

APPRAISAL REPORT

**Just For Kids Learning Center
Daycare & Preschool
11269 N. Main Street
Jacksonville, Florida 32218**

Prepared For:

**Community First Credit Union of Florida
637 N. Lee Street
Jacksonville, Florida 32204**

As Of:

March 5, 2018



**Provident Valuation Services
7643 Gate Parkway, Suite 104-67
Jacksonville, Florida 32256
904-710-7554**

LETTER OF TRANSMITTAL

March 15, 2018

Mr. John Keeley
Community First Credit Union of Florida
637 N. Lee Street
Jacksonville, Florida 32204

Re: Just For Kids Learning Center, 11269 N. Main Street, Jacksonville, Florida 32218

Dear Mr. Keeley:

Thank you for the opportunity to provide appraisal services. Based on our agreement with you, we have performed an appraisal and reported our findings in this Appraisal Report. The subject property is a state-certified daycare and learning center at 11269 N. Main Street in Jacksonville, Florida 32218. This appraisal is for the real property only; and does not include any business value.. The value(s) contained herein reflects our opinion(s) of market value as of the respective valuation date(s).

The enclosed report identifies and describes the subject property, its general market area environment and influences, and the valuation methods used to solve the valuation problem. It also describes the degree of investigation for this assignment. We developed our analyses, opinions and conclusions and prepared this report in conformity with the reporting requirements under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP 2016-2017 edition); the Financial Institutions Reform and Recovery act (FIRREA); the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and the requirements of our client as we understand them. The information contained in this report is specific to the needs of the client and for the intended use as stated. The appraisers are not responsible for any unauthorized use of the enclosed appraisal.

The purpose of this appraisal is "as is" market value. The fee simple interest was appraised; liens and encumbrances, if any, have been disregarded.

The highest and best use analysis of the subject and the valuation conclusions are subject to the legal limitations of the land use identified therein. Unless otherwise stated, it is assumed that the subject conforms to current zoning and land use requirements. Community First Credit Union of Florida is the client in this assignment and they are the sole intended user(s) of this appraisal. The intended use is for analysis of collateral for a proposed loan.. The value opinions reported are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herein are contingent upon the following extraordinary assumptions and/or hypothetical conditions:

Extraordinary Assumptions

- none

Should these assumptions prove to be false, we reserve the right, but are not obligated to amend our value opinion. The use of these special assumptions may have affected the assignment results.

Hypothetical Conditions

- none

Thank you for the opportunity to have been of service to you in this matter.

Respectfully submitted,



Robert Hornbuckle, MAI
Certified General Appraiser RZ3515
Provident Valuation Services
7643 Gate Parkway, Suite 104-67
Jacksonville, Florida 32256
PVS File # 18-15

The Executive Summary follows the table of contents; and summarizes our value conclusions and relevant data. The scope of the appraisal and the definition of market value are found in the Introduction section of this report.

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ADDENDA

Subject Exhibits
Engagement Letter
Qualifications of Appraisers

EXECUTIVE SUMMARY

Property Address	11269 N. Main Street Jacksonville Florida 32218
Property Location	North Jacksonville
Property Tax Identification Number(s)	109463-0000
Owner of Record	Just For Kids Learning Center, Inc.
Date of the Report	March 15, 2018
“As Is” Effective Date	March 5, 2018
Property Rights Appraised	fee simple interest
Land Area	276,992 square feet, 6.36 acres
Building Gross Square Feet	21,905 square feet
Building Net Rentable Square Feet	21,905 square feet
Parking/Ratio	46 spaces; 0.48 spaces per 1,000 sq. ft. of building area
Year Built	1962, 1967, 2002
Effective Age of Building(s)	25 years
Remaining Economic Life	30 years
Zoning Designation	The property is zoned CCG-1 by City of Jacksonville. The property has a Commercial (CGC) land use.
Highest and Best Use As Vacant	daycare
Highest and Best Use As Improved	daycare
Estimated Exposure Time	12-month
Marketing Period	12-month
“As Is” Market Value	\$1,862,000

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Subject Photographs



Front of Building One



West Side and Rear of Building One

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Front of Building Two



Building Three



Playground



Infant Room

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Interior View



Interior View



Lunch Room



Interior View



Interior View



Interior View

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Purpose of the Appraisal

The purpose of this appraisal is "as is" market value of the fee simple interest of the subject.

Intended Use/Client and Intended User(s)

The intended use of this report is for analysis of collateral for a proposed loan.. It is our understanding that the intended user of the report is our client, Community First Credit Union of Florida.

Competency of the Appraisers

The appraisers' specific qualifications are included within this report. These qualifications serve as evidence of their competence for the completion of this appraisal assignment in compliance with the competency provision in USPAP. The appraisers' knowledge and experience, combined with their professional qualifications, are commensurate with the complexity of this assignment. The appraisers have previously provided consultation and value opinion for properties like the subject in Florida.

Interest Appraised

- **Fee Simple Interest** is 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.

Effective Date of Value

March 5, 2018

Date of Report

March 15, 2018

Date of Inspection

March 5, 2018

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Scope of Work

Scope of work is the most critical decision an appraiser will make in performing an assignment. Solving an appraisal problem involves three steps:

1. Identifying the problem
2. Determining the solution (or scope of work)
3. Applying the solution

None of the three steps can be omitted, and each must be performed in order. To analyze the problem, the appraiser identifies seven key assignment elements: (1) client, (2) intended users in addition to the client, (3) intended use, (4) objective of the appraisal, or type of value and its definition, (5) effective date, (6) property characteristics that are relevant to the assignment such as the interest to be valued and physical and legal characteristics), and (7) assignment conditions such as hypothetical conditions, extraordinary assumptions, and other requirements. These elements provide the framework for the assignment and allow the appraiser to identify the problem to be solved.

The second step is to determine the scope of work to solve the problem. Scope of work encompasses all aspects of the valuation process, including which approaches to value will be used; how much data is to be gathered, from what sources, from which geographic area, and over what time period; the extent of the data verification process; and the extent of property inspection, if any. The scope of work decision is appropriate when it allows the appraiser to arrive at credible assignment results and is consistent with the expectations of similar clients and the work that would be performed by the appraiser's peers in a similar situation.

Source: Appraisal of Real Estate 14th Edition

Identification of the Subject Property

The subject was legally identified via Duval County Official Records, Book 14773 and Page 1639. Economics characteristics of the subject property were identified via market research and comparison to properties with similar locational and physical characteristics. A marketability analysis for prepared for the subject property's regional, neighborhood, and market areas, as applicable. The subject was physically identified via personal inspection and/or from data obtained from public records, published data sources, and market participants.

Use of Real Estate as of the Effective Date of Value

The subject property was used as a Daycare property as of the effective date of the appraisal.

Ownership and Subject Property History

According to the Duval County Property Appraiser's Office, the current owner of record is Just For Kids Learning Center, Inc. The property is identified as county Tax ID 109463-0000. There have been no sale transactions regarding the subject property within the past three years. The subject property was not listed "for sale" or under contract as of the valuation date.

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Inspection

Robert Hornbuckle represented Provident Valuation Services (PVS); and inspected the subject property on the valuation date. PVS professionals are not engineers and are not competent to judge matters of an engineering nature, nor has PVS retained independent structural, mechanical, electrical, or civil engineers about the report. As such, PVS makes no representations relative to the condition of the improvements, if any exist. Unless otherwise noted in the report, no problems were brought to the attention of PVS's professionals by ownership or management.

Data Research

We collected, researched, and analyzed market area data, property specific market data, zoning and land use data, and current comparable property listings, sales, rentals, and expenses in the subject's competitive market area, as applicable. Additional data were retained in the appraisal file for reference. Our research included searching various private data sources, our existing appraisal files, and public records including the Duval County Property Appraiser's Office. We generally researched three years prior to the date of our valuation including reviewing any relevant current listings. We confirmed that information with various sources such as buyers, sellers and brokers.

Type of Appraisal

This is a written appraisal and is intended to comply with USPAP SR 2-2 (a).

Methodology

The subject site has improvements that contribute to the overall value that exceeds the land value. Since there is no proposed development or expansion involving the subject property, a feasibility study is not warranted. We observed surrounding land use trends, the present use of the subject property, demand for the subject property, and relative legal limitations in concluding the highest and best use.

There are three basic methodologies or approaches available to develop indications of real property value: the cost, sales comparison, and income capitalization approaches.

Cost Approach

The cost approach is based upon the principle of substitution, which states that a prudent purchaser would not pay more for a property than the amount required to purchase a similar site and construct similar improvements without undue delay, producing a property of equal desirability and utility. This approach is particularly applicable when the improvements being appraised are relatively new or proposed, or when the improvements are so specialized that there is little or no sales data for comparable properties.

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Sales Comparison Approach

The sales comparison approach involves the direct comparison of sales and listings of similar properties, adjusting for differences that exist between the subject property and the comparable properties. This method can be useful for valuing general-purpose properties or vacant land. For improved properties, it is particularly applicable when there is an active sales market for the property type being appraised.

Income Capitalization Approach

The income capitalization approach is based on the principle of anticipation and the assumption that value is created by the expectation of economic benefits to be derived in the future. Its premise is that a prudent investor will pay no more for the property than they would for another investment of similar risk and income characteristics. The income capitalization approach is widely used and relied upon in appraising investment grade income-producing properties, particularly those for which there is an active investment sales market.

Analyses Applied

A **cost analysis** was considered and was not applied as the age of the improvements makes the depreciation difficult to accurately measure. Obsolescence is a further distracter from this methods reliability and market participants do not rely upon this method for an existing facility, particularly when there is adequate market data on which to rely.

A **sales comparison analysis** was applied as it reflects the primary method that market participants consider when purchasing properties like the subject, with adequate market data available. Most older daycare properties are typically owner-occupied.

An **income analysis** was not applied as it does not reflect a method that market participants consider when purchasing properties like the subject. Smaller and older daycare facilities are typically owner-occupied while larger, newer facilities can be either owner-occupied or leased on a long-term basis to a regional or national daycare chain. The subject is a larger, older property that is owner-occupied and certified by the State of Florida. Market rent data are not applicable to older, owner-occupied properties; thus, the income approach was not utilized.

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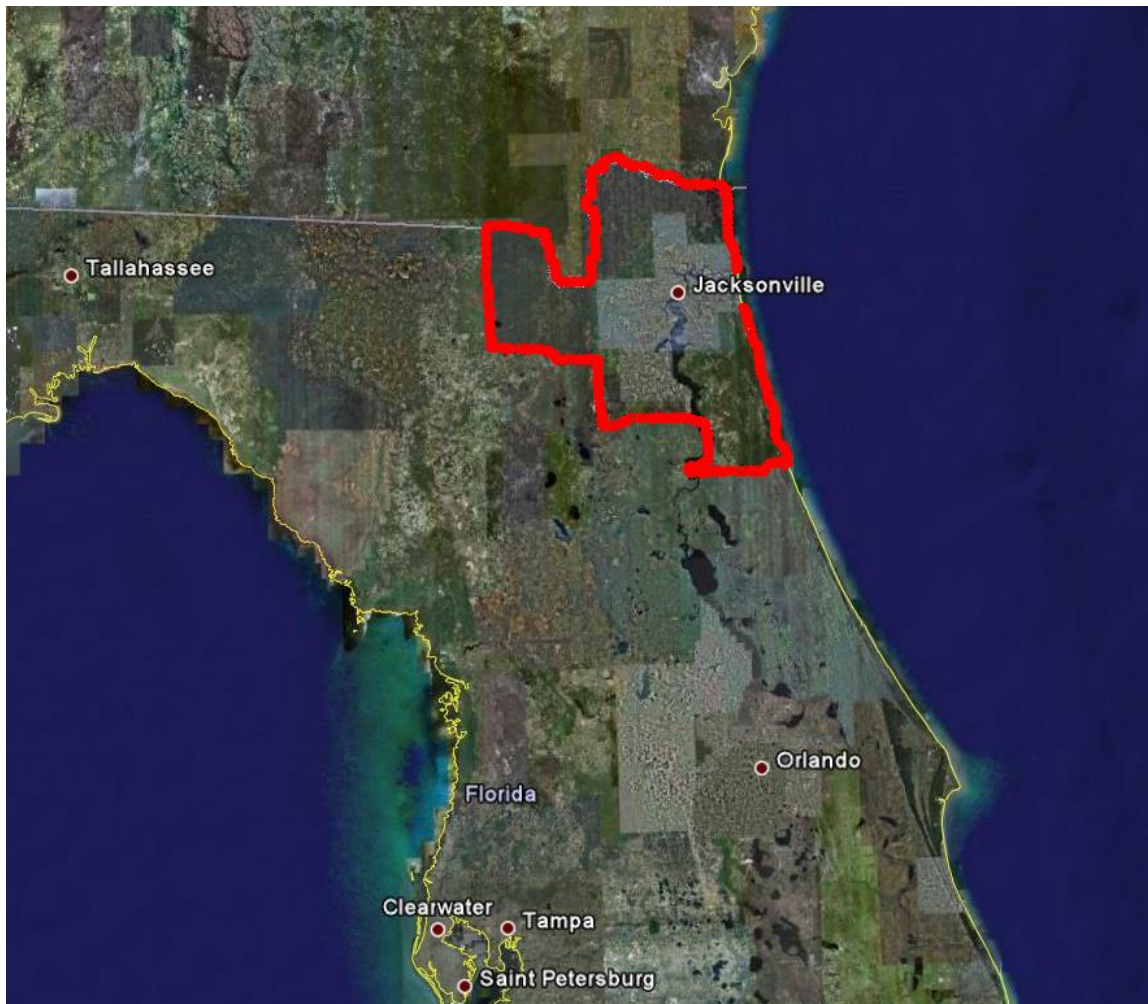
Regional Analysis

Introduction

An overview of the subject's region and city provides context for subsequent discussions of the subject, the market for the specific property type, the market area, and comparable properties.

Jacksonville MSA

The region is defined as the following five contiguous counties: Duval, Nassau, Baker, Clay, and St. Johns. These counties are in northeast Florida, and together they constitute the Jacksonville, Florida Metropolitan Statistical Area (Jacksonville MSA). The region's location within the state of Florida is shown on the following map:



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Population Trends

The following table shows historical and current population estimates for the Jacksonville Metropolitan Statistical Area:

Population - Jacksonville MSA					
			Annual Growth Rate	2016	Annual Growth Rate
	2000 Census	2010 Census	2000 - 2010	Estimate	2010 - 2016
Baker County	22,259	27,115	1.99%	28,091	0.57%
Clay County	140,814	190,865	3.09%	203,106	1.00%
Duval County	778,879	864,263	1.05%	911,944	0.86%
Nassau County	57,663	73,314	2.43%	78,738	1.15%
St Johns County	123,135	190,039	4.44%	226,679	2.86%
Total Metropolitan Area	1,122,750	1,345,596	1.98%	1,448,558	1.28%
Florida Totals	15,982,379	18,801,310	1.64%	20,108,440	1.08%

The Jacksonville MSA represents 7.2% of the total Florida population, and its population growth rate continues to outpace that of the State of Florida.

Financial Health

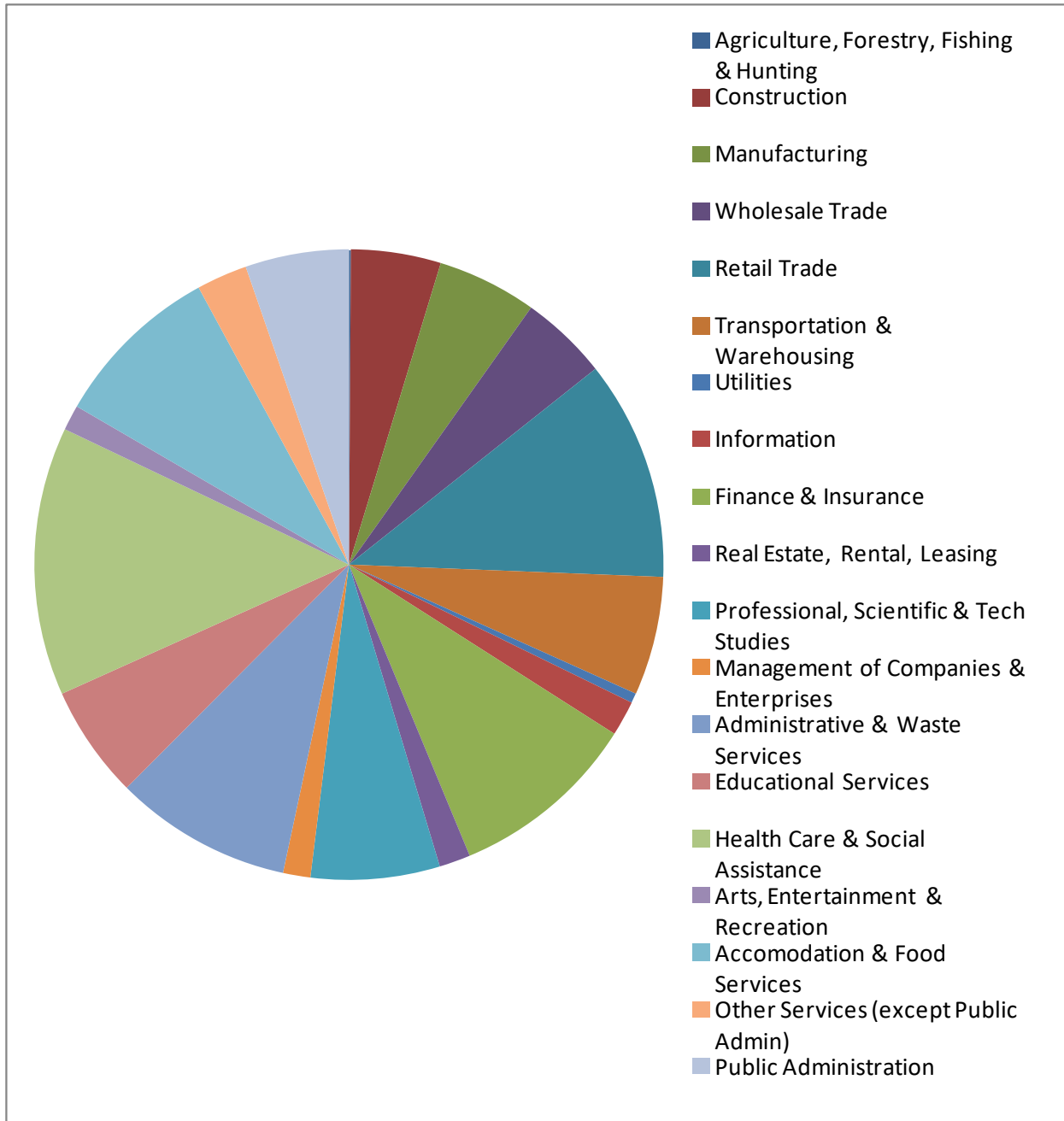
The following table shows the median household income and forecast income growth, for the Jacksonville Metropolitan Statistical Area:

	Median Household Income		Forecasted Annual Growth Rate (%)
	2016	2021 Forecast	2016 - 2021
Baker County	\$49,437	\$54,413	1.94%
Clay County	\$59,018	\$67,171	2.62%
Duval County	\$49,538	\$55,813	2.41%
Nassau County	\$57,675	\$66,902	3.01%
St Johns County	\$64,821	\$75,656	3.14%
Total Jacksonville MSA	\$53,133	\$60,347	2.58%
Florida Totals	\$48,377	\$54,799	2.52%

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Employment by Industry

Unlike many other Florida cities, which are dependent on tourism, Jacksonville's economic base is well diversified. The following table summarizes the most current employment by industry for the Jacksonville MSA:



Source: Florida Department of Economic Opportunity, Labor Market Statistics Center, Quarterly Census of Employment and Wages Program, 2011.

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Major Company Presence

Jacksonville is headquarters to six Fortune 1000 companies.

<u>Company</u>	<u>Revenue</u>	<u>Employees</u>
CSX	\$9,566,000,000	36,005
Fidelity National Finance	\$6,494,000,000	19,500
Fidelity National Information Svc	\$5,200,000,000	30,000
Landstar System	\$2,770,000,000	1,370
PSS World Medical	\$1,860,000,000	4,000
Winn Dixie	\$7,200,000,000	49,000

In addition, sixty-five companies are based out of Jacksonville, including five private companies ranked in the top 50 largest private companies in Florida.

Healthcare

The region is served by 12 major hospitals: Baptist Medical Center, Baptist Medical Center Nassau, Mayo Clinic, Memorial Hospital, Wolfson Children's Hospital, Shands Jacksonville, St. Luke's Hospital, St. Vincent's Medical Center, Ed Fraser Memorial Hospital, Kindred Hospital – North Florida, Orange Park Medical Center, and Flagler Hospital.

Education

The region is home to several major institutions of higher learning, as well as multiple smaller community colleges, and satellite offices of several other institutions.

<u>Institution</u>	<u>Classification</u>	<u>Control</u>	<u>Enrollment</u>
University of North Florida (UNF)	4-year	Public	16,372
Florida State College of Jacksonville	Community	Public	81,370
Jacksonville University	4-year	Private	3,741
Flagler College	4-year	Private	2,675
Florida Coastal School of Law	Specialty	Private	1,704
St Johns River State College	4-year	Public	7,291

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Military Presence

As the single largest employer of Northeast Florida, the United States Military plays a vital economic role in the local economy, employing over 38,000 people. The economic impact of installations in Duval County includes: \$737 million paid in salaries, \$860 million paid in pensions and transfers, \$5.7 billion of consumption, \$11.7 billion of sales activity, 110,713 jobs and a capital investment of \$1 billion.

<u>Installation</u>	<u>Number of Employees</u>
Naval Air Station Jacksonville	19,618
Naval Station Mayport	13,444
Camp Blanding Joint Training Center	889
Fleet Readiness Center Southeast	4,000
Marine Corps Blount Island Command	942
Total	38,893

Since its commissioning in December 1942, NS Mayport has grown to become the third largest naval surface fleet concentration area in the United States. The base is also anticipated to be the homeport of a nuclear-powered aircraft carrier. That move will bring approximately 3,200 new jobs to the area and an estimated \$426 million in capital improvements and necessary upgrades.

Naval Air Station Jacksonville is one of the Navy's fastest growing installations and is the recipient of the 2012 Presidential Excellence Award and 2013 Commander, Navy Installations Command Excellence Award. It is the largest Navy base in the Southeast Region and third in the nation. As a master air and industrial base, Naval Air Station Jacksonville supports U.S. and allied forces specializing in anti-submarine warfare and training of the best aviators in the world.

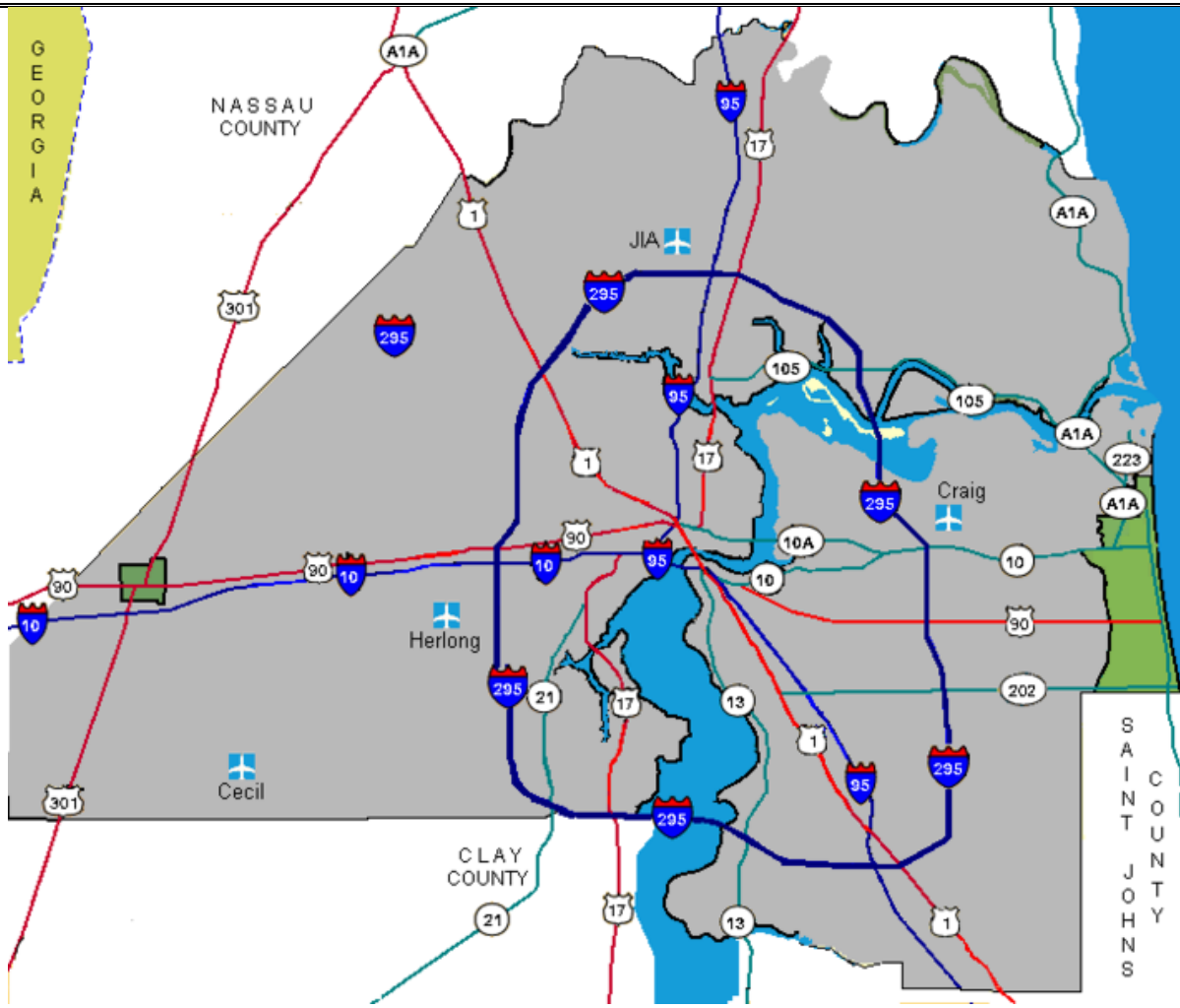
Transportation

The Jacksonville transportation network includes ground, air, and sea options for passenger and freight transit.

Interstate 10 and Interstate 95 intersect in Jacksonville, creating the busiest intersection in the region with over 200,000 thousand vehicles daily. Interstate 10 stretches from this intersection in the east to Santa Monica, California in the west. Interstate 95 routes south to Miami and north to Washington D.C. This interstate access creates a favorable environment for over one hundred different trucking companies in the Jacksonville M.S.A.

The Jacksonville Aviation Authority owns and operates four airports in the Jacksonville M.S.A. The airports are the Jacksonville International Airport, Jacksonville Executive at Craig Airport, Herlong Recreational Airport, and Cecil Airport.

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Jacksonville's Airports

Jacksonville Executive at Craig Airport

<u>Daily Aircraft Operations</u>		<u>Aircraft Based on Field</u>	
Total	434	Total	243
Transient	50%	Single Engine	157
Local	35%	Multi Engine	45
Military	9%	Jet	16
Air Taxi	5%	Helicopter	7
		Military	18

Jacksonville International Airport

<u>Daily Aircraft Operations</u>		<u>Aircraft Based on Field</u>	
Total	247	Total	60
Transient	14%	Single Engine	5
Local	2%	Multi Engine	12
Military	8%	Jet	23
Air Taxi	19%	Military	20
Commercial	58%		

Herlong Recreational Airport

<u>Daily Aircraft Operations</u>		<u>Aircraft Based on Field</u>	
Total	221	Total	174
Transient	43%	Single Engine	125
Local	53%	Multi Engine	17
Military	3%	Jet	1
		Helicopter	1
		Gliders/Ultralight	30

Cecil Airport

<u>Daily Aircraft Operations</u>		<u>Aircraft Based on Field</u>	
Total	224	Total	90
Transient	13%	Single Engine	14
Local	17%	Jet	5
Military	69%	Helicopter	2
Commercial/Air taxi	1%	Military	69

Source: AirNav.com

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Jacksonville's Seaports

The Jacksonville Port Authority (JAXPORT) is the independent government agency that owns and operates much of the seaport system at the Port of Jacksonville. JAXPORT owns and manages three public marine terminals and one passenger cruise terminal in Jacksonville Florida: the Blount Island Marine Terminal, the Talleyrand Marine Terminal, the Dames Point Marine Terminal, and the JAXPORT Cruise Terminal.



Cargo

The Jacksonville Port Authority (JAXPORT) is a full-service, international trade seaport in the Southeastern United States. JAXPORT owns and manages three cargo terminals in Jacksonville, Florida. JAXPORT and its maritime partners handle containerized cargo, automobiles, recreational boats and construction equipment, dry and liquid bulks, break bulk commodities, and oversized and specialty cargoes. In 2013, JAXPORT's three cargo terminals handled a total of 8.2 million tons of cargo, including more than 926,000 TEUs – a new container record – and more than 630,000 vehicles. JAXPORT now ranks as the No. 1 vehicle export port in the United States, and Jacksonville is the top container port in the State of Florida.

A network of privately-owned maritime facilities also operates in Jacksonville's harbor, and in Northeast Florida, more than 65,000 jobs are related to port activity, which creates an economic impact of almost \$19 billion annually.

Cruise

Carnival Cruise Lines offers passenger cruise service from Jacksonville, Florida to the Bahamas and Key West aboard the 2,052-passenger Carnival Fascination. The ship offers four-day and five-day cruises from the JAXPORT Cruise Terminal, located in North Jacksonville.

Source: JAXPORT.com

Jacksonville's Railroads

Jacksonville is home to two significant freight railroads: CSX Transportation and Florida East Coast Railway. Amtrak also provides passenger service along the east coast via the Silver Star and Silver Meteor.

CSX Transportation is a Class I railroad that is headquartered in Jacksonville and owns approximately 21,000 route miles of track in 23 states.

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CSX Transportation System Map

Florida East Coast Railway is a Class II railroad and owns approximately 786 route miles of track between Jacksonville and Miami.



Florida East Coast Railway Transportation System Map

Entertainment and Culture

The region has several major sports organizations. The Jacksonville Jaguars are a National Football League team. The Jacksonville Jumbo Shrimp are a Miami Marlins minor-league baseball team. The PGA Tour is headquartered in Ponte Vedra Beach and annually hosts The Players Championship at Sawgrass. The Association of Tennis Professionals also has its national headquarters in Ponte Vedra Beach.

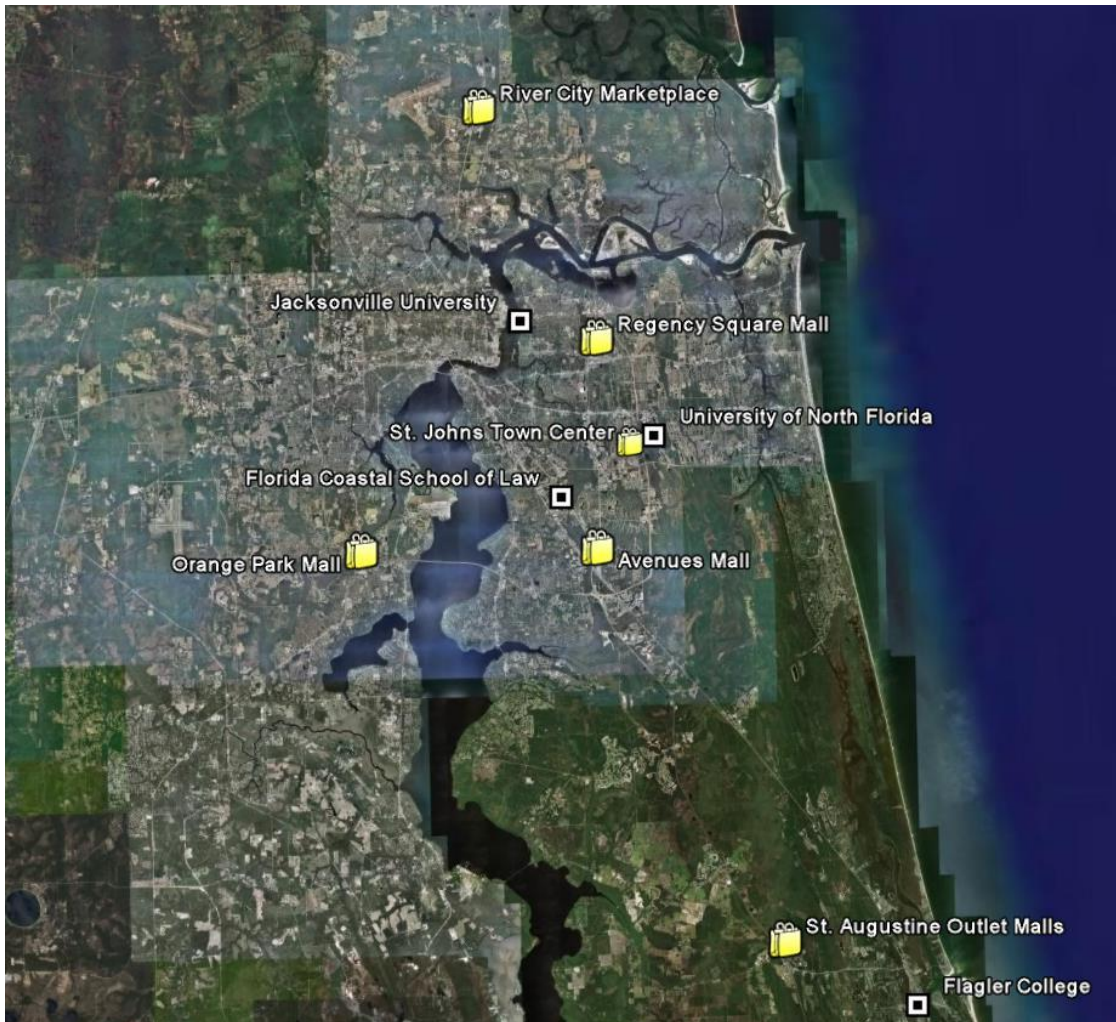
The National Park Service operates four facilities in the region: Timucuan Ecological Reserve, Fort Caroline National Memorial, Castillo De San Marcos National Monument, and Fort Matanzas National Monument. The Florida Park Service operates 13 facilities in the region. The City of Jacksonville owns the Jacksonville Zoo and Gardens, which at 120 acres is one of the largest zoos in the southeastern U.S.

Two daily newspapers are located in the region: The Florida Times Union and the St. Augustine Record. The region has four commercial television stations and a public television station. There are more than thirty radio stations serving the Jacksonville MSA.

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The region has numerous arts organizations, such as the Jacksonville Symphony Orchestra, Cummer Museum of Art and Gardens, and the Jacksonville Museum of Modern Art. The region has several small theatre production companies. National and international performers and productions routinely visit the region on their tours.

There are five super-regional shopping malls and one outlet shopping venue in the region. The Avenues Mall, Regency Square Mall, and Orange Park Mall are enclosed structures. St. Johns Town Center and River City Marketplace are open-air venues. St. Augustine has two outlet centers that effectively act as one large center. Major shopping venues and institutes of higher education are shown on the following map:



Conclusion

The Jacksonville MSA has a diverse geography and demographics which has created a dynamic and prosperous area. Considering the diversity of the local economy and the growth in the market, the long-term outlook of the area is good.

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Site Description

The subject site has a total of 6.36 acres of which 4.74 are uplands and 1.62 are wetlands. The upland acres appear to be about 40% to 50% impervious. The site is along the north side of a tributary of the St Johns River. The subject site has about 750 feet of marshlands between the usable land and the navigable water. The subject buildings are on the site's highest point; and gently slopes toward Baisden Road to the north. The site is improved with several fenced play areas and has asphalt-paved parking and driveways with about 45 marked parking spaces. There are additional paved areas for unmarked parking spaces.

Site Data		
	Land (SF)	Land (Acres)
Gross	276,992	6.36
Upland	206,425	4.74
Wetland	70,567	1.62

Site Description	
Shape	irregular
Frontage	N Main Street & Baisden Road
Access	N Main Street & Baisden Road
Topography/Drainage	gently sloping
Environmental Concerns	none noted
Functional Utility	average
Off-Site Improvements:	
Curb/Gutter	none noted
No. of Lanes	four
Sidewalks	none noted
Street Lights	yes
Traffic Lights	yes

Properties adjacent to the subject are as follows:

Adjacent Properties	
North	residential
West	vacant & marsh
South	marsh
East	residential

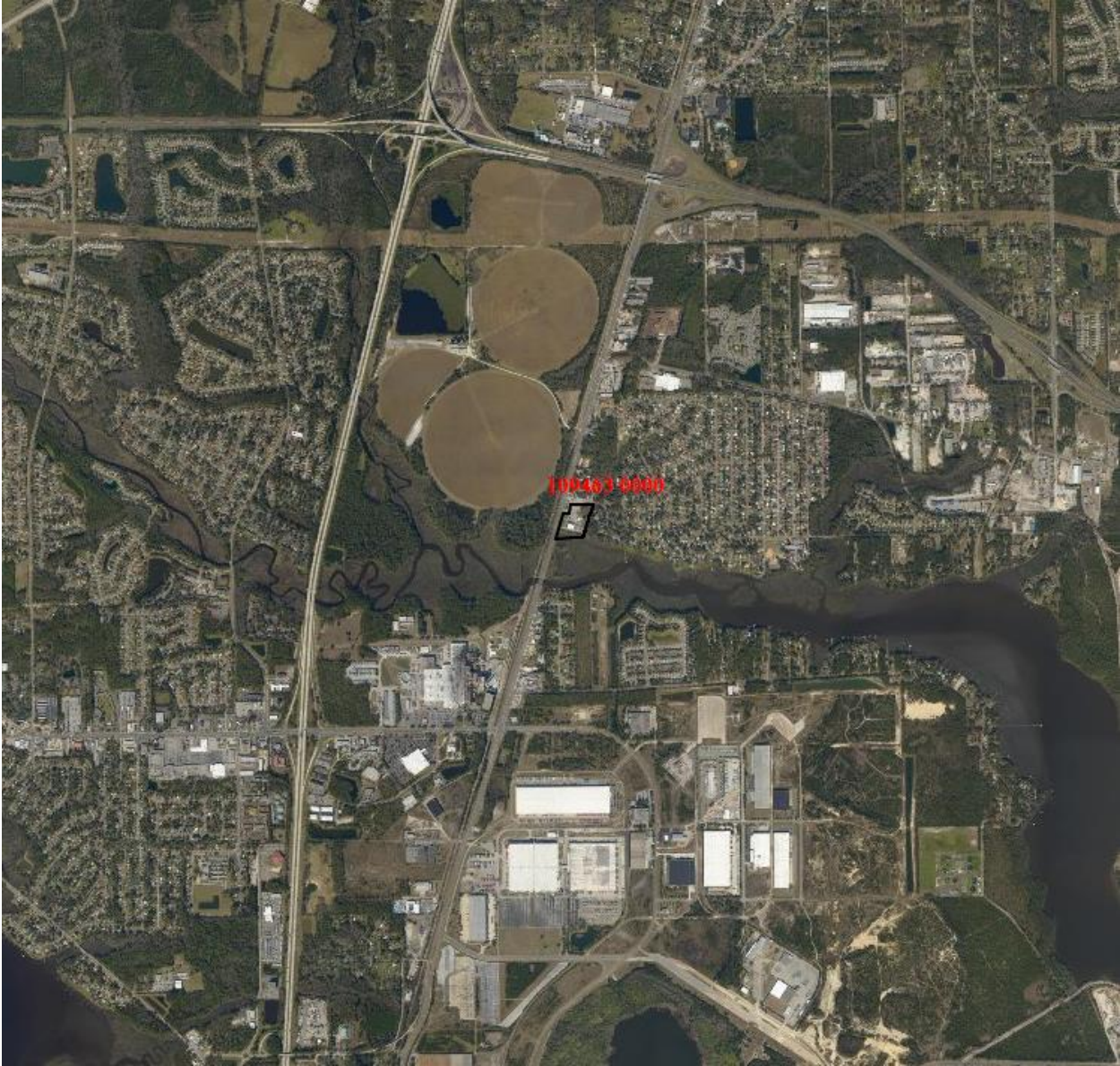
Utilities and Services

Public utilities and services are readily available to the subject site.

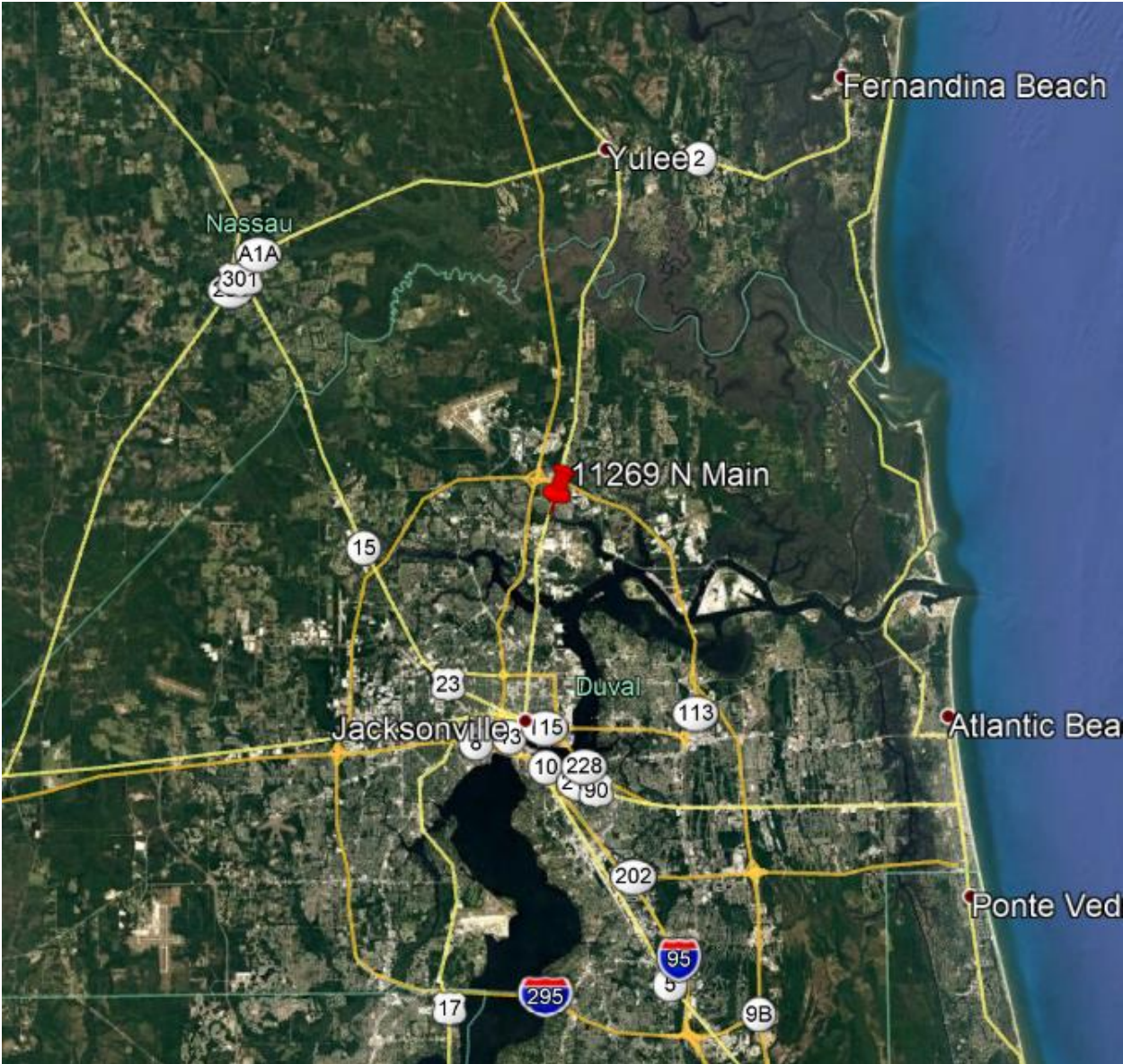
Aerial Map



Area Map



Location Map

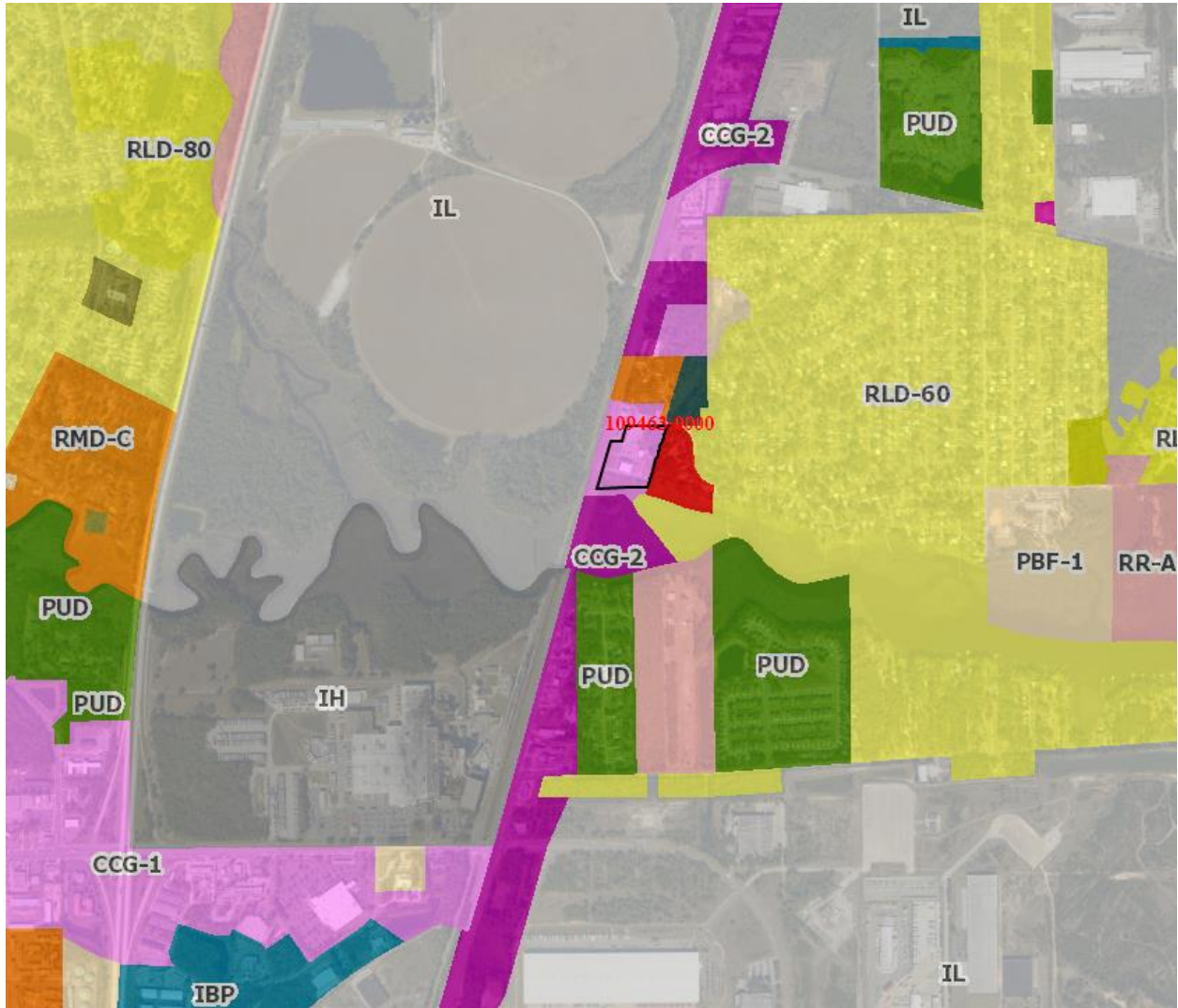


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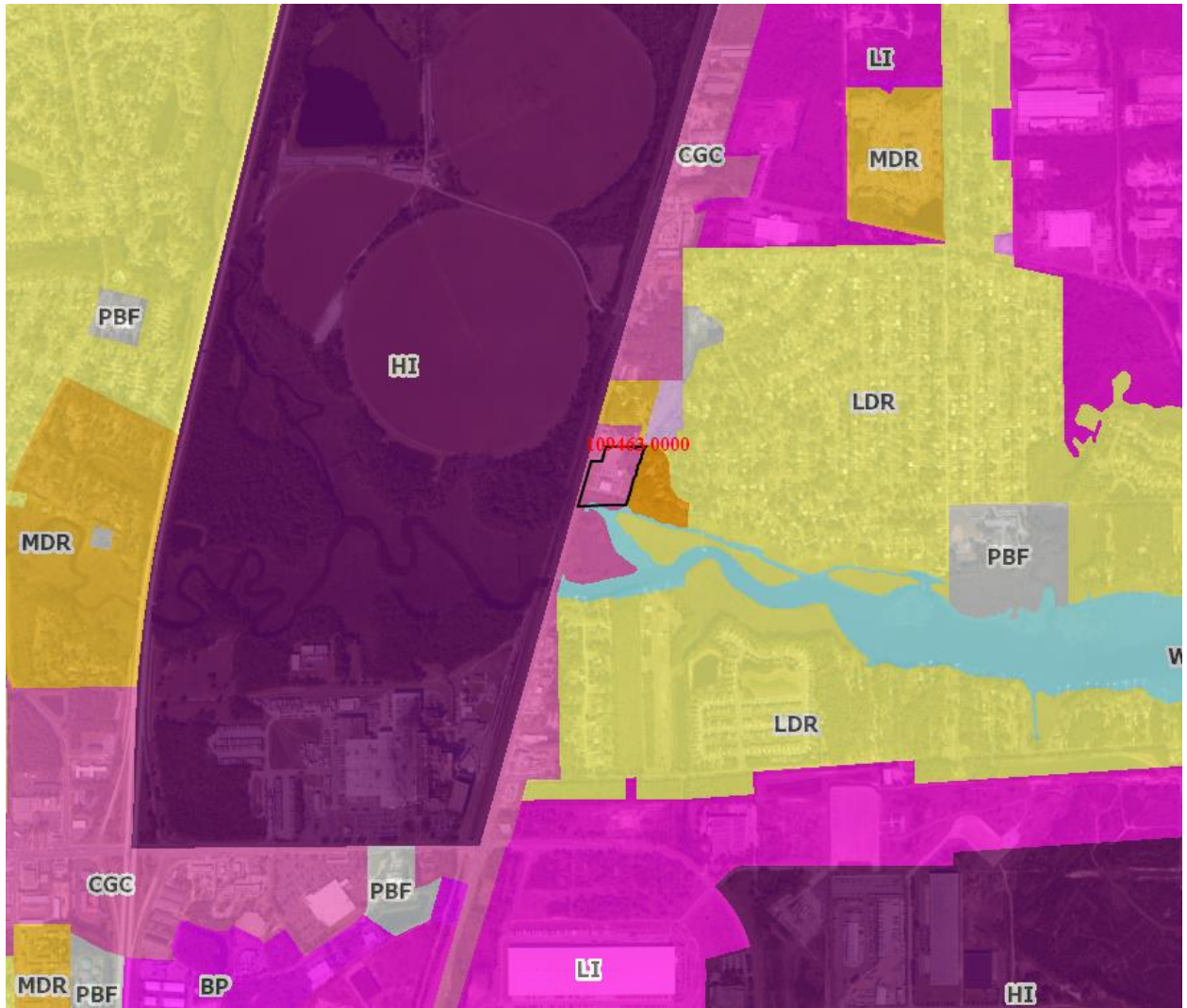
Zoning & Land Use

The property is zoned CCG-1 by City of Jacksonville and the land use is Commercial (CGC). Please refer to the Highest and Best Use section of this report for further discussion.

Zoning Map



Land Use Map

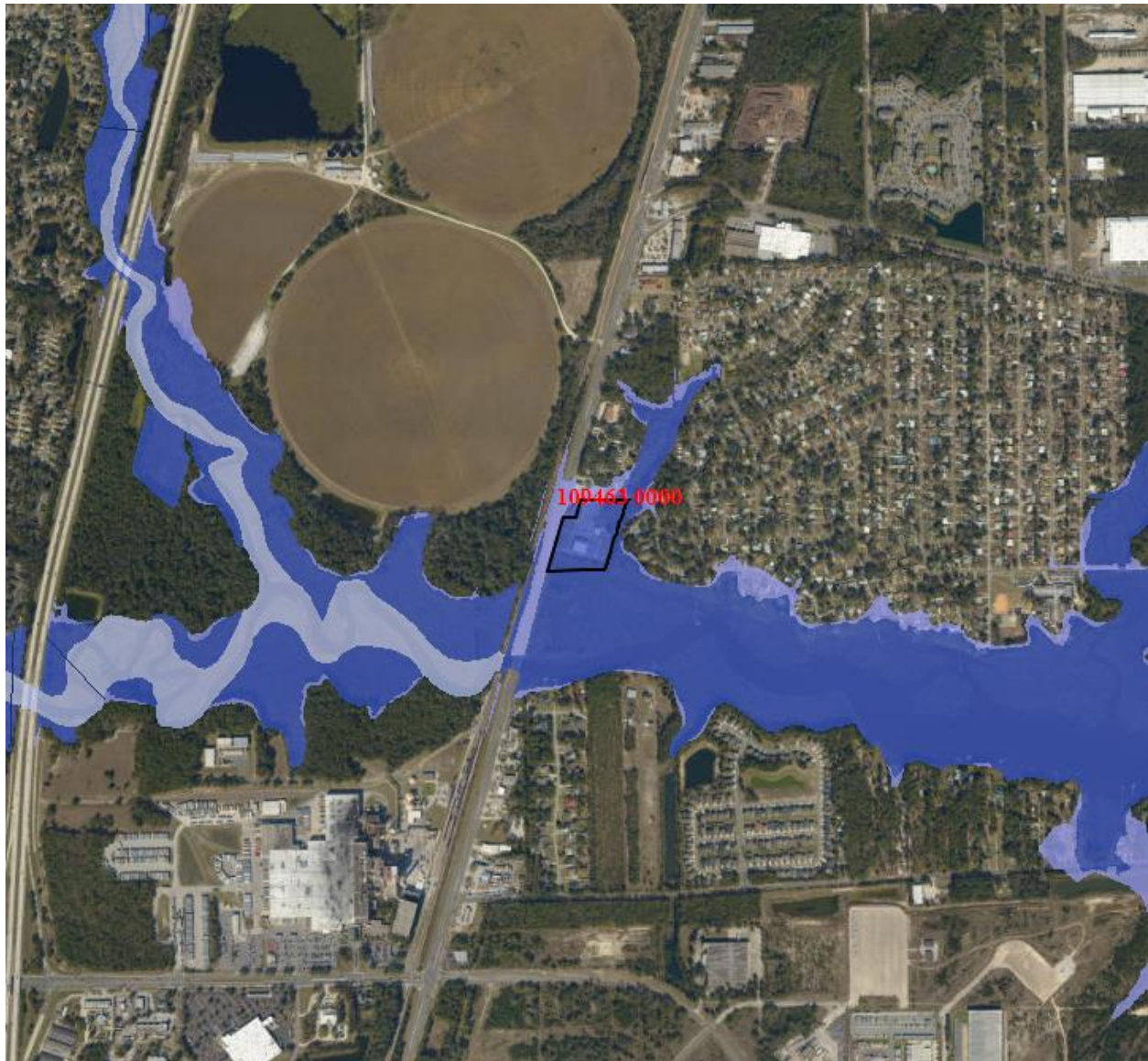


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Flood Information

The subject site is generally at road grade. Per FEMA Map No. 12031C0184H, dated June 3, 2013, the property is situated in Flood Zone AE. Flood hazard insurance is required for buildings situated in this zone.

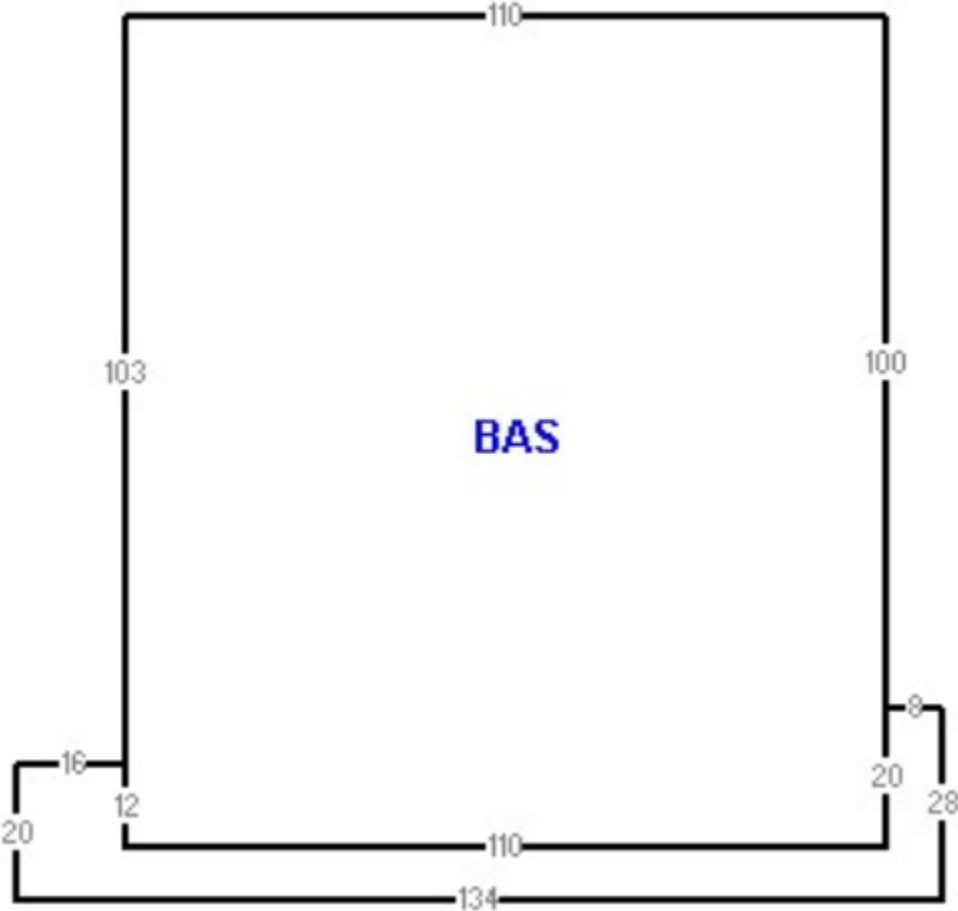
Flood Map



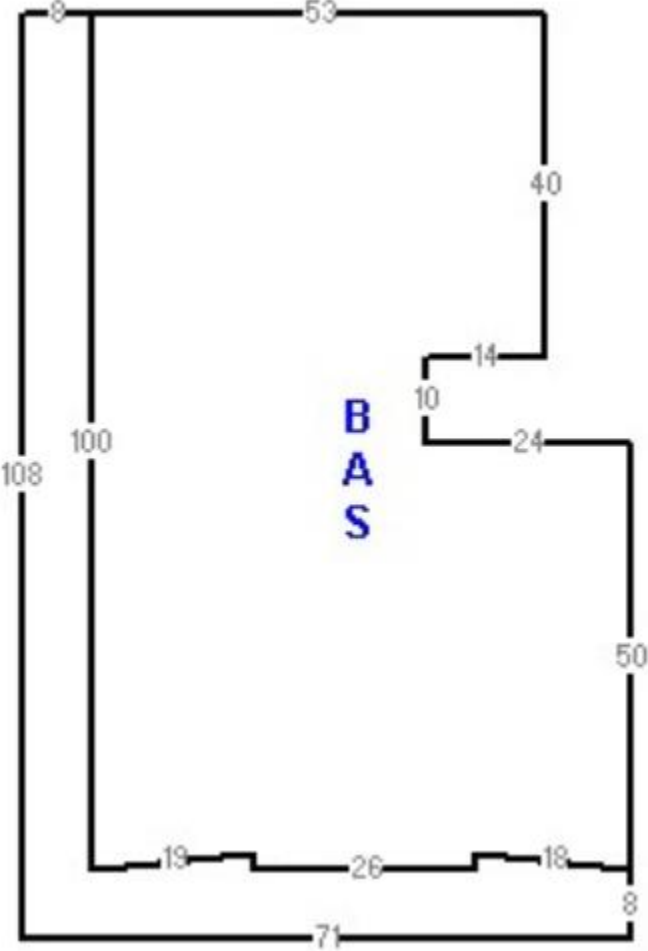
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Building Plans/Sketches – Three Buildings

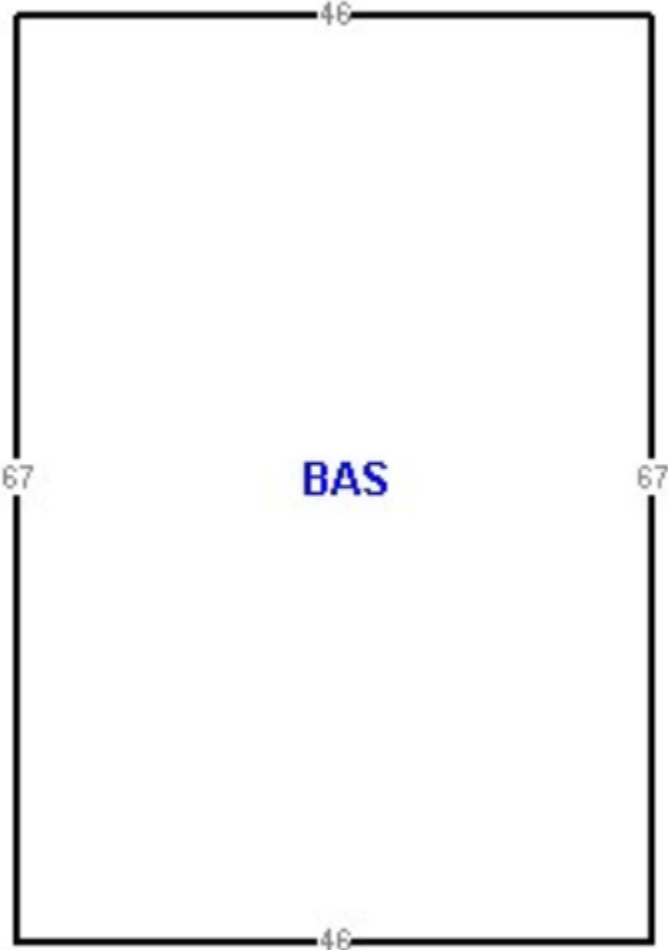
Building 1-



Building 2-



Building 3-



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Description of Improvements

The building improvements are as follows: Building 1 is a 13,200-square foot building originally built in 1960 as an A&P grocery store. Building 2 is a 5,623-square foot building that is attached to the 13,200-square foot building. It was built in 1967 as a retail building. And Building 3 is a freestanding, 3,082-square foot relocatable, modular metal building that was built in 2002. All three buildings are configured with classrooms of various sizes and shapes. The buildings also have several bathrooms through-out, a kitchen, a dining room, and staff offices. These buildings are configured for and occupied by the Just For Kids Learning Center. Many of the interior walls are not floor to ceiling; but are permanent partitions for separating the children into various groups. This daycare facility is certified by the State of Florida; has new, specialized plumbing; electrical generators; and a new roof.

General Building Details	
Year Built	Bldg. 1: 1962, Bldg. 2: 1967, Bldg. 3: 2002
Gross Building Size	21,905 square feet
Building Size Net Rentable	21,905 square feet
Overall Property Condition	average
No. of Stories	one
Floor Area Ratio	0.08
Land to Building Ratio	12.65
Occupancy	single-tenant
Parking	46

Construction Details	
Construction Type	CB & Face Brick & Modular Metal
Foundation	concrete slab
Roof Structure	Built-up & Metal sheeting
Exterior Walls	face brick & modular metal
Plumbing System	assumed adequate
HVAC	central
Electrical Service	assumed adequate
Fire Sprinkler	none noted

Site Improvements	
Drainage/Retention	on-site
Paving	asphalt
Parking Spaces	46
Parking Ratio/1,000	0.48
Landscaping	adequate
Fencing	perimeter chain linked
Exterior Lighting	yes
Signage	yes

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Taxes and Assessments

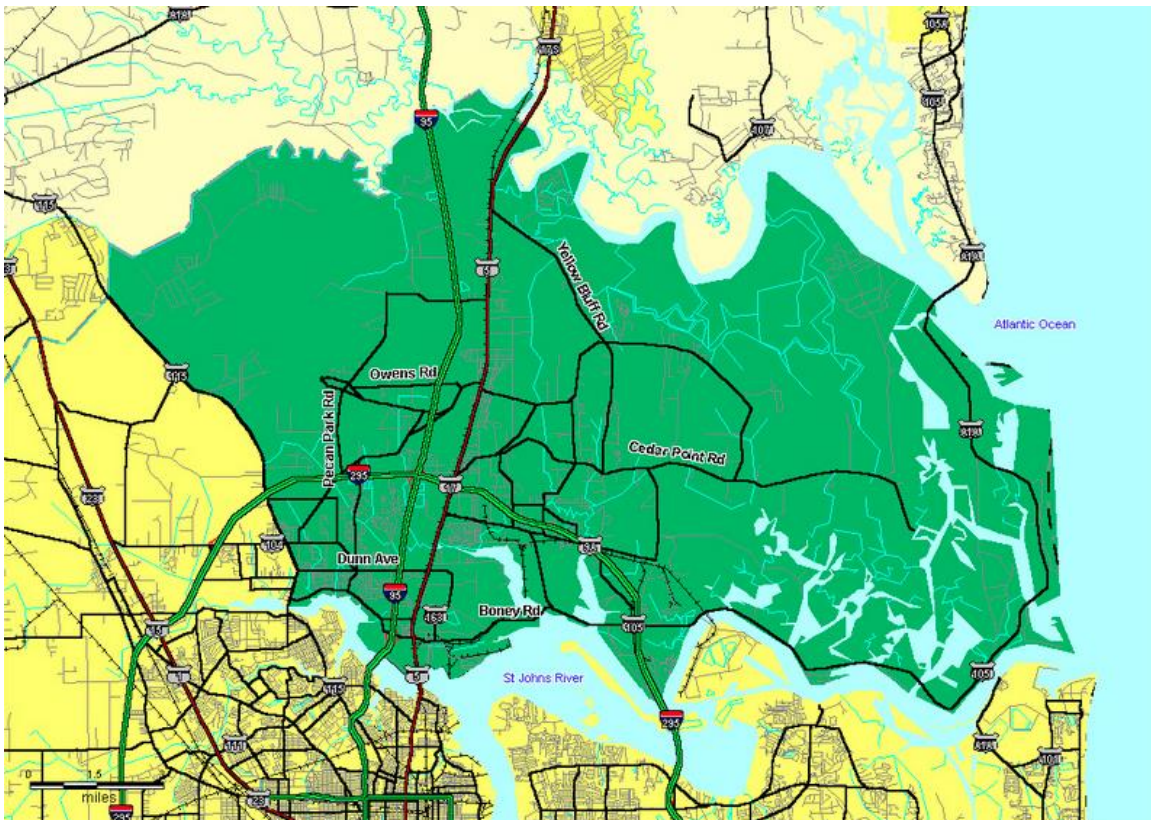
The current assessment for the property is \$808,953 with the land representing \$246,334 or 30% of the total. The balance reflects the improvement assessment of \$562,619 or 70% of the total assessment. The current real estate taxes are \$0.

The subject property is “tax exempt” because it is a certified daycare facility by the State of Florida.

Americans with Disabilities Act (ADA)

The Americans with Disabilities Act was passed on July 26, 1990. This Act provides comprehensive civil rights protection for individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications. This Act was designed to remove barriers which prevent qualified individuals with disabilities from enjoying the same employment opportunities and access to public facilities available to persons without handicaps. We have not made an ADA compliance survey as it is beyond the scope of our expertise as appraisers.

Neighborhood



We defined the subject neighborhood as the Northeast submarket of Jacksonville. It is a geographic area generally north of the St. Johns River, west of the Atlantic Ocean, south of the Nassau River and east of US Highway 115 (Lem Turner Road).

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We have surveyed the neighborhood to determine what types of land uses and improvements are present in the area. The subject is along N. Main Street about midway between I-295 to its north and Dunn Avenue to its south. N. Main Street is a major north-south roadway along with I-95 Yellow Bluff and New Berlin Roads. New Berlin also turns and runs east-west along with Airport Center Drive. The subject is about two miles south of the new River City Lifestyle Mall. The area north of I-295 and between Yellow Bluff Road and N Main Street has several residential subdivisions that were developed since the early 2000s. According to data provided by The Site To Do Business (STDB), 61,014 people live within a ten-minute drive time of the subject; and 8.4% are five years of age or younger. There are 15,518 families with an average household income of \$58,238. These data imply inferred demand for daycare services and other commercial development.

The Northeast submarket of Jacksonville includes the Jacksonville International Airport, the Timucuan Ecological and Historic Preserve, and Kingsley Plantation, the last remaining plantation house in the state of Florida. The area is mainly residential and there is an abundance of vacant land in the east, north and west portion of the submarket. The main retail and residential population is concentrated around I-295, in the southern portion of the submarket. Main transportation routes include I-295, I-95, Lem Turner Road, and State Road 5 (Main Street).

Retail metrics are good indicators of a neighborhood's overall economic well-being. The largest retail area in the Northeast submarket is River City Marketplace, located at I-95 and Airport Road. The River City Marketplace is a 125-acre, outdoor Lifestyle shopping mall; and the only one north of the St. John's River; which forms a natural barrier within the Jacksonville MSA. Major stores include Walmart, Lowes, Dick's Sporting Goods, Marshalls, BestBuy, Hollywood Theatres and Bed, Bath & Beyond.

The only other large retail space in the submarket located on either side of I-95, along Dunn Avenue. Major tenants in the area include Sam's Club, Walgreens, and Starbucks.

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Marketability Analysis

Our analysis revealed the following market data regarding the sale of institutional properties such as school, lodges, and worship facilities within the Jacksonville MSA over the past three years. The data shows sales volume of \$33 million and about 313,000 square feet sold. There were thirteen sales recorded averaging about 24,000 square feet per sale at an average sale price of \$109 per square foot. As expected, rent and vacancy data were not available. This market data may not be comprehensive enough to be very meaningful.

Institutional Properties: Schools, Lodges, and Worship Facilities

Sales Volume	Survey	Min	Max	Sales	Survey	Min	Max
Transactions	13	-	-	Sale Price Per SF	\$109	\$11	\$238
Sold SF	312,739	3,555	68,324	Avg Sale Price (Mil.)	\$3.0	\$0.4	\$16
Sales Volume (Mil.)	\$33	\$0.4	\$16	Cap Rate	-	-	-
Avg SF	24,057	3,555	68,324	Percent Leased	-	-	-

For Sale	Survey	Min	Max	Properties	Survey	Min	Max
Listings	-	-	-	Existing SF	312,739	3,555	68,324
For Sale SF	-	-	-	Vacancy Rate	-	-	-
For Sale Volume (Mil.)	-	-	-	Rent Per SF	-	-	-
Asking Price Per SF	-	-	-	12 Mo. Absorption	-40,000	-40,000	0
Avg Asking Price (Mil.)	-	-	-	12 Mo. Leasing SF	0	0	0

Our research for properties that would compete for buyers of the subject revealed the following ‘for sale’ listing data located in the subject’s competitive market area.

Comparable Properties Listed "For Sale"

	Location	Name	List Price	Building Size	Price/SF
1	2360 St Johns Bluff Rd S	Harvest Private School	\$7,000,000	53,990	\$129.65
2	7830 Normandy Blvd	Victory Chapel	\$4,990,000	40,000	\$124.75
3	3266 Southside Blvd	Family Life Center	\$3,100,000	28,000	\$110.71
4	8050 Lone Star Rd	Private School	\$2,700,000	27,500	\$98.18
5	6429 Atlantic Blvd	Jacksonville Church/School	\$1,795,000	19,392	\$92.56
6	1195 Edgewood Ave S	Jones College	\$1,750,000	29,054	\$60.23

The foregoing ‘for sale’ listing data was like the subject property in overall location and use. The listing price per square foot has a range from \$60.23 to \$129.65.

Based on our review of the current trends within the subject’s market area, the subject property appears to be as marketable as its direct competition.

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Highest and Best Use Analysis

According to the *Dictionary of Real Estate Appraisal, 6th Edition*, highest and best use is defined as: The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible and that results in the highest value. The four criteria the highest and best use must meet are physically possible, legally permissible, financially feasible and maximally productive. Alternatively, the probable use of land or improved property, specific with respect to the user and timing of the use, that is adequately supported and results in the highest present value.


When a site is improved, we must recognize that the highest and best use may differ from the existing use; however, the existing use will continue, unless and until, land value (at its highest and best use) exceeds the total value of the property in its present use. The definition of highest and best use recognizes the contribution of a specific use to the community or to individual property owners.

The determination of highest and best use results from the appraiser's judgment and analytical skill; i.e., determination of highest and best use is an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use is the premise upon which value is based. In the context of investment value, "most profitable use" is another alternative term but the degree of risk must be considered.

The highest and best use concept requires an analysis of the subject as if it were vacant and also as improved to determine if the land is more valuable as vacant than the property as improved. There are four criteria that must be met. The highest and best use must be 1) physically possible; 2) legally permissible; 3) financially feasible; and, 4) maximally productive. These criteria are generally considered sequentially; and the analysis may indicate more than one use.

Development of Highest and Best Use Opinion (Market Value Appraisals)

Process:

Least Intensive	Inferred, based on readily observed evidence such as surrounding land uses, age and condition of existing improvements, and known market demand for property type*
	Application of four tests (physically possible, legally permissible, financially feasible, maximally productive) but based on readily observed evidence*
	Application of four tests (physically possible, legally permissible, financially feasible, maximally productive) with research into each factor, testing for feasibility
Most Intensive	Application of four tests (physically possible, legally permissible, financially feasible, maximally productive) with complete market analysis and feasibility study

* Extraordinary assumptions may need to be stated about information taken to be true when it is uncertain.

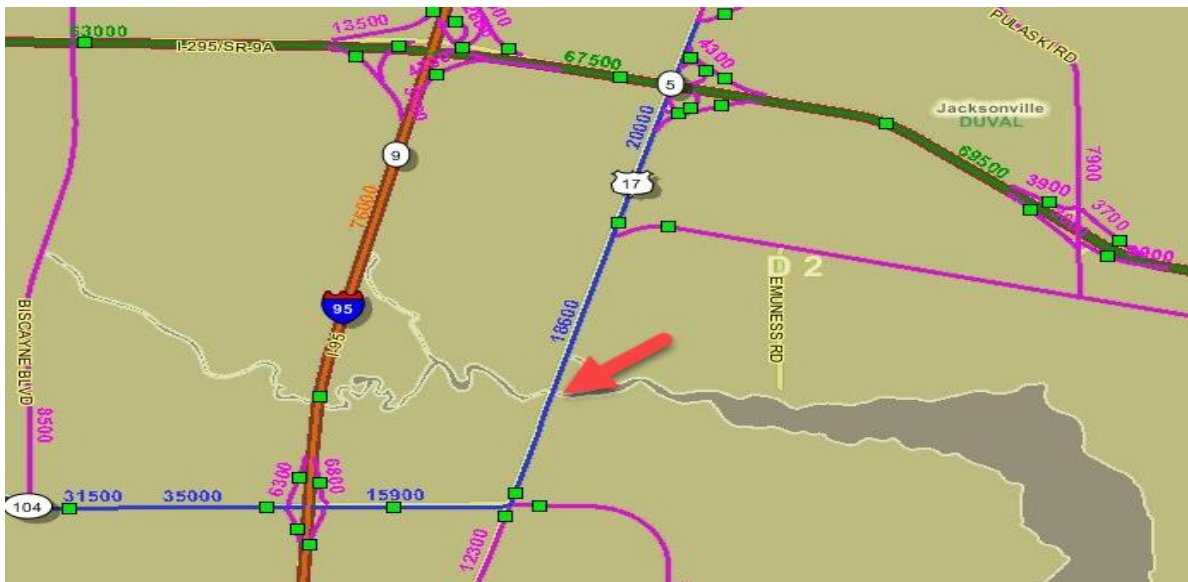
Source: Stephanie Coleman, *Scope of Work* (Chicago: Appraisal Institute, 2006)

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Physically Possible

The subject site, given its size and configuration, is well suited for a variety of potential uses. Elements such as site size, availability of utilities, known hazards (flood, environmental, etc.), and other potential influences are described in the Site Description and have been considered. The subject is an irregular shaped site containing 4.74 upland acres, or 206,425 upland square feet. The site has frontage along N. Main Street and Baisden Road. The site also contains marshes that front a tributary of the St Johns River. The size and shape of the property create a functional site. There are no known physical site characteristics that would significantly restrict the development of any land uses that comfortably fit on the site. Therefore, from a physically possible perspective, the subject site could physically support some type of commercial development, which would fit within the confines of the site.

Average daily traffic is the total volume passing a point or segment of a roadway facility, in both directions, during a 24-hour period. Almost 20,000 cars per day pass along N. Main Street along the subject segment.



Legally Permissible

The property is zoned CCG-1 by City of Jacksonville. The property has a Commercial (CGC) land use.

A partial list of uses allowed under this CCG-1 zoning code are retail sales and service establishments, professional and medical offices, hotels, museums, dance studios, day care centers, self-storage, worship facilities, and gas stations. Multi-family, service garages, private clubs, and nightclubs are allowed on an exception basis.

This zoning district is appropriate for the location and physical elements of the subject, providing for a consistency of use with the general neighborhood. The location of the subject is appropriate for the uses allowed and a change in zoning is unlikely.

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Financially Feasible

Once physically possible and legally permissible uses are determined, an appraiser considers the potential of economic or financial feasibility for the most probable uses via a cost/benefit analysis or through direct market observation. The probable use of the site for commercial development conforms to the pattern of land use in the market area, representing a positive inferred market demand. A review of published rental and occupancy rates for the most probable use of the site was performed. Supply and demand appear to be in balance. Therefore, development of the site with this or allied uses would be financially feasible.

Those uses which are financially feasible and maximally productive are closely related. Any use that results in a net return to the land after satisfying the return to the improvements is financially feasible; however, that use which returns the maximum dollars to the land is considered the use which is maximally productive.

Maximally Productive

Among the financially feasible uses, the use that results in the highest value (the maximally productive use) is the highest and best use. Considering these factors, the maximally productive use as though vacant is for a commercial development as restricted by the subject zoning.

As If Vacant

It is our opinion that the highest and best use of the subject property, as if vacant, would be for daycare development as restricted by current zoning.

Highest and Best Use As Improved

In determining the highest and best use of the property as improved, the focus is on three possibilities for the property: 1) continuation of the existing use, 2) modification of the existing use, or 3) demolition and redevelopment of the land.

Retaining the improvements, as they exist, meets the tests for physical possibility, legal permissibility, and financial feasibility. Any alternative use of the existing improvements is unlikely to be economically feasible. The improvements contribute to the value of the property over and above that of the site as if vacant plus demolition; thus, there are no alternative uses that justify razing the improvements. Because the property improvements exist, maximally productive use is not at issue given the intended use and purpose of the appraisal.

Conclusion of Highest and Best Use as Improved

The site has been improved with a 21,905 gross square foot, single-tenant daycare building. The subject property was built in 1962, 1967, 2002, and is constructed on 4.74 upland acres. The improvements are in average to good condition.

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Given the subject's location, size, shape, and surrounding land uses, we have identified the highest and best use of the subject property "as improved" to be a daycare property that best utilizes the size and shape of the subject site.

Most Probable Buyer/User

As of the date of value, the most probable buyer/user would be an owner-user.

It is our opinion that the highest and best use of the subject property, as improved, is considered its current use as a daycare facility. It is our opinion that the improvements will continue to add value over and above land value into the foreseeable future. With the highest and best use identified, we can proceed with our valuation.

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Sales Comparison Approach

The Appraisal Institute's *Dictionary of Real Estate Appraisal, 6th Edition*, defines the sales comparison approach as "A set of procedures in which a value indication is derived by comparing the property being appraised to similar, recently sold properties, then applying appropriate units of comparison and adjusting the sale prices of the comparable sales based on the elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant; it is the most common and preferred method of land valuation when an adequate supply of comparable sales is available."

The sales comparison approach is based on the principle of substitution. Substitution suggests that property values tend to be set by the cost of acquiring an equally desirable substitute. The primary steps of the sales comparison approach were as follows:

1. Sales of properties that were like the subject were identified. Ideally, the comparable properties would be equally desirable (identical attributes of market conditions, site, location, improvements, etc.). However, no two properties are identical – at a minimum the locations must be slightly different. Thus, sales of properties that were reasonable economic substitutes were identified.
2. Attributes of the each comparable (substitute) property were compared to the subject property's corresponding attribute. If there was a material difference between a comparable property and the subject regarding a value attribute, then we evaluated the degree of inferiority/superiority.
3. The sales prices of the comparable properties were adjusted to compensate for material inferiority/superiority between the comparable properties' attributes and the subject property's attributes. For example, if a comparable property's location was superior to the subject's location, then the price of the comparable property was adjusted downward to render its value equivalent to the subject property. Alternatively, if a comparable property's location was inferior to the subject's location, then the price of the comparable property was adjusted upward to render its value equivalent to the subject property.
4. After all adjustments were made, the comparable properties have theoretically been altered into a value duplicate of the subject property. The adjusted values of the comparable sales provide indications of the subject's value. Indications of the subject's value typically vary across a range. An opinion of value for the subject was developed based on the appraiser's level of confidence for the various adjusted values.

Direct Sales Comparison is a valuation technique in which a value opinion is predicated on prices paid in actual market transactions. In this process, comparison is made between properties having a satisfactory degree of similarity to the subject.

We searched the Jacksonville MSA for Comparable Sales of similar properties. Most of the older daycare facilities we found were much smaller than the subject; and most of the larger properties like the subject were newer and leased to regional or national daycare providers or franchisees. Thus, we expanded our search to include larger school, church/school, or recreational properties. These properties are like the subject with classrooms and large land areas for parking, playgrounds, and outdoor activities.

Comparable Sale write-ups, an adjustment grid, and a comparable sales map are presented thereafter.

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Improved Sale No. 1



Property Identification

Record ID 162
Property Type Institutional, Daycare
Address 2031 Town Center Blvd., Orange Park, Clay County, Florida
32003
Tax ID 08-05-26-014266-032-00

Sale Data

Grantor 3 Bears Enterprises II, LLC
Grantee Double L Enterprises, III
Sale Date June 10, 2016
Deed Book/Page 3867-0083
Property Rights Fee simple
Conditions of Sale Arm's length
Financing Cash to seller
Verification Other sources: Public records, Confirmed by Robert Hornbuckle

Sale Price \$1,935,000
Downward Adjustment \$260,000
Adjusted Price \$1,675,000

Land Data

Land Size 9,385.000 Acres or 408,810,600 SF
Zoning PUD
Topography Level
Utilities Public
Shape Irrgular

General Physical Data

Building Type Single Tenant
SF 9,385

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Improved Sale No. 1 (Cont.)

Construction Type	Wood frame
Roof Type	Shingle
Foundation	Slab
HVAC	Central
Stories	1
Year Built	2002
Condition	Average

Indicators

Sale Price/ SF	\$206.18
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Remarks

According to a seller's representative, this transaction included \$260,000 worth of business value. This is the sale of a daycare center operating as a franchise known as Primrose School. The buyer purchased the real estate as well as the franchise.

Improved Sale No. 2



Property Identification

Record ID 178
Property Type Institutional, Church
Address 10911 Old St. Augustine Road, Jacksonville, Duval County, Florida 32257
Tax ID 155672-0000

Sale Data

Grantor Florida Conf. Assoc. of Seven Day Adventists
Grantee Augustine Rd Charter Property, LLC
Sale Date March 28, 2016
Deed Book/Page 17513-2211
Property Rights Fee simple
Conditions of Sale Arm's length
Verification Bruce Jackson; 904-630-6345, July 12, 2016; Other sources: Public records, Confirmed by Robert Hornbuckle

Sale Price \$3,000,000
Cash Equivalent \$3,000,000

Land Data

Land Size 7.810 Acres or 340,203 SF
Zoning CRO
Topography Level
Utilities Public
Shape Irregular

General Physical Data

Building Type Single Tenant

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Improved Sale No. 2 (Cont.)

SF	24,057
Construction Type	Wood frame
Roof Type	Asphalt shingle
Foundation	Concrete slab
HVAC	Central
Stories	1
Year Built	1983
Condition	Average

Indicators

Sale Price/ SF	\$124.70
Floor Area Ratio	0.07
Land to Building Ratio	14.14:1

Remarks

Grantee purchased the church and is reconfiguring/expanding the property to be a charter school.

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Improved Sale No. 3



Property Identification

Record ID 228
Property Type Institutional, Daycare
Address 3968 Sunbeam Road, Jacksonville, Duval County, Florida
32257
Location Mandarin
Tax ID 148945-0010

Sale Data

Grantor Ameris Bank
Grantee Kids Expanding The Kingdom LLC
Sale Date February 25, 2016
Deed Book/Page 17522-0227
Property Rights Fee simple
Conditions of Sale Bank Sale
Financing Cash to seller
Verification Patricia Owings; 904-242-2828, March 08, 2018; Other sources:
Public Records, Confirmed by Robert Hornbuckle

Sale Price \$430,000
Cash Equivalent \$430,000

Land Data

Land Size 0.470 Acres or 20,473 SF
Zoning CRO, Office/Institutional
Topography Level
Utilities Public
Shape Irregular

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Improved Sale No. 3 (Cont.)

General Physical Data

Building Type	Single Tenant
Gross SF	4,448
Construction Type	Wood Frame
Roof Type	Composite shingle
Foundation	Concrete slab
HVAC	Central
Stories	2
Year Built	1988

Indicators

Sale Price/Gross SF	\$96.67
Floor Area Ratio	0.22
Land to Building Ratio	4.6:1

Remarks

This property was the former Mandarin Country Day School that had closed; and it was purchased to be a daycare/preschool facility. This was a bank sale; however, Patricia Owings, broker for the buyer and Paul Porter, broker for the seller both stated that this was an arm's-length sale that sold at a market price.

Improved Sale No. 4



Property Identification

Record ID 229
Property Type Institutional, Daycare
Address 4365 Losco Road, Jacksonville, Duval County, Florida 32257
Location Mandarin
Tax ID 156418-0000

Sale Data

Grantor Just 4 Kids Learning Academy, Inc.
Grantee Just 4 Kids Learning Academy of JAX, Inc.
Sale Date June 29, 2016
Deed Book/Page 17613-1493
Property Rights fee simple
Conditions of Sale Arm's-length
Financing Cash to seller
Verification March 09, 2018; Other sources: Public records, Confirmed by Robert Hornbuckle

Sale Price \$1,640,000
Cash Equivalent \$1,640,000
Downward Adjustment \$410,000
Adjusted Price \$1,230,000

Land Data

Land Size 1.867 Acres or 81,327 SF
Front Footage Losco Road;
Zoning PUD, Office/Institutional
Topography Level
Utilities Public

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Improved Sale No. 4 (Cont.)

Shape	Irregular
<u>General Physical Data</u>	
Building Type	Single Tenant
Gross SF	8,068
Construction Type	C B, Stucco , & Wood Frame
Roof Type	Composite shingle
Foundation	Concrete slab
HVAC	Central
Stories	1
Year Built	1972 Blended Age
<u>Indicators</u>	
Sale Price/Gross SF	\$203.27
Floor Area Ratio	0.10
Land to Building Ratio	10.08:1

Remarks

This daycare facility consists of three buildings built in 1960, 1972, and 1989. We estimated a blended effective age of 30 years. This sale included the daycare business value that we estimated to be 25% of the sale price. The property's 2017 assessed value was \$761,360. The owner did not have the business listed "for sale"; but received an unsolicited offer. The owner decided to accept the offer due to declining health; and there were no brokers involved in the sale. The subject was not confirmed by the buyer or seller; but 20% to 30% is a reasonable estimate of business value for daycare facilities. Two of the buildings were converted residences with several open porches. These porches were not included in the buildings' total square footage.

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Improved Sale No. 5



Property Identification

Record ID 230
Property Type Church, School, Recreational
Address 8301 Ft Caroline Road, Jacksonville, Duval County, Florida
32277
Location Arlington
Tax ID 109051-0000

Sale Data

Grantor Young Mens Christian Association of Jax
Grantee Cornerstone Christian School, Inc.
Sale Date February 27, 2018
Deed Book/Page 18295-1777
Property Rights Fee simple
Conditions of Sale Arm's-length
Verification Carmen Mantay, NAI Hallmark; 904-553-5238, March 14, 2018;
Other sources: appraisal files, Confirmed by Robert Hornbuckle

Sale Price \$1,200,000
Cash Equivalent \$1,200,000

Land Data

Land Size 7.040 Acres or 306,662 SF
Front Footage Ft Caroline Road;
Zoning RLD-60, Residential
Topography Sloping towards St Johns River

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Improved Sale No. 5 (Cont.)

Utilities All available
Shape Irregular

General Physical Data

Building Type Single Tenant
Gross SF 16,660

Construction Type Concrete block & stucco
Roof Type Built-up & metal sheeting
Foundation Concrete slab
HVAC Central
Stories 1
Year Built 1990

Indicators

Sale Price/Gross SF \$72.03
Floor Area Ratio 0.05
Land to Building Ratio 18.41:1

Remarks

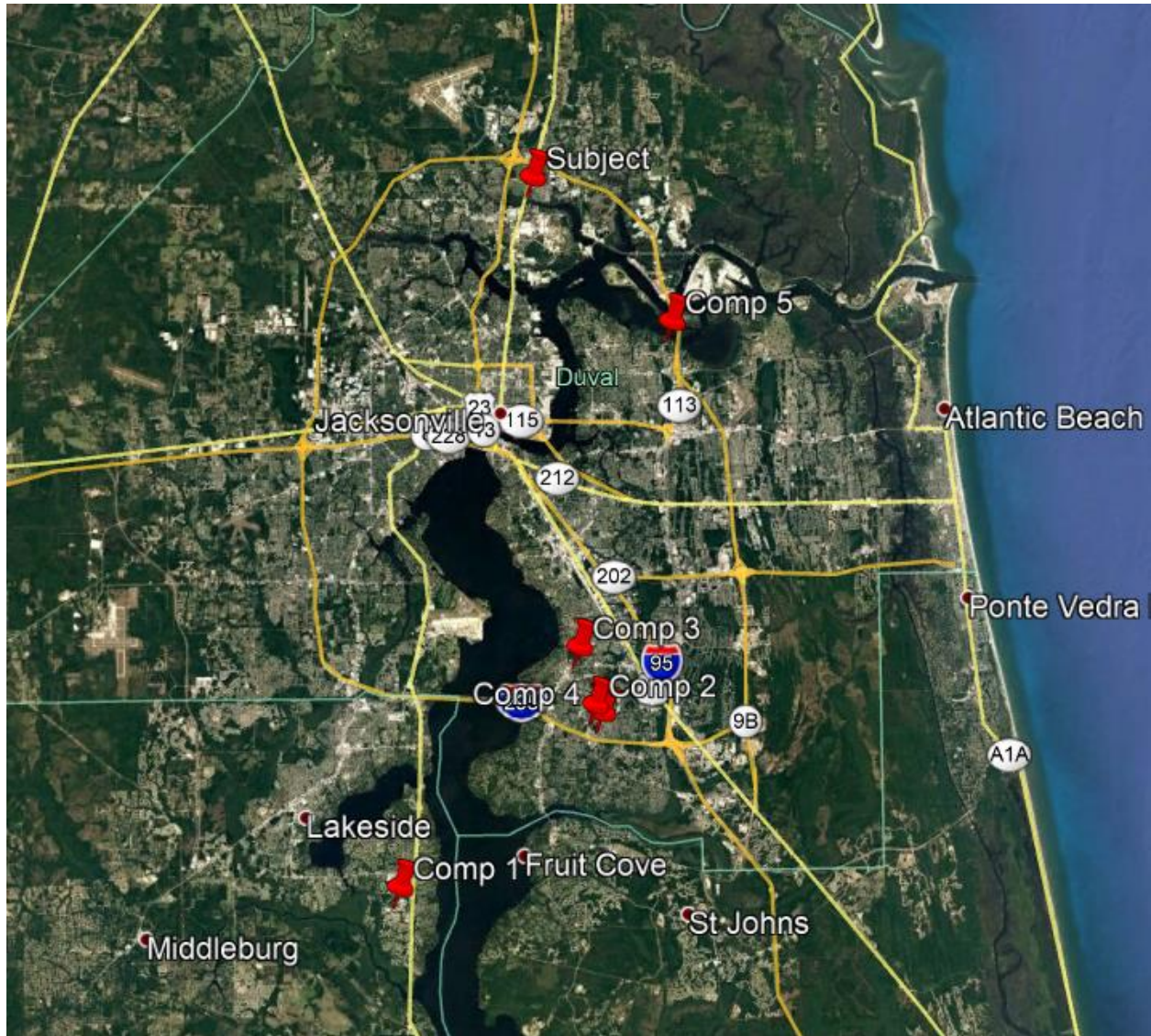
This was the sale of a functioning YMCA property to Cornerstone Church. The buyer plans to use it for special programs such as day or Summer camps, recreational use, special classes, and youth retreats. The property consisted of a gymnasium/auditorium, a classroom building with offices, and a separate bathhouse associated with the outdoor swimming pool. The 7.1-acre site has 84 asphalt-paved parking spaces, a soccer field, children's playgrounds, and an outdoor pool. Tennis courts needed repair and were not functional. The listing broker, Carmen Mantay stated that she had received three offers within the first month after listing the property. Two were from Providence School and Cornerstone Christian School, the eventual buyer. Carmen stated that all offers were reasonably close to the sale price.

The property was under contract for \$1,366,250. But the final inspection shows some needed repairs, specifically with the outdoor swimming pool and the roof on one of the buildings. Thus, the sale price was negotiated downward to \$1,200,000 to help cover needed repairs.

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Improved Sales Summary and Adjustment Grid						
	Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
Location:	11269 N. Main Street	2031 Town Center Blvd.	10911 Old St. Augustine Road	3968 Sunbeam Road	4365 Losco Road	8301 Ft Caroline Road
Submarket:	Northside	Orange Park	Mandarin	Mandarin	Mandarin	Arlington
Date of Sale:		June-16	March-16	February-16	June-16	February-18
Sale Price:		\$1,935,000	\$3,000,000	\$430,000	\$1,640,000	\$1,200,000
Adjusted Sale Price:		\$1,675,000			\$1,230,000	
Building Size:	21,905	9,385	24,057	4,448	8,068	16,660
Unadjusted Price/SF:		\$178.48	\$124.70	\$96.67	\$152.45	\$72.03
Adjustments						
Rights Transferred:		Fee simple	Fee simple	Fee simple	Fee simple	Fee simple
Financial Considerations:		Market	Market	Market	Market	Market
Conditions of Sale:		Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length
Market Conditions - Time:		Stable	Stable	Stable	Stable	Stable
Time Adjusted	2.00%	3.47%	3.87%	4.05%	3.36%	0.03%
Cash Equiv. Price/SF:		\$178	\$125	\$97	\$152	\$72
Location:	Average	Superior	Superior	Superior	Superior	Similar
		-10%	-10%	-5%	-5%	0%
Building Size (SF):	21,905	9,385	24,057	4,448	8,068	16,660
		-10%	0%	-15%	-10%	0%
Year Built/Condition:	1967	2002	1983	1988	1972	1990
		-20%	-10%	0%	0%	0%
Floor Area Ratio:	0.08	0.14	0.07	0.22	0.10	0.05
		5%	0%	10%	0%	0%
Net Adjustments:		-35%	-20%	-10%	-15%	0%
Adjusted Price/SF:		\$116	\$100	\$87	\$130	\$72

Subject and Comparable Sales



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Improved Sales Analysis

The preceding sales were confirmed to offer the best indication of value of the subject via the Sales Comparison Approach. Multiple sales were examined, and in the final analysis they were narrowed to the five most comparable transactions.

There are several units of comparison generally employed in the analysis of Daycare properties. In this instance, the market dictates price per square foot index is most appropriate. The adjustment categories include business value, market conditions, location, building size, year built/condition, and floor area ratio.

Daycare facilities are often purchased as a going concern; which includes the value of the real property and the intangible business value. Our assignment was to value the real property; thus, we separated the business value from the sale prices of the Comparable Sales if it were included.

Comparable Sale 1 had a reported \$260,000 included in the sale price; and Comparable Sale 4 sold as a going concern and included business value; which we estimated to be 25%. Thus, we deducted these amounts from the sale prices to determine the adjusted sale prices of the real property only.

All the transactions were financed at market terms by third party financial institutions; hence, no adjustments for financing were required. If atypical financing were involved in the transaction, the appraiser would determine if those terms had a quantifiable effect on the sale price requiring adjustment.

Each transaction was confirmed to be arm's length between willing buyers and sellers; therefore, no adjustments for abnormal conditions of sale were necessary. However, if a listing is included in the analysis, a downward adjustment is considered to reflect a typical cushion for negotiations. Nonetheless, the amount of adjustment, if any, would depend on the asking price as it relates to the market at that time. Some transactions might include a bank sale sometimes referred to as "short sale". An adjustment will be made if warranted based on the confirmation of that transaction.

Adjustments for time and price trends attempt to quantify changes in market conditions between the date of each sale and the date of the appraisal, based on current market conditions and available properties. All of the transactions are relatively timely, taking place from February, 2016 to February, 2018. Adjustment for this category would be based on any quantifiable appreciation or depreciation, typically identified through paired sales analysis.

The Comparable Sales were adjusted by an annual rate of 3.0% for the time between their sale dates and the Subject's valuation date.

Adjustments for location typically are associated with the general demographics of the area and property specific influences such as traffic counts, ingress/egress, proximity to linkages such as interstate and overall characteristics of an area.

Sales 1, 2, 3, and 4 are superior locations compared to the subject, based upon superior neighborhood demographics. These Sales were adjusted downward accordingly.

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Building size is an adjustment in which the comparable sales' building sizes are compared to the subject. Depending on the market segment, variation in building size can have effect up to a point on the price per square foot index. Typically, if a comparable is larger than the subject, an upward adjustment is applied to reflect economies of scale. Conversely, if a comparable is smaller than the subject, a downward adjustment is applied. This category can also include adjustments for unheated or uncooled area, covered patios, or unfinished storage, etc.

The buildings of Sales 1, 3, and 4 are noticeably smaller than the Subject and were adjusted downward.

The effective age and condition of the sales are compared to the subject to determine if adjustments are necessary. The historical or chronological age of the structure is less meaningful than its effective age at the time of sale. Effective age is the age indicated by the condition and utility of the structure and is based on the appraiser's judgment and interpretation of market perceptions. If one building is better maintained than other buildings in its market area, the effective age of the building may be less than its actual age. If a building is poorly maintained, its effective age may be greater than its actual age. If a building has received typical maintenance, its effective age and actual age may be the same.

Sales 1 and 2 were newer than the subject and adjusted downward. Sales 3 and 5 were also newer; but the subject is in better condition for its chronological age. Thus, we did not adjust these two sales.

Floor area ratio (FAR) reflects the building component divided by the land component, its inverse would be a land-to-building ratio. Depending on the market segment and location, FAR's reflect an optimal parcel size and configuration. Sometimes a very low FAR can result in extra or remaining land not needed to support a specific use which may reflect excess or surplus land. In any event, within this category, adjustments are applied if the appraiser's judgment determines that the comparable sales' FAR's are outside of a typical norm which would warrant an adjustment as it compares to the subject. A downward adjustment is typically applied when a comparable has a lower FAR as compared to the subject suggesting additional land area for potential of building expansion, additional parking and general overall site utility. Conversely, an upward adjustment is applied when a comparable has a higher FAR as compared the subject.

The subject and Sales 2, 4, and 5 have more land relative to the size of their improvements. This is typical for larger schools or daycare facilities. Sales 1 and 3 had higher FARs and were adjusted upward.

After adjustments, the sales range from \$72 to \$130 per square foot. We gave more weight to Comparable Sales 2 and 5. Sale 5 is the most recent; both sales are similar to the Subject in size, both have similar-sized acreages for outdoor activities and parking, and both required few adjustments. Thus, we have concluded to value of the subject at \$85 per square foot.

Our computations are as follows:

$$21,905 \text{ Square Feet of Building Area} \times \$85/\text{SF} = \$1,861,925$$

“As Is” Market Value via Sales Comparison Approach

Rd. \$1,862,000

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Reconciliation and Final Value Conclusions

The subject is a 21,905-square foot daycare facility. The two permanent buildings were built in 1960 and 1967. The third building is a relocatable, modular building built in 2002. The subject has a 6.36-acre marsh-front site with 4.74 upland acres. The subject is larger than most daycare facilities; and the improvements are older. However, the subject improvements appear to be well maintained. The owner reported a new roof, new power generators, and a renovated plumbing system. The property has been approved as a hurricane or storm evacuation site.

The subject daycare averages about 250 to 300 students; and is certified by the State of Florida. Daycare facilities generally fall into two categories: owner-occupied facilities and larger, newer facilities that are leased to a regional or national daycare provider, or franchisee. The subject is not typical of a leased facility, and daycare market rents, market expenses, and market-extracted capitalization rates were not applicable. Thus, analyzing the subject using these data would likely not yield a credible value opinion. It is our opinion that market participants would value the subject using the Sales Comparison Method. Thus, we relied upon this valuation method to derive our value opinion.

Adequate comparable sales of similar sized and aged daycare facilities were not available within the subject's market area. However, the subject property is like other institutional facilities such as schools, church/schools, recreational facilities, and or lodges. We expanded our search to these property types and found some very good comparable sales. A YMCA facility in the Arlington area sold last month. This property has a similar amount of building improvements, a similar land area, a large amount of parking, outdoor recreational areas such as soccer fields and playgrounds, and the improvements were similar in age, construction quality, and condition. Thus, this Sale was given considerable weight in our sales analysis.

Therefore, we have determined the following value opinion as of March 5, 2018.

"As Is" Market Value

\$1,862,000

One Million Eight Hundred Sixty-Two Thousand

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Insurable Replacement Cost

We estimated the replacement cost new for the subject improvements using the Marshall Valuation Service (MVS) cost guide. We estimated the subject improvements to be classified as MVS Day Care Centers (426) Section 18, Page 13, dated February 2017 as Class D average and Class S low cost improvements.

The appraisers are not cost estimators, and we do not have specific knowledge of insurance requirements. Items included in or excluded from insurance coverages are dictated by the insurance policy. We were not provided with specific insurance requirements. This estimate considers exclusions that are typical based upon our experience. This estimate of replacement cost new for the subject improvements does not reflect specific requirements of any given policy. We recommend that a professional cost estimator and/or insurance specialist be consulted with the specific definitions of coverage and requirements of a specific fire and extended coverage policy.

Cost estimated provided by Marshall Valuation Service indicates the insurable replacement cost as stated below. This figure excludes non-perishable components including the cost of architect's fees, excavation costs, foundation costs, and below ground piping and wiring, as appropriate. Additionally, this cost does not include site improvements, including parking lots, driveways, landscaping, and various other items.

Insurable Replacement Cost: \$2,649,000

INSURABLE REPLACEMENT COST - Marshall Valuation Services			
<i>11269 N Main Street</i>			
<i>Daycare Facility</i>			
	Indication of Value		
	Square		Cost per
	Feet	Square Foot	Total Cost
<u>Improvement</u>			
Building 1 and 2	18,823	x	\$115.00 = 2,164,645
Relocatable Building	3,082	x	\$79.00 = 243,478
Total Direct Costs of Improvements as New			\$2,408,123
Indirect Cost % and Indirect Costs			0.0% 0
Total Direct & Indirect Costs			\$2,408,123
Entrepreneurial Incentive/Compensation			10.0% 240,812
Total Costs of Improvements as New			\$2,648,935
Depreciation:			
Curable Physical Depreciation			\$0
Incurable Depreciation of Short-Lived Components			0
Incurable Depreciation of Long-Lived Components			0
Economic Obsolescence			0
Total Depreciation			0
Replacement Cost New			\$2,648,935
Insurable Replacement Cost (Rounded)			\$2,649,000

CERTIFICATION

We certify that, to the best of our knowledge and belief:

- ✔ The statements of fact contained in this report are true and correct.
- ✔ The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- ✔ We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- ✔ We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- ✔ Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- ✔ The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- ✔ Compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in 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.
- ✔ Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice, 2015-2016 Edition*.
- ✔ Robert Hornbuckle has made a personal inspection of the property that is the subject of this report.
- ✔ No one provided significant real property appraisal assistance to the persons signing this certification.
- ✔ Our analyses, opinions, and conclusions have been developed, and this report has been prepared, in compliance with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of The Appraisal Foundation, and in accordance with the appraisal-related mandates within Title XI of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). This report was also prepared in conformance with the State of Florida Standards for Certified General Real Estate Appraisers and with Community First Credit Union of Florida's appraisal requirements.
- ✔ We have not relied on unsupported conclusions relating to characteristics such as race, color, religion, national origin, gender, marital status, familial status, age, receipt of public assistance income, handicap, or an unsupported conclusion that homogeneity of such characteristics is necessary to maximize value.
- ✔ It is our opinion that the subject does not include any enhancement in value as a result of any natural, cultural, recreational or scientific influences retrospective or prospective.
- ✔ We have extensive experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.

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- ✔ The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- ✔ The Appraisal Institute conducts a program of continuing education for its designated members and members are awarded periodic educational certification. Robert Hornbuckle is currently certified under the mandatory continuing education program of the Appraisal Institute.
- ✔ We have not relied on the work of others if we have a reasonable doubt that the work is credible.
- ✔ 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.

Certified by,
PROVIDENT VALUATION SERVICES
7643 GATE PARKWAY, SUITE 104-67
JACKSONVILLE, FLORIDA 32256



Robert Hornbuckle, MAI
Certified General Appraiser RZ3515

Provident Valuation Services

ASSUMPTIONS

1. This is an appraisal report presented in an Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice. It is understood between the parties that the scope of the assignment is limited, and we relied on information obtained from the public records of Duval County, published data sources and discussions with market professionals such as investors and brokers relative to County, published data sources and discussions with market professionals such as investors and brokers relative to the subject's income performance and physical composition. Provident Valuation Services (PVS) is not responsible for unauthorized use of this report.
2. Unless otherwise specifically noted in the body of the report, it is assumed that title to the property or properties which are identified as the subject of the report, are clear and marketable and there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. PVS has not examined title and makes no representations relative to the condition thereof.
3. Unless otherwise specifically noted in the body of the report, the legal description furnished is assumed to be correct. Any abbreviations or discrepancies relative to the legal would be identified.
4. It is assumed that surveys and/or plats furnished to, or acquired by, the appraiser and used in the making of this report are correct. PVS has not made a land survey or caused one to be made unless identified in the report and therefore, assumes no responsibility for accuracy of same.
5. It is assumed any improvements have been, or will be, constructed according to approved architectural plans and specifications in conformance with recommendations contained in or based on any soil report(s). Unless otherwise noted, PVS has not retained independent engineer(s) or architect(s) about the report and therefore, makes no representations relative to conformance with approved architectural plans, specifications, or recommendations contained in or based on any soil(s) report.
6. It is assumed that all factual data furnished by the client, property owner, owner's representative, or persons designated by the client or owner are accurate and correct unless otherwise specifically noted in the report. I do not guarantee the correctness of such data, although as far as is reasonably possible, the data has been checked and is believed to be correct. Information and data referred to in this paragraph may include but is not limited to information relative to the subject of the report regarding numerical street addresses, lot and block numbers, assessor parcel numbers, land dimensions, square footage area of land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, budgets, historic operating expenses, and related data. Information obtained regarding demographics, comparable verification, and data of a general sense is assumed factual as confirmed and the source(s) reliable. Any material error in the gathered data could have substantial impact on the conclusions reported; as a result, PVS reserves a right to amend conclusions reported if made aware of such an error.
7. Unless otherwise noted in the body of the report, it is assumed that there are no mineral or sub-surface rights of value involved in the report and there are no other development rights of value that may be transferred. Subsurface rights, minerals and oils, were not considered in making this report unless otherwise stated.
8. Any riparian and/or littoral rights identified by survey or plat are assumed to go with the property unless easements and/or deeds of record were found by the appraiser to the contrary.
9. It is assumed that there is full compliance with all federal, state, and local environmental regulations and laws, unless non-compliance is stated, defined, and considered in the report.
10. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless the non-conformity has been stated, defined, and considered in the report. Unless otherwise noted, it is assumed that no changes in the present zoning ordinances or regulations governing use, density, or shape, are being considered.
11. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization has been, or can be, obtained or renewed for any use on which the value opinion contained in the report is based.
12. Unless otherwise stated in the report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraisers. The appraisers have no knowledge of the existence of such material on or in the property. The appraisers, however, are not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated ground water, or other potentially hazardous materials may affect the value of the property. The value opinion is predicated upon the assumption that there is no such material on or in the property that would cause loss in value or affect its marketability. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field if desired.
13. The soil of the area which is the subject of the report appears to be firm and solid. Unless otherwise stated, subsidence in the area is unknown or uncommon, but PVS does not warrant against this condition and/or occurrence.

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14. It is assumed that the utilization of the land and improvements is within the boundaries or property lines as described in the report, and there is no encroachment or trespass, unless noted.
15. The date of value of which the opinions in the report apply is set forth in the body of the report. PVS assumes no responsibility for economic or physical factors occurring at some later date which may affect the opinions stated in the report.
16. Unless specifically noted in the body of this report, it is assumed that the property or properties described are structurally sound, seismically safe, and that all building systems (mechanical, electrical, HVAC, elevator, plumbing, etc.) are, or will be upon completion, in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion from the elements; that the property or properties have been engineered in such a manner that it/they will withstand any known elements such as wind storm, flooding, or similar natural occurrences; and that the improvements as currently constituted conform to all applicable local, state, and federal building codes and ordinances. PVS's professionals are not engineers and are not competent to judge matters of an engineering nature, nor has PVS retained independent structural, mechanical, electrical, or civil engineers concerning the report. As such, PVS makes no representations relative to the condition of the improvements. Unless otherwise noted in the report, no problems were brought to the attention of PVS's professionals by ownership or management. Unless otherwise noted, PVS's professionals inspected less than 100% of the entire interior and exterior portions of the improvements. If questions regarding engineering studies are critical to the decision process of the reader, the advice of competent engineering consultants should be obtained and relied upon. If engineers and consultants retained should report negative factors of a material nature or if such are later discussed relative to the condition of the improvements, such information could have a substantial negative impact on the conclusions reported. Accordingly, if negative findings are reported by engineering consultants, PVS reserves the right to amend the report conclusions.
17. Unless otherwise specifically noted, this report is not being prepared for use in conjunction with litigation. Accordingly, no rights to expert testimony, pretrial or other conferences, disposition, or related services are included in this appraisal. If because of this undertaking, PVS or any its officers, professionals, and/or consultants are requested or required to provide any of the foregoing services, such shall be subject to the availability of PVS's professionals or consultants at the time and shall further be subject to the party or parties requesting or requiring such services paying the then applicable professional fees and expenses.
18. Neither all nor any of the contents of the report shall be conveyed to the public through advertising, public relations, news, sales or other media without written consent and approval of PVS, particularly as to the valuation conclusions, the identity of the professionals or firm, or any reference to the Appraisal Institute, the MAI designation, or certification by the State of Florida. Exempt from restrictions relative to the transmittal of this report to third parties is duplication for internal use of the client-addressee and/or transmission to attorneys, accountants, or advisors of the client-addressee. Also exempt from this restriction is transmission of the report to any court, governmental authority, or regulatory agency having jurisdiction over the party/parties for whom the report was prepared, providing that the report and/or its contents shall not be published, in whole or in part in any public document without the express written consent of PVS or its principals, which consent PVS reserves the right to deny. The report should not be advertised to the public or otherwise used to induce a third party to purchase the property. Any third party not covered by the exemptions herein who may possess this report is advised that he should rely on his own independently secured advice for any decision in conjunction with the property. PVS professionals and/or principals shall have no accountability or responsibility to any such third party.
19. Unless specifically set forth in the body of the report, nothing contained therein shall be construed to represent any direct or indirect recommendation to buy, sell, or hold the property(s) at the value(s), or development scenario as stated. Such decisions involve substantial investment strategy and must be specifically addressed in consultation form.
20. The distribution of the total valuation in this report 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 report and are invalid if so used.
21. The forecasts, projections, and/or operating estimates contained herein are based on current market conditions, anticipated (though recognizably short term) supply and demand factors, and a continued stable economy, unless otherwise stated. Any forecasts are therefore subject to changes in future conditions.
22. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. PVS has not made a specific compliance survey and analysis of this property to determine whether it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since PVS has no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.
23. The replacement cost new of the improvements for insurance purposes is obtained from the Marshall & Swift cost manual. Appraisers are not contractors or insurance estimators. Therefore, the appraisers assume no liability for and do not guarantee that any insurable value estimate would result in the subject property being fully insured for loss. The replacement cost new may not be a reliable indication of replacement cost for any date other than the effective date of this appraisal due to changes in costs of labor and materials, building codes, governmental regulations and requirements, and economic and environmental conditions.

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Extraordinary Assumptions

- none

Hypothetical Conditions

- none

DEFINITIONS

Definition of Market Value¹

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

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

¹ Definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC and in the Interagency Appraisal and Evaluation Guidelines, dated December 2, 2010.

Client

The party or parties who engage an appraiser (by employment or contract) in a specific assignment.

Assignment

A valuation service provided as a consequence of an agreement between an appraiser and a client.

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.

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Marketing Time

The reasonable 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. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. In this instance, we have determined a 12-month marketing time for the subject.

Exposure Time

Reasonable exposure time is one of a series of conditions in most Market Value definitions. Exposure time is always presumed to precede the effective date of the appraisal.

Exposure time may be defined as follows: 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; a retrospective opinion based on an analysis of past events assuming a competitive and open market.

Exposure time is different for various types of property and under various market conditions. It is noted that the overall concept of reasonable exposure encompasses not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable effort. This statement focuses on the time component.

The fact that exposure time is always presumed to occur prior to the effective date of the appraisal is substantiated by related facts in the appraisal process: supply/demand conditions as of the effective date of the appraisal; the use of current cost information; the analysis of historical sales information (sold after exposure and after completion of negotiations between the seller and buyer); and the analysis of future income expectancy projected from the effective date of the appraisal.

Source: Standards 6 (SMT-6) *Uniform Standards of Professional Appraisal Practice*, 2010-2011 Edition, published by the Appraisal Standards Board of the Appraisal Foundation

Exposure period can be based on statistical information about days on market; information gathered through sales verification and interviews of market participants. In this instance, we have determined a 12-month exposure time for the subject.

The Market Value of the property appraised in this report is determined as of the date shown in the Certification. Constantly changing economic conditions have varying effects upon real property values. Even after the passage of a relatively short period of time, property values may change substantially.

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Extraordinary Assumption

An assumption, directly related to a specific assignment, 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.

The definition of "extraordinary assumption" builds upon the definition of "assumption". Therefore, the first thing to acknowledge about an extraordinary assumption is that we really believe an extraordinary assumption to be true. Second, we acknowledge that if we found that the extraordinary assumption was not true, then our value opinion could be impacted or changed as a result. This is what makes it extraordinary, because it is so relevant to our appraisal or value opinion. Therefore SR 2-1(a) requires that all extraordinary assumptions be disclosed, so that everyone knows that the value opinion depends upon the extraordinary assumption being true.

Hypothetical Condition

That which is contrary to what exists but is supposed for the purpose of analysis.

Extraordinary Assumptions Compared to Hypothetical Conditions

The best way to distinguish between an extraordinary assumption and a hypothetical condition is, if as of the date of value, the condition in question is known to be false; then it is a hypothetical condition. If, as the date of value, the fact of the condition is unknown; and it is reasonable to believe that the condition is true, then the condition is an extraordinary assumption.

Comment: Hypothetical conditions assume conditions 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.

Plat Map



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Legal Description

A part of Lot 1, Commissioners Plat of Broward Estate, in the Southwest ¼ of Section 14, of the Broward Grant Section 46, Township 1 South, Range 27 East, Duval County, Florida, and being more particularly described as follows:

Commence at the intersection of the Easterly right of way line of Main Street U.S. Highway No. 17, and the Southerly right of way line of Baisden Road (a 60.00 foot right of way); thence North 89°56'50" East along the Southerly right of way line of Baisden Road, 106.36 feet to the point of beginning; thence continue North 89°56'50" East, along the Southerly right of way line 323.41 feet; thence South 00°03'10" East, 16.00 feet; thence North 89°56'50" East, 9.00 feet; thence North 00°03'10" West, 16.00 feet to the Southerly right of way line of said Baisden Road; thence North 89°56'50" East, along the Southerly right of way line of Baisden Road, 51.75 feet to the Northwest corner of lands described in Official Records Book 6878, Page 2093, of the current public records of said County; thence South 22°02'45" West, along the Westerly boundaries of lands described in Official Records Book 6878, Page 2093 and 2094 of the public records of said County, 300.00 feet; thence South 16°48'05" East, along the Westerly boundaries of lands described in Official Records Book 6878, Page 2094 and 2095, Official Records Book 7747, Page 2117, and Official Records Book 8053, Page 2342, of the current public records of said County; 333.95 feet to the South line of said Lot 1, Commissioners Plat; thence South 89°56'50" West, along the said South line of Lot 1, 458.26 feet to the Easterly right of way line of Main Street (U.S. Highway No. 17); thence North 16°28'49" East, along said Easterly right of way line, 466.18 feet to the Southwest corner of lands described in Official Records Book 6048, Page 200 of the public records of said County; thence North 89°56'31" East along the Southerly boundary of said Official Records Book 6048, Page 200, 106.44 feet; thence North 16°27'11" East, along the Easterly boundary of said Official Records Book 6048, Page 200, 149.97 feet to the point of beginning.

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3/5/2018

Property Appraiser - Property Details

JUST FOR KIDS LEARNING CENTER INC
11269 N MAIN ST UNIT 1
JACKSONVILLE, FL 32218

Primary Site Address
11269 N MAIN ST
Jacksonville FL 32218

Official Record Book/Page
14773-01639

File #
7306

11269 N MAIN ST

Property Detail

RE #	109463-0000
Tax District	GS
Property Use	1910 Professional Day Care
# of Buildings	3
Legal Desc.	115-282 46-15-27E 6.359 JOHN BROWARD GRANT S/D R/P PT SEC 14
Subdivision	01916 BROWARD GRANT JOHN S/D PT
Total Area	281986

Value Summary

	2017 Certified	2018 In Progress
Value Method	CAMA	CAMA
Total Building Value	\$507,743.00	\$499,002.00
Extra Feature Value	\$54,876.00	\$52,794.00
Land Value (Market)	\$246,334.00	\$246,334.00
Land Value (Agric.)	\$0.00	\$0.00
Just (Market) Value	\$808,953.00	\$798,130.00
Assessed Value	\$808,953.00	\$798,130.00
Cap Diff/Portability Amt	\$0.00 / \$0.00	\$0.00 / \$0.00
Exemptions	\$808,953.00	See below
Taxable Value	\$0.00	See below

The sale of this property may result in higher property taxes. For more information go to [Save Our Homes](#) and our [Property Tax Estimator](#). 'In Progress' property values, exemptions and other supporting information on this page are part of the working tax roll and are subject to change. Certified values listed in the Value Summary are those certified in October, but may include any official changes made after certification [Learn how the Property Appraiser's Office values property.](#)

Taxable Values and Exemptions – In Progress

If there are no exemptions applicable to a taxing authority, the Taxable Value is the same as the Assessed Value listed above in the Value Summary box.

County/Municipal Taxable Value

Assessed Value	\$798,130.00
Educational (522)	-\$798,130.00
Taxable Value	\$0.00

SJRWMD/FIND Taxable Value

Assessed Value	\$798,130.00
Educational (522)	-\$798,130.00
Taxable Value	\$0.00

School Taxable Value

Assessed Value	\$798,130.00
Educational (522)	-\$798,130.00
Taxable Value	\$0.00

Sales History

Book/Page	Sale Date	Sale Price	Deed Instrument Type Code	Qualified/Unqualified	Vacant/Improved
14773-01639	12/3/2008	\$100.00	QC - Quit Claim	Unqualified	Improved
14117-02113	7/31/2007	\$100.00	QC - Quit Claim	Unqualified	Improved
13343-00253	5/17/2006	\$462,900.00	QC - Quit Claim	Unqualified	Improved
08559-01061	2/27/1997	\$375,000.00	WD - Warranty Deed	Qualified	Improved
07758-02295	1/7/1994	\$100.00	QC - Quit Claim	Unqualified	Improved

Extra Features

LN	Feature Code	Feature Description	Bldg.	Length	Width	Total Units	Value
1	PVAC1	Paving Asphalt	1	0	0	45,879.00	\$26,610.00
2	PVCC1	Paving Concrete	1	0	0	800.00	\$1,027.00
3	LPMC1	Light Pole Metal	1	0	0	1.00	\$379.00
4	LITC1	Lighting Fixtures	1	0	0	3.00	\$432.00
5	FCLC1	Fence Chain Link	1	0	0	1,170.00	\$5,018.00
6	GZDC2	Gazebo Deluxe	1	15	11	165.00	\$3,407.00
7	DKWC2	Deck Wooden	3	0	0	288.00	\$1,236.00
8	CPAC2	Carport Aluminum	1	21	18	378.00	\$2,606.00
9	CPAC2	Carport Aluminum	1	21	18	378.00	\$2,606.00
10	CPAC2	Carport Aluminum	1	21	18	378.00	\$2,606.00
11	CPAC2	Carport Aluminum	1	22	18	396.00	\$2,730.00
12	CPAC2	Carport Aluminum	1	20	12	240.00	\$1,655.00
13	CPAC2	Carport Aluminum	1	20	18	360.00	\$2,482.00

Land & Legal

Land

LN	Code	Use Description	Zoning	Front	Depth	Category	Land Units	Land Type	Land Value
1	1000	COMMERCIAL	CCG-1	0.00	0.00	Common	206,425.00	Square Footage	\$246,059.00
2	9601	MARSH	CCG-1	0.00	0.00	Common	1.62	Acreage	\$275.00

Legal

LN	Legal Description
1	115-282 46-15-27E 6.359
2	JOHN BROWARD GRANT S/D R/P PT SEC 14
3	PT LOT 1 RECD O/R 14773-1639

Buildings

Building 1

Building 1 Site Address
11269 N MAIN ST
Jacksonville FL 32218

Building Type	0603 - DAY CARE CTR
Year Built	1962
Building Value	\$271,012.00

Element	Code	Detail
Exterior Wall	20	20 Face Brick
Exterior Wall	15	15 Concrete Blk
Roof Struct	9	9 Rigid Fr/Bar J
Roofing Cover	4	4 Built Up/T&G
Interior Wall	5	5 Drywall

<https://paopropertysearch.coj.net/Basic/Detail.aspx?RE=1094630000>

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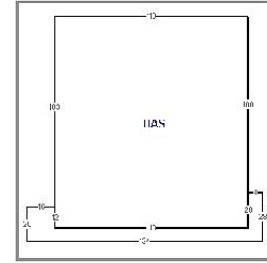
Provident Valuation Services

3/5/2018

Property Appraiser - Property Details

Type	Gross Area	Heated Area	Effective Area
Base Area	13200	13200	13200
Canopy	1424	0	356
Total	14624	13200	13556

Interior Wall	1	1 Masonry Min
Int Flooring	14	14 Carpet
Heating Fuel	4	4 Electric
Heating Type	4	4 Forced-Ducted
Air Cond	4	4 Packaged Unit
Ceiling Wall Finish	5	5 S Ceil Wall Fin
Comm Htg & AC	1	1 Not Zoned
Comm Frame	3	3 C-Masonry



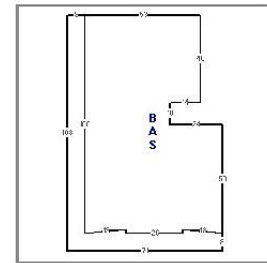
Element	Code	
Stories	1.000	
Baths	11.000	
Rooms / Units	8.000	
Avg Story Height	16.000	

Building 2
 Building 2 Site Address
 30 BAISDEN RD
 Jacksonville FL 32218-

Building Type	0603 - DAY CARE CTR
Year Built	1967
Building Value	\$123,088.00

Type	Gross Area	Heated Area	Effective Area
Canopy	1405	0	351
Base Area	5623	5623	5623
Total	7028	5623	5974

Element	Code	Detail
Exterior Wall	15	15 Concrete Blk
Exterior Wall	20	20 Face Brick
Roof Struct	10	10 Steel Fr/Trs
Roofing Cover	4	4 Built Up/T&G
Interior Wall	4	4 Plywood panel
Int Flooring	14	14 Carpet
Heating Fuel	4	4 Electric
Heating Type	4	4 Forced-Ducted
Air Cond	4	4 Packaged Unit
Ceiling Wall Finish	5	5 S Ceil Wall Fin
Comm Htg & AC	1	1 Not Zoned
Comm Frame	3	3 C-Masonry



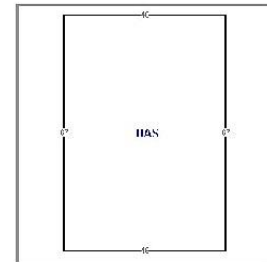
Element	Code	
Stories	1.000	
Baths	13.000	
Rooms / Units	5.000	
Avg Story Height	12.000	
Common Wall	15.000	

Building 3
 Building 3 Site Address
 11269 BAISDEN RD Unit 2
 Jacksonville FL 32218-

Building Type	7209 - RELOCATABLE CLASSROOM
Year Built	2002
Building Value	\$104,902.00

Type	Gross Area	Heated Area	Effective Area
Base Area	3082	3082	3082
Total	3082	3082	3082

Element	Code	Detail
Exterior Wall	25	25 Modular Metal
Roof Struct	4	4 Wood Truss
Roofing Cover	1	1 Minimum Metal
Interior Wall	5	5 Drywall
Int Flooring	14	14 Carpet
Heating Fuel	4	4 Electric
Heating Type	4	4 Forced-Ducted
Air Cond	4	4 Packaged Unit
Comm Htg & AC	1	1 Not Zoned
Comm Frame	4	4 D-Wood Frame
Ceiling Wall Finish	5	5 S Ceil Wall Fin



Element	Code	
Stories	1.000	
Baths	6.000	
Rooms / Units	4.000	
Avg Story Height	10.000	

2017 Notice of Proposed Property Taxes Notice (TRIM Notice)

Taxing District	Assessed Value	Exemptions	Taxable Value	Last Year	Proposed	Rolled-back
Gen Govt Ex B&B	\$808,953.00	\$808,953.00	\$0.00	\$0.00	\$0.00	\$0.00
Public Schools: By State Law	\$808,953.00	\$808,953.00	\$0.00	\$0.00	\$0.00	\$0.00
By Local Board	\$808,953.00	\$808,953.00	\$0.00	\$0.00	\$0.00	\$0.00
FL Inland Navigation Dist.	\$808,953.00	\$808,953.00	\$0.00	\$0.00	\$0.00	\$0.00

<https://paopropertysearch.coj.net/Basic/Detail.aspx?RE=1094630000>

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The Cypress Group LLC

ENGAGEMENT LETTER

March 5, 2018

Robert Hornbuckle
Provident Valuation Services

Via email: robert@providentevaluationservices.com

Dear Mr. Hornbuckle:

This letter authorizes your appraisal firm to prepare an Appraisal Report for Community First Credit Union of Florida of the following property: 11269 N. Main St., Jacksonville, FL 32218. Parcel ID 109463-0000. The appraisal must conform to the accepted appraisal standards promulgated by the Appraisal Standards Board of the Appraisal Foundation as evidenced by USPAP, and FIRREA, as well as any other restrictions imposed by Community First Credit Union of Florida. Please ADDRESS the appraisal to the Account Officer and Community First Credit Union of Florida as listed below.

The purpose of the appraisal is to appraise the Fee Simple property rights and estimate the “as is” market value utilizing the most applicable approaches to valuation that provides a credible opinion of value as defined in the agreed upon scope of work. If the subject property includes excess land, personal property and/or is a going concern, please allocate portions of your value accordingly.

You may arrange to conduct this appraisal by contacting the borrower, Joel Moore at the phone number (904) 591-6758. Should you have any difficulty in obtaining entrance to the property or pertinent information, please contact the Account Officer listed below.

It is agreed that the appraisal will be completed in 10 days from the date of this engagement and it is agreed to expect delivery of one (1) PDF copy of the report on or before March 16, 2018, to the email address: paulchandler@cypressgroupllc.org. In addition, please deliver two (2) original copies of the report to Community First Credit Union of Florida (at address below).

The agreed upon fee for the appraisal assignment, including all expenses, will be \$1,600.00. The fee will be paid upon a satisfactory review by The Cypress Group and Community First Credit Union of Florida.

If you are in agreement with the terms of this engagement letter, please sign and date. Be sure to include a copy of this standard engagement letter in the Addenda of your appraisal report.

Signed By: Paul Chandler
The Cypress Group, LLC
(as agent for Community First Credit Union of Florida)

Date: March 5, 2018

1000 Primera Boulevard · Lake Mary · Florida 32746 · 407.228.7664. Office · 407.893.5737
Facsimile

Please address the report to:
John Keeley
Member Business Lending
Community First Credit Union of Florida
637 N. Lee St., Jacksonville, FL 32204
(904) 354-8537 ext. 7928
keeleyj@c1cufl.org

AGREEMENT FOR APPRAISAL SERVICES

This agreement is to confirm that the terms, conditions, reporting and appraisal requirements, delivery date, and appraisal fee specified in the attached Letter of Engagement for Appraisal Service are correct and are hereby accepted.

In addition, I certify to the following:

Neither I, nor a member of my firm, has been successfully sued by a Regulatory Agency or Financial Institution for fraud or negligence involving an Appraisal Report.

All persons providing significant assistance in the preparation of this assignment will be in compliance with applicable state licensing and certification laws and will meet the requirements of the Competency Provision of the Uniform Standards of Professional Appraisal Practice.

Accepted this 5th day of March, 2018.



Signature

82-2827789

Tax ID Number

Provident Valuation Services

QUALIFICATIONS

Robert E. Hornbuckle, MAI
Principal
Provident Valuation Services
Direct: 904-710-7554
Email: robert@providentvaluationservices.com

PROFESSIONAL LICENSES, DESIGNATIONS, & AFFILIATIONS:

State-Certified General Appraiser, Florida License # RZ3515
Designated Member of the Appraisal Institute (MAI)
Member of the Northeast Florida Chapter of the Appraisal Institute

APPRAISAL EDUCATION:

(All through the Appraisal Institute)

General Applications
Basic Income Capitalization I
USPAP 15-hour course
Statistics and Financial Modeling
Site Valuation and the Cost Approach
Market Analysis and Highest and Best Use Analysis
Sales Comparison Approach
Income Capitalization II
Advanced Income Capitalization III
Case Studies and Report Writing
Advanced Concepts & Case Studies
Capstone Demonstration Report
7-hour USPAP Updates
3-hour Florida Law Updates

Georgia Institute of Technology, Bachelor of Science

PROFESSIONAL EXPERIENCE:

Provident Valuation Services (2017 – present)
Florida Valuation Services (2016)
Wagand & Associates, Inc. (2007-2015, 2017)