



APPRAISAL OF REAL PROPERTY

**IMPROVED INDUSTRIAL PROPERTY
OWNED BY
"L. E. D'LOUHY"
3002 NORTHWEST 10th STREET
OCALA, MARION COUNTY, FLORIDA**

IN AN APPRAISAL REPORT

As of January 21, 2026

Prepared For:

Mr. L. E. "Butch" D'Louhy
Post Office Box 4201
Ocala, Florida 34478-4201

Prepared By:

Todd Barfield, MAI, MRICS, CCIM
Barfield & Associates, LLC
Post Office Box 4338
Ocala, Florida 34478-4338
File No. 263831



Post Office Box 4338
Ocala, FL 34478
Tel 352-861-2522

January 26, 2026

Mr. L. E. "Butch" D'Louhy
Post Office Box 4201
Ocala, Florida 34478-4201

Re: Appraisal Report
L. E. D'Louhy
3002 Northwest 10th Street
Ocala, Florida 34475

Dear Mr. D'Louhy:

In fulfillment of our agreement, we are pleased to transmit our appraisal of the above-referenced property in the following Appraisal Report.

This is an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice. As such, it presents limited discussions of the data, reasoning, or analyses used in the appraisal process to develop the appraisers' opinion of value. Additional supporting documentation concerning the data, reasoning, and analyses is retained in our files. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated below.

The subject property is an industrial tract located at 3002 Northwest 10th Street in Ocala, Marion County, Florida. It has a total site area estimated at 1.39 acres. This location is about 325 feet west of Northwest 30th Avenue and about 3,400 feet east of Interstate Highway 75 (there is no access to I-75 at this area). The property is improved with a 1,560 SF office building and a 5,000 SF warehouse building. The buildings were originally constructed in about 1987 and were in good physical condition at the date of inspection.

This Appraisal Report has been prepared in accordance with our interpretation of the *Uniform Standards of Professional Appraisal Practice* (USPAP). Based on the agreed-to Scope of Work, and as outlined in the report, we developed the following opinion of Market Value:

Value Conclusions			
Appraisal Premise	Real Property Interest	Date of Value	Value Conclusion
Market Value As-Is	Fee Simple	January 21, 2026	\$1,250,000

Mr. L. E. "Butch" D'Louhy
January 26, 2026
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The value opinion in this report is qualified by certain assumptions, limiting conditions, certifications, and definitions, and does not employ any extraordinary assumptions and hypothetical conditions.

Extraordinary Assumptions

For a definition of Extraordinary Assumptions please see the Glossary of Terms & Definitions. The use of extraordinary assumptions, if any, might have affected the assignment results.

This appraisal does not employ any extraordinary assumptions.

Hypothetical Conditions


For a definition of Hypothetical Conditions please see the Glossary of Terms & Definitions. The use of hypothetical conditions, if any, might have affected the assignment results.

This appraisal does not employ any hypothetical conditions.

This letter is invalid as an opinion of value if detached from the report, which contains the text, exhibits, and Addenda.

Respectfully submitted,

BARFIELD & ASSOCIATES, LLC

A handwritten signature in black ink, appearing to read "Todd Barfield". The signature is fluid and cursive, with a large initial "T" and "B".

Todd L. Barfield, MAI, MRICS, CCIM
State-Certified General Real Estate Appraiser RZ2706
Exp. 11/30/2026

Summary of Salient Facts and Conclusions

Client:	L. E. "Butch" D'Louhy
Intended Use:	This appraisal is intended to provide an opinion of the Market Value of the fee simple interest in the property for the internal business use of the client. This report is not intended for any other use.
Intended User:	This Appraisal Report was prepared for the exclusive use of L. E. "Butch" D'Louhy. Use of this report by others is not intended by the appraiser.
Identification of Real Estate:	L. E. D'Louhy 3002 Northwest 10 th Street Ocala, Florida 34475
Current Use:	The subject property is an industrial tract located at 3002 Northwest 10 th Street in Ocala, Marion County, Florida. It has a total site area estimated at 1.39 acres. This location is about 325 feet west of Northwest 30 th Avenue and about 3,400 feet east of Interstate Highway 75 (there is no access to I-75 at this area). The property is improved with a 1,560 SF office building and a 5,000 SF warehouse building. The buildings were originally constructed in about 1987 and were in good physical condition at the date of inspection.
Highest and Best Use-As Vacant: Highest and Best Use-As Improved:	An industrial use built to its maximum building area Industrial office/warehouse use as it is presently used
Type of Value:	Market Value (defined later in this report)
Real Property Interest Valued:	Fee simple ownership
Current Ownership:	L. E. D'Louhy
Sales History:	To the best of our knowledge, the title to the subject property has been in its present ownership for more than the past three years. As a result, more specific information regarding previous title transfers has been excluded from this report.

Current Disposition: To the best of our knowledge, the subject property is not currently listed for sale or under contract for sale.

Personal Property: Personal property was excluded from the valuation.

Leasehold Improvements: Leasehold improvements, if any, were excluded from the valuation.

Date of Inspection: January 21, 2026

Effective Date(s) of Valuation:

As Is: January 21, 2026

Date of Report: January 26, 2026

Extraordinary Assumptions: This appraisal does not employ any extraordinary assumptions.

Hypothetical Conditions: This appraisal does not employ any hypothetical conditions.

Indicated Values: Sales Comparison Approach - \$1,300,000
Income Capitalization Approach - \$1,200,000

Final Value Conclusion: \$1,250,000 "Value As Is"

Exposure Time: 6-9 Months

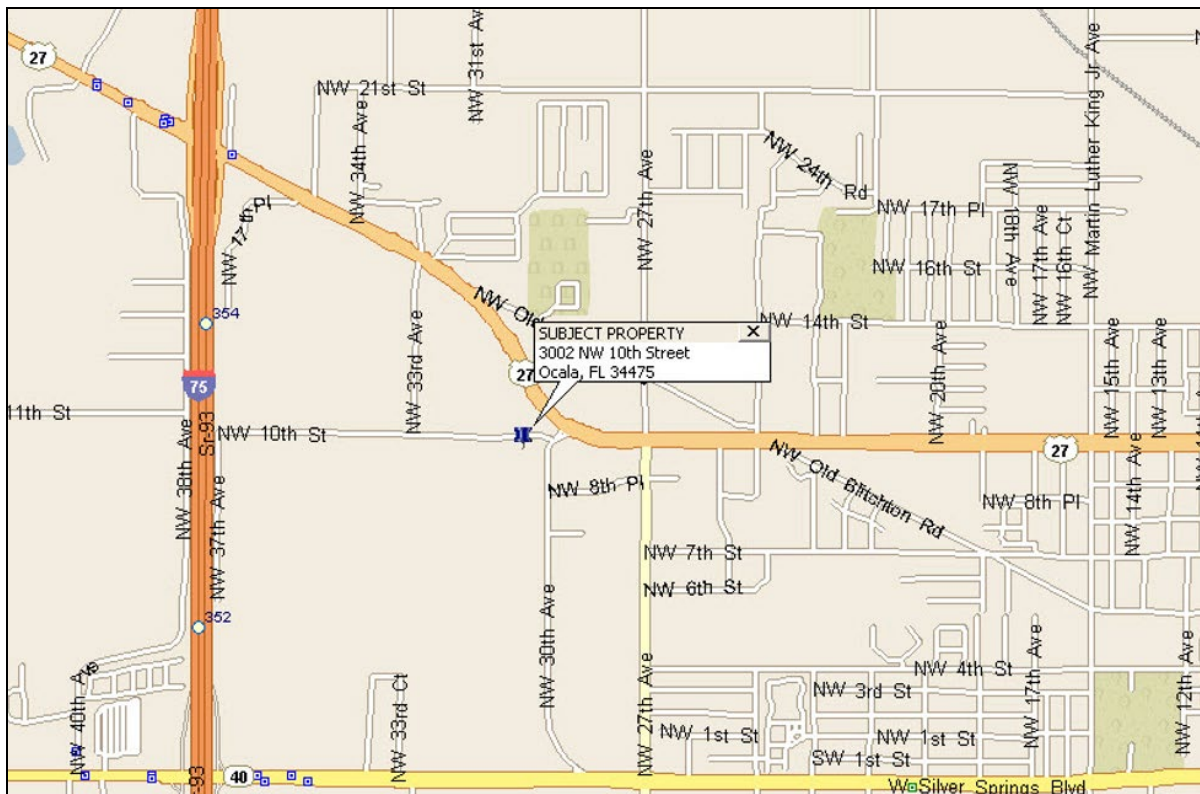
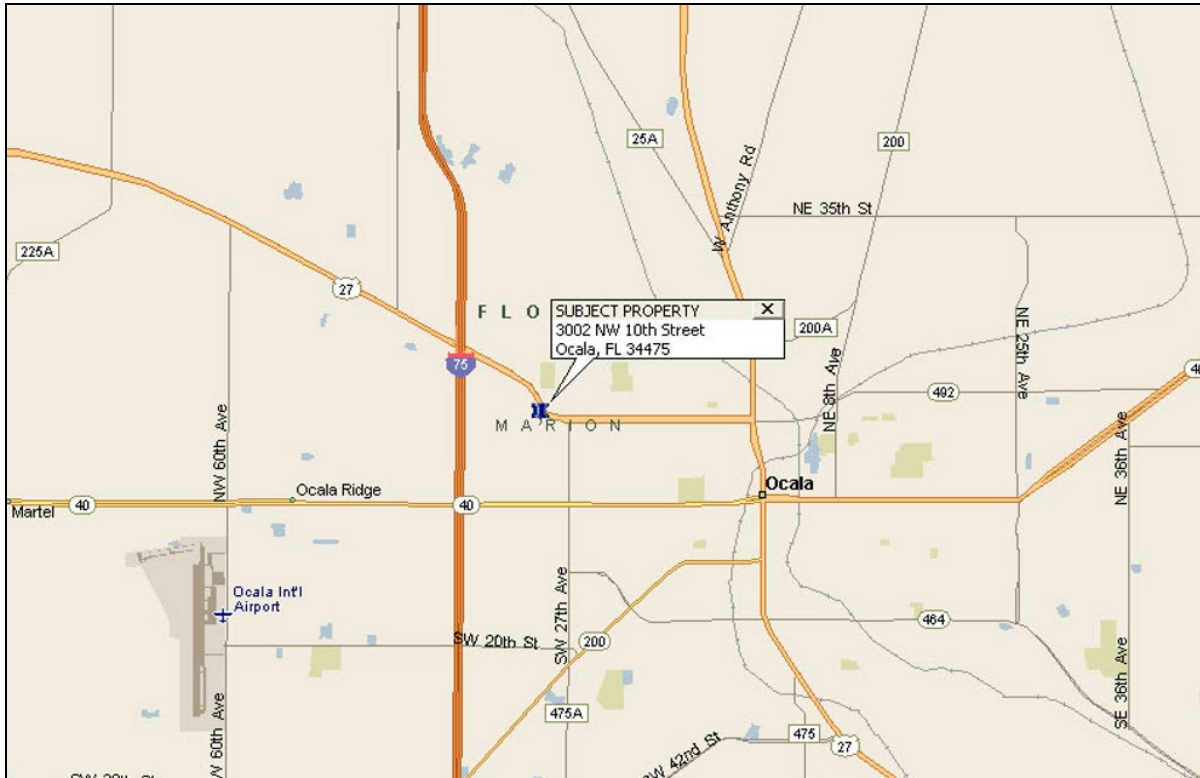
Marketing Time: 6-9 Months

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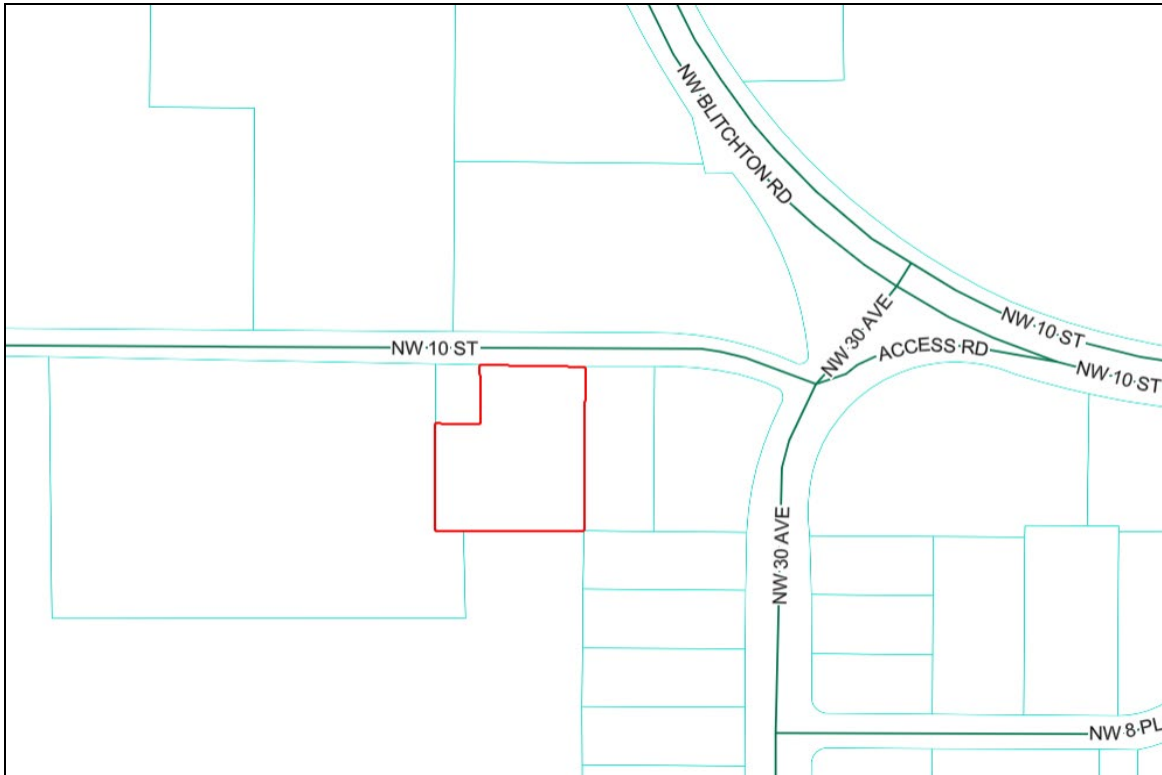
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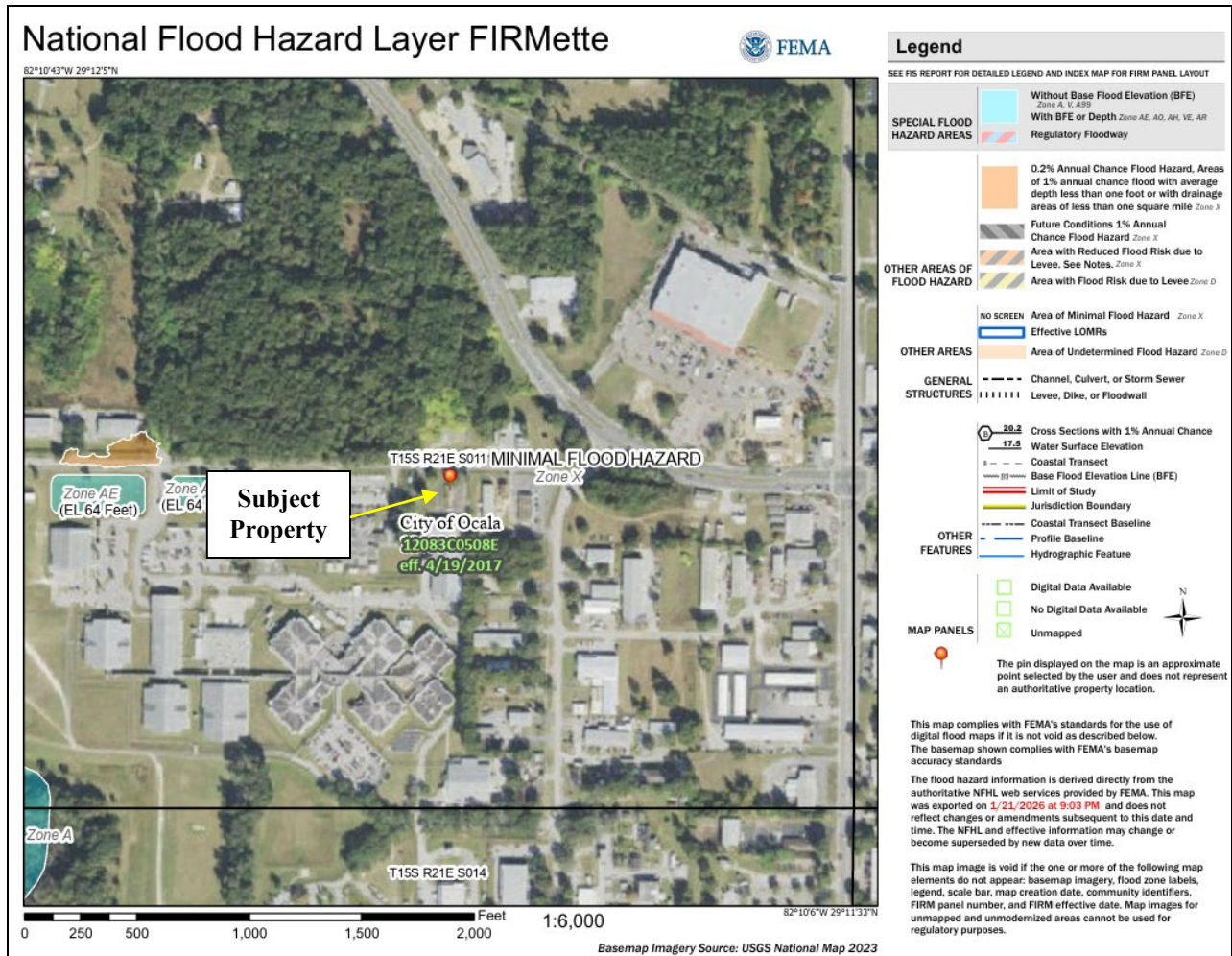
PROPERTY LOCATION MAPS



PROPERTY BOUNDARY MAP & AERIAL MAP

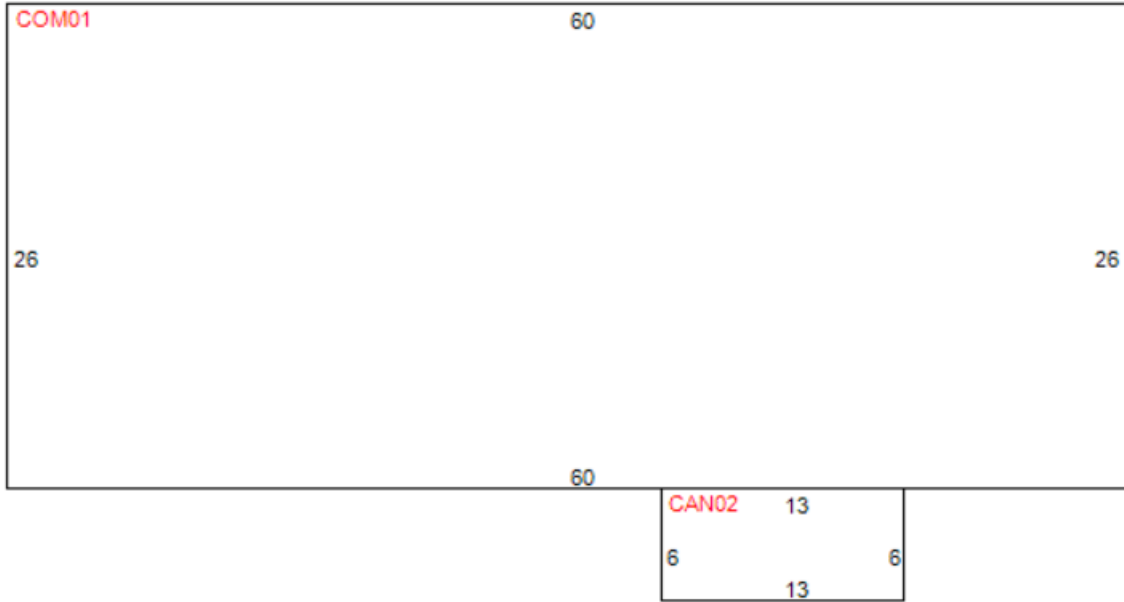


FLOOD MAP

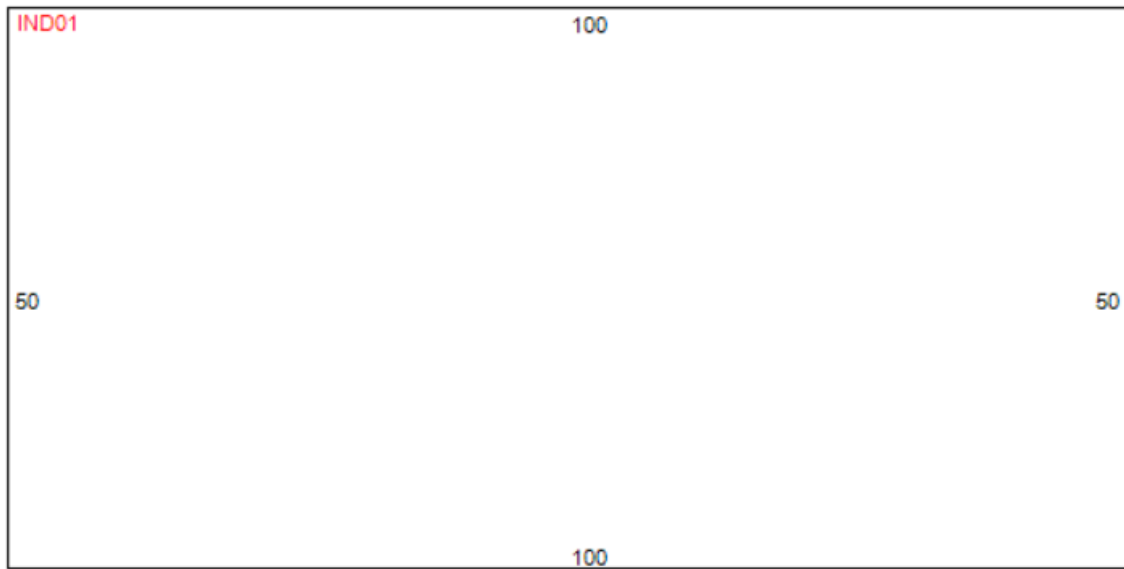


BUILDING SKETCHES

Office



Warehouse



Photographs Taken: January 21, 2026



Front view of the property, facing southwest, as seen from its frontage along Northwest 10th Street.



Alternate front view of the property, facing southeast, as seen from its frontage along Northwest 10th Street.



Rear view of the property, facing northeast, with the office and warehouse buildings visible in the background and the drainage retention area in the foreground.



Close-up front view of the office building at the front of the property.



Close-up rear view of the office building at the front of the site.



Current interior view of the lobby/customer waiting area in the office building.



Current interior view of the reception area in the office building.



View of typical office space in the building.



View of typical office space.



Employee break room.



Kitchenette.



Typical office space in the building; note that floor coverings have been removed in order to accommodate installation of new carpeting.



Close-up front view of the warehouse building at the rear of the site.



Close-up rear view of the warehouse building.



Current interior view of the warehouse building on the site.



Close-up view of the fueling station on the site, which includes a concrete pad, a fuel pump and dispenser, and two 500-gallon above-ground fuel storage tanks.

SCOPE OF WORK

Overview

Scope of work is the type and extent of research and analyses involved in an assignment. To determine the appropriate scope of work for the assignment, we considered the intended use of the appraisal, the needs of the user, the relevant characteristics of the subject property, and other pertinent factors. Our concluded scope of work is summarized below, and in some instances, additional scope details are included in the appropriate sections of the report.

Research

- We inspected the property and its environs. Physical information on the subject was obtained from the property owner, public records, and/or third-party sources.
- Regional economic and demographic trends, as well as the specifics of the subject's local area were investigated. Data on the local and regional property market (supply and demand trends, rent levels, etc.) was also obtained. This process was based on interviews with regional and/or local market participants, primary research, available published data, and other various sources.
- Other relevant data was collected, verified, and analyzed. Comparable property data was obtained from various sources (public records, third-party data-reporting services, etc.) and confirmed with a party to the transaction (buyer, seller, broker, owner, tenant, etc.) wherever possible. It is, however, sometimes necessary to rely on other sources deemed reliable, such as data reporting services.

Analysis

- Based upon the subject property characteristics, prevailing market dynamics, and other information, we developed an opinion of the property's Highest and Best Use.
- We analyzed the data gathered using generally accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value.
- The results of each valuation approach are considered and reconciled into a reasonable value estimate.

This report is intended to comply with the reporting requirements outlined under USPAP for an Appraisal Report. The report was also prepared to comply with the requirements of the Code of Professional Ethics of the Appraisal Institute and the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), Title XI Regulations.

REPORT OPTION DESCRIPTION

USPAP identifies two written report options: Appraisal Report and Restricted Appraisal Report. This document is prepared as an Appraisal Report in accordance with USPAP guidelines. The terms “describe”, “summarize”, and “state” connote different levels of detail, with “describe” as the most comprehensive approach and “state” as the least detailed. As such, the following provides specific descriptions about the level of detail and explanation included within this report.

- Summarizes the real estate and/or personal property that is the subject of the appraisal, including physical, economic, and other characteristics that are relevant
- States the type and definition of value and its source
- Summarizes the Scope of Work used to develop the appraisal
- Summarizes the information analyzed, the appraisal methods used, and the reasoning supporting the analyses and opinions; explains the exclusion of any valuation approaches
- States the use of the property as of the valuation date
- Summarizes the rationale for the Highest and Best Use opinion (if included)

LEGAL DESCRIPTION

Parcel 1: Beginning at a point 24 feet South from the North boundary of the Southwest 1/4 of the Southeast 1/4 of Section 11, Township 15 South, Range 21 East and 500 feet West from the West right-of-way line of State Highway Number 500; thence East 83 feet to the Point of Beginning; thence South 100 feet; thence East 83 feet; thence North 100 feet; thence West 83 feet to the Point of Beginning.

Parcel 2: Begin at a point 24 feet South from the North boundary of the Southwest 1/4 of the Southeast 1/4 of Section 11, Township 15 South, Range 21 East and 250 feet West from the West right-of-way line of State Highway Number 500; thence run West 84 feet; thence run South 100 feet; thence run West 83 feet; thence run North 100 feet; thence run West 8 feet; thence run South 100 feet; thence run West 75 feet; thence run South 175.31 feet; thence run East 250 feet; thence run North 275.31 feet back to the Point of Beginning.

OBJECTIVE OF APPRAISAL

The objective of this report is to estimate the market value of the property. 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, knowledgeably and assuming the price is not affected by undue stimulus."

Also implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- A. Buyer and seller are typically motivated;
- B. Both parties are well informed or well advised, and acting in what he considers his own best interest;
- C. A reasonable time is allowed for exposure in the open market;
- D. Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and
- E. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: Office of the Comptroller of the Currency, 12CFR, Part 34

RIGHTS APPRAISED

All real properties are considered to have multiples of rights inherent with the ownership of that property. These rights include the right to sell, to lease, to give away, to occupy, to leave unoccupied, among other rights. These rights are thought of as a "bundle of rights". An owner who enjoys all of the rights in this bundle is considered to own the property in fee simple title, or commonly referred as "fee ownership". If he or she so chooses, the owner may transfer a portion or all of these rights in the property; i.e., through lease, sale, etc.

The property rights appraised include the fee simple interest.

EFFECTIVE DATE OF APPRAISAL

January 21, 2026

DATE OF REPORT

January 26, 2026

OWNER OF RECORD

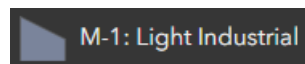
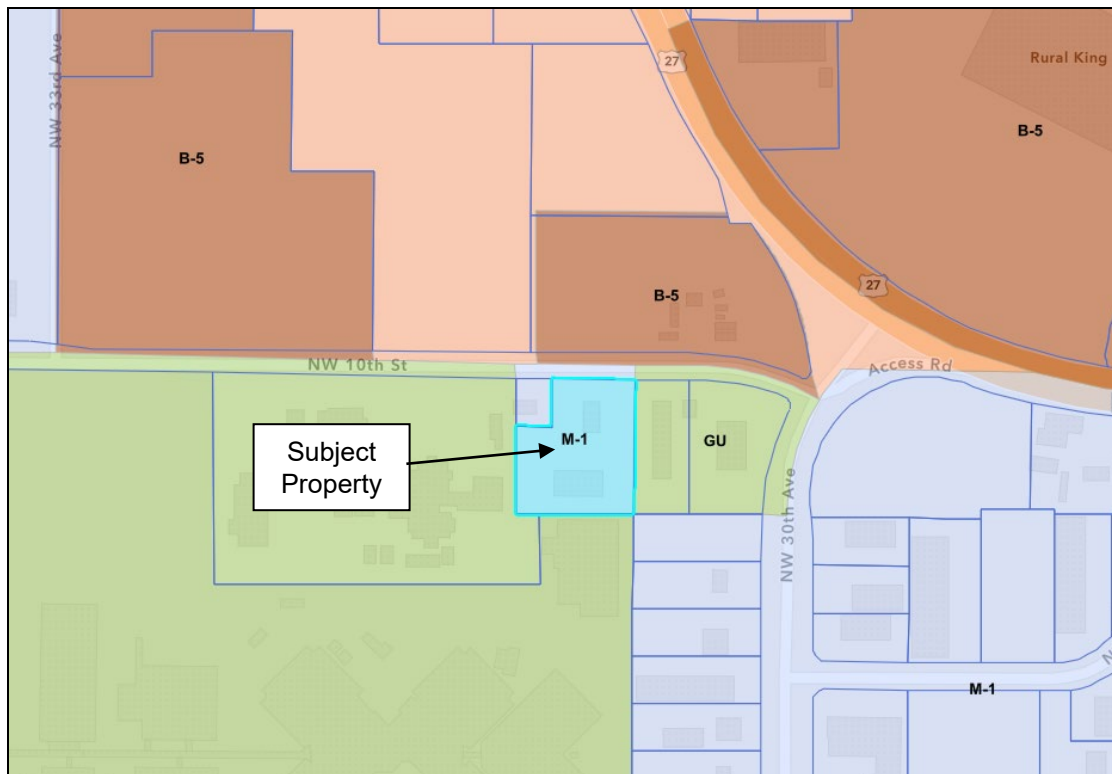
Mr. L. E. "Butch" D'Louhy
Post Office Box 4201
Ocala, Florida 34478-4201

ZONING/LAND USE

The legal permissible use of the site has been established by the City of Ocala as:

M-1, Light Industrial. The Light Industrial (M-1) district is intended primarily for wholesale distribution, warehouse storage, research and development, showroom sales, and light manufacturing of finished or semi-finished products. The light industrial uses shall be compatible with the surrounding uses. Outdoor manufacturing is not allowed in the M-1 district. Outdoor storage is allowed as a permitted accessory use if it complies with design criteria. Service establishments serving the industrial uses or the district shall be permitted. Permitted uses include retail uses, such as furniture stores (10,000 SF or larger), home/garden sales, and used merchandise stores; service uses, such as alcoholic beverage establishments (off-site consumption), assembly of electronics equipment, bail bonds agency, carpet/upholstery cleaning, construction service establishment, day labor service establishment, equipment rental and leasing, general business services, mini-warehouse, newspaper printing, packing and crating, print shop, professional and business offices, recycling collection point, repair garage, truck freight terminal, and truck rental sales; education/recreation/social uses, such as community education center and vocational/professional schools; health care uses, such as medical and dental laboratories and veterinarian offices; and industrial uses, such as light manufacturing, recycling center, research and testing, warehouse storage, and wholesale & distribution.

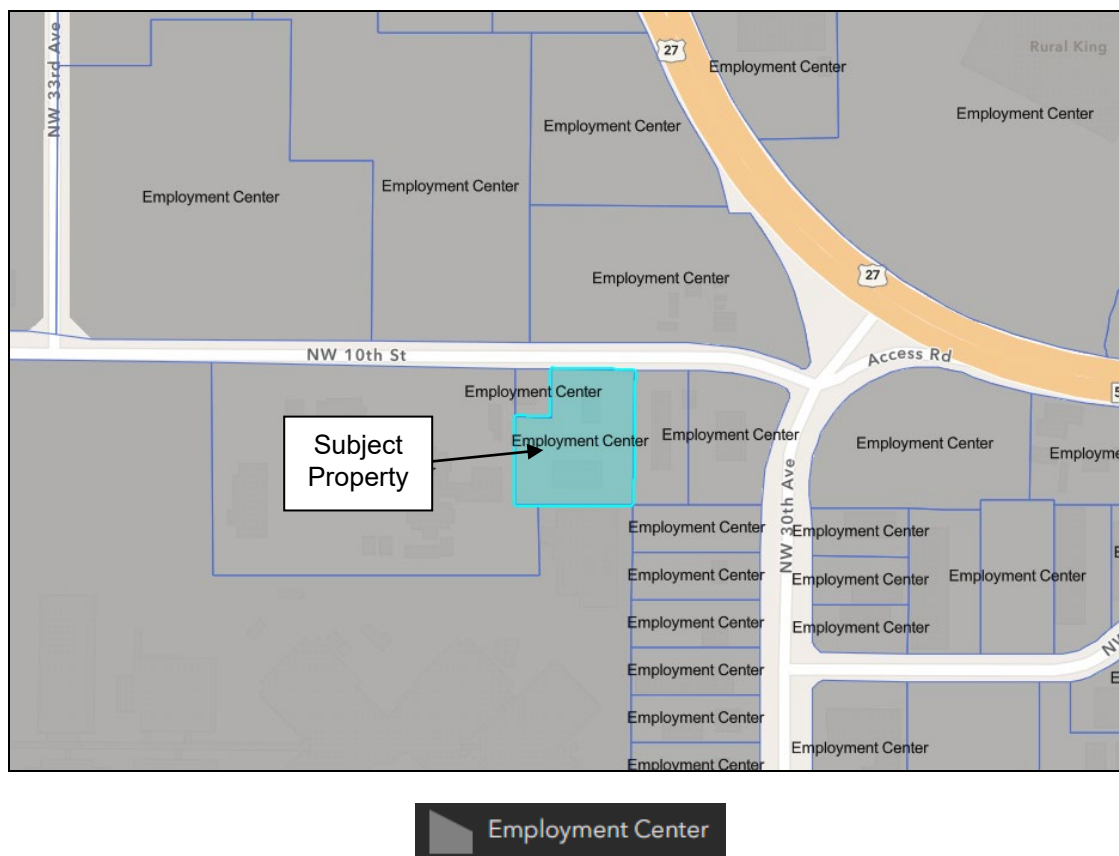
A copy of the local zoning map is provided below. The subject property is shaded in blue.



ZONING/LAND USE- (Cont)

The City of Ocala land use plan designates the property as **Employment Center**. The intent of this land use is to provide a regionally important and vibrant hub for business, enterprise, research and development, and employment activities. Primary uses in this category are industrial, office and commercial. Secondary uses are public, recreation & open space, institutional, and residential, as well as educational facilities.

A copy of the local land use map is provided below. The subject property is shaded in blue.



The zoning and land use classifications are compatible, and these classifications are consistent with surrounding properties in the immediate area of the property, particularly those properties along Northwest 10th Street, Northwest 30th Avenue, US Highway 27, and other roadways throughout the local area.

We analyzed the zoning and land use requirements in relation to the subject property and considered the compliance of the existing or proposed use. We are not experts in the interpretation of complex zoning ordinances but based on a review of public information, the existing use of the subject property appears to be a complying use.

Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of our study correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through our due diligence. This appraisal is not intended to be a detailed determination of compliance, as that determination is beyond the scope of this real estate appraisal assignment.

UTILITIES

The property is located within the city limits of Ocala. As a result, all municipal services and protections are provided. This includes electrical utilities, water and sewer services, police protection, and fire protection.

PROPERTY ASSESSMENT

The property is included within the 2026 Marion County Tax Roll as Parcel Account Number 21935-002-00. The total assessment for the property in 2025 (the 2026 figures are not yet available) was \$366,205 (County Assessment) and \$393,300 (School Board Assessment). The total tax burden for the property in 2025 was \$8,136.89, of which \$1,690.00 was allocated to non-ad valorem assessments for City of Ocala Commercial Fire Services. The 2025 taxes were paid on November 28, 2025. A copy of the 2025 tax bill has been provided in the Addendum of this report. According to the Marion County Tax Collector, there are no delinquent taxes on this parcel.

Property (or ad valorem) tax is one of the primary revenue sources of municipalities. Based on the concept that the tax burden should be distributed in proportion to the value of all properties within a taxing jurisdiction, a system of assessments is established. Theoretically, the assessed value placed on each parcel bears a definite relationship to market value, so properties with equal market values will have similar assessments and properties with higher and lower values will have proportionately larger and smaller assessments.

In the State of Florida, all real property is subject to reassessment on an annual basis. For commercial properties, a sale of the property does not automatically trigger a reassessment. However, any sale of a property at a price well above the prior assessed value has a high probability of resulting in a reassessment during the next tax year. All properties are assessed as of January 1 of the tax year. The preliminary assessed values are not made public until sometime between August and September of the tax year. Taxes are not due until the end of March of the next calendar year. By statute, real property is to be assessed at "just value", which is market value less transaction costs.

Property Tax Conclusion: Based on the value conclusion contained herein (\$1,250,000), the subject property is assessed below market value. Most properties tend to be assessed at between 60 and 90 percent of market value. However, it is not unusual for the assessed value of properties to deviate outside of the typical market value range. The subject is generally assessed and taxed commensurate with comparable properties. As mentioned, taxes are due at the end of March of the following calendar year. Discounts are available for early payment. The earliest payment is November of the tax year, and the maximum discount is 4.0 percent. In our opinion, a prudent investor would take advantage of this discount.

HISTORY OF TITLE

To the best of our knowledge, the title to the subject property has been in its present ownership for more than the past three years. As a result, more specific information regarding previous title transfers has been excluded from this report.

CURRENT LISTING/CONTRACT FOR SALE

To the best of our knowledge, the subject property is not currently listed for sale or under contract for sale.

INTENDED USE/USER OF REPORT

The intended use of this report is to assist the client in estimating the market value of the property "as is", for their internal business use. The intended user is L. E. "Butch" D'Louhy.

MARKETING/EXPOSURE TIME

Marketing time is an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Exposure time is the length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is always presumed to precede the effective date of appraisal. The marketing time for the property has been based on historical information regarding days on the market; information gathered through sales verification; interviews with market participants; current economic conditions; and anticipated changes in market conditions. Based on all the data analyzed, the marketing time for the property appraised is estimated at 6 to 9 months, with an exposure time estimated at 6 to 9 months.

REGION INFORMATION

Introduction

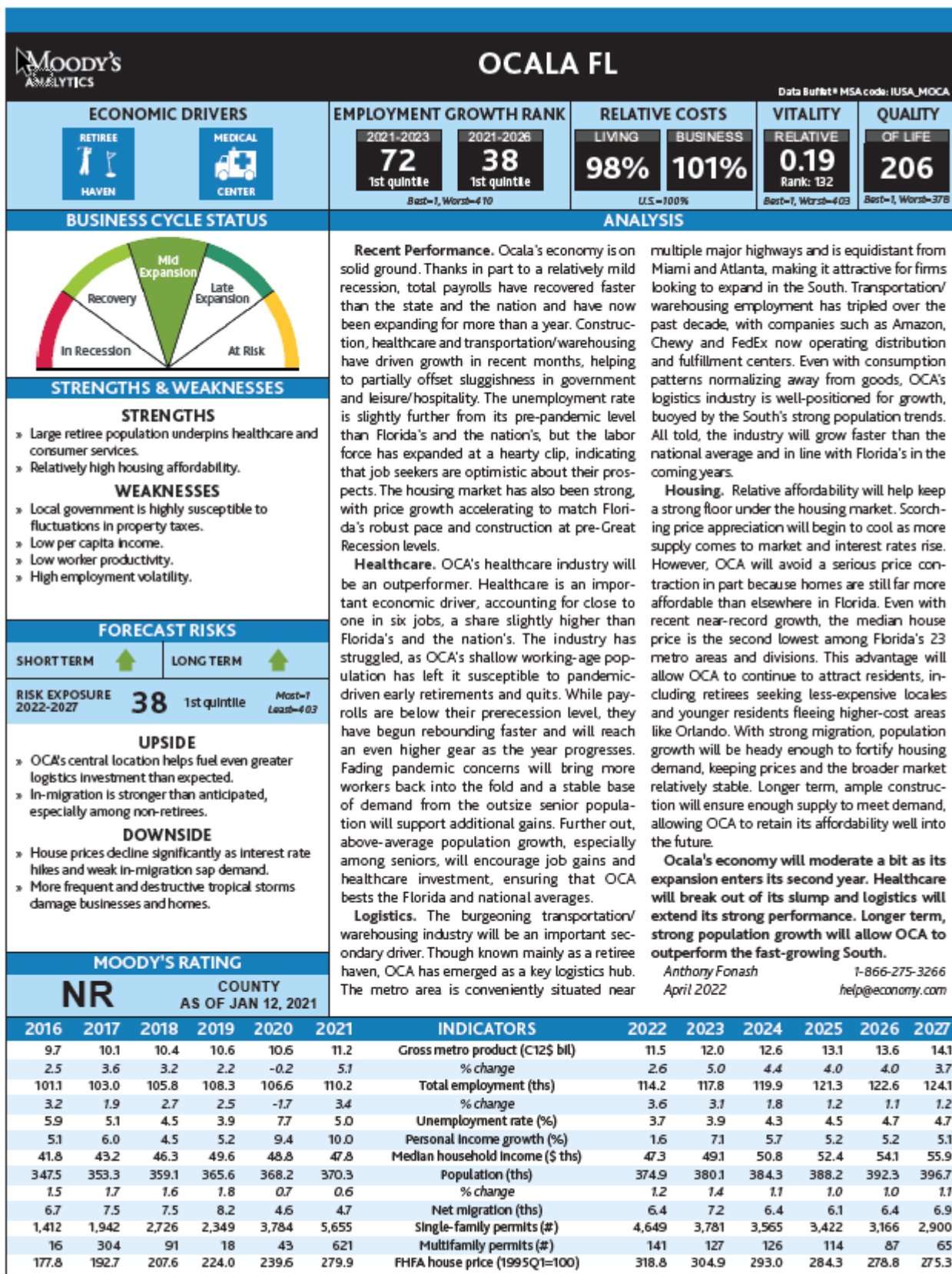
The short- and long-term value of real estate is influenced by a variety of interacting factors. Regional analysis identifies those factors that affect property value, and the role they play within the region. The four primary forces that determine the supply and demand for real property, and consequently affect market value, are: environmental characteristics, governmental forces, social factors, and economic trends.

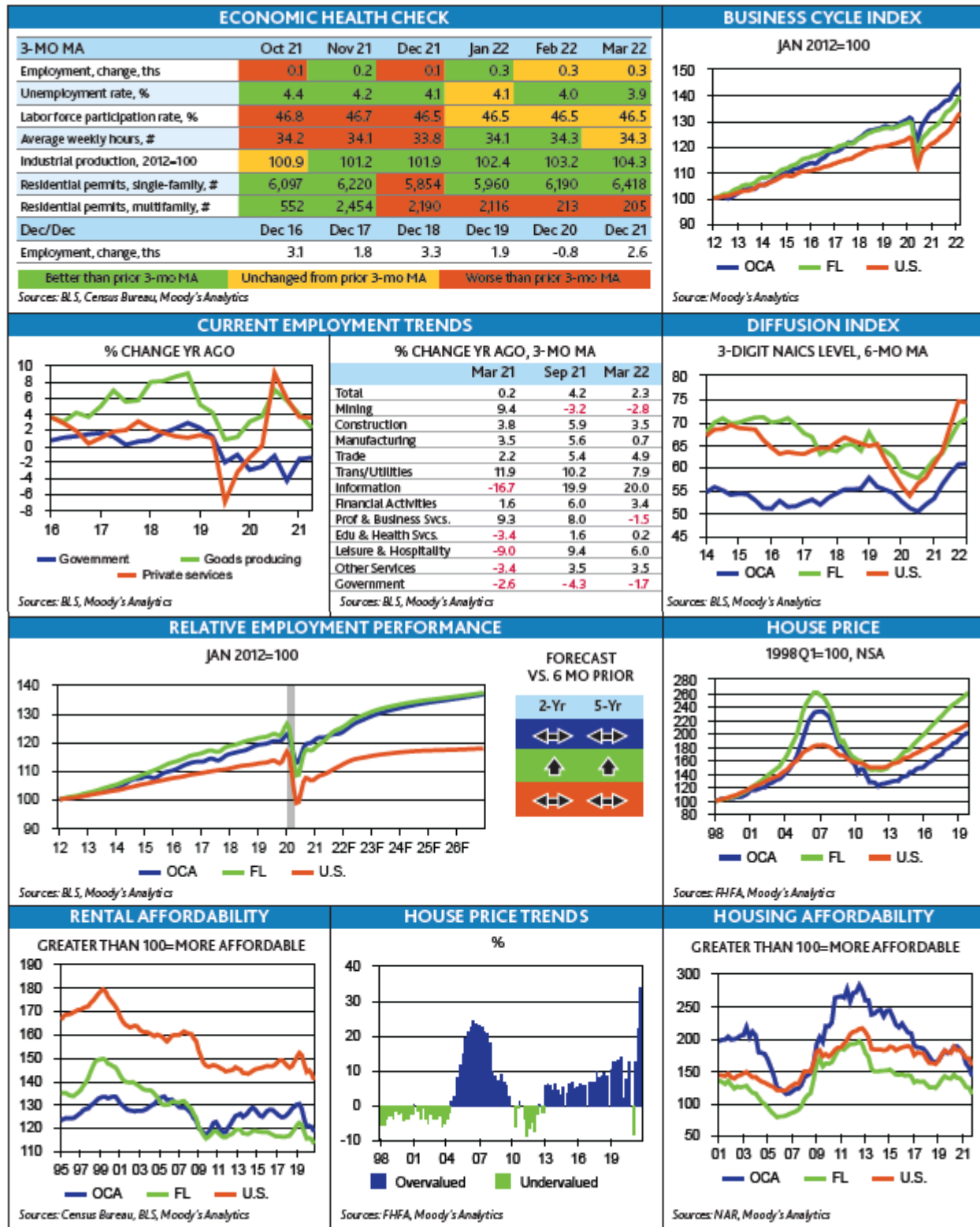
The subject property is located in the northwestern city limits of Ocala in the northwestern portion of the Ocala CBSA.

Economic & Demographic Profile

The following profile of the Ocala CBSA was provided by Moody's Economy.com, whose core assets of proprietary editorial and research content, as well as economic and financial databases, are a source of information on national and regional economies, industries, financial markets and demographics.

Economy.com's approach to the analysis of the US economy consists of building a large-scale simultaneous-equation econometric model, which they simulate and adjust with local market information, creating a model of the US macro economy that is both top-down and bottom-up. In this model, those variables that are national in nature are modeled nationally while those that are regional in nature are modeled regionally. Interest rates, prices, and business investment are modeled as national variables; key sectors such as labor markets (employment, labor force), demographics (population, households and migration), and construction activity (housing starts and sales) are modeled regionally and then aggregated to national totals. This approach allows local information to influence the macroeconomic outlook. Therefore, changes in fiscal policy at the national level (changes in tax rates, for example) are translated into their corresponding effects on state economies. At the same time, the growth patterns of large states, such as California, New York and Texas, play a major role in shaping the national outlook. In addition, on a regional basis, the modeling system is explicitly linked to other states through migration flows and unemployment rates. Economy.com's model structure also considers migration between states.





EMPLOYMENT AND INDUSTRY

TOP EMPLOYERS

Munroe Regional Medical Center	2,648
AdventHealth Ocala	2,648
Wal-Mart Supercenter	2,583
Ocala Health	2,583
Ocala Regional Medical Center	2,200
Lockheed Martin Corp.	1,600
Publix Super Markets Inc.	1,488
E-One Inc.	1,200
Chewy.com	1,150
FedEx	900
Sitel	700
Custom Window Systems Inc.	650

Source: Ocala/Marion County Chamber & Economic Partnership, 2020

INDUSTRIAL DIVERSITY

Most Diverse (U.S.)

0.57

Least Diverse

ENTREPRENEURSHIP

BROAD-BASED START-UP RATE

U.S.=100
2020

Sources: Census Bureau, Moody's Analytics

PUBLIC

Federal	801
State	3,646
Local	10,256

2021

EMPLOYMENT VOLATILITY

Due to U.S. fluctuations Relative to U.S.

83% 62 100

■ Not due to U.S. ■ Due to U.S. ■ OCA ■ U.S.

EXPORTS

Product	\$ mil
Food and kindred products	ND
Chemicals	ND
Primary metal manufacturing	ND
Fabricated metal products	127
Machinery, except electrical	38.3
Computer and electronic products	ND
Transportation equipment	18.1
Miscellaneous manufacturing	ND
Other products	38.8
Total	125.8

Destination	\$ mil
Africa	1.6
Asia	27.1
European Union	13.0
Canada & Mexico	47.1
South America	12.1
Rest of world	24.8
Total	125.8

Sources: BEA, International Trade Administration, Moody's Analytics, 2019

COMPARATIVE EMPLOYMENT AND INCOME

Sector	% OF TOTAL EMPLOYMENT			AVERAGE ANNUAL EARNINGS		
	OCA	FL	U.S.	OCA	FL	U.S.
Mining	0.1	0.0	0.4	\$33,758	\$27,589	\$151,071
Construction	7.9	6.5	5.1	\$49,099	\$64,156	\$76,012
Manufacturing	9.0	4.4	8.5	\$63,760	\$79,138	\$91,702
Durable	83.4	68.6	62.2	nd	\$83,958	\$94,522
Nondurable	16.6	31.4	37.8	nd	\$69,168	\$87,083
Transportation/Utilities	5.6	4.4	4.5	\$46,129	\$51,597	\$65,944
Wholesale Trade	3.8	4.0	3.9	\$70,038	\$96,571	\$98,506
Retail Trade	15.8	12.3	10.5	\$37,375	\$40,516	\$41,889
Information	0.5	1.6	1.9	\$53,498	\$104,601	\$153,450
Financial Activities	3.7	7.0	6.0	\$26,439	\$47,074	\$67,570
Prof. and Bus. Services	9.6	16.3	14.5	\$37,882	\$63,038	\$82,393
Educ. and Health Services	16.6	15.0	16.2	\$56,825	\$60,006	\$63,178
Leisure and Hosp. Services	11.3	12.6	9.6	\$24,623	\$31,964	\$30,932
Other Services	2.7	3.7	3.7	\$36,260	\$36,949	\$42,842
Government	13.3	12.3	15.1	\$62,421	\$80,660	\$86,611

Sources: Percent of total employment—BLS, Moody's Analytics, 2021; Average annual earnings—BEA, Moody's Analytics, 2020

PRODUCTIVITY

REAL OUTPUT PER WORKER, \$

Sources: BEA, Moody's Analytics, 2020

BUSINESS COSTS

U.S.=100

■ 2015 ■ 2020

Source: Moody's Analytics

HIGH-TECH EMPLOYMENT

	Ths	% of total
OCA	3.7	3.4
U.S.	7,880.5	5.4

LEADING INDUSTRIES BY WAGE TIER

NAICS Industry	Location Quotient	Employees (ths)
6211 Offices of physicians	2.1	4.5
GVF Federal Government	0.4	0.8
4251 Wholesale elect. mkts, agents & brokers	0.7	0.2
5415 Computer systems design & related svcs.	0.1	0.2
GVL Local Government	1.0	10.3
6221 General medical and surgical hospitals	1.0	3.6
2382 Building equipment contractors	1.2	2.1
4931 Warehousing and storage	1.6	2.0
7225 Restaurants and other eating places	1.2	9.1
FR Farms	2.0	4.0
GVS State Government	0.9	3.6
4451 Grocery stores	1.5	3.0

Sources: Moody's Analytics, 2021

HOUSING-RELATED EMPLOYMENT

	Ths	% of total
OCA	14.1	12.8
U.S.	14,779.4	10.1

Source: Moody's Analytics, 2021

MOODY'S ANALYTICS / Précis® U.S. Metro / April 2022

REGION INFORMATION- (Cont)

The following is a summary of some of our general observations about the subject's region.

- **Location** - The subject property is in the Ocala CBSA. The Ocala CBSA is located within the northern sector of central Florida, approximately 80 miles north-northeast of Orlando and approximately 90 miles southwest of Jacksonville.
- **Economy** - Ocala's economy is on solid ground. Employment is well diversified. Construction, healthcare and transportation/warehousing have driven growth in recent months, helping to partially offset sluggishness in government and leisure/hospitality. Ocala's health-care industry will be an outperformer. Above-average population growth, especially among seniors, will encourage job gains and healthcare investment, ensuring that Ocala bests the Florida and national averages. The burgeoning transportation/ warehousing industry will be an important secondary driver. Though known mainly as a retiree haven, Ocala has emerged as a key logistics hub and is conveniently located near multiple major highways.
- **Population** – Long term, strong population growth will allow Ocala to outperform the fast-growing south. A low cost of living compared with that in some other retiree destinations in Florida, coupled with increased household mobility as the national recovery progresses, bolsters the metro area's profile further. Consistent in-migration for years to come will provide local restaurants and retailers with steady demand for goods and services.
- **Income** - Income levels are projected to increase in the near term. The unemployment rate is slightly further from its pre-pandemic level than Florida's and the nation's, but the labor force has expanded at a hearty clip, indicating that job seekers are optimistic about their prospects. Per capita income is below statewide levels and below the national average, with a relatively low cost of living.
- **Strengths** - Strengths of the region include a strong migration of retirees promoting growth in services and close proximity to national markets and tourism cities such as Orlando, Tampa, and Jacksonville. The CBSA also benefits from an efficient transportation network and a good quality of life. The presence of State government and education also help to stabilize the workforce.
- **Weaknesses** - Weaknesses within the CBSA include the low per capita income, low worker productivity, high employment volatility, and the lack of available and affordable multi-family residential housing. Furthermore, local government is highly susceptible to fluctuations in property taxes.

Conclusion

Considering the social and economic attributes of the greater Ocala area, we are optimistic about the short-term outlook. Long-term, the region should see stability and moderate growth, with increasing real estate values stemming from the growing demand for services in the area. An influx of retirees will drive near-term gains in healthcare and consumer services, though an improving US economy will continue to support tourism. Ocala's central location will fuel even greater logistics investment than expected. Long-term, favorable demographics indicate the region should experience stability with continued moderate growth.

LOCATION OVERVIEW

The property is located in the northwestern city limits of Ocala, Marion County, Florida. The general neighborhood which has the greatest impact upon the highest and best use of the property is generally described as the geographical area which lies north of State Road 200 (Southwest College Road), east of Northwest 60th Avenue, south of State Road 326, and west of North Pine Avenue (US Highway 441/301). The subject property is in the northwestern region of the neighborhood along Northwest 10th Street, just south of US Highway 27, and about 3,400 feet east of Interstate Highway 75 (there is no access to I-75 at this area) .

NEIGHBORHOOD ANALYSIS

The economic neighborhood is probably best described as the area which lies north of State Road 200 (Southwest College Road), east of Northwest 60th Avenue, south of State Road 326, and west of Northeast/Southeast 36th Avenue. The subject property is situated along Northwest 10th Street, just south of US Highway 27, and about 3,400 feet east of Interstate Highway 75.

Nearby uses to the property include a mixture of industrial, commercial and residential uses. Most of the uses along Northwest 10th Street and US Highway 27 in the general proximity of the property are commercial and industrial in nature. The Interstate Highway 75 interchange with US Highway 27 is heavily improved with a variety of commercial uses that are fairly typical of such intersections. These include several hotels/motels (including Howard Johnson's, Motel 6, Budget Host Inn, and Comfort Suites Hotel), restaurants, gas stations, scattered convenience stores, and retail outlets. US Highway 27 is a four lane, asphalt paved, divided arterial roadway which experiences a significant amount of local and business traffic daily. It extends northwesterly through Florida, exiting the state and extending north along the eastern seaboard. It also runs southeast and then southerly through the city limits of Ocala, where it intersects with US Highways 301 and 441 about three miles east of I-75.

There are a wide variety of industrial uses in the local area. This includes several older industrial parks located along US Highway 27, including Besco Industrial Park, Pine Oaks Industrial Park, Bryan Industrial Park, Shady Road Industrial Park, and Galloway & Sands Industrial Park.

In the eastern region of the neighborhood, US Highway 441/301 is a four-lane, asphalt paved, divided US highway which runs north/south through Ocala, Marion County and across Florida. A wide variety of commercial uses are found along this corridor. Examples of uses in this area include the Gary Yeomans Ford auto dealership, Ocala North Shopping Center (anchored by a Harvey's Supermarket), several restaurants (such as McDonald's, Wendy's, Taco Bell/KFC, Zaxby's, Burger King, and Dunkin' Donuts), free-standing pharmacies (CVS/Walgreen's), and a variety of local businesses (such as used auto sales, auto repair, a pawn shop, RideNow Powersports, and others).

There are several residential subdivisions, including a combination of single family and multi-family uses, located north and south of US Highway 27 and Northwest 10th Street, generally lying east and west of Interstate Highway 75. Pine Oaks Golf Course, a former city-owned golf facility, is also located in the area along the north side of Northwest 21st Street and the east side of Northwest 27th Avenue. The golf course is closed, and the City recently sold the land to a developer for residential apartments and a residential subdivision which are currently being developed.

NEIGHBORHOOD ANALYSIS- (Cont)

Also of note is the location of the Marion County Sheriff's Office and the Marion County Jail, both of which are located along Northwest 10th Street west of Northwest 30th Avenue and south of US Highway 27. In addition, the Florida Department of Juvenile Justice has several facilities adjacent to the Sheriff's facilities and the County Jail, including the Marion Regional Juvenile Detention Center, which are also situated along Northwest 10th Street.

Another important characteristic of the neighborhood is the development of a large industrial tract (sometimes referred to as the "Ocala 489 Tract" due to its 489-acre size) along the east side of Interstate 75, just north of US Highway 27. It was originally intended for use as a thoroughbred racing facility, but those plans never came to fruition. The property has now been developed as the Ocala/Marion County Commerce Park. FedEx Ground Systems has developed a 383,161 SF distribution facility in this commerce park, a \$122.9 million project. Another parcel in this commerce park was acquired by AutoZone for a distribution center. They recently built a \$49 million distribution center with about 440,000 SF. The facility serves 290 AutoZone stores in Florida and Puerto Rico. Even more recently, a 50-acre parcel within the commerce park was acquired by Chewy, an on-line retailer of pet foods and other pet-related products founded in 2011 and based in Dania Beach, Florida. The company was recently acquired by PetSmart. Chewy recently built an e-commerce distribution fulfillment center which will eventually create 600 jobs. The \$39+ million facility has about 600,000 SF. Amazon has also just recently leased a new 617,000 SF distribution facility in the commerce park. The company will create 120 jobs initially, with anticipation of over 300 jobs in the near future. Other new warehouse/distribution facilities are currently under construction in the commerce park. There is also the potential for using this commerce park as an inland port to accommodate shipping of goods from ports around Florida to locations throughout the southeastern United States.

Just outside the western region of the neighborhood, the World Equestrian Center is being developed just outside the western city limits of Ocala between US Highway 27 and State Road 40. It offers a 140,000 square foot arena seating 10,000 people. As part of the master development, the WEC includes a 260-room hotel and the development of 2,400 new homes on 3,145 acres in Ocala, west of Interstate 75. A new \$11.7 million 400-suite five-story pet-friendly hotel has recently been completed and is now open.

In summary, the neighborhood can generally be described as a mixed-use area in north and west Ocala, both inside the city limits and in close proximity thereto. The immediate area is primarily developed with commercial and industrial uses along and on the peripheral of US Highway 27, with a mixture of light industrial uses, wholesale businesses, and residential uses throughout the balance of the area. Overall, the neighborhood has shown light to moderate growth over the past two decades. The existing uses blend together to form a well-established neighborhood area. The strong growth rate in the Ocala/Marion County area between 2000 and 2006 had declined during the recent recession and the subsequent Covid-19 pandemic (much like other areas throughout Ocala/Marion County, Florida and much of the US). However, economic conditions appear to have stabilized, and it is reasonable to predict that this location should benefit as economic conditions continue to improve. The continuing development in the Ocala/Marion County Commerce Park and World Equestrian Center provides support for this conclusion.

NEIGHBORHOOD ANALYSIS- (Cont)

Nearby and Adjacent Uses

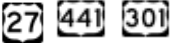
The subject's local area is composed of a mixture of commercial, industrial and residential properties, with most of the commercial properties found along the US Highway 27 and US Highway 441/301 corridors. Industrial and residential uses are found throughout the neighborhood as well. Residential uses are generally located outside the commercial influences of the main roadways.


Special Hazards or Adverse Influences

We observed no detrimental influences in the immediate market area, such as flood areas, noisy or air polluting industrial plants, or chemical factories.

Access

Local area accessibility is generally good, relying on the following transportation arteries:

Local:  US Highway 27 (also known as Northwest 10th Street and Northwest Blitchton Road) runs northwest/southeast through this region of Ocala and provides access to much of the west coast of Florida, particularly the Panhandle area of the state. US Highway 441/301 is a north/south thoroughfare through the subject's local neighborhood. It provides access to Interstate Highway 10 and the state of Georgia to the north, and to Belleview, Lady Lake, Leesburg, and Orlando/Interstate Highway 4 to the south. Much of the development along these roadways is commercial in nature. There are numerous residential uses which lie outside the commercial influences along these roadways, as well as scattered industrial uses throughout the area.

Regional:  Interstate 75 is located approximately 3,400 feet west of the subject property, with the nearest interchange at US Highway 27. Interstate 75 travels from State Road 826 in Miami, Florida throughout the southeast US and northward to Sault Ste. Marie, Michigan.

Conclusion

The location facilitates characteristics that are inherent in a variety of uses. The neighborhood can best be characterized as a mixed-use area in or just outside the northwest and western Ocala city limits. The Ocala area had strong growth between 2000 and 2006, prior to the recession. More recently, economic conditions throughout the region have experienced a recovery from the economic recession and the Covid-19 pandemic. This particular market area would be expected to remain viable into the long-term future, particularly as the economy continues to strengthen and improve. This trend is expected to continue and should have a positive effect on the overall economic vitality of the surrounding area.

LOCAL MARKET ANALYSIS

Introduction

Market Characteristics: The Ocala/Marion County market is located northwest of the Orlando area and is situated along the Interstate 75 corridor. The location of the City of Ocala along Interstate 75 makes it a major hub for distribution as Interstate 75 has access to many parts of Florida and intersects with Interstate 4 to the south. Typical users in the market include medical, professional, financial, retail, and industrial.

Population & Growth: The Ocala/Marion County market has been growing steadily over the past few years. The 2010 population in Marion County was estimated at 331,298 persons. The 2023 population was estimated at 409,959 persons, a 23.7% increase over this period. Some of this growth is associated with The Villages, a self-contained retirement community with a population estimated at over 125,000 persons and located in southern Marion County and northern Lake and Sumter Counties. The chart below provides a synopsis of the growth that has taken place in the area.

Summary	Census 2010	2016	2021
Population	331,298	344,417	357,308
Households	137,726	141,510	146,211
Families	92,554	94,370	97,107
Average Household Size	2.35	2.37	2.38
Owner Occupied Housing Units	105,075	102,002	104,928
Renter Occupied Housing Units	32,651	39,508	41,283
Median Age	47.3	49.3	51.0

Households/Median Household Income: The number of households in the Marion County area was estimated at 159,796 in 2023. The median household income was estimated at \$58,535 and the per capita income was \$32,513.

Households, 2019-2023	159,796
Median household income (in 2023 dollars), 2019-2023	\$58,535
Per capita income in past 12 months (in 2023 dollars), 2019-2023	\$32,513

Workforce/Employment: The following chart illustrates labor and employment information.

Ocala, FL

Data Series	Back Data	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022
Labor Force Data							
Civilian Labor Force ⁽¹⁾		143.2	142.3	142.6	142.5	(P) 144.2	
Employment ⁽¹⁾		137.4	137.1	138.2	138.6	(P) 139.9	
Unemployment ⁽¹⁾		5.9	5.1	4.4	4.0	(P) 4.3	
Unemployment Rate ⁽²⁾		4.1	3.6	3.1	2.8	(P) 3.0	

Footnotes

(1) Number of persons, in thousands, not seasonally adjusted.

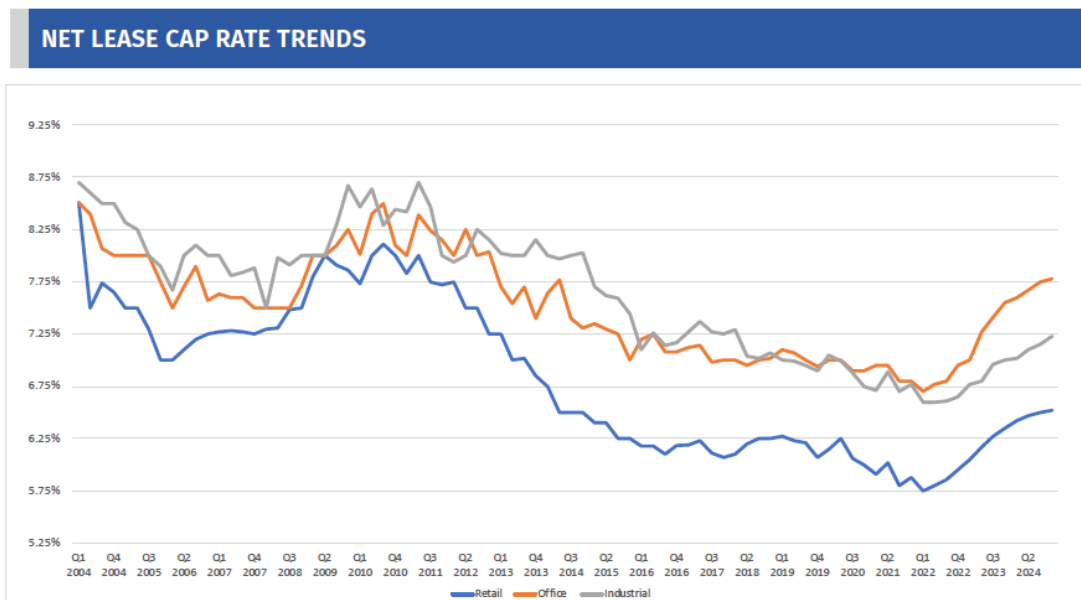
(2) In percent, not seasonally adjusted.

Data extracted on: August 02, 2022

Source: U.S. Bureau of Labor Statistics

LOCAL MARKET ANALYSIS- (Cont)

National Market Statistics



Convenience Stores

On April 3, 2017, the Ocala Star Banner newspaper published an article about six new convenience stores coming to the Ocala area. The article mentions that Wawa submitted plans for four new convenience stores in the Ocala market, while RaceTrac has plans for two such projects. Both companies have indicated that Florida is an important market for them, but the Ocala market area is currently underserved. At the effective date of appraisal, most of these new locations are complete. Another article from March 2018 indicates RaceTrac is developing two additional locations, both along the Interstate Highway 75 corridor, one on State Road 40 and the other on US Highway 27, both just east of I-75. These locations are now open for business. Even more recently, 7-Eleven has announced plans to develop four new convenience stores in Ocala, most of which have already opened for business.

In early December 2017, Temple, Texas-based McLane Company, Inc., a wholly owned subsidiary of Berkshire Hathaway, announced plans to purchase the 114,360 SF Gordon Food Service facility in Ocala International Commerce Center off West State Road 40. They plan to expand it and transform it into a wholesale grocery distribution center to service convenience stores, adding 125 full time jobs to the local area. McLane is the nation's largest distributor to the convenience store industry with annual revenue of \$35 billion from their 80 distribution centers nationwide.

Equine Industry: Ocala/Marion County is often recognized as the Horse Capital of the World™ and is home to the largest number of horses and ponies in the US. The area is famed for its significant breeding operations and Ocala Breeders Sales thoroughbred auctions, as well as success at the track including Affirmed, a Triple Crown winner. But the area is also home to a wide number of breeds including Arabian, Paso Fino, Gypsy Vanner, and Quarter horses among many others. The area hosts HITS Ocala Winter Circuit, Live Oak International Combined Driving competition, and the Florida Horse Park which has recently undergone \$4 million in capital expansion and hosts more than 70 events a year.

LOCAL MARKET ANALYSIS- (Cont)

The community is also home to two major horse feed manufacturers and suppliers, including Ocala Breeders' Sales Company, which is located along Southwest 60th Avenue across from the Ocala International Airport.

A recent study commissioned by the Ocala/Marion County Chamber & Economic Partnership with support from HITS (Horse Shows in the Sun) and Hampton Inn & Suites found that the equine industry has a \$2.62 billion economic impact on the Ocala/Marion County area. This study was conducted by Kathleen Davis of Sports Marketing Research Institute in Carlsbad, California, a research firm dedicated to helping major companies determine where and how consumers are spending their discretionary income. Their clients include Major League Baseball, NASCAR, and the NFL. A two-phase onsite/online approach was used to determine the economic impact of the equine industry.

Summary of Economic Impacts of the Equine Industry

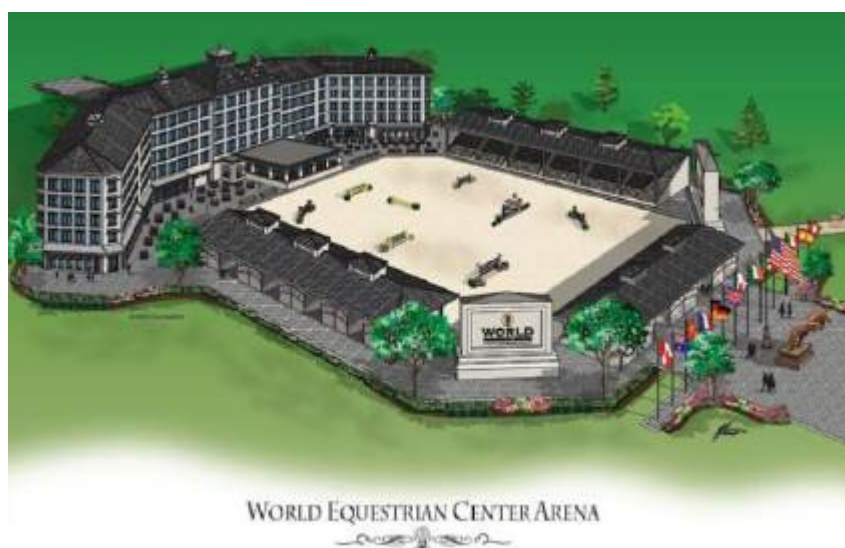
		Horse Farms & Training Facilities	All Other Sectors	Total All Sectors	Share of County Economy
Survey results	Number of survey respondents	317	207	524	
	Share of surveyed firms with equine business sales from nonlocal sources	66.6%	37.7%	55.2%	
Business population	Number firms in Marion County	1,017	7,990	9,007	
	Number of firms in Marion County with equine business sales from nonlocal sources	677	3,011	3,688	
Average equine-related nonlocal sales and employment per firm	Sales (\$)	\$832,700	\$397,379	\$684,218	
	Jobs	3.41	1.78	2.85	
Expanded county equine-related nonlocal sales and employment	Sales (million \$)	\$564	\$1,196	\$1,760	11.2%
	Jobs	2,307	5,366	7,673	5.8%
Regional economic multipliers	Industry Output	1.709	1.381		
	Value Added (GDP)	1.039	0.848		
	Employment final demand indirect/induced effects (jobs/M\$ output)	7.36	6.68		
Regional Economic Impacts	Industry Output (M\$)	\$963	\$1,653	\$2,616	16.6%
	Value added (GDP) (M\$)	\$586	\$1,014	\$1,600	18.3%
	Employment (fulltime & part-time jobs)	6,246	12,963	19,209	14.5%
<p><i>Employment impacts estimated using direct jobs reported. Industry average sales and employment from online survey (Aug 2014). Impacts represent direct, indirect & induced multiplier effects in regional economic model for Marion County FL (IMPLAN Group LLC). Average multipliers weighted by total value/jobs in each industry group; 25% gross margin applied to wholesale & retail trade sectors. Sources for number of firms: U.S. Department of Agriculture, 2012 Census of Agriculture (horse farm operations with sales); Florida Department of Labor, Quarterly Census of Employment and Wages, 3rd quarter, 2013 (all other business sectors).</i></p>					

Overall, the results of this study indicated that the total economic impact of the equine industry annually in Marion County is \$2.62 billion in revenues, \$1.60 billion in value added contribution to the Gross Domestic Product (GDP), and employment of 19,209 full-time and part-time jobs.

LOCAL MARKET ANALYSIS- (Cont)

For horse farms/training facilities, industry output impacts were \$963 million, value added impacts were \$586 million and employment impacts were 6,246 jobs. For all other business sectors, industry output impacts were \$1.65 billion, value added impacts were \$1.01 billion and employment impacts were 12,963 jobs. These impacts represent 15 to 18 percent of the overall Marion County economy.

In addition to the existing facilities, the World Equestrian Center (WEC, drawing below) is being developed just outside the western city limits of Ocala between State Road 40 and US Highway 27. It will offer a 140,000 square foot arena seating 10,000 people. As part of the master development, the WEC includes a 260-room hotel (now open) and 2,400 new homes on 3,145 acres in Ocala, west of Interstate 75.



Higher Education: Ocala is home to two institutions of higher learning, the College of Central Florida (CF) and a satellite campus for Rasmussen College. The College of Central Florida reported a total 2018-19 enrollment of 10,854 at its four campuses, of which about 7,931 were enrolled at the Ocala campus. In 2023, the College had about 8,000 students. Rasmussen College operates seven campuses including its Ocala satellite campus. Rasmussen College-Ocala reported total enrollment in 2018-19 of 6,318.

Health Care: Several renovation and expansion projects are underway or soon will be. Ocala medical facilities are in a building boom, with expansions and renovations at several facilities. In addition to the continued construction at AdventHealth, West Marion Community Hospital and Ocala Regional Medical Center, work on additions is underway at Encompass Health Rehabilitation Hospital of Ocala and One Health Center. Several of these projects are summarized below and on the following page.

The Heart of Florida Health Center is renovating an area at its central location to include a pharmacy. The organization also recently closed on the purchase of a nearly 70,000-square-foot former supermarket location along East Silver Springs Boulevard/State Road 40, which has recently undergone extensive interior renovations.

LOCAL MARKET ANALYSIS- (Cont)

Encompass Health Rehabilitation Hospital, formerly HealthSouth, at 2275 SW 22nd Lane near Paddock Mall, started construction on a new \$5.5 million wing that will add room for up to 20 more patients at the 60-bed facility. Ten beds opened immediately when the more than 10,000-square-foot expansion was completed. They will have room for 10 more beds in the future. The addition includes expansion of the cafeteria and will bring the hospital to almost 70,000 square feet on the 6.74-acre campus. Last June, the hospital bought an adjacent one-acre property that included a building that housed a Hardee's restaurant. Recently, the hospital demolished the building, and the area has been converted into a parking lot. The Ocala facility provides rehabilitation for patients recovering from strokes, hip fractures and other injuries or illness. It offers a wide range of therapies, including physical, occupational, respiratory, and speech.

One Health Center, the mega healthcare facility at 1714 SW 17th Street (State Road 464), recently completed a 5,500 square-foot addition on the east side of the facility. The addition includes administration offices and more space for the imaging department. One Health Center includes an urgent care center, cardiology, endocrinology and radiology services, and programs for senior citizens.

Heart of Florida has started construction on a pharmacy at the 1025 SW 1st Avenue facility. Once finished, the pharmacy will serve the organization's patients only with lower-cost medications. Another Heart of Florida pharmacy opened in late 2018 at the east facility inside the Florida Department of Health in Marion County at 1801 SE 32nd Avenue. The organization, which provides health care services to low-income residents, also recently purchased the former Albertsons building at 2553 E Silver Springs Boulevard (State Road 40), for \$2.9 million. Heart of Florida renovated the interior at an additional cost of about \$2 million.

The Vines Hospital plans a nearly \$800,000 interior renovation at its 3130 SW 27th Avenue facility near Paddock Mall. The project will convert 22 beds from adolescent residential treatment to adult inpatient, according to a statement from the hospital. The Vines has 98 beds and offers crisis stabilization, psychiatric care, detox services, a women's trauma program, the H.O.P.E. program for active-duty females and female veterans, and outpatient services.

Ocala Eye recently opened a new facility in the Market Street at Heath Brook complex at 4414 SW State Road 200. The new location replaced the Paddock Park office. The facility offers optometry services as well as LASIK, hearing and aesthetic services. The ophthalmology practice has five offices and serves Marion County and The Villages. Founded in 1971, the practice offers a wide range of services, including cataract surgery and glaucoma treatment.

Ocala Health System continues its more than \$120 million in expansions and renovations at West Marion Community Hospital, Ocala Regional Medical Center (ORMC) and a stand-alone emergency room in Ocala. The addition of 36 beds on the newly constructed fifth floor at West Marion will cap a \$62.7 million expansion at the hospital, which included nine additional emergency treatment rooms for a total of 32 and the addition of four operating rooms, doubling the previous total. At ORMC, 34 news beds are part of \$56.8 million in additions and renovations that also include 12 new emergency department rooms and two new operating rooms, as well as the redesign and renovation of several areas of the hospital. In addition, Ocala Health recently completed construction on a \$13 million freestanding ER on 4.38 acres at the corner of Southeast Maricamp Road/State Road 464 and Southeast 30th Avenue, in the shadow of First Baptist Church of Ocala. Ocala Health, which is part of the Tennessee-based Hospital Corporation of America, opened the facility in September 2019.

LOCAL MARKET ANALYSIS- (Cont)

AdventHealth Ocala continues a \$26 million expansion to the emergency department. In addition, the hospital, which is part of Adventist Health System, is pushing to build a \$110 million hospital at the TimberRidge location on State Road 200. While the project received initial approval in 2016 from the state, challenges, including from Ocala Health, scuttled the plans. The Florida Agency for Health Care Administration again approved the plan in 2019, and challenges soon followed. In the interim, the lease to operate the hospital, formerly Munroe Regional Medical Center, changed hands from Community Health Systems to Advent Health System.

Interstate Highway 75 Corridor: The Interstate 75 commercial corridor is the primary retail and hospitality corridor of Ocala. There are three key Ocala exits off Interstate 75. The southern exit at State Road 200/Southwest College Road represents the primary commercial hub of Ocala. In this area, retail is anchored by Paddock Mall, Best Buy, Wal-Mart, Kohl's, Belk, Macy's, TJ Maxx, Lowe's, Home Depot, PetSmart, Sam's Club, and JCPenney. Other retailers in this submarket include gas stations/convenience stores, mobile phone stores, pharmacies, home décor shops, and the like. This area is also a hub for restaurants that trend to the nationally franchised variety such as Cracker Barrel, Red Lobster, Olive Garden, Outback Steakhouse, Cheddar's Scratch Kitchen, as well as most national quick service/fast-food eateries such as McDonald's, Burger King, Wendy's, Taco Bell, Panda Express, Chick-fil-A, etc. The State Road 200 interchange also represents the high-end hotel market in Ocala with a Hilton, Courtyard, Hampton Inn & Suites, Holiday Inn Express & Suites (2018), SpringHill Suites (2019), La Quinta Inn & Suites, Country Inn & Suites, Quality Inn, Best Western, and Holiday Inn and Suites/Conference Center. Overall, the State Road 200/Southwest College Road corridor is likely to remain the primary retail and hospitality center of Ocala. Land is still available, but parcels with good frontage are less common and development is expanding west, further from the city and interstate, where land is more readily available. It is noted that these lands are infringing on unincorporated sections of Marion County where utilities availability may be inferior.

The middle exit along I-75 is the State Road 40/West Silver Springs Boulevard interchange; an old growth submarket anchored by the Ocala International Airport. This exit is a mix of industrial uses in outlying areas and highway support uses near the interstate. Near the interstate uses include gas station/convenience stores such as Chevron, RaceTrac and Wawa; some quick service restaurants such as Taco Bell, McDonald's, Burger King, Wendy's, and Denny's; and older economy class hotels such as Days Inn, Super 8, and Red Roof Inn. Industrial uses include distribution/warehouses and semitruck repair shops. Overall, this is considered to be a tertiary submarket of Ocala with limited land available within the city limits.

The northern exit along I-75 is the US Highway 27/Northwest Blythe Road interchange. Previously, this interchange was considered an outlier for development with a couple of golf course communities located west of the interstate. The hotels at this interchange are mostly in the economy class such as Howard Johnson, Days Inn, and Motel 6 with the top end of the market held by a Comfort Suites. Several gas station/convenience stores and quick service restaurants populate both sides of the interstate. The World Equestrian Center (WEC) that continues to be developed south of US Highway 27 and west of Southwest 80th Avenue is expected to be a "game changer" to this interchange (according to the Economic Development Corporation/Chamber of Commerce). The WEC may absorb the existing Golden Ocala Golf and Equestrian Club subdivision while adding a 140,000 square foot equestrian arena that will seat 10,000 spectators. Additionally, this master development will offer a 260-room hotel (now open) and build 2,400 luxury homes. Overall, this development will cover 3,145 acres. In February 2022, WEC announced plans for a new \$11.7 million 400-suite five-story pet-friendly hotel. It has recently been completed and is now open.

LOCAL MARKET ANALYSIS- (Cont)

Conclusion

The population in Marion County has grown fairly rapidly over the past few decades. The population in Marion County has grown from 258,916 persons in 2000 to an estimated 409,959 persons in 2023, or an increase of 58% over this time period. Marion County is the 17th most populous county in Florida.

The subject property is located in an area with an expanding population base. Based on the recent improvement in the local economy, and the number of new and redevelopment projects being undertaken in the local commercial market in 2024-2025, the Ocala/Marion County area should continue to grow in the foreseeable future. As vacancies continue to decrease, and rental rates continue to increase, market demand for additional commercial, retail and office space should also increase. The subject property is well positioned in its market area and net appreciation of real estate values is expected to be good.

Coronavirus/Covid-19 Pandemic

The coronavirus pandemic has affected the lifestyles and economic activities of residents around the state and the US. In Marion County, there have been 110,305 people (the most recent figures as reported on October 12, 2023) affected by the virus out of a population of over 409,000 persons. This amount represents nearly 27% of the entire population of the county. Local government agencies closed non-essential business activities during part of 2020. Businesses have since reopened. State officials have made it difficult for local government officials to make decisions for their own areas due to the Florida Governor's mandates overriding local/home rule. As a result, Florida has been one of the worst states in the US in terms of the number of Covid cases and deaths. The number of infections from Covid and its variants has been decreasing substantially.

The significant loss in the stock market during early to mid-2020 reportedly caused investors to consider real estate as a safer investment than stocks. Also, continued recovery from the pandemic in China, where the virus was initially found, and elsewhere in the world, would seem to indicate that the affects in the market will be for a relatively short period of time. Although additional "waves" of the virus have been experienced in many areas throughout the US and the world, now that vaccines are available the impact is anticipated to be somewhat short-lived. In that case, overall real estate markets should be stable and/or continue to grow in the long-term, but could potentially suffer some fluctuations in value during the short-term.

SITE ANALYSIS

The subject property is slightly irregular in shape and has a total site area estimated at 1.39 acres, or about 60,584 SF (according to a survey prepared by Bill Bley & Associates, Inc. in 2018). The site has 174.36 feet of frontage along the south side of Northwest 10th Street, a two-lane, asphalt paved, local subdivision roadway which intersects Northwest 30th Avenue about 325 feet to the east. The east boundary of the site extends to a depth of 272.05 feet. The south (rear) boundary of the site measures 250.24 feet. The west boundary is irregular. Access to the property is by two curb cuts on its north boundary along Northwest 10th Street (one near the northeast property corner and the other near the northwest property corner). Interstate Highway 75 is about 3,400 feet west of the property but there is no access to the interstate highway at this location (the closest access is at US Highway 27). All services and protections are provided to the site. The size of the tract, its location along Northwest 10th Street near US Highway 27, availability of utilities, and ingress/egress within the neighborhood, will generally allow a wide variety of uses to be developed, including residential, commercial, industrial, and recreational.

An aerial map of the site is provided below for the reader's convenience and understanding of its size, shape, location, and road frontage. The subject property is outlined in red.



The site is level to gently sloping in topography and lies level to slightly above road grade along Northwest 10th Street. It features native grasses with some light scattered tree cover. The property is developed with an office building, a warehouse building, and associated site improvements.

The property is located within the city limits of Ocala. As a result, all municipal services and protections are provided. This includes electrical utilities, water and sewer services, police protection, and fire protection.

SITE ANALYSIS- (Cont)

Based on a review of local flood maps provided by the Federal Emergency Management Agency (FEMA), the property is located in a Flood Zone "X", which is an area determined to be outside the 0.2% annual chance. This flood zone has been confirmed by a review of Community Panel #12083C0508E of the Flood Insurance Rate Maps (FIRM) dated April 19, 2017. The flood zone determination and other related data are provided by a third-party vendor deemed to be reliable. If further details are required, additional research is required that is beyond the scope of this analysis.

Easements/Restrictions: We were not given a title report to review. We do not know of any easements, encroachments, or restrictions that would adversely affect the site's use. However, we recommend a title search to determine whether any adverse conditions exist.

Soils: A detailed soils analysis was not available for review. Based on the development of the subject site, it appears the soils are stable and suitable for the existing improvements.

Wetlands: We were not given a wetlands survey to review. If subsequent engineering data reveals the presence of regulated wetlands, it could materially affect property value. We recommend a wetlands survey by a professional engineer with expertise in this field.

Hazardous Substances: We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. We observed no evidence of toxic or hazardous substances during our inspection of the site. However, we are not trained to perform technical environmental inspections and recommend seeking qualified professionals with expertise in this field.

The overall site rating is considered good based on the above descriptions. The site is functional for a wide variety of uses, including industrial or commercial development. Adjacent and/or nearby land uses include a variety of industrial and/or commercial properties surrounding the site in all directions. Residential properties are found outside the commercial and industrial influences in the local area.

In summary, the site is competitive with other industrial tracts within the local market area and is functional for its intended use. It is similar in size, location and accessibility to local roadways. Adjoining and/or nearby properties along Northwest 10th Street are primarily industrial uses, so the property blends well with the surrounding area. Its location within this area along Northwest 10th Street in close proximity to Interstate Highway 75 is advantageous for industrial or commercial use.

DESCRIPTION OF IMPROVEMENTS

The property is presently improved with a one-story office building with about 1,560 SF of gross building area and a warehouse building with 5,000 SF of gross building area. The buildings were originally constructed in 1987 according to local property records. At the time of inspection, the improvements were in good physical condition. Additional information about the improvements is provided below and on the following pages.

Office Building: This building has about 1,560 SF according to local property records. It has a concrete block structural system with brick veneer on the north and east elevations and a painted stucco finish around the south and west elevations. It is built over a steel reinforced concrete slab flooring system on grade. The roof consists of fiberglass shingles over a conventional wood truss system in a hip design (with a gable over the front entry porch). Soffits and fascia are aluminum. Gutters and downspouts are provided. The main entry doors on the east building elevation are 6-panel solid core wood with a stained finish. A 3' personnel door, with a painted finish, is provided on the south building elevation. Windows are elongated single hung designs in bronze aluminum frames.

The interior finish in the office space generally includes ceramic tile, commercial grade carpet and vinyl tile on floors (some of the carpeting has been removed in preparation of installation of new carpet); drywall with custom wall coverings on the walls (with ceramic tile wainscot in the restrooms); acoustic tile ceilings; recessed fluorescent lighting fixtures; and a heat pump central air conditioning system.

The interior layout of the office building includes a lobby/customer waiting area; a reception area; four offices; an employee break room; a kitchenette (with mica cabinets and countertops, a refrigerator and a stainless-steel sink); and a storage room. There are also two restrooms, each with a water closet and lavatory.

Warehouse Building: This building has 5,000 SF according to local property records. It features a pre-engineered steel structural system with pre-finished metal wall panels around the exterior elevations. The structure is built over a steel reinforced concrete slab flooring system on grade. The roof consists of standing seam metal panels over the steel superstructure in a gable design. Gutters and downspouts are provided. The eave height is estimated at 24 feet. There are four overhead roll-up doors at grade level which provide access to the warehouse space (two on the north elevation, one on the south elevation and one on the east elevation). Two 3' steel personnel doors are also provided (one on the north elevation and one on the south elevation). There is a single restroom in this structure with a water closet and lavatory. At one point, the warehouse had about 3,125 SF of enclosed space and about 1,875 SF of canopy space. The canopy was subsequently enclosed so that the building now has 5,000 SF of enclosed space.

The interior finish in the warehouse building includes exposed concrete slab floors; exposed metal wall panels; open ceilings with vinyl-faced fiberglass insulation under the roof deck; and surface mounted fluorescent lighting fixtures.

Site Improvements: The property also includes about 14,150 square feet of asphalt paving and parking areas, with striping to accommodate parking of 8 vehicles, including one handicapped space; about 640 SF of 4" steel reinforced concrete paving/walkways; a fuel station with a concrete slab, a fuel pump and dispenser, and two 500-gallon above-ground fuel storage tanks; an irrigation well; a drainage retention area at the southwest corner of the site; and an ornamental landscaping package with irrigation.

DESCRIPTION OF IMPROVEMENTS- (Cont)

Summary:

Condition: Good
Quality: Good

Property Rating: After considering all the physical characteristics of the subject, we have concluded that this property has an overall rating that is good when measured against other properties in the marketplace.

Roof & Mechanical Inspections:

We did not inspect the roof, nor did we make a detailed inspection of the mechanical systems. The appraiser is not qualified to render an opinion regarding the adequacy of these components. The client is urged to retain an expert in this field if detailed information is needed.

Actual Age: 39 Years
Effective Age: 15 Years
Expected Economic Life: 50 Years
Remaining Economic Life: 35 Years

PHYSICAL DETERIORATION

Cost to Cure: Curable physical deterioration refers to those items that are economically feasible to cure as of the effective date of the appraisal. One category of physical deterioration is deferred maintenance and is measured as the cost of repairing or restoring the item to new or reasonably new condition. The buildings on the property were originally constructed in 1987. The improvements were in good physical condition at the time of inspection. We have not been provided with a capital expenditure plan or an engineering report that would identify specific costs required to repair deficiencies at the subject property. No significant deferred maintenance items were noted during the property inspection. Although some of the floor coverings have been removed in the office in preparation of installation of new carpeting, this is considered to be a short-term maintenance item. The market value herein takes into consideration the current "as is" condition of the property.

FUNCTIONAL OBSOLESCENCE

Description: There was no apparent functional obsolescence present at the subject property. The improvements are consistent with other competitive office and warehouse buildings in the local market area, particularly those similar in age, quality of construction and physical condition.

DESCRIPTION OF IMPROVEMENTS- (Cont)

EXTERNAL OBSOLESCENCE

Description:

External obsolescence is the adverse effect on value resulting from influences outside the property. External obsolescence may be the result of market softness, proximity to environmental hazards or other undesirable conditions, spikes in construction costs, cost estimates that don't properly reflect changes in the local market, the lack of an adequate labor force, changing land use patterns, or other factors. Based on a review of the location of the subject as well as local market conditions, external obsolescence is not applicable to the subject property.

HIGHEST AND BEST USE

The highest and best use of a property is fundamental to the concept of market value for that particular property. Highest and best use is defined by the 12th Edition of The Appraisal of Real Estate textbook as:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, and financially feasible, and that results in the highest value."

Land, as opposed to improvements, is considered a non-depreciated asset. In the cost approach, land value is estimated separately from improvements and is predicated on the concept that the land should be valued as though it were vacant and available to be put to its highest and best use. Based on this premise, the highest and best use of the land is estimated as though vacant.

Highest and best use may also be described as the available use and program of future utilization which produces the highest present land value. The profitability of the use may not include the monetary consideration inherent in the property. The profitability or greatest return may be in the form of amenities. Any highest and best use determination of a site, vacant or improved, would be predicated upon sufficient demand in the market for that particular use.

The following four categories are concluded the primary considerations of highest and best use determination.

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

Application of these four categories gives support to the highest and best use conclusion.

In any discussion of the highest and best use of a particular property, the first consideration must be given to the land, as if vacant and available for development to its highest and best use.

HIGHEST AND BEST USE- (Cont)

Physically Possible: The subject property is slightly irregular in shape and has a total site area estimated at 1.39 acres, or about 60,584 SF (according to a survey prepared by Bill Bley & Associates, Inc. in 2018). The site has 174.36 feet of frontage along the south side of Northwest 10th Street, a two-lane, asphalt paved, local subdivision roadway which intersects Northwest 30th Avenue about 325 feet to the east. The east boundary of the site extends to a depth of 272.05 feet. The south (rear) boundary of the site measures 250.24 feet. The west boundary is irregular. Access to the property is by two curb cuts on its north boundary along Northwest 10th Street (one near the northeast property corner and the other near the northwest property corner). Interstate Highway 75 is about 3,400 feet west of the property but there is no access to the interstate highway at this location (the closest access is at US Highway 27). All services and protections are provided to the site. The size of the tract, its location along Northwest 10th Street near US Highway 27, availability of utilities, and ingress/egress within the neighborhood, will generally allow a wide variety of uses to be developed, including residential, commercial, industrial, and recreational.

Legally Permissible: From a legal standpoint, the zoning on the property is M-1, Light Industrial. The Light Industrial (M-1) district is intended primarily for wholesale distribution, warehouse storage, research and development, showroom sales, and light manufacturing of finished or semi-finished products. The light industrial uses shall be compatible with the surrounding uses. Outdoor manufacturing is not allowed in the M-1 district. Outdoor storage is allowed as a permitted accessory use if it complies with design criteria. Service establishments serving the industrial uses or the district shall be permitted. Permitted uses include retail uses, such as furniture stores (10,000 SF or larger), home/garden sales, and used merchandise stores; service uses, such as alcoholic beverage establishments (off-site consumption), assembly of electronics equipment, bail bonds agency, carpet/upholstery cleaning, construction service establishment, day labor service establishment, equipment rental and leasing, general business services, mini-warehouse, newspaper printing, packing and crating, print shop, professional and business offices, recycling collection point, repair garage, truck freight terminal, and truck rental sales; education/recreation/social uses, such as community education center and vocational/professional schools; health care uses, such as medical and dental laboratories and veterinarian offices; and industrial uses, such as light manufacturing, recycling center, research and testing, warehouse storage, and wholesale & distribution.

The current land use classification for the property is Employment Center. The intent of this land use is to provide a regionally important and vibrant hub for business, enterprise, research and development, and employment activities. Primary uses in this category are industrial, office and commercial. Secondary uses are public, recreation & open space, institutional, and residential, as well as educational facilities.

The zoning and land use designations are consistent, and a wide variety of uses are allowed on the property. Recognizing the physical characteristics of the site, especially its size and location, the legally permissible uses would likely be represented by some type of commercial or industrial development. Residential development of the property is not likely due to the zoning classification and the industrial uses in the local area. Therefore, some type of commercial or industrial development is considered to be physically possible and legally permissible on the site.

HIGHEST AND BEST USE- (Cont)

Financially Feasible/Maximally Productive: In order to be seriously considered, a use must have the potential to provide a sufficient return to attract investment capital over alternative forms of investment. A positive net income or acceptable rate of return would indicate that a use is financially feasible. Financially feasible uses are those uses that can generate a profit over and above the cost of acquiring the site and constructing the improvements. Of the uses that are permitted, possible, and financially feasible, the one that will result in the maximum value for the property is considered the highest and best use.

As previously discussed, land uses in the immediate area include light and medium industrial uses, wholesale businesses, service businesses, and a wide variety of commercial uses along the major roadways of the area. This location is within the northwestern region of Ocala, east of the Interstate Highway 75 corridor. As economic conditions have continued to improve following the Covid-19 pandemic, there should be additional development of industrial properties in this market area near Interstate Highway 75. The recent and continued development of distribution facilities along the Interstate 75 corridor supports this conclusion.

The site is comparable to, and compatible with, other similar industrial sites available for development within the local neighborhood. The variety of industrial facilities provides support for the economic viability of these uses within the local neighborhood. After considering the physical, legal and economic characteristics of the property, the most financially feasible use is most likely represented by some form of industrial use.

Conclusion: We considered the legal issues related to zoning and legal restrictions. We also analyzed the physical characteristics of the site to determine what legal uses would be possible and considered the financial feasibility of these uses to determine the use that is maximally productive. Considering the subject site's physical characteristics and location, as well as the state of the local market, it is our opinion that the Highest and Best Use of the subject site, as though vacant, is for development with an industrial use built to its maximum feasible building area. Use of the subject site for industrial purposes meets all four criteria for highest and best use. This type of use complies with the existing zoning (M-1, Light Industrial) and land use (Employment Center) designations and is physically possible upon the site. Due to the size of the site, large-scale industrial development is not likely. And, based on its location, residential uses are not practical. Recognizing all these factors, it seems reasonable to conclude that the highest and best use of the property would be for some type of industrial use.

As Improved

Physically Possible: The subject property was developed with an office building and a warehouse building in 1987. The buildings are currently in good physical condition. We know of no current or pending municipal actions or covenants that would require a change to the current improvements.

Legally Permissible: As discussed in the zoning section of this report, the existing use is allowable within the current zoning and land development regulations. The site is improved with an office building with 1,560 SF of gross building area and a warehouse building with 5,000 SF of gross building area. It is compatible with other existing uses in the neighborhood, particularly those along the Northwest 10th Street and US Highway 27 corridors where the property is located. The property has suitable size to accommodate the building improvements, parking areas and support facilities. The improvements have been constructed on the site in a functional manner consistent with other similar office and warehouse facilities in the local market area.

HIGHEST AND BEST USE- (Cont)

Financially Feasible/Maximally Productive: In the Reconciliation section of this report, we concluded to a market value of the subject property, as improved, of \$1,250,000. In our opinion, the improvements contribute substantially to the value of the site. It is likely that no alternative use would result in a higher return.

Conclusion: It is our opinion that the existing improvements add value to the site as though vacant, dictating a continuation of their current use. The improvements are in good physical condition and are a legal, permissible use of the site. They have also been constructed in a functional manner, and the site has suitable size for the building improvements, parking areas and other support facilities. After considering this information, the existing industrial office/warehouse use of the property is felt to be a reasonable expectation for its highest and best use as improved.

VALUATION PROCESS

Methodology

There are three generally accepted approaches to developing an opinion of value: Cost, Sales Comparison and Income Capitalization. We considered each in this appraisal to develop an opinion of the market value of the subject property. In appraisal practice, an approach to value is included or eliminated based on its applicability to the property type being valued and the quality of information available. The reliability of each approach depends on the availability and comparability of market data as well as the motivation and thinking of purchasers.

The valuation process is concluded by analyzing each approach to value used in the appraisal. When more than one approach is used, each approach is judged based on its applicability, reliability, and the quantity and quality of its data. A final value opinion is chosen that either corresponds to one of the approaches to value or is a correlation of all the approaches used in the appraisal.

We considered each approach in developing our opinion of the market value of the subject property. We discuss each approach below and conclude with a summary of their applicability to the subject property.

Cost Approach: The Cost Approach is based on the proposition that an informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements which represent the Highest and Best Use of the land; or when relatively unique or specialized improvements are located on the site for which there are few improved sales or leases of comparable properties.

In the Cost Approach, the appraiser forms an opinion of the cost of all improvements, depreciating them to reflect any value loss from physical, functional and external causes. Land value, entrepreneurial profit and depreciated improvement costs are then added, resulting in an opinion of value for the subject property.

Sales Comparison Approach: In the Sales Comparison Approach, sales of comparable properties are adjusted for differences to estimate a value for the subject property. A unit of comparison such as price per square foot of building area or effective gross income multiplier is typically used to value the property. When developing an opinion of land value, the analysis is based on recent sales of sites of comparable zoning and utility, and the typical units of comparison are price per square foot of land, price per acre, price per unit, or price per square foot of potential building area. In both cases, adjustments are applied to the unit of comparison from an analysis of comparable sales, and the adjusted unit of comparison is then used to derive an opinion of value for the subject property.

Income Capitalization Approach: In the Income Capitalization Approach the income-producing capacity of a property is estimated by using contract rents on existing leases and by estimating market rent from rental activity at competing properties for the vacant space. Deductions are then made for vacancy and collection loss and operating expenses. The resulting net operating income is divided by an overall capitalization rate to derive an opinion of value for the subject property. The capitalization rate represents the relationship between net operating income and value. This method is referred to as Direct Capitalization.

VALUATION PROCESS- (Cont)

Related to the Direct Capitalization Method is the Yield Capitalization Method. In this method periodic cash flows (which consist of net operating income less capital costs) and a reversionary value are developed and discounted to a present value using an internal rate of return that is determined by analyzing current investor yield requirements for similar investments.

Summary: This appraisal employs the Sales Comparison Approach and the Income Capitalization Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that these approaches should be considered applicable and/or necessary for market participants. Typical purchasers do not generally rely on the Cost Approach when purchasing a property such as the subject of this report. Therefore, we have not utilized the Cost Approach to develop an opinion of market value.

SALES COMPARISON APPROACH

The sales comparison approach is a method of direct sales comparison in the appraisal process. In this approach, sales of similar types of properties, which have occurred in the open market and which reflect buyer and seller interactions, are compared to the property appraised. This approach is based upon the Principle of Substitution, which implies that a prudent purchaser will pay no more for a property than it will cost to buy a comparable substitute, as improved.

The Principle of Substitution implies that buyers and sellers go through a process of comparing one property to another, in an effort to maximize their investment by obtaining the property with the best available balance between buyer preference and sales price. The appraiser "mirrors" this procedure by making appropriate adjustments to the comparable sales in comparison with the property appraised. The ultimate indications of value from each sale, after adjustments, will assist in estimating the most probable selling price of the appraised property.

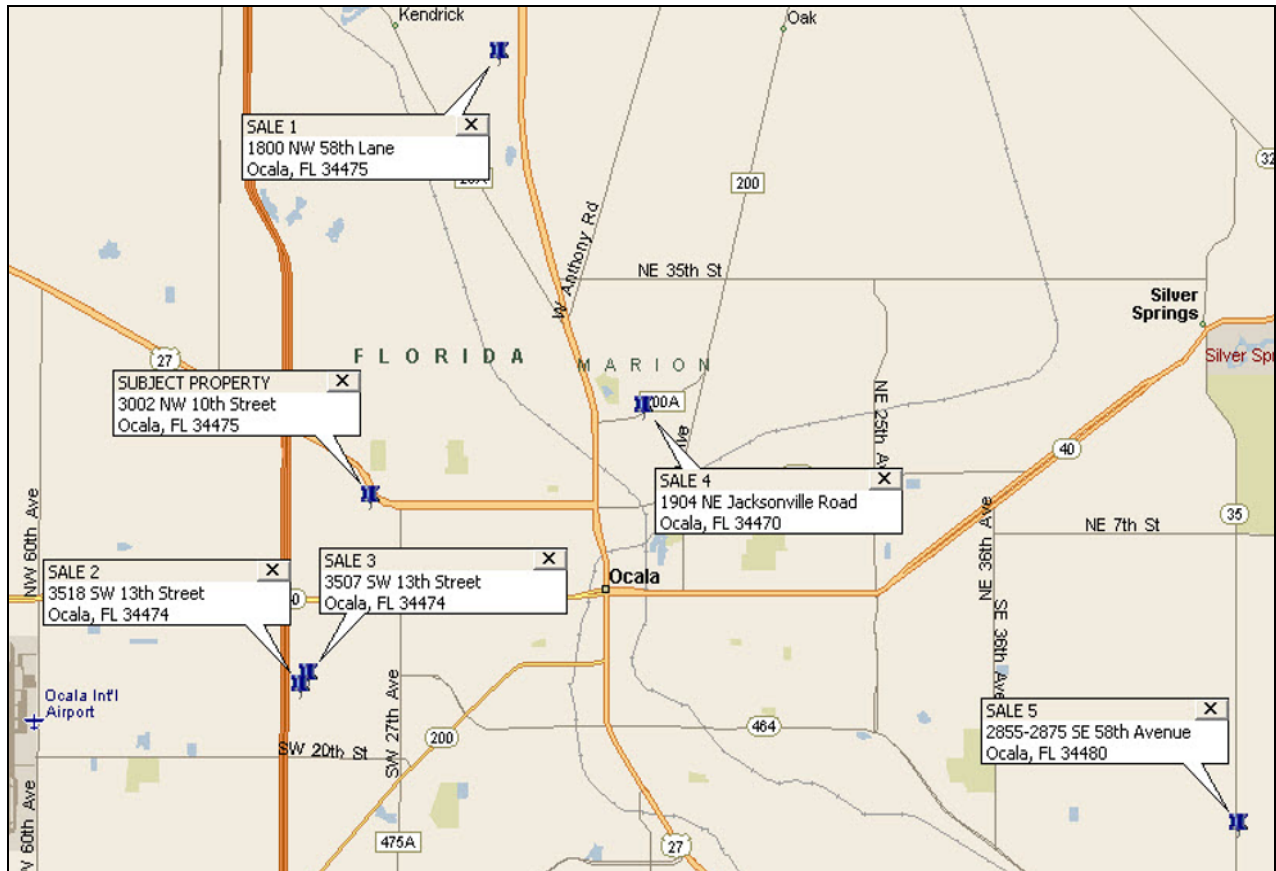
By analyzing sales that qualify as arm's-length transactions between willing and knowledgeable buyers and sellers, we can identify value and price trends. The basic steps of this approach are:

1. Research recent, relevant property sales and current offerings in the competitive area;
2. Select and analyze properties that are similar to the subject property, analyzing changes in economic conditions that may have occurred between the sale date and the date of value, and other physical, functional, or locational factors;
3. Identify sales that include favorable financing and calculate the cash equivalent price;
4. Reduce the sale prices to a common unit of comparison such as price per square foot of net rentable area, effective gross income multiplier, or net income per square foot;
5. Make appropriate comparative adjustments to the prices of the comparable properties to relate them to the subject property; and,
6. Interpret the adjusted sales data and draw a logical value conclusion.

This approach is most reliable when there is sufficient market data available for a meaningful comparison. Furthermore, this approach is the best understood by those unfamiliar with the appraisal process.

The most widely used and market-oriented unit of comparison for properties such as the subject is the sales price per square foot of gross building area. All comparable sales were analyzed on this basis. The following pages contain a summary of the improved properties that we compared to the subject property, a map showing their locations, and the adjustment process.

COMPARABLE IMPROVED SALES MAP



SALES COMPARISON APPROACH- (Cont)

The competitive neighborhood was researched for sales of comparable office/warehouse properties in order to provide the most meaningful comparison to the property appraised and determine the estimate of value for the overall property.

The following sales are considered to be most representative of similar location and general neighborhood characteristics and influences. The chart below summarizes each of the sales utilized within this analysis.

PROPERTY APPRAISED: 6,560 SF Office and Warehouse Buildings

Sale No.	Location	Sale Date	Sales Price	Building Size (SF)	Building Price/SF
1	1800 NW 58 th Lane, Ocala Office/Warehouse	07/10/2025	\$3,290,400	12,500	\$263.23
2	3518 SW 13 th Street, Ocala Office/Warehouse	07/09/2025	\$3,034,000	9,949	\$304.96
3	3507 SW 13 th Street, Ocala Office/Warehouse	03/21/2025	\$1,050,000	6,400	\$164.06
4	1904 NE Jacksonville Road, Ocala Office/Warehouse	02/11/2025	\$1,800,000	8,550	\$210.53
5	2855-2875 SE 58 th Avenue, Ocala Office/Warehouse	09/24/2024	\$ 610,000	3,745	\$162.88

The reader will find sales sheets on the following pages regarding each of the sale properties analyzed. Unless indicated otherwise, each of the sales was determined to have occurred at market rates and terms, eliminating the need to make cash equivalency adjustments.

These sales represent the most comparable sales available for analysis. Due to the type of property being appraised (an office building with 1,560 SF and a warehouse building with 5,000 SF, located along Northwest 10th Street, just south of US Highway 27 in the northwestern city limits of Ocala), a reasonable amount of sales data was available for review. It is our opinion that these sales represent the most comparable data available for analysis and have therefore been used accordingly.

SALES COMPARISON APPROACH- (Cont)SALE #1

OR BOOK/PAGE: 8659/0982, Marion County

GRANTOR: HE Ocala, LLC

GRANTEE: 1800 Ocala Partners, LLC

DATE OF SALE: July 10, 2025

SALES PRICE: \$3,290,400

BUILDING SIZE: 12,500 SF

SALES PRICE/
UNIT OF COMPARISON: \$263.23/SF

LEGAL DESCRIPTION: Lots 5-7, North Ocala Industrial Park, Plat Book V, Pages 50-51;
Marion County, Florida

LOCATION: 1800 Northwest 58th Lane, Ocala

ZONING: M-2, Heavy Industrial

FINANCING: Cash to Seller

SALES COMPARISON APPROACH- (Cont)SALE #1- (Cont)

PHYSICAL

CHARACTERISTICS:

This property is located along the south side of Northwest 58th Lane, just west of its intersection with US Highway 441/301 within North Ocala Industrial Park. This location is about two miles north of the city limits of Ocala. The property has a total site area of 3.07 acres with about 495 feet of frontage along Northwest 58th Lane, a two-lane, asphalt paved, local subdivision roadway. The east and west boundaries extend to a depth of about 270 feet. The property is improved with a warehouse/office building with 12,500 SF of gross building area. The building was originally constructed in 2007 and features concrete tilt-up walls around the exterior. The roof is finished with standing seam metal panels in a gable design. The eave height of the building is 16 feet. It features about 4,000 SF of finished office space and 8,500 SF of warehouse space. The building has been designed with flexibility to have a single tenant or two-tenant occupancy, with each occupant having office and warehouse space and separate entries. The interior finish in the office space includes ceramic tile and commercial grade carpet on floors, drywall with a painted texture finish on walls and ceilings, surface mounted fluorescent lights, recessed can lights, and central air conditioning. The interior finish in the warehouse space includes exposed concrete slab floors, exposed concrete tilt-up wall panels, vinyl-faced fiberglass insulation under the roof deck, and hi-bay lighting fixtures. There are five overhead roll-up doors at ground level for access to the warehouse space. Seven restrooms are provided in the building. Some mezzanine storage space is provided above the office areas. The driveways, parking areas and lay-down yard are finished with concrete paving (about 53,000 SF). The building was in good physical condition at the time of sale. Water and sewer services at this location are provided by an on-site well and septic tank.

VERIFIED WITH:

Lance Schenker, Bill Rodgers Realty, Inc. (Previous Listing Agent); Multiple Listing Service (MLS); Public Records Data; Inspection

VERIFIED BY:

Database Administrator

SALES COMPARISON APPROACH- (Cont)SALE #2

OR BOOK/PAGE: 8658/1874, Marion County

GRANTOR: Lewis Ocala, LLC

GRANTEE: Morsco Properties, LLC

DATE OF SALE: July 9, 2025

SALES PRICE: \$3,034,000

BUILDING SIZE: 9,949 SF

SALES PRICE/
UNIT OF COMPARISON: \$304.96SF

LEGAL DESCRIPTION: Lengthy legal in Lot 17 of an unnamed subdivision in Sections 15, 22 and 23-15-21; Marion County, Florida

LOCATION: 3518 Southwest 13th Street, Ocala, Florida

ZONING: B-5, Wholesale Business

FINANCING: Cash to Seller

SALES COMPARISON APPROACH- (Cont)SALE #2- (Cont)

PHYSICAL

CHARACTERISTICS:

This property is located along the south side of Southwest 13th Street, about 200 feet east of its intersection with Southwest 37th Avenue and Interstate Highway 75 in the city limits of Ocala (Southwest 37th Avenue is a frontage roadway along the east side of I-75). The site has about 4.11 acres, with about 289 feet of frontage along Southwest 13th Street, a two-lane, divided, asphalt paved local subdivision roadway. The east and west boundaries extend to an average depth of about 620 feet. The property is improved with a warehouse/office building with 9,949 SF of gross building area. The building was originally constructed in 2022 according to local property records. It features pre-engineered steel construction with pre-finished metal wall panels around the exterior and standing seam metal roof panels. The building is divided into about 2,200 SF of finished office space and 7,749 SF of warehouse space. The warehouse has two overhead roll-up doors at ground level. There are two restrooms provided. The driveways, parking areas and lay-down yard are finished with concrete paving (about 103,000 SF). The building was in good physical condition at the time of sale. All city services and protections are provided at this location.

VERIFIED WITH:

Nolan C. Galloway, III, Gus Galloway Realty, Inc. (Former Listing Agent); Multiple Listing Service (MLS); Public Records Data; Inspection

VERIFIED BY:

Database Administrator

SALES COMPARISON APPROACH- (Cont)SALE #3

OR BOOK/PAGE: 8565/0910, Marion County

GRANTOR: Robert L. Sharrer and Pamela L. Sharrer

GRANTEE: M. M. Lemus, PA

DATE OF SALE: March 21, 2025

SALES PRICE: \$1,050,000

BUILDING SIZE: 6,400 SF

SALES PRICE/
UNIT OF COMPARISON: \$164.06/SF

LEGAL DESCRIPTION: Lengthy legal in NW ¼ of NW ¼ of Section 23-15-21; Marion County, Florida

LOCATION: 3507 Southwest 13th Street; Ocala, Florida

ZONING: M-2, Medium Industrial

FINANCING: Cash to Seller

SALES COMPARISON APPROACH- (Cont)SALE #3- (Cont)

PHYSICAL

CHARACTERISTICS:

This property is located along the north side of Southwest 13th Street, about 585 feet east of its intersection with Southwest 37th Avenue (the frontage roadway on the east side of Interstate Highway 75) in the city limits of Ocala. The property has a total site area of 1.53 acres and includes about 330 feet of frontage along Southwest 13th Street (a two-lane, asphalt paved, divided subdivision roadway which connects Southwest 37th Avenue and Southwest 27th Avenue. The property is improved with a warehouse/office building with 6,400 SF of building area. The building was originally constructed in 2008 and was in good physical condition at the time of sale. It features concrete tilt wall construction in a two-story design with an eave height of 20 feet. The roof features standing seam metal panels in a gable design. The building has about 1,728 SF of air-conditioned office space and about 4,672 SF of warehouse/storage space. There is also 1,728 SF of mezzanine storage space above the office (which is not included in the gross square footage of the building). Access to the office area is by a set of storefront glass doors in bronze aluminum frames. The warehouse includes 5 overhead roll-up doors (two motorized) for access. There is sufficient on-site parking, and the site is fully fenced. All city services and protections are provided at this location.

The property was originally listed for sale on March 8, 2025 at an asking price of \$1,200,000. The listing agent reported that an offer was received on the listing date and the transaction closed on March 21, 2025. The total marketing time from listing to closing was 13 days.

VERIFIED WITH:

Angela Sharrer, Northpoint Asset Management (Listing Agent); Multiple Listing Service (MLS); Public Records Data; Inspection

VERIFIED BY:

Database Administrator

SALES COMPARISON APPROACH- (Cont)SALE #4

OR BOOK/PAGE: 8537/1419, Marion County

GRANTOR: Hoberts, LLC

GRANTEE: 505 NE 82nd Street, LLC

DATE OF SALE: February 11, 2025

SALES PRICE: \$1,800,000

BUILDING SIZE: 8,550 SF

SALES PRICE/
UNIT OF COMPARISON: \$210.53/SF

LEGAL DESCRIPTION: Lengthy legal in NE ¼ of Section 07-15-22; Marion County, Florida

LOCATION: 1904 Northeast Jacksonville Road, Ocala, Florida

ZONING: M-2, Medium Industrial

FINANCING: Cash to Seller

SALES COMPARISON APPROACH- (Cont)SALE #4- (Cont)

PHYSICAL

CHARACTERISTICS:

This property is located along the west side of Northeast Jacksonville Road, the south side of Northeast 20th Street and the east side of Northwest 1st Avenue in the city limits of Ocala. The total site area is 3.48 acres and includes about 610 feet of frontage along the west side of Northeast Jacksonville Road (a two-lane, asphalt paved, collector roadway). It also has about 610 feet of frontage along the south side of Northeast 20th Street (a four-lane, asphalt paved, collector roadway) and about 280 feet of frontage along the east side of Northwest 1st Avenue (a two-lane, asphalt paved, local subdivision roadway). The property is improved with a warehouse/office building with 8,550 SF of building area. The building was originally constructed in 1965 and was in good physical condition at the time of sale. It features a pre-engineered steel structural system with pre-finished metal wall panels and an EIFS (Exterior Insulation and Finish System) finish around the exterior elevations. The roof has standing seam metal panels over a steel structure in a gable design (replaced in late 2023). The eave height is estimated at 12 feet. The building is divided into about 2,650 SF of finished and air-conditioned office space and about 5,900 SF of warehouse space. The interior finish in the office space includes commercial grade carpet, ceramic tile, and laminate on floors; drywall with a painted finish on walls; acoustic tile ceilings; recessed fluorescent lighting fixtures; and air conditioning. There is a customer waiting area/lobby, a reception area, multiple offices, a parts supply room, an employee break area, and two restrooms. The interior finish in the warehouse space includes exposed concrete slab floors; exposed metal wall panels; open ceilings revealing the steel truss system and the underside of the metal roof panels; and fluorescent lighting fixtures. There are two overhead roll-up doors (10' x 12' and 12' x 13'), one of which was replaced in 2020 and the other in 2023. The warehouse has 3-phase electrical power. The property is fenced with three gated entrances. The driveways, parking areas and lay-down yard are paved with asphalt (about 40,000 SF) and concrete (about 7,700 SF). All city services and protections are provided to the property.

The property had previously undergone environmental remediation which was reportedly concluded at the time of sale.

VERIFIED WITH:

Lance Schenker, Bill Rodgers Realty, Inc. (Previous Listing Agent); Multiple Listing Service (MLS); Public Records Data; Inspection

VERIFIED BY:

Database Administrator

SALES COMPARISON APPROACH- (Cont)SALE #5

OR BOOK/PAGE: 8458/1576, Marion County

GRANTOR: Petroleum Plus Services, LLC

GRANTEE: Pat Myers Electric, LLC

DATE OF SALE: September 24, 2024

SALES PRICE: \$610,000

BUILDING SIZE: 3,745 SF

SALES PRICE/
UNIT OF COMPARISON: \$162.88/SF

LEGAL DESCRIPTION: Lots 5-6, Block 450, Silver Springs Shores Unit No. 22, Plat Book J, Pages 176-180; Marion County, Florida

LOCATION: 2855-2875 Southeast 58th Avenue, Ocala, Florida

ZONING: B-4, Regional Business

FINANCING: Cash to Seller

SALES COMPARISON APPROACH- (Cont)SALE #5- (Cont)

PHYSICAL

CHARACTERISTICS:

This property is located along the east side of Southeast 58th Avenue (State/County Road 35), just outside the eastern city limits of Ocala. The property has two adjacent tracts with a total site area of about 59,241 SF. It includes 200 feet of frontage along Southeast 58th Avenue (State/County Road 35), a four-lane, asphalt paved, divided arterial roadway with a landscaped center median, concrete curb and gutter, and underground storm drainage. The north boundary extends to a depth of about 337 feet, and the south boundary extends to a depth of about 266 feet. The east (rear) boundary measures about 214 feet. The property is improved with a one-story commercial office/warehouse building with 3,745 SF that was originally constructed in 1999 according to local property records. It is divided into about 1,945 SF of finished and air-conditioned office space, about 900 SF of finished storage space (also air conditioned), and about 920 SF of warehouse space (not air conditioned). It features a concrete block structural system with a painted stucco finish around the exterior elevations. The roof has fiberglass shingles over a wood truss system in a hip design (replaced in 2021). The eave height is estimated at 10 feet in the front and about 15 feet in the warehouse space at the rear. The interior finish in the office space includes ceramic tile floors; drywall with a painted texture finish on walls and ceilings; fluorescent lighting fixtures; ceiling fans; and central air conditioning. There is a kitchenette area in this part of the building and three restrooms. The interior finish in the warehouse/service space includes exposed concrete slab floors; drywall with a painted texture finish on interior walls and a light spray texture finish on exterior walls; drywall with a painted texture finish on ceilings; fluorescent lighting fixtures; and a 12' x 14' overhead door. The property has sufficient on-site parking. Marion County Utilities provides water and sewer services to the property.

The property was originally listed for sale on July 4, 2024 at an asking price of \$675,000. An offer to purchase was received on September 13, 2024 and the transaction closed on September 24, 2024. The property was on the market for 71 days prior to receiving the offer to purchase. The total marketing time between listing and closing was 82 days.

VERIFIED WITH:

Frank Falbo, Platinum Homes and Land Realty (Listing Agent); Multiple Listing Service (MLS); Public Records Data; Inspection; Previous Appraisal

VERIFIED BY:

Database Administrator

SALES COMPARISON APPROACH- (Cont)

Conclusion

IMPROVED SALE ADJUSTMENT GRID														
ECONOMIC ADJUSTMENTS (CUMULATIVE)							PROPERTY CHARACTERISTIC ADJUSTMENTS (ADDITIVE)							
No.	Price PSF & Date	Property Rights Conveyed	Conditions of Sale	Financing	Market ⁽¹⁾ Conditions	Subtotal	Location	Size	Age, Quality & Condition	Utility ⁽²⁾	Economics	Other	Adj. Price PSF	Overall
1	\$263.23 7/25	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Inferior 3.00%	\$271.13 3.00%	Inferior 5.0%	Larger 5.0%	Superior -25.0%	Similar 0.0%	Similar 0.0%	Similar 0.0%	\$230.46 -15.0%	Superior
2	\$304.96 7/25	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Inferior 3.00%	\$314.11 3.00%	Similar 0.0%	Similar 0.0%	Superior -25.0%	Similar 0.0%	Similar 0.0%	Similar 0.0%	\$235.58 -25.0%	Superior
3	\$164.06 3/25	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Inferior 5.00%	\$172.26 5.00%	Similar 0.0%	Similar 0.0%	Superior -25.0%	Similar 0.0%	Similar 0.0%	Similar 0.0%	\$129.20 -25.0%	Superior
4	\$210.53 2/25	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Inferior 5.50%	\$222.11 5.50%	Inferior 5.0%	Similar 0.0%	Inferior 5.0%	Similar 0.0%	Similar 0.0%	Similar 0.0%	\$244.32 10.0%	Inferior
5	\$162.88 9/24	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Inferior 8.00%	\$175.91 8.00%	Inferior 10.0%	Smaller -5.0%	Superior -10.0%	Similar 0.0%	Similar 0.0%	Similar 0.0%	\$167.11 -5.0%	Superior
STATISTICS														
	\$162.88	- Low											Low -	\$129.20
	\$304.96	- High											High -	\$244.32
	\$221.13	- Average											Average -	\$201.33

(1) Market Conditions Adjustment

Compound annual change in market conditions: 6.00%
Date of Value (for adjustment calculations): 1/21/26

(2) Utility Footnote

Utility includes site layout, signage, visibility, etc.

The sales used in this analysis were the best available comparable sales for comparison to the subject property. The major points of comparison for this type of analysis include the property rights conveyed, the financial terms incorporated into the transaction, the conditions or motivations surrounding the sale, changes in market conditions since the sale, the location of the real estate, its physical traits, and the economic characteristics of the property.

The first adjustment made to the market data considers differences between the subject property and the comparable property sales regarding the legal interest transferred. Advantageous financing terms or atypical conditions of sale are then adjusted to reflect a normal market transaction. Next, changes in market conditions are accounted for, creating a time-adjusted price. Lastly, adjustments for location, physical traits, and the economic characteristics of the market data are made in order to generate the final adjusted unit rate for the subject property. When the property being appraised was superior, we adjusted the comparable sale upward to those comparable sales considered inferior. Conversely, when the property being appraised was inferior, we adjusted the comparable sales downward to those comparable sales considered superior.

Property Rights Conveyed: The property rights conveyed in a transaction typically have an impact on the price that is paid. Acquiring the fee simple interest implies that the buyer is acquiring the full bundle of rights. Acquiring a leased fee interest typically means that the property being acquired is encumbered by at least one lease, which is a binding agreement transferring rights of use and occupancy to the tenant. A leasehold interest involves the acquisition of a lease, which conveys the rights to use and occupy the property to the buyer for a finite period of time. At the end of the lease term, there is typically no reversionary value to the leasehold interest. The comparable sales are all fee simple properties. After reviewing the data, no adjustments for this characteristic are felt to be necessary.

SALES COMPARISON APPROACH- (Cont)

Conclusion- (Cont)

Market Conditions: In this analysis, we used a valuation date of January 2026. All the comparable sales are adjusted to this date. The sales that are included in this analysis occurred between September 2024 and July 2025. There are a limited number of direct paired sales of properties similar to the subject property which could be used to develop an estimate of the adjustment for market conditions. As a result, we have used data from Stellar MLS and other market data to assist in this analysis. All indications point to fairly significant appreciation over the past 2-3 years for many types of properties. This trend was also confirmed with buyers, sellers and brokers active in the local market area. After analyzing this data, we have concluded an upward adjustment for market conditions is warranted and an annual appreciation rate of 6% is considered reasonable. This annual rate would consider short-term fluctuations in appreciation rates over time since rates do not typically occur in precise linear trends.

Financial Terms: The financial terms of a transaction can have an impact on the sale price of a property. A buyer who purchases an asset with favorable financing might pay a higher price, as the reduced cost of debt creates a favorable debt coverage ratio. A transaction involving above-market debt will typically involve a lower purchase price tied to the lower equity returns after debt service. We analyzed all the transactions to account for atypical financing terms. To the best of our knowledge, all the sales used in this analysis were accomplished with cash or market-oriented financing. Therefore, no adjustments are required.

Conditions of Sale: Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. In many situations the conditions of sale may significantly affect transaction prices. The sales are all considered to be “arm’s-length” market transactions between both knowledgeable buyers and sellers on the open market. As a result, no adjustments are necessary.

Location: An adjustment for location is required when the locational characteristics of a comparable property differ from those of the subject property. The subject property is located along Northwest 10th Street near US Highway 27, with good access and frontage. Sales 1, 4 and 5 are inferior to the subject property in terms of their overall locational characteristics. Therefore, upward adjustments are necessary for these sales. Sales 2 and 3 are relatively similar to the subject property in terms of their overall locational characteristics. Therefore, no adjustments are necessary.

Size: The adjustment for size generally reflects the inverse relationship between unit price and building size. Smaller buildings tend to sell for higher unit prices than larger buildings, and vice versa. Therefore, upward adjustments are typically made to larger buildings, and downward adjustments are made to smaller buildings. Sale 1 is larger in size as compared to the subject property. As a result, an upward adjustment is necessary. Sales 2, 3 and 4 are relatively similar in size to the subject property, so no adjustments are necessary. Sale 5 is smaller in size as compared to the subject property. Therefore, a downward adjustment is necessary for this sale.

Physical Traits: Each property has various physical traits that determine its appeal. These traits include age, physical condition, quality of construction, parking ratio and utility. The subject property was in good physical condition at the time of inspection. Sales 1, 2, 3 and 5 are superior to the subject property in terms of these overall physical traits, either due to their newer age or higher quality of construction (such as tilt-up concrete, for example). Therefore, downward adjustments are necessary for these sales. Sale 4 is inferior to the subject property in terms of its overall physical traits. Therefore, an upward adjustment is necessary.

SALES COMPARISON APPROACH- (Cont)Conclusion- (Cont)

Use/Utility: The subject property is improved with an office building and a warehouse building along Northwest 10th Street near US Highway 27 in Ocala. The buildings are in good physical condition. They have good layouts with sufficient access, frontage, parking, etc. This is similar to each of the sale properties utilized. Therefore, no adjustments are required for this characteristic.

Economic Characteristics: The economic characteristics of a property include its occupancy levels, operating expense ratios, and other items not covered under prior adjustments that would have an economic impact on the transaction. In our analysis of the comparable sales, we found that no unusual economic conditions existed at the time of sale. As a result, no adjustments for these characteristics are required.

Other: In some cases, other variables will have an impact on the price of a transaction. Examples include soil conditions, restrictive zoning, easements, wetlands, or external influences. In our analysis of the comparable sales, we found that no unusual conditions existed at the time of sale. As a result, no adjustments were required.

Summary of Percentage Adjustment Method

We used the Sales Comparison Approach to estimate the Market Value As-Is of the subject property. From that data, we adjusted the sales to derive the As-Is Market Value. A summarized discussion of the adjustments was described on the previous pages.

Prior to adjustments, the comparable improved sales reflect unit prices ranging from \$162.88 per square foot to \$304.96 per square foot with an average pre-adjusted price of \$221.13 per square foot. After adjustments, the comparable improved sales reflect unit prices ranging from \$129.20 per square foot to \$244.32 per square foot with an average adjusted price of \$201.33 per square foot.

We have given some consideration to each of the comparable sales as they each provide various strengths and weaknesses and collectively provide a reliable indication of value for the subject property.

After considering the information provided, we conclude that the indicated value for the Percentage Adjustment Method can be estimated in the midpoint of the adjusted value range at \$200.00/SF, as follows:

APPLICATION TO SUBJECT	
Market Value-As Is	
Indicated Value per Square Foot	\$ 200.00
Gross Building Area in Square Feet	6,560
Indicated Market Value	\$1,312,000
Rounded To Nearest \$50,000	\$1,300,000

INCOME APPROACH

Methodology

The Income Capitalization Approach determines the value of a property based on the anticipated economic benefits. The principle of “anticipation” is essential to this approach, which recognizes the relationship between an asset’s potential future income and its value. To value the anticipated economic benefits of a property, potential income and expenses must be projected, and the most appropriate capitalization method must be selected.

The most common methods of converting net income into value are Direct Capitalization and Yield Capitalization. In direct capitalization, net operating income is divided by an overall capitalization rate to indicate an opinion of market value. In the yield capitalization method, anticipated future cash flows and a reversionary value are discounted to an opinion of net present value at a chosen yield rate (internal rate of return).

Investors acquiring this type of asset will typically look at year one returns but must also consider long-term strategies. Hence, depending on certain factors, each of the income approach methods has merit. We placed greater reliance on the Direct Capitalization Method since the property is at stabilized operations. It is likely that a prospective purchaser of this type of property would utilize Direct Capitalization as the primary tool in evaluating the property.

Subject Tenancy: The subject property is improved with a one-story office building with 1,560 SF and a warehouse building with 5,000 SF. The buildings were originally constructed in 1987 and are in good physical condition. At the effective date of appraisal, the property is owner-occupied. Since there is no arm’s length lease on the property, market rent will be utilized in the income analysis herein.

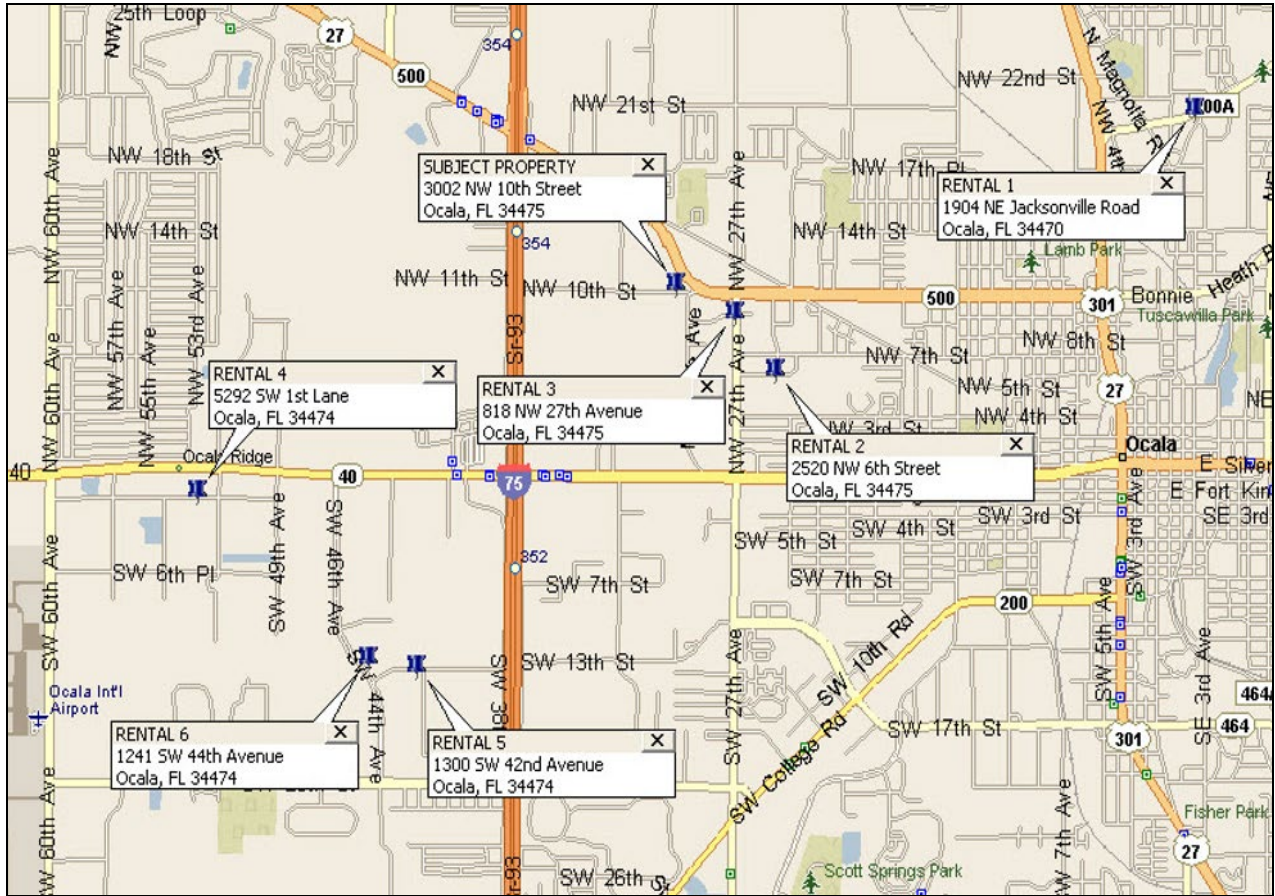
Tenant	Office (SF)	Whse (SF)	Total (SF)	Annual Rent	Rent/SF	Lease Type
L. E. D’louhy	1,560	5,000	6,560	N/A	N/A	N/A
Totals	1,560	5,000	6,560	N/A	N/A	N/A

Local Market Lease Structure

The market in which the subject property is located recognizes various basic lease structures, with slight variations. In the subject’s market, leases are written on a gross basis (with the landlord responsible for all expenses of ownership) and a net basis (which is much more common in this market area), whereby the tenants are responsible for their pro-rata share of all operating expenses including real estate taxes, insurance, common area maintenance (CAM) and management. There are also modified gross leases, which generally share the operating expenses.

The following pages provide an analysis of rent levels and lease terms at comparable properties in the overall market area.

COMPARABLE RENTAL PROPERTIES



INCOME APPROACH- (Cont)**Analysis of Comparable Office/Warehouse Rents**

The following table summarizes rental activity for comparable office/warehouse space in the local market area. These units are situated in competitive areas of Ocala similar to the subject property. Additional information about these properties is summarized below and on the following page.

No.	Location	Tenant Space	Lease Type	Size (SF)	Rent/SF
1	1904 NE Jacksonville Road, Ocala	Office/Warehouse	Net	8,550	\$14.22
2	2520 NW 6 th Street, Ocala	Office/Warehouse/Showroom	Net	7,680	\$13.85
3	818 NW 27 th Avenue, Ocala	Office/Warehouse/Showroom	Net	6,155	\$13.00
4	5292 SW 1 st Lane, Ocala	Office/Warehouse	Net	14,000	\$12.50
5	1300 SW 42 nd Avenue, Ocala	Office/Warehouse	Net	9,600	\$12.00
6	1241 SW 44 th Avenue, Ocala	Office/Warehouse	Net	10,000	\$11.47

Rental 1 is an office/warehouse building with a total of 8,550 SF of gross building area. The property is located at 1904 Northeast Jacksonville Road in Ocala. The building was constructed in 1965 and is in good physical condition. It features a pre-engineered steel structural system with an EIFS (Exterior Insulation and Finish System) finish around the exterior elevations. The roof has standing seam metal panels and was replaced in late 2023. The building is divided into about 2,650 SF of finished and air-conditioned office space and about 5,900 SF of warehouse space. The office layout includes a customer waiting area/lobby, a reception area, multiple offices, a parts supply room, an employee break area, and two restrooms. The warehouse space includes two overhead roll-up doors (10' x 12' and 12' x 13') at ground level, one of which was replaced in 2020 and the other in 2023. The warehouse has 3-phase electrical power. The property was leased on July 10, 2024 at an annual rental rate of \$14.22/SF on a triple net lease over a 3-year term.

Rental 2 is an office/warehouse/showroom building with a total of 7,680 SF of gross building area. The property is located at 2520 Northwest 6th Street in Ocala. The building was constructed in 2002 and is in average physical condition. It includes 1,920 SF of air-conditioned office space, 3,840 SF of air-conditioned warehouse/service space, and 1,920 SF of non-air-conditioned warehouse/service space. The office layout includes a reception area, a showroom, three private offices, storage areas, and two restrooms. There are eight overhead roll-up doors at grade level in the warehouse/service areas. The property was leased on October 7, 2023 at an annual rental rate of \$13.85/SF on a triple net lease over a 3-year term.

Rental 3 is an office/warehouse/showroom building located at 818 Northwest 27th Avenue in Ocala. This location is within Galloway & Sands Industrial Park which is situated south of US Highway 27/Northwest Blitchton Road and west of Northwest 27th Avenue (both four-lane, asphalt paved, arterial roadways) in the Ocala city limits. The lot size is 20,038 SF. The building has 6,155 SF and was originally constructed in 1988. It has a pre-engineered steel structural system with CBS, concrete block, brick, and metal finishes around the exterior and an eave height of 14 feet. The structure is divided into about 4,680 SF of warehouse space and about 1,475 SF of finished and air-conditioned office space. The layout of the office space includes a large office, a showroom, two open workspaces, and two restrooms. The annual rental rate for this property is \$13.00/SF on a triple net lease which began on May 28, 2023 and is for a 3-year term.

INCOME APPROACH- (Cont)

Potential Gross Income- (Cont)

Rental 4 is a former tire service facility now utilized for metal roof manufacturing. It is located at 5292 Southwest 1st Lane in western suburban Ocala. This is a 14,000 SF (+/-) warehouse/office/service facility built in 1989. It is situated on a 98,010 SF tract and is in good physical condition. The annual rental rate is \$12.50/SF (\$175,000 per year) on a triple net lease over a 5-year term that began on June 1, 2024. The rental rate increases 4.5% each year. The tenant has an option to renew for an additional 2-year term at a rental rate of 4.5% above the previous year's rate. This is a net lease, with the tenant responsible for payment of real estate taxes, insurance, property management costs, lawn care, fire suppression, and interior maintenance expenses.

Rental 5 is an office/warehouse building with a total of 9,600 SF of gross building area. The property is located at 1300 Southwest 42nd Avenue in Ocala. The building was constructed in 2024 and is in new physical condition. The eave height is 22 feet. It includes 770 SF of air-conditioned office space and 8,830 SF of warehouse space. The office space includes an open office area and two restrooms. There is a dock-high overhead roll-up door in the warehouse adjacent to a loading dock. The property was leased on September 8, 2024 at an annual rental rate of \$12.00/SF on a triple net lease over a 3-year term.

Rental 6 is an office/warehouse building with a total of 10,000 SF of gross building area. The property is located at 1241 Southwest 44th Avenue in Ocala. The building was constructed in 2006 and is in good physical condition. It features pre-engineered steel construction with metal wall panels, a metal roof and an eave height of 24 feet. The interior includes about 1,400 SF of air-conditioned office space and 8,600 SF of warehouse/service space. The warehouse/service space includes three dock-high overhead roll-up doors and a loading ramp to another overhead roll-up door. This is an industrial condominium unit within Canaan at Meadowbrook Warehouse Condominiums. The property was leased on June 1, 2023. The annual rental rate is currently \$11.47/SF on a triple net lease over a 4-year term.

The annual rental rates for the comparable properties analyzed range from a low of \$11.47/SF to a high of \$14.22/SF, with an average rental rate of \$12.84/SF on triple net leases. These properties represent typical office/warehouse, office/warehouse/showroom, or warehouse/service units that are similar in size, age, quality of construction, and locational characteristics to the subject property.

After considering all the rental data analyzed, it is our opinion that a reasonable estimate of market rent for the subject property would be near the midpoint of the range at \$13.00/SF on a triple net lease. This end of the range would take into consideration the overall quality of construction of the buildings, their good physical condition, the mixture of office and warehouse space, etc.

INCOME APPROACH- (Cont)RENTAL #1

COUNTY: Marion

ADDRESS/LOCATION: 1904 Northeast Jacksonville Road, Ocala

UNIT SIZE: 8,550 SF

ANNUAL RENTAL RATE: \$14.22/SF

BLDG. DESCRIPTION: This is a warehouse/office building with a total of 8,550 SF of gross building area. The property is located at 1904 Northeast Jacksonville Road in Ocala. The building was constructed in 1965 and is in good physical condition. It is a pre-engineered steel structure with an EIFS finish around the exterior. The roof has standing seam metal panels (replaced in late 2023). The building is divided into about 2,650 SF of finished and air-conditioned office space and about 5,900 SF of warehouse space. The office layout includes a customer waiting area/lobby, a reception area, multiple offices, a parts supply room, an employee break area, and two restrooms. The warehouse space includes two overhead roll-up doors (10' x 12' and 12' x 13') at ground level, one of which was replaced in 2020 and the other in 2023. The warehouse has 3-phase electrical power. The property was leased on July 10, 2024 at an annual rental rate of \$14.22/SF on a triple net lease over a 3-year term.

LEASE TERM: Triple Net Lease/3-Year Term

VACANCY RATE: 0%

VERIFIED WITH: Erin Freel, Boyd Real Estate, LLC (Leasing Agent); Multiple Listing Service (MLS); Public Records Data; Inspection

VERIFIED BY: Database Administrator

INCOME APPROACH- (Cont)RENTAL #2

COUNTY: Marion

ADDRESS/LOCATION: 2520 Northwest 6th Street, Ocala

UNIT SIZE: 7,680 SF

ANNUAL RENTAL RATE: \$13.85/SF

BLDG. DESCRIPTION: This is a warehouse/office building with a total of 7,680 SF of gross building area. The property is located at 2520 Northwest 6th Street in Ocala. The building was constructed in 2002 and is in average physical condition. It includes 1,920 SF of air-conditioned office space, 3,840 SF of air-conditioned warehouse/service space, and 1,920 SF of non-air-conditioned warehouse/service space. The office layout includes a reception area, a showroom, three private offices, storage areas, and two restrooms. There are eight overhead roll-up doors at grade level in the warehouse/service areas. The property was leased on October 7, 2023 at an annual rental rate of \$13.85/SF on a triple net lease over a 3-year term.

LEASE TERM: Triple Net Lease/3-Year Term

VACANCY RATE: 0%

VERIFIED WITH: Nolan Galloway, III, Gus Galloway Realty, Inc. (Leasing Agent); Multiple Listing Service (MLS); Public Records Data; Inspection

VERIFIED BY: Database Administrator

INCOME APPROACH- (Cont)RENTAL #3

COUNTY: Marion

ADDRESS/LOCATION: 818 Northwest 27th Avenue, Ocala

BUILDING/UNIT SIZE: 6,155 SF

ANNUAL RENTAL RATE: \$13.00/SF

BLDG. DESCRIPTION: This is a warehouse/office/showroom building located at 818 Northwest 27th Avenue in Ocala. This location is within Galloway & Sands Industrial Park which is situated south of US Highway 27/Northwest Blitchton Road and west of Northwest 27th Avenue (both four-lane, asphalt paved, arterial roadways) in the Ocala city limits. The lot size is 20,038 SF. The building has 6,155 SF and was originally constructed in 1988. It has a pre-engineered steel structural system with CBS, concrete block, brick, and metal finishes around the exterior and an eave height of 14 feet. The structure is divided into about 4,680 SF of warehouse space and about 1,475 SF of finished and air-conditioned office space. The layout of the office space includes a large office, a showroom, two open workspaces, and two restrooms. The annual rental rate for this property is \$13.00/SF on a triple net lease which began on May 28, 2023 and is for a 3-year term.

LEASE TERM: Triple Net Lease/3-Year Term

VACANCY RATE: 0%

VERIFIED WITH: Nolan Galloway, III, Gus Galloway Realty, Inc. (Leasing Agent); Multiple Listing Service (MLS); Inspection

VERIFIED BY: Database Administrator

INCOME APPROACH- (Cont)RENTAL #4

COUNTY: Marion

ADDRESS/LOCATION: 5292 Southwest 1st Lane, Ocala

UNIT SIZE: 14,000 SF

ANNUAL RENTAL RATE: \$12.50/SF

BLDG. DESCRIPTION: This is a former tire service facility now utilized for metal roof manufacturing. It is located at 5292 Southwest 1st Lane in western suburban Ocala. This is a 14,000 SF warehouse/office/service facility built in 1989. It is situated on a 98,010 SF tract and is in good physical condition. The annual rental rate is \$12.50/SF (\$175,000 per year) on a triple net lease over a 5-year term that began on June 1, 2024. The rental rate increases 4.5% each year. The tenant has an option to renew for an additional 2-year term at a rental rate of 4.5% above the previous year's rate. This is a net lease, with the tenant responsible for payment of real estate taxes, insurance, property management costs, lawn care, fire suppression, and interior maintenance expenses.

LEASE TERM: Triple Net Lease/5-Year Term with Option to Renew for 2 Additional Years

VACANCY RATE: 0%

EXPENSE RATIO: 0%

VERIFIED WITH: Nolan C. Galloway, III, Gus Galloway Realty, Inc. (Leasing Agent); Inspection; Previous Appraisal

VERIFIED BY: Database Administrator

INCOME APPROACH- (Cont)RENTAL #5

COUNTY: Marion

ADDRESS/LOCATION: 1300 Southwest 42nd Avenue, Ocala

UNIT SIZE: 9,600 SF

ANNUAL RENTAL RATE: \$12.00/SF

BLDG. DESCRIPTION: This is a warehouse/office building with a total of 9,600 SF of gross building area. The property is located at 1300 Southwest 42nd Avenue in Ocala. The building was constructed in 2024 and is in new physical condition. The eave height is 22 feet. It includes 770 SF of air-conditioned office space and 8,830 SF of warehouse space. The office space includes an open office area and two restrooms. There is a dock-high overhead roll-up door in the warehouse adjacent to a loading dock. The property was leased on September 8, 2024 at an annual rental rate of \$12.00/SF on a triple net lease over a 3-year term.

Note: The above photo is from MLS since the structure is behind two other buildings and could not be seen or accessed without trespassing.

LEASE TERM: Triple Net Lease/3-Year Term

VACANCY RATE: 0%

EXPENSE RATIO: 0%

VERIFIED WITH: Nolan C. Galloway, III, Gus Galloway Realty, Inc. (Leasing Agent); Multiple Listing Service (MLS); Inspection

VERIFIED BY: Database Administrator

INCOME APPROACH- (Cont)RENTAL #6

COUNTY: Marion

ADDRESS/LOCATION: 1241 Southwest 44th Avenue, Ocala

BUILDING/UNIT SIZE: 10,000 SF

ANNUAL RENTAL RATE: \$11.47/SF

BLDG. DESCRIPTION: This is a warehouse/office building with a total of 10,000 SF of gross building area. The property is located at 1241 Southwest 44th Avenue in Ocala. The building was constructed in 2006 and is in good physical condition. It features pre-engineered steel construction with metal wall panels, a metal roof and an eave height of 24 feet. The interior includes about 1,400 SF of air-conditioned office space and 8,600 SF of warehouse/service space. The warehouse/service space includes three dock-high overhead roll-up doors and a loading ramp to another overhead roll-up door. This is an industrial condominium unit within Canaan at Meadowbrook Warehouse Condominiums. The property was leased on June 1, 2023. The annual rental rate is currently \$11.47/SF on a triple net lease over a 4-year term.

LEASE TERM: Triple Net Lease/4-Year Term

VACANCY RATE: 0%

VERIFIED WITH: Nolan Galloway, III, Gus Galloway Realty, Inc. (Leasing Agent); Copy of Lease; Inspection; Previous Appraisal

VERIFIED BY: Database Administrator

INCOME APPROACH- (Cont)

Vacancy and Credit Losses

Vacancy and collection loss are a function of the interrelationship between absorption, lease expiration, renewal probability, estimated downtime between leases, and a collection loss factor based on the relative stability and credit of the subject's tenant base. The property is currently owner-occupied. Based on the location of the property, its access in the neighborhood, the quality and condition of the buildings, and the current demand for office/warehouse and other similar industrial space in the local market, we believe there is a low risk for vacancy and/or credit losses. Based on the current vacancy in the market, and our perception of future market vacancy, vacancy and credit losses have been estimated at 5% of the potential gross income.

Revenue and Expense Analysis

We developed an opinion of the property's annual income and operating expenses after reviewing the operating performance of similar buildings. We analyzed each item of expense and developed an opinion regarding what an informed investor would consider typical.

Most appraisers recognize the standards defined by the CRE Finance Council as the definitive standards by which operating expense data should be analyzed. In forecasting expenses, we relied on expense levels at competing properties, as well as those being experienced at the subject property. These expenses typically include property management expenses and reserves for replacements of capital items. Based on a net lease, these are typically the only expense items applicable for this type of analysis.

Income and Expense Pro Forma

The chart at the top of the following page summarizes our opinion of income and expenses for year one, which is the first stabilized year in this analysis. Most market participants analyze net-leased properties with no deductions for vacancy, collection loss or expenses. The risk associated with potential vacancy and expenses slippage is implicitly considered in the overall rate applied to the net operating income. In this analysis, it was felt to be appropriate to consider at least minimal vacancy and credit losses, as well as property management fees and reserves for replacements of capital items in order to develop a reasonable estimate of the net operating income for the property.

The only operating expenses considered to be applicable include property management expenses and reserves for replacements of capital items. The property management fees have been estimated at 3% of the effective gross income. The allocation for reserves for replacements has been estimated at \$1,460 annually (\$.25/SF). This amount is felt to be appropriate for this line item of expense.

INCOME APPROACH- (Cont)Income and Expense Pro Forma- (Cont)

The following chart provides a summary of the income and expenses for the property "as is".

SUMMARY OF INCOME AND EXPENSES – As Is				
Stabilized Year for Direct Capitalization:		Year One		
INCOME	Assumptions	Annual	\$/SF	% EGI
Base Rental Income (6,560 SF)	\$13.00	\$85,280	\$13.00	
Potential Gross Income		85,280	\$13.00	
Total Vacancy and Collection Loss	5.0%	(\$ 4,264)	(\$ 0.65)	
EFFECTIVE GROSS INCOME		\$81,016	\$12.35	100.00%
OPERATING EXPENSES				
Management Fees @ 3% of EGI		\$ 2,430	\$ 0.37	3.00%
Reserves for Replacements		\$ 1,640	\$ 0.25	2.02%
Total Operating Expenses		\$ 4,070	\$ 0.62	5.02%
TOTAL EXPENSES		\$ 4,070	\$ 0.62	5.02%
NET OPERATING INCOME		\$76,946	\$11.73	94.98%

Note: Minor differences in mathematical calculations are due to rounding

Investment Considerations

The factors listed below have been considered in the valuation of this property and will have an impact on the selection of all investor rates.

INVESTMENT CONSIDERATIONS	
Real Estate Market Trends:	Real estate market trends have a significant bearing on the value of real property. The real estate market in which the subject property is located is currently improving.
Tenant Quality:	The quality of a property's tenant base is an important factor that is scrutinized by investors prior to acquiring real property. The property is owner-occupied. The tenant quality is therefore good.
Property Rating:	After considering all the physical characteristics of the subject property, we have concluded that this property has an overall rating that is good, when measured against other properties in this marketplace.
Location Rating:	After considering all the locational characteristics of the subject property, including regional and local accessibility, as well as overall visibility, we have concluded that the location of this property is good.
Overall Investment Appeal:	There are many factors that are considered prior to investing in this type of property. After considering all these factors, we conclude that this property has good overall investment appeal.

INCOME APPROACH- (Cont)Capitalization Rate Analysis

The following pages discuss the process of how we determine an appropriate overall capitalization rate to apply to the subject's forecast net operating income.

Derivation of Overall Rate from Band of Investment: Most properties are purchased with debt and equity capital. Therefore, the overall capitalization rate must satisfy the market return requirements of both investment positions. The lender/mortgagee must anticipate a rate of return that is appropriate for the investment's perceived risk in order to make the loan. The loan principle is typically repaid through periodic amortization payments. The equity investor/mortgagor must also anticipate a rate of return that is commensurate with the investment's perceived risk, or they opt for an alternative investment. Therefore, capitalization rates for debt and equity must be analyzed.

Mortgage Terms: The following mortgage interest rate is based on periodic conversations with representatives of lending institutions providing local mortgage financing. Thus, given the physical and economic characteristics of the subject property, and based on my research, the market terms for conventional loans made on properties similar to the subject property are as follows:

Typical Loan Terms

Mortgage Rate:	6.50%
Amortization Term (Years)	25
Number of Payments	300
Loan to Value Ratio	70.00%
Equity Ratio	30.00%
Mortgage Constant	8.10%

This data is used in the development of an appropriate overall capitalization rate for the subject property using the band of investment technique.

The capitalization rate for debt is known as the mortgage constant. It is the ratio of annual debt service to the principal amount of the mortgage loan. A mortgage interest rate of 6.50%, coupled with an amortization term of 25 years, was employed to derive a mortgage constant of 8.10%.

Equity Dividend Rate: The equity dividend rate is an income rate that reflects the relationship between a single year's equity cash flow expectancy and the equity investment. Also known as the equity capitalization rate, cash on cash rate or cash flow rate, this rate is used to convert equity dividend into an equity value indication. Based on all the factors analyzed, the equity dividend rate has been estimated at 5.00%.

The following is a summation of the derived appropriate capitalization rate using the band of investment technique:

$$\begin{array}{rcl}
 .70 \text{ (Mortgage Ratio)} & \times & .0810 \text{ (Constant)} & = & .0567 \\
 .30 \text{ (Equity Ratio)} & & \times & .0500 \text{ (Yield)} & = & \underline{.0150}
 \end{array}$$

Indicated Overall Rate: .0717

INCOME APPROACH- (Cont)

Capitalization Rates From Market Sales: Several commercial sales from the local and surrounding market area were analyzed to determine market-oriented capitalization rates. A summary of these sales is provided in the chart below.

Date	Name/Location	Year Built	Size (SF)	Price	Price/SF	Cap Rate
11/2022	Office Building/4385 N Highway 19A Mount Dora	1948	999	\$ 370,000	\$370.37	5.04%
9/2022	Warehouse/Office, 5580 SW 26 th Street Ocala	2021	6,500	\$ 900,000	\$138.46	5.78%
4/2023	Kid City USA, 819 SE 1 st Terrace Ocala	1950	5,000	\$ 915,000	\$183.00	5.90%
2/2025	Office/Warehouse/1904 NE Jacksonville Rd. Ocala	1965	8,550	\$1,800,000	\$210.53	6.11%
3/2020	Office Building, 2801 SE 1 st Avenue Ocala	2020	5,074	\$1,025,000	\$202.01	7.59%

The commercial sales shown in the chart above reflect a range of overall capitalization rates from a low of 5.04% to a high of 7.59%, with a mean overall capitalization rate of 6.08%. These sales include a variety of commercial investment properties throughout the local and surrounding market area. They form a reasonable range of capitalization rates which are consistent with the other market data analyzed from alternate sources, as discussed on previous pages.

Capitalization Rate Conclusion

We have considered all aspects of the subject property that would influence the overall rate. Our analysis suggests that a capitalization rate of 6.50% represents reasonable investor criteria under recent market conditions. We have considered overall rates indicated by sales of comparable properties, mortgage and equity considerations, and the opinions of brokers, owners and prospective purchasers. Each method provides a reasonable amount of data from which to estimate an overall rate applicable to the property. The indications from these various sources are noted as shown below.

Capitalization Rate Summary

Market Participants:	6.00%-7.50%
Band of Investment Technique:	7.17%
Market Sales Data:	5.04%-7.59% (6.08% Average)

Conclusion: 6.50%

Given the property attributes and the prevailing market return rates, we conclude that a 6.50% overall capitalization rate is applicable to the subject's net operating income forecast. The rate selected is consistent with market sales data in the local area and is near the rate produced by the Band of Investment technique. This overall rate is therefore supported by the data analyzed herein.

INCOME APPROACH- (Cont)Direct Capitalization Method Conclusion

In the Direct Capitalization Method, we have developed an opinion of market value by dividing year one net operating income by the selected overall capitalization rate. The conclusion using the Direct Capitalization Method is as follows:

<u>Potential Gross Income</u>		\$ 85,280
6,560 SF Office/Warehouse @ \$13.00/SF		
<u>Less: Vacancy and Credit Losses</u>		- 4,264
5% of Potential Gross Income		
<u>Effective Gross Income</u>		\$ 81,016
<u>Less: Expenses</u>		- 4,070
Management Fees @ 3% of EGI	\$2,430	
Reserves for Replacements	\$1,640	
		<hr/>
<u>Net Operating Income</u>		\$ 76,946
<u>Capitalization</u>		
\$76,946 (NOI) divided by .0650 (R)		\$1,183,785
MARKET VALUE ESTIMATE, ROUNDED TO NEAREST \$50,000:		\$1,200,000
(Direct Capitalization Method)		

RECONCILIATION OF FINAL VALUE OPINION

This appraisal employs the Sales Comparison Approach and the Income Capitalization Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that these approaches should be considered applicable and/or necessary for market participants.

The appraisal procedures outlined have developed the following indications of market value for the property appraised:

Sales Comparison Approach:	\$1,300,000
Income Capitalization Approach:	\$1,200,000

We have given some consideration to each of the valuation approaches utilized herein. The Sales Comparison Approach is an appropriate valuation method since it mirrors the methodology typically used by purchasers of this property type. The Income Capitalization Approach is also considered an appropriate valuation approach, and it provides a check on the reasonableness of the Sales Comparison Approach. Therefore, based upon the facts, data and conclusions, as presented within this report, it is our opinion that the market value of the property "as is", in fee simple interest, as of January 21, 2026, is:

**ONE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS
(\$1,250,000)**

Exposure Time and Marketing Time

Based on a review of national investor surveys, discussions with market participants and information gathered during the sales verification process, a reasonable exposure time for the subject property at the value concluded within this report would have been approximately six-nine (6-9) months. This assumes an active and professional marketing plan would have been employed by the current owner.

We believe, based on the assumptions employed in this analysis, as well as the selection of investment parameters for the subject, that the value conclusion represents a price achievable within six-nine (6-9) months.

ADDENDUM

Jimmy H. Cowan, Jr., CFA

Marion County Property Appraiser



501 SE 25th Avenue, Ocala, FL 34471 Telephone: (352) 368-8300 Fax: (352) 368-8336

2026 Property Record Card

21935-002-00

[GOOGLE Street View](#)

Prime Key: 554251

[MAPIT+](#)

Current as of 1/21/2026

[Property Information](#)DLOUHY L E
P O BOX 4201
OCALA FL 34478-4201[Taxes / Assessments:](#)
Map ID: 161
[Millage:](#) 1001 - OCALA[M.S.T.U.](#)
[PC:](#) 17
Acres: 1.44

Situs: 3002 NW 10TH ST OCALA

[2025 Certified Value](#)

Land Just Value	\$125,552		
Buildings	\$257,657		
Miscellaneous	\$10,091		
Total Just Value	\$393,300	Impact	
Total Assessed Value	\$366,205	Ex Codes:	(\$27,095)
Exemptions	\$0		
Total Taxable	\$366,205		
School Taxable	\$393,300		

[History of Assessed Values](#)

Year	Land Just	Building	Misc Value	Mkt/Just	Assessed Val	Exemptions	Taxable Val
2025	\$125,552	\$257,657	\$10,091	\$393,300	\$366,205	\$0	\$366,205
2024	\$100,442	\$222,381	\$10,091	\$332,914	\$332,914	\$0	\$332,914
2023	\$100,442	\$233,621	\$10,091	\$344,154	\$321,418	\$0	\$321,418

[Property Transfer History](#)

Book/Page	Date	Instrument	Code	Q/U	V/I	Price
5804/1878	11/2006	71 DTH CER	0	U	I	\$100
4700/0825	11/2006	74 PROBATE	0	U	I	\$100
2264/0808	06/1996	07 WARRANTY	2 V-SALES VERIFICATION	Q	I	\$135,000
2059/1186	08/1994	07 WARRANTY	8 ALLOCATED	U	I	\$161,020
1316/0382	11/1984	07 WARRANTY	0	U	V	\$8,500

[Property Description](#)

SEC 11 TWP 15 RGE 21
 BEG 24 FT S FROM N BDY OF SW 1/4 OF SE 1/4
 & 250 FT W FROM W R/W LINE OF ST HWY 500 W 84 FT S 100
 FT W 83 FT N 100 FT W 8 FT S 100 FT W 75 FT S 175.31
 FT E 250 FT N 275.31 FT TO POB &

BEG 24 FT S FROM N BDY OF SW 1/4 OF SE 1/4 & 500 FT
 W FROM W R/W LINE OF ST HWY NO 500 E 83 FT TO POB
 S 100 FT E 83 FT N 100 FT W 83 FT TO POB

[Land Data - Warning: Verify Zoning](#)

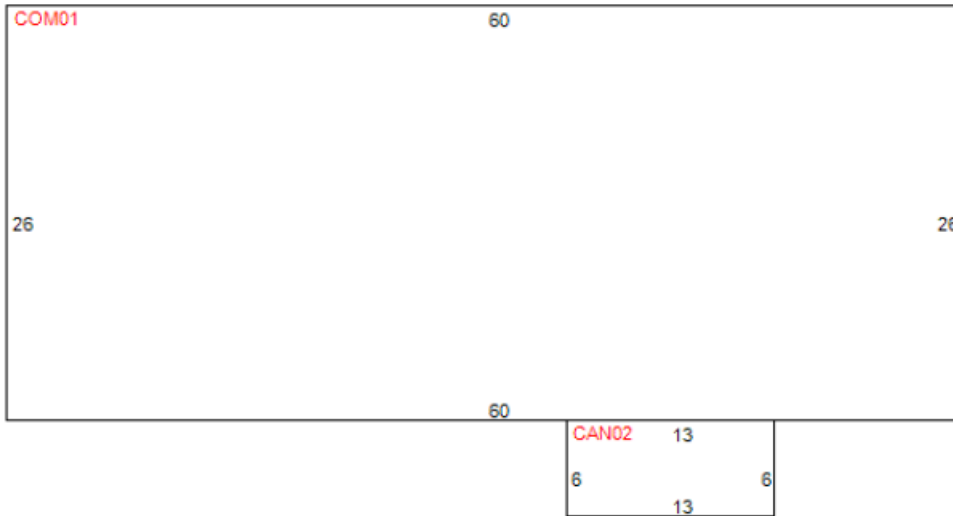
Use	CUse	Front	Depth	Zoning	Units	Type	Rate	Loc	Shp	Phy	Class Value	Just Value
GISF	1710	.0	.0	M1	62,776.00	SF						
Neighborhood 9966												
Mkt: 2 70												

[Traverse](#)

Building 1 of 2

COM01=L60D26R60U26.D26L12

CAN02=D6L13U6R13.



[Building Characteristics](#)

Structure 4 - MASONRY NO PILAST
Effective Age 5 - 20-24 YRS

Year Built 1987
Physical Deterioration 0%

Condition	3	Obsolescence: Functional 0%
Quality Grade	600 - AVERAGE	Obsolescence: Locational 0%
Inspected on	6/9/2025 by 117	Base Perimeter 172

Exterior Wall 32 CONC BLK-STUCO44 FACE BRICK-BLK

Section	Wall Height	Stories	Year Built	Basement %	Ground Flr Area	Interior Finish	Sprinkler A/C	
1	8.0	1.00	1987	0	1,560	M17 OFFICE	100 %	N Y
2	9.0	1.00	1987	0	78	CAN CANOPY-ATTACHD	100 %	N N

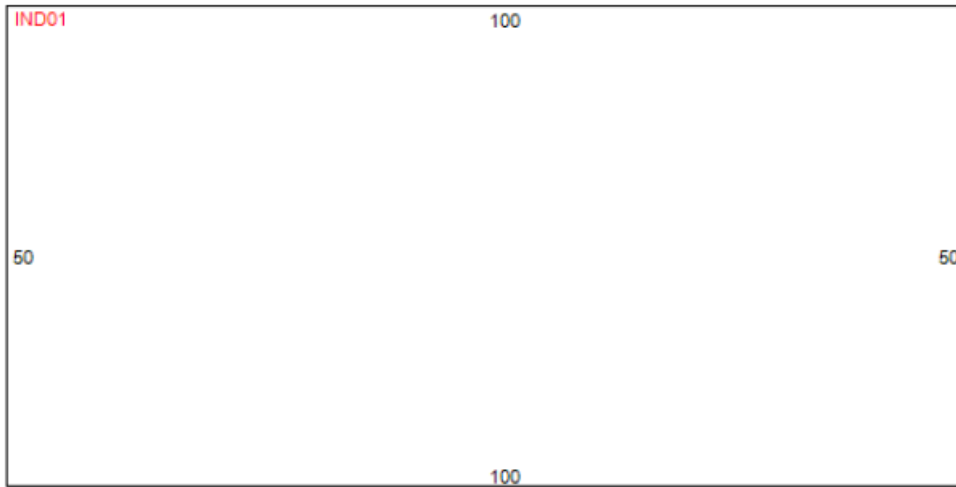
Section: 1

Elevator Shafts: 0	Aprtments: 0	Kitchens: 0	4 Fixture Baths: 0	2 Fixture Baths: 2
Elevator Landings: 0	Escalators: 0	Fireplaces: 0	3 Fixture Baths: 0	Extra Fixtures: 0

[Traverse](#)

Building 2 of 2

IND01=L100D50R100U50.



[Building Characteristics](#)

Structure	1 - WH STL FR		Year Built 1987					
Effective Age	5 - 20-24 YRS		Physical Deterioration 0%					
Condition	3		Obsolescence: Functional 0%					
Quality Grade	500 - FAIR		Obsolescence: Locational 0%					
Inspected on	6/9/2025 by 117		Base Perimeter 300					
Exterior Wall 18 PREFINISHED MTL								
Section	Wall Height	Stories	Year Built	Basement %	Ground Flr Area	Interior Finish	Sprinkler	A/C
1	24.0	1.00	1987	0	5,000	F48 WAREHOUSE/DISTRIBUTE	100 %	N N
Section: 1								
Elevator Shafts: 0	Aprtments: 0	Kitchens: 0	4 Fixture Baths: 0	2 Fixture Baths: 1				
Elevator Landings: 0	Escalators: 0	Fireplaces: 0	3 Fixture Baths: 0	Extra Fixtures: 0				
Miscellaneous Improvements								
Type	Nbr Units	Type	Life	Year In	Grade	Length	Width	
144 PAVING ASPHALT	4,832.00	SF	5	1987	3	0.0	0.0	
159 PAV CONCRETE	640.00	SF	20	2005	5	0.0	0.0	
144 PAVING ASPHALT	9,298.00	SF	5	2005	3	0.0	0.0	
Appraiser Notes								
NEWCO HOMES INC. WINDSTREAM UTILITES.								
Planning and Building ** Permit Search **								
Permit Number	Date Issued	Date Completed	Description					
BLD25-2153	9/23/2025	-	DLOUGHY REROOF					
HAR25-0251	3/25/2025	-	NEWCO HVAC CO					
BLD11-1246	9/22/2011	-	NEWCO HOMES/ENCLOSE EXST CARPORT					
BLD11-1247	9/22/2011	-	EARLY START AUTH					
OC01158	6/1/1987	-	ADD					
OC01576	9/1/1986	-	BLDG 01= NEW OFFICES					

George Albright
REAL ESTATE

Marion County

Ad Valorem Taxes						
ACCOUNT NUMBER: R21935-002-00 2025			EXEMPTIONS: * NONE *		TAX DISTRICT: 1001	
ASSESSED VALUE: 366,205					TAXABLE VALUE: 366,205	
TAXING AUTHORITY	MILLAGE	ASSESSED	EXEMPTIONS	TAXABLE	TAXES	
COUNTY GENERAL COUNTY	3.0900	366,205	0	366,205	1,131.57	
	FINE & FORFEITURE	.8300	0	366,205	303.95	
	COUNTY HEALTH	.1000	0	366,205	36.62	
SCHOOL SCHOOL R.L.E.	3.0720	393,300	0	393,300	1,208.22	
	SCHOOL VOTE	1.0000	0	393,300	393.30	
	SCHOOL DISCRETIONARY	.7480	0	393,300	294.19	
	SCHOOL CAPITAL IMPR	1.5000	0	393,300	589.95	
WATER ST JOHNS MANAGEMENT DIST	.1793	366,205	0	366,205	65.66	
MUNIC OCALA BASIC	6.6177	366,205	0	366,205	2,423.43	
EXEMPTION:NONE			COUNTY ASSESSED:	366,205	SCHOOL ASSESSED:	393,300
			17.13700		6,446.89	

Non-Ad Valorem Assessments			
LEVYING AUTHORITY	PURPOSE	RATES/BASIS	AMOUNT
X902 OCALA FIRE	COMMERCIAL FIRE	PER ASMT UNIT	1,690.00
		NON AD VALOREM ASSESSMENTS:	1,690.00
		COMBINED TAXES & ASSESSMENTS TOTAL:	8,136.89
R21935-002-00 2025			
DLOUHY L E			
P O BOX 4201			
OCALA FL 34478-4201			
	*** PAID *** PAID *** PAID ***		
	11/28/25 PERIOD 01		

NOV 30 2025	DEC 31 2025	JAN 31 2026	FEB 28 2026	MAR 31 2026	PastDue Apr 1
7,811.41	7,892.78	7,974.15	8,055.52	8,136.89	8,381.00

George Albright
REAL ESTATE
Marion County

NOV 30 2025	DEC 31 2025	JAN 31 2026	FEB 28 2026	MAR 31 2026	PastDue Apr 1
7,811.41	7,892.78	7,974.15	8,055.52	8,136.89	8,381.00

EX-TYPE	ESCROW	MILLAGE	TAXES LEVIED	REMIT PAYMENT IN U.S. FUNDS TO:
		1001		

VALUES AND EXEMPTIONS	TAXES	6,446.89	George Albright
MARKET VALU	393,300 SP. ASMT	1,690.00	503 SE 25TH AVENUE
COUNTY ASMT	366,205		Ocala Fl 34471
COUNTY TXBL	366,205		
SCHOOL ASMT	393,300		
SCHOOL TXBL	393,300		
			11 15 21
			SEC 11 TWP 15 RGE 21 BEG 24 FT S
			FROM N BDY OF SW 1/4 OF SE 1/4 &
			250 FT W FROM W R/W LINE OF ST
			HWY 500 W 84 FT S 100 FT W 83 FT
			N 100 FT W 8 FT S 100 FT W 75 FT
			SEE TAX ROLL FOR MORE LEGAL
			*** PAID *** PAID *** PAID ***
R21935-002-00 2025			11/28/25 PERIOD 01
DLOUHY L E			133-2025-0002848.0006
P O BOX 4201			
OCALA FL 34478-4201			\$7,811.41 CK

MOST RECENT RECORDED DEED

96-12356
ADVANCE HOMESTEAD TITLE
 THIS INSTRUMENT WAS PREPARED INCIDENTAL TO THE WRITING OF A TITLE INSURANCE POLICY BY AND RETURN TO:
 THOMAS F. STENSON
 ADVANCE HOMESTEAD TITLE
 2233 S.E. FORT KING STREET, SUITE A
 OCALA, FLORIDA 34471

Property Appraisers Parcel I.D. (Folio) Number(s):
 21935-001-00 & 21935-001-00

Grantee(s) S.S.#(s):

W/ THOMAS P. KLINKER, CLERK OF CIRCUIT COURT
 (F) FILE: 96049185
 07/03/96 16:25
 OR BOOK/PAGE: 2264/808
 MARION COUNTY - DC.

Deed Doc Stamps 945.00 PAID

07/03/96 MARION COUNTY - E. Franklin CLERK

SPACE ABOVE THIS LINE FOR PROCESSING DATA

SPACE ABOVE THIS LINE FOR RECORDING DATA

This Warranty Deed Made and executed the 28th day of June A. D. 1996 by J. A. H. ENTERPRISES, INC.

a corporation existing under the laws of LOUISIANA, and having its principal place of business at P.O. BOX 336 LIVINGSTON, LA 70754-0336 hereinafter called the grantor, to L. E. DLOUHY, AND SHARON DLOUHY, HIS WIFE

whose postoffice address is P.O BOX 4201 OCALA, FL 34478 hereinafter called the grantee:

(Wherever used herein the terms "grantor" and "grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations)

Witnesseth: That the grantor, for and in consideration of the sum of \$ 10.00 and other valuable considerations, receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the grantee, all that certain land situated in Marion County, Florida, viz:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

Together with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining. **To Have and to Hold**, the same in fee simple forever.

And the grantor hereby covenants with said grantee that it is lawfully seized of said land in fee simple, that it has good right and lawful authority to sell and convey said land; that it hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances, except taxes accruing subsequent to December 31, 1995, restrictions, reservations, covenants and easements of record, if any.

In Witness Whereof, the grantor has caused these presents to be executed in its name, and its corporate seal to be hereunto affixed, by its proper officers thereunto duly authorized, the day and year first above written.

(Corporate Seal)

ATTEST: [Signature]
Secretary

J. A. H. ENTERPRISES, INC. L.S.

Signed, sealed and delivered in our presence:

[Signature]
Witness Signature

By: [Signature]
PRESIDENT

W. Ley Collins
Printed Name

Marvin A. Henderson
Printed Name

Wendy Smith
Witness Signature
Wendy Smith
Printed Name

STATE OF LOUISIANA
COUNTY OF Livingston

The foregoing instrument was acknowledged before me this 28th day of June 1996 by MARVIN A. Henderson, PRESIDENT OF J. A. H. ENTERPRISES, INC., a Corporation,

on behalf of the corporation. He/she is personally known to me or has produced as identification and did not take an oath.

SEAL

[Signature]
Notary Signature
Clyde W. Henderson
Printed Notary Signature
My Commission Expires: For Life

FILE: 96049185
OR BOOK/PAGE: 2264/B09

EXHIBIT "A"

2 of 2

Parcel 1: Beginning at a point 24 feet South from the North boundary of the Southwest 1/4 of the Southeast 1/4 of Section 11, Township 15 South, Range 21 East and 500 feet West from the West right-of-way line of State Highway Number 500; thence East 83 feet to the Point of Beginning; thence South 100 feet; thence East 83 feet; thence North 100 feet; thence West 83 feet to the Point of Beginning.

Parcel 2: Begin at a point 24 feet South from the North boundary of the Southwest 1/4 of the Southeast 1/4 of Section 11, Township 15 South, Range 21 East and 250 feet West from the West right-of-way line of State Highway Number 500; thence run West 84 feet; thence run South 100 feet; thence run West 83 feet; thence run North 100 feet; thence run West 8 feet; thence run South 100 feet; thence run West 75 feet; thence run South 175.31 feet; thence run East 250 feet; thence run North 275.31 feet back to the Point of Beginning.



CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS

Certification

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
7. My 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.
8. My analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation.
9. I have made a personal inspection of the property that is the subject of this report.
10. No one provided real property appraisal assistance to the person signing this report and its certification.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.

CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS- (Cont)Certification- (Cont)

12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives and to the State of Florida relating to review by the Florida Real Estate Appraisal Board of the Department of Business Regulation.
13. My qualifications are included within this report. The qualifications serve as evidence of competency for the completion of this appraisal assignment in compliance with the competency provision contained within USPAP. My knowledge, experience and professional qualifications are commensurate with the complexity of this assignment based upon my business, professional, academic affiliations and activities; educational background and training; and my professional experience.
14. As of the date of this report, I have completed the Standards and Ethics Education Requirement of the Appraisal Institute for its Members.
15. The appraiser will maintain the confidentiality and privacy of customer information obtained in the course of this assignment in compliance with USPAP and Reg. P, Title V of the Gramm-Leach-Bliley Financial Modernization Act.

DATE: January 26, 2026

APPRAISER: _____



Todd L. Barfield, MAI, MRICS, CCIM
State-Certified General Real Estate Appraiser RZ2706
Exp. 11/30/2026

CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS- (Cont)

Contingent and Limiting Conditions

The certification of the value appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as set forth by the appraiser in the report:

1. The appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership and competent property management.
2. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. The appraiser has made no survey of the property.
3. The appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless previous arrangements have been made.
4. Any distribution of the valuation between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
5. The appraiser assumes 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 arranging engineering studies which might be required to discover such features.
6. Information, estimates and opinions furnished to the appraiser and contained in the report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items can be assumed by the appraiser.
7. Disclosure of the contents of the appraisal report is governed by the bylaws and regulations of the Appraisal Institute.
8. It is assumed that there is full compliance with all applicable federal, state and local environmental laws and regulations unless noncompliance is stated, defined and considered in the appraisal.

CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS- (Cont)Contingent and Limiting Conditions- (Cont)

9. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed, without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
10. Neither all, nor any part of the contents of this report, or copy thereof (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 the appraiser may be connected), shall be conveyed by anyone to the public through advertising, public relations, news sales, or other media, without the prior written consent and approval of the appraiser.
11. On all appraisals, subject to satisfactory completion, repairs or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.
12. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such a determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, soil contaminants or other 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 unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.
13. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the appraiser whose signature(s) appear(s) on the appraisal report, unless indicated as "Review Appraiser". No change of any item in the appraisal report shall be made by anyone other than the appraiser, and the appraiser shall have no responsibility for any such unauthorized change(s).
14. Unless otherwise stated in this report, the property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.

CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS- (Cont)Contingent and Limiting Conditions- (Cont)

15. The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.
16. It is assumed that all required licenses, certificates of occupancy 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 estimates contained in this report are based.
17. The opinions are only as of the date stated in the report. Changes since that date in external and market factors or in the property itself can significantly affect the conclusions in the report.
18. The forecasts of income and expenses are not predictions of the future. Rather, they are the Appraiser's best opinions of current thinking on future income and expenses. The Appraiser and Barfield & Associates, LLC make no warranty or representation that these forecasts will materialize. The real estate market is constantly fluctuating and changing. It is not the Appraiser's task to predict or in any way warrant the conditions of a future real estate market. The Appraiser can only reflect what the investment community, as of the date of the report, envisions for the future in terms of rental rates, expenses, and supply and demand.
19. Consistent with the requirements of Title XI of the Federal Financial Institutions Report, Recovery and Enforcement Act of 1989 (FIRREA), the client for this report is Mr. L. E. "Butch" D'Louhy.

Extraordinary Assumptions

None

Hypothetical Conditions

None

Glossary of Terms & Definitions

The following definitions of pertinent terms are taken from *The Dictionary of Real Estate Appraisal*, Sixth Edition (2015), published by the Appraisal Institute, Chicago, IL, as well as other sources.

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Proposed Interagency Appraisal and Evaluation Guidelines, OCC-4810-33-P 20%)

Band of Investment

A technique in which the capitalization rates attributable to components of a capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment.

Cash Equivalency

An analytical process in which the sale price of a transaction with nonmarket financing or financing with unusual conditions or incentives is converted into a price expressed in terms of cash.

Depreciation

In appraising, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date. 2. In accounting, an allowance made against the loss in value of an asset for a defined purpose and computed using a specified method.

Disposition Value

The most probable price that a specified interest in real property is likely to bring under all of the following conditions:

- Consummation of a sale will occur within a limited future marketing period specified by the client.
- The actual market conditions currently prevailing are those to which the appraised property interest is subject.
- The buyer and seller is each acting prudently and knowledgeably.
- The seller is under compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider their best interest.
- An adequate marketing effort will be made in the limited time allowed for the completion of a sale.
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
- 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.

Note that this definition differs from the definition of market value. The most notable difference relates to the motivation of the seller. In the case of Disposition value, the seller would be acting under compulsion within a limited future marketing period.

Ellwood Formula

A yield capitalization method that provides a formulaic solution for developing a capitalization rate for various combinations of equity yields and mortgage terms. The formula is applicable only to properties with stable or stabilized income streams and properties with income streams expected to change according to the J- or K-factor pattern. The formula is:

$$RO = [YE - M (YE + P / S n^{\gamma} - RM) - \Delta O / S n^{\gamma}] / [1 + \Delta I / J]$$

where

RO = Overall Capitalization Rate

YE = Equity Yield Rate

M = Loan-to-Value Ratio

P = Percentage of Loan Paid Off

1/S n^γ = Sinking Fund Factor at the Equity Yield Rate

RM = Mortgage Capitalization Rate

ΔO = Change in Total Property Value

ΔI = Total Ratio Change in Income

J = J Factor

Also called mortgage-equity formula.

Exposure Time

The time a property remains on the market. 2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. See also marketing time.

Extraordinary Assumption

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Extraordinary assumptions presume as fact otherwise uncertain information 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.

Fee Simple Estate

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.

Highest and Best Use

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

Highest and Best Use of Property as Improved

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

Hypothetical Conditions

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.

Comment: 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.

Insurable Replacement Cost/Insurable Value

A type of value for insurance purposes.

Intended Use

The use or uses of an appraiser's reported appraisal, appraisal review, or appraisal consulting assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment.

Intended User

The client and any other party as identified, by name or type, as users of the appraisal, appraisal review, or appraisal consulting report by the appraiser on the basis of communication with the client at the time of the assignment.

Leased Fee Interest

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease).

Leasehold Interest

The tenant's possessory interest created by a lease. See also negative leasehold; positive leasehold.

Liquidation Value

The most probable price that a specified interest in real property is likely to bring under all of the following conditions:

- Consummation of a sale will occur within a severely limited future marketing period specified by the client.
- The actual market conditions currently prevailing are those to which the appraised property interest is subject.
- The buyer is acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- The buyer is acting in what he or she considers his or her best interest.
- A limited marketing effort and time will be allowed for the completion of a sale.
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
- 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.

Note that this definition differs from the definition of market value. The most notable difference relates to the motivation of the seller. Under market value, the seller would be acting in his or her own best interests. The seller would be acting prudently and knowledgeably, assuming the price is not affected by undue stimulus or atypical motivation. In the case of liquidation value, the seller would be acting under extreme compulsion within a severely limited future marketing period.

Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).

Market Value

As defined in the Agencies' appraisal regulations, 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 are the consummation of a sale as of a specified date and the 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 own best interests;
- 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.¹

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.) See also exposure time.

Mortgage-Equity Analysis

Capitalization and investment analysis procedures that recognize how mortgage terms and equity requirements affect the value of income-producing property.

Operating Expenses

Other Taxes, Fees & Permits - Personal property taxes, sales taxes, utility taxes, fees and permit expenses.

Property Insurance - Coverage for loss or damage to the property caused by the perils of fire, lightning, extended coverage perils, vandalism and malicious mischief, and additional perils.

Management Fees - The sum paid for management services. Management services may be contracted for or provided by the property owner. Management expenses may include supervision, on-site offices or apartments for resident managers, telephone service, clerical help, legal or accounting services, printing and postage, and advertising. Management fees may occasionally be included among recoverable operating expenses

Total Administrative Fees - Depending on the nature of the real estate, these usually include professional fees and other general administrative expenses, such as rent of offices and the services needed to operate the property. Administrative expenses can be provided either in the following expense subcategories or in a bulk total. 1) Professional Fees - Fees paid for any professional services contracted for or incurred in property operation; or 2) Other Administrative - Any other general administrative expenses incurred in property operation.

¹ "Interagency Appraisal and Evaluation Guidelines." Federal Register 75:237 (December 10, 2010) p. 77472.

Heating Fuel - The cost of heating fuel purchased from outside producers. The cost of heat is generally a tenant expense in single-tenant, industrial or retail properties, and apartment projects with individual heating units. It is a major expense item shown in operating statements for office buildings and many apartment properties. The fuel consumed may be coal, oil, or public steam. Heating supplies, maintenance, and workers' wages are included in this expense category under certain accounting methods.

Electricity - The cost of electricity purchased from outside producers. Although the cost of electricity for leased space is frequently a tenant expense, and therefore not included in the operating expense statement, the owner may be responsible for lighting public areas and for the power needed to run elevators and other building equipment.

Gas - The cost of gas purchased from outside producers. When used for heating and air conditioning, gas can be a major expense item that is either paid by the tenant or reflected in the rent.

Water & Sewer - The cost of water consumed, including water specially treated for the circulating ice water system, or purchased for drinking purposes. The cost of water is a major consideration for industrial plants that use processes depending on water and for multifamily projects, in which the cost of sewer service usually ties to the amount of water used. It is also an important consideration for laundries, restaurants, taverns, hotels, and similar operations.

Other Utilities - The cost of other utilities purchased from outside producers.

Total Utilities - The cost of utilities net of energy sales to stores and others. Utilities are services rendered by public and private utility companies (e.g., electricity, gas, heating fuel, water/sewer and other utilities providers). Utility expenses can be provided either in expense subcategories or in a bulk total.

Repairs & Maintenance - All expenses incurred for the general repairs and maintenance of the building, including common areas and general upkeep. Repairs and maintenance expenses include elevator, HVAC, electrical and plumbing, structural/roof, and other repairs and maintenance expense items. Repairs and Maintenance expenses can be provided either in the following expense subcategories or in a bulk total. 1) Elevator - The expense of the contract and any additional expenses for elevator repairs and maintenance. This expense item may also include escalator repairs and maintenance. 2) HVAC - The expense of the contract and any additional expenses for heating, ventilation and air-conditioning systems. 3) Electrical & Plumbing - The expense of all repairs and maintenance associated with the property's electrical and plumbing systems. 4) Structural/Roof - The expense of all repairs and maintenance associated with the property's building structure and roof. 5) Pest Control - The expense of insect and rodent control. 6). Other Repairs & Maintenance - The cost of any other repairs and maintenance items not specifically included in other expense categories.

Common Area Maintenance - The common area is the total area within a property that is not designed for sale or rental, but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities. Common Area Maintenance (CAM) expenses can be entered in bulk or through the sub-categories. 1) Utilities - Cost of utilities that are included in CAM charges and passed through to tenants. 2) Repair & Maintenance - Cost of repair and maintenance items that are included in CAM charges and passed through to tenants. 3) Parking Lot Maintenance - Cost of parking lot maintenance items that are included in CAM charges and passed through to tenants. 4) Snow Removal - Cost of snow removal that are included in CAM charges and passed through to tenants. 5) Grounds Maintenance - Cost of ground maintenance items that are included in CAM charges and passed through to tenants. 6) Other CAM expenses are items that are included in CAM charges and passed through to tenants.

Painting & Decorating - This expense category is relevant to residential properties where the landlord is required to prepare a dwelling unit for occupancy in between tenancies.

Cleaning & Janitorial - The expenses for building cleaning and janitorial services, for both daytime and night-time cleaning and janitorial service for tenant spaces, public areas, atriums, elevators, restrooms, windows, etc. Cleaning and Janitorial expenses can be provided either in the following subcategories or entered in a bulk total. 1) Contract Services - The expense of cleaning and janitorial services contracted for with outside service providers. 2) Supplies, Materials & Misc. - The cost any cleaning materials and any other janitorial supplies required for property cleaning and janitorial services and not covered elsewhere. 3) Trash Removal - The expense of property trash and rubbish removal and related services. Sometimes this expense item includes the cost of pest control and/or snow removal. 4) Other Cleaning/Janitorial - Any other cleaning and janitorial related expenses not included in other specific expense categories.

Advertising & Promotion - Expenses related to advertising, promotion, sales, and publicity and all related printing, stationery, artwork, magazine space, broadcasting, and postage related to marketing.

Professional Fees - All professional fees associated with property leasing activities including legal, accounting, data processing, and auditing costs to the extent necessary to satisfy tenant lease requirements and permanent lender requirements.

Total Payroll - The payroll expenses for all employees involved in the ongoing operation of the property, but whose salaries and wages are not included in other expense categories. Payroll expenses can be provided either in the following subcategories or entered in a bulk total. 1) Administrative Payroll - The payroll expenses for all employees involved in on-going property administration. 2) Repair & Maintenance Payroll - The expense of all employees involved in on-going repairs and maintenance of the property. 3) Cleaning Payroll - The expense of all employees involved in providing on-going cleaning and janitorial services to the property 4) Other Payroll - The expense of any other employees involved in providing services to the property not covered in other specific categories.

Security - Expenses related to the security of the Lessees and the Property. This expense item includes payroll, contract services and other security expenses not covered in other expense categories. This item also includes the expense of maintenance of security systems such as alarms and closed-circuit television (CCTV), and ordinary supplies necessary to operate a security program, including batteries, control forms, access cards, and security uniforms.

Roads & Grounds - The cost of maintaining the grounds and parking areas of the property. This expense can vary widely depending on the type of property and its total area. Landscaping improvements can range from none to extensive beds, gardens and trees. In addition, hard-surfaced public parking areas with drains, lights, and marked car spaces are subject to intensive wear and can be costly to maintain.

Other Operating Expenses - Any other expenses incurred in the operation of the property not specifically covered elsewhere.

Real Estate Taxes - The tax levied on real estate (i.e., on the land, appurtenances, improvements, structures and buildings); typically by the state, county and/or municipality in which the property is located.

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

Prospective Value upon Reaching Stabilized Occupancy

The value of a property as of a point in time when all improvements have been physically constructed and the property has been leased to its optimum level of long-term occupancy. At such point, all capital outlays for tenant improvements, leasing commissions, marketing costs and other carrying charges are assumed to have been incurred.

Special, Unusual, or Extraordinary Assumptions

Before completing the acquisition of a property, a prudent purchaser in the market typically exercises due diligence by making customary enquiries about the property. It is normal for a Valuer to make assumptions as to the most likely outcome of this due diligence process and to rely on actual information regarding such matters as provided by the client. Special, unusual, or extraordinary assumptions may be any additional assumptions relating to matters covered in the due diligence process, or may relate to other issues, such as the identity of the purchaser, the physical state of the property, the presence of environmental pollutants (e.g., ground water contamination), or the ability to redevelop the property.



TODD BARFIELD, MAI, MRICS, CCIM
MANAGING PRINCIPAL | BARFIELD & ASSOCIATES, LLC

Todd Barfield is a Managing Principal of Barfield & Associates, LLC for the firm's valuation of commercial and residential properties. He has been the Managing Member of Barfield & Associates, LLC, Ocala, Florida from 1999 - Present and a commercial real estate broker from 1993 - Present in Ocala, Florida.

EXPERIENCE

Mr. Barfield has completed appraisal reports throughout the United States for lending institutions, individuals, attorneys, and governmental agencies for valuation, evaluation, and analysis assignments including: litigation assignments, insurable valuations, mortgage underwriting, portfolio analysis, construction defects, and CMBS loans. Mr. Barfield's background is diversified involving the valuation services on shopping centers, senior housing & healthcare, office buildings, multifamily properties, agricultural land, subdivision analysis, industrial properties, special use properties and hotels.

EDUCATION

- Florida State University (Tallahassee, FL)
 - Degree: Bachelor of Science – Finance
 - Degree: Bachelor of Science – Risk Management & Insurance

APPRAISAL EDUCATION

- Designated Member, Appraisal Institute – MAI Designation
 - As of the current date, Todd Barfield, MAI has completed the requirements of the continuing education program of the Appraisal Institute
- Commercial Investment Real Estate Institute – CCIM Designation
- Professional Member, Royal Institution of Chartered Surveyors - MRICS

MEMBERSHIPS, LICENSES AND PROFESSIONAL AFFILIATIONS

- Certified General Real Estate Appraiser in the following states:
 - Florida – RZ2706
 - Alabama – G01271
 - Arkansas – CG4164
 - Colorado – CG100028776
 - Kentucky – 005074
 - Louisiana – G4064
 - New York – 46000051586

- North Carolina – A8057
- Pennsylvania – GA004209
- South Carolina – 6419
- Virginia – 4001017374
- Florida Real Estate Commission – Broker

EXPERT WITNESS

- Qualified for an expert witness for the following:
 - United States Bankruptcy Court – Middle District of Florida
 - United States Bankruptcy Court – Northern District of Florida
 - Fifth Judicial Circuit Court of Florida
 - Eighth Judicial Circuit Court of Florida



ALABAMA

State of Alabama



This is to certify that

Todd Lee Barfield

having given satisfactory evidence of the necessary qualifications required by the laws of the State of Alabama is licensed to transact business in Alabama as a

Certified General Real Property Appraiser

With all rights, privileges and obligations appurtenant thereto.

LICENSE NUMBER: **G01271**
EXPIRATION DATE: **09/30/2019**

Gina Brooks Executive Director
ALABAMA REAL ESTATE APPRAISERS BOARD

000005951



ARKANSAS

STATE OF ARKANSAS



APPRAISER LICENSING & CERTIFICATION BOARD

Attests that

Todd L. Barfield

On this date was certified as a

STATE CERTIFIED GENERAL APPRAISER

The Arkansas Appraiser Licensing and Certification Board hereby affirms that this Certification is issued in accordance with all the requirements of Arkansas Code Annotated, Section 17-14-101 et seq., and subsequently adopted "Rules and Regulations" and shall remain in force when properly supported by a current pocket identification card.

<p>2/27/2018 Date Issued</p>	<p>CG-4164 Certification Number</p>
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 Chairman, AALCB

COLORADO

<p>Todd L. Barfield Po Box 4338 Ocala, FL 34478</p>	<p>State of Colorado Department of Regulatory Agencies Division of Real Estate</p> <p>Board of Real Estate Appraisers</p> <p>Todd L. Barfield Certified General Appraiser</p> 	 <p>License #: CG100028776 Status: Active Expires: 12/31/2019</p>
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 Director: Marcia Waters

For the most up to date information regarding this credential, visit <http://dora.colorado.gov/dre>



FLORIDA

Ron DeSantis, Governor Melanie S. Griffin, Secretary

Florida
dbpr

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

BARFIELD, TODD L
2800 E SILVER SPRINGS BLVD
SUITE 206
OCALA FL 34470

LICENSE NUMBER: RZ2706

EXPIRATION DATE: NOVEMBER 30, 2026
Always verify licenses online at MyFloridaLicense.com

ISSUED: 09/09/2024
Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.



KENTUCKY

Commonwealth of Kentucky
Kentucky Real Estate Appraisers Board
2017 - 18

Hereby grants a *Certified General Real Property Appraiser*

To Todd L. Barfield License No 5074
Barfield & Associates, LLC
2800 E. Silver Springs Blvd.
Ocala, FL 34470

who has complied with the provisions of Chapter 324A of the Kentucky Revised Statutes IN WITNESS WHEREOF, we have caused the official seal to be fixed and attested for the year shown above.



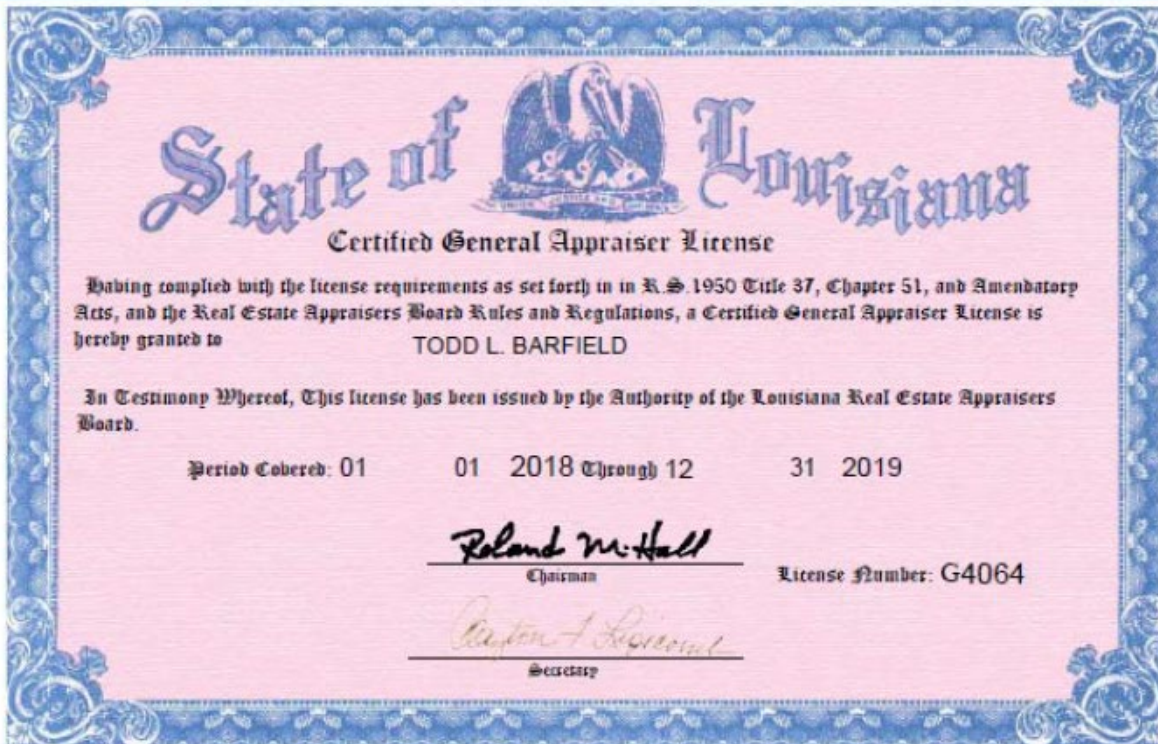
John G. Kenkel, Jr., Chair
Dwain Wheeler, Vice Chair
Russ C. Lohan
Terry L. Bunnell



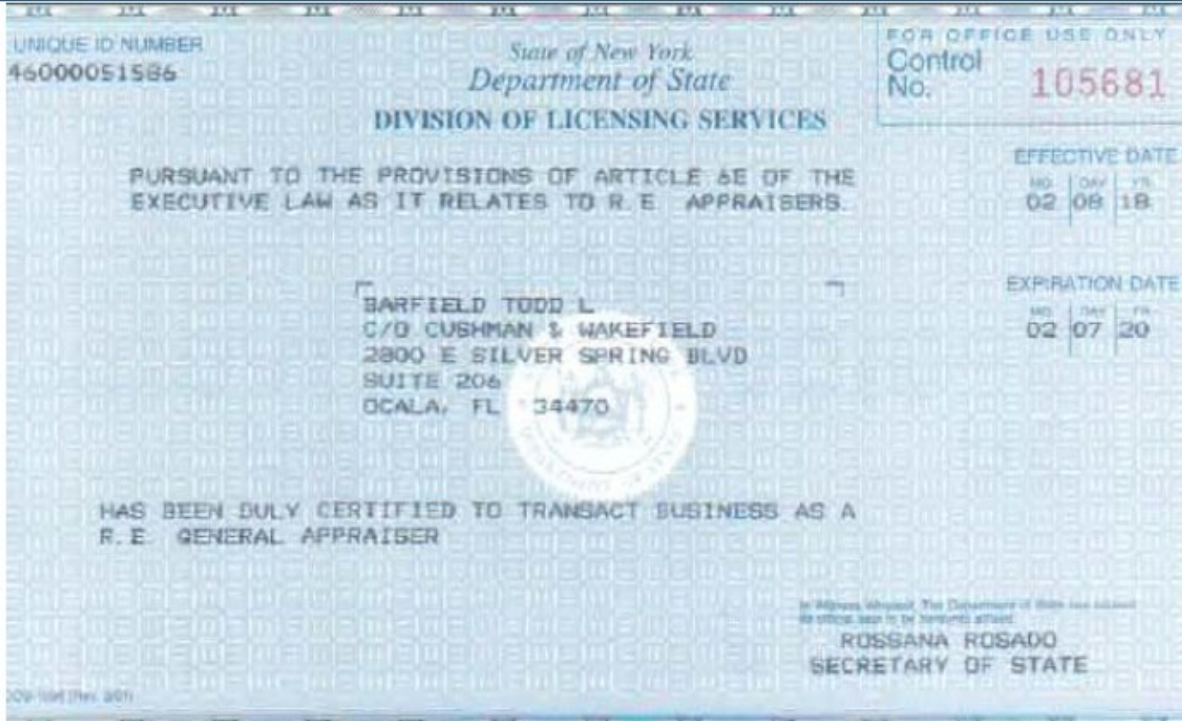
This certificate expires 6/30/2018



LOUISIANA



NEW YORK



NORTH CAROLINA

NORTH CAROLINA APPRAISAL BOARD
APPRAISER QUALIFICATION CARD
Expires June 30, 2018

REGISTRATION / LICENSE / CERTIFICATE HOLDER

17 **TODD L BARFIELD** **18**

A8057 **G** **Y**

APPRAISER NUMBER TYPE NATIONAL REGISTRY

APPRAISER'S SIGNATURE EXECUTIVE DIRECTOR

PENNSYLVANIA

Commonwealth of Pennsylvania



Department of State
Bureau of Professional and Occupational Affairs
The State Board of Certified Real Estate Appraisers hereby certifies that

TODD LEE BARFIELD
having complied with the licensure laws
of the Commonwealth of Pennsylvania is authorized to practice as a/an

CERTIFIED GENERAL APPRAISER

In Witness Whereof, we have hereunto set our hand and caused the Seal of the Bureau of Professional and Occupational Affairs.

Certification Date: 02/29/2016 License Number: GA004209

Appraiser Commissioner





SOUTH CAROLINA



VIRGINIA

