Approximately 60% of occupied dwelling units are owner-occupied and 40% are renter-occupied. The MSA's population is forecast (by ESRI) to grow to 2,367,278 persons and 881,603 households by 2018. This forecast anticipates continued growth on the order of 32,751 persons (11,877 households) per year over the next five years.

Based on 2013 estimates, the area's population has a median household income of \$48,032 and an average household income of \$66,408. As illustrated by the graphic to the right, employment had generally kept pace with population (labor force) growth from 2002 to the beginning of 2008, gradually bringing the unemployment rate down to around 3% to 3.5% for most of 2005 through May 2007. Concurrent with the nationwide Great Recession commencing 4Q2007, however, the local unemployment rate rapidly increased to 9.5% by March 2009 then remained around 11% through February 2011. The unemployment rate has since gradually declined to below 10% in October 2011; below 9% in March 2012; below 8% in October 2012; below 7% in March 2013; and to 6.0% in October 2013. The preliminary December 2013 unemployment rate is 5.5%.



The U.S. Bureau of Labor Statistics shows that the Orlando-Kissimmee-Sanford MSA employment had grown from 864,331 jobs (January 2003) to 1,053,194 jobs (January 2008), for an average of 37,773 new jobs per year over the five years. During the following two years, from January 2008 to January 2010's trough, over 88,000 jobs were lost. It then took three years (to February 2013) to recover the number of jobs lost during the recession. Year-over-year job growth for the past 12 months has averaged 29,700 jobs per year; and



AREA AND NEIGHBORHOOD ANALYSIS (CONT'D)

recent job growth is similar to the mid 2004 expansion following the 2001-2002 recession. December 2013 employment reflects 30,121 more jobs than December 2012.

December 2013's seasonal size of the labor force at 1,156,000 is only 7,200 persons more than December 2012, reflecting slower net working population growth over the past year, compared to the 19,400 persons 2011-2012 growth. We note that total employment of 1,082,000 jobs in May 2013 surpassed the MSA's previous peak employment of 1,074,000 jobs (July 2007). September 2013's total 1,097,000 jobs represented an all-time high for the MSA. Behind the numbers, there appears to be a growing number of part-time jobs, at the expense of formerly full-time jobs.

In summary, the Orlando-Kissimmee-Sanford MSA's economy is recovering, with total employment surpassing 2007 levels by some 30,000 jobs. Seasonal swings notwithstanding, job growth has been positive since June 2010; and recent trends generally reflect job creation at a level which will continue to reduce the unemployment rate. We believe the gradually strengthening local housing market will continue to improve, as a result of improving employment and consumer confidence.

Neighborhood Analysis

A neighborhood is defined in terms of common characteristics, trends and groupings of similar or complementary land uses. For appraisal purposes, we have considered the demographics and trends of Eatonville and surrounding areas within a few minutes' drive time, bounded by Magnolia Homes Road and U.S. Highway 441 on the west, the Orange/Seminole County line on the north; Fairbanks Avenue and Lake Fairview on the south; and several blocks east of U.S. Highway 17-92 for the east boundary. This defined neighborhood measures approximately 3.3 miles north/south and 4.3 miles east/west. This suburban location in north Orange County is five miles north of downtown Orlando. The subject property is near the center of the defined neighborhood.

The Town of Eatonville is widely known as the oldest incorporated African American community in the U.S., established in 1887. In an effort to maintain its historic small-town feel, Eatonville has resisted efforts to widen its only east/west thoroughfare (Kennedy Boulevard), restricting it to two lanes and 25 MPH through its downtown district. Accordingly, retail commercial shopping districts serving the community have evolved mostly along much busier U.S. Highway 17-92 east of town and Lee Road/Edgewater Drive southwest of town. The defined neighborhood features a regional mall/lifestyle center (Winter Park Village) south of Lee Road; as well as a major suburban office park (Maitland Center) at the Interstate 4/Maitland Boulevard interchange. Most of the defined neighborhood is suburban residential.

Approximately 55% of the housing is detached single family, 12% are attached townhomes/duplex/fourplexes and 31% is apartment or condominium units in the defined neighborhood. Another 2% of housing units are older mobile homes. Approximately 48% of the 15,107 occupied housing units are owner occupied and 52% are renter occupied. Another 2,302 are vacant housing units, of which 55% are for rent.

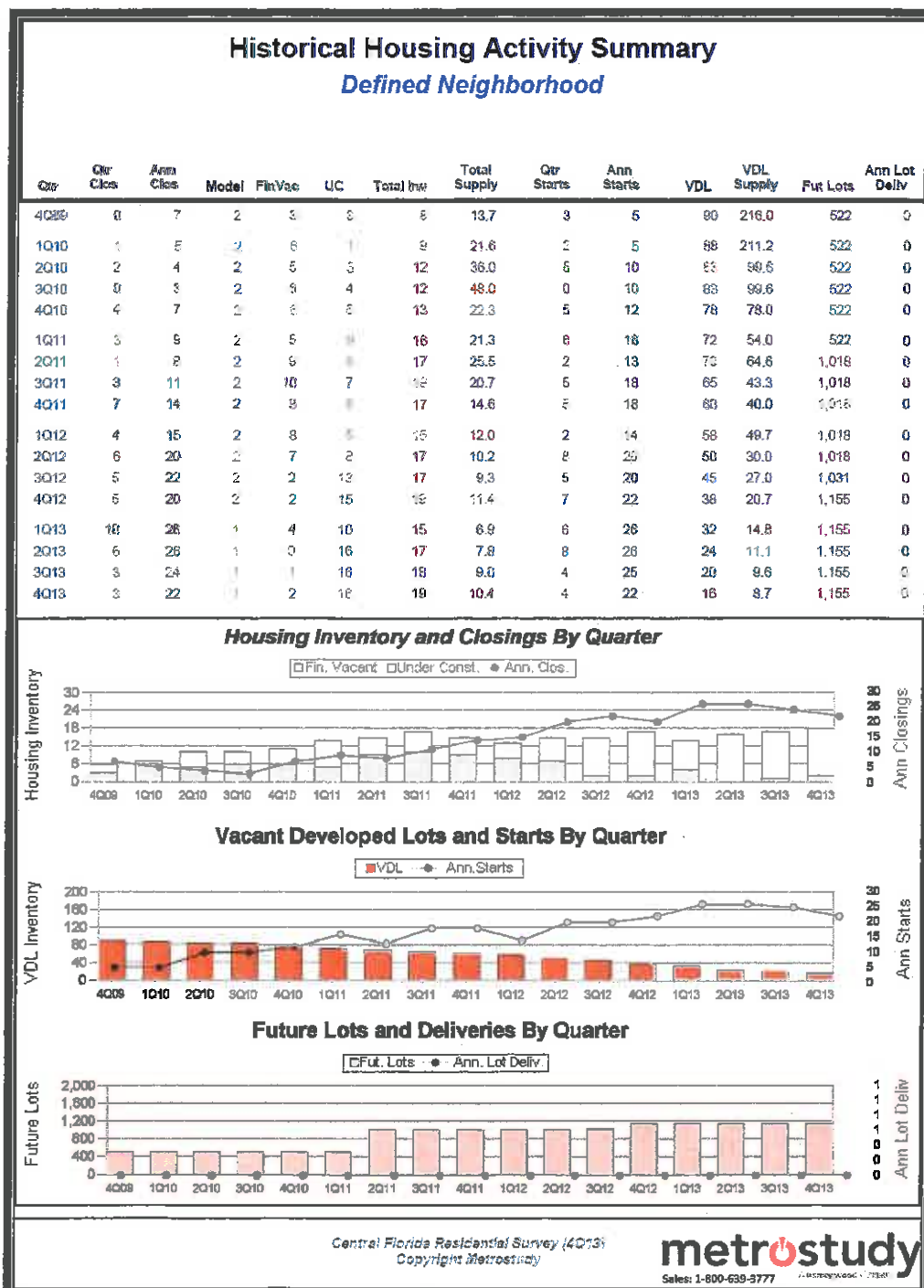
The defined neighborhood saw 20% of its residential growth before 1960; another 33% in the 1960s and 1970s; another 28% in the 1980s and 1990s; and another 16% from 2000 – 2010. The most recent active residential growth has been moderately priced single family subdivisions and apartments. The neighborhood is over 95% built-out of its developable land.

The 2010 Census data shows a resident population of 33,624 people in the defined neighborhood, which reflects minimal population growth of 21 persons per year (83 households per year) during the previous decade. ESRI's 2013 estimate is 35,332 people, reflecting population growth of 569 persons per year (239 households per year) since 2010. The defined neighborhood has an average

AREA AND NEIGHBORHOOD ANALYSIS (CONT'D)

household size of 2.29 persons and median age of 38.3 years. Approximately 27% of the households are with children; approximately 15% of the neighborhood's population is aged 65+. ESRI forecasts population growth to 38,814 persons by 2018, which reflects a forecast growth rate 696 persons per year during the next five years. Their forecast growth to 16,575 households by 2018 reflects direct incremental demand for 294 housing units per year during the next five years.

ESRI's forecast appears quite optimistic, compared to recent housing starts. The chart below summarizes new housing construction activity in the defined neighborhood, based on quarterly surveys by *MetroStudy*.



AREA AND NEIGHBORHOOD ANALYSIS (CONT'D)

Annual closings in 2013 totaled 22, which reflects continued housing market improvement since bottoming out with 7 closings in each of 2009 and 2010; and back to 2008 closings volume of 26 new homes. New home inventory has been stable at between 15 and 19 homes since 1Q2011, and is presently at 19, including 16 under construction. Annual new home starts have improved to 22 homes in 2013, up from 18 homes in 2011 and 20 homes in 2012. No new subdivisions have been developed since 1Q2008, and the last active detached single family subdivision sold out in 2Q2013.

Recent new home activity in the defined neighborhood of single family detached vs. townhomes, as tracked by *MetroStudy*, is summarized below:

Housing Summary By Housing Type											
Defined Neighborhood											
Selection Totals											
	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	Annual Rate/Supply	
Single Family	Starts	2	0	5	3	2	0	0	0	2	
	Closings	3	4	3	1	7	4	0	0	11	
	Housing Inv	8	5	7	9	4	0	0	0	0.0	
	VDL Inv	16	14	14	9	6	4	4	4	24.0 mos	
TH/Plex/Other	Starts	4	0	8	0	4	4	3	4	20	
	Closings	4	2	2	4	3	2	3	3	11	
	Housing Inv	5	6	12	10	11	17	18	15	20.7 mos	
	VDL Inv	44	44	36	36	32	28	20	12	7.2 mos	
Condominium	Starts	0	0	0	0	0	0	0	0	0	
	Closings	0	0	0	0	0	0	0	0	0	
	Housing Inv	0	0	0	0	0	0	0	0	0.0	
	Released	0	0	0	0	0	0	0	0	0.0	

	Dec	Mod	F/V	W/C	T/Inv	VDL	Fut	Vacant Land	Survey Stakes	Equip on Site	Excavation	Street Paving	Streets In	Total
Single Family	416	0	0	0	0	4	496	7	0	0	462	0	0	916
TH/Plex/Other	372	1	2	16	15	12	238	238	0	0	0	0	0	641
Condominium	1,254	0	0	0	0	0	421	421	0	0	0	0	0	1,675
Totals	2,042	1	2	16	15	16	1,155	666	0	0	462	0	0	3,232

	Min Price	\$0	\$100,000	\$150,000	\$200,000	\$250,000	\$300,000	\$400,000	\$500,000	Total
Max Price	\$99,999	\$149,999	\$199,999	\$249,999	\$299,999	\$399,999	\$499,999	\$99,999,999		
Single Family	Ann Starts	0	0	1	1	0	0	0	0	2
TH/Plex/Other	Ann Starts	0	0	0	2	16	1	0	0	20
Condominium	Ann Starts	0	0	0	0	0	0	0	0	0
Totals		0	0	1	3	16	1	0	0	22

	Min Lot Front	< 50	50	55	60	65	70	80	90 >	Total
Max Lot Front	N/A	54	52	64	69	73	89			
Single Family	Ann Starts	0	0	2	0	0	0	0	0	2
TH/Plex/Other	Ann Starts	0	20	0	0	0	0	0	0	20
Condominium	Ann Starts	0	0	0	0	0	0	0	0	0
Totals		0	20	2	0	0	0	0	0	22

	1Q13 Averages			2Q13 Averages			3Q13 Averages			4Q13 Averages		
	Price	Sqft	\$/SF	Price	Sqft	\$/SF	Price	Sqft	\$/SF	Price	Sqft	\$/SF
Single Family	\$274,333	2,546	\$107.65	\$279,000	2,543	\$109.68	\$275,500	2,490	\$111.16	\$280,867	2,546	\$114.03
TH/Plex/Other												
Condominium												

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AREA AND NEIGHBORHOOD ANALYSIS (CONT'D)

Forestwood Place (located off of Forest City Road south of Maitland Boulevard) is the only single-family subdivision in the defined neighborhood with any new home activity in the past 12 months. It sold out in 2Q2013. It featured 1,454 to 3,104 square foot homes priced \$179,900 to \$239,900, respectively. Likewise, Maitland Village (located on Fennell Street off Keller Road) is the only townhome subdivision in the defined neighborhood with any new home activity in the past 12 months. It features three- and four-bedroom/two and one half bath townhomes from 2,224 to 2,740 square feet priced \$249,000 to \$310,000, respectively. Both subdivisions raised prices in mid-2013 in response to increased demand due to low mortgage interest rates. Mortgage interest rates increased by some 70 basis points in June 2013, slowing housing demand in 2H2013.

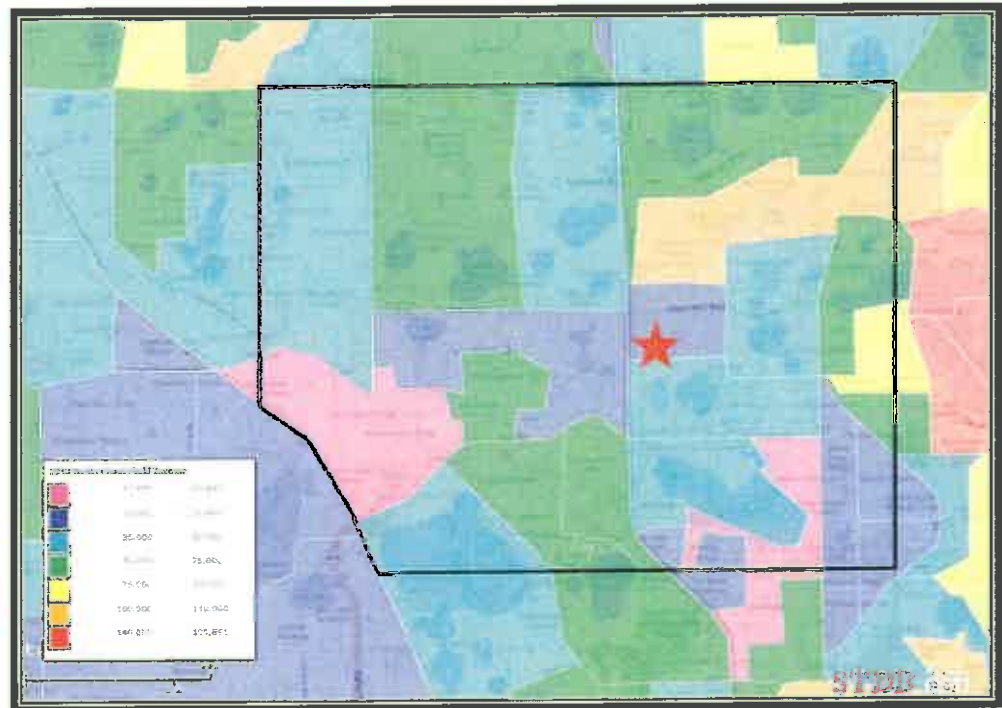
The subject property is outlined in yellow on the 2012 neighborhood aerial below:



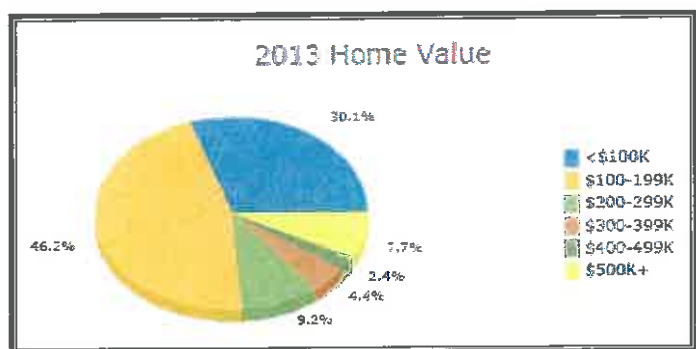
AREA AND NEIGHBORHOOD ANALYSIS (CONT'D)

In the defined neighborhood, ESRI's 2013 estimated median household income was \$42,378 and estimated average household income was \$64,828. This is slightly lower than the MSA's median household income of \$48,032 and an average household income of \$66,408. Households in the defined neighborhood are approximately 41% lower income; 41% middle income; and 18% upper income. Approximately 56% of households in the defined neighborhood have income below \$50,000.

The map at right shows relative median household income and the subject's defined neighborhood (outlined in black), by census block group: Pink is lower income; purple is upper-lower income; light blue is lower-middle income; green is middle income; yellow is upper-middle income; and orange and red are upper income areas. The subject is in a generally lower-middle income area with predominately middle to upper-middle income areas around the small lakes to the north.

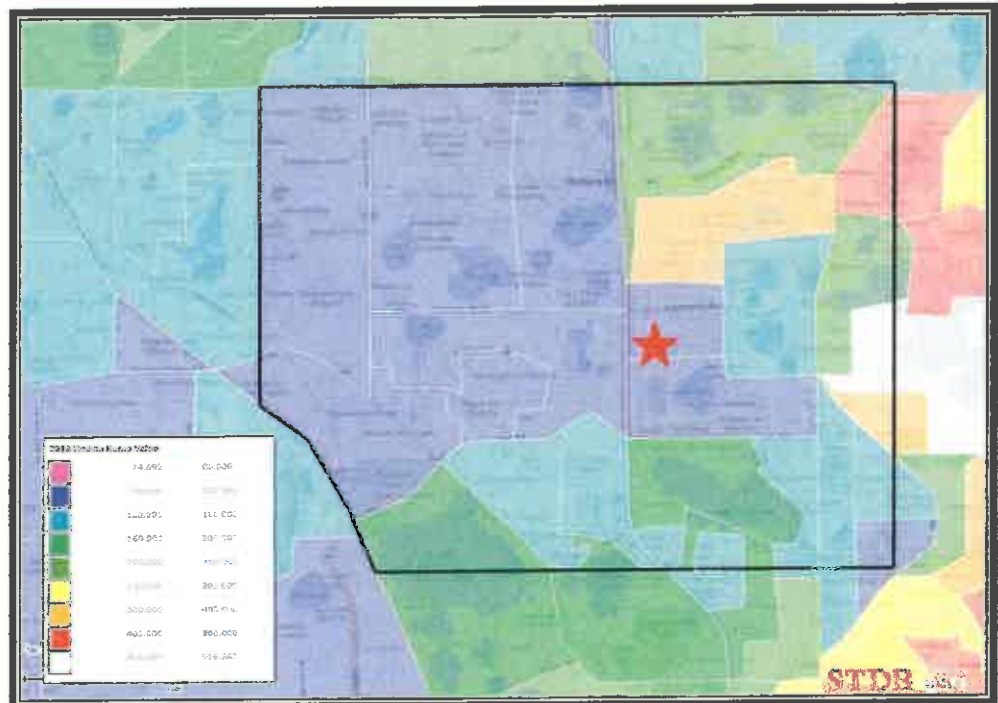


The graphic to the right illustrates ESRI's estimate of owner-occupied housing unit prices in the subject's defined neighborhood. The largest segment is housing in the \$100,000 to \$199,000 price range (46.2%). Homes (including condo conversions) priced under \$100,000 and are the second largest segment, comprising 30.1% of owner-occupied housing units. These price points are consistent with the previously described median household income levels; and correspond to mortgage-qualifying household incomes of approximately \$28,000 to \$57,000 and below.



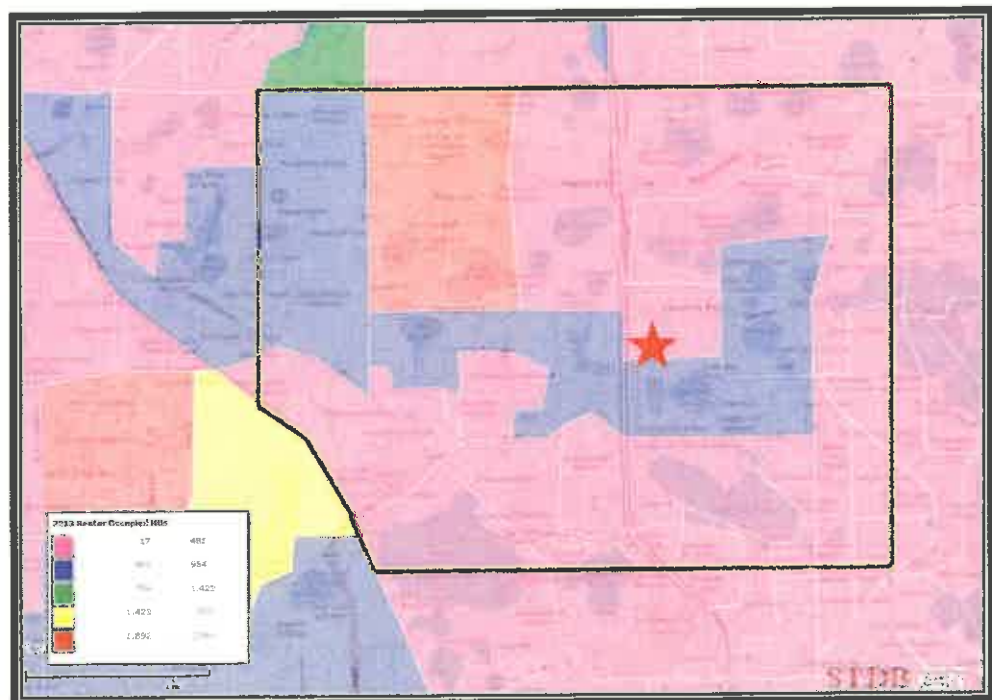
AREA AND NEIGHBORHOOD ANALYSIS (CONT'D)

The map at right shows ESRI's estimated median owner-occupied home value, by census block group. Purple areas are generally upper-lower and lower-middle income homes median priced between \$80,000 and \$120,000. The subject property is in a purple area. Light blue areas have homes median priced between \$120,000 and \$160,000. Light



and dark green areas are generally middle income with homes median priced between \$163,000 and \$240,000. Yellow areas are generally upper-middle income areas with homes median priced between \$240,000 and \$300,000. Orange and red areas are generally upper income; non-shaded areas are upper income with median home prices exceeding \$500,000.

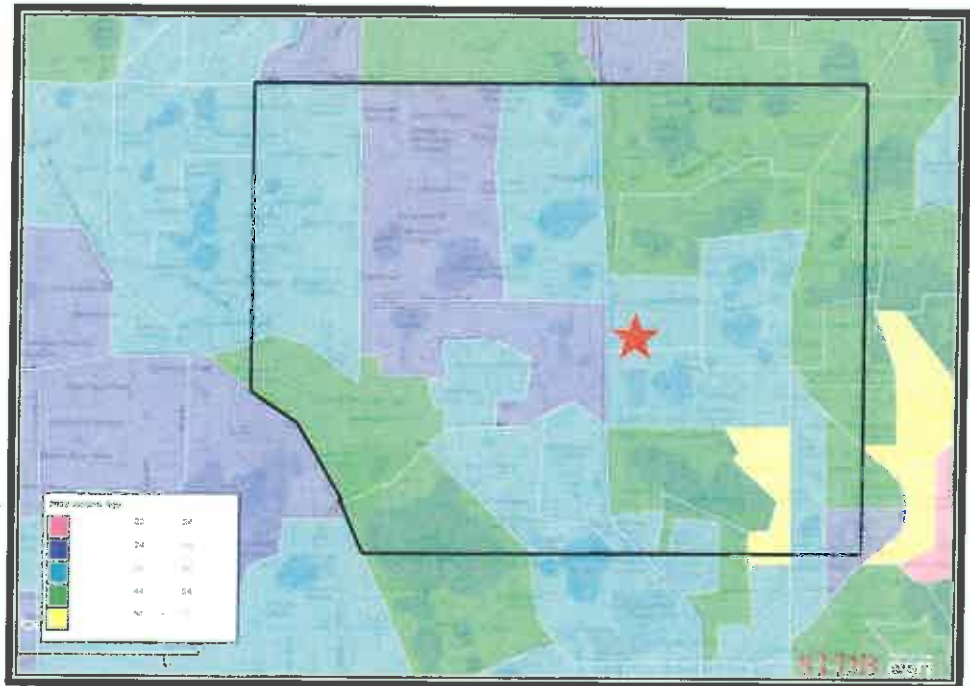
Approximately 48% of the occupied housing units in the subject's defined neighborhood are owner occupied and 52% are renter occupied. The graphic to the right illustrates the relative percentage of renter-occupied dwelling units by census block group with pink and purple areas being the lowest proportion of renters. The pink areas are generally owner-occupied



single family residences. The subject is in both pink and purple areas. Green, yellow and red areas are more heavily occupied by renters and are generally developed with higher concentrations of apartments.

AREA AND NEIGHBORHOOD ANALYSIS (CONT'D)

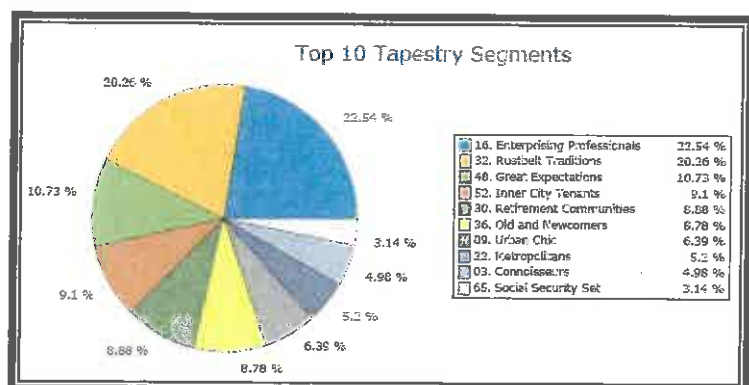
One other demographic of note is the median age of population by census block group. The pink area represents median age below 24 years, and is notably around Rollins College in Winter Park. Purple areas represent median age of 24 to 34 years. These are areas of young families and singles, including families with small children. The light blue areas, which represent a median population age of 34



to 44 years, are most widespread. These are middle aged areas which are generally indicative of families with school-age children. The subject property is in a light blue area. Green areas represent a median population age of 44 to 54 years, generally indicative of being “move-up” families with older children. Yellow areas are generally empty-nesters, based on the 54 to 57 year median age range. This area is not particularly heavily populated with retirees, although they certainly are in the mix of residents.

Segmentation systems operate on the theory that people with similar tastes, lifestyles and behaviors seek others with the same tastes—“like seeks like.” These behaviors can be measured, predicted, and targeted. ESRI’s segmentation system, Community Tapestry, combines the “who” of lifestyle demography with the “where” of local neighborhood geography to create a model of various lifestyle classifications.

The following seven clusters profile 87% of the defined neighborhood’s households. The largest and third largest segments combine for 33.2% of neighborhood households, and are reflective of the area just west of Maitland Center’s office park. The other segments are generally middle income and lower-middle income households with a broad mix of young working singles, middle-age families with children, and empty nesters. ESRI describes these clusters as follows:



Enterprising Professionals (22.5%) – Young, educated, single, married, working professionals, residents of Enterprising Professionals neighborhoods have a median age of 32.8 years. Forty-three percent of the households are singles who live alone or share housing with room-mates and 43% are married couple families. With an annual household growth of 1.95% per year since 2000, the households in this segment comprise approximately

AREA AND NEIGHBORHOOD ANALYSIS (CONT'D)

2% of total U.S. households. The diversity of the population is similar to that of the U.S. Most of the residents are white; however, 12.4% are Asian. Median household income is \$62,559. Ninety percent of the households earn income from wages and salaries.

Rustbelt Traditions (20.3%) – These neighborhoods are primarily a mix of married-couple families, single parents, and singles who live alone. With a population of 8.4 million, this segment is one of Tapestry's largest. The median age is 36 years, just below the U.S. median. There is little diversity in these communities. The median household income is \$40,508, slightly below that of the U.S. median. Half of the employed residents work in white-collar jobs. For years, these residents sustained the manufacturing industry that drove local economies. Now, the service industry predominates, followed by manufacturing and retail trade.

Great Expectations (10.7%) – Young singles who live alone and married-couple families dominate the Great Expectations market, although all household types are represented. The median age is 33.2 years. Some residents are just beginning their careers or family lives. Compared to the U.S. figures, this segment has a higher proportion of residents who are in their 20s and a higher proportion of householders younger than 35 years. The ethnic diversity and racial composition of this segment are similar to U.S. levels. The median household income of \$33,993 is lower than the US median. Nearly half of the population aged 25 years and older has some postsecondary education; 18% hold a bachelor's or graduate degree.

Inner City Tenants (9.1%) – Inner City Tenants residents are a microcosm of urban diversity; their population is represented primarily by white, black, and Hispanic cultures. Three in 10 residents are Hispanic. This multi-cultural market is younger than average, with a median age of 28.9 years. The household composition also reflects their youth. Household types are mixed; 34% are singles, 28% are married-couple families, 21% are single parents and 10% share housing. Turnover is high in these neighborhoods because many are enrolled in nearby colleges and work part-time. These neighborhoods are also a steppingstone for recent immigrants, with an annual population growth of 0.46%.

Retirement Communities (8.9%) – Most of the households in Retirement Communities neighborhoods are single seniors who live alone; a fourth is married couples with no children living at home. This older market has a median age of 50.9 years. One-third of the residents and 44% of householders are aged 65 years or older. Twenty-three percent of the population and 31% of householders are aged 75 years or older. Most of the residents are white. The median household income for Retirement Communities is \$48,319, slightly below the US median. Nearly half of the households earn income from interest, dividends, and rental properties; 45% receive Social Security benefits and 26% receive retirement income.

Old and Newcomers (8.8%) – Residents of these transitional neighborhoods are either beginning their careers or retiring. They range in age from their 20s to 75 and older. Their median age of 36.4 years splits this disparity. There are more singles and shared households than families in these neighborhoods. Most of the residents are white; however, the diversity closely resembles that of the U.S. The median household income of \$38,531 is below the US median. Educational attainment, college, and graduate school enrollment are above average. The distribution of employees by occupation is similar to that of the U.S.

Urban Chic (6.4%) – Urban Chic residents are well-educated professionals living an urban, exclusive lifestyle. Most own expensive single-family homes with a median home value of \$659,997. Married-couple families and singles comprise most of these households. The median age is 42 years. Urban Chic residents travel extensively, visit museums, attend dance performances, play golf, and go hiking. They use the Internet frequently to track investments or to shop, buying concert and sports tickets, clothes, flowers and books. They appreciate a good cup of coffee while reading a book or newspaper and prefer to listen to classical music, all talk or public radio programs. Civic minded residents are likely to volunteer in their communities.

AREA AND NEIGHBORHOOD ANALYSIS (CONT'D)

Commercial Development

Based on information on the CCIM STDBonline.com web site, there are 5,015 business establishments within the defined neighborhood, with a daytime total of 36,478 employees (2013). Major employment groups are construction (7%), manufacturing/wholesale trade/warehousing (8%), retail trade (9%), finance/insurance/real estate (14%), professional/scientific/tech services (17%), and health care (10%) of the 36,478 total employees. Professional, Scientific and Tech Services is the largest employment group with 6,249 jobs; Finance & Insurance is second largest with 3,939 jobs; and Health Care and Social Assistance is a close third with 3,660 jobs.

Comparing the 17,803 employed residents to the 36,478 jobs within the defined neighborhood illustrates that the defined neighborhood is a major employment center. Resident commuters also have excellent access to employment centers in the Orlando metro area's northern suburbs and downtown Orlando. Approximately 68% of the employed residents are in white collar occupations; approximately 21% are employed in services occupations and approximately 12% are employed in blue collar occupations. Approximately 62% of the age 16+ population is in the labor force, with a 91.9% employment rate.

Retail commercial development is mostly situated along U.S. Highway 17-92, Lee Road, Fairbanks Avenue and Edgewater Drive. Winter Park Village provides a major focal point for retail shopping for the Winter Park/Maitland portion of the Orlando Metro area. This 524,000 square foot "urban village" was redeveloped in the late 1990s on the site of the Winter Park Mall. It is located on U.S. Highway 17-92, just south of Lee Road. This open air mall has 49 stores, and is anchored by Publix and Regal Cinema's Stadium 20 theatre. Other notable stores include a variety of restaurants such as Ruth's Chris Steak House, P.F. Chang's, Brio's, Mitchell's Fish House and The Cheesecake Factory. The former Dillard's store has been converted into residential "Lofts" apartments.

Grocery anchored neighborhood shopping centers are located mostly along U.S. Highway 17-92 at or near major intersections. Additional retail commercial and service commercial development is located along Lee Road and Fairbanks Avenue. The intersection of U.S. Highway 17-92 with Horatio Avenue is considered the city center of Maitland. Most of the properties in the vicinity of this signalized intersection are retail and service commercial, including several bank branches, several restaurants, a McDonald's, some professional and general offices and a Publix. The Publix is a freestanding store with supplemental retail strip stores along its U.S. Highway 17-92 frontage. An undersized Winn-Dixie in downtown Maitland has closed and the property sold in early 2006 for redevelopment (which has been postponed indefinitely).

Another Publix-anchored retail commercial node is on State Road 434 (Forest City Road) at Maitland Boulevard, just north of the defined neighborhood. This retail commercial node is across the street from Seminole State College's growing Altamonte Springs campus; and just north of a recently completed office building for Florida Hospital.

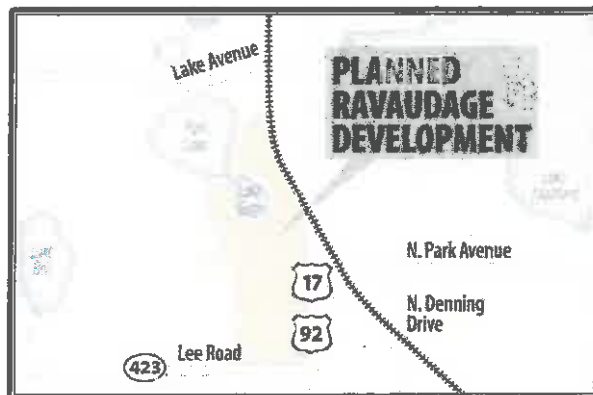
Don Reid Ford and Holler Hyundai are the last of the major dealerships along U.S. Highway 17-92 north of Lee Road. Most of the other large dealerships have relocated to State Road 436 on the east side of Winter Park. Several smaller dealerships back up to Interstate 4 south of Kennedy Boulevard, including Land Rover, BMW, Ferrari, Mini-Cooper and Parker Boats.

Over 70 acres in the northwest quadrant of Lee Road and U.S. Highway 17-92 has been assembled by developer Dan Bellows over the past 15 years. This very large mixed-use project, named "Ravaudage," will affect Maitland, Winter Park and Orange County, who will all be cooperating parties in overseeing the development of the project. This project will have a multi-year build-out schedule, and is proposed to include retail commercial, office, apartments and/or condominiums and a hotel site. A 12,000 square foot Miller's Ale House has been built on the hard corner of Lee

AREA AND NEIGHBORHOOD ANALYSIS (CONT'D)

Road and U.S. Highway 17-92 as Ravaudage's first occupant. Whole Foods is planning on building a new Winter Park store directly across 17-92 from Ravaudage.

Village at Lake Lily is a mixed-use project on the northwest corner of U.S. Highway 17-92 and Lake Avenue (Maitland end of Kennedy Boulevard). This project has first floor retail fronting U.S. Highway 17-92 and two to three floors of residential above. Most of the project is wood frame four story mid-rise apartments with two, five-level parking garages. It's 253 unit Phase I was completed 2Q2009; the 202 unit Phase II was completed in February 2010. Initially intended to be condominiums, 60% of the units are one-bedroom in this upscale apartment. In spite of its excellent exposure, the project's first floor retail has not been successful because its parking is so well hidden.



The Orlando area will have its first Trader Joe's grocery store with the completion of Winter Park Lakeside, which is currently under construction on Lake Killarney fronting U.S. Highway 17-92.

The retail market is discussed further in the following section.

Office Market Trends

The defined neighborhood includes several professional office districts. The largest is the Maitland Center office park, located at the interchange of Interstate 4 and Maitland Boulevard. This is the first (as in nearest) major suburban office park north of downtown Orlando along the Interstate 4 corridor. Its buildings generally have floor plates sized for medium size and larger corporate users. A second professional office district is located along Lee Road, mostly from its Interstate 4 interchange east to U.S. Highway 17-92. Most of these buildings are older and designed for medium to smaller general office users.

Winter Park has additional professional offices along and near Morse Boulevard in the southeast corner of the defined neighborhood. Maitland has additional medical and professional offices along Maitland Avenue, as well as in the vicinity of the intersection of U.S. Highway 17-92 and Horatio Avenue.

In order to better understand the Greater Orlando office market dynamics, we have examined the annual surveys by U.S. Department of Labor, Bureau of Labor Statistics of *"Metropolitan and Nonmetropolitan Area Occupational and Wage Estimates"*. These annual surveys are as of May the previous year and the most recent occupational employment data available is for 2012. From the Orlando-Kissimmee-Sanford MSA occupational employment data, we have extracted those occupations generally requiring office space:

OFFICE-RELATED OCCUPATIONAL EMPLOYMENT IN THE ORLANDO-KISSIMMEE-SANFORD MSA								
Office Occupational Employment as of May of each year	May 2007	May 2008	May 2009	May 2010	May 2011	May 2012	2007-2012	
							Change	% Change
Total Office Employment	409,140	403,150	395,850	383,770	383,560	394,040	-15,100	-3.7%
Medical and Medical Support	65,250	67,540	69,350	70,880	70,750	73,820	8,570	13.1%
Non-Medical Office Employment	343,890	335,610	326,500	312,890	312,810	320,220	-23,670	-6.9%

The Orlando MSA's office-related occupations dropped 25,370 jobs from 2007-2010. More specifically, non-medical office employment dropped by 31,000 jobs from 2007-2010; however, this

AREA AND NEIGHBORHOOD ANALYSIS (CONT'D)

was partially offset by medical and medical support increasing by 5,630 jobs over the same time period. The biggest office-related jobs losses from 2007-2010 were in office and administrative support occupations (-26,000 jobs) and architect and engineering occupations (-6,000 jobs). Management occupations, legal occupations and community and social service occupations have seen some gains over the same time period. May 2011 office-related occupational employment figures were virtually unchanged from May 2010.

May 2012 figures reflect a 2.75% increase in total office-related occupational employment over May 2011, as the economy begins to recover. More specifically, medical and medical support increased by 4.3% (3,070 jobs) while non-medical office employment increased by 2.4% (7,401 jobs) versus May 2011. Architecture and engineering occupations continued their decline by another 3,000 jobs versus 2011, and now employ 42% fewer persons than their 2007 peak.

Although office employment is improving, the Orlando-Kissimmee-Sanford MSA was still 23,670 non-medical office jobs below 2007 levels, as of May 2012. To put this into perspective, at a broad average 210 square feet of office space per employee, the 23,670 fewer employees represents a deficit in demand for 4,970,700 square feet of non-medical office space compared to May 2007 office occupancy. Should office-related occupational employment continue to improve at 2011-2012 rates, it will take another three years to regain 2007-level office occupancy.

The drop in employment which accompanied the collapse of the housing market bubble particularly affected the area's office market. According to data collected by CB Richard Ellis, the Metro Orlando office market (Orange, Seminole & north Osceola Counties) peaked in 2006 with 3Q2006 average vacancy rate of 7.6% on 32,245,000 square feet rentable area. Following paltry net absorption in 2007, the metro area's office market saw nearly 2,000,000 square feet vacated 2008-2010, with about 80% of the "negative absorption" during 2009. For the first time since 2007, the metro area experienced 582,035 square feet net absorption during 2011. CBRE reports that, during 2012, the metro area's office market experienced 72,325 square feet net positive absorption; however, 2013 ended with a negative 135,604 square feet net absorption. Lake Mary and the very broad "North Orlando" markets were the only submarkets to achieve positive absorption totals for 2013.

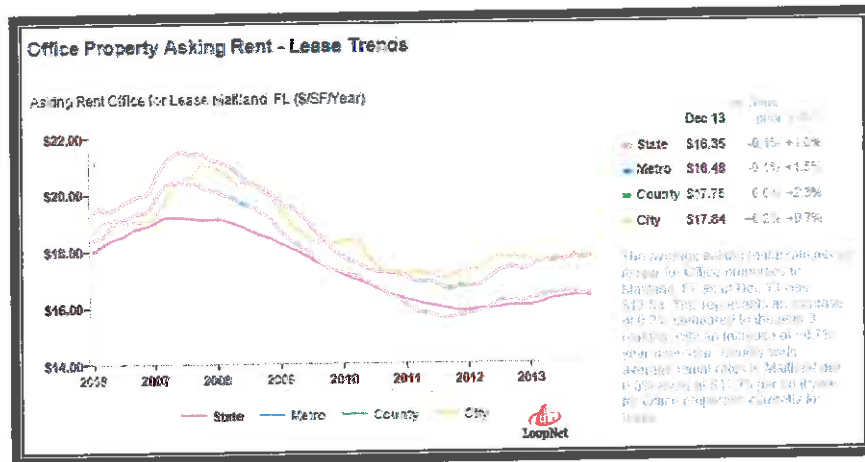
CBRE reports that, as of 4Q2013, the downtown Orlando office market has an average 15.6% vacancy rate (16.7% including available sublease space) on 7,662,258 square feet rentable. The suburban office market has an average 19.5% vacancy rate (20.3% including available sublease space) on 29,333,725 square feet rentable. Overall, the Metro Orlando office market has an average 18.7% vacancy rate (19.6% including available sublease space) on 36,995,983 square feet rentable.

Cushman & Wakefield Research shows 5,846,856 square feet office space in the subject's Maitland sub-market. Their 3Q2013 survey shows 19.7% vacancy (21.2% including sublet space available) with net negative year-to-date absorption of 94,347 square feet. It also shows an average gross asking rate of \$19.19 per square foot, and a Class A average asking rate of \$20.22 per square foot.

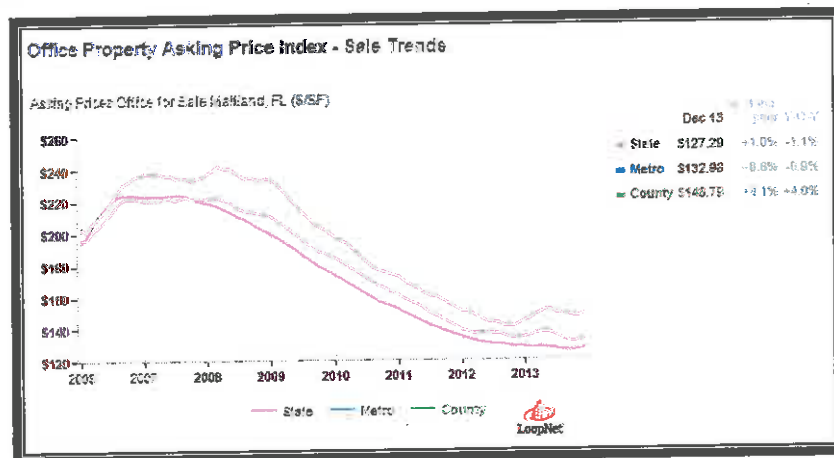
Cushman & Wakefield Research also shows 1,045,117 square feet office space in the subject's Lee Road sub-market. Their 3Q2013 survey shows 12.9% vacancy with net negative year-to-date absorption of 3,719 square feet. It also shows an average gross asking rate of \$15.31 per square foot, but no Class A buildings along Lee Road.

LoopNet data shows a similar trend as of December 2013, with Maitland (city) average office rental rates essentially unchanged (0.7% higher) in the past year; and office rental rates bottoming out in 2011, but remaining well below 2007 levels:

AREA AND NEIGHBORHOOD ANALYSIS (CONT'D)



Asking prices for office buildings initially lagged the drop in rental rates, but have also declined significantly over the past four years in recognition of higher vacancy, lower rental rates and slow rental space absorption. In Orange County, asking prices ticked up a bit in early 2013 in response to improving market conditions; however, office average asking prices flattened in 2H2013 in response to further net negative rental space absorption:



As shown in the table at right, CoStar data indicates that there are 466 office buildings aggregating 9,945,385 square feet in the subject's defined neighborhood. During the past five years, vacancy rates have languished at around 15%, down from 10% in 2006. As of the end of 4Q2013, there is 1,495,055 square feet of vacant office space in the defined neighborhood (1,542,874 square feet including available sublet space).

Period	Count	Sq. Ft.	Total Sq. Ft.	Vacant Sq. Ft.	Vacancy %	Sublet Sq. Ft.	Sublet %	Total Vacant %
2013 4Q	466	9,945,385	1,495,055	47,819	1,542,874	15.0%	0.5%	15.5%
2013 3Q	465	9,859,365	1,404,863	57,296	1,462,269	14.2%	0.6%	14.8%
2013 2Q	465	9,859,385	1,437,672	52,156	1,459,306	14.6%	0.5%	15.1%
2013 1Q	467	9,857,753	1,516,421	74,791	1,391,212	15.4%	0.8%	16.1%
2012 4Q	468	9,878,733	1,501,424	40,798	1,342,220	13.2%	0.4%	13.6%
2012 3Q	468	9,878,733	1,569,614	40,388	1,610,002	13.3%	0.4%	13.7%
2012 2Q	472	9,912,821	1,450,717	18,278	1,475,935	14.7%	0.2%	14.9%
2012 1Q	472	9,912,821	1,350,320	32,719	1,383,039	13.8%	0.3%	14.0%
2011 4Q	473	9,937,821	1,417,700	42,555	1,460,255	14.3%	0.4%	14.7%
2011 3Q	473	9,937,821	1,497,400	42,355	1,539,935	15.1%	0.4%	15.5%
2011 2Q	473	9,937,821	1,449,032	45,847	1,494,879	14.6%	0.5%	15.0%
2011 1Q	473	9,937,821	1,473,656	58,447	1,532,103	14.8%	0.7%	15.5%
2010 4Q	473	9,937,821	1,421,191	103,722	1,324,919	14.3%	1.0%	15.3%
2010 3Q	473	9,937,821	1,510,293	117,328	1,627,621	13.2%	1.2%	14.4%
2010 2Q	473	9,937,821	1,446,117	97,251	1,543,368	14.6%	1.0%	15.6%
2010 1Q	473	9,937,821	1,546,569	104,635	1,651,224	15.6%	1.1%	16.6%
2009 4Q	471	9,875,733	1,401,070	123,206	1,525,276	14.3%	1.3%	15.6%
2009 3Q	470	9,855,502	1,359,964	123,307	1,483,271	14.1%	1.3%	15.3%
2009 2Q	470	9,855,502	1,212,662	108,962	1,421,624	13.6%	1.1%	14.7%

AREA AND NEIGHBORHOOD ANALYSIS (CONT'D)

highway is near the east boundary of the subject neighborhood. Most of it has been developed with service commercial businesses in between major intersections, which are generally developed with retail commercial. Land uses along this road consist of freestanding retail stores such as dry cleaners, drug stores, gas stations, branch banks and professional offices, restaurants as well as a few suburban hotels. There are several car dealerships located along this road north of Lee Road.

Maitland Boulevard is a four and six lane, median divided limited access minor arterial, which runs west from U.S. Highway 17-92, connecting with Interstate 4, State Road 434 (Forest City Road) and U.S. Highway 441, before morphing into a toll road extending further west to Orlando's western beltway. It is heavily developed with corporate scale professional office buildings near its Interstate 4 interchange.

Lee Road (State Road 423) is a six lane, median divided thoroughfare, which runs west from U.S. Highway 17-92 to Interstate 4, then extends further west to U.S. Highway 441. It then turns south and becomes John Young Parkway, a major north-south thoroughfare extending all the way to Kissimmee. It is heavily developed with suburban professional office buildings east of Interstate 4, then becomes more retail and service commercial in character between Interstate 4 and U.S. Highway 441.

Aloma Avenue/Fairbanks Avenue (State Road 426) is a four lane thoroughfare that starts at Edgewater Drive, winding through Winter Park, intersecting with Lakemont Avenue and proceeding east to Oviedo. This is a heavily traveled road which provides easy east/west access through the south end of the neighborhood. It is generally developed with neighborhood retail commercial.

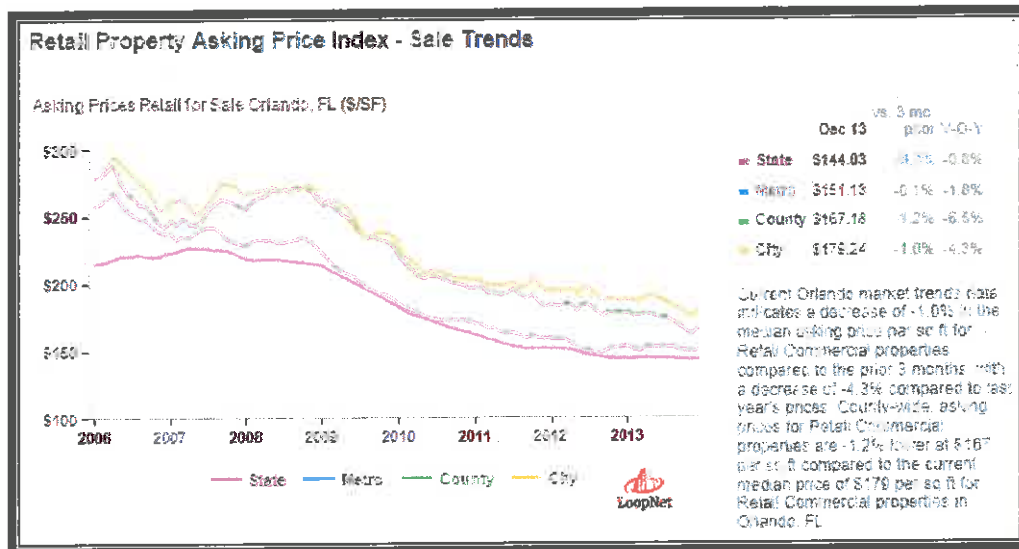
Conclusions

Overall, the subject neighborhood is generally stable, and should continue to be stable into the foreseeable future. The housing market is slowly improving. The defined neighborhood is nearly 100% built out, with a couple well-located vacant office tracts and few vacant retail commercial sites remaining. Most retail commercial categories are adequately supplied by existing stores, as the retail market continues its recovery from the Great Recession. The office sub-market continues to struggle with tepid demand, depressed occupancy and rental rates, although it appears to be slowly improving after having bottomed out in 2011.

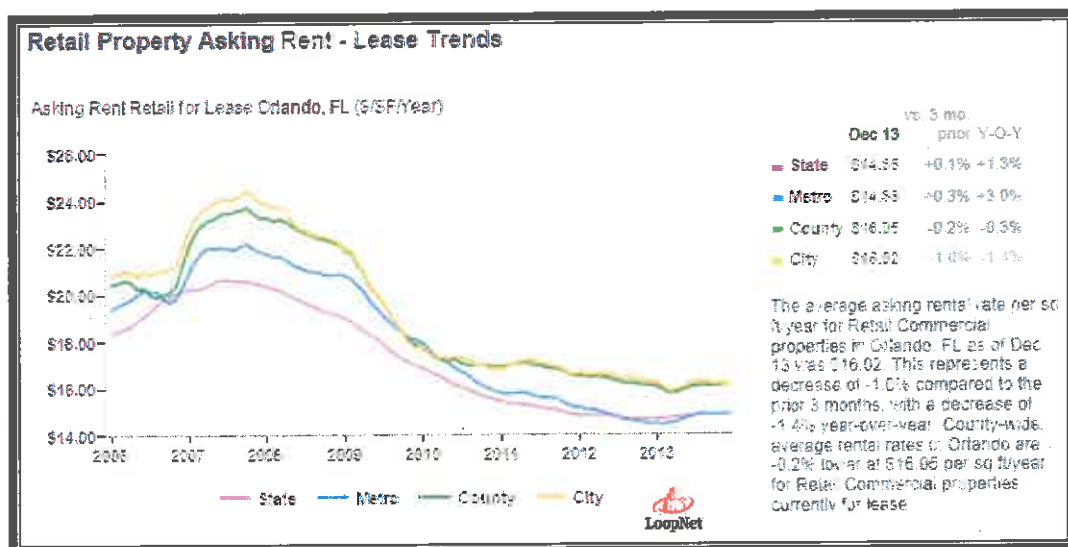
RETAIL MARKET OVERVIEW

Orlando Retail Trends

LoopNet shows the following trends in retail asking rents and asking prices over time. LoopNet's data includes anything classified as "retail", including freestanding drug stores, so the dollar magnitude is not as important as the point that asking prices peaked in 2006 and have slid significantly since in response to the Great Recession and subsequent sluggishly recovering economy and higher retail vacancy rates.



Retail asking rents were slower to respond, peaking in 2007, before sliding significantly since as landlords began to embrace the new realities of the slowed economy. Average retail asking rental rates appear to be bottoming out, but well below pre-recession rent levels.



The Retail MarketPlace Profile below illustrates that the defined neighborhood generally has more retail stores than can be directly supported by the buying power of the defined neighborhood's resident population. As a rough rule of thumb, any category with a "green" leakage factor greater than, say, 20 may be a candidate for expanding its presence in the subject sub-market (possible shortage). "Red" figures generally infer that the category depends on buyers from outside the neighborhood (possible oversupply). In this case, most of the store groups are "red".

RETAIL MARKET OVERVIEW (CONT'D)

Retail MarketPlace Profile

Hungerford Prep Neighborhood

Prepared by Frank Schieber

Summary Demographics

2013 Population		35,332
2013 Households		15,107
2013 Median Disposable Income		\$36,919
2013 Per Capita Income		\$27,846

Industry Summary

	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$395,432,918	\$918,726,922	-\$523,293,004	-38.8	474
Total Retail Trade	44-45	\$356,554,758	\$831,575,387	-\$475,020,630	-43.0	386
Total Food & Drink	722	\$38,878,160	\$87,153,534	-\$48,275,374	-38.3	87

Industry Group

	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$69,346,765	\$417,532,056	-\$348,185,291	-71.5	38
Automobile Dealers	4411	\$58,468,145	\$390,516,205	-\$332,028,060	-73.9	20
Other Motor Vehicle Dealers	4412	\$4,673,865	\$14,381,279	-\$9,707,414	-50.9	8
Auto Parts, Accessories & Tire Stores	4413	\$6,184,754	\$12,634,571	-\$6,449,817	-34.3	10
Furniture & Home Furnishings Stores	442	\$8,809,113	\$16,436,908	-\$7,627,795	-30.2	37
Furniture Stores	4421	\$4,651,754	\$6,281,503	-\$1,629,749	-14.9	13
Home Furnishings Stores	4422	\$4,157,359	\$10,155,404	-\$5,998,045	-41.9	24
Electronics & Appliance Stores	4431	\$9,909,884	\$12,330,568	-\$2,420,684	-10.9	27
Bldg Materials, Garden Equip. & Supply Stores	444	\$11,737,002	\$26,131,524	-\$14,394,522	-33.0	27
Bldg Material & Supplies Dealers	4441	\$10,159,906	\$24,914,107	-\$14,754,201	-42.1	25
Lawn & Garden Equip & Supply Stores	4442	\$1,577,096	\$1,217,417	\$359,679	12.6	2
Food & Beverage Stores	445	\$61,533,098	\$72,137,280	-\$10,604,181	-7.9	43
Grocery Stores	4451	\$57,419,540	\$56,619,889	\$799,651	0.7	24
Specialty Food Stores	4452	\$1,595,316	\$1,547,855	\$47,461	-9.9	13
Beer, Wine & Liquor Stores	4453	\$2,517,743	\$13,589,535	-\$11,071,793	-68.7	7
Health & Personal Care Stores	446,4461	\$28,872,147	\$111,239,865	-\$82,367,718	-58.8	39
Gasoline Stations	447,4471	\$40,641,305	\$20,411,329	\$20,229,976	33.1	8
Clothing & Clothing Accessories Stores	448	\$24,462,489	\$23,057,330	\$1,405,159	3.0	46
Clothing Stores	4481	\$18,464,359	\$15,551,223	\$2,913,136	15.3	33
Shoe Stores	4482	\$3,032,327	\$1,476,992	\$1,555,334	36.5	3
Jewelry, Luggage & Leather Goods Stores	4483	\$2,915,804	\$6,029,115	-\$3,113,311	-19.9	10
Sporting Goods, Hobby, Book & Music Stores	451	\$8,287,592	\$30,643,611	-\$22,356,019	-37.4	30
Sporting Goods/Hobby/Musical Instr Stores	4511	\$5,632,116	\$17,156,943	-\$11,524,827	-50.5	22
Book, Periodical & Music Stores	4512	\$2,555,476	\$13,486,662	-\$10,931,186	-67.8	9
General Merchandise Stores	452	\$57,954,603	\$27,174,800	\$30,780,803	34.1	6
Department Stores Excluding Leased Depts.	4521	\$21,562,862	\$26,036,123	-\$4,473,261	-9.4	4
Other General Merchandise Stores	4529	\$36,431,741	\$1,138,677	\$35,293,064	33.8	2
Miscellaneous Store Retailers	453	\$9,587,964	\$24,881,862	-\$15,293,898	-44.4	59
Florists	4531	\$402,392	\$4,466,900	-\$4,064,508	-83.5	9
Office Supplies, Stationery & Gift Stores	4532	\$3,139,408	\$7,505,003	-\$4,365,595	-41.0	10
Used Merchandise Stores	4533	\$776,807	\$1,307,366	-\$530,559	-25.5	11
Other Miscellaneous Store Retailers	4539	\$5,269,356	\$11,602,593	-\$6,333,237	-37.5	40
Nonstore Retailers	454	\$25,372,795	\$49,598,255	-\$24,225,460	-32.3	17
Electronic Shopping & Mail-Order Houses	4541	\$21,259,385	\$42,621,957	-\$21,362,572	-33.4	3
Vending Machine Operators	4542	\$1,136,218	\$334,626	\$801,592	50.1	2
Direct Selling Establishments	4543	\$2,977,192	\$6,641,673	-\$3,664,481	-38.1	12
Food Services & Drinking Places	722	\$38,878,160	\$87,153,534	-\$48,275,374	-38.3	87
Full-Service Restaurants	7221	\$16,533,771	\$43,841,550	-\$27,307,779	-40.6	32
Limited-Service Eating Places	7222	\$16,119,360	\$34,120,596	-\$17,961,236	-35.8	36
Special Food Services	7223	\$1,568,219	\$5,567,057	-\$3,998,838	-53.0	8
Drinking Places - Alcoholic Beverages	7224	\$2,656,610	\$3,624,332	-\$967,722	-15.4	15

Data Note: Supply (retail sales) represents sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expenditure amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from -100 (total leakage) to +100 (total surplus). A positive value represents leakage of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a surplus where consumers are drawn in from outside the trade area. The Retail Gap represents the difference between Demand Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail Marketplace, please visit the methodology statement at <http://www.esri.com/library/whitepapers/pdfs/esri-retail-marketplace.pdf>.

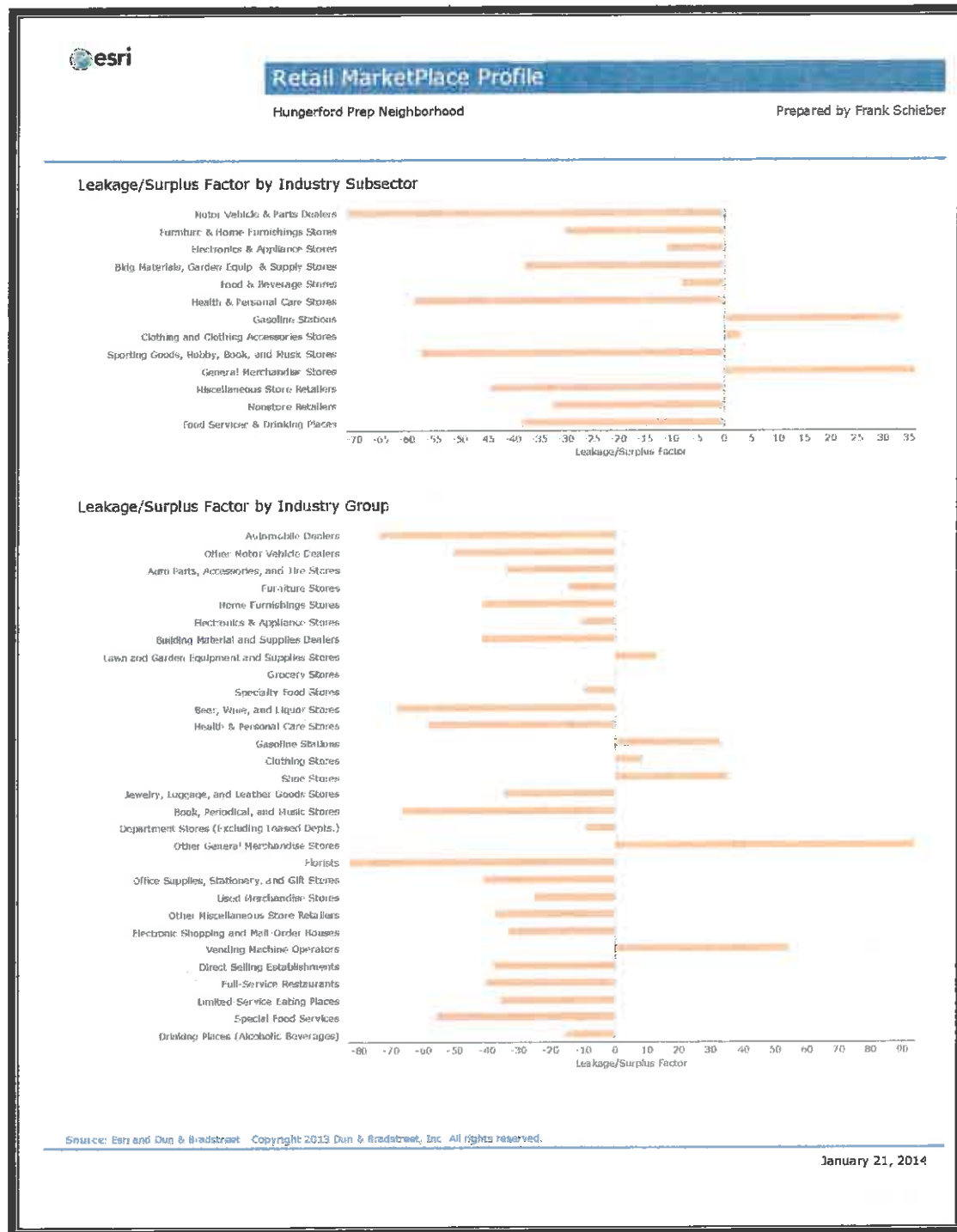
Source: Esri and Dun & Bradstreet. Copyright 2013 Dun & Bradstreet, Inc. All rights reserved.

January 21, 2014

January 21, 2014

The bar charts in the accompanying table on the following page illustrate the categories' relative reliance of sales to non-residents and tourists. The longer the bar is to the left of 0.0, the more likely stores are dependent on non-residents for sales and thus for their economic survival.

RETAIL MARKET OVERVIEW (CONT'D)



The bar chart above illustrates an over-abundance (relative to defined neighborhood's resident population's needs) of new and used car dealers, automobile parts and tires, furniture and home furnishings stores, electronics and appliances, building material and supplies, beer/wine/liquor package goods, health & personal care stores, jewelry, sporting goods, book stores, used merchandise and miscellaneous store retailers, florists, office supplies, full service restaurants, limited service restaurants and special food services.

These charts indicate that local residents are shopping outside the defined neighborhood for much of their needs (inferring a local shortage) of lawn and garden equipment and supplies, gasoline, shoes

RETAIL MARKET OVERVIEW (CONT'D)

and general merchandise stores (although the latter is accommodated by the Altamonte Mall, located two miles north of the defined neighborhood; also Costco, Lowes, Home Depot and Target are located one to two miles outside the neighborhood to the northwest). Grocery stores, specialty food stores, department stores, clothing stores and drinking places (bars) appear to be in balance with local demand.

Retail Conclusion

The STDBOnline Retail MarketPlace Profile “gap” analysis indicates total demand (retail potential by resident population) of \$356,554,758 in retail trade vs. \$831,575,387 in supply (retail sales by existing stores). This indicates \$475,020,630 “surplus” in retail trade to persons living outside the defined neighborhood. We note that \$348,000,000 of this trade “surplus” is attributable to automobile dealerships and auto parts/accessories/tires; another \$82,000,000 of trade “surplus” is attributable to health & personal care stores. The “gap” for food and drink reflects a trade surplus of \$48,275,000 by stores to persons living outside the defined neighborhood, with only drinking places (bars) generally in balance.

Final Conclusion

The STDBOnline gap analysis indicates that the resident population’s demand is met or exceeded in almost all categories. Although the economy continues to gradually improve from the hangover of the Great Recession, the portion of the defined neighborhood seeing the most new retail/commercial development is Winter Park’s U.S. Highway 17-92 corridor.

SITE DATA

Location

The subject property is located on the east side of Wymore Road, the south side of East Kennedy Boulevard and the west side of College Avenue, with supplemental frontage on Ruffel Street. Most of the subject property is located within the Town of Eatonville; the south leg of the property is in an unincorporated area of Orange County, Florida. The tax roll reports a street address of 100 East Kennedy Boulevard, Eatonville, Florida 32751. [Although located in the Town of Eatonville, the property has a Maitland postal zip code].

Area and Dimensions

A copy of a December 2010 boundary survey follows this section. We note that the improvements shown on it are from an older "as built" survey: Based on historical aerial photographs, six small "portable" buildings had been removed and one "portable" added prior to 2004. This irregular site contains 99.24 acres. The south half of the property includes 40.08 acres in lakes and jurisdictional wetlands, so the property has 59.16 acres of upland. The north portion of the property has 1,096.14' frontage along the south side of East Kennedy Boulevard and 1,601.07' frontage along the east side of Wymore Road. The property's Wymore Road frontage is then interrupted by a five acre "out" owned by the Florida Department of Transportation for a future storm water retention pond for highway drainage, unavailable for use by the subject property. Rumor has it that this might be relocate-able; however, we have seen nothing definitive as to where. South of the FDOT parcel, the property has another 1,620.51' Wymore Road frontage; however, the south 576.12' of frontage is wetlands, leaving 1,044.39' upland road frontage. This southern leg of Wymore Road frontage is an upland strip typically 175' deep which backs up to the 20± acre Lake Wilderness (a former borrow pit).

The north portion of the property has 814.29' additional frontage and access along the west side of College Avenue. It excludes the 175.13' x 206.61' corner of East Kennedy Boulevard and College Avenue. The north portion of the property encircles a 5,163 square foot "out" containing an historic 1,288 square foot chapel, owned and controlled by the Robert Hungerford Chapel Trust. The subject property wraps around the north, west and south sides of Hungerford Elementary School. To the south of the elementary school is about 10.3 acres of upland fronting the north end of Lake Wilderness, but separated by wetlands from the nearest road access. Another 1.75 acres of upland just east of the elementary school has 172.13' frontage on the south side of Ruffel Street.

Topography and Drainage

Verifying our perceptions from on-site inspection, information from the *USGS National Map* indicates that this generally flat property drains from north to south and from west to east, toward the lakes (Lake Bell and Lake Wilderness). The survey following this section denotes several areas in the south portion of the property classified as jurisdictional wetlands, mostly located on the north side of Lake Bell, with another area at the south end of the strip along Wymore Road. As previously noted, these wetlands mostly coincide with FEMA's 100 year (and 500 year) flood hazard zones.

Soil Condition/Types

According to the USDA soil survey of Orange County, Florida, the property's upland soils are classified **Smyrna Sand**. *"Smyrna soils are poorly to very poorly drained. They have slow internal drainage and slow to ponded runoff. The water table is at depths of less than 18 inches for one to four months in most years and between 12 and 40 inches for more than six months. In rainy seasons, the water table rises above the surface briefly. In depressions, water stands above the surface for six to nine months or more in most years"*.

The two larger areas classified as jurisdictional wetlands generally coincide with **Basinger** soil series. *The Basinger series consists of very deep, poorly drained and very poorly drained, rapidly permeable soils in*

SITE DATA (CONT'D)

sloughs, depressions, low flats and poorly defined drainage ways. The water table is at depths of less than 12 inches for two to six months annually and at depths of 12 to 30 inches for periods of more than six months in most years. Depressions are covered with standing water for periods of six to nine months or more in most years. Areas in poorly defined drainage ways and flood plains are flooded for long periods.

We are not expert in subsurface soils, and we assume no responsibility for hidden or unapparent conditions beyond our expertise as appraisers. Although infrequent, once in a while a new sinkhole opens up in the porous limestone underlying this mid-Florida sandy ridge. Several office buildings and apartment/condo complexes in nearby Maitland Center have had to deal with sinkhole issues in the past 10 years.

Hazardous or Toxic Materials

No hazardous or toxic materials were observed and none came to our attention. We were not provided with recent Phase 1 environmental site assessment of the property. We were provided with a 1994 Phase 1 environmental site assessment of the south portion of the property, which found no issues of concern. We are not expert in matters concerning the environmental integrity of the site. Please refer to Item 12 of the "General Assumptions" of this appraisal for a full disclaimer.

Utilities and Support Services

Water (see note 1)	Town of Eatonville; except for south leg of property along Wymore Road, which is in the city of Winter Park's service area
Sanitary Sewer (see notes 1, 2 and 3)	City of Altamonte Springs regional treatment, through interlocal agreement with Town of Eatonville; except for south leg of property along Wymore Road, which is in the city of Winter Park's service area
Electricity	Duke Energy
Police	Town of Eatonville
Fire	City of Maitland, through interlocal agreement with Town of Eatonville

- (1) The south leg of the property along Wymore Road in unincorporated Orange County can obtain water and sewer service from the city of Winter Park, without annexation. The tradeoff (of not annexing into Winter Park) of avoiding incremental city real estate taxes is that non-city-residents will pay 25% higher water impact tap fees (\$1,375 vs. \$1,100 per dwelling unit) and 25% premiums on their monthly water and sewer bills.
- (2) The town of Eatonville provides service lines and billing; the city of Altamonte Springs provides sewer treatment at their regional wastewater plant.
- (3) A private sewer lift station (owned by Orange County Public Schools) is on the subject property at the south edge of the high school. It may be adequately sized to support future residential development of the north portion of the property – a qualified civil engineering opinion would be required to verify this observation.

Easements and Encroachments

As shown on the December 7, 2010 survey following this section, an L-shaped 40' easement for ingress and egress from East Kennedy Boulevard to the chapel "out" is located just west of the gym (recorded in Deed Book 978 Page 98, Orange County). Several relatively minor utility easements are also noted on the survey and in the title insurance documentation with which we were provided.

We previously mentioned the 1951 court-ordered public school use restriction which encumbers the northwest 36.8 acres of the property. **Based on the mutual agreement of both seller (School Board**

of Orange County) and buyer (Town of Eatonville), this restriction is assumed to have been lifted for purposes of our hypothetical "As Is" market value conclusion. We are not aware of any other easements or encroachments affecting the property.

Improvements

The north end of the property is improved with the former Robert F. Hungerford High School (f/k/a Wymore Tech and Hungerford Prep). Most of its buildings were built in the mid-1950s and mid- to late 1960s. The complex consists of 17 buildings aggregating 90,853 square feet gross building area plus two "portables" totaling 1,978 square feet plus a 2,573 square foot fiberglass greenhouse and 1,980 square foot shade house. Many of the buildings are connected via sheltered concrete walkways. The school has been out of service since June 2009. The Town of Eatonville occasionally uses the cafeteria, gym and athletic fields for recreational and community service activities. Also, two former classroom buildings are being refurbished for interim use by the Orlando Predators (Arena Football League) as training (weight and locker rooms near the football field).

Site improvements include several asphalt paved parking areas and connecting driveways; a football field encircled by an asphalt running track; worn and faded tennis courts; and a little-league ball field. The 1.75 acres of upland just east of the neighboring elementary school include a dry retention pond, which overlaps onto the elementary school site. This site has been improved since 2005 with two tennis courts in use by the adjoining Denton Johnson Community Center.

There is a two-sided highway billboard on the property along Wymore Road, visible from Interstate 4. The pending purchase contract for the subject property between the Orange County School Board and the Town of Eatonville effectively excludes the billboard site lease. Accordingly, this appraisal does not include recognition of the contributory value of the billboard site lease.

High School Improvements – Physical Condition and Economic Functionality

From our February 10, 2014 and earlier June 8, 2012 inspections, we observed that these mostly painted concrete block structures range from serviceable to fair to poor condition. We observed that several buildings have moisture penetration through the exterior walls. The brick media center and attached science classrooms, built in 1965, are the newest and most substantial structures on campus; however, according to a June 2011 property conditions report, prepared for the Town of Eatonville by Universal Engineering Sciences, its roof requires immediate replacement. Most of the other roofs and HVAC mechanical systems were also found to have only a couple years remaining life before replacement would be necessary.

The education facilities are functionally obsolete and expensive to operate, by modern standards. We observe that several area schools similar in age and design have been demolished and replaced by fewer, multi-story buildings which are much more secure and efficient to operate. According to Marshall & Swift's *Marshall Valuation Service*, a national building cost estimating guide with regional and local cost modification multipliers, the subject's improvements are classified as average to low cost, Class C (masonry bearing walls) high school and gymnasium. According to Marshall & Swift, high school buildings with this cost classification have typical life expectancies of (mostly) 35 to 45 years. The subject's improvements are 49 to (mostly) 60± years old, and appear to have reached the end of their useful lives.

The Hungerford Prep (subject) property has been declared "surplus" by Orange County Public Schools (OCPS). We learned that persistent lack of enrollment was the core reason behind the decision to finally close the school in June 2009. Indeed, considerations for improving the physical condition of the property were made moot by the lack of demand for a high school in this location.

SITE DATA (CONT'D)

OCPS administrators indicated that about 1,800 students are needed for a high school to have “operational efficiency”. This school has a capacity of 739 students. OCPS attendance records over the past 30 years for the subject reflect:

HUNGERFORD HIGH SCHOOL ENROLLMENT (SELECT YEARS)		
October	Enrollment	Comments
1979	310	Known as Wymore Tech
1992	408	Still known as Wymore Tech
1995	445	
1998	425	
1999	243	Became a “Magnet School” known as Hungerford Prep
2000	337	
2001	366	
2002	440	Decision to phase out Magnet School due to low enrollment
2003	373	
2004	556	Transfers into Hungerford Prep from “F” high schools
2005	506	swelled enrollment for the next three years
2006	501	
2007	301	Enrollment drops as other high schools no longer “F” rated
2008	128	
		Closed in June 2009

In an effort to boost attendance, the Wymore Tech vocational school was repositioned as a “magnet school” in 1999. The magnet school was formed with pro-forma attendance forecast of 1,200 students. By its fourth year (2002), attendance still was disappointing at only 440 students, so OCPS decided to phase out the magnet school over the next seven years, in order to enable existing students to matriculate from their magnet programs. The school was shut down a year earlier than planned, because the few remaining magnet school students had transferred to other schools.

At the time of its closure (2008-2009), the town of Eatonville had 429 total public school students, of which 133 were high school students: Only six were enrolled in the Hungerford Prep magnet school. The remaining high school students were attending Edgewater High School or other magnet schools.

During the 2000s, OCPS administrators considered other options to boost Hungerford High School’s enrollment, including school district rezoning. Unfortunately, in order to get enough students to make Hungerford High “work”, this plan would need to pull too many from surrounding high schools, so that two of the three affected schools (Edgewater, Winter Park and Wekiva) would end up below the 1,800 student threshold needed for their operational efficiency. As a point of reference, with Hungerford Prep now closed, Edgewater’s 2011-2012 enrollment was 1,727 students; Winter Park High 3,389 students and Wekiva High 2,213 students. The Town of Eatonville is presently in the Edgewater High School’s zone, which includes residences west of U.S. Highway 17-92. Winter Park High’s zone is east of U.S. Highway 17-92; Wekiva High’s zone is west and northwest of Edgewater’s zone.

Access and Street Improvements

Kennedy Boulevard (Lake Avenue on its east end) bisects the defined neighborhood in an east/west direction. This two lane collector road is Eatonville’s only east/west thoroughfare, extending west from U.S. Highway 17-92 to Forest City Road (State Road 434), then curving south to U.S. Highway 441 as All-American Boulevard. The design phase has been completed for an extension to connect Kennedy Boulevard directly to Clarcona-Ocoee Road at U.S. Highway 441; other than clearing/grubbing the right-of-way, its construction is not yet budgeted. West of the

SITE DATA (CONT'D)

Interstate 4 underpass to Forest City Road, Average Daily Traffic counts (2012) are 13,646 vehicles per day. Average Daily Traffic counts (2012) between Wymore Road and U.S. Highway 17-92 in the vicinity of the subject property are 9,139 vehicles per day.

Wymore Road is effectively a frontage road paralleling Interstate 4. This two lane collector road runs south from Oranole Road at the Orange/Seminole County line and provides "local knowledge" access to Maitland Boulevard, Kennedy Boulevard, Lee Road and Fairbanks Avenue. In most cases, development along its east side is residential and churches; development along its west side backs up to Interstate 4 and is typically office. Average Daily Traffic counts (2012) in the vicinity of the subject property are 11,196 vehicles per day.

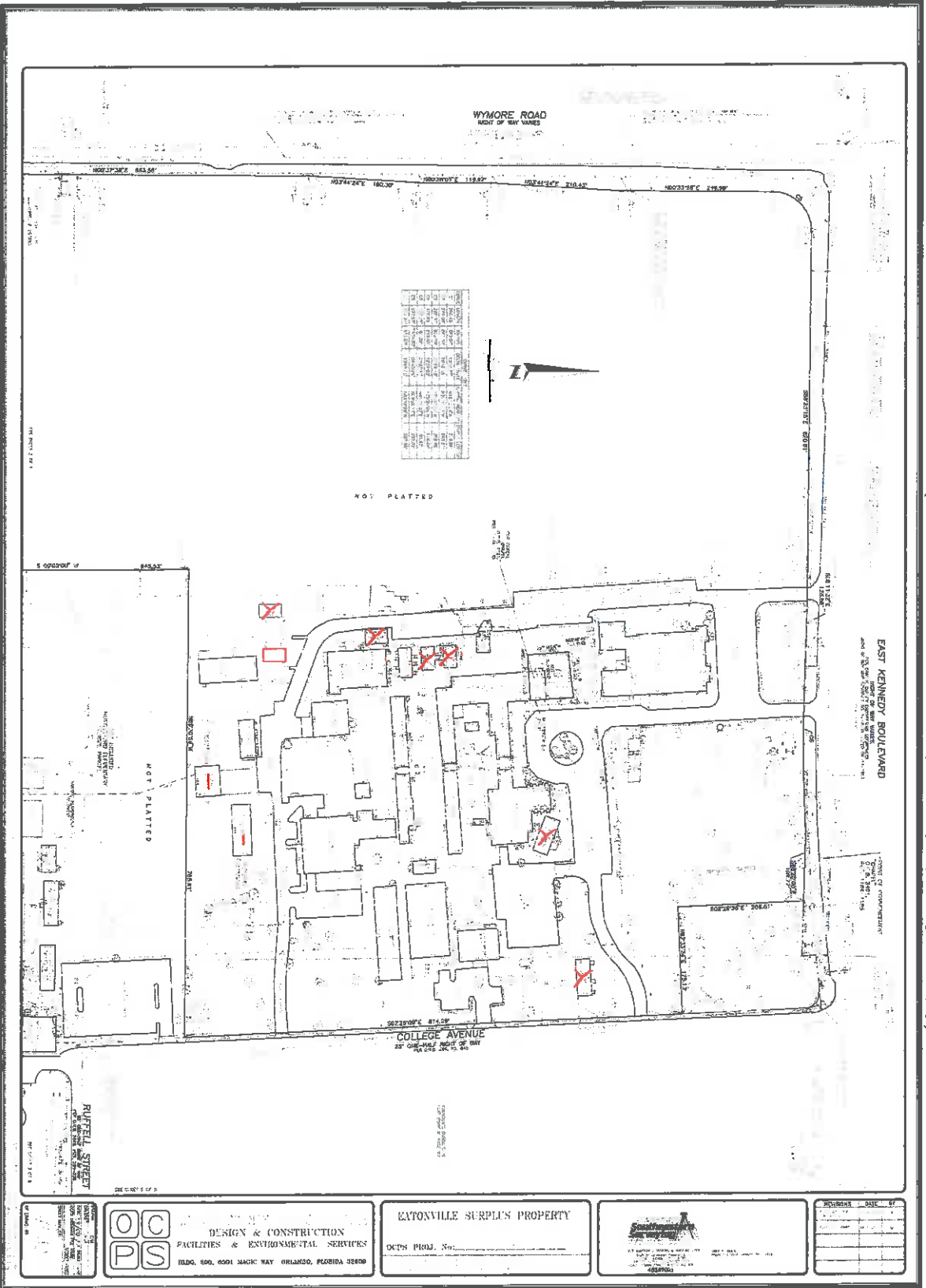
Surrounding Development

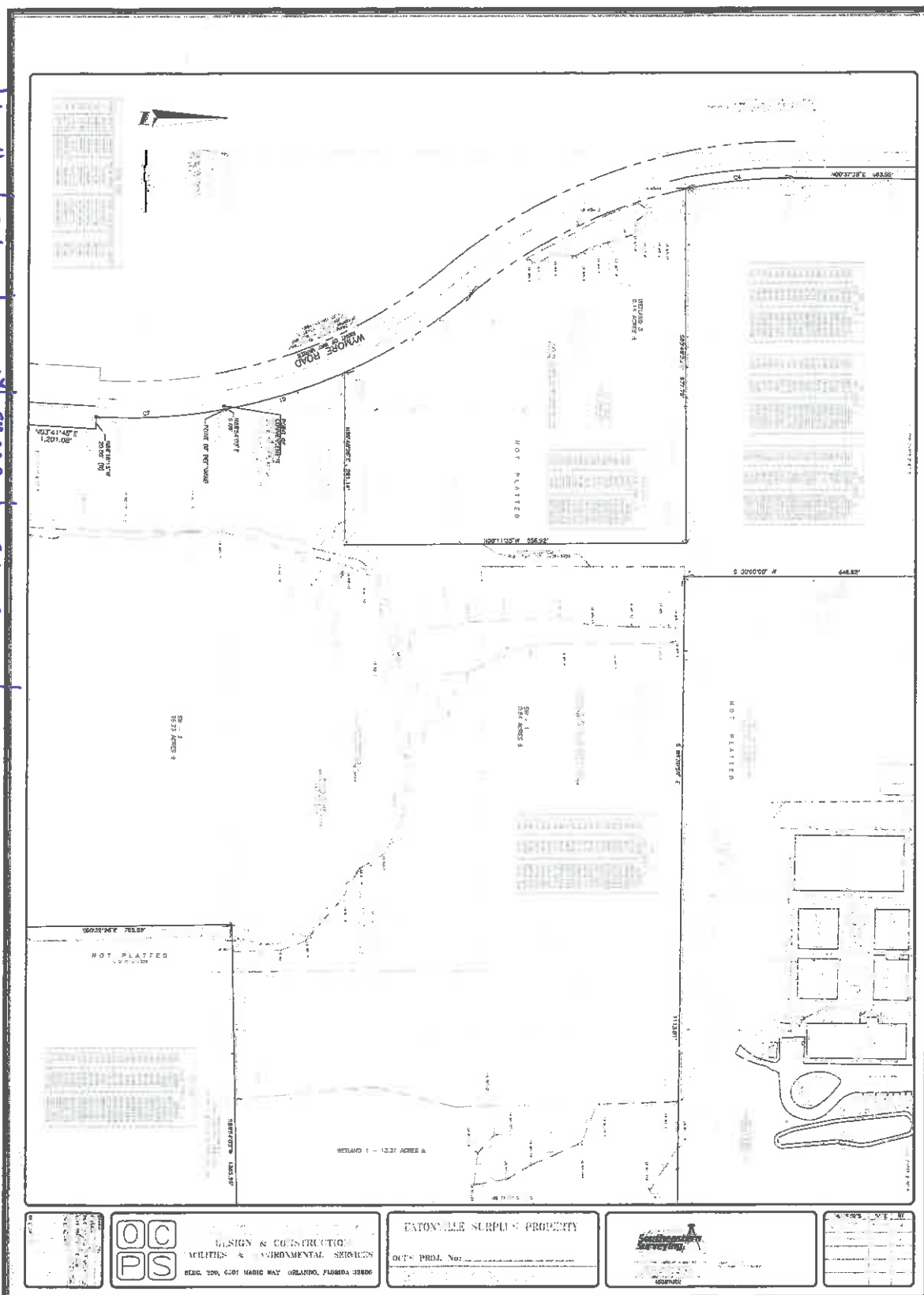
This irregular property wraps around Hungerford Elementary School. East of the property is mostly single family residential dwellings and a couple small apartment complexes. Just east along Ruffel Street, a boys and girls club was added in 2011 to the Denton Johnson Community Center facilities. Kennedy Boulevard on the north side of the subject property is developed with several churches, a public library, city hall and public services buildings, a local history museum, and some small restaurants and shops offering personal services. A Family Dollar store was developed in late 2013 on Kennedy Boulevard across the street from the subject property. Lake Bell and residential development south of Lake Bell and Lake Wilderness borders the property on the south. Wymore Road and Interstate 4 border the property on the west: development along Wymore Road includes a Winter Park water treatment plant, WESH TV's studio and broadcast tower, Fields BMW, an office building and a retirement home. On the other side of the interstate is a business park with several dealerships (Ferrari, Land Rover, Parker Boats, Mini-Cooper) and builder showrooms on sites backing up to Interstate 4, as well as several office buildings on sites lacking Interstate exposure.

Conclusion

This 99.24 gross acre property is generally underutilized. It includes ownership of a 20 acre borrow pit which is large enough to become a ski-able lake amenity. Its 59.16 acres of upland are suitable for mixed-use redevelopment including residential, local commercial potential along Kennedy Boulevard and long-term office potential along Wymore Road. The now-closed high school improvements and athletic fields will need to be removed in order to redevelop the property to its highest and best use. Beneficial improvements (likely not to be removed) include the relatively new tennis courts serving the boys and girls club on Ruffel Street; and the existing lift station at the south end of the high school, which may be able to serve future development of the property. The chapel "out" and its 40' access easement are an inconvenience as much as an historical community asset, but can be worked around and/or possibly incorporated into a community park.

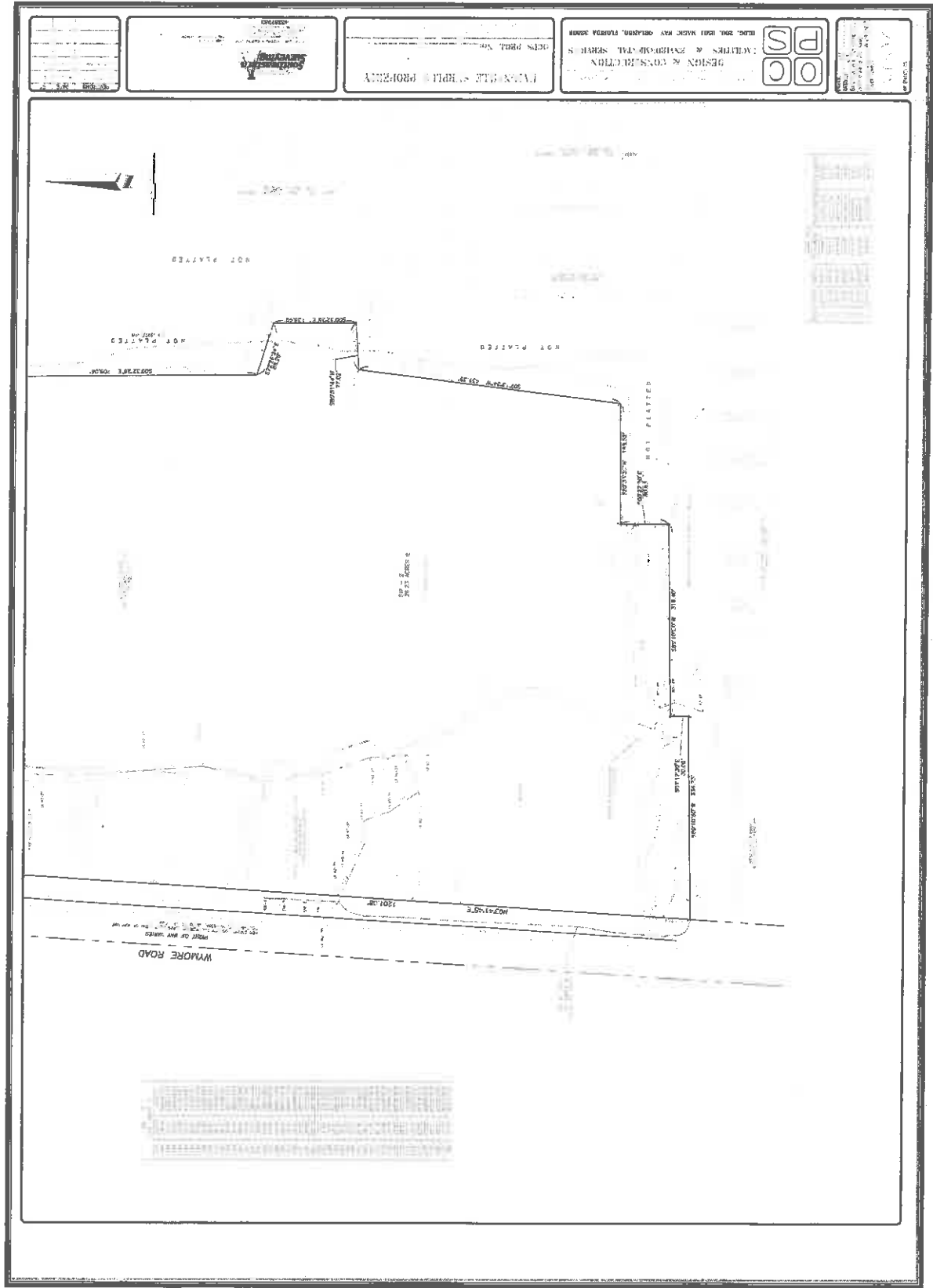
2010 BOUNDARY SURVEY (PRE-2004 "PORTABLE" REMOVALS AND ADDITION IN RED)

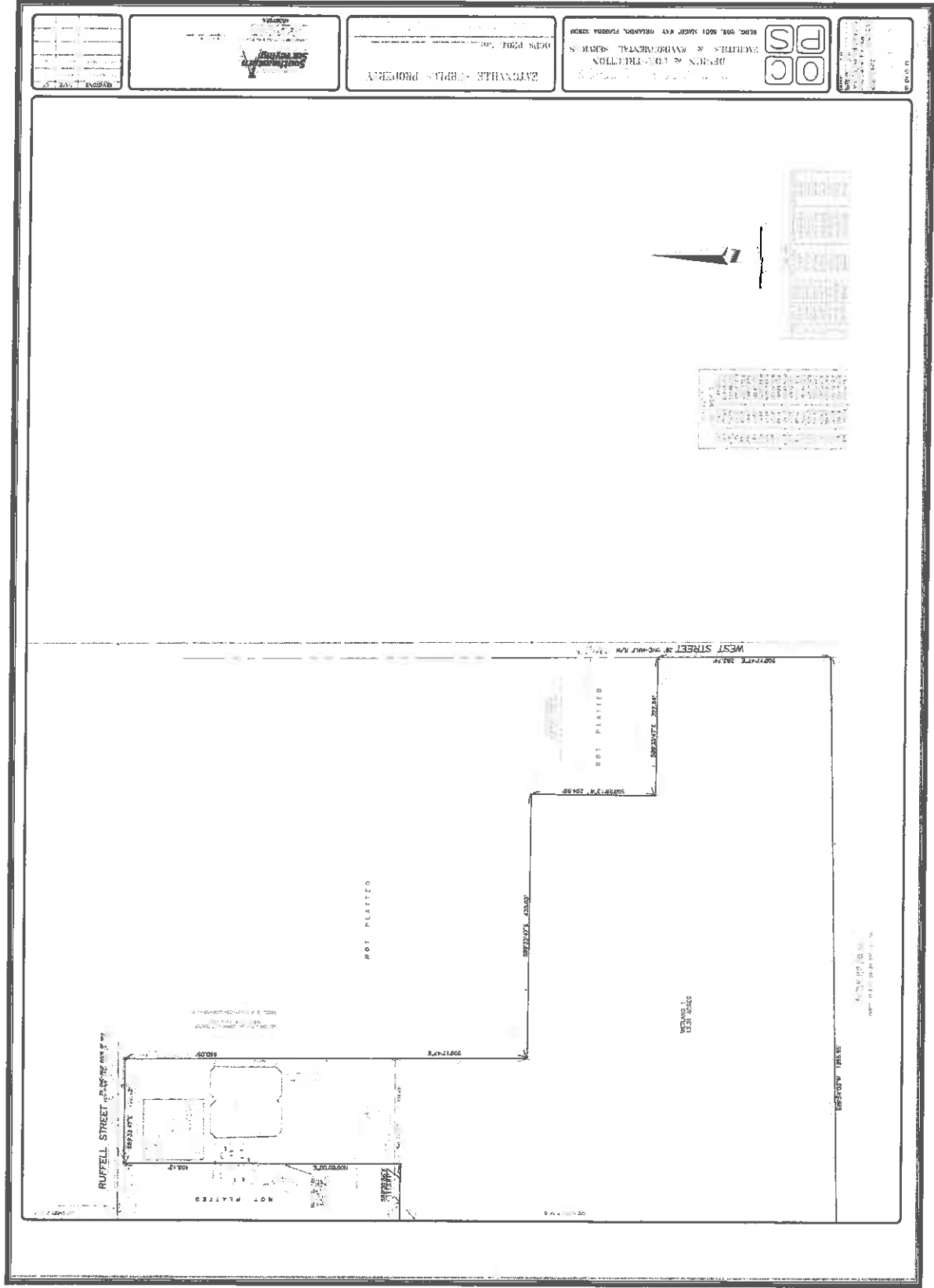




	Length	Radius	DELTA	CHORD	CHORD
C4	176.83	803.00	123703	0° 39' 00"	176.48
C5				N 43° 35' 07" E	94.97
C6				N 87° 28' 11" E	237.02

MERIDIAN APPRAISAL GROUP, INC.





VALUATION PROCEDURE

The valuation of real estate typically lends itself to the application of the three traditional approaches to value known as the Cost Approach, the Income Approach and the Direct Sales Comparison Approach.

The **Cost Approach** analyzes the relationship between value and cost as perceived by the investor. By applying this technique, the appraiser tends to estimate the difference in worth to a buyer between the property being appraised and a newly constructed site with similar utility. The application of this approach involves estimating a number of individual components such as land value, reproduction or replacement costs, entrepreneurial profit and then making a deduction for the applicable amount for accrued depreciation from the reproduction or replacement cost estimate. This technique is most applicable when appraising relatively new construction with a limited amount of accrued depreciation; however, it is also useful (but less effective) when appraising older structures.

The **Income Approach** is based on the premise that a prudent investor would pay no more for the subject property than he would for another investment with similar risk and return characteristics. Since the value of an investment can be considered equal to the present worth of anticipated future benefits in the form of dollar income or amenities, this approach estimates the present value of the net income that the property is capable of producing. This amount is capitalized at a rate, which should reflect risk to the investor and the amount of income necessary to support debt service for the mortgage requirement.

The **Direct Sales Comparison Approach** involves a detailed analysis and comparison of similar properties, which were recently sold in a similar or competitive market. When reduced to an appropriate unit of comparison, these transactions can be adjusted for pertinent differences such as time, market conditions, financing, location and/or physical characteristics. If a sufficient number of sales are available, the resulting value indication is a reflection of the price a buyer is willing to pay for a property exhibiting characteristics similar to the subject. The interpretation of a number of indications of market price should lead to a logical estimate of Market Value.

We researched the Greater Orlando area for land sales and salient listings, in order to quantify the Market Value of the subject property's stipulated residential, cultural/educational and commercial land use components. We have used the Land Sales Comparison Approach to value each stipulated land use component of the subject property, as if vacant. The contributory values of these land use components were then reconciled into an overall value of the subject property, as if vacant. Because the improvements are generally at the end of their useful lives and so no longer contribute value consistent with the highest and best use of the underlying land, we have deducted estimated demolition and carting costs including a consideration for overhead and profit, in order to derive the Hypothetical "As Is" fee simple Market Value of the subject property, pursuant to the stipulated hypothetical land use plan.

The Cost and Income Approaches were omitted because they were not considered applicable in the valuation of this vacant land.

LAND SALES COMPARISON APPROACH

The Land Sales Comparison Approach is based upon the principle of substitution, which states that an informed purchaser will not pay more for a property than he would for a similar, equally desirable property. In the Land Sales Comparison Approach, recent comparable sales are compared to the subject property and adjusted for differences regarding elements such as time of sale, location or exposure, quality of improvements and accessibility. The resulting value indications are then weighted as to similarity with the subject property and a final value is concluded. The reliability of this technique is dependent upon the degree of comparability of each sale to the subject, market conditions at the time of sale, verification of pertinent data and the absence of unusual conditions that influence the sale.

Residential Land Use

Based on the stipulated assumed hypothetical land use plan, the Residential Land Use contains 15.91 acres of upland. Approximately 4.6 acres is in the Low Density Residential area (minimum 75' lots; up to four lots/acre). Approximately 11.31 acres is in the Medium Density Residential area (minimum 50' lots; up to 8 lots/acre).

Because of land needed for internal roads and stormwater retention, residential tracts typically yield less lots than the zoned maximum density would suggest. We note that it is difficult to achieve eight units per acre with minimum 50' lots. This is illustrated by the thumbnail computation that about 30% of each developable acre will be needed for retention, road right-of-ways and some community amenities. Reducing 43,560 square feet by 30% equals 30,492 square feet net usable. Dividing 30,492 square feet by the 5,000 square foot minimum lot size yields 6.1 lots per acre. This infers that the 11.31 acre Medium Density Residential area will likely yield around 69 lots (11.31 acres x 6.1 lots/acre).

The Low Density Residential area is large enough to be subdivided into 12 to 14 lakefront 75' lots.

Adding the Low Density Residential and Medium Density Residential indicates a reasonably likely total 81 to 83 lots. For analysis and valuation purposes, we have forecast 82 "blank" total developable lots for the 15.91 acres of Residential Land Use, which reflects an effective overall density of 5.15 lots per upland acre.

A detailed summary of the most similar and recent residential land sales follow along with a location map indicating proximity to the subject.

LAND SALE NO. 1

LOCATION DATA

Record Number: 26
Property Name: Lakeside Estates
Address: Dodd Road
Winter Park, Seminole County
FL 32792
Long/Lat: W81.279538, N28.628697
Location: West side of Dodd Road 1,600'
north of Howell Branch Road.
Tax Parcel No.: 26-21-30-300-0300-0000
and -030B-0000



SALES DATA

Sale Date: December 27, 2012
Sale Price: \$1,850,000
Adjusted Sale Price: \$1,850,000
Grantor: Basil C. Dodd, II as Trustee of
the Mary E. Dodd Revocable Trust
Grantee: Hanover Dodd Road, LLC
OR Book/Page: 7934/1903
Financing: Cash
Verification: Public Records and Ben Snyder of Hanover Land Co. for grantee 407-702-9226 cell by Frank Schieber February 14, 2014. The recorded price was \$1,650,000; however, the confirmed price was \$1,850,000, which was discounted to \$1,650,000 for a three-week cash closing.
Three Year History: No arms' length transactions were noted over the previous three years.

SITE DATA

Gross Acres:	16.800	Gross SF:	731,808
Usable Acres:	16.800	Usable SF:	731,808
Proposed Units:	39 Lots	Density:	2.32 per gross acre
Primary Frontage:	1,770' Dodd Road (9,907 vehicles/day)		
Amenity Frontage:	800' on Garden Lake		
Access/Exposure:	Median divided local collector road/Significant frontage, will use a privacy wall		
Property Class:	Residential, Single Family PUD		
Zoning:	A-1 at time of purchase; subsequently rezoned to PD		
Land Use:	Low Density Residential (up to four units/acre)		
Utilities:	Water and Sewer available		
Topography:	Generally level pasture		
Retention:	On-site required		
Description:	Isolated wetland on NW part of lake is excluded from usable acreage.		

ANALYSIS

Price/Gross Acre: \$110,119
Price/Usable Acre: \$110,119
Price/Unit: \$47,436 per blank lot

COMMENTS

Purchased to rezone and permit for development with 70' lot subdivision. Grantee subsequently rezoned property to PD, Planned Development with site plan approvals for 39 lot subdivision. The subdivision will have 10 lots (of 39 total) fronting 19 acre Garden Lake. The June 2013 development order calls for a 6' masonry privacy wall along Dodd Road; a community dock; and no motorboats allowed on Garden Lake.

LAND SALE NO. 2

LOCATION DATA

Record Number: 29
Property Name: Amberly
Address: Amberly Jewel Way
Winter Springs, Seminole
County, FL 32708
Long/Lat: W81.241552, N28.659732
Location: Off Dovera Drive 1,100' north
of Red Bug Lake Road.
Tax Parcel No.: 17-21-31-300-001S-0000

SALES DATA

Sale Date: August 06, 2012
Sale Price: \$900,000
Grantor: The Viera Company
Grantee: KB Home Orlando LLC
OR Book / Page: 7834/821
Conditions of Sale: Most approvals in place;
however, Grantee paid design
and permitting fees.
Financing: Cash
Verification: Public Records and Confidential, by Angie Brown August 06, 2012.
Three Year History: No other transactions noted in prior three years



SITE DATA

Gross Acres: 8.724 **Gross SF:** 380,017
Usable Acres: All usable
Proposed Units: 36 Lots **Density:** 4.13 per gross acre
Primary Frontage: Minimal frontage on Dovera Drive
Amenity Frontage: Backs up to a wooded wetland conservation area
Access / Exposure: Lightly traveled side road/Minimal
Property Class: Residential, Single Family Residential
Zoning: Planned Unit Development, part of Dovera CDD
Land Use: Mixed Use
Utilities: Water and Sewer
Topography: Some site work needed: used dirt from new retention to fill and level site
Retention: On-site required
Description: The property shares an access driveway with the adjoining office building.

ANALYSIS

Price / Gross Acre: \$103,164
Price / Unit: \$25,000 per blank lot

COMMENTS

Purchased for development with 45' lot subdivision, with homes base priced \$250,000 - \$285,000. About half of the lots will have wetland or retention pond premiums.

LAND SALE NO. 3

LOCATION DATA

Record Number: 28
Property Name: Oviedo on the Park Townhomes
Address: SR 434 and Orense Way
Oviedo, Seminole County
FL 32765
Long/Lat: W81.207075, N28.658790
Location: East side of Central Avenue
(SR 434), 600' North of
Mitchell Hammock Road.
Tax Parcel No.: 15-21-31-527-0000-13A0, -3B0,
and -13C0

SALES DATA

Sale Date: October 29, 2013; Under contract since 10/2012
Sale Price: \$3,050,000
Grantor: Park Place Apartments of Oviedo, LLC
Grantee: Ashton Orlando Residential, LLC
OR Book/Page: 8156/31
Financing: cash to seller
Verification: Public Records and Tom Cavanaugh, grantor by John Preston January 06, 2014.
Three Year History: This is part of a larger parcel purchased out of foreclosure July 19, 2012 for \$6,600,000 (discounted from \$6,800,000 for title issues) OR 7819/694



SITE DATA

Gross Acres:	12.270	Gross SF:	534,481
Usable Acres:	All usable		
Proposed Units:	137 Townhomes	Density:	11.17 per gross acre
Primary Frontage:	1,800' Central Avenue (12,954 vehicles/day)		
Access/Exposure:	Median divided thoroughfare/Good, will use privacy wall		
Property Class:	Residential, Townhome Mixed Use		
Zoning:	MUD, Mixed Use District		
Land Use:	Downtown Mixed Use		
Utilities:	Water and Sewer		
Topography:	General level, cleared and at road grade		
Retention:	Off-site master retention by seller		
Description:	The seller will be responsible for the main access road and master retention for the site at their cost.		

ANALYSIS

Price/Gross Acre: \$248,574
Price/Unit: \$22,263 per blank lot

COMMENTS

The buyer intends to develop a 137 unit townhome project, which reflects a density of 11.17 dwelling units/acre.

LAND SALE NO. 4

LOCATION DATA

Record Number: 30
Property Name: Eden Point
Address: Dodd Road
Winter Park, Seminole County
FL 32792
Long/Lat: W81.283475, N28.626089
Location: Northwest Side of Dodd Road,
620' north of Howell Branch
Road.
Tax Parcel No.: 26-21-30-300-0260-0000, 26-21-
30-300-028B-0000 and 35-21-
30-300-004A-0000



SALES DATA

Sale Date: June 21, 2013
Sale Price: \$2,800,000
Grantor: Eden Point, LLC
Grantee: Jen Florida VIII, LLC
OR Book/Page: 8067/1102 (8165/1080 corrective deed)
Financing: Cash to Seller
Verification: Public Records and Sharon Lechter, grantor by Angie Brown.
Three Year History: No arm's length transactions noted in prior three years.

SITE DATA

Gross Acres: 13.550 **Gross SF:** 590,238
Usable Acres: All usable
Proposed Units: 39 Lots **Density:** 2.88 per gross acre
Primary Frontage: Minimal frontage Dodd Road (9,907 vehicles/day)
Amenity Frontage: 1,030' on 19 Acre Garden Lake
Access/Exposure: Median divided collector road/Minimal frontage will be used for gated entry
Property Class: Residential, Single Family Residential
Zoning: Planned Development, Seminole County
Land Use: Low Density Residential (up to four d.u./Acre)
Utilities: Water and Sewer
Topography: Generally level and at road grade
Retention: On-site required
Description: This property was sold with all subdivision approvals in place.

ANALYSIS

Price/Gross Acre: \$206,642
Price/Unit: \$71,795 per blank lot

COMMENTS

Eden Point is on the south side of 19 acre Garden Lake and will have (39) 60' by 115' lots. Homes will be priced "starting in the high \$300,000s" per sign on property.

LAND SALE NO. 5

LOCATION DATA

Record Number: 27
Property Name: NE side of Lake Bell
Address: 501 Monroe Avenue (fka Jonotey Drive)
 Eatonville, Orange County
 FL 32792
Long/Lat: W81.376757, N28.612659
Location: SW/C Monroe Ave & Fitzgerald Drive.
Tax Parcel No.: 36-21-29-0000-00-174

SALES DATA

Sale Date: Current Listing (February 2014)
Days on Market: Seven months
Asking Price: \$599,000
Grantor: West Canton, LLC
Grantee: n/a
OR Book/Page: n/a
Financing: cash to seller
Verification: Public Records and David Tanner, listing agent with Parkland International Realty 407-529-8551 by Frank Schieber February 14, 2014.
Three Year History: Purchased from Ira Otey December 16, 2011 for \$95,000 (OR 10326/441). On the market since July 2013 at current asking price.



SITE DATA

Gross Acres:	2.660	Gross SF:	115,870
Usable Acres:	All usable		
Proposed Units:	15 Lots likely	Density:	5.64 per gross acre
Primary Frontage:	270' Monroe Avenue		
Secondary Frontage:	453' Fitzgerald Drive		
Amenity Frontage:	200' on Lake Bell		
Access/Exposure:	Two-lane residential side road/Frontage on two roads		
Property Class:	Residential, Single Family Residential		
Zoning:	R-2, Single Family Medium Density Residential		
Land Use:	Residential, up to eight units/acre, minimum 50' lots		
Utilities:	Water & Sewer to site		
Topography:	Cleared and level, gentle slope toward Lake Bell		
Retention:	On-site required		
Description:	Approximately 0.41 acres along Lake Bell is in the 100 year flood zone; another 0.75 acres is in a 500 year flood zone.		

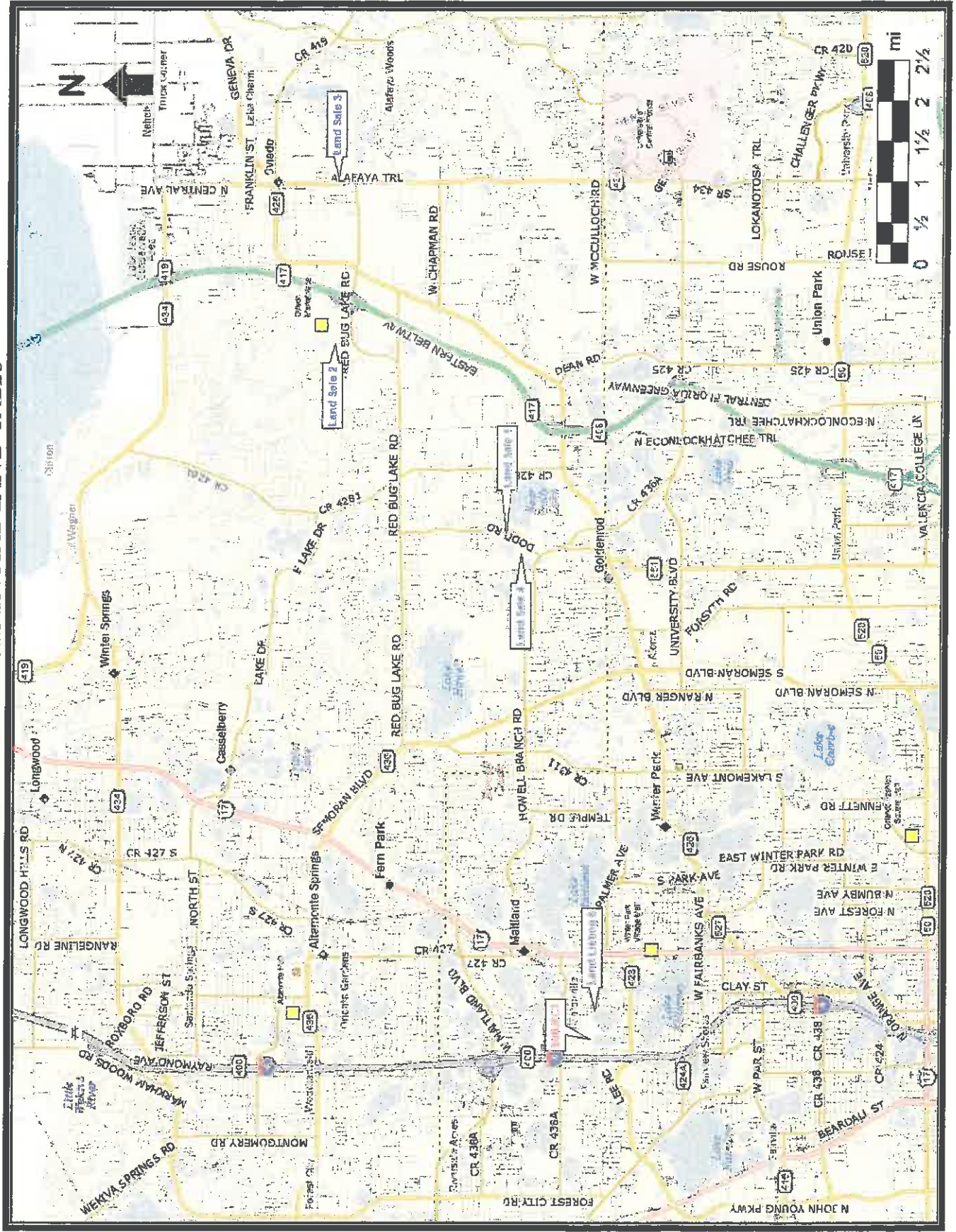
ANALYSIS

Ask Price/Gross Acre: \$225,188
Ask Price/Unit: \$39,933 per blank lot

COMMENTS

Our thumbnail estimate is that one could subdivide this into (15) 50' lots plus use the low land near the lake for storm water retention. Although the underlying R-2 zoning theoretically allows up to eight d.u./acre, the practical maximum density with min. 50' lots is around six d.u./acre.

COMPARABLE RESIDENTIAL LAND SALES



LAND SALES COMPARISON APPROACH – RESIDENTIAL LAND USE (CONT'D)

Residential land is almost always priced based on the number of proposed lots. Below is an analysis and discussion as to the comparability of each sale relative to the subject, based on the price per “blank” lot.

RESIDENTIAL LAND USE	Subject	Land Sale No. 1	Land Sale No.2	Land Sale No. 3	Land Sale No. 4	Land Listing No. 5
Location	Along and off of Wymore Rd, Eatonville	Dodd Rd, Winter Park	Off Dovera Dr, Winter Springs	Central Ave (SR 434), Oviedo	Dodd Rd, Winter Park	Monroe Ave. and Fitzgerald Dr, Eatonville
Sale Price		\$1,850,000	\$900,000	\$3,050,000	\$2,800,000	\$599,000 Ask
Size (Acres useable)	15.91 Acres	16.8 Acres	8.72 Acres	12.27 Acres	13.55 Acres	2.66 Acres
Dwelling Units (d.u.)	82 Lots	39 Lots	36 Lots	137 TH	39 Lots	15 Lots
Density (d.u./Acre)	5.15	2.32	4.13	11.17	2.88	5.64
Sale Price \$/Acre		\$110,119	\$103,164	\$248,574	\$206,642	\$255,188
Sale Price \$/Unit		\$47,436	\$25,000	\$22,263	\$71,795	\$39,933
Sale Date	2/2014 eff.	12/2012	8/2012	10/2013	6/2013	Current
Adjustments:						
Time		--	--	--	--	--
Financing/Terms		--	--	--	--	--
Motivation		--	--	--	--	- 20%
Adjusted \$/Unit		\$47,436	\$25,000	\$22,263	\$71,795	\$31,946
Location		- 10%	- 10%	- 10%	- 10%	=
Access/Exposure		=	=	=	=	=
Size		- 5%	- 5%	+ 5%	- 5%	- 10%
Topography		=	+ 10%	=	=	- 5%
Retention		=	=	- 10%	=	=
Amenities		=	+ 35%	+ 40%	=	+ 20%
Zoning & Density		=, - 10%	- 10%, =	=, + 20%	- 30%, - 10%	=, =
Utilities		=	=	=	=	=
Net Adjustment		- 25%	+ 20%	+ 45%	- 55%	+ 5%
Final Adjusted \$/Unit		\$35,577	\$30,000	\$32,281	\$32,308	\$33,543

Indicated Residential Land Value 82 Lots x \$33,000/Blank Lot = \$2,706,000
Rounded to = \$2,700,000

ADJUSTMENTS AND COMPARISONS

The previously described comparables have been used to ascertain the land value of the subject site as of the date of valuation. Since each of the sales differs somewhat from the subject property, we made adjustments to make the sales as similar to the subject site as possible. To determine the appropriate adjustments for the sales, we have prepared a paired sales analysis whenever possible and applied the indicated adjustment to the differences in the sales compared to the subject site. When paired sales were not available, we used our experience and judgment in estimating appropriate quantitative adjustments for qualitative differences between the sales and the subject. Minor yet significant differences generally require 5% to 10% adjustments. Differences that have a major impact on sale price may require adjustments of 20% or more.

Market Conditions

Sometimes called a time adjustment, this category addresses changes in land value due to market conditions between the date of sale and the date of valuation. The comparable residential land sales occurred during the past 18 months. As the “close-in” inventory of finished vacant lots is built upon, builders are slowly beginning to purchase land to develop new residential subdivisions. Although the broader economy continues to slowly improve, the new home market flattened in

LAND SALES COMPARISON APPROACH – RESIDENTIAL LAND USE (CONT'D)

2H2013 because of an increase in mortgage interest rates. Consumer confidence is still a bit fragile, because the increase in employment has generally been low wage, part time jobs at the expense of full-time jobs with full benefits. This is also reflected in the minimal year-over-year increase in the Orlando MSA's labor force: slow in-migration does not bode well for new residential construction. Hence, these sales are all reflective of current market conditions, and no adjustment was required for time/market conditions.

Financing

All sales were cash to seller, or cash equivalent. No adjustments for financing terms were required.

Motivation/Conditions of Sale

All sales were arm's length, negotiated transactions and required no motivation adjustments. We have adjusted **Land Listing No. 5's** asking price downward 20% for future negotiations leading to an eventual sale price. Because of its lakefront amenity, we believe that the subject's Residential Land Use component has near term development potential. All of these sales were purchased for near term development, which is generally consistent with the subject's highest and best use, requiring no adjustment.

After adjusting for the above items, these land sales reflected a range from \$22,263 to \$47,436 per developable "blank lot". The remaining adjustments are for physical and locational differences between sales.

Location

The subject property (in this context comprising only the 15.91 acres of Residential Land Use) and **Land Listing No. 5** are located in a lower-middle income mostly residential suburban area on the south edge of Eatonville and north edge of Winter Park. **Land Sales No. 1 and 4** are in a middle-income residential area of Seminole County just north of Winter Park/Goldenrod and south of Winter Springs. They have slightly more households at a somewhat higher median household income in a 1.5 mile radius, compared to the subject. We have adjusted these two sales downward 10% for superior location. **Land Sale No. 2** is in an upper-middle income mixed use residential area near the Oviedo Mall, and shares its access driveway with an office building next door. It has fewer households in a 1.5 mile radius, but at significantly higher median household income, compared to the subject. We have adjusted this sale net downward 10% for its superior location. **Land Sale No. 3** is in a middle to upper-middle income mixed use residential area of Oviedo. It has fewer households in a 1.5 mile radius, but at a higher median household income, compared to the subject. We have adjusted this sale net downward 10% for its superior location.

Access/Exposure

Part of the subject property (residential) fronts Wymore Road; most of its residential area is off Wymore Road. We note that the ultimate buyer/developer of the larger subject property will need to develop interior access roads, including access off Wymore Road to the residential area north of Lake Wilderness. Wymore Road is a local collector road with some traffic, which will afford good exposure for signage once the subject is subdivided. We perceive that a privacy wall will likely be necessary along Wymore Road, to mitigate traffic noise. Privacy walls are common for residential subdivisions along their primary road frontage. **Land Sales No. 1, 3 and 4** also have frontage on collector roads with similar traffic counts and exposure, requiring no adjustment. **Land Sale No. 2 and Listing No. 5** are on quiet side roads, which is not a detriment for residential subdivisions, requiring no net access/exposure adjustment.

Size

Adjustments for size are based on the observation that, all things being equal, unit value decreases as size increases and vice versa. Smaller properties are affordable by more people, who tend to bid up

LAND SALES COMPARISON APPROACH – RESIDENTIAL LAND USE (CONT'D)

their prices; larger properties can involve phased construction and/or multiple users and longer carrying costs. Our best guess is that the subject's Residential Land Use area can be developed with approximately 82 lots, which represents two phases or product types (i.e., smaller lots north of Lake Wilderness plus larger lots on the west side of Lake Wilderness). **Land Sales No. 1, 2 and 5** are smaller projects, to be developed with single phase subdivisions of 36-39 lots, requiring a downward 5% adjustment to their sale prices per dwelling unit. **Land Listing No. 5** is much smaller, with a likely yield of 15 lots, requiring a downward 10% adjustment to its asking price per dwelling unit. **Land Sale No. 3** is a 137 lot townhome project, which is significantly larger than the subject, requiring an upward 5% adjustments to its sale price per unit.

Topography

The subject property (Residential Land Use) is generally level and at road grade and lightly wooded. It will require a typical amount of clearing and site work. **Land Sales No. 1, 3 and 4** are also generally level and partially wooded or with minor improvements to be removed, requiring typical site work and hence, no adjustment. **Land Sale No. 2** is wooded and required an overly large excavated retention pond in order to provide sufficient fill dirt to level the site and fill a small pond. We have adjusted this sale upward 10% for its inferior topography, compared to the subject. **Land Listing No. 5** is a cleared, level site at road grade. We have adjusted this sale downward 5% for its superior topography, compared to the subject.

Retention

The subject and all but one of the sales must provide on-site retention. We have adjusted **Land Sale No. 3** downward 10% for its off-site master retention, which increases its effective usable area compared to properties requiring on-site retention.

Amenities

The subject (Residential Land Use) fronts the west and north sides of Lake Wilderness, a 20 acre water body which appears large enough to be ski-able. The strip along Wymore Road can be independently developed with about a dozen lakefront lots, with a Winter Park address. We perceive that perhaps 20% to 30% of the subject's future lots will benefit from direct lake frontage. In addition, the subject property benefits from the pre-existing tennis court amenity on Area E, as well as adjoining the jurisdictional wetlands/conservation area fronting Lake Bell, which would make a nice passive lakefront community park amenity. **Land Sales No. 1 and 4** have a similar degree of water frontage on Garden Lake, which is very similar in size to Lake Wilderness, requiring no adjustment. **Land Listing No. 5** has a small amount of frontage on Lake Bell, which may provide a nice community dock, but yield relatively few lakefront lots. We have adjusted this comparable upward 20% for its inferior amenity feature. **Land Sale No. 3** has no amenity feature, for which we have adjusted upward 40%. **Land Sale No. 2** has a minor amenity in its adjoining wooded wetland/conservation area, for which we have adjusted upward 35%, compared to the subject.

Zoning and Residential Density

For analysis and valuation purposes, we have forecast 82 "blank" total developable lots for the 15.91 acres of Residential Land Use, which reflects an effective overall density of 5.15 lots per upland acre. Properties with more lots per acre (hence smaller lots) generally sell for less dollars per lot than properties with less lots per acre (hence larger lots). **Land Listing No. 5** has a similar likely density of 5.64 lots per acre and no permitting or site plan approvals in place, similar to the subject, requiring no adjustment. **Land Sale No. 1** similarly had no approvals in place, but will be developed to a (superior) lower density of 2.32 lots per acre, for which we have adjusted its sale price per lot downward 10%. **Land Sale No. 4** will also be developed to a (superior) lower density of 2.88 lots per acre, requiring a downward 10% adjustment to its sale price per lot. It was sold with all permits and site plan approvals in place, requiring an incremental 30% downward adjustment, compared to

LAND SALES COMPARISON APPROACH – RESIDENTIAL LAND USE (CONT'D)

the subject. **Land Sale No. 2** will be developed to 4.13 lots per acre, which is similar in density to the subject; however, it had partial approvals in place, requiring a 10% downward adjustment to its sale price per lot. **Land Sale No. 3** had no approvals in place at time of sale, similar to the subject; however, it is to be developed to a far (inferior) higher density of 11.17 townhome lots per acre, requiring an upward 20% adjustment to its sale price per dwelling unit.

Utilities

The subject property has public water and sewer service available to the site. All of the comparable sales and listing have public water and sewer service to the site, requiring no adjustment.

Reconciliation of Land Sales and Residential Land Use Value Conclusion

The five comparables indicate a land value for the subject, as adjusted, ranging from \$30,000 to \$35,577 per “blank lot”. The five comparables average \$32,742 per lot and have a median of \$32,308 per lot, as adjusted.

Most weight was placed on **Land Sale No. 1** because it required the fewest adjustments. Less weight was placed on **Land Listing No. 5** because it is not a closed sale; however, its price, as adjusted, does support our value conclusion. The other three comparable sales required numerous and sometimes large adjustments, but were also supportive of our value conclusion, as adjusted.

Based on the above analysis, we have concluded a land value of **\$33,000 per “blank lot”**. Multiplying by the subject’s forecast 82 developable lots indicates a market value of \$2,706,000, rounded to **\$2,700,000**, as of February 10, 2014, **assuming the hypothetical land use plan**.

This market value conclusion indicates \$169,705 per acre for the subject’s 15.91 acre Residential Land Use component.

Commercial Land Use

Based on the stipulated assumed hypothetical land use plan, the Commercial Land Use area contains 24.83 acres. It is on the signalized intersection of two collector roads, with approximately 600’ frontage on the south side of East Kennedy Boulevard; 1,601.07’ frontage on the east side of Wymore Road; and up to 645’ depth (east/west) from Wymore Road. This area benefits from Interstate 4’s high-traffic exposure across Wymore Road.

We have researched Orange and Seminole Counties for recent sales of comparable commercial land intended for retail and office use. A detailed summary of the most similar and recent land sales follow along with a location map indicating proximity to the subject.

We are also aware of a March 2013 sale of a site on East Kennedy Boulevard directly across the street from the subject property. This 43,050 square foot (0.99 acre) site was purchased by Family Dollar Stores of Florida for \$295,000 (O.R. Book 10539/2995). At the time of sale, the property was mostly cleared, level and slightly above road grade. It has 287.15’ frontage on East Kennedy Boulevard and 150’ depth/frontage on two side roads (Gabriel Street and Johnson Street). The property has subsequently been developed with a Family Dollar store. Because of its small size, this transaction is not considered directly comparable to the vastly larger 24.83 acre subject property. Its sale price of \$6.85 per square foot may be useful in pricing small, end-user sites along Kennedy Boulevard with site depths of around 200’.

LAND SALE NO. 6

LOCATION DATA

Record Number: 32
Property Name: North Point Office/Hotel Tract
Address: 3658 Lake Emma Road
Lake Mary, Seminole County
FL 32746
Long/Lat: W81.361270, N28.751557
Location: NW/C Lake Emma Road &
Greenwood Blvd. backing up
to Interstate 4.
Tax Parcel No.: 18-20-30-300-0120-
0000, -012A-0000 and -012B-
0000



SALES DATA

Sale Date: December 31, 2013
Days on Market: 5 years
Sale Price: \$4,500,000
Grantor : Duke Realty Limited Partnership
Grantee: North Point LM, LLC
OR Book / Page: 8194/1
Financing: Cash to seller; \$2,287,500 financed by State Bank & Trust with a two-year note
Verification: Public Records and Nan McCormick, CCIM, listing broker with CBRE 407-839-3108 by Frank Schieber February 21, 2014.
Three Year History: No prior transactions noted in prior three years.

SITE DATA

Gross Acres: 22.500 **Gross SF:** 980,100
Usable Acres: All Usable
Primary Frontage: 831' Lake Emma Road (12,100 vehicles/day)
Secondary Frontage: 1,169' Greenwood Boulevard
Amenity Frontage: 1,175' on Interstate 4 off-ramp
Access / Exposure: Median Divided collector road, and internal road of business park/Backs up Interstate 4 off-ramp
Property Class: General Commercial, Office Mixed Use
Zoning: M-1A, Office and Light Industrial
Land Use: Commercial, Lake Mary
Utilities: All available
Topography: Generally level to gently rolling, wooded and at road grade
Average Depth: Irregular
Retention: On-site required
Description: The west 3.5 acres of this property backs up to Interstate 4 and is 317' to 450' deep. The balance is typically about 700' deep (north-south) along Greenwood Boulevard.

ANALYSIS

Price / Gross Acre: \$200,000 **Price / Gross SF:** \$4.59

COMMENTS

This property has entitlements for up to 133 hotel rooms and 411,866 square feet of office, but no approved site plan.

LAND SALE NO. 7

LOCATION DATA

Record Number: 31
Property Name: Walmart – Columbia Street
Address: 1101 S Goldwyn Ave
Orlando, Orange County
FL 32805
Long/Lat: W81.416910, N28.527688
Location: NWQ John Young Parkway
and Columbia Street.
Tax Parcel No.: 33-22-29-3714-02-000



SALES DATA

Sale Date: September 11, 2012
Sale Price: \$2,250,000
Grantor: Greater New Hope Missionary Baptist Church, Inc.
Grantee: Walmart Stores East, LP
OR Book/Page: 10441/1876
Financing: Cash
Verification: Public Records and Allen Wiggins for Grantor 407-291-4673 by Frank Schieber February 21, 2014. CoStar confirmed with seller at time of sale.
Three Year History: No other arm's length transactions noted in prior three years.

SITE DATA

Gross Acres:	7.592	Gross SF:	330,708
Usable Acres:	All Usable		
Primary Frontage:	383' John Young Parkway (35,500 vehicles/day)		
Secondary Frontage:	49' Columbia Street (15,500 vehicles/day)		
	420' Goldwyn Avenue (6,300 vehicles/day)		
Access/Exposure:	Multiple Street Access/Median Divided Highway		
Property Class:	Retail, Big Box Retail Site PUD		
Zoning:	Hope Campus PD		
Land Use:	Community Activity Center, City of Orlando		
Utilities:	All available		
Topography:	Cleared, however, buyer relocated existing pond (see comments)		
Average Depth:	864 feet		
Retention:	On-site required		
Description:	This property was underutilized as master retention for the adjoining church. The buyer relocated the master retention to Tract A at the rear (northwest corner) of the site, and used the excavation of Tract A to fill and level the site.		

ANALYSIS

Price/Gross Acre:	\$296,365	Price/Gross SF:	\$6.80
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COMMENTS

After relocating the existing pond, the buyer built a 41,178 square foot Walmart Neighborhood Market on the newly-filled 5.46 acres fronting John Young Parkway.

LAND SALE NO. 8

LOCATION DATA

Record Number: 44
Property Name: Walmart Supercenter Site
Address: Aloma Avenue
Oviedo, Seminole County
FL 32765
Long/Lat: W81.425910, N28.388660
Location: SWC of Aloma Avenue and
Central Florida GreeneWay.
Tax Parcel No.: 31-21-31-517-0000-0030 and -
0040



SALES DATA

Sale Date: April 06, 2011
Sale Price: \$4,825,000
Adjusted Sale Price: \$3,625,000 Net of Site
Improvements Cost New
Grantor : Continental 170 Fund, LLC
Grantee: Walmart Stores East, LP
OR Book / Page: 7554/1480
Conditions of Sale: Market Typical.
Financing: Cash to Seller
Verification: Public Records and Patrick Rinka, deed preparer by Erica Ernst.
Three Year History: No other arm's length transactions noted in Public Records.

SITE DATA

Gross Acres: 9.682 **Gross SF:** 421,748
Usable Acres: All usable
Primary Frontage: 421' Deep Lake Road
Secondary Frontage: 164' Aloma Avenue (45,000 vehicles/day)
Amenity Frontage: 717' backs up to Central Florida GreeneWay (SR 417)
Access / Exposure: Two-lane side road off Aloma Ave., just west of SR 417 interchange/Signage on signalized
corner of median divided thoroughfare
Property Class: Commercial Land, Big Box Retail Site PUD
Zoning: PUD, Seminole County
Land Use: Higher Intensity Planned Development - Transitional, Seminole Co.
Utilities: All
Topography: Level and at road grade
Average Depth: 750 feet
Retention: On-site
Description: This is a developed site, with paved parking, lighting, storm water drainage and underground
utilities already in place.

ANALYSIS

Price / Gross Acre:	\$498,347	Price / Gross SF:	\$11.44
Adj. Price / Gross Acre:	\$374,406	Adj. Price / Gross SF:	\$8.60

COMMENTS

This parcel is part of an existing shopping center, located between a Kohl's Department Store and two out parcels fronting Aloma Avenue. The site was purchased for development of a Walmart Supercenter containing about 100,000 square feet. In order to accommodate the Wal-Mart footprint, the existing on-site retention was relocated from the back (along SR 417) to non-buildable Lot 3, which fronts Aloma Avenue, at the cost of the buyer. The seller indicated that the existing site improvements cost new was about \$1,200,000.

LAND SALE NO. 9

LOCATION DATA

Record Number: 33
Property Name: Walmart – Baldwin Park 436
Address: Semoran Boulevard
Orlando, Orange County
FL 32807
Long/Lat: W81.309181, N28.576231
Location: NE/C Semoran Blvd. (SR 436)
at Auvers Blvd/Baldwin Park
Street intersection.
Tax Parcel No.: 15-22-30-8981-01-000

SALES DATA

Sale Date: December 23, 2011
Sale Price: \$3,500,000
Grantor : AC Four, LLC
Grantee: Walmart Stores East, LP
OR Book/Page: 10311/6518
Financing: Cash
Verification: Public Records and Robert
Langford for Grantor by John
Preston
Three Year History: No prior transactions noted
preceding three years



SITE DATA

Gross Acres:	7.740	Gross SF:	337,154
Usable Acres:	All usable		
Primary Frontage:	573' Semoran Blvd. (43,000 vehicles/day)		
Access/Exposure:	Signalized intersection at its southwest corner/Median divided, six-lane arterial highway		
Property Class:	Retail, Big Box Retail Site Commercial		
Zoning:	PD, Planned Development		
Land Use:	PD-C, Planned Development - Commercial, Orange Co.		
Utilities:	All available		
Topography:	Cleared, level and about road grade		
Average Depth:	695 feet		
Retention:	On-site required		
Description:	This property was demucked, filled and graded to about road grade in 2006 as a potential shopping center site. Access to Auvers Boulevard and its existing traffic signal will require an oversized culvert or bridge across the intervening outfall canal for Lake Corrine.		

ANALYSIS

Price/Gross Acre:	\$452,196	Price/Gross SF:	\$10.38
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COMMENTS

The PD was approved for up to 100,000 square foot community shopping center; however, the site size appears more likely suitable for a store smaller than typical Walmart supercenters.

LAND SALE NO. 10

LOCATION DATA

Record Number: 34
Property Name: Florida Hospital – Fowler Grove
Address: Winter Garden Vineland Road
Winter Garden, Orange
County, FL 34787
Long/Lat: W81.589730, N28.524435
Location: SE/C Winter Garden Vineland
Road & Fowler Grove Blvd.
Tax Parcel No.: 35-22-27-9398-01-110 and 35-
22-27-0000-00-015

SALES DATA

Sale Date: December 28, 2012
Sale Price: \$8,550,000
Grantor: Sembler Winter Garden
Partnership #1 LTD
Grantee: Adventist Health System/
Sunbelt, Inc.
OR Book / Page: 10496/6858
Financing: Cash to Seller
Verification: Public Records and Jody Barry for Grantee by Angie Brown May 07, 2013.
Three Year History: No prior transactions; the site had been listed for a few years with the most recent listing price of \$10,500,000



SITE DATA

Gross Acres: 24.430 **Gross SF:** 1,064,171
Usable Acres: All usable
Primary Frontage: 1,100' Winter Garden-Vineland Road (26,500 vehicles/day)
Secondary Frontage: 1,200' Fowler Grove Blvd.
1,230' Sembler Way
Access / Exposure: Multiple Road Access/Median-divided collector; behind stores fronting Daniels Road
Property Class: General Commercial, Mixed Use Commercial
Zoning: PCD, Planned Commercial Development
Land Use: Beltway Center within Fowler Grove Regional Retail Activity Center
Utilities: All available
Topography: Cleared, some site work required to level it out
Average Depth: Irregular
Retention: Offsite Available
Description: The verifying source stated they are negotiating to "move the retention pond from the [adjoining] POA property to a second parcel they closed on four days prior to this sale", which is located on the south side of Winter Garden-Vineland Road. They expect to gain fee ownership of the POA property as part of the deal.

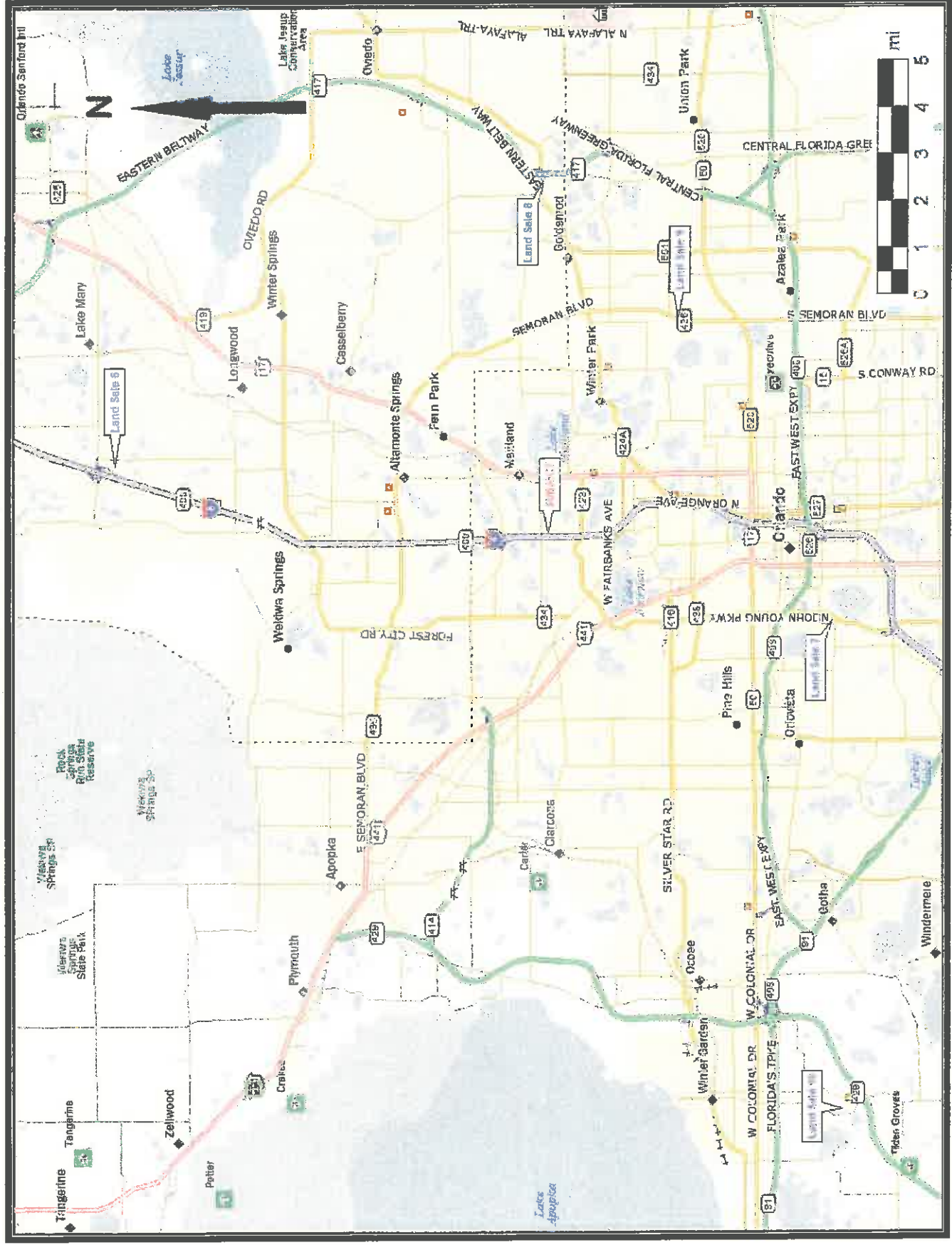
ANALYSIS

Price / Gross Acre: \$349,980 **Price / Gross SF:** \$8.03

COMMENTS

The property had previously been proposed for and entitled by zoning for development with up to 350 multi-family dwelling units. Prior to the closing, the PCD was amended to allow for the development of a hospital. The Florida Hospital (grantee) proposes to build a healthcare facility in stages over a period of several years beginning with a 25,000 square foot emergency department with a helicopter pad. The overall plan includes a seven-story medical center including 200 beds if approved by the state.

COMPARABLE COMMERCIAL LAND SALES



LAND SALES COMPARISON APPROACH – COMMERCIAL LAND USE (CONT'D)

Commercial Land Use (24.83 Acres)

We have compared these sales to the subject on the basis of price per square foot. Below is an analysis and discussion as to the comparability of each sale relative to the subject.

Commercial Land Use	Subject	Land Sale No. 6	Land Sale No. 7	Land Sale No. 8	Land Sale No. 9	Land Sale No. 10
Location	SE/C Wymore Rd. & Kennedy Blvd., Eatonville	NW/C Lake Emma Rd. & Greenwood Blvd., Lake Mary	NW/Q John Young Pkwy. & Columbia St., Orlando	SE/Q Aloma Ave. & Deep Lake Rd., Oviedo	NE/C Semoran Blvd. & Baldwin Park St., Orlando	SE/C Winter Garden-Vineland Rd. & Fowler Grove Blvd., Winter Garden
Sale Price		\$4,500,000	\$2,250,000	\$4,825,000	\$3,500,000	\$8,550,000
Size	24.83 Acres	22.50 Acres	7.592 Acres	9.682 Acres	7.74 Acres	24.43 Acres
Sale Price \$/SF		\$4.59	\$6.80	\$11.44	\$10.38	\$8.03
Average Depth	645'	Irregular	864'	750'	695'	Irregular
Sale Date	2/2014 eff	12/2013	9/2012	4/2011	12/2011	12/2012
Adjustments:						
Time		=	=	=	=	=
Financing		--	--	--	--	--
Motivation/Terms		--	--	- 20%	--	--
Adjusted \$/SF		\$4.59	\$6.80	\$9.15	\$10.38	\$8.03
Location		- 20%	+ 10%	- 15%	- 10%	- 20%
Access		+ 10%	- 10%	- 10%	- 5%	+ 10%
Exposure		+ 10%	+ 15%	+ 10%	+ 15%	+ 15%
Size		=	- 10%	- 10%	- 10%	=
Depth/Shape	645'	=	=	=	=	=
Topography		+ 5%	+ 10%	=	=	Negligible
Retention	On-site	=	=	=	=	- 10%
Zoning		=	=	=	=	=
Utilities		=	=	=	=	=
Net Adjustment		+ 5%	+ 15%	- 25%	- 10%	- 5%
Final Adjusted \$/SF		\$4.82	\$7.82	\$6.86	\$9.34	\$7.63

Indicated Commercial Land Value	24.83 Acres x \$7.50/SF	=	\$8,111,961
Rounded to:		=	\$8,100,000

ADJUSTMENTS AND COMPARISONS

The previously described comparables have been used to ascertain the land value of the subject site as of the date of valuation. Since each of the sales differs somewhat from the subject property, we made adjustments to make the sales as similar to the subject site as possible. To determine the appropriate adjustments for the sales, we have prepared a paired sales analysis whenever possible and applied the indicated adjustment to the differences in the sales compared to the subject site. When paired sales were not available, we used our experience and judgment in estimating appropriate quantitative adjustments for qualitative differences between the sales and the subject. Minor yet significant differences generally require 5% to 10% adjustments. Differences that have a major impact on sale price may require adjustments of 20% or more.

Market Conditions

Sometimes called a time adjustment, this category addresses changes in land value due to market conditions between the date of sale and the date of valuation. The comparable land sales used herein closed during the past three years. **Land Sale No. 1** closed in 2013, and so is very current,

LAND SALES COMPARISON APPROACH – COMMERCIAL LAND USE (CONT'D)

requiring no “time” adjustment. **Land Sales No. 7 and 10** closed in 2012; **Land Sales No. 8 and 9** closed in 2011. Although the economy and consumer confidence has slowly improved in the past few years following the Great Recession, the office market remains weak and few retailers are expanding. We perceive that marketing times are coming down (because land prices are no longer perceived to be declining); however, overall demand has not yet improved enough to be manifested in increasing commercial land prices. Accordingly, these land sales are reflective of current market conditions, requiring no “time” adjustment.

Financing

All sales were cash to seller, or cash equivalent. No adjustments for financing terms were required.

Motivation/Conditions of Sale

All sales were arm’s length, negotiated transactions and required no motivation adjustments. **Land Sale No. 8** included substantial site improvements (paved parking, storm water drainage and underground utilities) in place, for which we have adjusted downward 20%.

After adjusting for the above items, these land sales reflected a range from \$4.59 to \$10.38 per square foot. The remaining adjustments are for physical and locational differences between sales.

Location

The subject property (in this context comprising only the 24.83 acres of Commercial Land Use) is located in an upper-lower household income area surrounded by mostly lower-middle and middle income areas. **Land Sale No. 6** is located in an upper household income area surrounded by mostly middle and upper-middle income areas. It has less population in a two mile ring compared to the subject, but at far higher median household income, requiring a net downward 20% adjustment. **Land Sale No. 7** is located in a lower household income area surrounded by mostly upper-lower and lower-middle income areas. It has more population in a two mile ring compared to the subject, but at much lower median household income, requiring a net upward 10% adjustment. **Land Sale No. 8** is located in a lower-middle household income area surrounded by middle income areas. It has similar population in a two mile ring compared to the subject, but at much higher median household income, requiring a net downward 15% adjustment. **Land Sale No. 9** is located in an upper-lower household income area surrounded by a mix of lower-middle and upper-middle income areas. It has significantly more population in a two mile ring compared to the subject, but at similar median household income, requiring a net downward 10% adjustment. **Land Sale No. 10** is located in a lower-upper household income area surrounded by upper-middle income areas. It has less population in a two mile ring compared to the subject, but at far higher median household income, requiring a net downward 20% adjustment.

Access

The subject property fronts on the signalized corner of two neighborhood collector roads, each with traffic counts averaging around 10,000 vehicles per day. It is also between two interstate interchanges, and less than one mile from each. **Land Sale No. 6** fronts on Lake Emma Road, which has similar traffic counts (12,100 vehicles per day), but most of its frontage is along Greenwood Boulevard, a quiet internal road for this sale’s business park. The property wraps the signalized corner of these two roads, and is also located about one-half mile from an interstate interchange. We have adjusted **Land Sale No. 6** net upward 10% for its somewhat inferior access. **Land Sale No. 7** has access from four roads, with its primary frontage on highway John Young Parkway (35,500 vehicles per day) and secondary access from Columbia Street (15,500 vehicles per day). We have adjusted this sale downward 10% for its superior access. Although actually located on a side road, **Land Sale No. 8** has non-access frontage on and signage on a signalized corner of Aloma Avenue (45,000 vehicles per day). It is also located at an interchange of the State Road 417 “beltway”. We have adjusted this sale net downward 10% for its superior access. **Land Sale No. 9**

LAND SALES COMPARISON APPROACH – COMMERCIAL LAND USE (CONT'D)

is at the signalized corner of highway Semoran Boulevard (43,000 vehicles per day) and collector road Baldwin Park Street. We have adjusted downward net 5% for its slightly superior access compared to the subject. **Land Sale No. 10** has three road frontage with its primary access from Winter Garden-Vineland Road (26,500 vehicles per day). It is also located about one-half mile from an interstate (actually “western beltway”) interchange. We have adjusted **Land Sale No. 10** net upward 10% for its somewhat inferior access, compared to the subject.

Exposure

The subject property enjoys extensive high-profile exposure to heavy Interstate 4 traffic across Wymore Road. **Land Sale No. 6** backs up to an Interstate 4 off-ramp but is much further removed from Interstate 4’s traffic lanes, requiring an upward 10% adjustment for its inferior exposure. **Land Sale No. 8** backs up to an on-ramp for State Road 417, which is a limited access toll road with significant traffic, but much less traffic than Interstate 4. We have adjusted this sale upward 10% for its inferior exposure. **Land Sales No. 7, 9 and 10** have no interstate exposure amenity, for which we have adjusted upward 15%, compared to the subject.

Size

Adjustments for size are based on the observation that, all things being equal, unit value decreases as size increases and vice versa. Smaller properties are affordable by more people, who tend to bid up their prices; larger properties can involve phased construction and longer carrying costs. The subject (Commercial Land Use) contains approximately 24.83 acres. **Land Sales No. 7 and 10** are considered similar in size, at 22.50 and 24.43 acres, requiring no size adjustment to their sale prices per square foot. **Land Sales No. 7, 8 and 9** are significantly smaller, at 7.74 to 9.682 acres, for which we have adjusted their sale prices per square foot downward 10%.

Depth/Shape

Adjustments for depth are based on the observation that land closer to the highway has greater exposure and thus is more valuable than backland. We have observed that retail commercial sites are typically 200’ to 300’ deep, and that the influence of highway exposure (hence contributory value) diminishes rapidly beyond 250’ to 300’ economic depth. The subject (Commercial Land Use) is rectangular with about 645’ depth from its principal frontage along Wymore Road. All of the sales are similarly relatively deep commercial sites; none have shapes so irregular as to adversely affect the configuration of their eventual development potential. Accordingly, no adjustments were considered necessary for differences in depth/shape.

Topography

The subject property is generally cleared, level and at road grade. **Land Sales No. 8 and 9** are similarly cleared, level and at road grade, requiring no adjustment. **Land Sale No. 6** is wooded and gently rolling, which will require some incremental site work, for which we have adjusted upward 5%. **Land Sale No. 7** was purchased with a master retention pond in the middle of the property: The buyer relocated the master retention to Tract A at the rear (northwest corner) of the site, and used the excavation of Tract A to fill and level the site. We have adjusted **Land Sale No. 7** upward 10% for its inferior topography. **Land Sale No. 10** is cleared and will require a little site work to level it out; however, the cost of fill is negligible as a percentage of value at these price points. No topography adjustment was required.

Amenities/Retention

Neither the subject nor the sales have any significant view amenity (other than interstate exposure, which has already been discussed). The subject property and all but one of the sales will require on-site retention. **Land Sale No. 10** enjoys off-site master retention, which increases the effective buildable area compared to properties which must provide on-site retention, requiring a 10% downward adjustment compared to the subject.

LAND SALES COMPARISON APPROACH – COMMERCIAL LAND USE (CONT'D)

Zoning

The subject property is in a commercial future land use which allows office and retail commercial development. **Land Sale No. 6** is suburban office land with some possible hotel sites; **Land Sales No. 7, 8 and 9** are intended for big-box retail uses. **Land Sale No. 10** is behind the retail stores fronting Daniels Road near the Winter Garden Village at Fowler Groves regional shopping center; accordingly, it has more office potential and less retail potential (it was purchased for a new hospital). All of the comparables have generally similar zoning/future land use, compared to the subject, requiring no adjustment.

Utilities

The subject property has public water and sewer service available. All of the sales have public water and sewer service, requiring no adjustment.

Reconciliation of Land Sales and Commercial Land Use Value Conclusion

The five comparables indicate a land value for the subject, as adjusted, ranging from \$4.82 to \$9.34 per square foot. The comparables average \$7.29 per square foot and have a median of \$7.63 per square foot, as adjusted.

All of the comparables required multiple adjustments. No one sale is considered more compelling than the others. Placing approximately equal weight on all the comparables, based on the above analysis, we have concluded a land value of **\$7.50 per square foot**. Multiplying by the subject's 24.83 acres indicates a fee simple land value of \$8,111,961, rounded to **\$8,100,000** as of February 10, 2014, **assuming the hypothetical land use plan**.

This market value conclusion indicates \$326,218 per acre for the subject's 24.83 acre Commercial Land Use component.

Cultural/Educational Land Use

Based on the stipulated assumed hypothetical land use plan, the Cultural/Educational Land Use area contains approximately 18.42 acres. Its 16.67 acre main portion (net of the 0.12 acre Chapel "out parcel") has approximately 500' frontage on the south side of East Kennedy Boulevard; about 1,020' depth (north-south) to the north edge of the Hungerford Elementary School parcel; and 814' of frontage on the west side of College Avenue. This area contains all of the former High School structures. Non-contiguous Area E contributes 1.75 acres of uplands and has 172.13' on the south side of Ruffel Street. It is sandwiched between the Elementary School on the west and the Denton Johnson Community Center on the east. This site has been improved since 2005 with two tennis courts in use by the adjoining Denton Johnson Community Center.

Based on the stipulated assumed hypothetical land use plan, the Cultural/Educational Land Use area is intended to be an expanded DC/HO Downtown Cultural/Historical Overlay district with a General Commercial underlying zoning/future land use. The purpose of the Downtown Cultural/Historical Overlay District is to promote a historically unified theme for development and redevelopment in the downtown central business district that is consistent and compatible with the Town's designation as a historic site on the National Historic Register. Its allowable uses are somewhat more restrictive than other C-3 General Commercial areas.

Because of its assumed commercial underlying future land use, we have used the same commercial land sales as above, reanalyzing them for the particular attributes of the 18.42 acre Cultural/Educational Land Use area.

LAND SALES COMPARISON APPROACH – CULTURAL LAND USE (CONT'D)

Cultural/Educational Land Use (18.42 Acres)

We have compared these sales to the subject on the basis of price per square foot. Below is an analysis and discussion as to the comparability of each sale relative to the subject.

Cultural/Educational Land Use	Subject	Land Sale No. 6	Land Sale No. 7	Land Sale No. 8	Land Sale No. 9	Land Sale No. 10
Location	SE/C Wymore Rd & Kennedy Blvd., Eatonville	NW/C Lake Emma Rd & Greenwood Blvd., Lake Mary	NW/Q John Young Pkwy. & Columbia St, Orlando	SE/Q Aloma Ave. & Deep Lake Rd, Oviedo	NE/C Semoran Blvd. & Baldwin Park St, Orlando	SE/C Winter Garden-Vineland Rd & Fowler Grove Blvd., Winter Garden
Sale Price		\$4,500,000	\$2,250,000	\$4,825,000	\$3,500,000	\$8,550,000
Size	18.42 Acres	22.50 Acres	7.592 Acres	9.682 Acres	7.74 Acres	24.43 Acres
Sale Price \$/SF		\$4.59	\$6.80	\$11.44	\$10.38	\$8.03
Average Depth	1,020'	Irregular	864'	750'	695'	Irregular
Sale Date	2/2014 eff	12/2013	9/2012	4/2011	12/2011	12/2012
Adjustments:						
Time		=	=	=	=	=
Financing		--	--	--	--	--
Motivation/Terms		--	--	- 20%	--	--
Adjusted \$/SF		\$4.59	\$6.80	\$9.15	\$10.38	\$8.03
Location		- 20%	+ 10%	- 15%	- 10%	- 20%
Access		- 5%	- 25%	- 25%	- 20%	- 5%
Exposure		- 5%	=	- 5%	=	=
Size		=	- 10%	- 10%	- 10%	=
Depth/Shape	1,020'	=	=	=	=	=
Topography		+ 5%	+ 10%	=	=	Negligible
Retention	On-site	=	=	=	=	- 10%
Zoning		- 5%	- 5%	- 5%	- 5%	- 5%
Utilities		=	=	=	=	=
Net Adjustment		- 30%	- 20%	- 60%	- 45%	- 40%
Final Adjusted \$/SF		\$3.21	\$5.44	\$3.66	\$5.71	\$4.82

Indicated Cultural Land Value	18.42 Acres x \$4.50/SF	=	\$3,610,688
Rounded to:		=	\$3,600,000

ADJUSTMENTS AND COMPARISONS

The subject's Cultural/Educational Land Use area is essentially the same as its Commercial Land Use area insofar as **Market Conditions, Financing, Motivation/Terms of Sale, Location, Size, Topography, Retention** and **Utilities**. The summary chart above contains the same adjustments for these elements of comparison as previously discussed for the Commercial Land Use area. Hence, to minimize redundancy, we have not repeated our rationale for these elements of comparison.

Our discussion of adjustments for differences in regards to **Access, Exposure, Depth/Shape** and **Zoning** follows:

Access

The subject property (in this context comprising only the 18.42 acres of Cultural/Educational Land Use) fronts on the south side of East Kennedy Boulevard, a neighborhood collector road with traffic counts averaging around 10,000 vehicles per day. It also has side road frontage along College Avenue, wrapping the hard corner of their non-signalized intersection. **Land Sale No. 6** fronts on

LAND SALES COMPARISON APPROACH – CULTURAL LAND USE (CONT'D)

Lake Emma Road, which has similar traffic counts (12,100 vehicles per day), but most of its frontage is along Greenwood Boulevard, a quiet internal road for this sale's business park. The property wraps the signalized corner of these two roads, and is also located about one-half mile from an interstate interchange. We have adjusted **Land Sale No. 6** net downward 5% for its slightly superior access. **Land Sale No. 7** has access from four roads, with its primary frontage on highway John Young Parkway (35,500 vehicles per day) and secondary access from Columbia Street (15,500 vehicles per day). We have adjusted this sale downward 25% for its far superior access. Although actually located on a side road, **Land Sale No. 8** has non-access frontage on and signage on a signalized corner of Aloma Avenue (45,000 vehicles per day). It is also located at an interchange of the State Road 417 "beltway". We have adjusted this sale net downward 25% for its far superior access. **Land Sale No. 9** is at the signalized corner of highway Semoran Boulevard (43,000 vehicles per day) and collector road Baldwin Park Street. We have adjusted downward net 20% for its superior access compared to the subject. **Land Sale No. 10** has three road frontage with its primary access from Winter Garden-Vineland Road (26,500 vehicles per day). It is also located about one-half mile from an interstate (actually "western beltway") interchange. We have adjusted **Land Sale No. 10** net downward 5% for its slightly superior access, compared to the subject.

Exposure

The subject property (Cultural/Educational Land Use area) does not benefit from high-profile exposure to heavy Interstate 4 traffic. **Land Sales No. 7, 9 and 10** have no interstate exposure amenity, similar to the subject. **Land Sale No. 6** backs up to an I-4 off-ramp but is far removed from I-4's traffic lanes, requiring a net downward 5% adjustment for its superior exposure. **Land Sale No. 8** backs up to an on-ramp for State Road 417, which is a limited access toll road with significant traffic, but much less traffic than Interstate 4. We have adjusted this sale downward 5% for its superior exposure.

Depth/Shape

Adjustments for depth are based on the observation that land closer to the highway has greater exposure and thus is more valuable than backland. We have observed that retail commercial sites are typically 200' to 300' deep, and that the influence of highway exposure (hence contributory value) diminishes rapidly beyond 250' to 300' economic depth. The main portion of the subject (Cultural/Educational Land Use) is generally rectangular with about 1,020' depth from its principal frontage along East Kennedy Boulevard. All of the sales are similarly relatively deep commercial sites; none have shapes so irregular as to adversely affect the configuration of their eventual development potential. The subject does have a small, non-contiguous area along Ruffel Street; however, we consider this offset by the existing tennis courts, which were built and are used by the adjoining community center. Accordingly, no adjustments were considered necessary for differences in depth/shape.

Zoning

The subject property is assumed to be in a commercial future land use which allows office and retail commercial development. **Land Sale No. 6** is suburban office land with some possible hotel sites; **Land Sales No. 7, 8 and 9** are intended for big-box retail uses. **Land Sale No. 10** is behind the retail stores fronting Daniels Road near the Winter Garden Village at Fowler Groves regional shopping center; accordingly, it has more office potential and less retail potential (it was purchased for a new hospital). Although all of the comparables have generally similar commercial zoning/future land use, the subject's Downtown Cultural/Historical Overlay district is somewhat more restrictive than typical General Commercial zoning, specifically excluding drive-through businesses of any kind including restaurants, banks, pharmacies, liquor stores and convenience stores with gas stations. Since the subject's East Kennedy Boulevard frontage can still be used for retail shops, museums, etc., we have made a nominal 5% downward adjustment to all sales for the subject's slightly more restrictive Downtown Cultural/Historical Overlay zoning provisions.

LAND SALES COMPARISON APPROACH – CULTURAL LAND USE (CONT'D)

Reconciliation of Land Sales and Cultural/Educational Land Use Value Conclusion

The five comparables indicate a land value for the subject, as adjusted, ranging from \$3.21 to \$5.71 per square foot. The comparables average \$4.57 per square foot and have a median of \$4.82 per square foot, as adjusted.

All of the comparables required multiple adjustments. No one sale is considered more compelling than the others. Placing approximately equal weight on all the comparables, based on the above analysis, we have concluded a land value of **\$4.50 per square foot**. Multiplying by the subject's 18.42 acres indicates a fee simple land value of \$3,610,688, rounded to **\$3,600,000** as of February 10, 2014, **assuming the hypothetical land use plan**.

This market value conclusion indicates \$195,440 per acre for the subject's 18.42 acre Cultural/Educational Land Use component.

HIGHEST AND BEST USE

In order for a property to be at its highest and best use, it must be reasonably probable, legally permissible, physically possible, financially feasible and appropriately supported in the market place. Consideration must be given to the individual characteristics of the land such as size, shape, accessibility, location and availability of necessary utilities. Specific attention must be directed toward the legal and permissible use and any probable modifications of that use. Finally, consideration must be given to the surrounding land uses and the current and future demand for real estate.

The intended use of this appraisal is to aid the clients by **establishing Market Value of the subject property under the hypothetical conditions stipulated by a pending contract for sale/purchase between them.** The highest and best use discussion below is in the context of these mutually agreed hypothetical conditions: **Be advised that their use might have affected the assignment results.**

We have concluded that the highest and best use of the subject property, both as if vacant and as improved, is to hold for future residential and general commercial/office development, as demand dictates.

Legally Permissible

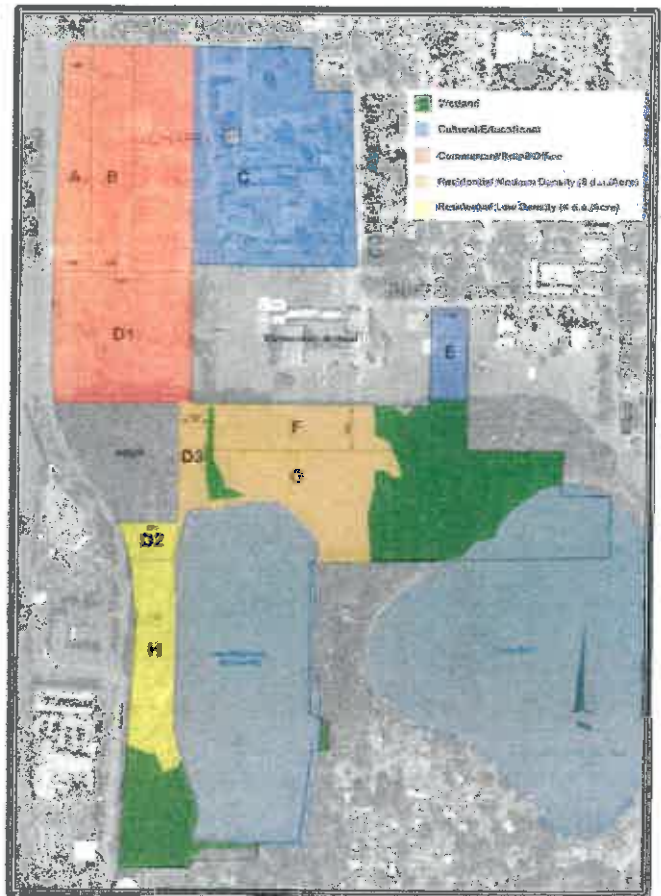
The crux of this appraisal assignment is that the appraised market value is to be **based on an assumed hypothetical land use plan.** Both the buyer (Town of Eatonville) and seller (School Board of Orange County) have concurred with our delineation of the contract's stipulated land uses, as illustrated in the sketch at right.

The subject property contains 99.24 gross acres per survey, of which 40.08 acres are in lakes or jurisdictional wetlands. This leaves 59.16 acres of upland.

The boundaries shown on our land use map/sketch resulted in the following upland distribution and approximate acreages:

24.83 Acres Commercial Land Use
18.42 Acres Cultural/Educational Land Use
15.91 Acres Residential Land Use
59.16 Acres Total Upland

We also needed to clarify what uses and performance standards are allowable in each assumed land use category. Both parties requested that allowable uses generally correspond "... to Eatonville's comprehensive plan as it relates to density, parking etc." We also recommended a couple changes, in order to enhance market acceptance of the property. With the concurrence by both buyer and seller, we have recommended and used the following:



HIGHEST AND BEST USE (CONT'D)

- **Low Density/Residential Land Use** – most of this strip is in unincorporated Orange County, zoned R-1A Single Family Residential (minimum 75' lot width and minimum 7,500 square foot lot size). The north tip of this strip is in the Town of Eatonville.
- **Medium Density/Residential Land Use** – Eatonville's zoning is R-2 Medium Density Single Family Residential (up to eight dwelling units per acre, with a minimum 50' lot width and minimum 5,000 square foot lot size).
- **Commercial Land Use** – Uses permitted correspond to the C-3 General Commercial zoning district with a High Density Mixed Office Commercial Overlay district; however, **the 0.50 minimum FAR requirement is waived.**
- **Cultural/Educational Land Use** – This appears to be intended to be an expanded DC/HO Downtown Cultural/Historical Overlay district. **We perceive and recommend that this area should have a General Commercial underlying zoning/future land use, instead of its existing Residential underlying zoning/future land use.** A commercial zoning/future land use would be more compatible with the DC/HO Downtown Cultural/Historical Overlay district specified allowable uses. The purpose of the Downtown Cultural/Historical Overlay District is to promote a historically unified theme for development and redevelopment in the downtown central business district that is consistent and compatible with the Town's designation as a historic site on the National Historic Register. Its allowable uses are somewhat more restrictive than other C-3 General Commercial areas.

The south leg of the property along Wymore Road is in an unincorporated area: It is zoned R-1A Single Family Residential within a compatible Low Density Residential Future Land Use (up to 4 dwelling units per acre) by Orange County. Since it is outside Eatonville's city limits, this portion of the property is unaffected by the assumed hypothetical land use plan.

Based on the mutual agreement of both seller (School Board of Orange County) and buyer (Town of Eatonville) as detailed herein, the stipulated land use plan is assumed to be in place for purposes of our hypothetical "As Is" market value conclusion.

Physically Possible

The north portion of the property has 1,096.14' frontage along the south side of East Kennedy Boulevard and 1,601.07' frontage along the east side of Wymore Road. The property's Wymore Road frontage is then interrupted by a five acre "out" owned by the Florida Department of Transportation for a future storm water retention pond for highway drainage, unavailable for use by the subject property. South of the FDOT parcel, the property has another 1,620.51' Wymore Road frontage; however, the south 576.12' of frontage is wetlands, leaving 1,044.39' upland road frontage. This southern leg of Wymore Road frontage (Areas D2 and H) is an upland strip typically 175' deep which backs up to the 20± acre Lake Wilderness (a former borrow pit).

The Commercial Land Use area includes Areas A, B, D1 and the west 30% of Area C. As sketched, this 24.83 acres has approximately 600' frontage on the south side of East Kennedy Boulevard; 1,601.07' frontage on the east side of Wymore Road; and up to 645' depth (east/west) from Wymore Road. This area benefits from Interstate 4's high-traffic exposure across Wymore Road. At typical site coverage ratios, this area could support an aggregate 200,000 to 270,000 square feet of mixed-use commercial and office development, with adequate on-site parking and stormwater retention.

The Cultural/Educational Land Use area includes Area E and the east 70% of Area C. As sketched, the 16.67 acre main portion (net of the 0.12 acre Chapel "out parcel") has approximately 500'

HIGHEST AND BEST USE (CONT'D)

frontage on the south side of East Kennedy Boulevard; about 1,020' depth (north/south) to the north edge of the Hungerford Elementary School parcel; and 814' of frontage on the west side of College Avenue. This area contains all of the former High School structures (to be razed). Since future cultural/educational uses (such as museums or community centers) will likely require higher public parking ratios than typical retail commercial or office buildings, this area could support on the order of 150,000 square feet of aggregate development. The chapel "out" and its 40' access easement are in this area, and can be incorporated into a community park or museum.

Non-contiguous Area E contributes 1.75 acres of uplands and has 172.13' on the south side of Ruffel Street. It is sandwiched between the Elementary School on the west and the Denton Johnson Community Center on the east. This site has been improved since 2005 with two tennis courts in use by the adjoining Denton Johnson Community Center. Its south end is improved with a dry retention pond, which overlaps onto and serves the Elementary School property. By razing the tennis courts, this area could be developed with around 15,000 square feet of improvements. Alternatively, the existing tennis courts and retention are already consistent with the assumed "cultural/educational" land use.

The Residential Land Use area includes Areas D3, F and G, which total 11.31 acres upland (Medium Density Residential); as well as Areas D2 and H, which total 4.6 acres upland (Low Density Residential).

The Low Density Residential area fronts the east side of Wymore Road and is a 175' to 280' deep (east-west) strip on Lake Wilderness. The Low Density Residential area has sufficient depth to be developed with a single-loaded (i.e., lots on one side of the road) cul-de-sac lakefront residential subdivision behind a privacy wall along Wymore Road, consistent with its existing zoning and FLU. The north tip of this area, which is in the Town of Eatonville, could be used for subdivision retention (without rezoning) and/or additional lakefront lots (with rezoning). The Low Density Residential area is large enough to be subdivided into 12 to 14 lakefront 75' lots.

The Medium Density Residential area has no direct road frontage: The ultimate buyer/developer of the subject property will need to develop interior access roads, including access from Wymore Road to the Medium Density Residential area. At the maximum allowable density of eight units per acre, this area could be developed with up to 90 townhouse or villa lots. We note that it is difficult to achieve eight units per acre with minimum 50' lots. Or, it could be designed for a mix of fewer but larger and small lots for detached single family residential homes, some of which will have premium waterfront views the length of Lake Wilderness to its south.

Reasonably Probable

The subject property is located in a mostly residential area of Eatonville in the suburbs a few miles north of downtown Orlando. The subject's Commercial Land Use area is on the signalized corner of two of Eatonville's major roads at the west end of Eatonville's town center. Traffic counts along Wymore Road in the vicinity of the property average 11,196 vehicles per day, and perceived to be "local knowledge" commuters and residents seeking to bypass busier roads. This is not a particularly strong traffic count to support potential retail commercial shops. East Kennedy Boulevard has even weaker average daily traffic of 9,139 vehicles per day.

Nevertheless, Wymore Road effectively is a frontage road along Interstate 4 for the Commercial Land Use portion of the property, offering the potential of high traffic exposure, albeit with circuitous access from the nearest interstate interchange. This combination of good exposure and indirect access is conducive for high-profile office buildings, as well as vehicle dealerships, in the subject's Commercial Land Use area. Vehicle dealerships, however, are not an allowable use under the property's zoning and overlay districts. Accordingly, we believe that a reasonably probable use

HIGHEST AND BEST USE (CONT'D)

for this part of the property would be a business park featuring a combination of office and perhaps a few quick serve restaurants benefitting from Wymore Road and Interstate 4 exposure; plus less intensive flex/office/showroom for small businesses behind (east of) the envisioned office/retail along Wymore Road. There are not many convenient eateries serving the nearby Maitland Center office parks; and Wymore Road is in an intercepting location between Maitland Center and the eateries along Lee Road. Frontage within about 500' of the signalized corner to a depth of 250' is the "prime" portion of this Commercial Land Use area, most conducive for development with quick serve restaurants with drive-thrus and modern convenience store/gas station.

The Cultural/Educational Land Use area has good frontage/exposure on (lesser travelled) East Kennedy Boulevard in Eatonville's town center; as well as supplemental side-road access via College Avenue. This area is specifically intended for cultural/historic oriented retail shops and perhaps restaurants (along the principal road frontage), to be incorporated with less intensive museum/exhibits behind (south of) the envisioned shops along Kennedy Boulevard. This area's underlying general commercial zoning and commercial land use also is conducive to community services, general and medical offices; however, convenience stores and drive-thru businesses are prohibited.

The Residential Land Use area offers the opportunity to develop two subdivisions: a medium density, middle income offering (townhome and/or detached dwelling units likely priced in the upper \$100,000s and lower \$200,000s) located off Wymore Road north of Lake Wilderness; and a small, gated subdivision with a privacy wall along Wymore Road of 75' lakefront lots along the west side of Lake Wilderness (homes likely in the low to mid-\$300,000s, with lots priced on the order of \$100,000).

Financially Feasible/Maximally Productive

There are few vacant office sites remaining – the defined neighborhood is nearly 100% built out. One large tract of remaining office land is along Maitland Boulevard, ½ mile east of Interstate 4. Another tract is in Maitland Summit, which can accommodate approximately 500,000 square feet of office space. Both have superior exposure and access proximate to existing professional office parks compared to the subject's land along Wymore Road. Nevertheless, the subject's Commercial area benefits from Interstate 4 high traffic exposure across Wymore Road. This exposure may make it more marketable to some potential users compared to less high-profile suburban office locations.

Following the bursting of the housing market bubble, office-related occupational employment has dropped significantly since peaking in 2007, locally flattening out in 2010 and 2011, and then slowly improving in 2012 and 2013. Over 5,950,000 square feet of suburban office space (20.3% of total) is presently vacant in Metro Orlando. CoStar data indicates that there are 466 office buildings aggregating 9,945,385 square feet in the subject's defined neighborhood. During the past five years, vacancy rates have languished at around 15%, down from 10% in 2006. As of the end of 4Q2013, there is 1,495,055 square feet of vacant office space in the defined neighborhood (1,542,874 square feet including available sublet space). This means that 548,000 square feet of vacant office space needs to be absorbed to achieve 90% occupancy in the subject's defined neighborhood. As perspective, at the current 2013 net absorption rate of 65,978 square feet per year, it will take 8.3 years to get back up to 90% overall occupancy of existing office space in the subject's defined neighborhood. We have observed that around 90% occupancy is necessary before market rental rates are bid up enough to support feasible new construction.

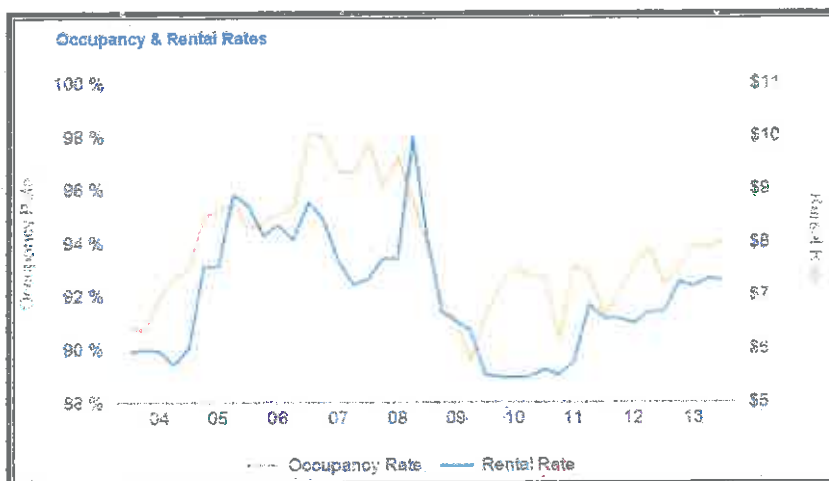
The Metro Orlando office market bottomed out in 2011 and is in a nascent recovery. Since we do not expect the recovery from the recent deep recession to be quite as robust, on average, as was the job growth during the 2000s, we forecast that it will be at least five years before the subject neighborhood's office market has recovered sufficiently to justify new construction. Existing space

HIGHEST AND BEST USE (CONT'D)

will have the advantage in terms of both availability and rental rates compared to the cost and time of building out shell space.

Rental rates and occupancy rates are both insufficient for financially feasible new office development. The only near-term exceptions we foresee to this generalization would be for owner-occupied corporate office buildings (which might relish the subject's I-4 exposure) and medical office in primary locations (such as near hospitals).

The Metro Orlando area's industrial market was the first sub-market (other than apartments) to improve in the aftermath of the Great Recession. As illustrated in the CoStar-derived chart at right, the light industrial/flex space market in the subject's defined neighborhood is back up to 94% occupancy and rental rates have been steadily increasing for the past two years. Net absorption was essentially flat in 2013



(because it is effectively at stabilized occupancy); and rental rates in this property type are approaching financial feasibility. Light industrial/flex space would be a "good fit" for the non-Wymore Road frontage portions of the subject's Commercial Land Use component.

Similarly, the rear (non-Kennedy Boulevard frontage) portion of the subject's Cultural/Educational Land Use component would be suitable for flex-type development. Future development of the desired museum/educational facilities will likely require public/private partnership arrangements. Its commercial frontage along Kennedy Boulevard is in Eatonville's town center. Because it does not have the same degree of exposure as does the commercial frontage nearest the Wymore Road/Kennedy Boulevard intersection, the Cultural/Educational Land Use frontage will attract lower intensity retail end-users, as typified by the new Family Dollar store.

The Metro Orlando residential new home market is also slowly improving from historic lows. Orange County residential starts and closings are most prevalent in the \$250,000 to \$300,000 price range; second most prevalent in the \$150,000 to \$200,000 price range. Orange County residential starts are most prevalent on lots 50'-54' or smaller, representing relatively strong demand for smaller home lots and townhomes.

The subject's defined neighborhood is nearly built-out of its residential land, and has only a couple currently active new home subdivisions. Forestwood Place (located off of Forest City Road south of Maitland Boulevard) is the only single-family subdivision in the defined neighborhood with any new home activity in the past 12 months. It sold out in 2Q2013. It featured 1,454 to 3,104 square foot homes priced \$179,900 to \$239,900, respectively. Likewise, Maitland Village (located on Fennell Street off Keller Road) is the only townhome subdivision in the defined neighborhood with any new home activity in the past 12 months. It features three- and four-bedroom/two and one half bath townhomes from 2,224 to 2,740 square feet priced \$249,000 to \$310,000, respectively. Both subdivisions are located in the middle income northwest portion of the defined neighborhood. Both subdivisions raised prices in mid-2013 in response to increased demand due to low mortgage interest

HIGHEST AND BEST USE (CONT'D)

rates. Mortgage interest rates increased by some 70 basis points in June 2013, slowing housing demand in 2H2013.

The subject property is in a lower-middle income area with predominately middle to upper-middle income areas to the north. Accordingly, its future Residential/Medium Density development should target middle to lower-middle income homeowners. The Residential/Low Density strip along the west side of Lake Wilderness can be independently developed with larger, upper-middle to upper income priced lakefront home sites and optionally annexed into the city of Winter Park.

Because of the relatively small (potential number of lots) size and lakefront amenities, development of the subject's two Residential Land Use components is likely to occur before its commercial/office and cultural/educational components.

Conclusion – As If Vacant

Although economic conditions are slowly improving, there is sustained weakness in the recovery of the local professional office market. The local housing market will continue to improve as long as employment and consumer confidence enable it to improve.

We have concluded that the highest and best use of this redevelopment site is to hold for future residential and general commercial/office development, as demand dictates.

Highest and Best Use – As Improved

The existing building and site improvements are obsolete, at the end of their useful lives, and are inconsistent with the highest and best use of the underlying land.

Conclusion – As Improved

The now-closed high school improvements and athletic fields will need to be removed in order to redevelop the property to its highest and best use. Their removal will also substantially reduce the property's overall assessed value, resulting in significant real estate carry cost savings to subsequent non-institutional and non-governmental owners.

Beneficial improvements (not to be removed) include the relatively new tennis courts serving the boys and girls club on Ruffel Street; and the existing lift station at the south end of the high school, which may be able to serve future development of the property. The historically significant chapel "out" and its 40' access easement are an inconvenience, but can be worked around and/or possibly incorporated into a community park.

MARKETING AND EXPOSURE PERIOD

The intended use of this appraisal is to aid the clients by **establishing Market Value of the subject property under the hypothetical conditions stipulated by a pending contract for sale/purchase between them.** The discussion below is in the context of these mutually agreed hypothetical conditions: **Be advised that their use might have affected the assignment results.**

During the course of our research for similar appraisal assignments we have spoken with several real estate professionals involved in marketing commercial properties and lending officers experienced in commercial properties. The insights gained from these conversations are summarized below.

- 1) **Who would be the typical purchaser of a property like the subject property?**
The subject property would most likely be purchased by a speculative investor willing to hold it for future development. Considering the many alternatives available, real estate investors willing to land bank are scarce in today's slowly improving economy, but their interest is improving because of the perception that "the worst is over" and land values are no longer declining.
- 2) **What would be a typical selling commission?**
Discussions with Central Florida brokers indicated that a typical selling commission on properties of the dollar magnitude as the subject property would likely be between 4% and 6%.
- 3) **What would be the expected exposure and marketing period?**
Most properties will go under contract, then not close for three months or so, while the purchasers perform their due diligence. In 2006, when the market was hot, properties would sell in a matter of months. Although we have observed renewed interest for in-fill residential land (such as the subject), the demand for office land still languishes except for scattered sites purchased for owner-occupancy. We believe that the Orlando Metro market conditions will continue to gradually improve. Therefore, we have forecast that one to two years is an appropriate exposure and marketing time for the subject property at the market value price point concluded herein.
- 4) **What type of lending criteria would be required in the financing of a property such as the subject?**
Permanent financing for vacant acreage like the subject is not widely available, particularly unless the buyer has strong financials and track record of developing business parks. There is SBA financing available for owner-occupied build-to-suits. Also, some lenders would assist with financing for new subdivision development of the Residential Land Use component.

RECONCILIATION AND FINAL VALUE CONCLUSION

The purpose of this appraisal was to derive the Hypothetical "As Is" fee simple Market Value of the subject property, pursuant to the stipulated hypothetical land use plan, as of the date of valuation, February 10, 2014, our most recent date of inspection of the property. The date of preparation of this report is February 27, 2014. The intended use of this appraisal is to aid the clients by **establishing Market Value of the subject property under the hypothetical conditions stipulated by a pending contract for sale/purchase between them.**

The market value conclusions and reconciliation discussion below is in the context of these mutually agreed hypothetical conditions: **Be advised that their use might have affected the assignment results.**

COMPONENT LAND VALUE INDICATIONS AND MARKET VALUE CONCLUSION			
Residential Land Use Component	15.91 Acres	\$2,700,000	\$169,705/Acre
Commercial Land Use Component	24.83 Acres	\$8,100,000	\$326,218/Acre
Cultural/Educational Land Use Component	18.42 Acres	\$3,600,000	\$195,440/Acre
Total	59.16 Acres	\$14,400,000	\$243,408/Acre
LESS: Bulk Discount to a Single Purchaser	20% of Total	(\$2,880,000)	
LESS: Demolition & Carting Costs		(\$1,107,391)	
Indicated Hypothetical Market Value "As Is"		\$10,412,609	
	Rounded to	\$10,400,000	\$175,795/Acre

Based on the stipulated hypothetical land use plan, the subject property consists of three components: Commercial land (24.83 acres) featuring a signalized corner of two neighborhood collector roads and extensive Interstate 4 exposure; Cultural/Educational land (18.42 acres) in Eatonville's town center with some restrictions on its commercial development potential; and Residential land (15.91 acres) featuring water frontage on Lake Wilderness.

The sum of the parts (\$14,400,000), however, is not equal to the market value of the whole. We perceive that a prospective buyer for the residential acreage is not likely to be interested in the commercial land, or vice-versa. Also, because of overlaps in the uses to which the Commercial and Cultural/Educational tracts may be developed, which in turn extends the length of time to subdivide and sell out to eventual end users, a further discount for property size is required.

Our assignment was to derive the Market Value the entire subject property. In order to entice a single investor to purchase the entire property, we perceive that a 10% "bulk" discount is insufficient; and that a 30% discount is too much. To put this into perspective, a 30% discount (-\$4,320,000) would infer zero contributory value of the 18.42 acre Cultural/Educational Land Use component. We believe that this is too severe of a discount. Accordingly, we have applied a 20% "bulk" discount to the total, which indicates a total market value of the land, as if vacant, of **\$11,520,000.**

"As Is" Market Value Conclusion

The above \$11,520,000 value indication assumes a vacant site. The scope of this appraisal assignment, as well as our highest and best use analysis, concluded that the now-closed high school improvements and athletic fields will need to be removed in order to redevelop the property to its highest and best use. Razing the existing buildings including removal of athletic fields and pavement is an extraordinary site preparation cost.

If we were to ignore these extraordinary site preparation costs, and base our conclusion on an assumed level and vacant site, the ultimate developer/purchaser would effectively be paying for these costs twice: once up-front as part of the purchase price, then again as a site preparation cost in

RECONCILIATION AND FINAL VALUE CONCLUSION (CONT'D)

order to redevelop the property. Accordingly, we must subtract the extraordinary site development costs, in order to derive an "as is" market value of the site.

The Orange County Public Schools' OCPS Program Management Team prepared a report dated August 24, 2012 to derive a rough order of magnitude of costs involved in demolishing Hungerford High. This rough order-of-magnitude cost estimate specifically excludes design, surveying, inspection, geotechnical survey and materials testing; removal of contaminated soil (if any); removal of trees; asbestos removal, lead, underground tanks or any other contaminated materials (if any); or removal of underground utility lines/services:

SITE PREPARATION COSTS (PRELIMINARY ESTIMATES)	
Demolish existing structures	\$544,355
Demolish existing asphalt, concrete walks and other paving (including athletic track and play courts)	\$246,919
Remove metal walkway canopies	\$36,015
Sawcutting, shoring and remedial work to allow chapel to remain	\$26,805
Clear and grub site	\$72,168
Site grading to existing elevations (after demo)	\$144,337
Seeding	\$138,563
Miscellaneous repairs (contingency) and erosion control	\$68,732
Total Site Preparation Costs	\$1,277,894

Not all of these expenses are considered extraordinary costs. For example, the cost of clear and grub is a nominal cost which must be borne by most land purchasers. We have also excluded site grading and seeding because these site work expenses will be a part of any future land development of the site.

EXTRAORDINARY SITE PREPARATION COSTS (MERIDIAN)	
Demolish existing structures	\$544,355
Demolish existing asphalt, concrete walks and other paving (including athletic track and play courts)	\$246,919
Remove metal walkway canopies	\$36,015
Sawcutting, shoring and remedial work to allow chapel to remain	\$26,805
Miscellaneous repairs (contingency) and erosion control	\$68,732
Total Direct Extraordinary Site Preparation Hard Costs	\$922,826
Developer's Overhead and Profit (including soft costs)	\$184,565
Total Extraordinary Site Preparation Costs	\$1,107,391

The demolition and carting of existing improvements is estimated to be \$922,826. We have "grossed up" this amount by 20% for soft costs (engineering, surveying, etc.) and developer's overhead and profit, for total extraordinary site preparation costs of \$1,107,391.

Subtracting these extraordinary site preparation development costs from the \$11,520,000 land value as if vacant indicates an "As Is" market value of \$10,412,609, rounded to **\$10,400,000**.

Based on the analyses and discussions presented in this report and our experience and training, it is our opinion that the Hypothetical "As Is" fee simple Market Value of the subject property, pursuant to the stipulated hypothetical land use plan, as of the date of valuation February 10, 2014 was:

RECONCILIATION AND FINAL VALUE CONCLUSION (CONT'D)

**"AS IS" FEE SIMPLE MARKET VALUE
ASSUMING HYPOTHETICAL LAND USE PLAN
TEN MILLION FOUR HUNDRED THOUSAND DOLLARS
(\$10,400,000) ***

*** Please see Extraordinary Assumptions, Hypothetical and Limiting Conditions.
Be advised that their use might have affected the assignment results.**

ADDENDA

APPRAISERS' QUALIFICATIONS



QUALIFICATIONS OF ANGELA L. BROWN, MAI, VICE PRESIDENT

BUSINESS ADDRESS

Meridian Appraisal Group, Inc.
1331 Sundial Point
Winter Springs, Florida 32708
Phone: 407.637.8704 Fax: 407.875.1061
E-mail: abrown@meridianag.com

FORMAL EDUCATION

University of Florida, Gainesville, June 1983
Bachelor of Science in Business Administration, Real Estate Major

REAL ESTATE EDUCATION

Completion of all MAI course work.

Course/Seminars/Continuing Education

- Valuation/Evaluation of Proposed Projects
- Fair Lending and the Fee Appraiser
- The Challenge of Technology
- Highest and Best Use Analysis
- Subdivision Analysis
- Appraising Troubled Properties
- Appraisal Review Seminar
- Understanding Limited Appraisals
- Hotel/Motel Valuation
- Appraisers Legal Liabilities
- Appraisal Regulations of the Federal Banking Agencies
- Real Estate Evaluations and the Real Estate Industry
- Commercial Appraisal Engagement and Review
- Introduction to Valuation for Financial Reporting
- Business Practice and Ethics
- Oil Spill and Property Values
- Appraising from Blueprints & Specifications
- Valuation of Detrimental Conditions
- Partial Interest Valuation – Divided
- Florida Condemnation Valuation
- USPAP Update/Core Law
- Easement Valuation
- Accrued Depreciation
- HUD/FHA Lender Roster Training
- Data Confirmation and Verification
- The Internet and Appraising
- Rates, Ratios & Reasonableness
- Analyzing Operating Expenses
- Understanding Wetlands/Mitigation Banking as a Highest and Best Use
- Spotlight on USPAP: Hypothetical Conditions & Extraordinary Assumptions
- Appraising the Appraisal and Appraisal Review – General
- New Interagency Appraisal and Evaluation Guidelines
- Supervisor/Trainee Roles and Rules
- Introduction to Valuation for Financial Reporting
- Spotlight on USPAP: Common Errors and Issues
- New Industrial Valuation

The Appraisal Institute conducts a mandatory program of continuing education for its designated members. MAI's and SRA's who meet the minimum standards of this program are awarded periodic educational certification. Ms. Brown is currently certified under this program through December 31, 2017.

EXPERIENCE

2007 – Present

Meridian Appraisal Group, Inc.
Vice President and Principal

Responsible for the acquisition, coordination and review of appraisal assignments on real property. Also responsible for the preparation and review of appraisal assignments on various real property with emphasis on A & D projects throughout central Florida.

2004 – 2007

Realvest Appraisal Services, Inc.
Vice President and Principal

Responsible for the acquisition, coordination and review of appraisal assignments on real property. Also responsible for the preparation and review of appraisal assignments on various real property with emphasis on A & D projects throughout central Florida.

QUALIFICATIONS OF ANGELA L. BROWN, MAI, VICE PRESIDENT (CONT'D)

1992 - 2003	Realvest Appraisal Services, Inc. President and Principal Responsible for the internal operations including quality control, product development, technological advances, appraisal review and organizational management. Also responsible for the preparation and review of appraisal assignments on various real property.
1991 - 1992	First Union National Bank of Florida, N.A. Vice President Responsible for the review of all appraisals for the Central Florida region in excess of \$5,000,000 and Special Assets in excess of \$2,000,000.
1990 - 1991	Southeast Bank, N.A. Assistant Vice President Responsible for the review of all appraisals for the North and Central Florida region in excess of \$1,000,000.
1983 - 1990	Pardue, Heid, Church, Smith and Waller, Inc. Senior Appraiser Responsible for the preparation and review of appraisal assignments on various real property including vacant land, subdivisions, retail centers, office buildings, apartments, industrial properties, mobile and recreational vehicle parks and special use properties.
1989	Orange County Special Master Served as Special Tax Master for the Orange County Property Appraisal Adjustment Board
DESIGNATIONS	Member Appraisal Institute (MAI), Certificate 8220
CERTIFICATIONS & LICENSES	State-Certified General Real Estate Appraiser RZ 805 Florida Real Estate Broker BK-0391466
PROFESSIONAL AFFILIATIONS	Bergstrom Center for Real Estate Studies - University of Florida - 2012 Alumna of the Year Bergstrom Center for Real Estate Studies - Distinguished Speaker - Alfred A. Ring Distinguished Speaker Series 2010 & 2005 Bergstrom Center for Real Estate Studies - University of Florida - Executive Board Member - 2007-2010; Advisory Board Member since 2003 Appraisal Institute, East Florida Chapter Volunteer of Distinction - 2011 President, East Florida Chapter of the Appraisal Institute - 2002 Orlando Subchapter Chair, East Florida Chapter of the Appraisal Institute - 1995 Young Advisory Council, Appraisal Institute - 1995-1998 - Vice Chair (1996-1997), Chair 1997-1998) Orlando Leadership Alumni Central Florida Commercial Real Estate Society (CFCAR) - Investment Specialty Chair - 2000 Central Florida Commercial Association of Realtors (CFCAR) Greater Orlando Association of Realtors Central Florida Homebuilders Association Qualified as Expert Witness (Real Estate Appraisal) in Federal Bankruptcy Court, Middle District of Florida, Orange, Seminole and Sumter Counties

QUALIFICATIONS OF ANGELA L. BROWN, MAI, VICE PRESIDENT
(CONT'D)

AC# 678278			STATE OF FLORIDA	
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION			SEQ# L12112002149	
FLORIDA REAL ESTATE APPRAISAL BD				
DATE	BATCH NUMBER	LICENSE NBR		
11/20/2012	128146289	RZ805		
The CERTIFIED GENERAL APPRAISER Named below IS CERTIFIED Under the provisions of Chapter 475 FS. Expiration date: NOV 30, 2014				
BROWN, ANGELA L 1331 SUNDIAL POINT WINTER SPRINGS			FL 32708	
RICK SCOTT GOVERNOR			KEN LAWSON SECRETARY	
DISPLAY AS REQUIRED BY LAW				