

Appraisal of:

**Hernando County Hangar Building
Brooksville, Florida**

Appraisal Report

Location of Subject Property:

17330 Spring Hill Dr., Brooksville, Florida

Prepared for:

Steve Miller, Airport Manager
Brooksville-Tampa Bay Regional Airport
15800 Flight Path Drive
Brooksville, Florida 34604

Prepared by:

Hugh E. Tolle, SRA
Cert Gen RZ 1679
Tolle Appraisal Service, Inc.
835 N.E. Highway 19
Crystal River, Florida 34429

Effective Date of Valuation: Feb. 23, 2024

Report Date: March 15, 2024

TRANSMITTAL LETTER

March 15, 2024

Steve Miller, Airport Manager
Brooksville-Tampa Bay Regional Airport
15800 Flight Path Drive
Brooksville, Florida 34604

Re: **Appraisal Report File #24-153**
Hernando County Hangar; Leasehold
17330 Spring Hill Dr., Brooksville, Florida

Dear Mr. Miller:

I have prepared a summary **Appraisal Report** for the subject which is identified as the Hernando County Hangar leasehold property located at 17330 Spring Hill Dr., Brooksville, Hernando County, Fla. The subject property includes an existing 3,600 SF GBA ribbed metal/steel aircraft hangar storage building. It is located on a 96 acre site with various associated site improvements.

The purpose of this report is to estimate the As-Is Market Value of the Leasehold Interest (building improvement) in the subject property as of the report's valuation effective date of Feb. 23, 2024. This summary **Appraisal Report** includes studies of relevant factual data necessary to arrive at the market value estimate of the Leasehold Interest of the subject as of the effective date.

The value conclusion presented acknowledges the Market Value of the subject property leasehold building improvements as of Feb. 23, 2024, the most recent inspection date. For this assignment, as an **Extraordinary Assumption** a Leasehold valuation on the subject building improvement will be completed assuming that the site can be encumbered with a typical Aviation Ground Lease approved by Hernando County. It is also assumed that the building deferred maintenance items are curable at an estimated cost of \$86,000. If these assumptions were found to be false, it could alter the appraisers opinions or conclusions.

In appraising the subject property, an analysis of whether an estimate of **Market Value or Use Value** would be more appropriate was considered. The subject property is a somewhat limited-market special purpose improvement which is located on a potential leased site within the Hernando County Airport project. Within this report, you will find that we have developed a **Market Value** estimate after determining the ideal Highest and Best Use of the subject as a leased site would be for aircraft hangar purposes with the most likely buyer being an owner-user/investor.

CERTIFICATION OF VALUE

I certify, to the best of my knowledge and belief, that:

- ◆ The statements of fact contained within this appraisal report are believed to be true and correct and I have not knowingly withheld any information concerning the subject property.
- ◆ The analyses, opinions, and conclusions of this appraisal are limited only by the reported Statement of Assumptions and Limiting Conditions as noted within this report, and are my personal, unbiased professional analyses, opinions and conclusions.
- ◆ I have no specified present or prospective interest in the property that is the subject of this appraisal, and I furthermore, have no specified personal interest or bias with respect to the parties involved; the value findings of this report are not based in whole or in part upon the race, color or national origin of the parties involved or on the present owners or occupants of the properties in the vicinity of the subject property.
- ◆ Employment of and compensation for appraising the subject property is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- ◆ The analyses, opinions, and conclusions of this appraisal report have been prepared in conformity with the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation.
- ◆ Use of this appraisal report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- ◆ I have personally inspected the subject property and have made a visual exterior inspection of all comparable sales and/or rentals which are presented within the report.

- ◆ No one other than myself provided significant professional assistance in the assemblage of data, formulation of analyses, opinions, and conclusions, and preparation of the appraisal report. No change of any item in the appraisal report shall be made by anyone other than myself, and I shall not be responsible for any such unauthorized change(s).
- ◆ As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute, for that required of an SRA.
- ◆ This appraisal assignment was not made, nor was the appraisal rendered on the basis of a requested minimum valuation, specific valuation, or the amount which would result in approval of loan.
- ◆ Hugh E. Tolle has extensive experience in the appraisal of various industrial and airport type properties in the northwest central Florida area.
- ◆ Hugh E. Tolle has performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three year period immediately preceding acceptance of this assignment.
- ◆ As a result of my investigation and after careful consideration of fact contained within this report, it is my unbiased opinion that the estimated Market Value of the Leasehold Interest in the subject property, as of Feb. 23, 2024, the effective date of the valuation, is:

<u>Leasehold</u>	
As-Is:	\$ 20,000

Report Date: March 15, 2024



Hugh E. Tolle, SRA
Cert Gen RZ 1679

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

The value estimates which result from the analyses, opinions, and conclusions of this appraisal report are subject to the following assumptions and limiting conditions:

1. The contents of this appraisal report are **confidential** and no one other than the client shall use or rely upon this report or a copy thereof, in whole or in part, including conclusions as to the property value, the identity of the appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which I am connected, for any purposes. Exceptions to this include a third party as specified in writing by the client. The expressed written consent of the appraiser must be obtained by all other parties before the representations of the appraisal report, expressed or implied, shall inure to the benefit of the third party.
2. Information, opinions, and estimates provided by sources other than myself which are included within this report are believed to be reliable and accurate. However, I assume no responsibility or liability for inaccurate representations made by others.
3. The content of this appraisal report is to be utilized in total with no portions or fractions thereof being used separately or taken out of context. Redistribution of this report in any other form than in total could be misleading to the reader and misrepresent the conclusions of value presented within the report. I assume no liability for such actions by others.
4. The value conclusions presented within this report are contingent upon competent management of the subject property and business. Knowledgeable management of the property is critical to the success of the operation; it is therefore assumed to be an extension of the highest and best use of the property.
5. I have made a diligent effort to verify each comparable sale presented within the report. However, because some parties to the transaction may reside outside of the region or were unavailable for interviewing, certain sales may have been verified through public records only.
6. No opinion within this report is intended to be expressed for legal matters or that which would require specialized investigation or knowledge beyond that ordinarily employed by real estate

appraisers; although, such matters may be discussed within the report.

7. I have rendered no opinion of title. Data on ownership and the legal description were obtained from sources generally considered reliable. Title is assumed to be marketable and free and clear of all liens and encumbrances, easements, and restrictions except those specifically discussed within the report.

8. The value findings of this appraisal are contingent upon the conclusions of a qualified survey of the subject property in terms of size, dimensions of the land and/or improvements, and the location of those improvements on-site. Significant differences between the survey and the representations made by the client and reported herein may result in the need for re-evaluation of the appraisal process as it relates to the subject. Any sketches of the subject (land and/or improvements) presented within the report are for visualization purposes only.

9. Although the flood hazard status for the subject has been stated within the report, it is recommended that more in-depth information be obtained prior to development upon the site.

10. I assume no responsibility for hidden or unapparent conditions of the property, soil structure, or improvements, which would impact the value of the subject. It is incumbent upon the owner of the subject to employ experts for appropriate testing (soil borings, hydrology, seismographic) if such conditions exist. No opinion is expressed as to the value of subsurface oil, gas, or mineral rights and the property is not subject to surface entry for the exploration or removal of such materials except as it is expressly stated.

11. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did I become aware of such during the property inspection. I have no knowledge of the existence of such materials on or in the property unless otherwise stated. I am, however, not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde, foam insulation, radon gas, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicted on the assumption that there is no such condition on or in the property or in such proximity thereto that

it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field of environmental impacts upon real estate if so desired.

12. The conclusions presented within this report are warranted as accurate representations of value, subject to the Certification of Value and Statement of Assumptions and Limiting Conditions specified herein, as of the effective date of valuation. I assume no responsibility for economic or physical factors occurring at some later date which may affect the opinions of value herein stated.

13. The conclusions of value presented within the report are opinions and estimates of the appraiser. There is no guarantee, written or implied, that the subject property will sell for the precise estimate(s) of value contained herein.

14. Forecasted projections presented within this report are utilized to assist in the valuation process and are based on current market conditions, anticipated short term supply and demand factors, and a continued stable economy. Therefore, the projections are subject to changes in future conditions that cannot be accurately predicted by the appraiser and could affect the future income or value projections.

15. The distribution of value between land and improvements as noted within the Cost Approach of this appraisal is applicable only within the confines of the conclusion of highest and best use. The separate value conclusions for land and improvements cannot be used in conjunction with any other appraisal and are invalid if so used. If value conclusions are made herein which represent different programs of utilization for the same property, these value conclusions are made separately from each other and cannot be combined as there would be a "doubling" effect upon the final value conclusion.

16. If the value conclusions presented herein are subject to proposed construction, repairs and/or remodeling, timely completion in a workmanlike manner according to the plans and specifications is a contingency of this report. Unforeseen adverse conditions that may influence such timely completion, including (but not limited to) weather, labor, materials availability and the like are considered to be non-existent for valuation purposes.

17. Plans and specifications furnished by the client for proposed construction, and upon which value conclusions of this report have been predicated, are assumed to show the intent of the builder. I assume no responsibility for their accuracy or for undisclosed modifications. A copy of the plans and specifications have been retained in the file memorandum when possible.

18. The market value estimate(s) concluded herein for any proposed properties assume full, complete, and timely development in accordance with plans, specifications, and representations made to the appraiser and described within the report. I assume no responsibility when this does not occur or when there are significant variances from the norm in terms of timely completion in accordance with plans and specifications provided to the appraiser. As well, I assume no liability for loss in value of the subject property, or its proposed development, when the developer's practices vary from the representations made to the appraiser and described within the report.

19. If this appraisal is to be used for mortgage loan purposes, the applicable lending procedures must be consistent with acceptable lending practices as promulgated by the Office of Thrift Supervision (formerly the Federal Home Loan Bank Board), The Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation, and the Savings Association Insurance Fund (formerly the Federal Savings and Loan Insurance Corporation). I assume no liability for a loss in value applicable to the subject, or its proposed development, which occurs as a result of lending practices which vary from generally accepted mortgage underwriting guidelines as established by institutions such as the OTM, OCC, FDIC and the SAIF, or when the loan proceeds are diverted to other parties, uses or properties.

20. Expert witness testimony or attendance in court or at any other hearing by Hugh E. Tolle, SRA, is not required by reason of rendering this appraisal unless such arrangements are made a reasonable time in advance.

21. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible

noncompliance with the requirements of ADA in estimating the value of the property.

22. Disclosure of the contents of the appraisal report is governed by the bylaws and regulations of the Appraisal Institute.

23. This appraisal report, including the format style, spreadsheet data and addenda, is the property of the appraisal firm of **Tolle Appraisal Service, Inc., and Hernando County, Brooksville-Tampa Bay Regional Airport**, and no portion of the report is to be reproduced without the expressed written permission of **Tolle Appraisal Service, Inc., and Hernando County, Brooksville-Tampa Bay Regional Airport**.

24. The opinion of value within this Appraisal Report reflects current market conditions, and likely actions of market participants as of the date of value. It is based on information gathered and provided to us from various sources, and deemed reliable. This does not predict future performance, as changing subject property conditions and/or market conditions will likely have an effect on market value.

25. The subject property improvements and site are owned by Hernando County. For this assignment, as an **Extraordinary Assumption** a Leasehold valuation on the subject building improvement will be completed assuming that a portion of the site can be encumbered with a typical Aviation Ground Lease approved by Hernando County. It is also assumed that the building deferred maintenance items are curable at an estimated cost of \$86,000. If these assumptions were found to be false, it could alter the appraisers opinions or conclusions.

26. The value conclusions of this report are subject to these assumptions and limiting conditions as well as others stated or implied within the report.

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APPRAISAL OVERVIEW

Identification of Subject

Hernando County Hangar Property; an existing 3,600 SF GBA ribbed metal/steel aircraft hangar storage building improvement. The underlying 96 acre site includes various supporting site improvements, and is located at 17330 Spring Hill Dr., Brooksville, Fla.

Property Rights Appraised

Leasehold Interest (Building Improvement)

Use of Appraisal

Hernando County/Brooksville-Tampa Bay Regional Airport internal asset valuation analysis purposes.

Effective Date of Valuation

As-Is: Feb. 23, 2024

Site Data (not valued)

Size: 96 Acres +/-; per HCPA tax records
Zoning/Land Use: PDP/AF - Planned Dev. Project/Aviation Facilities
Characteristics: Airport site on Spring Hill Dr; appears mostly upland; assumed not in a flood zone; access to taxiway/runway.

Building Improvement Data, As-Is

Type: Aircraft Hangar (Ribbed Metal/Steel); Low Cost Quality
Size: 3,600 SF GBA/GLA (open storage interior)
Age: Blt 1979 (per tax records); Actual Age - 45 years; Effective Age - 40+ years; Remaining Economic Life - 0 years; Fair Condition; Deferred Maintenance estimated at \$86,000.

Site Improvement Data, As-Is

Central water, asphalt paved driveway/grassed parking areas, concrete paved ramp, etc.

Highest and Best Use

Aircraft Hangar, as improved (leasehold); Acceptable Interim Use

Extraordinary Assumption

For this assignment, as an **Extraordinary Assumption** a Leasehold valuation on the subject building improvement will be completed assuming that a portion of the site can be encumbered with a typical Aviation Ground Lease approved by Hernando County. It is also assumed that the building deferred maintenance items are curable at an estimated cost of \$86,000. If these assumptions were found to be false, it could alter the appraisers opinions or conclusions.

Hazardous Waste Conditions

No significant hazardous waste conditions are assumed to have a negative affect on the subject property market value estimate.

Market Value Indicators, As Is

<u>Sales Comparison Approach,</u> Rnd	\$ 22,000
<u>Income Capitalization Approach,</u> Rnd	\$ 17,000
<u>Market Value Estimate, As-Is</u> Leasehold	\$ 20,000



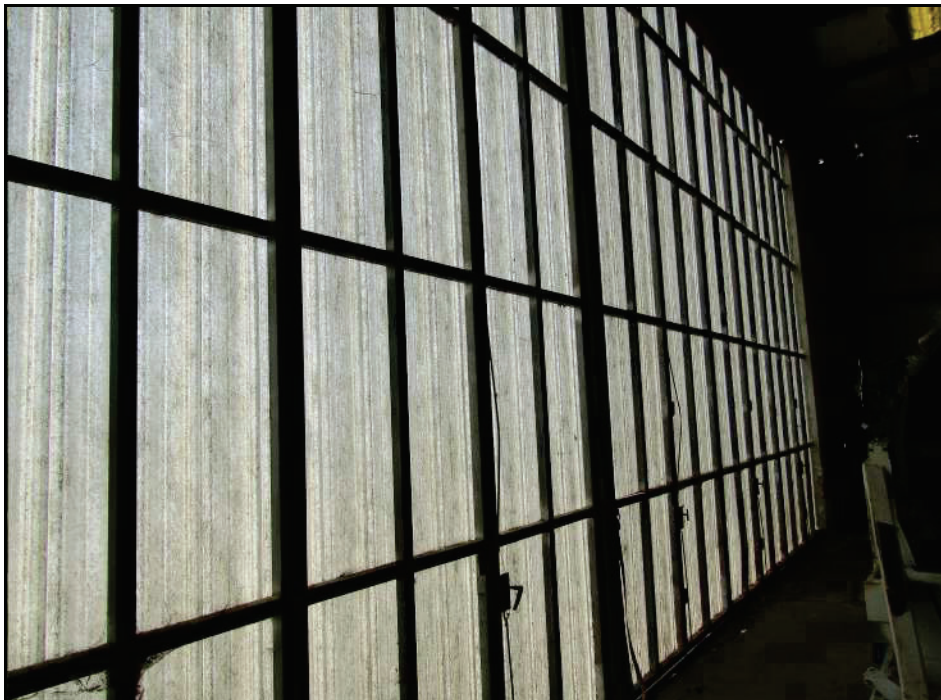
SUBJECT PROPERTY BLDG FRONT SEEN FROM THE SOUTH



SUBJECT PROPERTY BLDG REAR SEEN FROM THE NORTH



TYPICAL INTERIOR VIEW OF SUBJECT HANGAR AREA



TYPICAL INTERIOR VIEW OF HANGAR DOOR



VIEW OF WALL INSULATION & PITTED STEEL BEAMS



VIEW OF CEILING INSULATION & POSSIBLE LEAK AREA



VIEW OF ACCESS ROAD LOOKING NORTH TO SPRING HILL DR



VIEW OF SERVICE DRIVE LOOKING SOUTH TO TAXIWAY

SUBJECT PROPERTY IDENTIFICATION

The subject of this appraisal will be identified as the Hernando County Hangar building property located within the Brooksville-Tampa Bay Regional Airport project area at 17330 Spring Hill Dr., Brooksville, Hernando County, Fla. The subject includes a 3,600 SF GBA/GLA ribbed metal/steel aircraft hangar building improvement that is located on a 96 acre site (a portion to potentially be available for ground lease) with various site improvements. The value conclusion presented in this report acknowledges the subject building (As-Is) as of the last inspection date being Feb. 23, 2024. The subject building is leased to Pem-Air Turbine Engine Services at time of inspection utilized for aircraft parts storage.

EFFECTIVE VALUATION DATE

The effective date of the valuation is **Feb. 23, 2024**. The report date is March 15, 2024.

PURPOSE & USE OF APPRAISAL

The objective of this appraisal is to estimate the market value of the subject property Leasehold building improvement identified herein as of the effective valuation date of the appraisal. According to the client and intended user, Steve Miller, Airport Manager, Brooksville-Tampa Bay Regional Airport (Hernando County), the appraisal will be utilized for internal asset valuation analysis purposes.

SCOPE OF APPRAISAL

Steve Miller, Airport Manager, Brooksville-Tampa Bay Regional Airport (Hernando County), has employed **Hugh E. Tolle, SRA, of Tolle Appraisal Service, Inc.**, to appraise the subject property identified herein for internal asset valuation analysis purposes. The scope of this summary Appraisal Report assignment includes physical inspection of the subject property and the surrounding influences of the neighborhood; research the market for comparable sales and/or rentals for comparison to the subject; analyze the data as it relates to the subject; conclude an estimate of Market Value of the Leasehold from range of value indicators; and finally, prepare a summary Appraisal Report which explains and documents the analyses and conclusions of the appraiser.

PROPERTY RIGHTS APPRAISED

Fee Simple Interest - Fee simple interest is defined as absolute ownership unencumbered by any other interest or estate. A person who owns all property rights is said to have fee simple title, subject only to the limitations of eminent domain, escheat, police power, and taxation.

Leasehold Interest - A leasehold estate is an ownership interest held by a lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions. The leasehold interest of the subject is synonymous with fee simple interest, subject to a ground lease. According to Steve Miller, Airport Manager, the fee simple interest of the subject is not presently encumbered by a lease.

IDENTIFICATION OF MARKET ANALYSIS & CRITERIA

The market identified for analysis purposes and ultimate conclusion of value includes the current and competitive open market in the Central Florida area. The subject is considered somewhat of a limited market special-purpose property due to a potential ground lease and design features which would appeal to relatively few buyers. We researched improved sales and/or rentals of hangar buildings located on leased land at Brooksville-Tampa Bay Regional Airport and sales/rentals from other similar Florida airports. Based on this research, there was limited sales or rental data available for comparison to the subject building. We believe the few sales/rentals reviewed were relevant for use. The Sales Comparison Approach and Income Capitalization Approach will be utilized for this analysis. Due to the older actual physical age, estimated effective age, and estimated remaining economic life of the subject building, the Cost Approach was not considered appropriate for utilization. The final value conclusion **excludes** the value of any personal property, FF&E, inventory, etc.

DEFINITIONS OF VALUE

The following definitions of value were compiled from The Appraisal of Real Estate, Fifteenth Edition, 2020, The Dictionary of Real Estate Appraisal, Sixth Edition, 2015, and Uniform Standards of Professional Practice, 2024 Edition.

Assessed Value - Assessed value applies in ad valorem taxation and refers to the value of a property according to the property assessment rolls. The assessed value schedule may not conform to market value, but it usually is calculated in relation to a market value base.

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

- ◆ buyer and seller are typically motivated;
- ◆ both parties are well informed or well advised, and acting in what they consider their best interests;
- ◆ a reasonable time is allowed for exposure in the open market;
- ◆ payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto;
- ◆ 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.

Market Value, As Is: Value of the subject Leasehold as it currently exists as of the effective date of the appraisal. The Market Value estimate excludes any value for personal property, including FF&E, business inventory, on-going business concern, etc.

Use Value - The value a specific property has for a specific use.

Leasehold Interest - The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

MARKETING TIME & EXPOSURE TIME

Based on MLS sales data and discussions with area market participants, the marketing time is, and the exposure time has been approximately 6 to 12 months due to the stabilized to slightly increasing interest in purchasing improved properties with potential hangar ground leases similar to the subject in the Hernando County Airport project area if competitively priced.

SUBJECT SITE LEGAL DESCRIPTION

THAT PART OF W3/4 OF S1/4 LYING S OF SPRING HILL DR & LESS 3.88 AC MOL GROUND LEASE ORB 1304 PG 166 TO GRUBBS CONST LESS 1 AC MOL; Hernando County, Fla. (Subject description from HCPA tax records)

SUBJECT OWNERSHIP

Hernando County
20 N. Main Street, Rm 460
Brooksville, Florida 34601

OWNERSHIP HISTORY

The subject has been under the current ownership for more than five years. According to the client, the subject leasehold improvements may be available for sale. According to Steve Miller, Airport Manager, Brooksville-Tampa Bay Regional Airport (Hernando County), typical Aviation Ground Lease terms for a hangar leasehold property would be for 30 years at \$.22/SF per year (two additional 10-year options). The subject building is leased to Pem-Air Turbine Engine Services, at \$12,156 per year or \$3.38/SF GLA (\$1,103/Mth) with a lease term from Aug 2022 to July 2025 (3% increase per year).

SUBJECT TAX ASSESSMENT

The subject improvements are included in the 2023 Hernando County Property Assessment Roll as Parcel R18-423-19-0000-0310-0020 (Key #1354493) with a building Just Value of \$68,147 (\$18.93/SF GLA) being above market value of the leasehold. No ad valorem taxes are due because of the Hernando County ownership (exemption).

FLOOD ZONE DATA

The subject building pad appears to be located within Flood Zone "X", FIRM Map #12053C-0327D, dated Feb. 2, 2012. A current boundary survey is required to confirm the flood zone status.

ZONING/LAND USE CLASSIFICATION

According to the Hernando County Land Development Regulations and Comprehensive Plan, the subject property includes the following:

Hernando County Zoning Designation

PDP-AF (Aviation Facilities): The characteristics of uses in this district are designed to accommodate aircraft related establishments and services. Uses include aircraft parts establishment, aircraft establishments, aircraft fuel sales/dispensing, including storage of fuel for such purposes, aircraft repair and maintenance facilities, T-hangers, tie down areas, air cargo establishments, etc.

Hernando County Future Land Use Designation

Planned Development Project: Brooksville-Tampa Bay Regional Airport & Technology Center; Land use district that allows a complex of structures and uses planned as an integral unit of development. Development within this district shall conform to the policies and standards of the adopted Comprehensive Plan of Hernando County, including all of the elements thereof, and shall be designed and developed so as to prevent traffic congestion, provide for the most efficient use of public facilities and services, promote compatibility with surrounding land uses, and preserve the integrity of the planned development within which they are located.

SUBJECT UTILITIES

The subject property is located within a master planned subdivision south of Brooksville, east of the Suncoast Parkway, and west of Broad Street (US Hwy 41). Central water and sewer would be provided by the Hernando County Utilities Dept., and electricity is provided by Withlacoochee River Electric Coop. Telephone service is provided by Sprint United Telephone/Embarq. Police protection is provided by the Hernando County Sheriff's Department while fire protection is via a county-wide fire department.

AREA/NEIGHBORHOOD ANALYSIS

Florida is a peninsula state ranking third in population with 22,251,246 MOL inhabitants (April 2023 U. of F. estimate) and had previously boasted one of the nation's fastest growing SMSA's, Fort Myers-Cape Coral (April 2010 US Census). In 1990, there were 240 Floridians per square mile. Density had increased to 316 persons per square mile in 2007. The median age of Florida's population was 36.4 years in 1990 and 37.3 years in 2000. The median age for the U.S. as a whole was 34.3 years in 2000. The continued upward growth pattern is consistent with the national trend of population shifts to the "Sunbelt" states.

Florida's economy has been primarily noted for tourism and agriculture. In recent years the economy has expanded and diversified as "high tech" industries and service businesses have prospered. The state is recognized as having one of the leading business climates due to mild year round temperatures, nonunionized labor and low energy costs. New businesses and industries have attracted many displaced employees from the North. The growth rate has brought its share of problems. Water quality, municipal services, planning development and adequate transportation arteries are all of major concern. Governmental leaders as well as members of the private sector are working together to solve these problems.

Hernando County is a coastal county located in the northwest central portion of Florida. It is considered to be within the Suncoast region which is comprised of Manatee, Hillsborough, Pinellas, Pasco, Hernando and Citrus Counties. Brooksville (an incorporated city), the County seat, is located in the central portion of the County and has an average elevation of 175 feet above sea level. Weeki Wachee Springs, located in the Western portion is the only other incorporated community in Hernando County. The County has a land size of 508 square miles or 314,880 acres. Most of its Eastern boundary is the Withlacoochee River, and the Gulf of Mexico forms the Western boundary. Hernando County had a total population of 165,569 in 2010 (US Census Bureau estimate), a 26.58% increase over the 2000 estimate of 130,802. The current population is 213,143 (April 2023, U. of F. estimate).

The neighborhood which has the greatest influence upon the highest and best use of the subject property is best described as the land area lying south of SR 50 (Cortez Blvd.), north of County Line Road (CR 578), east of US Hwy 19, and west of US Highway 41 (Broad Street). This west Hernando County neighborhood includes a variety of uses with residential development impacting the subject to a large extent. Other uses include intense commercial development

along US Hwy 19, US Hwy 41 and SR 50 (Cortez Blvd) as well as secondary commercial users at major intersections within the interior developments, churches and schools, and light industrial utilization.

Commercial uses within the area provide needed services for the significant residential base of the neighborhood. The Suncoast Parkway and Spring Hill Drive intersection is located just west of the subject, and several neighborhood commercial shopping centers are located nearby. Commercial uses within the interior of the neighborhood comprise of office buildings, retail centers, auto repair shops, convenience stores, restaurants, etc.

The agricultural ownerships are located primarily east of the neighborhood boundary and extend eastward through the county. The growth of residential development of the Spring Hill area evidences the transition from agricultural to residential use with lands bounding the east side of the neighborhood well positioned for future growth. The majority of agricultural uses include cattle grazing and crop production. The residential, commercial, and industrial land uses of the neighborhood provide the greatest impact upon the subject, as it is located near the Spring Hill subdivision. It is located in the east central portion of the neighborhood which is developed more than lands lying further west of US Hwy 19, and east of US Highway 41. Subdivisions within the neighborhood range in age from new to 40+ years with homes spanning a median price range from \$50,000 to \$1,000,000+. The proximity to US Hwy 19, Suncoast Parkway, Cortez Blvd, and US Hwy 41, shopping, schools, and employment are the primary influences which make the subject neighborhood popular for residential purposes. Planned unit developments such as Spring Hill, Trillium, and Silverthorn have fared well as a result of diversity of use and a community atmosphere.

The road system within the neighborhood is good with primary north/south thoroughfares being US Hwy 19, Suncoast Parkway, Mariner Blvd, and US Hwy 41 (Broad St). Other roads of importance are Spring Hill Drive, SR 50 (Cortez Blvd), Powell Road, Northcliffe Blvd, and County Line Road. As well, the numerous subdivisions have a network of interior streets which provide good access throughout the area. The availability of central utilities within the neighborhood is a positive factor.

Hernando County Airport (B-TBRA & TC)

The subject is located within the 2,400 acre Hernando County Airport area that has experienced newer development because of the convenient access to the airport and the Suncoast Parkway. The

Suncoast Parkway provides easy access to Tampa Bay being about 45 miles south. There is a nearby Suncoast Crossing shopping center which includes a Kohls on a leased site, and Super Target being on the south side of Spring Hill Dr and the east side of Suncoast Parkway. These are positive factors for the subject.

The subject is located within the Brooksville-Tampa Bay Regional Airport (B-TBRA) & Technology Center (TC) which includes 72 platted lots in Unit 1 and 65 platted lots in the Corporate Airpark and Railpark specifically designed around the County airport with easy access to the Suncoast Parkway via Spring Hill Drive. Of the 137 platted lots, the majority of these are improved with large light industrial type buildings. There are several large tracts designated specifically for commercial use on Spring Hill Drive and US Hwy 41. This park is managed by B-TBRA & TC providing long term ground lease terms to attract certain industries, and the project includes approximately 130 (+/-) business tenants.

The B-TBRA airport includes two runways being Runway 3/21 (5,015' X 150') and Runway 9/27 (7,001' X 150'), and railway access. It is a general aviations facility open 7 days a week (24 hours) and the airport FBO is operated by American Aviation which is open 7am to 7pm. The new FBO to soon take over operations is Bluewater Aviation. The airport includes a newer control tower. The 7,001' runway is large enough for regional, narrow body, and some wide body jets, and the property includes an on-site fire station.

Summary - The subject neighborhood is heavily impacted by the residential, commercial, industrial, aviation, public, and recreational uses located nearby. This area of Hernando County has become a "prime" area for residential construction, particularly retiree, due to close proximity to shopping, schools, employment, recreational activities, US Hwy 19, US Hwy 41 and the Suncoast Parkway with easy access to the Tampa/St. Petersburg area.

The subject is located in an area where there is good highway access, and newer commercial/industrial growth reflects positively on its continued development success. The Brooksville-Tampa Bay Regional Airport (B-TBRA) & Technology Center (TC) is actively managed on-site, has very good amenities (central utilities, paved roadways, stormwater drainage, airport or railway access, etc), and is highly promoted by Hernando County offering reasonable ground lease rates/terms for certain types of business tenants. This continues to be a competitive factor when considering purchasing a vacant industrial or airport parcel not located within the B-TBRA & TC project to improve with a structure in the immediate market area. The location of the subject in this market is ideal for future growth as economic conditions continue to strengthen.

SUBJECT SITE ANALYSIS

This irregular shaped site is comprised of approximately 96 acres being within the planned development B-TBRA & TC project located at 17330 Spring Hill Dr., Brooksville, Hernando County, Fla. The subject improvements lie north of a taxiway/runway within the eastern portion of the overall Hernando County airport project.

The overall site is assumed to be mostly upland in topography, but may include some low-lying areas. It includes limited access gated interior paved driveway from the south R/W of Spring Hill Drive. The overall site appears to be located in Zone X; Panel #12053C-0327D; FIRM dated 2/2/12 (a current boundary survey is required to confirm). Adjacent uses include an airport taxiway/runway, various hangar storage buildings, light industrial, commercial on Spring Hill Drive, etc. The parcel is improved with a ribbed metal/steel aircraft hangar storage building, and various associated site improvements. The site has access to an airport taxiway & runways.

Hazardous Waste Conditions -

It is assumed that there are no significant hazardous waste conditions existing within the subject property. No certification of any potential hazardous waste conditions has been presented to the appraiser for review. At inspection, several aircraft parts/engines were noted to be inside the hangar building. It will be assumed that no significant hazardous waste conditions affect the subject property and the market value estimate. If the client desires complete assurance of no hazardous waste conditions, then a Phase 1 Environmental Site Assessment (ESA) is highly suggested.

Summary

The location of the 96 acre site within the B-TBRA & TC project area is a positive influence on the existing improvements as it is part of a developing industrial and airpark managed by Hernando County with central utilities, and easy access to the airport, the Suncoast Parkway, etc. The site will not be included in the valuation of the subject property leasehold.

SUBJECT IMPROVEMENT ANALYSIS

Hangar Building -

The subject includes a 3,600 SF (GBA/GLA) aircraft storage hangar building with no interior offices or bathroom(s). According to tax records, the structure was built in 1979. The building includes manual basic sliding hangar doors (42' X 18' +/- opening), and two entry/exit metal doors. The superstructure is of ribbed metal panels over steel support beams, gutters, and includes minor fenestration. It includes a concrete monolithic slab foundation, basic electric/plumbing service, and slightly gabled metal roof over steel trusses with skylights. The open storage hangar is non-climatized with basic fluorescent lighting, an exhaust fan, wall/ceiling insulation, ceiling height of 20' to 23' (+/-), and minimal interior finish.

Supporting Site Improvements (minimal) -

Central water, asphalt paved driveway & parking area, concrete paved apron, etc.

Deferred Maintenance -

There appears to be a roof leak at the building SW corner, some metal exterior wall panels are damaged or deteriorated, and some interior wall/ceiling insulation is in poor condition. It is assumed the roof leak can be repaired, selected wall/ceiling insulation replaced, interior steel beam superstructure cleaned/painted, and all damaged/deteriorated metal exterior wall panels replaced estimated at \$86,000 (3,600 SF @ \$24.00/SF, Rnd). It is assumed the operation of the basic manual hangar door system is adequate. Curable deferred maintenance is estimated at \$86,000 (Rnd).

Summary - The subject building appears somewhat functional for the intended use, and is being utilized for aircraft parts storage. It is of Low cost quality, in only Fair condition, estimated effective age of 40+ years, and 0 years of remaining economic life. The subject hangar building includes a storage/service (3,600 SF) design. Personal property includes various FF&E not valued. Curing deferred maintenance items should slightly extend the building remaining economic life. It is assumed that all mechanical, plumbing, and electrical systems are in basic working condition, and the structure meets current minimum wind load standards.

HIGHEST & BEST USE ANALYSIS

In this highest use analysis for the subject property, the appraiser has considered each possible use or uses which are physically and legally possible. This consideration took into account those uses which are permitted by zoning, land use designation and/or deed restrictions. The subject property has a land use designation of Aviation Facility which allows the use of aircraft storage hangar type improvements.

Highest and Best Use is defined as : "The reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value." 1/

The primary factors indicative of highest and best use are:

- | | |
|------------------------|--------------------|
| 1. Permissible Uses | 2. Possible Uses |
| 3. Probable Uses | 4. Profitable Uses |
| 5. External Influences | |

Based on the current land use designation, the condition and functional utility of the subject's improvements, the demand for and limited supply of well located improved property designated for light industrial use in the immediate subject neighborhood and the stable growth trend which is common for this immediate market area, the appraiser has determined the highest and best use to be for an Aviation Facility use.

The following four categories of use are considered to be the primary ones for highest and best use determinations.

- | | |
|--------------------------|-------------------------|
| A. Maximally Productive; | B. Physically Possible; |
| C. Financially Feasible; | D. Legally Permissible |

	Single Family	Multi- Family	Prof/Comm. Use	Industrial Use	Other
Maximally Productive					X
Physically Possible					X
Financially Feasible					X
Legally Permissible					X

1/ Appraisal Institute, THE APPRAISAL OF REAL ESTATE, 15th Edition, 2020.

AS VACANT:

This analysis relates the conclusion of highest and best use for the subject property as vacant based upon market perception and trends within the economic influence of the subject neighborhood. Consideration of the subject as vacant is included herein as the beginning point for the selection of comparable sales for the conclusion of the improvement value estimate. It is also used for support of the existing or proposed use of the subject site.

Physically Possible:

The subject site includes about 96 acres with airport runway access within the B-TBRA & TC project, and assumed to be mostly upland in topography. The site size would allow development of medium to large sized structures. The location of the site is not physically conducive for a residential use, but could be physically utilized for a commercial or industrial use. There appears to be enough land area to accommodate at least one building with adequate room for parking, drainage, and other necessary site improvements.

Legally Permissible:

The current land use designation of Aviation Facility, is intended for aircraft type uses primarily. The location of the site in Hernando County within the B-TBRA & TC project being restricted for aircraft facility type development would tend to increase the demand for this use. Each parcel within the overall project is owned by Hernando County and many are ground leased to individual industrial or corporate park type tenants with specific restrictions on development use. Intense general commercial or residential uses would not be allowed.

Financially Feasible:

With the location somewhat near the Suncoast Parkway and close to Spring Hill Drive with access to an airport runway, there does appear to be a demand for aircraft facility development within this part of Hernando County. The subject site is positioned to command a fair share of the aircraft facility market within northwest central Florida due to the reasonable ground lease terms provided by Hernando County. As a result, an aviation facility use appears to be financially feasible as either a rental or single owner-user project, subject to a potential ground lease.

Maximally Productive:

An aviation facility use would likely utilize much of the overall site in a very productive manner. The 96 acre site would allow development of and will provide sufficient land area for construction of multiple buildings and various associated site improvements.

Conclusion:

Because of the specific location of the site heavily influenced by its location within the B-TBRA & TC project area close to the Suncoast Parkway and adjacent to the airport, some type of aviation facility development is considered appropriate. There does not appear to be sufficient demand for a commercial utilization nor adequate buffer and land area for any residential use. The land use designation is primarily intended for various aviation facility (aeronautical) uses. An Aviation Facility use fulfills all requirements for highest and best use, as if vacant.

AS IMPROVED:

The following analysis of highest and best use as improved will determine if the existing improvements are aligned with the criteria and therefore, contribute to the highest and best use of the land. If not, conversion to a higher use may be appropriate or the improvements may represent a suitable interim use, acknowledging temporary use until redevelopment is economically feasible which fulfills the criteria occurs.

Physically Possible:

The 96 acre site is improved with a 3,600 SF GBA ribbed metal/steel aircraft storage hangar type building and various associated site improvements. The structure includes an open storage/service hangar building design (no office/bathroom). The site provides more than adequate area for the building and associated site improvements. As a result the existing use is physically possible upon the site. This Low cost structure is 45 years old (Blt 1979), is only in Fair condition, and includes an estimated effective age of at about 40 years. The typical economic life for this structure type is about 30 to 40 years. The building is basically reaching the end of it's economic life and could require significant costs to meet current building codes, possible wind load requirement upgrades, and modern design standards.

Legally Permissible:

The existing aircraft storage hangar use of the site is allowable within the present land use designation and PDP/AF zoning. As well, the use appears to comply with all County size, setback, and potential lease requirements. It is assumed that a potential ground lease agreement on a smaller portion of the overall 96 acre tract can be approved with Hernando County.

Financially Feasible:

The financial feasibility of this type of aviation facility storage hangar use is found in levels of acceptance for this property type by the general aviation/aeronautical community of NW Central Florida. As previously mentioned, the subject building is generating \$1,013/Mth in rent (\$3.38/SF; \$12,156 annually). This is most likely due to the low quality construction, older improvement physical age, and fair condition. There is sufficient demand for aviation storage facility locations in this northwest central portion of Florida.

Maximally Productive:

The existing use of the subject utilizes the overall site only in a less than productive manner. A typical airport storage hangar site includes up to a 5.00:1 (+/-) Land-to-Bldg Ratio. It appears that there will be the potential for significant surplus land if the building were to be encumbered with a ground lease. This is due primarily to the improvement placement on the overall site. If the improvement were to be marketed for sale, it will likely require a six to twelve month marketing period. This is currently the standard marketing period in the general market area for these type properties if competitively priced.

Conclusion:

The subject's existing use as a **Aviation Facility** storage hangar project fulfills requirements of highest and best use at least as an **Acceptable Interim Use**, as improved. The rent income being produced could temporarily offset basic on-going operating expenses and potential demolition cost when economic conditions warrant redevelopment to a modern hangar design. It represents a somewhat reasonable option for development over other alternative improved uses. Based on our review, the subject building is in overall Fair condition and contributes only minor value over a potential land value. The existing improved use is assumed to comply with the allowed uses within the PDP/AF zoning designation. A most likely buyer of the subject improvements would be an owner-user/investor.

SALES COMPARISON APPROACH

The Sales Comparison Approach of this appraisal will compare sales of similarly influenced properties with the subject. The reliability of this approach rests in the validity of the sales presented in terms of sale price, location, date of sale, physical characteristics, and so forth. This is accomplished by the verification process in which parties to the transactions are interviewed to verify information concerning the sales. This approach is based on the Principle of Substitution. In essence, this principle holds that buyers and sellers go through a process similar to the comparison process herein when selecting a property based upon personal preferences, taste, opinions and desires. Adjustments are made to the sales when differences are found after comparison to the subject. Examination and analysis of the comparable's and the resulting adjusted sale prices results in the best reflection of value for the subject property via the Sales Comparison Approach.

SUBJECT VALUATION:

The subject includes a 3,600 SF GLA aircraft hangar building. The subject neighborhood and other areas of similar economic influence in Florida were researched for sales or asking prices of improved properties comparable to the subject. In lieu of specific adjustments, the bracketing process will be employed utilizing qualitative nominal percentage adjustments applied within a sales adjustment grid. This process "brackets" the subject between the sales with "superior" and "inferior" characteristics with the indication of value for the subject emphasizing those comparable's with most similar features. Several hangar sales or listings on somewhat similar sites were located. The sale prices provide a range of value from which an indication of the market value of the subject can be concluded. The price/SF gross leasable area (GLA) unit of comparison is utilized which is appropriate for the valuation of storage hangar type buildings like the subject.

Improved Market Sales

Subject Bldg: 3,600 SF GLA

<u>Sale #</u>	<u>ID</u>	<u>Size (SF)</u>	<u>Sale Date</u>	<u>*Asking/ Sale Price</u>	<u>Price /SF GLA</u>
Sale 1	2JFI, LLC	21,875	7/20	\$ 838,000	\$ 38.31
Sale 2	Global Jetcare	25,056	10/21	\$1,370,000	\$ 54.68
Sale 3	Taking in View	1,120	10/22	\$ 75,000	\$ 66.96
Sale 4	Crowder	2,193	12/22	\$ 215,000	\$ 98.04

Improved Sale 1 is the sale of a 21,875 SF GLA hangar & office/terminal steel building (Blt 2010) on a 3 acre leased site at 2561 Rescue Way, Brooksville-TB Regional Airport. It has 4,375 SF GLA office area (20%) & 17,500 SF hangar area (80%), of Avg/Good quality construction and condition. The site improvements include large asphalt apron/parking area, sidewalks, central water/sewer, fencing, landscaping, etc. The 7/20 sale date would require an upward time adjustment (transactional). The superior quality construction, age/condition, design, and site improvements require downwards adjustments. The location and airport site/view are somewhat similar to the subject. The larger GLA SF size requires an upward adjustment (economies of scale).

Improved Sale 2 is the sale of a 25,056 SF GLA hangar/office (Steel; Blt 2010) & detached office/terminal (Cblk; Blt 2009) buildings on a 11.02 acre leased site at 15421 Technology Dr, Brooksville-TB Regional Airport. It has 3,996 SF GLA office/terminal area (16%) & 21,060 SF hangar/office area (84%), of Good quality construction and condition. The site improvements include large asphalt apron/parking area, sidewalks, central water/sewer, fencing, landscaping, etc. The 10/21 sale date would require an upward time adjustment (transactional). The superior quality construction, age/condition, two building detached design, and site improvements require downwards adjustments. The location and airport site/view are somewhat similar to subject. The larger GLA SF size requires an upward adjustment (economies of scale).

Improved Sale 3 is the sale of a ribbed metal T-Hangar unit with 1,120 SF GLA on a 5.72 acre condominium site (6 Bldgs/72 units). The buildings were built in 2006 and located at 4241 Birdsong Blvd within Tampa North Aero Park in Lutz. It is of Avg quality construction and condition. Site improvements include a small asphalt apron, fencing, and other common area amenities. The superior quality construction, age/condition, and site improvements require downwards adjustments. The location and airport site/view are somewhat similar to the subject. The inferior attached condo T-hangar design requires an upward adjustment. The smaller GLA SF size requires a downward adjustment (economies of scale).

Improved Sale 4 is a ribbed metal 2,193 SF GLA hangar storage unit (Blt 2007) on a 1.71 acre condominium site (2 Bldgs/19 units) at 1495 General Aviation Dr at Melbourne Int'l Airport in Melbourne. The hangar has a small bathroom, 100% A/C area, and is of Avg quality and condition. Site improvements include small asphalt apron, fencing, and other common area amenities. The superior quality construction, age/condition, and site improvements require downwards adjustments. The inferior attached condo design requires an upward adjustment. The location and airport site/view are

somewhat similar to subject. The smaller GLA SF size requires a downward adjustment (economies of scale).

IMPROVED SALES ADJUSTMENT GRID:

SALE #	#1	#2	#3	#4
I.D.	2JFI LLC	GLOBAL J	TAKING IN	CROWDER
SALE DTE	7/20	10/21	10/22	12/22
SALE PRC	\$838,000	\$1,370,000	\$ 75,000	\$215,000
PROP RTS	0.00	0.00	0.00	0.00
FINANCING	0.00	0.00	0.00	0.00
SALE CONDITNS	0.00	0.00	0.00	0.00
TIME (MKT CND)	0.08	0.04	0.00	0.00
ADJ SPRC	\$905,040	\$1,424,800	\$ 75,000	\$215,000
SIZE/GLA	21,875	25,056	1,120	2,193
ADJ SPRC/SF	\$ 41.37	\$ 56.86	\$ 66.96	\$ 98.04
LOCATION/SITE VIEW	0.00	0.00	0.00	0.00
QUAL CONST/CONDT'N	-0.25	-0.30	-0.10	-0.10
DESIGN/UTILITY	-0.15	-0.20	0.05	0.05
GLA SIZE/ECO SCALE	0.20	0.25	-0.05	-0.05
SITE IMPROVEMENTS	-0.15	-0.15	-0.05	-0.05
NET ADJ %	-0.35	-0.40	-0.15	-0.15
ADJ \$/SF	\$ 26.89	\$ 34.12	\$ 56.92	\$ 83.33

SUBJECT VALUATION CONCLUSION -

Range: \$26.89/SF to \$83.33/SF GLA
Mean: \$50.32/SF GLA

The comparable's presented are considered best available for this analysis. Value emphasis will be given to below \$34.12/SF GLA (lowest unit indicator of Comparable's 2, 3, & 4), and above \$26.89/SF GLA (Comparable 1). Therefore, with emphasis given to well below the mean of all four comparable's (\$50.32/SF) being slightly weighted towards Comparable's 1 & 2 due to being located in the Brooksville-TB Regional Airport project, I have concluded an indication of value for the subject leasehold at \$30.00/SF GLA.

<u>Indication of Value, as Cured</u>	
3,600 SF GLA X \$30.00/SF	\$ 108,000
Less: Deferred Maintenance	<u>- 86,000</u>
INDICATION OF LEASEHOLD VALUE	
<u>VIA SALES COMPARISON APPROACH (rnd)</u>	\$ 22,000
As-Is	

IMPROVED SALE 1



COUNTY: Hernando

RECORDING: OR BK 3862/456

LOCATION: 2561 Rescue Way, Brooksville, Fla.

SALE DATE: 7/2020

IND SALE PRICE: \$ 838,000

ADJ SALE PRICE: \$ 838,000

UNIT PRICE INDICATOR: Per 21,875 SF GLA \$ 58.52/SF

FINANCING: Cash at Closing

GRANTOR: Worldwide Aircraft Services, Inc.

GRANTEE: 2JFI, LLC

LEGAL DESCRIPTION: Lengthy metes & bounds in 19/23S/19E;
Hernando County, Fla.

ZONING: PDP/AF - Aviation Facility

USE AT SALE DATE: Office/Hangar Building on leased site

SITE DESCRIPTION: 3.00 AC (130,680 SF); 100% upland; Avg Rescue Way road frontage; paved driveway/ large apron; sidewalks/pad; central water/ sewer; fencing; landscaping; etc; leased site.

BLDG DESCRIPTION: Avg/Good Quality Steel Bldg (Blt 2010 & upgraded later); Avg/Good Cond; 21,875 SF GBA (4,375 SF GLA Ofc area & 17,500 SF GLA Hangar).

LAND TO BLDG RATIO: 5.97:1

LEASE TERMS: Owner-Occupied prior to Sale Date
at sale date

COMMENTS: Leased site with good location within Brooksville-TB Regional Airport on a Taxiway. Building & site improvements designed for aeronautical occupant.

VERIFIED WITH: Public Records/HCPA, & Airport Mgmt Ofc; 10/22 (previously appraised by Hugh Tolle)

VERIFIED BY: Hugh E. Tolle, SRA

TAX RECORD #: R-Z RLP 19-0000-0110-0100 &
R19 423 19 0000 0110 0100

IMPROVED SALE 2



COUNTY: Hernando
RECORDING: 4096/646
LOCATION: 15421 Technology Dr, Brooksville, Fla.
SALE DATE: 10/2021
IND SALE PRICE: \$ 1,370,000
ADJ. SALE PRICE: \$ 1,370,000
UNIT PRICE INDICATOR: Per 25,056 SF GLA \$ 54.68/SF
FINANCING: Cash & Capital City Bank Mtg at Closing
GRANTOR: Hernando County
GRANTEE: Global Jetcare, Inc.

LEGAL DESCRIPTION: Lengthy metes & bounds in 23/23S/18E;
Hernando County, Fla.

ZONING: PDP/AF (Aviation Facility)

USE AT SALE DATE: Office & Hangar on leased site

SITE DESCRIPTION: 11.02 AC (479,856 SF); 100% upland; Avg
Technology Dr frontage; Irregular shape;
Paved drive/parking & large apron; side-
walks/pads; central water/sewer; fence;
landscaping; sheds; etc; leased site.

BLDG DESCRIPTION: Bldg 1 - 4,489 SF GBA CBlk/Pre-Cast Conc
Office/Terminal (Blt 2010) with 3,996 SF
GLA, 93 SF C/E & 400 SF porte-cochere; &
Bldg 2 - 21,060 SF GBA Steel Hangar (Blt
2009) with 1,560 SF Ofc area & 19,500 SF
hangar storage. Good Quality Construction
and Condition.

LAND TO BLDG RATIO: 18.78:1

LEASE TERMS: Tenant occupied prior to sale date and
purchased by tenant (Global Jetcare).

COMMENTS: Leased site with good location within
Brooksville-TB Regional Airport on airport
& Technology Dr. Two buildings of Good
quality with superior design features. The
leasehold was independently appraised at
Market Value (at sale price) before pur-
chase contract was approved by Hernando
County.

VERIFIED WITH: Public Records/HCPA & Airport Mgmt Ofc;
10/22

VERIFIED BY: Hugh E. Tolle, SRA

TAX RECORD #: R-Z CAP 18-0000-0010-0010 &
R23 423 18 0000 0010 0010

IMPROVED SALE 3



COUNTY: Pasco

RECORDING: OR BK 10708/2061

LOCATION: 4241 Birdsong Blvd, Lutz, Fla.

SALE DATE: 10/2022

IND SALE PRICE: \$ 75,000

ADJ SALE PRICE: \$ 75,000

UNIT PRICE INDICATOR: Per 1,120 SF GLA \$ 66.96/SF

FINANCING: Cash at Closing

GRANTOR: Flash Aviation, LLC

GRANTEE: Taking in the View, LLC

LEGAL DESCRIPTION: Unit 334, Bldg C, Eagles Nest Condo, Ph I; Pasco County, Fla.

ZONING: M/PUD (Airport)

USE AT SALE DATE: 1 Condo. Unit T-Hangar

SITE DESCRIPTION: 5.72 AC Condo Parcel; 100% upland; Avg Road frontage; rectangular shape; six Bldg/72 Units; each unit has small paved Apron and access to common area amenities; Tampa North Aero Park just west of I-75.

BLDG DESCRIPTION: Avg Ribbed Metal T-Hangar; Built 2006 (Avg Cond); 1,120 SF GBA/GLA; 41' wide electric bi-fold door; Avg quality of construction; attached condo units.

LAND TO BLDG RATIO: 1.00:1

LEASE TERMS: Not Available to Appraiser
At sale date

COMMENTS: Condo unit site with Avg location at Tampa North Aero Park with runway access.

VERIFIED WITH: Public Records/PCPA; 11/22

VERIFIED BY: Hugh E. Tolle, SRA

TAX RECORD ID: 14-26-19-0110-00C00-3340

IMPROVED SALE 4



COUNTY: Brevard

RECORDING: 9683/0175

LOCATION: 1495 General Aviation Drive, Unit #B6,
Melbourne, Fla.

SALE DATE: 12/19/2022

IND ASKING PRICE: \$ 215,000

ADJ ASKING PRICE: \$ 215,000

UNIT PRICE INDICATOR: Per 2,193 SF GLA \$ 98.04/SF

FINANCING: Cash at Sale

GRANTOR: Terence Witt

GRANTEE: Zachary Crowder

LEGAL DESCRIPTION: Unit B6, The Landings West at Melbourne
Condominium; Brevard County, Fla.

ZONING: M1 - Industrial (Airport)

USE AT SALE DATE: 1 Condo. Hangar Unit

SITE DESCRIPTION: 1.71 AC Condo Parcel; 100% upland; Avg
Road frontage; rectangular shape; two
Bldgs/19 Units; each unit has small paved
Apron and access to common area amenities;
Melbourne Int'l Airport.

BLDG DESCRIPTION: Avg Ribbed Metal Box Hangar; Built 2007
(Avg Cond); 2,193 SF GBA/GLA; 50' wide
electric bi-fold door; Avg quality of
construction; 100% climatized; small
bathroom; attached condo units.

LAND TO BLDG RATIO: 1.00:1

LEASE TERMS: Not Available to Appraiser
At sale date

COMMENTS: Condo unit site with Avg location at
Melbourne Int'l Airport with runway
access.

VERIFIED WITH: BCPA/Space Coast MLS; 3/24
(Bryan Yancey, Ellingson Properties)

VERIFIED BY: Hugh E. Tolle, SRA

TAX RECORD ID: 27-37-29-00-263.Q

INCOME CAPITALIZATION APPROACH

The Income Capitalization Approach provides an appropriate indication of value when the property being appraised evidences income-producing capabilities. Actual income production from properties considered similarly influenced as the subject are analyzed and compared to the subject for income stream quality and durability, vacancy allocations, and expense performance, resulting in an estimate of net operating income (NOI). The estimate of NOI is then converted to property value by direct capitalization. The methodology of estimating net operating income and the capitalization process includes the following steps:

- ◆ Estimate the potential gross income (PGI) of the subject from all sources available to the property based upon the property type;
- ◆ Estimate the most probable allocation of vacancy and collection loss from available market evidence as current and historical performance of the subject and from comparable rental properties; this estimate is deducted from PI resulting in effective income (EGI; net or gross) attributable to the subject;
- ◆ Forecast the operating expenses of the subject that are the responsibility of the lessor which are typical to the property and supported by rental comparables; the expenses are deducted from EGI resulting in the expected NOI;
- ◆ The conversion of NOI to property value can be accomplished by two methods of direct capitalization: mortgage-equity analysis and/or market extraction.

I. POTENTIAL GROSS INCOME ESTIMATE

The subject building could be an income-producing property with 3,600 SF GLA. Even though hangar building lease data is somewhat difficult to verify within Central Florida, several landlords and tenants (or their agents) did provide enough data to make the income capitalization approach relevant for use. A few of the landlords and/or tenants asked for confidentiality, and the market rental data collected is assumed to be reliable. Market rental data from the general Central Florida neighborhood is a search parameter for this analysis. The unit of comparison utilized is an annual rent/SF with Gross lease arrangements.

Contract Rent - According to the client, the subject is a tenant-occupied property with Pem-Air Turbine Engine Services, with a short term lease of: 8/22 thru 7/25, at \$1,013.00/Mth (\$3.38/SF, Gross) with rent increases of 3% per year.

Market Rent - A market rental search was undertaken for rentals of aircraft hangar properties. *Asking rents are also presented. The market rentals include various features: some with climatized storage area, Ofc/Hangar interior finish/upgrades, etc.

ID	Address	Airport	SF Area	Type	Rent/SF
1*	1770 SW 60 th Ave	Ocala Intl Airp	1,700 SF	Gross	\$ 3.85/SF
2	28000 A1 Airport Rd	Punta Gorda Air	3,600 SF**	Gross	\$ 2.50/SF
3	718 N Lindburg Terr	Crystal Rvr Air	4,000 SF**	Gross	\$ 2.70/SF
4	602 Skyline Drive	New Smyrna Airp	2,548 SF**	Gross	\$ 4.16/SF
5	2105 American Flyer	Brooksville TB	4,730 SF**	Gross	\$ 4.54/SF
6*	450 S Airport Road	Lake Wales Airp	3,600 SF	Gross	\$13.67/SF
7	2535 Rescue Way	Brooksville TB	4,314 SF**	Gross	\$ 4.56/SF
				Range	\$2.50 - \$13.67
				Mean	\$5.14

Market Rental 1 is a 1,700 SF aircraft storage hangar at Ocala Internat'l Airport in Marion County with an asking rent of \$3.85/SF (\$545/Mth, Gross). This is an Avg quality & condition T-Hangar.

Market Rental 2 is a 3,600 SF aircraft storage hangar at Punta Gorda Airport with rent at \$2.50/SF (\$750/Mth, Gross). This is a standard box hangar of Avg quality construction and condition.

Market Rental 3 is 4,000 SF of aircraft hangar space (50%) within an 8,000 SF hangar building at Crystal River Airport in Citrus County rented at \$2.70/SF (\$900/Mth, Gross). This hangar is of Avg quality construction and condition, with no bathroom or office.

Market Rental 4 is a 2,548 SF aircraft executive storage hangar at New Smyrna Beach Municipal Airport in Volusia County rented at \$4.16/SF (\$884.21/Mth, Gross). This hangar is considered of Avg quality construction and condition, with no bathroom/office area.

Market Rental 5 is a 4,730 SF aircraft storage hangar at the subject airport rented at \$4.54/SF (\$1,790/Mth, Gross). This is a corporate hangar of Avg/Good quality construction and condition.

Market Rental 6 is a 3,600 SF aircraft storage hangar at the Lake Wales Municipal Airport with asking rent at \$13.67/SF (\$4,100/Mth, Gross). This is a newly built storage hangar of good quality construction and condition.

Market Rental 7 is a 4,314 SF aircraft storage hangar at the subject airport rented at \$4.56/SF (\$1,639/Mth, Gross). This is a corporate hangar of Avg/Good quality construction and condition.

Potential Gross Income (PGI) Conclusion -

The rentals are mostly located on airports in the general Central Florida market area (except Mkt Rental 2) and considered best available at time of analysis. Value emphasis will be applied to slightly above the mean (\$3.51/SF) of all rentals assuming all subject deferred maintenance items are cured. Therefore, giving slight weight towards the rented hangar units of similar size** compared to subject, I have concluded Potential Gross Income at \$4.00/SF, Gross (as if Cured), or:

Potential Gross Income Estimate

<u>Aircraft Hangar</u>	3,600 SF @ \$4.00/SF	\$ 14,400
-------------------------------	-----------------------------	------------------

II. **SUSTAINED VACANCY AND COLLECTION LOSS**

The conclusion of sustained vacancy and collection loss applicable to the subject property is based upon occupancy information provided by discussions with market participants within the general market area of the subject. Based on the design, quality of construction, and age/condition of the subject being located within the B-TBRA & TC project, I have concluded an estimate of vacancy and collection loss rate for the subject at 5% of PGI, or \$720.

III. **PROPERTY EXPENSES**

The forecast effective gross income conclusion of \$13,680, acknowledges Gross lease arrangements whereby the lessor pays all Operating Expenses except for utility expenses which are paid by the lessee. We were not provided with the subject's detailed historical operating expense data. The expenses below were estimated from discussions with various owners and/or property managers of similar properties and from industry wide trends.

Real Estate Taxes: The subject is owned by Hernando County, and not subject to ad valorem real estate taxes. If sold, the subject leasehold would be subject to ad valorem real estate taxes. This will be estimated at 85% of the leasehold market value estimate of \$20,000, or \$252 (\$17,000 X 1.48% millage rate).

Insurance: An estimate for building insurance will be based on typical industry standards at approximately \$.30/SF, or \$1,080.

Maintenance: Typical building maintenance & repair expenses will be estimated at \$.50/SF, or \$1,800 (utilities paid by a tenant).

Ground Lease: The building/land are owned by Hernando County. It is assumed a ground lease would not be included in operating expenses.

Management/Admin: Typical management expenses will be estimated at 3.0% of effective gross income, or \$410 (\$.11/SF).

Reserves for Replacement: An allowance for periodic replacement of some building components that should be replaced during the buildings economic life is estimated at \$.25/SF, or \$900.

Real Estate Taxes (2023 Mkt Est)	\$ 252
Insurance (\$.30/SF Mkt Est)	1,080
Maintenance (\$.50/SF Mkt Est)	1,800
Management (3.0% of EGI Mkt Est)	410
Replacement Reserve (\$.25/SF Mkt Est)	<u>900</u>
Total Expenses (32.47% of EGI)	\$ 4,442

IV. **NET OPERATING INCOME**

The following is an illustration of the concluded potential gross income estimate from which the estimate of vacancy and collection loss, and expenses applicable to the subject is then subtracted resulting in the net operating income (NOI) of the subject.

<u>Gross Income Estimate</u> (PGI)	\$ 14,400
LESS: Vacancy & Collection Loss (5%)	<u>(720)</u>
<u>Effective Gross Income</u> (EGI)	\$ 13,680
LESS: <u>Expenses</u> (32.47% of EGI)	<u>(4,442)</u>
<u>Net Operating Income</u> (NOI)	\$ 9,238

V. **OVERALL RATE SELECTION**

The final step in the Income Capitalization Approach is the conversion of net operating income into property value. In this report, the method which will be presented is capitalization. This technique includes capitalizing NOI by an appropriate overall rate (Ro) which is expressed as a ratio between sale price and NOI. The two procedures typically employed to conclude an appropriate Ro include mortgage-equity analysis (Band of Investment) and market

extraction. Due to scarcity and difficulty in verifying similar hangar comparable sales leased at sale date, the market extraction method will utilize several non-aeronautical industrial sales and adjust the reconciled Ro upward to account for the use difference. The mortgage-equity band of investment analysis will be utilized. Also, investor surveys can be utilized.

Mortgage-Equity Analysis

Most real estate is purchased with a combination of mortgage and equity funds. The mortgage-equity analysis acknowledges the influences of both the mortgage and equity positions upon the value of a property. The unique feature of the mortgage-equity procedure is the consideration of mortgage terms and equity yields as factors which influence the Ro. The mortgage-equity analysis recognizes that the typical investor will seek the best mortgage terms available in the market which will yield the greatest return to the equity position. From the investors view, the Ro is the percentage of the total investment which is required to satisfy debt service and provide the required yield on the equity position. In this appraisal, the calculation of Ro is accomplished Band of Investment form of mortgage-equity analysis.

Band of Investment

Deriving an Ro via the Band of Investment procedure includes the calculation of the mortgage ratio times the mortgage constant added to the equity ratio times the equity dividend rate. The mortgage ratio is expressed as a percentage of the amount of mortgaged funds compared to the total value of the property. The mortgage constant is a factor which acknowledges the amortized payment of the mortgage including principal and interest. The equity ratio is also known as the downpayment while the equity dividend rate (synonymous with cash on cash return or cash flow rate) is the ratio of NOI after debt service to the downpayment.

Of the four elements required for the calculation of Ro via the Band of Investment, the mortgage ratio, mortgage constant, and equity ratio are typically obtained from the market. The equity dividend rate can be extracted from sales of properties considered similarly influenced as the subject to properly account for the most reliable indication of equity dividend for the subject. The market area has been researched for improved sales considered somewhat similar to subject and investor surveys were reviewed for an indication of equity dividend rate. This research has led to the conclusion of an **11.5% equity dividend rate** as appropriate.

Band of Investment

.75 (mtg. ratio) x .089469 (mtg. constant)♦ = .0671
.25 (equity ratio) x .1150 (equity div.) = .0288
Indicated Ro: .0956

♦ *20-year term, 6.50% interest rate, monthly pmts

Market Extraction -

The appraiser need not be satisfied with an artificial or manufactured Ro. Capitalization rates are most meaningful when they are extracted from the market of sales considered similar to the subject which were leased at time of sale. This procedure of deriving an Ro can be reliable when there is sufficient verified data available to the appraiser. Due to the minimal hangar sales data available similar to the subject that were leased on sale date, the capitalization rate search was expanded to include somewhat similar improved light industrial (non-aeronautical) type properties.

Market Extraction

<u>Sale ID</u>	<u>Size (SF)</u>	<u>Sale Date</u>	<u>Eff. Sale Price/SF</u>	<u>Ind. Ro</u>
A 2055 NW 8 th Ave/Ocala	14,940	3/22	\$ 87.01/SF	7.86%
B 7915 Congress St/Port Ric	23,156	7/22	\$ 99.33/SF	5.15%
C 1203 SW 12 th St/Ocala	17,407	1/22	\$ 45.96/SF	9.62%
D 12120 SE Hwy 484, Bellview	7,010	3/22	\$197.89/SF	7.00%
E 16181 Flight Pth/Brooksvil	10,800	3/20	\$ 60.19/SF	8.40%

Market Extraction Conclusion -

Range: 5.15% to 9.62%
Mean: 7.61%
Median: 7.86%

All sales were industrial rental properties with some elements of similarity compared to the subject. The subject has 3,600 SF GLA within one building as a special-purpose aeronautical hangar property. Weight will be given towards Improved Sale's A, B, C, & D due to most recent sale dates. The capitalization rate will be estimated above the mean (7.61%) of all comparable's at 8.00%. To account for the superior non-aeronautical light industrial use of each comparable, an upward adjustment of 100 basis points will be applied for this analysis. Therefore, I have concluded an appropriate Ro via the market extraction method at **9.00%**.

Investor Surveys

The results of the recently published Korpacz investor survey, by Price Waterhouse Coopers (PWC), and RealtyRates.Com, reflects 4th Qtr 2023 Overall Cap Rates for Warehouse type properties as reflected below:

	<u>PWC Nat'l Warehouse</u>	<u>RealtyRates Warehouse & Dist</u>	<u>Blended Avg</u>
Range	3.00% to 7.00%	5.75% to 11.49%	
Average	5.23%	8.46%	6.85%
Prev Qtr Change	.26	N/A	

Being that the surveys were taken from primarily institutional investors of Warehouse (non-aeronautical) type properties within larger market areas, these surveys will be given the least emphasis.

Overall Rate Conclusion -

Band of Investment: 9.56%
Market Extraction: 9.00%
Investor Surveys: 6.85% Blended Avg

The market extraction method usually provides the best indication of Ro if sales presented include some similarity with the subject. The band of investment procedure provides an appropriate indicator as it reflects potential current financial data as it pertains to the subject. The published surveys are given least emphasis. I have concluded an Ro to be used in the capitalization procedure which gives primary weight towards the Market Extraction method at **9.00%**.

VI.

CAPITALIZATION

The following capitalization summary combines each of the steps outlined previously resulting in the indicated value of the subject via the Income Capitalization Approach.

<u>Gross Income Estimate</u> (PGI)	\$ 14,400
LESS: Vacancy & Collection Loss (5%)	(720)
<u>Effective Gross Income</u> (EGI)	\$ 13,680
LESS: <u>Expenses</u> (32.47% of EGI)	(4,442)
<u>Net Operating Income</u> (NOI)	\$ 9,238
<u>Capitalization</u>	
\$ 9,238 [NOI] ÷ 9.00% [Ro] =	\$ 102,644
<u>Indication of Value, As Cured</u>	
Rnd	\$ 103,000
Less: Deferred Maintenance	- 86,000
INDICATION OF LEASEHOLD VALUE	
<u>VIA INCOME CAPITALIZATION APPROACH (rnd)</u>	\$ 17,000
As-Is	

FINAL RECONCILIATION

COST APPROACH:	\$ N/A
SALES COMPARISON APPROACH:	\$ 22,000
INCOME CAPITALIZATION APPROACH:	\$ 17,000

The As-Is market value Leasehold indicators for the subject represents a somewhat narrow range differential of \$5,000. The Cost Approach to value was not considered appropriate for use due primarily to the subject's older actual age and the overall estimated effective age of the subject building improvements.

The Sales Comparison Approach applies the Principle of Substitution to the subject. The inherent strength of the Sales Comparison Approach is that it mirrors, to a large extent, the actions of buyers and sellers in the marketplace. The Sales Comparison Approach should acknowledge the real estate market for improved aircraft hangar building properties that could be encumbered by a leased site. Typically, the inherent strength of the Sales Comparison Approach is its higher degree of sensitivity to market perception with regard to supply and demand. The availability of sales within the Brooksville-Tampa Bay Regional Airport (even though overall superior to subject) helped the Sales Comparison Approach to become relevant for utilization.

The Income Capitalization Approach generally produces a very reliable estimate of value when appraising an income producing property. Under normal market conditions there is a high degree of relationship between the net income stream that an income property provides and the price for which it will sell. This relationship should provide a reasonable dividend rate to cash invested through the equity position. A prudent investor, while having interest in cash flow, is equally concerned with protecting his investment against inflation. For this analysis, the value derived from the Income Capitalization Approach was given emphasis.

It is assumed as an **Extraordinary Assumption** the subject leasehold can be encumbered with a typical Aviation Ground Lease approved by Hernando County. It is also assumed that the building deferred maintenance items are curable at an estimated cost of \$86,000.

Therefore, based on the investigations and studies presented within this summary Appraisal Report, it is my opinion that the market value of the subject Leasehold Interest, as of Feb. 23, 2024, is:

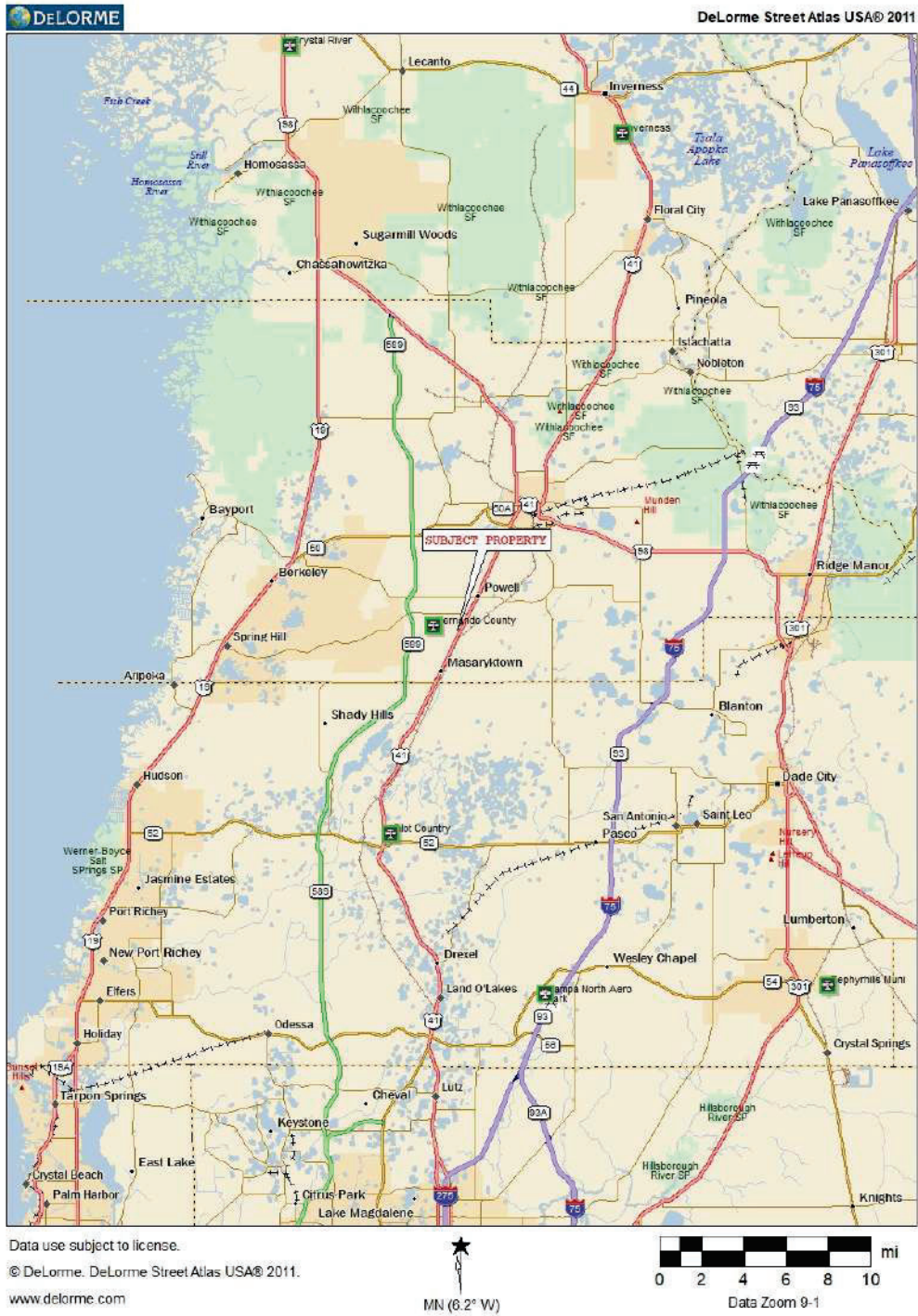
<u>ESTIMATE OF LEASEHOLD MARKET VALUE</u>	\$ <u>20,000</u>
As-Is	

REPORT ADDENDA

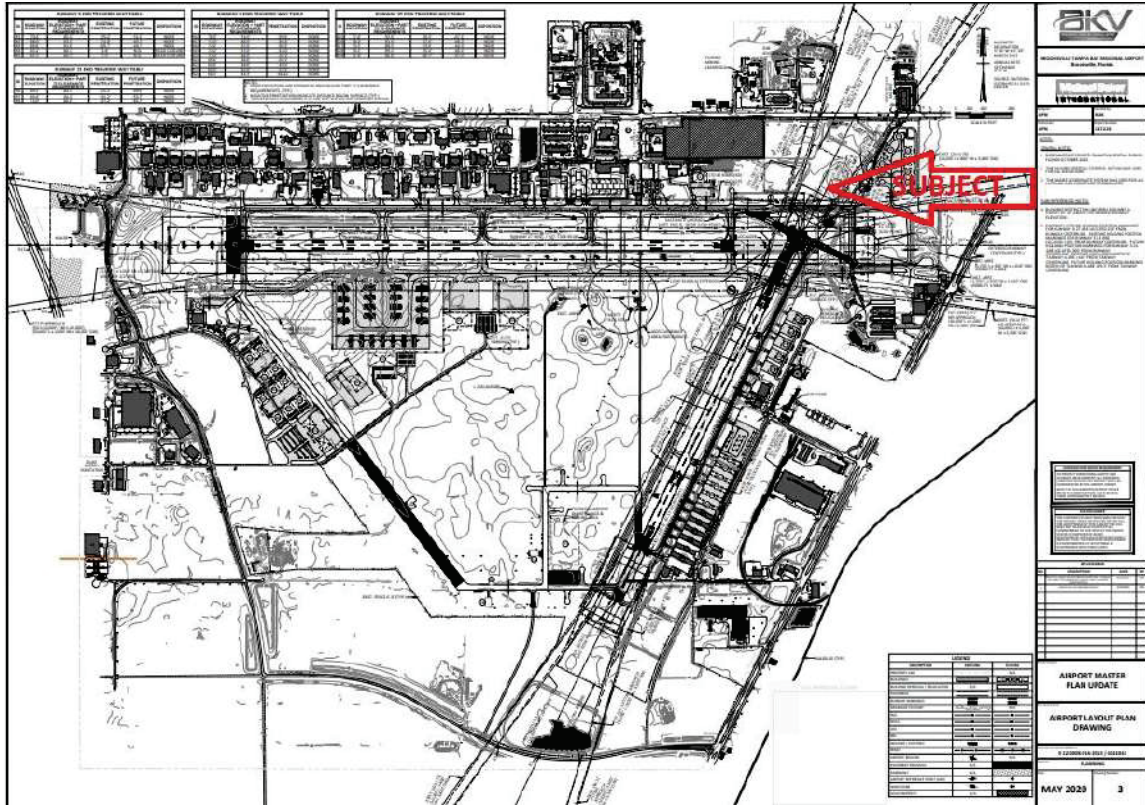
MAPS



GENERAL NEIGHBORHOOD MAP



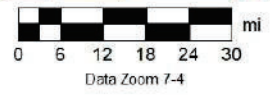
GENERAL BKV AIRPORT MASTER SITE PLAN



SUBJECT/IMPROVED COMPARABLE LOCATION MAP



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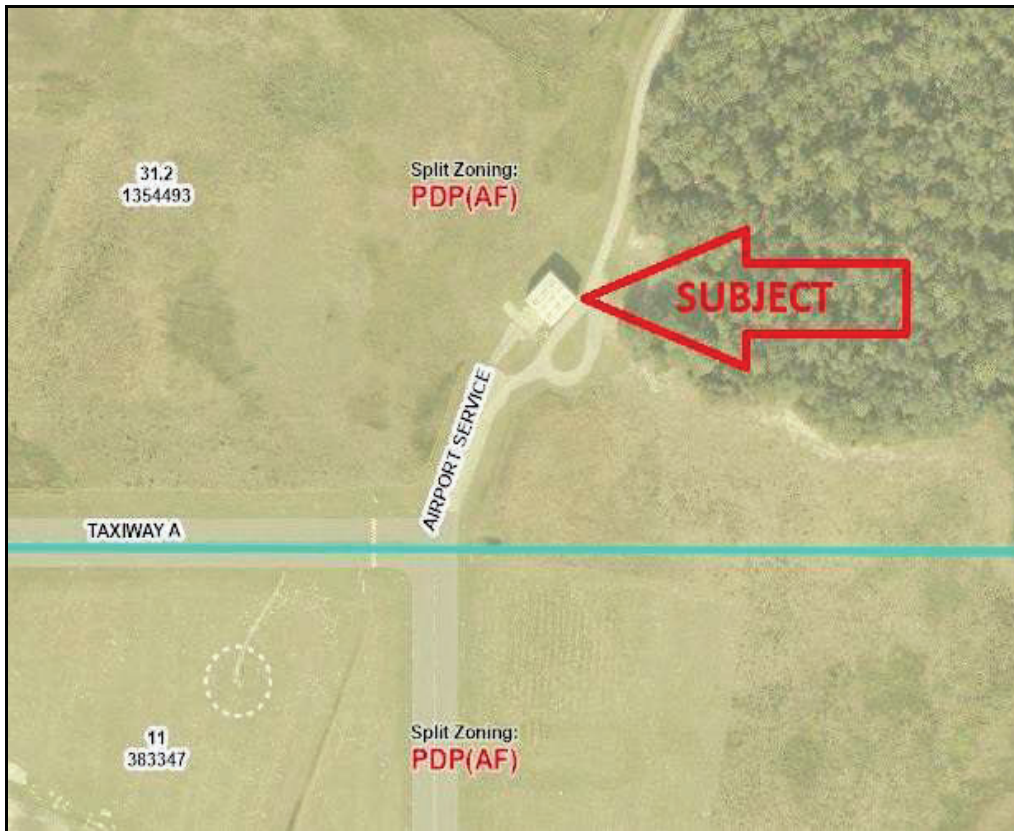
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0 6 12 18 24 30 mi
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SUBJECT TAX AERIAL DETAIL MAP



HERNANDO COUNTY ZONING MAP



QUALIFICATIONS - HUGH E. TOLLE, SRA, REAL ESTATE APPRAISER

United States Air Force, 1974-78
Bachelor of Science Degree, Florida Southern College, 1980
AVP, Operations, Citizens 1st Nat'l Bank Citrus County, 1982-84
MBA Post-Baccalaureate Studies, Florida Southern College, 1987
Appraiser, Tolle Appraisal Service, Inc., 1987 To Present

PROFESSIONAL DESIGNATIONS AND ORGANIZATIONS

Florida State Certified General Appraiser, License #RZ0001679
SRA Member, Appraisal Institute, Mbr #50901
FHA Appraiser, License #FLRZ1679
VA Appraiser, #5000533
Florida Real Estate Broker, License #BK452046
Realtors Association of Citrus County
Citrus County Chamber of Commerce

REAL ESTATE EDUCATION AND EXPERIENCE

Florida Licensed Real Estate Broker, 1987 To Present
Special Master, Citrus County Value Adjustment Board, 2003
City of Crystal River Planning Commissioner, 2005 to 2008

APPRAISAL COURSES AND EDUCATION

National Association of Master Appraisers:

Principles of Real Estate Appraisal, Course 627, 7/89
Practice of Real Estate Appraisal, Course 636, 7/89
Writing the Narrative Appraisal, Course 660, 7/89

Society of Real Estate Appraisers:

Introduction to Appraising Real Property, Course 101, 12/87
Applied Residential Property Valuation, Course 102, 10/88
Introduction to Income Capitalization, 12/87
Appraisal Regulations of the Federal Banking Agencies, 11/90

Appraisal Institute:

Accrued Depreciation, 1/87
Report Writing & Valuation Analysis, 2-2, 11/91
Market Extraction - Income Properties, 8/93
Basic Income Capitalization, Course 310, 9/93
Residential Demonstration Appraisal Report Writing, 12/93
Business Enterprise Valuation, 6/99
Private Mortgage Insurance, 6/99
FHA and the Appraisal Process, 11/99
Standards of Professional Practice, Part C, 6/2000
Partial Interest Valuation - Divided, 9/2000
Like Kind Exchange, 2/2001
Highest & Best Use, Course 520, 4/2001
Advanced Sales Comparison & Cost Approach, Course 530, 9/2001

Advanced Applications, Course 550, 10/2003
Professionals Guide to URAR, 10/2005
Subdivision Valuation, 2/2006
Advanced Residential App. & Case Studies, Pt. 1, 10/07
Advanced Residential Report Writing, Pt. 2, 10/07
Residential Market Conditions, 3/09
Condemnation Appraising, 5/09
Appraiser as Expert Witness, 6/09
Litigation Specialized Topics, 4/10
Discounted Cash Flow Model, 2/11
Fundamentals of Separating Real Property, Personal Property, and
Intangible Business Assets, 3/12
Marketability Studies, 6 Step Process, 3/13
Spreadsheet Programs in RE Appraisals, 9/14
Appraising Airports & Airplane Hangars, 12/14
Income Capitalization, Part A, 3/16
General Demonstration Report Writing, 12/17
Advanced Income Capitalization, 5/18
Advanced Concepts & Case Studies, 5/19
Business Practice & Ethics, 11/21
Florida Appraisal Law Update, 7/22
Uniform Standards of Professional Appraisal Practice, 7/22
50% FEMA Appraisal Rule, 10/22

Florida Dept. Of Transportation:

Uniform Standards of Professional Appraisal Practice, 5/16
Florida Appraisal Law & Rules, 5/16

McKissock Data Systems:

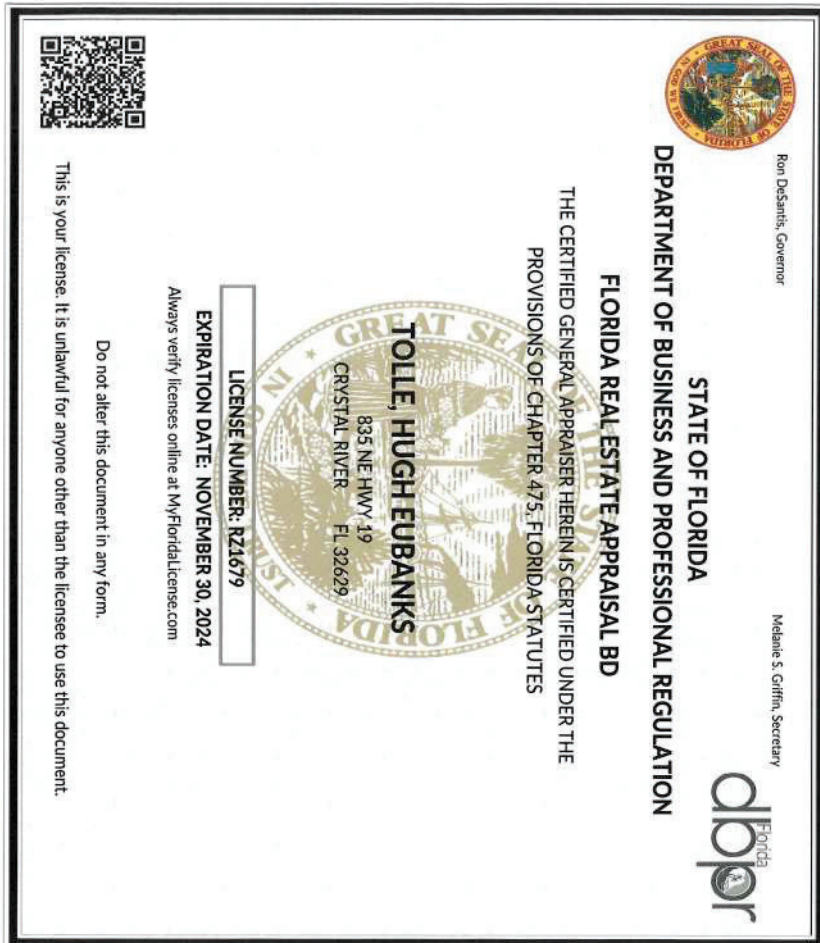
Regression Analysis (Automated Valuation Models), 8/98
Multi-Family (2-4) Properties, 8/98
Real Estate Fraud & the Appraiser's Role, 5/02
Understanding the Uniform Appraisal Dataset, 7/11
Reviewers Checklist, 7/14
Applications of Appraisal Analysis, 7/14
Appraising FHA Today, 3/15
Florida Appraisal Law Update, 10/20
Uniform Standards of Professional Appraisal Practice, 10/20

Partial Listing of Clients (others at request) -

Bank of America
Regions Bank
TD Bank, N.A.
SunTrust Bank/Truist
Capital City Bank
Brannen Banks
CenterState Bank of Florida/Southstate Bank
IberiaBank

Old Florida Bank
Centennial Bank
First American Title Company, Inc.
Hernando County Board of County Commission
Citrus County Board of County Commission
Citrus County School Board
City of Crystal River
City of Inverness
FDOT, Turnpike Right-of-Way
Florida Dept. of Environmental Protection
Southwest Florida Water Management District
Progress Energy of Florida
Dept. Of Veteran Affairs

HUGH TOLLE LICENSE



The image shows a professional license for Hugh Eubanks, a Certified General Appraiser. The license is issued by the Florida Department of Business and Professional Regulation (DBPR). It includes the license number RZ1679, an expiration date of November 30, 2024, and the licensee's address: 835 NE HWY 19, Crystal River, FL 32629. The license is valid under the provisions of Chapter 475, Florida Statutes. The document features the Florida state seal, the DBPR logo, and the signatures of Governor Ron DeSantis and Secretary Melanie S. Griffin. A QR code is located in the top left corner for digital verification.

QR Code

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA REAL ESTATE APPRAISAL BD

THE CERTIFIED GENERAL APPRAISER HEREIN IS CERTIFIED UNDER THE PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

TOLLE, HUGH EUBANKS
835 NE HWY 19
CRYSTAL RIVER FL 32629

LICENSE NUMBER: RZ1679
EXPIRATION DATE: NOVEMBER 30, 2024
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Ron DeSantis, Governor
Melanie S. Griffin, Secretary
dbpr Florida

ENGAGEMENT LETTER

TOLLE APPRAISAL SERVICE, INC.

Real Estate Appraisers & Consultants

Hugh E. Tolle, SRA

State-Certified General Real Estate Appraiser RZ1679

www.TolleAppraisalService.com

Hugh.Tolle@TolleAppraisalService.com

APPRAISAL ENGAGEMENT

Feb. 19, 2024

Steve Miller, Airport Manager
Brooksville-Tampa Bay Regional Airport
15800 Flight Path Drive
Brooksville, Fla. 34604

Re: **Appraisal Services Engagement**
Hangar Building Leasehold; 17330 Spring Hill Dr.
Brooksville-Tampa Bay Regional Airport
Brooksville, Fla.

Dear Mr. Miller:

This letter is confirming your request for a summary narrative **Appraisal Report** on the above referenced real estate to determine current Market Value of the Leasehold Building Improvement.

The total fee will be \$1,800.00 for the Appraisal Report. The fee will be due at time of report completion and delivery. The report will be delivered via email. The Appraisal Report will comply with USPAP and Hernando County reporting requirements, and will be completed within three weeks of the engagement date.

It is our understanding the report should be certified to: _____
with an effective valuation date as of current inspection date.

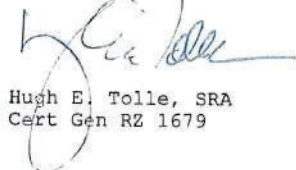
If available, please forward a copy of a boundary survey(s), any ground or tenant lease, and/or any other data you feel pertinent to the appraisal process.

If acceptable, please have signed/dated this engagement letter below and return to our office. If you have any questions, please don't hesitate to call me at (352) 563-0222.

Thank you for allowing us to service your appraisal needs.

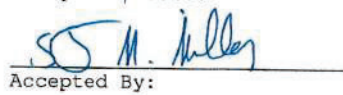
Sincerely,

Tolle Appraisal Service, Inc.



Hugh E. Tolle, SRA
Cert Gen RZ 1679

2/20/24
Acceptance Date:


Accepted By: