

AN APPRAISAL
of
An Existing, Full-Service Restaurant

██
Totaling 4,242 Enclosed/Rentable Square Feet (SF)
Situated on a 52,272 SF Site

██
██
Loan #: 900648
File #: 220112125

PREPARED FOR

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██
██
██

DATE OF VALUATION

January 28, 2022

DATE OF REPORT

February 16, 2022

PREPARED BY

PROPERTY VALUATION & CONSULTING, INC.

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Exhibits:

- A – Location Map and Subject Photographs**
- B – Tax/Aerial Map, Building Sketch, Tangible Personal Property Tax Bill, Flood Map, and Survey/Plan Photographs**
- C – Identifying Legal Description**
- D - Comparable Improved Sales/Contract/Listing Location Map, Photographs and Summary Descriptions and Comparable Rentals Location Map and Photographs**
- E – Assumptions & Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions**
- F – Certification**
- G – Qualifications of Appraisers and Appraisal Licenses**
- H – General Service Conditions and MountainSeed Engagement Letter**

SUMMARY OF SALIENT FACTS

PROPERTY	[REDACTED], an existing, one-story restaurant currently occupied by an entity related to the ownership
LOCATION	[REDACTED]
SITE	The site is mostly rectangular in shape with approximately 198 frontage feet along the west side of [REDACTED] encompassing 52,272 SF/1.20 acres based on a survey viewed and photographed by the appraiser at the time of inspection (a digital copy of the survey was not available). Water, sewer, electricity and telephone services are available to the site.
IMPROVEMENTS	A one-story, 4,242 enclosed/rentable SF building with a 660 SF covered outdoor dining area and a total of 5,210 SF of gross building area, based on plans viewed/photographed by the appraisers at the time of inspection (building sketch recreated based on plans). The building is constructed of masonry with a stucco exterior and a flat, built-up roof.
YEAR BUILT	1976 with renovations in 2013
ZONING/FLU	[REDACTED]
PRESENT USE	[REDACTED]
HIGHEST & BEST USE	As vacant: commercial use, including retail/restaurant As improved: continued restaurant use
OWNER OF RECORD	[REDACTED]
MARKETING TIME/ EXPOSURE PERIOD	12 months or less
PROPERTY RIGHTS	Fee simple
DATE OF VALUATION	January 28, 2022 "As Is"
DATE OF REPORT	February 16, 2022

SUMMARY OF SALIENT FACTS
(continued)

MARKET VALUE
"AS IS"

Fee Simple Value Opinion		<u>Weighting</u>
Income Approach - Direct Capitalization	\$1,430,000	50%
Sales Comparison Approach	\$1,400,000	50%
	Indication: \$1,415,000	
	Less Depreciated Value of FF&E: <u>(\$53,000)</u>	
Fee Simple "As Is" Value Opinion		
	Rounded to: \$1,360,000	

This appraisal includes real estate only, no furniture, fixtures and equipment (FF&E) or business value is included.

No Extraordinary Assumptions or Hypothetical Conditions have been employed in this appraisal.



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February 16, 2022



RE: An Existing, Full-Service Restaurant



**Totaling 4,242 Enclosed/Rentable Square Feet (SF)
Situated on a 52,272 SF Site**




In accordance with the client's request, we have completed an appraisal of the above-captioned property. The information contained in this report is based on more complete data, analyses and conclusions retained in our office files.

Nature of the Assignment

We have been requested by 

Florida to estimate the "as is" market value of the fee simple estate in the appraised property. The estimated marketing and exposure period for the subject is 12 months or less.

Purpose and Intended Use of the Report

In accordance with the client's request, the purpose of the appraisal is to develop and report an informed and independent opinion of the market value of the subject property. The intended use of this appraisal is as an aid in underwriting a loan, loan modification or loan extension; classification or monitoring of a loan; and/or the disposition or monitoring of REO or loan collateral. The intended users of this report is  It is entirely inappropriate to use this report for any purpose other than the one stated.

Furthermore, our appraisal services and related appraisal report have been prepared in accordance with Interagency Appraisal and Evaluation Guidelines as adopted by Title XI of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA); which is addressed in USPAP Advisory Opinion 30 and USPAP with respect to real estate related financial transactions, as we understand these requirements, as well as the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP), as adopted by the Appraisal Standards Board under the direction of the Appraisal Foundation and the Code of Professional Ethics of the Appraisal Institute.

Effective Date(s) of the Appraisal

The effective *as is* valuation date of the appraisal is January 28, 2022.

Effective Date of the Report

The effective date of this report is February 16, 2022.

Inspection Date

The property was inspected on January 28, 2022.

Scope of Work

This appraisal report (summary format) complies with the reporting requirements as set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (“USPAP”) for an Appraisal Report with adherence to the Competency Provision for the property being appraised. As such, it presents summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraisers’ opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraisers’ file. The depth of discussion contained in this report is specific to the client's needs and for the intended use as stated. The appraisers are not responsible for any unauthorized use of this report.

To develop the *as is* opinion of value for the property, the appraisers considered and applied two of the three traditional approaches to value, the income capitalization approach and the sales comparison approach, with the result indication the most credible value estimate for the subject. The cost approach was not applied due to the age of the improvements and the difficulty in accurately estimating depreciation for older improvements with periodic renovations.

The income approach is used to value the subject based on its potential to be leased and/or purchased for investment. The process used is to estimate the potential gross revenue the subject can generate if available in an open and competitive market. Vacancy and collection loss is then deducted from the potential gross income, resulting in effective gross income. All appropriate operating expenses

are then deducted, resulting in an estimate of net operating income. Net operating income is divided by an appropriate, market-driven capitalization rate, the result of which indicates the estimated value of the subject property, via the income approach. This approach was applied to estimate the market value of the property as improved.

The sales comparison approach is considered an appropriate method in the valuation of the subject if available for sale on the open market. The sales comparison approach analyzes recent sales, listings and contracts of similar properties as a basis for comparison with the subject in order to determine the appropriate unit(s) of comparison for estimating the subject's market value. Based on the availability of comparable sale/listing/contract data in the subject's market there is sufficient evidence to obtain a reliable indication of value for the subject property via the sales comparison approach.

In the cost approach to valuation, an estimate is made of the current replacement cost new of the proposed or existing improvements. This amount is then adjusted to reflect depreciation (if any) resulting from physical deterioration, wear and tear, and utility, on the basis of a personal inspection and comparison with component parts of similar new buildings. This analysis also recognizes factors of functional and external obsolescence, if applicable. The current land value is then added to the depreciated cost in order to determine the value of the improved property via the cost approach. As previously stated, this approach was not applied.

The research tasks performed to estimate the value, as defined herein, involved researching comparable improved restaurant sales and listing/contract and rental data. Comparable data was researched by investigations of public records and discussions with local brokers and real estate professionals in the subject's market area. The data were verified, in most cases, with other real estate professionals and/or the grantor/grantee and/or their representatives.

The research tasks performed to estimate the value, as defined herein, involved the following:

- 1- Researching and analyzing economic data for [REDACTED] and the [REDACTED]. Major data sources include the U.S. Census Bureau, real estate services like CoStar Property Analytics, investor surveys and articles.
- 2- Personally inspecting the subject property on January 28, 2022, and taking interior and exterior photos and reviewing the site and building plans, the legal description, zoning, and tax and flood information of the [REDACTED] pertaining to the subject property.

- 3- Researching comparable restaurant sales/contracts/listings and rental data, similar to the subject, available through various data sources such as: county records, data service providers such as CoStar, Loopnet, MLS, and Total Commercial, as well as data gathered in the field and calling and confirming pertinent details with the property owners, managers or brokers/real estate professionals in the subject's market area. The data were verified, in all cases (unless specifically noted otherwise in the description of each transaction as presented in the Exhibits), with other real estate professionals and/or property owners and/or their property managers.
- 4- Analyzing the market data in relation to the subject property to derive the indications of value presented in the report, which is then reconciled, if necessary, to the indicated *as is* market value of the fee simple estate in the subject property.

This appraisal report (in a summary format) is a recapitulation of the appraisers' data, analyses and conclusions. Supporting documentation is retained in the office file.

Definition of Value and Property Interest Appraised

The value results reported herein reflect the *as is* market value of the fee simple estate in the subject property.

Market Value can be defined as the most probable price 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 best interests;
- (3) A reasonable time is allowed for exposure in the open market;
- (4) Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. *

*12 CFR 34 42 (a) Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA")

The land and improvements were valued as if offered in the open market for a reasonable period of time in which to find a buyer. The fee simple estate in the property has been appraised. It is assumed the property is available for development to its highest and best use, free and clear of all liens and encumbrances.

Fee simple estate is defined as the 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.

Marketing and Exposure Period

The marketing and exposure period for the subject is estimated at 12 months or less based on sales of similar properties and discussions with local brokers.

Note regarding COVID-19: *Due to the ongoing COVID-19 virus, designated as a pandemic as of March 11, 2020 by the World Health Organization, there have been impacts on the real estate market which are now becoming evident through local market activity and national surveys and forecasts. The property types experiencing longer-term impacts include hotels/motels (as business and leisure travel is still somewhat limited) and office properties (due to the surging number of office workers now working from home). Retail and industrial properties experienced shorter-term impacts and have begun to rebound as vaccines became widely available and stay-at-home orders were lifted. Restaurants were among the most negatively impacted properties initially, being limited to carry-out service only, the lifting of dine-in eating restrictions has benefited the restaurant industry.*

Sales History

The owner of record of the subject property is [REDACTED]. There have been no recorded transactions of the subject property in the past three years. The subject property is not known to be listed for sale or under contract for purchase at the time of this appraisal assignment.

Location Description

The subject is located within the city limits of [REDACTED]. Specifically, the subject is located on the west side of [REDACTED].

The subject property has direct access from [REDACTED] via a median cut near the subject's northern ingress/egress point. [REDACTED] is a four-lane, asphalt-paved road with a median and turn-lanes in the area of the subject property. [REDACTED] is

improved with concrete curbing and sidewalks. Traffic counts for this section of [REDACTED] Freeway are 22,000 cars per day according to FDOT 2020 average daily traffic information.

Nearby improvements consist of a variety of commercial uses including: Wendy's, Pizza Hut, McDonald's, Circle K, the [REDACTED] Apartments, Space Coast Credit Union, Planet Fitness, and AMC Theatres. Other uses in the immediate area include a public elementary school an Episcopal church and a number of smaller neighborhood retail and office properties. Residential uses are located to the north and south along the [REDACTED] and within the interior of the neighborhood. The [REDACTED] forms the north/south commercial corridor in the subject neighborhood. The [REDACTED] sits about 500' west of the property and runs parallel to [REDACTED] in this area. Refer to the following demographic information for [REDACTED] provided by Census.gov



PEOPLE	
Population	
Population Estimates, July 1 2021, (V2021)	NA
Population estimates base, April 1, 2020, (V2021)	NA
Population, percent change - April 1, 2020 (estimates base) to July 1, 2021, (V2021)	NA
Population, Census, April 1, 2020	30,142
Population, Census, April 1, 2010	22,464
Housing	
Housing units, July 1, 2019, (V2019)	X
Owner-occupied housing unit rate, 2015-2019	75.5%
Median value of owner-occupied housing units, 2015-2019	\$256,100
Median selected monthly owner costs -with a mortgage, 2015-2019	\$1,564
Median selected monthly owner costs -without a mortgage, 2015-2019	\$574
Median gross rent, 2015-2019	\$1,129
Building permits, 2020	X
Economy	
In civilian labor force, total, percent of population age 16 years+, 2015-2019	42.5%
In civilian labor force, female, percent of population age 16 years+, 2015-2019	39.3%
Total accommodation and food services sales, 2012 (\$1,000) (c)	59,158
Total health care and social assistance receipts/revenue, 2012 (\$1,000) (c)	168,817
Total manufacturers shipments, 2012 (\$1,000) (c)	45,238
Total retail sales, 2012 (\$1,000) (c)	445,427
Total retail sales per capita, 2012 (c)	\$19,451
Education	
High school graduate or higher, percent of persons age 25 years+, 2015-2019	93.4%
Bachelor's degree or higher, percent of persons age 25 years+, 2015-2019	34.3%

Zoning

The subject has a B-3 (Highway Service Business) zoning designation with a Future Land Use of Commercial, as defined by the [REDACTED]. The Highway Service Business zoning district allows for a variety of commercial uses. The subject's restaurant use is a permitted use under the current code.

Site Description

Land Size	1.20 Acres/52,272 SF (based on the available survey – it should be noted that the appraisers were able to view and photograph the physical copy of the survey during the inspection, however a digital copy of the survey was not available)
Shape	Mostly rectangular
Frontage	Approximately 198 feet along the west side of [REDACTED]
Topography	Level, developed, and at or above road grade height
Drainage	Appeared adequate on the day of inspection via in ground storm drains.
Utilities	Utilities Commission [REDACTED] provides electric, water and sewer service. AT&T provides telephone service.
Apparent Easements, Encroachments or Restrictions	No adverse easements were observed (based on the survey viewed during the inspection)
Soil and Subsoil Conditions	It is assumed that there are no hidden or unapparent conditions to the property or subsoil which would render it more or less valuable. The site is suitable for normal building loads as evidenced by the existing and surrounding improvements.

Flood Map Information

According to the National Flood Insurance Program FIRM, panel number [REDACTED] dated September 29, 2017, the majority of site is located in zone AE a special flood hazard area with high flood risk. The portion of the site on which the building is situated is in Zone X, which is identified as a special flood hazard area with high flood risk with a 0.2% annual chance flood hazard. Refer to the flood map in the addenda of this report.

Assessment/Tax Data

According to the [REDACTED] Property Appraiser, the working tax assessment for 2022 for the subject parcel [REDACTED] is \$638,956 (\$306,250 or \$5.86/SF for land value based on 52,272 SF and \$332,706 for the building improvements). The working 2022 assessment reflects an increase of 3.87% from the 2021 assessment of \$615,139, the Value Summary for the subject property follows.

Property Values

Tax Year:	2022 Working	2021 Final	2020 Final
Valuation Method:	1-Market Oriented Cost	1-Market Oriented Cost	1-Market Oriented Cost
Improvement Value:	\$332,706	\$308,889	\$393,095
Land Value:	\$306,250	\$306,250	\$294,000
Just/Market Value:	\$638,956	\$615,139	\$687,095

The 2021 real estate taxes were \$10,917.36 before discounts for early payment, based on an assessment of \$615,139 and a millage rate for the subject property of 0.01774780. Additionally, there is a non-ad valorem assessment of \$1,710 for stormwater management, resulting in a total tax responsibility of \$12,627.36 for 2021. The 2021 taxes have not yet been paid but are not yet delinquent, all prior years' taxes have been paid. Pertinent tax data follows.

It should be noted that a sale of the subject at a market-oriented price would trigger a reassessment of the property, likely resulting in an increased tax responsibility (as the current tax assessed value is significantly lower than the market value opinion provided herein). For this reason for the purposes of our income capitalization approach we have estimated the real estate taxes.

AD VALOREM TAXES						
TAXING AUTHORITY	MILLAGE	ASSESSED VALUE	EXEMPTION	TAXABLE VALUE	TAX AMOUNT	
[REDACTED]	5.38120	615,139	0	615,139	3,310.19	
[REDACTED]	0.51740	615,139	0	615,139	318.27	
[REDACTED]	0.20000	615,139	0	615,139	123.03	
[REDACTED]	0.20000	615,139	0	615,139	123.03	
[REDACTED]	0.00000	615,139	0	615,139	0.00	
[REDACTED]	0.17810	615,139	0	615,139	109.56	
[REDACTED]	0.08450	615,139	0	615,139	51.98	
[REDACTED]	5.80200	615,139	0	615,139	3,569.03	
[REDACTED]	0.13190	615,139	0	615,139	81.14	
[REDACTED]	3.74210	615,139	0	615,139	2,301.91	
[REDACTED]	0.25220	615,139	0	615,139	155.14	
[REDACTED]	0.21890	615,139	0	615,139	134.65	
[REDACTED]	0.03200	615,139	0	615,139	19.68	
[REDACTED]	1.00750	615,139	0	615,139	619.75	
TOTAL MILLAGE RATE:		17.74780		TOTAL TAXES:	\$10,917.36	
NON-AD VALOREM ASSESSMENTS						
LEVYING AUTHORITY	TELEPHONE	RATE PER UNIT		AMOUNT		
[REDACTED]	[REDACTED]	95.00		1,710.00		
TOTAL ASSESSMENTS:					\$1,710.00	
TOTAL COMBINED TAXES AND ASSESSMENTS:					\$12,627.36	

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Building Improvements

Number of Buildings	1
Year Built	1976 with renovations in 2013
Number of Stories	1
Building Size (SF)	4,242 enclosed rentable SF with 660 SF covered patio area (based on plans/survey viewed and photographed by the appraisers at the time of inspection)
Foundation	Concrete slab
Framing	Masonry
Exterior Walls	Stucco
Interior Walls	Drywall with beadboard/wood wainscoting (approximately 9' ceiling height)
Doors and Windows	Glass in aluminum frame windows; glass in aluminum and metal exterior doors
Ceilings	Dropped acoustic tile ceiling
Roof	Flat, built-up roof
Floors	Plank vinyl, ceramic tile and concrete
Electrical System and Lighting	Incandescent and fluorescent lighting
Heating, Ventilating and Air Conditioning (HVAC)	HVAC package unit
Plumbing	Stainless steel commercial sinks; men's and women's restrooms each with two commodes and two sinks, and a urinal in the men's room
Fire Protection	Smoke detectors and handheld fire extinguishers
Elevators	None
Site Improvements	Landscaping; asphalt-paved parking (74 striped spaces 15 of which have concrete wheel stops including two handicapped accessible spaces); concrete walkways

and curbs; a sign approximately 20' in height; aluminum rail fencing; concrete block dumpster enclosure; and a covered patio area for outdoor dining (660 SF)

The subject's improvements appear to be functional for the neighborhood and the layout and floor plan is typical of this particular type of restaurant (full-service, casual dining restaurant).

The appearance and construction quality of the improvements appear to conform to the neighborhood and zoning requirements of the [REDACTED]

Highest and Best Use as if Vacant

The highest and best use of the subject site as if vacant considers uses that are physically possible, legally permissible, financially feasible, and maximally productive.

The subject site is physically capable of supporting development as evidenced by the existing and surrounding improvements, with adequate size and shape, offering adequate access and good exposure from/to [REDACTED].

Legally permitted uses include a wide variety of commercial uses, including retail/restaurant uses.

The use that would be feasible and result in the highest return to the land would be for a commercial facility, including retail/restaurant use. Therefore, the highest and best use of the subject site as if vacant is likely for a commercial use, including the subject's retail/restaurant use.

Highest and Best Use as Improved

In determining the highest and best use as improved, it was concluded that the existing subject improvements are physically and functionally adequate to accommodate retail/restaurant use. Moreover, the existing use as a restaurant building is legally allowed. Altering the existing improvements may not be feasible. Therefore, the highest and best use of the subject property as improved is for continued restaurant use, as exists.

Valuation Process

In the appraisal of the subject property, two of the three commonly accepted approaches to value were applied: the income approach and the sales comparison approach. The Income Capitalization Approach is based on the premise that a prudent investor would pay no more for the subject than for another investment with similar risks and return characteristics. The Sales Comparison Approach is the process of comparing prices paid for properties having a satisfactory degree of similarity to the subject.

To arrive at the *as is* market value for the subject property, the cost approach was not applied due to the difficulty in estimating depreciated value of older improvements with periodic updates/renovations.

Sales Comparison Approach

Comparable sales and listings of restaurants in [REDACTED] Counties and the surrounding area were analyzed to indicate a value for the subject property. The comparables used, which include four sales, are summarized on the ensuing adjustment grid. The photographs and summary descriptions of the improved sales and their location map are found in Exhibit D.

The comparable properties included in the analysis are considered to be the best value indicators available. The comparable sales range from 3,282 SF to 5,410 SF of enclosed/rentable area. The sales occurred from December 2020 to November 2021 with sale prices ranging from \$270.56 to \$391.85 per enclosed SF.

IMPROVED SALES ADJUSTMENT GRID					
	Subject	Improved Sale 1	Improved Sale 2	Improved Sale 3	Improved Sale 4
Address:					
dba:					
Sale Date:	Jan-22 Appraisal Date	Dec-20	Jun-21	Nov-21	Mar-21
Unadjusted Sale/Contract/List Price:	N/A	\$1,650,000	\$1,463,740	\$1,125,000	\$1,528,600
Adjusted Sale/Contract/List Price:	N/A	\$1,650,000	\$1,463,740	\$1,125,000	\$1,528,600
Building Size (Enclosed Rentable Area)	4,242 SF	5,075 SF	5,410 SF	3,282 SF	3,901 SF
Unadjusted Sale Price/SF of Rentable Area:	N/A	\$325.12	\$270.56	\$342.78	\$391.85
Days on Market:	N/A	Not listed	Approx. 1 year	60 days on market	80 days on market
Overall Capitalization Rate:	N/A	N/A	N/A	N/A	N/A
Transactional Adjustments for Property Rights Conveyed, Financing Terms, Conditions of Sale, Expenditures Immediately After Purchase and Market Conditions:					
Real Property Rights:	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment for Real Property Rights:		\$0	\$0	\$0	\$0
Price adjusted for property rights:		\$1,650,000	\$1,463,740	\$1,125,000	\$1,528,600
Financing terms:		Cash or equivalent to seller	Cash or equivalent to seller	Seller Financing	Cash or equivalent to seller
Adjustment for Financing terms:		\$0	\$0	\$0	\$0
Price further adjusted for financing terms:		\$1,650,000	\$1,463,740	\$1,125,000	\$1,528,600
Conditions of sale:		Arms Length; Normal	Assumed Arms Length; Normal	Arms Length; Normal	Arms Length; Motivated Buyer
Adjustment for Conditions of sale:		\$0	\$0	\$0	\$76,430
Price further adjusted for conditions of sale:		\$1,650,000	\$1,463,740	\$1,125,000	\$1,605,030
Expenditures immediately after purchase:		None	None	None	None
Adjustment for expenditures immediately after purchase:		\$0	\$0	\$0	\$0
Price further adjusted for expenditures immediately after purchase:		\$1,650,000	\$1,463,740	\$1,125,000	\$1,605,030
Market Conditions Adjustment @ .%		0.00%	0.00%	0.00%	0.00%
Months since closing:		13 months ago	7 months ago	2 months ago	10 months ago
Price further adjusted for market conditions:		\$1,650,000	\$1,463,740	\$1,125,000	\$1,605,030
Total gross adjustment:		\$0	\$0	\$0	\$76,430
Gross Transactional Adjustments:		0.0%	0.0%	0.0%	5.0%
Adjusted Price/SF of Rentable Area:		\$325.12	\$270.56	\$342.78	\$411.44
Property Adjustments:					
Location:					
Adjustment for Location:		0%	0%	-5%	-5%
Access:	1 Street (4-Lane Road)/Median Cut	1 Street (6-Lane Road)/Median Cut	1 Street (4-Lane Road)/No Barriers to Access	1 Street (4-Lane Road)/No Barriers to Access	3 Streets (All 2-Lane Roads)/No Barriers to Access
Adjustment for Access:		0%	0%	0%	0%
Visibility/Traffic Counts (FDOT 2020):	22,000 Cars per Day	31,500 Cars per Day	9,400 Cars per Day	20,400 Cars per Day	16,300 Cars per Day
Adjustment for Visibility/Traffic Counts:		-5%	0%	0%	0%
Building Size (Enclosed Rentable Area):	4,242 SF	5,075 SF	5,410 SF	3,282 SF	3,901 SF
Adjustment for Building Size (Enclosed Rentable Area):		0%	0%	0%	0%
Building Size (Including Patio Dining Areas):	4,902 SF	5,075 SF	7,450 SF	4,178 SF	3,901 SF
Outdoor Dining:	Covered Patio	None	Covered Waterfront Dining	Large Indoor/Outdoor Dining	Waterfront Outdoor Patio
Percent Appurtenant Structures (Canopies, Outdoor Dining, etc.)	13.46% Appurtenant Structures	0.00% Appurtenant Structures	27.38% Appurtenant Structures	21.45% Appurtenant Structures	0.00% Appurtenant Structures
Adjustment for Appurtenant Structures:		5%	-10%	0%	0%
Site Area (Useable Upland Area):	52,272 SF	68,084 SF	60,251 SF	19,602 SF	55,870 SF
Gross building area:	5,210 SF	5,215 SF	7,567 SF	5,042 SF	4,821 SF
Land-to-Bldg. Ratio	10.03 :1	13.06 :1	7.96 :1	3.89 :1	11.59 :1
Parking Ratio (spaces per 1,000 SF)	17.44 :1	29.56 :1	17.56 :1	24.38 :1	15.38 :1
Adjustment for Parking Ratio:		0%	0%	0%	0%
Quality of Construction:	1-Story Masonry with Stucco/Good	1-Story Wood Frame and Steel/Good	1-Story Masonry and Common Brick/Good	1-Story Wood Frame with Stucco and Siding/Average	1-Story Masonry with Stucco/Good
Adjustment for Quality of Construction:		0%	0%	5%	0%
FF&E (Furniture, Fixtures, & Equipment):	Includes FF&E	Includes FF&E	Includes FF&E	Includes FF&E	Includes FF&E
Adjustment for FF&E:		0%	0%	0%	0%
Occupancy:	Owner Occupied	Vacant at Sale	Vacant at Sale	Owner Occupied	Vacant at Sale
Adjustment for Occupancy:		0%	0%	0%	0%
Year Built/Condition:	1976 with Renovation in 2013/Good	1999/Good	1993/Good	1980 with Renovation/Good	1970 with Renovation/Good
Adjustment for Yr. Built/Age/Condition:		0%	0%	0%	0%
Net Property Adjustments:		0%	-10%	0%	-5%
Gross Property Adjustments:		10.0%	10.0%	10.0%	5.0%
Total Gross Adjustments (Transactional & Property):		10.0%	10.0%	10.0%	10.0%
Indicated Value/SF of Rentable Area (Based on Net Adj.):		\$325.12	\$243.51	\$342.78	\$390.87
Weighting:		30%	20%	25%	25%
Value Indication via Sales Comparison Approach:	4,242 SF of Rentable Area	\$97.54	\$48.70	\$85.69	\$97.72
(Reflects Value w FF&E:Furniture, Fixtures & Equipment)				\$329.65 /SF =	\$1,398,375
				Rounded to:	\$1,400,000

No adjustments were required for property rights conveyed or financing as all of the properties were vacant at the sale date and each of the transactions involved cash (or the equivalent) to the seller (Improved Sale 3 included some seller financing however the terms were not considered to be advantageous, as such no adjustment was made). The buyer's broker of Improved Sale 4 reported that there were multiple offers received on the property, the offer that was accepted included some buyer concessions including paying the seller's closing cost and agreeing to honor gift cards sold by the prior owner-user; due to these motivations on behalf of the buyer (effectively paying more than the recorded sale price) Sale 4 received an upward adjustment of 5% for conditions of sale. The

remaining sales were reflective of normal, arms-length transactions and did not require any adjustment for conditions of sale. A market conditions adjustment was not made due to the relatively recent sale dates of the comparables. After adjusting for property rights conveyed, financing, conditions of sale and market conditions the unit prices range from \$270.56 to \$411.44 per rentable SF.

After adjusting for all meaningful items of comparison (location, access, traffic, building size, outdoor dining/appurtenant structures, parking/land to building ratio, construction quality, age/condition and build out) the comparables reflect a range of value from \$243.51 to \$390.87 per rentable SF. Primary weight of 30% was placed on Sale 1 due to its similarities when compared with the subject. Supporting weight of 25% each was applied to Sales 3 and 4 with least weight of 20% given to Sale 2 because of the limited information provided (by the parties related to the transaction) due to a non-disclosure agreement. This weighting results in an indicated unit value of \$329.65 per enclosed SF for the subject property. Multiplying this indicated unit value by the subject's 4,242 rentable SF results in a value of \$1,398,375, **rounded to \$1,400,000** via the sales comparison approach.

Income Approach

In the income capitalization approach, estimates are made of the gross income that might be expected from rental of the real estate and of the expenses that might be incurred by the owner/lessor. Resulting net income is then capitalized at an appropriate rate to indicate the value of the property as an investment. This capitalization rate represents the relationship between net annual income and value and is a composite of the cost of debt service and the net cash flow requirements of the typical equity investor; the rate considers risk, availability of financing, and current market conditions.

Market Rent Survey

The subject property is currently occupied by an entity related to the ownership, therefore, it was necessary to determine an appropriate market rental rate for application in the income approach. In order to estimate market rent, it is necessary to gather data from similar restaurant properties in the subject's market area. Triple-net leases are typical, given the property type. The comparable rentals to be presented are the best available. As typical for this property type, the rental rates were analyzed on an annual per square foot basis. The rental survey indicates that a rental rate for the subject of \$30.50 per square foot annually on a triple-net lease basis is most appropriate and is used in the income approach to estimate potential gross income. A comparable rentals grid is found below, indicating a rental rate of \$30.50 per square foot per year for the subject property.

COMPARABLES	SUBJECT	Rental 1	Rental 2	Rental 3	Rental 4
Address					
CITY, STATE					
PROPERTY TYPE	Free Standing Restaurant	Free Standing Restaurant	Free Standing Restaurant	Free Standing Restaurant	Free Standing Restaurant
AVAILABLE/LEASED SF (Rentable Area)	4,242 SF	5,075 SF	5,410 SF	3,614 SF	2,251 SF
YEAR BUILT	1976	1999	1993	2001	1971 with Renovation
CONSTRUCTION	Masonry and Stucco	Wood Frame/Open Steel	Masonry	Wood Frame/Siding	Wood Frame
BUILD OUT	Restaurant	Restaurant	Restaurant	Restaurant	Restaurant
OCCUPANCY	Owner Occupied	100%	Vacant	Vacant	100%
TRAFFIC COUNTS	22,000 Cars per Day	31,500 Cars per Day	9,400 Cars per Day	9,400 Cars per Day	28,500 Cars per Day
RENT PER SF		\$29.56	\$40.00	\$30.00	\$53.31
RENT PER SF (Adjusted for Free Rent/ Concessions)		\$29.56	\$40.00	\$30.00	\$41.46
RENT PER SF (Adjusted for Expense)		\$29.56	\$40.00	\$30.00	\$41.46
RENT ESCALATIONS		Not disclosed	Negotiable	Negotiable	3% Annual
LEASE STATUS		Actual	Asking	Asking	Actual
LEASE STRUCTURE		NNN	NNN (CAM - \$4.32/SF)	NNN	NNN
LEASE TERMS		Signed Jan. 2022 (Length unknown)	Negotiable	Negotiable	15 years
OVERALL COMPARISON TO SUBJECT	Subject	Superior traffic counts	Superior asking rent, waterfront location	Superior asking rent	Superior location, size and traffic counts
ADJUSTMENT:		-5%	-15%	-5%	-15%
ADJUSTED RENT/SF:		\$ 28.08	\$ 34.00	\$ 28.50	\$ 35.24
CONCLUSION:	\$30.50				

Income Approach - Direct Capitalization:

Potential Gross Income: Based on the rent comparables, the property could be rented for \$30.50 per SF annually on a NNN basis. Based on this rental rate, the potential gross income estimate is \$129,381.

Vacancy and Collection Loss is a reduction of a property's potential gross income due to vacancy, late payment, or nonpayment from existing tenants. Vacancy and collection loss is estimated at 6.0% for the subject, or \$7,763, based on vacancy rates of similar freestanding retail/restaurant properties in the market area, with consideration for the fact that the subject is a single-tenant building, which reduces vacancy risk. A vacancy and collection loss of 6% leaves the subject with an effective gross income of \$121,618.

Operating Expenses were projected based on an analysis of the subject as if rented with a triple-net lease (typical for the market area and property type), with the tenants paying the real estate taxes, insurance, common area maintenance, and utilities. The projected operating expenses were based on actual operating expenses provided by the owner, where available, as well as operating statements of similar retail restaurant properties appraised and from data obtained from local and national

expense surveys. Operating expenses were projected to be \$7.02 per square foot, of which the owner would pay 5.93% of the effective gross income or \$1.70 per square foot.

Real estate taxes for the coming year have been estimated based on our approximate appraised value, a 70% assessment ratio, and the 2021 certified millage rate of 0.0177478, resulting in an ad valorem tax estimate of \$16,150.50. Applying the 4% early payment discount, which prudent management would likely take advantage of, brings the ad-valorem tax estimate to \$15,504.48, and adding the \$1,710 of non-ad valorem assessments results in a total estimated tax responsibility of \$17,214.48. In a triple-net lease, which is typical for this property type in this market area, the tenant would be responsible for paying the real estate taxes and the owner would only be responsible for \$1,033 (\$0.24/SF) of this expense (6% of the total for periods of vacancy).

Insurance was estimated at \$1.00 per square foot annually for the subject property. The landlord would be responsible for \$255 annually (during times of vacancy). As with the real estate tax expense, the landlord would be responsible for this expense only during times of vacancy (estimated to be 6%).

Utilities for common areas such as exterior lighting, irrigation, trash collection, etc. were estimated to be \$0.25 per square foot, with only the amount equal to vacancy and collection loss (6% or \$64 annually) paid by the landlord, as tenants typically pay their own utilities.

Lawn care was reported to be \$125 per month or \$1,500 per year. The property owner would only be responsible for this expense in times of vacancy (6% of the time), which would be \$90 annually.

Repairs and maintenance (structural components) were estimated to be \$0.40 per square foot for the subject, or \$1,697 per year and these expenses are typically the responsibility of the owner/landlord.

Management Fee: In the valuation of income-producing facilities, prudent management is critical to the profitability of the property. Management's responsibilities include leasing space, collecting rents, providing for maintenance and repairs, and ensuring overall tenant satisfaction. Management fees for improved retail restaurant properties commonly range from 3% to 5% of the effective gross income and are typically payable by the owner. A management expense of 3.00%, or \$3,649 annually, is estimated for the subject single tenant restaurant building.

Miscellaneous/Reserves for Replacement are typically paid by the owner and were estimated to be \$0.10 per square foot, or \$424 annually.

Net operating income: Total expenses to be paid by the owner are estimated to be \$7,211, or \$1.70 per SF and 5.93% of effective gross income, which, when subtracted from the effective gross income of \$121,618, results in a net operating income of \$114,408 (summarized in the Income Approach Summary on a following page).

Overall Capitalization Rate - Market-Derived: Market capitalization rates from recent sales and current listings of restaurant properties in the market area indicate a range of capitalization rates from 6.37% to 8.18%. These market transactions indicate an average capitalization rate of 7.27%.

IMPROVED OVERALL CAPITALIZATION RATE SALES GRID				
	Sale 1	Sale 2	Active Listing 3	Active Listing 4
Address:				
City, State				
County:				
Sale Date:	Dec-20	Sep-20	Active Listing	Active Listing
Contract or Listing Price:				
Sale Price:	\$1,650,000	\$3,020,000	\$3,200,000	\$2,499,000
Enclosed/Rentable Area:	5,075 SF	5,766 SF	7,103 SF	8,461 SF
Year Built/Condition:	1999/Good	2006/Good	1992/Good	1996/Average
Construction Quality:	1-Story Wood Frame and Open Steel	Concrete Block with Stucco	Wood Frame and Stucco	Wood Frame and Siding
Total Site Area:	68,084 SF	51,227 SF	49,175 SF	154,306 SF
Land-to-Bldg Ratio:	13.42 :1	8.88 :1	6.92 :1	18.24 :1
Overall Capitalization Rate:	8.18%	6.95%	7.57%	6.37%
Sale Price/SF of Rentable Area:	\$325.12	\$523.76	\$450.51	\$295.36

Overall Capitalization Rate – Band of Investment: We also developed a capitalization rate via a simple band of investment. This methodology indicated an overall rate of 8.0%, based on an interest rate of 4.5% for a 20-year term (indicating a mortgage constant of 7.59%), a 9.0% equity dividend (cash-on-cash) return and a 70% loan-to-value ratio. These figures are provided as follows:

Band of Investment				
	Ratio		Rate	
Cost of Borrowing	70%	x	7.59%	5.314%
				+
Cost of Equity Borrowing	30%	x	9.00%	2.700%
Indicated Overall Rate	100%			8.01%
Rounded to:				8.00%

Overall Capitalization Rate - Mortgage Equity Method: A second method of estimating the indicated capitalization rate is the mortgage equity method (summarized in the following table). This technique estimates the appropriate capitalization rate based on the requirements to satisfy the debt

and equity positions, with consideration for property appreciation and equity build-up over the projected holding period. The mortgage equity technique indicates an 8.32% overall capitalization rate. This method is more theoretical and corresponds more closely with interest rates and anticipated appreciation/depreciation. For this reason, this approach is typically given less emphasis than market-derived overall rates, when available.

Overall Capitalization Rate - Debt Coverage Ratio Method: We also considered the debt coverage ratio (DCR) method (at 1.25 and 1.3 times NOI) in order to develop an indication of the overall capitalization rate applicable to the subject. An overall rate of 6.80% was indicated using this method.

Averaging these two methods indicates an Average Capitalization Rate (ACR) of 7.56%. Details of the Ellwood Premise (Mortgage Equity Technique) and Debt Coverage Ratio methods follow:

Capitalization Rate Worksheet	
Variables	
Loan to Value Ratio (LTVR)	70.00%
Equity Requirement (ER)	30.00%
Interest Rate (IR)	4.50%
Term (T)	20 years
Expected Yield Rate (EYR)	18.00%
Holding Period (HP)	5 years
Appreciation (AP)	5.00%
Sinking Fund Factor (SFF)	0.139778
Debt Coverage Ratio (DCR min)	1.25
Debt Coverage Ratio (DCR max)	1.30
Mortgage Constant (MC)	0.075918
Percent Paid off @ 5 yr. (PPO)	0.173000
Calculations	
Mortgage Equity Method: (LTVR x MC)+(ER x EYR) =	0.107143
Equity Build Up: -(LTVR x PPO x SFF) =	(0.016927)
Appreciation: -(AP x SFF) =	(0.006989)
Calculated Overall Cap Rate	0.083227
Rounded to	8.32%
Debt Coverage Ratio (DCR) Indication of Cap Rate	
Using 1.25 DCR: (DCR min x MC x LVTR) =	0.066428
Using 1.3 DCR: (DCR max x MC x LVTR) =	0.069085
Indicated Average Cap Rate	0.067757
Rounded to	6.80%
Average Cap Rate (ACR) - Mortgage Equity and DCR	7.56%

We also consulted investor surveys such as:

RealtyRates.com Investor Survey 4th Quarter 2021






RealtyRates.com INVESTOR SURVEY - 4th Quarter 2021*																								
CURRENT & HISTORICAL CAP RATE INDICES																								
Method-Weighted* Property Category Indices																								
Year	Apts		Golf		Healthcare Senior Housing		Industrial		Lodging		MHRV Park		Office		Retail		Restaurant		Self Storage		Special Purpose		Weighted* Composite Indices	
	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg	Rate	Chg
2021	7.57	7	11.03	-4	8.03	-7	8.32	0	9.37	-2	8.58	-5	8.25	9	8.60	-2	10.86	5	8.91	0	11.01	10	8.77	2
3rd Qtr	7.55	-18	11.06	-16	8.01	-16	8.32	-16	9.32	-18	8.59	-16	8.29	-15	8.62	-15	10.86	-17	8.90	-18	11.04	-17	8.77	-16
2nd Qtr	7.73	16	11.21	18	8.18	14	8.48	16	9.50	13	8.75	17	8.43	18	8.78	17	11.03	17	9.08	17	11.21	20	8.94	17
1st Qtr	7.57	14	11.03	5	8.03	11	8.32	12	9.37	-3	8.58	9	8.25	11	8.60	11	10.86	11	8.91	11	11.01	7	8.77	10
2020	7.50	-43	11.08	-48	8.10	-48	8.32	-40	9.40	-47	8.63	-46	8.16	-38	8.58	-35	10.81	-39	8.91	-49	10.91	-29	8.75	-41
2019	7.92	-50	11.56	-47	8.58	-44	8.72	-47	9.86	-66	9.08	-48	8.54	-50	8.93	-45	11.20	-37	9.40	-46	11.20	-45	9.15	-49

Integra Realty Resources View Point 2022 - Retail

REGIONAL RATES COMPARISON - RETAIL

	CAP RATE	DISCOUNT RATE	MARKET RENT (\$/SF)	VACANCY RATE	4Q '20 - 4Q '21 CAP RATE △
SOUTH REGION					
Community Retail	6.97%	8.29%	\$18.66	10.55%	▼ 23 bps
Neighborhood Retail	6.83%	8.14%	\$17.01	11.51%	▼ 40 bps
EAST REGION					
Community Retail	7.20%	8.65%	\$18.66	10.55%	▼ 50 bps
Neighborhood Retail	7.52%	9.05%	\$17.01	11.51%	▼ 38 bps
CENTRAL REGION					
Community Retail	7.40%	8.38%	\$18.66	10.55%	▼ 26 bps
Neighborhood Retail	7.65%	8.37%	\$17.01	11.51%	▼ 37 bps
WEST REGION					
Community Retail	6.23%	7.64%	\$18.66	10.55%	▼ 8 bps
Neighborhood Retail	6.20%	7.80%	\$17.01	11.51%	▼ 25 bps
NATIONAL AVERAGES/ SPREADS					
Community Retail	6.92%	8.21%	\$21.65	10.31%	▼ 25 bps
Neighborhood Retail	6.96%	8.26%	\$19.44	10.69%	▼ 35 bps

National Association of Realtors

NAR Commercial Real Estate Outlook				
	2019	2020	2021	2022F
Vacancy Rates				
Multifamily	6.3%	6.7%	5.1%	4.8%
Office	9.6%	10.3%	12.2% 	13.5%
Industrial	5.0%	5.5%	4.9%	5.0%
Retail	4.5%	4.9%	4.9%	4.6%
Rent Growth				
Multifamily	2.7%	0.7%	7.8%	10.0%
Office	3.7%	0.6%	-1.0%	-0.8%
Industrial	5.5%	4.8%	6.7%	7.4%
Retail	2.3%	1.6%	1.8%	2.9%
Cap Rate				
Multifamily	5.8%	5.7% 	5.2%	5.3%
Office	7.3%	7.3% 	7.0%	7.2%
Industrial	6.6%	6.4% 	6.4%	6.7%
Retail	7.1%	7.0% 	7.0%	7.3%

Source: NAR Research

The average of the three surveys indicates an 8.28% capitalization rate. However, it is important to note that the surveys are national surveys and do not necessarily represent capitalization rates for the local market. Additionally, the RealtyRates survey is the only one that specifically addresses the restaurant property type.

The indicators of overall rates previously discussed are: 1) average cap rate based on sales at 7.27%; 2) average of Mortgage Equity Method and DCR at 7.56%; 3) Band of Investment at 8.00%; and 4) Investors Surveys Average of 8.28%. The average of these methodologies indicates a capitalization rate of 7.78%. However, due to the nature of the subject as a free standing building with a single-tenant along a commercial corridor, and given the risk of current market and economic conditions,

we have estimated a capitalization rate for the subject slightly above the average of 8.0% as appropriate for the subject property. Please see the ensuing grid for a summary:

Average Cap Rate (ACR) - Mortgage Equity and DCR	7.56%
Avg. Cap Rate Based on Cap Rate Sales	7.27%
Avg. Cap Rate Based on Investor's Surveys	8.28%
Band of Investment	8.00%
Indicated Cap Rate	8.00%

Value Indication Via the Income Approach: Finally, the net operating income estimate of \$114,408 was divided by the overall capitalization rate of 8.00%, to indicate a value of \$1,430,095, rounded to **\$1,430,000** which is the “as is” market value of the fee simple estate in the subject property via the direct capitalization income approach.

INCOME APPROACH SUMMARY - Fee Simple				
Potential Gross Income		Rentable Sq. Ft.	Annual Rate/SF	Annual Rent
		4,242	\$30.50	\$129,381
Less: Vacancy & Collection Loss @	6%			<u>(\$7,763)</u>
Effective Gross Income		4,242	\$28.67	\$121,618
Based on Triple-Net Lease	<u>Gross Dollars</u>	<u>Net Dollars</u>	<u>Percent of</u>	<u>Annual</u>
<u>OPERATING EXPENSES</u>	<u>Per Sq. Ft.</u>	<u>Per Sq. Ft.</u>	<u>EGI</u>	<u>Amount</u>
Real Estate Taxes	\$4.06	\$0.24	0.85%	(\$1,033)
Insurance	\$1.00	\$0.06	0.21%	(\$255)
Utilities	\$0.25	\$0.02	0.05%	(\$64)
Lawn Care	\$0.35	\$0.02	0.07%	(\$90)
Repairs & Maintenance	\$0.40	\$0.40	1.40%	(\$1,697)
Management Fee	\$0.86	\$0.86	3.00%	(\$3,649)
Misc./Reserves for replacement	<u>\$0.10</u>	<u>\$0.10</u>	<u>0.35%</u>	<u>(\$424)</u>
TOTAL EXPENSES	\$7.02	\$1.70	5.93%	<u>(\$7,211)</u>
NET OPERATING INCOME		\$26.97	94.07%	\$114,408
OVERALL RATE				8.00%
VALUE = NOI/OVERALL RATE =				\$1,430,095
Indicated Value via the Income Approach			Rounded To:	\$1,430,000

Reconciliation

In the final determination of market value, equal weight (50%) was placed on both the sales comparison approach and income capitalization approach. It should be noted that the values indicated by the sales comparison and income approaches are representative of the value of the real property and the furniture, fixtures and equipment (as the sales and rental comparables included FF&E), therefore it was necessary to deduct the estimated depreciated value of the subject property's FF&E in order to determine the value of the real estate only (the value requested by the client). In order to estimate the depreciated value of the subject's FF&E, the appraisers relied on the 2021 assessed value of the tangible personal property as available from the [REDACTED] tax collector of \$52,528, rounded to \$53,000. This amount was then deducted from the reconciled value indication, as shown in the following summary:

Fee Simple Value Opinion		<u>Weighting</u>
Income Approach - Direct Capitalization	\$1,430,000	50%
Sales Comparison Approach	\$1,400,000	50%
	Indication:	\$1,415,000
	Less Depreciated Value of FF&E:	<u>(\$53,000)</u>
Fee Simple "As Is" Value Opinion		
	Rounded to:	\$1,360,000

Based upon the investigation summarized and the premise defined herein, the "As Is" market value of the fee simple estate in the subject property, based on market conditions prevailing January 28, 2022, is estimated to be:

ONE MILLION THREE HUNDRED SIXTY THOUSAND DOLLARS
(\$1,360,000).

This appraisal includes real estate only, no furniture, fixtures and equipment (FF&E) or business value is included.

Our appraisal services and related appraisal report have been prepared in accordance with the requirements of Title XI of the Financial Institution's Reform, Recovery and Enforcement Act of 1989 ("FIRREA") with respect to real estate related financial transactions, as we understand these requirements. Our appraisal services and related appraisal report have been designed to conform to USPAP. This report was prepared in accordance with, and is subject to, our Assumptions and Limiting Conditions and General Service Conditions, which are attached to and form an integral part of this report. No investigation was made of the title to or any liabilities against the property appraised.

Respectfully submitted,
PROPERTY VALUATION & CONSULTING, INC.



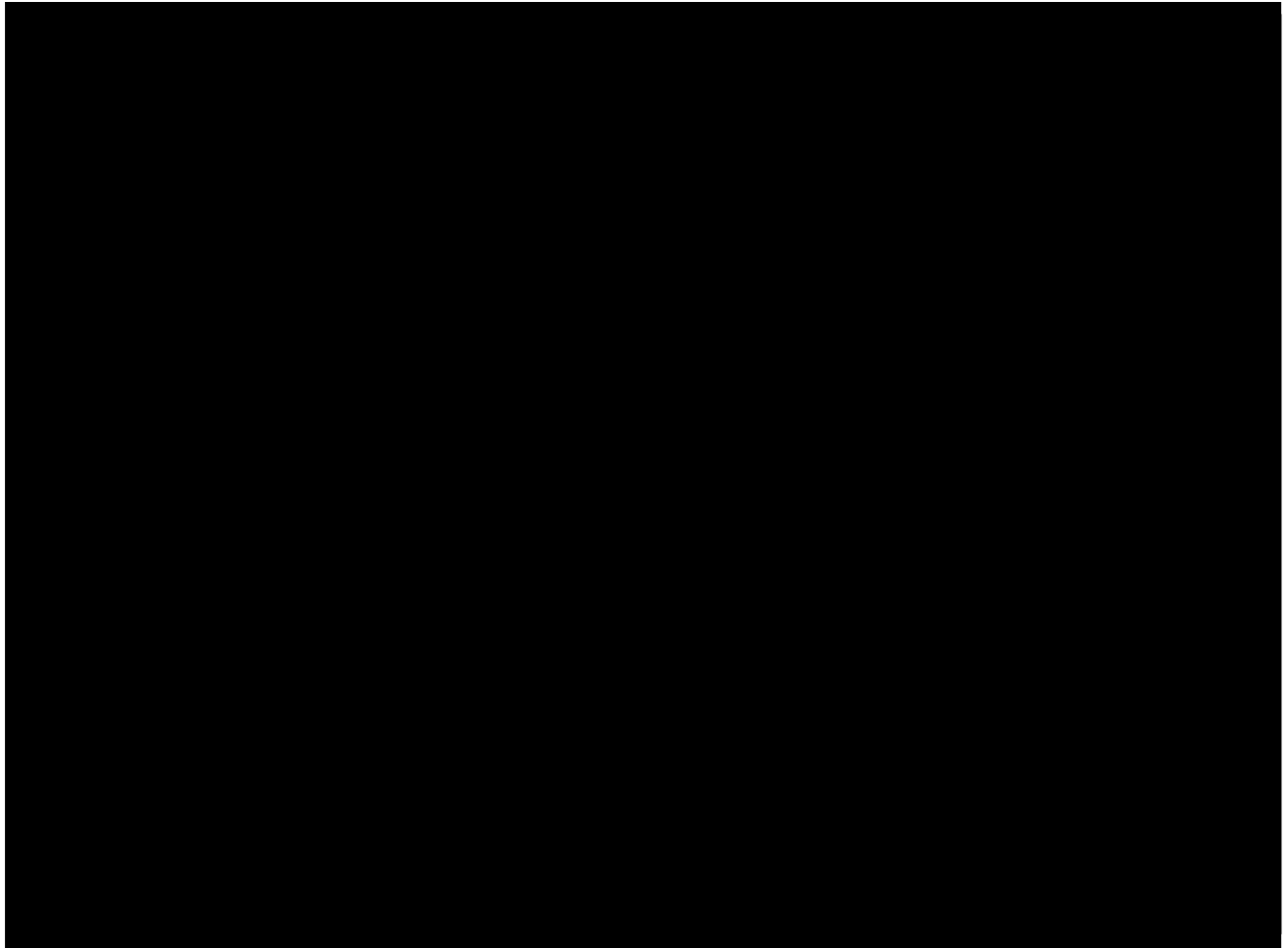
Blair Beasley
State-Certified General Real Estate Appraiser
License No. RZ3871



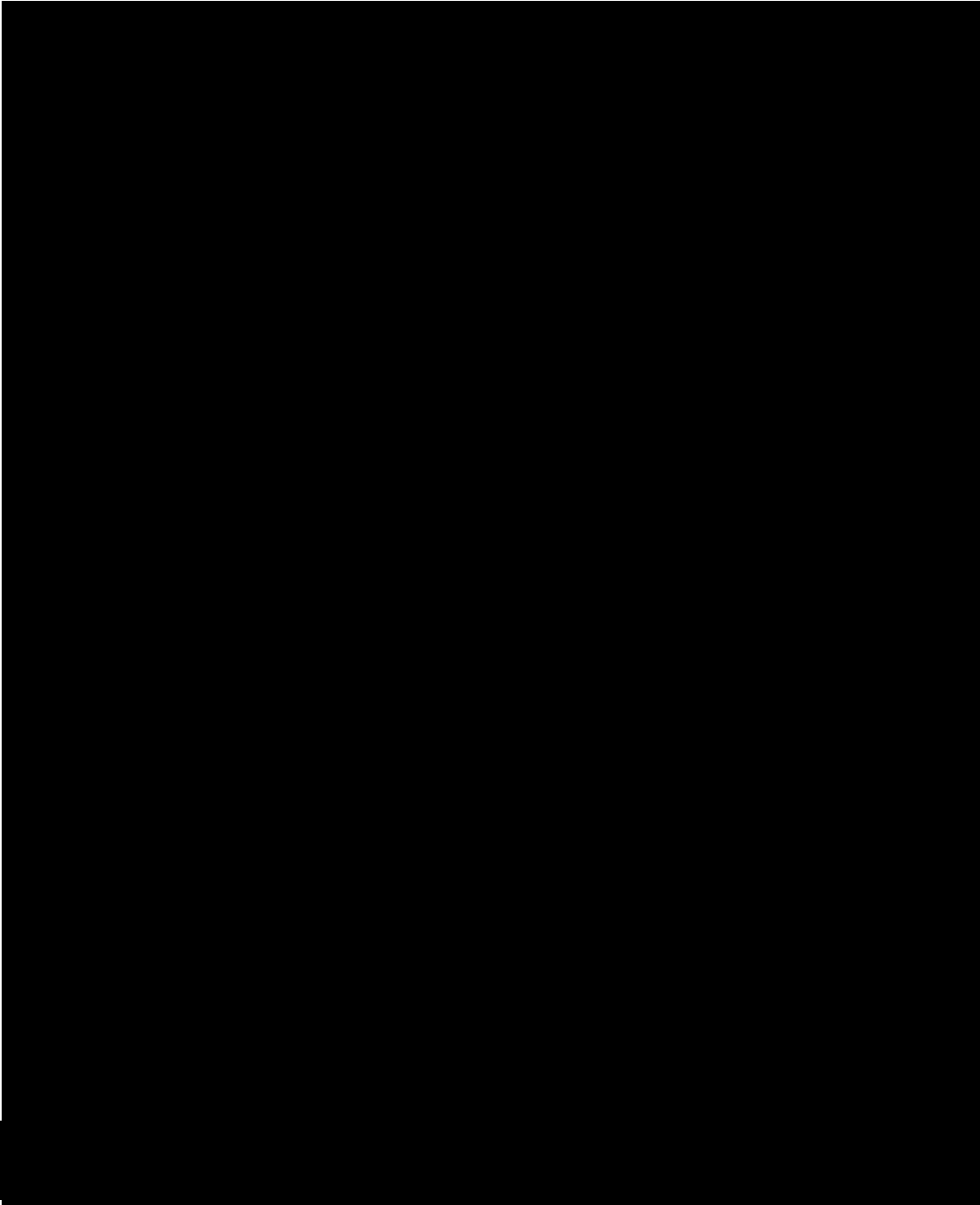
David Fuller
State-Registered Trainee Real Estate Appraiser
License No. RI25303

February 16, 2022
Job #A22-3.RES

Exhibit A
Location Map
and Subject Photographs
(6 Pages)



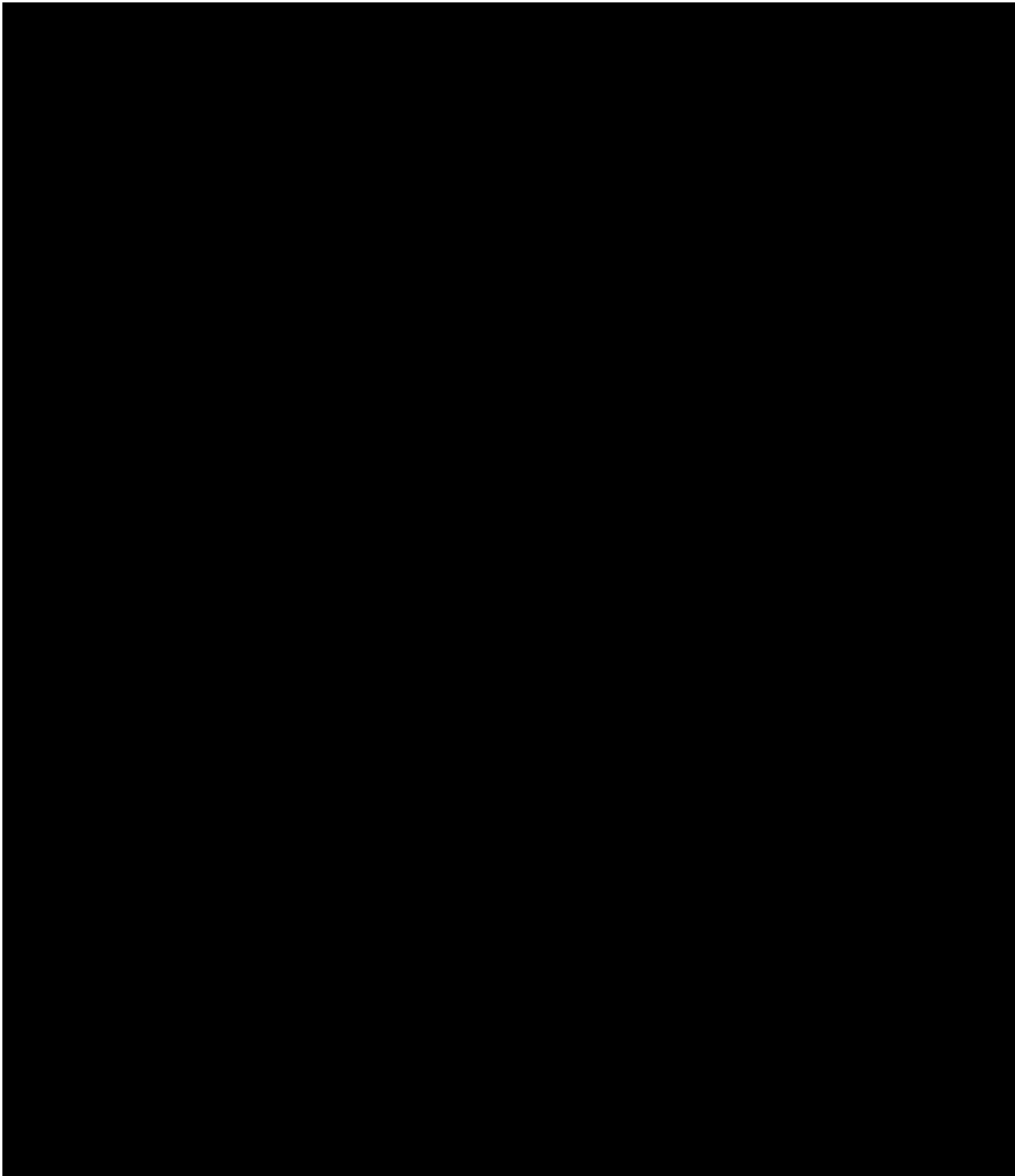
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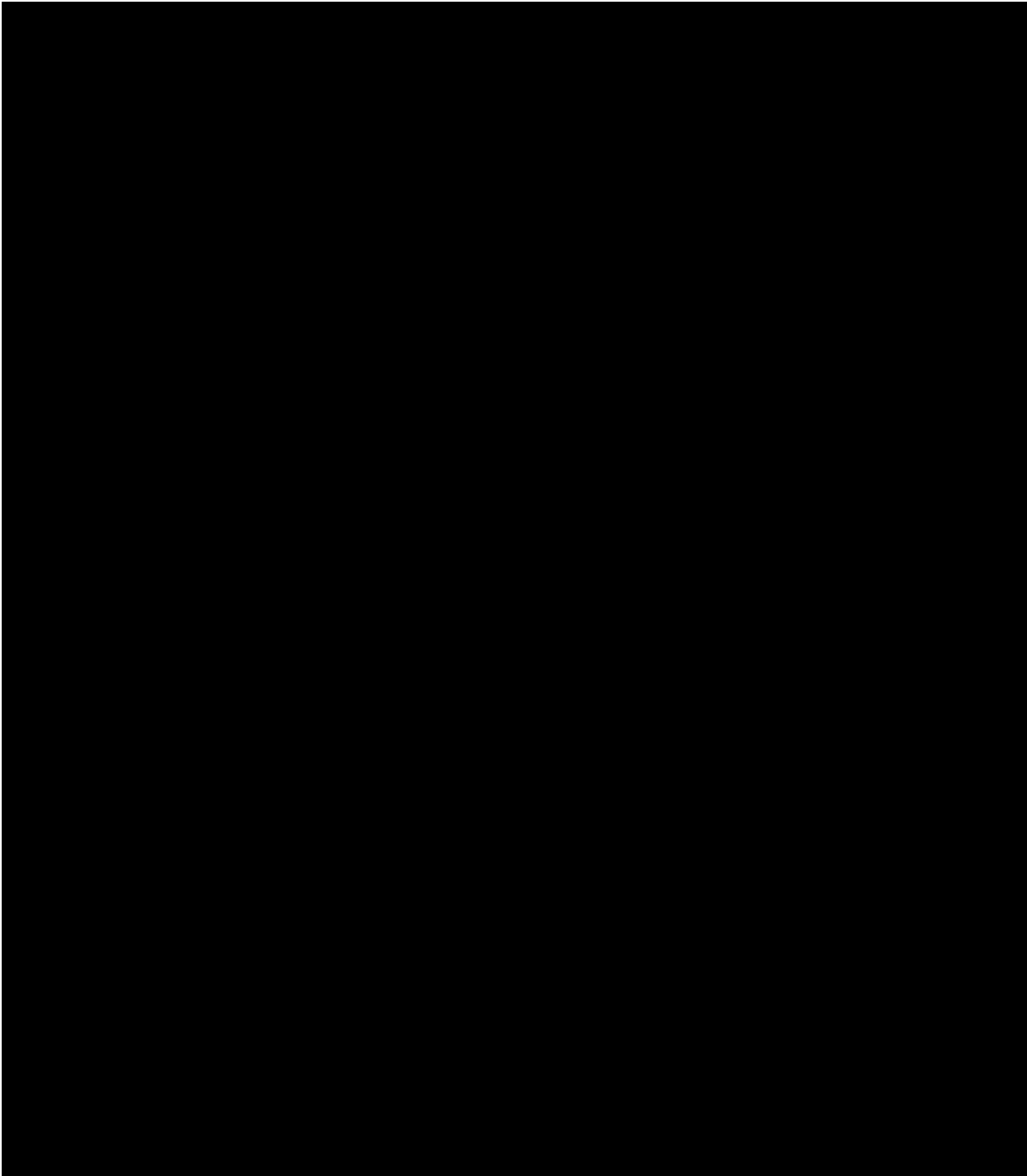
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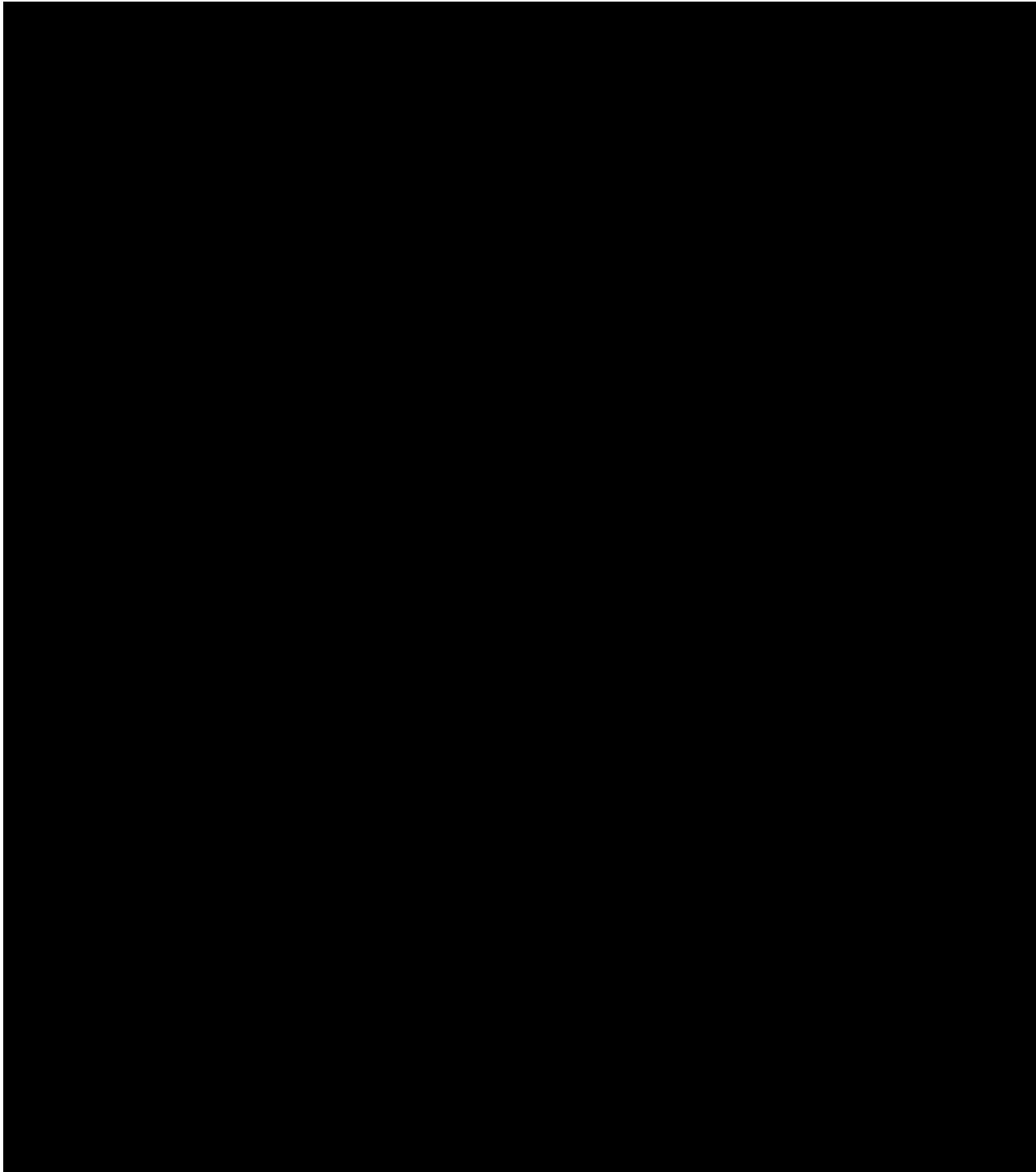
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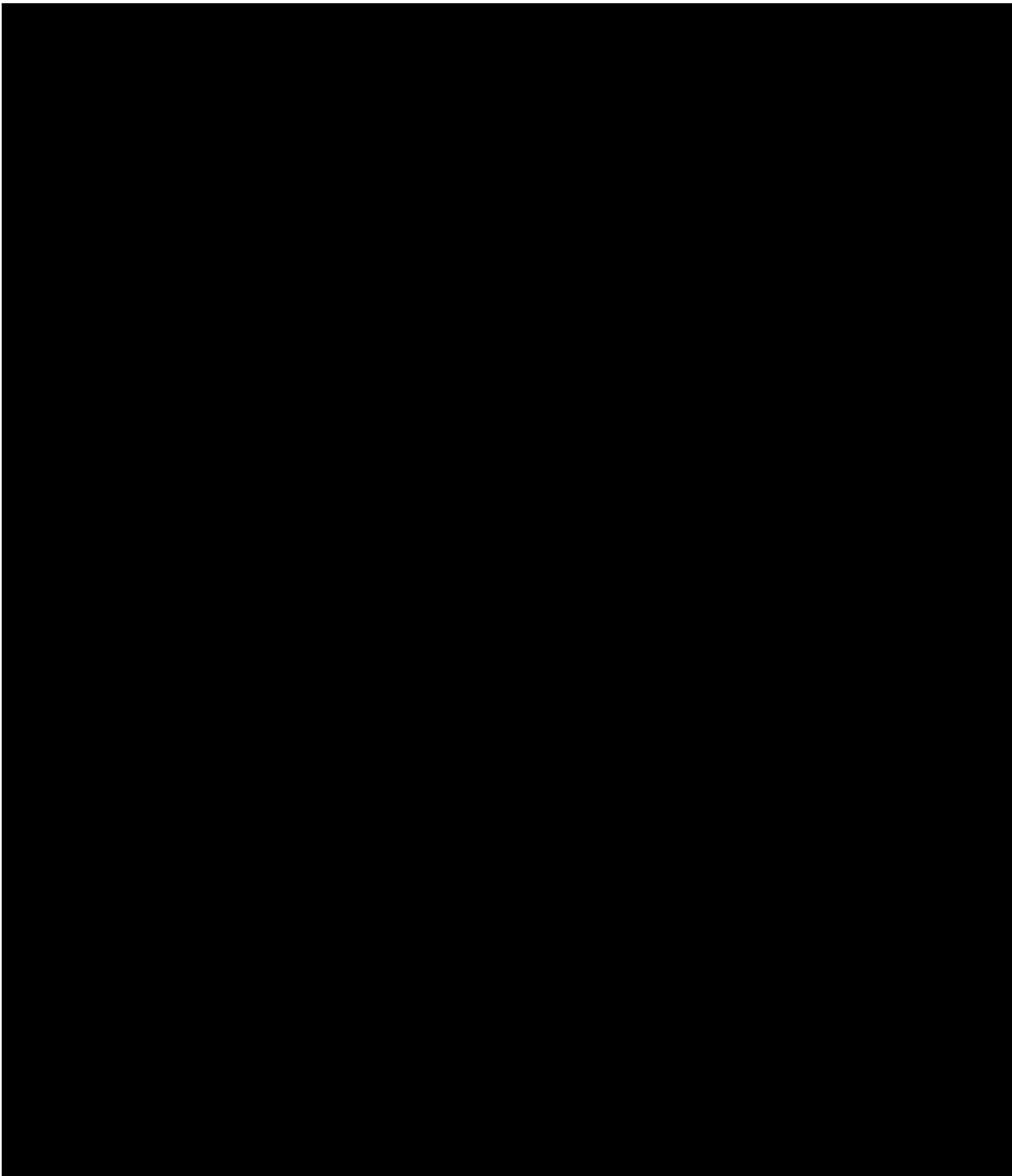
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SUBJECT PHOTOGRAPHS



**SUBJECT PHOTOGRAPHS
(KITCHEN)**



**SUBJECT PHOTOGRAPHS
(KITCHEN)**

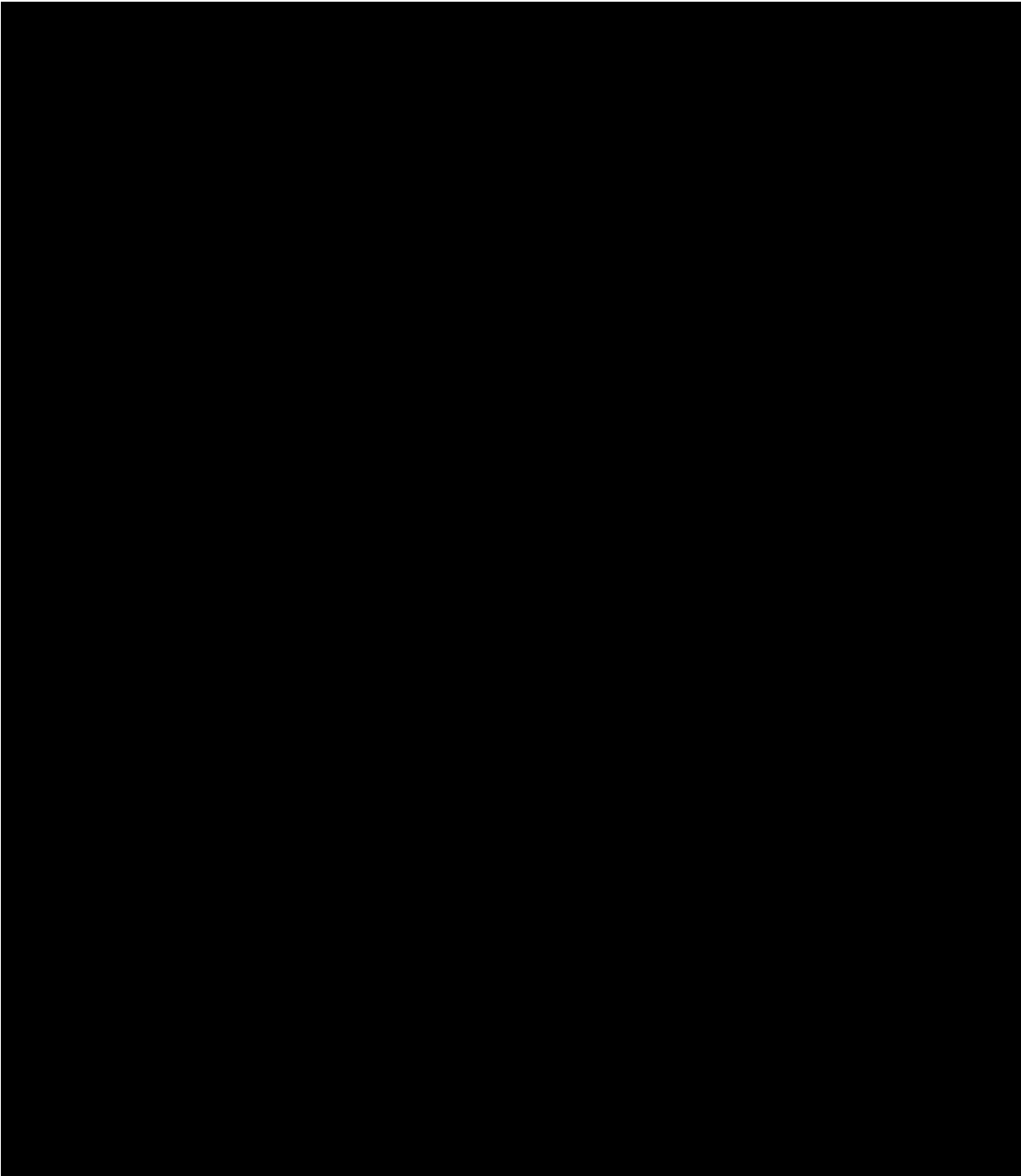
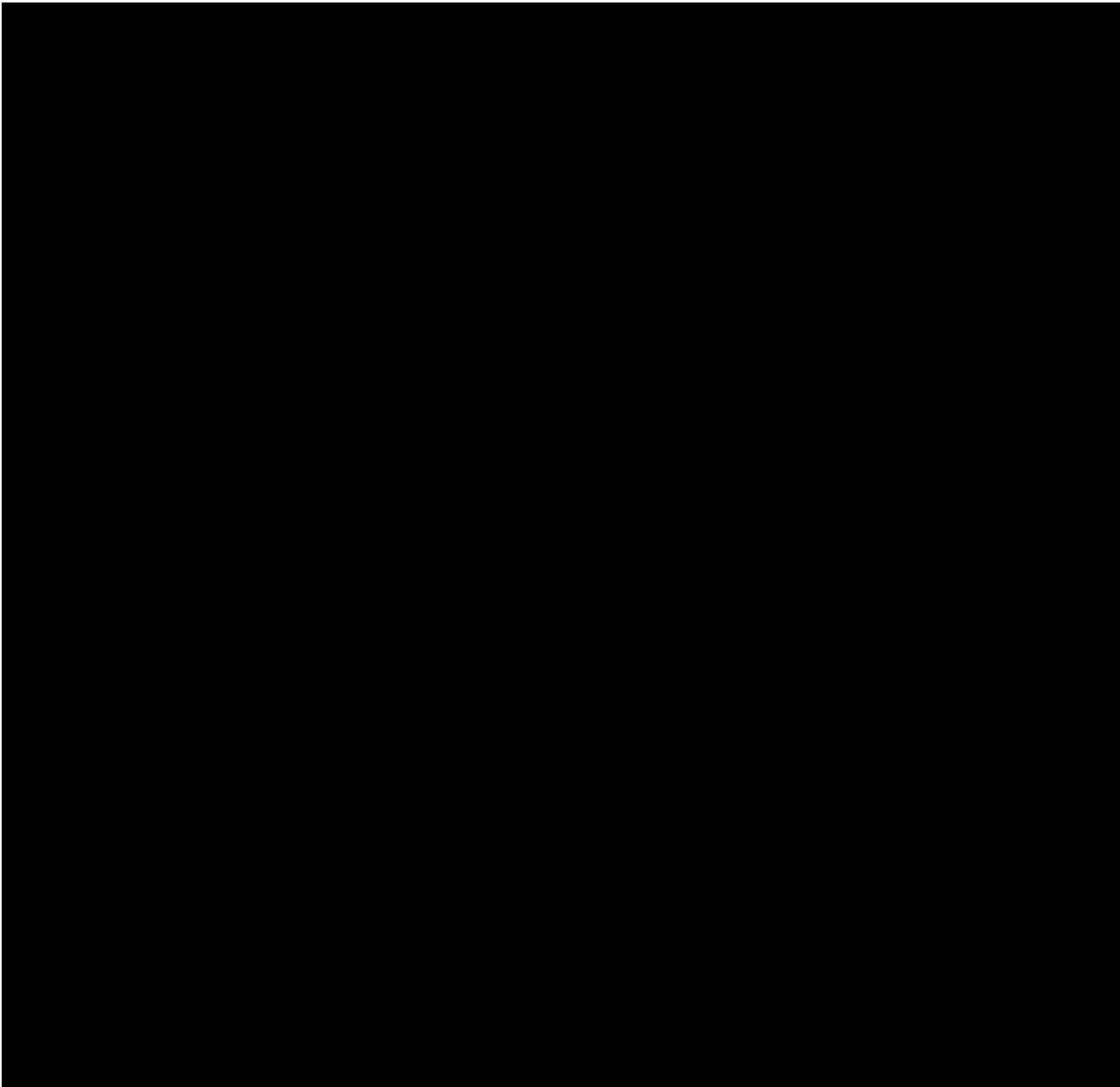
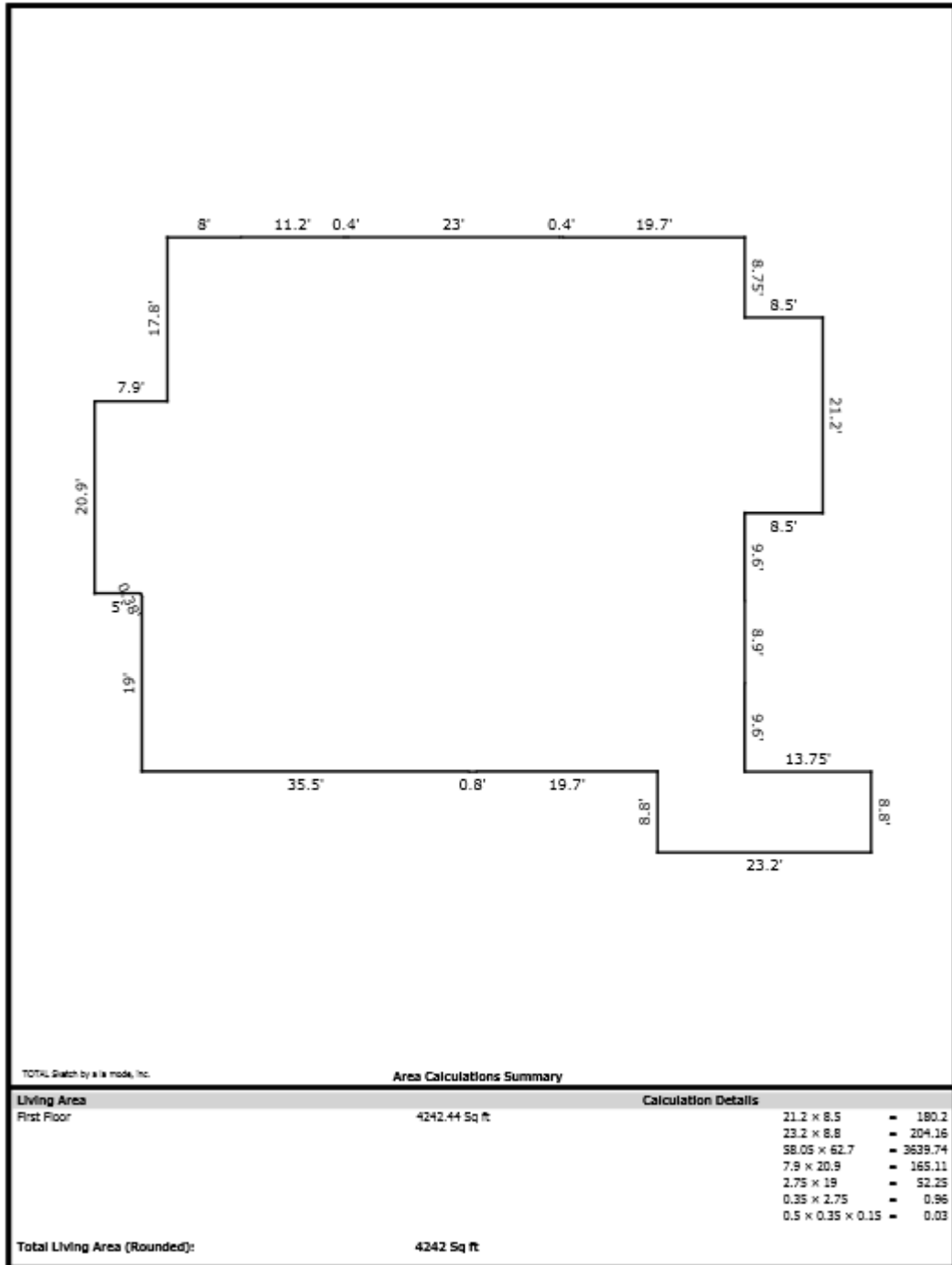


Exhibit B
Tax/Aerial Map, Building Sketch,
Tangible Personal Property Tax Bill, Flood Map,
And Survey/Plan Photographs
(5 Pages)

Tax/Aerial Map

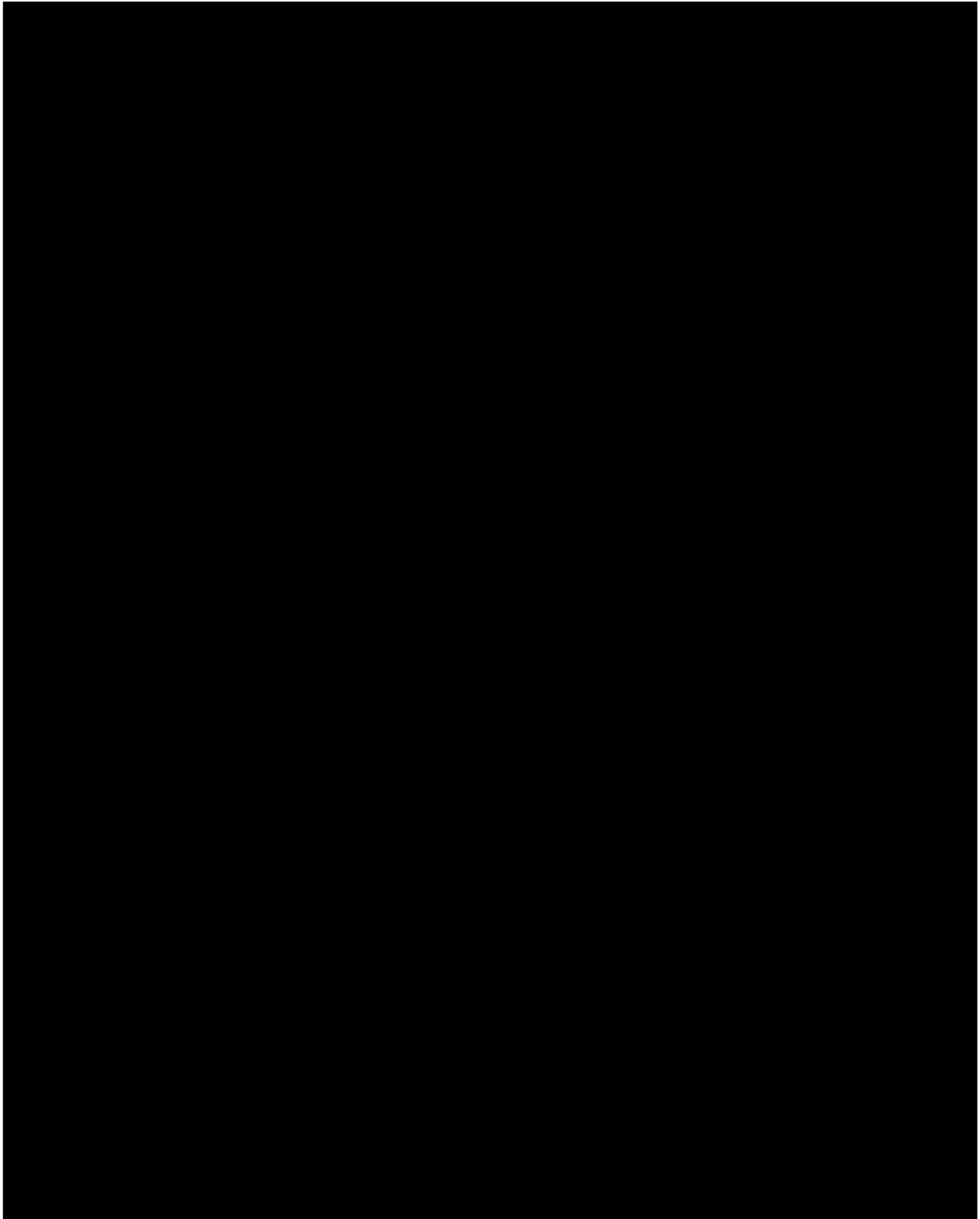


Building Sketch



<North

Tangible Personal Property Tax Bill

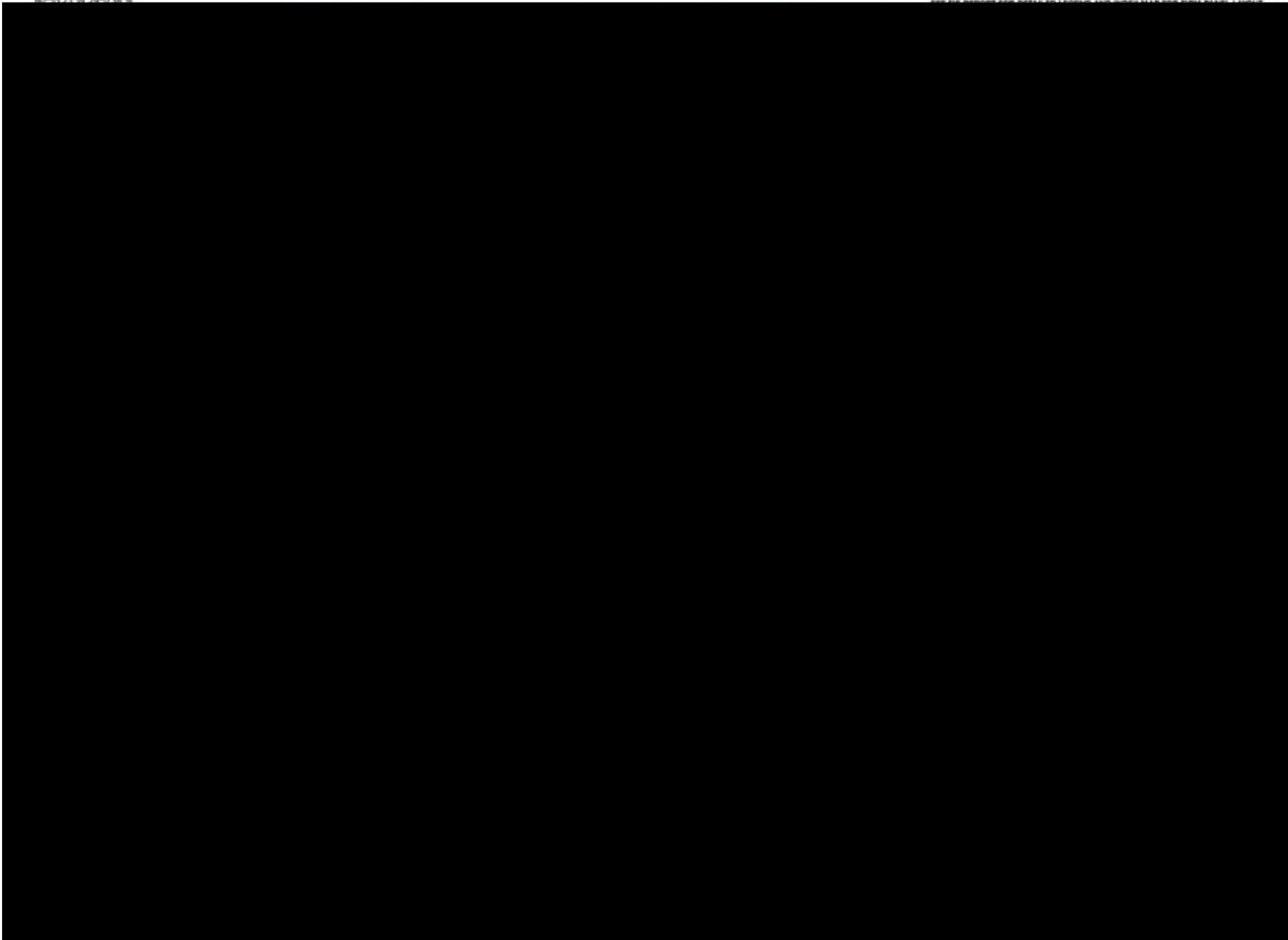


Flood Map

National Flood Hazard Layer FIRMette



Legend



Survey/Plan Photographs

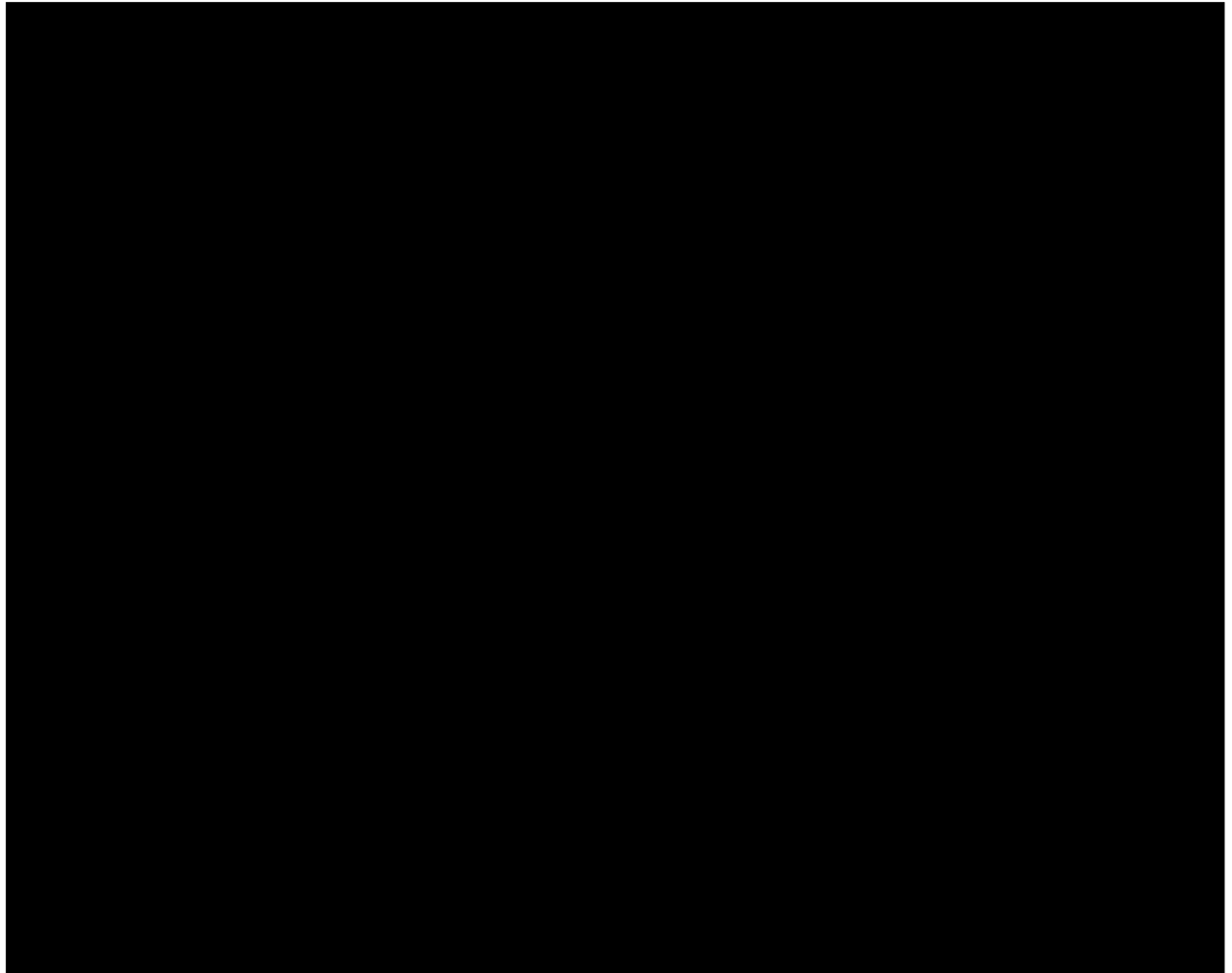


Exhibit C
Identifying Legal Description
(1 Page)

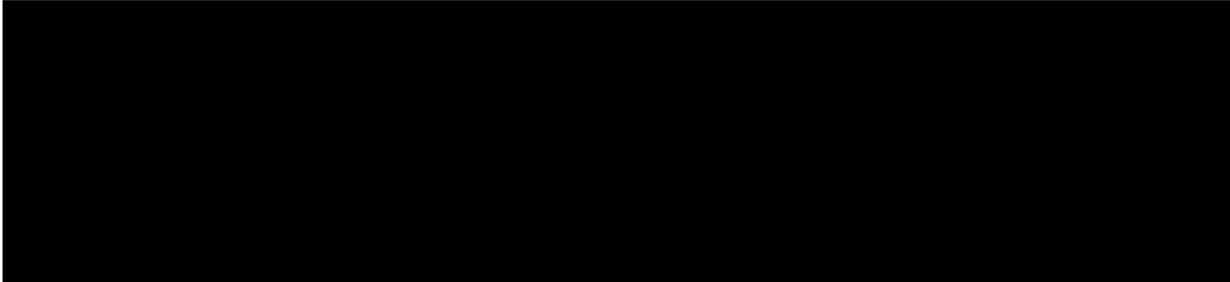
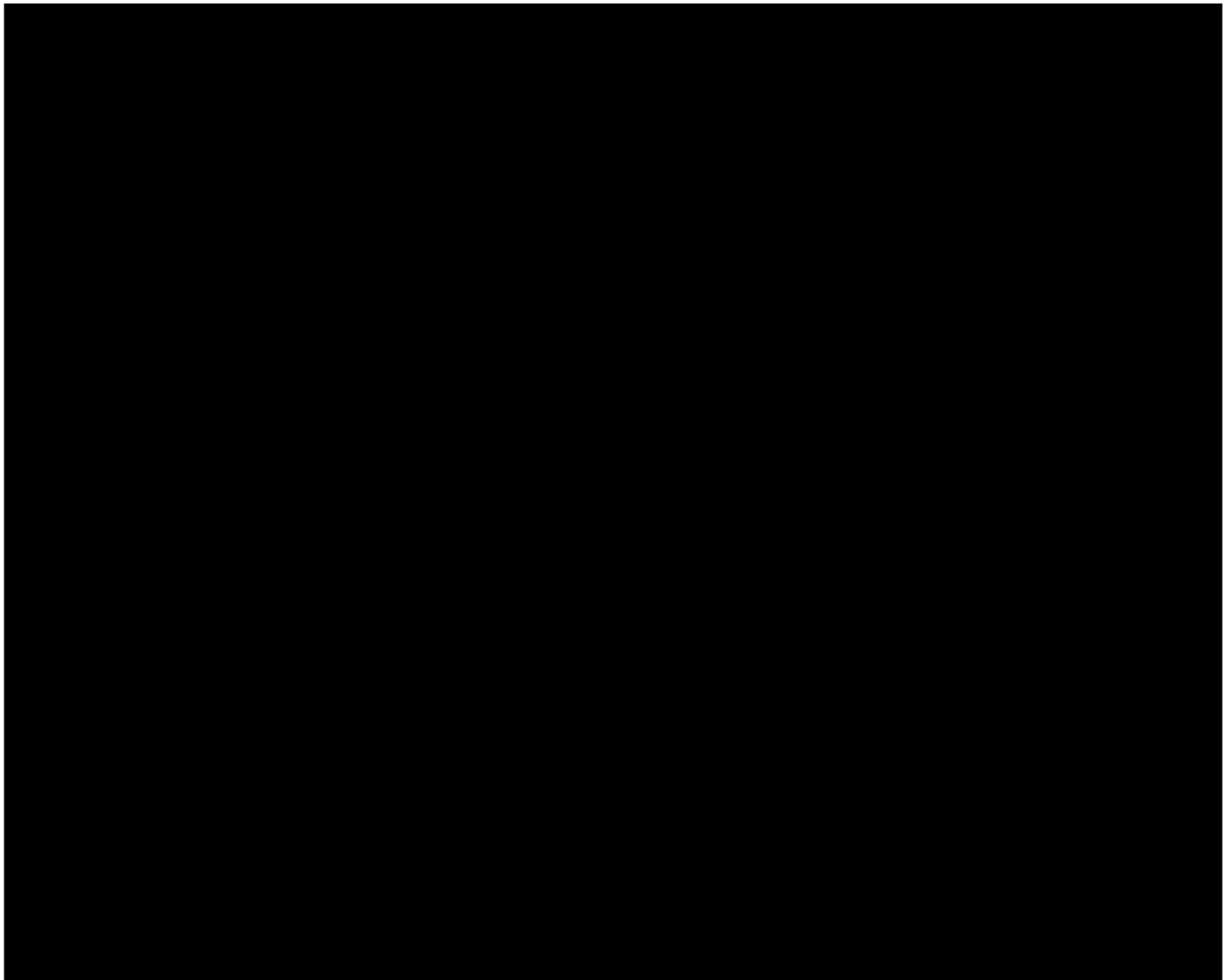


Exhibit D

**Comparable Improved Sales Location Map, Photographs &
Summary Descriptions and Comparable Rentals Location
Map and Photographs
(6 Pages)**



Location Map of Improved Sales

Improved Sale 1

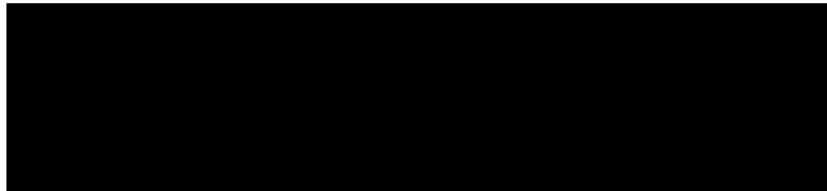


Address/ Location:	[REDACTED]
Grantor:	[REDACTED]
Grantee:	[REDACTED]
Transfer Data:	
Sale Date	December 2020
Exchange	Arm's length
Conditions	Normal
Recorded	O.R. Book 7968, Page 804, [REDACTED]
Sale Data:	
Contract Price	\$1,650,000 (verified with [REDACTED] Grantee Representative, [REDACTED])
Financing	Cash or equivalent to seller
Price Per Sq. Ft.	\$325.12/Rentable SF
Building Data:	
Building Sq. Ft.	5,075 SF enclosed rentable, no outdoor dining areas and 5,290 SF of gross building area
Year Built	1999 with renovations
Land-to-Building Ratio	13.06:1 (68,084 SF site)
Parking Ratio	Approximately 29.56:1,000 SF (based on a reported 150 spaces)
Construction Type	One-story wood frame and steel restaurant building with brick facia
Access	Median cut provides direct access with right-out only egress
Traffic Count	31,500 Cars per Day (2020 FDOT AADT)
Current Use	Restaurant
Comments	The property was a former Ruby Tuesday's and sold with FF&E in place. A lease on the property was recently negotiated at a rental rate \$150,000 per year or \$29.56 per square foot on a NNN lease basis.

Improved Sale 2



Address/ Location:
Grantor:



Grantee:

Transfer Data:

Sale Date June 2021
Exchange Assumed arms length
Conditions Assumed normal
Recorded O.R. Book 9150, Page 2444, [REDACTED]

Sale Data:

Sale Price \$1,463,740 (verified with [REDACTED] buyer broker, [REDACTED])

Financing Cash or equivalent to seller
Price Per Sq. Ft. \$270.56/Rentable SF

Building Data:

Building Sq. Ft. 5,410 SF enclosed rentable area, 7,450 SF of enclosed rentable and covered outdoor dining area and 7,567 SF of gross building area

Year Built 1993
Land-to-Building Ratio 7.96:1 (60,251 SF site)

Parking Ratio 17.56:1,000 SF

Construction Type One-story brick over concrete block restaurant building

Access Direct access from [REDACTED]

Traffic Count 9,400 Cars per day (2020 FDOT AADT) with high visibility from [REDACTED] 24,000 Cars per day

Current Use

The property is a former Applebee's restaurant that was vacant at the time of sale. Based on interior photos from current marketing materials FF&E was in place at the sale. Limited confirmation details were available as the parties involved signed a non-disclosure agreement. The property fronts [REDACTED] and has waterfront outdoor dining areas.

Improved Sale 3

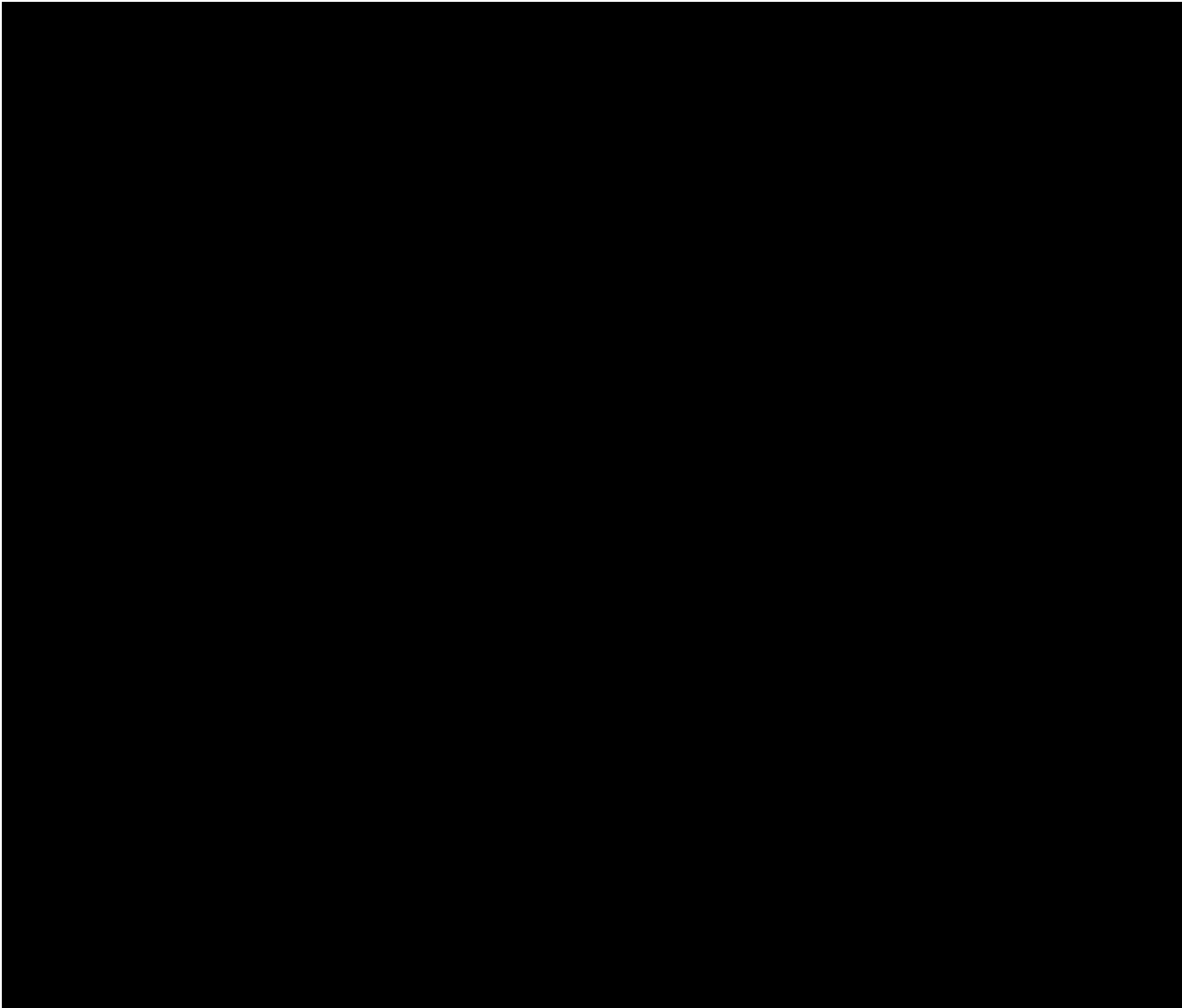


Address/ Location:	[REDACTED]
Grantor:	[REDACTED]
Grantee:	[REDACTED]
Transfer Data:	
Sale Date	November 2021
Exchange	Arm's length
Conditions	Normal
Recorded	O.R. Book 9339, Page 341, [REDACTED]
Sale Data:	
Sale Price	\$1,525,000 (verified with [REDACTED] adjusted to \$1,125,000 to account for \$400,000 allocated to business value included in the sale price)
Financing	The seller financed \$1,225,000 the listing agent reported that the loan was a 5-year balloon with a 20 year amortization at 5% interest, however those details were not available via public records
Price Per Sq. Ft.	\$342.78/rentable SF (adjusted)
Building Data:	
Building Sq. Ft.	2,386 SF enclosed rentable adjusted to 3,282 SF as there is substantial (1,792 SF) covered outdoor dining with a high finished level, half of that area (896 SF) was included as rentable area. The indoor and outdoor dinig areas total 4,178 SF and there is 5,042 SF of gross building area
Year Built	1980 with renovations
Land-to-Building Ratio	3.89:1 (19,602 SF site)
Parking Ratio	24.38:1,000 SF (80 spaces with cross access and parking agreement)
Construction Type	One-story wood frame, with stucco and siding, restaurant building
Access	Direct access from [REDACTED] a 4-lane road
Traffic Count	20,400 Cars per day (2020 FDOT AADT)
Current Use	Restaurant
Comments	Business value reported to be \$400,000 and FF&E were included in the sale price. The listing agent reported that the Grantee purchased the property with the intent of operating the restaurant.

Improved Sale 4



Address/ Location:	[REDACTED]
Grantor:	[REDACTED]
Grantee:	[REDACTED]
Transfer Data:	
Sale Date	March 2021
Exchange	Arm's length
Conditions	Motivated buyer – multiple offers
Recorded	OR Book 8017, Page 985, [REDACTED]
Sale Data:	
Sale Price	\$1,528,600 (verified with [REDACTED])
Financing	Cash to seller
Price Per Sq. Ft.	\$391.85/Rentable SF
Building Data:	
Building Sq. Ft.	3,901 SF enclosed rentable with no covered outdoor dining and 4,821 SF of gross building area
Year Built	1970 with renovations
Land-to-Building Ratio	11.59:1 (55,870 SF site)
Parking Ratio	Approximately 15.38:1,000 SF
Construction Type	One-story concrete block and stucco restaurant building
Access	Direct access from three 2-lane paved roads
Traffic Count	16,300 Cars per day (2020 FDOT AADT)
Current Use	Vacant at time of purchase
Comments	The building was formerly [REDACTED] which had been closed prior to the sale. The agent reported that there were multiple offers received; ultimately the Grantee's offer was accepted, as a condition of sale the Grantee paid all of the seller's closing costs and agreed to honor \$30,000 in outstanding gift cards. The property is situated across the street from the beach and has an uncovered patio dining area.



Location Map of Comparable Rentals

Photographs of Comparable Rentals

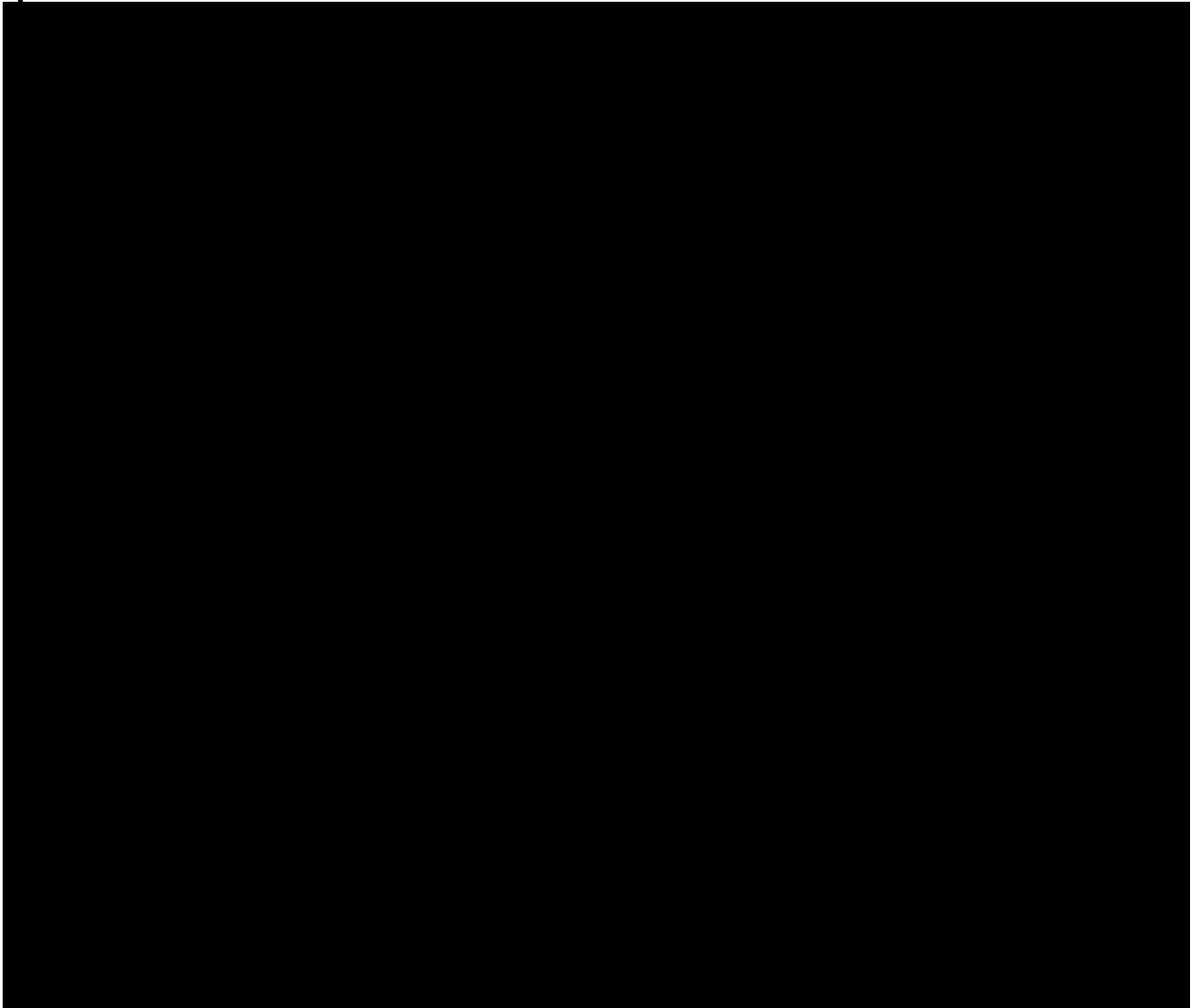


Exhibit E
Assumptions and Limiting Conditions, Extraordinary
Assumptions & Hypothetical Conditions
(3 Pages)

Assumptions and Limiting Conditions

No responsibility is assumed for matters legal in nature. No investigation has been made of the title to or any liabilities against the property appraised. In this appraisal, it is presumed that, unless otherwise noted, the owner's claim is valid, the property rights are good and marketable, and there are no encumbrances that cannot be cleared through normal processes.

We have provided an Appraisal Report, intended to comply with the reporting requirements set forth by the Uniform Standards of Professional Appraisal Practice (“USPAP”) for an Appraisal Report. As such, the report presents only summary discussions of the data, reasoning, and analyses used in the appraisal process to develop Property Valuation & Consulting’s opinion of value. Supporting documentation concerning the data, reasoning, and analyses has been retained as a part of our work papers. The depth of discussion contained in the report is specific to your needs as the client and for the intended use as stated. Property Valuation & Consulting, Inc., is not responsible for the unauthorized use of this report.

Furthermore, our appraisal services and related appraisal report have been prepared in accordance with the requirements of Title XI of the Financial Institution’s Reform, Recovery and Enforcement Act of 1989 (“FIRREA”) with respect to real estate related financial transactions, as we understand these requirements.

To the best of our knowledge, all data set forth in this report are true and accurate. Although gathered from reliable sources, no guarantee is made nor liability assumed for the accuracy of any data, opinions, or estimates identified as being furnished by others that have been used in formulating this analysis.

The market value estimate contained within this report specifically excludes the impact of structural damage or environmental contamination resulting from earthquakes or other causes. It is recommended that the reader of this report consult a qualified structural engineer and/or industrial hygienist for the evaluation of possible structural/environmental defects, the existence of which could have a material impact on market value.

Land areas and descriptions used in this appraisal were provided by the owner and/or obtained from surveys or public records and have not been verified by legal counsel or a licensed surveyor. (The land description is included for identification purposes only and should not be used in a conveyance or other legal document without proper verification by an attorney.)

No soil analysis or geological studies were ordered or made in conjunction with this report, nor were any water, oil, gas, or other subsurface mineral and use rights or conditions investigated.

Substances such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, or other potentially hazardous materials could, if present, adversely affect the value of the property. Unless otherwise stated in this report, the existence of hazardous substance, which may or may not be present on or in the property, was not considered by the appraisers in the development of the conclusion of value. The stated value estimate is predicated on the assumption that there is no material on or in the property that would cause such a loss in value. No responsibility is assumed for any such conditions, and the client has been advised that the appraiser is not qualified to detect such substances, quantify the impact on values, or develop the remedial cost.

No environmental impact study has been ordered or made. Full compliance with applicable federal, state, and local environmental regulations and laws is assumed unless otherwise stated, defined, and considered in the report. It is also assumed that all required licenses, consents, or other legislative or administrative authority from any local, state, or national government or private entity organization either have been or can be obtained or renewed for any use that the report covers.

Plats are presented only as aids in visualizing the property and its environment. Although the material was prepared using the best available data, it should not be considered as a survey or scaled for size.

It is assumed that all applicable zoning and use regulations and restrictions have been complied with unless a non-conformity has been stated, defined, and considered in the appraisal report. Further, it is assumed that the utilization of the land and improvements is within the boundaries of the property described and that no encroachment or trespass exists unless noted in the report.

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

The appraisers have made a physical inspection of the property and noted visible physical defects, if any, in this report. This inspection was made by individuals generally familiar with real estate and building construction. However, these individuals are not architectural or structural engineers who would have detailed knowledge of building design and structural integrity. Accordingly, we do not opine on, nor are we responsible for, the structural integrity of the property including its conformity to specific governmental code requirements, such as fire, building and safety, earthquake, and occupancy, or any physical defects which were not readily apparent to the appraisers during their inspection.

The value or values presented in this report are based upon the premises outlined herein and are valid only for the purpose or purposes stated.

The date of value to which the conclusions and opinions expressed apply is set forth in this report. Unless otherwise noted, this date represents the last date of our physical inspection of the property.

The value opinion herein rendered is based on the status of the national business economy and the purchasing power of the U.S. dollar as of that date. Testimony or attendance in court or at any other hearing is not required by reason of this appraisal unless arrangements are previously made within a reasonable time in advance thereof.

One or more of the signatories of this appraisal report is a member or associate/affiliate member of the Appraisal Institute. The Bylaws and Regulations of the Institute require each member and associate/affiliate member to control the use and distribution of each appraisal report signed by them.

Possession of this report or any copy thereof does not carry with it the right of publication. No portion of this report (especially any conclusion to use, the identity of the appraiser or the firm with which the appraiser is connected, or any reference to the Appraisal Institute or the designation awarded by this organization) shall be disseminated to the public through prospectus, advertising, public relations, news, or any other means of communication without the written consent and approval of Property Valuation & Consulting, Inc.

A hypothetical condition is defined as that which is contrary to what exists but is supposed for the purpose of analysis. 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 the analysis.

An extraordinary assumption is defined as an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. 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 use of Extraordinary Assumptions might affect the assignment results.

Extraordinary Assumptions

None

Hypothetical Conditions

None

Exhibit F
Certification
(1 Page)

Certification

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

The statements of fact contained in this appraisal 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 we have no personal interest or bias 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.

Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction of 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 the appraisal.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation and the regulating agencies governed under FIRREA.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

Blair Beasley and David Fuller have made a personal inspection of the property that is the subject of this report.

No one provided significant real property appraisal assistance to the person(s) signing this certification.

As of the date of this report, Blair Beasley has completed the Standards and Ethics Education Requirements and the requirements of the continuing education program for Practicing Affiliates of the Appraisal Institute.

I, Blair Beasley, the supervisory appraiser of a registered appraiser trainee who contributed to the development or communication of this appraisal as detailed in the Scope of Work (approx. 60 hours), hereby accepts full and complete responsibility for any work performed by the registered appraiser trainee named in this report as if it were my own work.

The appraisal assignment was not based on a requested minimum valuation or the approval of a loan.

We 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.



Blair Beasley, State-Certified General Real Estate Appraiser, License #RZ3871

February 16, 2022



David Fuller, State-Registered Trainee Real Estate Appraiser, License #RI25303

February 16, 2022

Exhibit G
Qualifications of Appraiser(s) and
Appraiser License(s)
(3 Pages)

QUALIFICATIONS OF BLAIR BEASLEY
State-Certified General Real Estate Appraiser #RZ3871

Business Address

Property Valuation & Consulting, Inc.
 204 South Dillard Street
 Winter Garden, FL 34787
 (407) 877-0200, Fax: (407) 877-8222

Education

Florida State University Tallahassee, FL
 Bachelor of Science in Real Estate and Marketing, April 2011

Appraisal & Real Estate Courses

Introduction to Real Estate: Florida State University	Tallahassee, FL	December 2009
Real Estate Valuation: Florida State University	Tallahassee, FL	December 2010
Real Estate Finance: Florida State University	Tallahassee, FL	December 2010
Real Estate Market Analysis: Florida State University	Tallahassee, FL	April 2011
Real Estate Investment: Florida State University	Tallahassee, FL	April 2011
Legal Environment of Real Estate: Florida State University	Tallahassee, FL	April 2011
National USPAP 15 Hour Course, Steve Williamson Real Estate Education Specialists	Orlando, FL	April 2012
General Appraiser Market Analysis and Highest & Best Use	Maitland, FL	April 2013
Business Practices and Ethics	Online	February 2014
7-Hour National USPAP Update Course	Orlando, FL	November 2014
Florida Law	Orlando, FL	November 2014
7-Hour National USPAP Update Course	Orlando, FL	May 2016
7-Hour National USPAP Update Course	Orlando, FL	April 2018
Florida Law	Orlando, FL	April 2018
Appraising Small Apartment Properties	Online	November 2018
Basic Hotel Appraising – Limited Service Hotels	Online	November 2018
Appraisal of Land Subject to Ground Leases	Online	November 2018
Supervisor Appraiser/Trainee Appraiser Course	Online	August 2019
7-Hour National USPAP Update Course	Orlando, FL	February 2020
Three Hour Florida Law	Virtual Classroom	September 2020
The Cost Approach: Unnecessary or Vital to a Healthy Practice	Virtual Classroom	October 2020
Uniform Appraisal Standards for Federal Land Acquisitions	Online	November 2020

Appraisal seminars sponsored by The Appraisal Institute

Critical Thinking in Appraisals, January 2014

Real Estate Experience

September 2011 - Present - Associate, Property Valuation & Consulting, Inc., Winter Garden, FL

Appraisal experience includes narrative and form report writing of commercial and residential vacant land, agricultural land, proposed residential subdivision properties, recreational facilities, retail buildings, industrial buildings, office buildings, day care facilities, greenhouse/nursery, commercial condominium properties, religious facilities/houses of worship, and other special purpose properties. This includes research, data collection, verification and analysis.

References

Available upon request.

QUALIFICATIONS OF DAVID FULLER
State-Registered Trainee Real Estate Appraiser #RI25303

Business Address

Property Valuation & Consulting, Inc.
 204 South Dillard Street
 Winter Garden, FL 34787
 (407) 877-0200, Fax: (407) 877-8222

Education

Crummer Graduate School of Business, Rollins College Masters of Business Administration (Finance)	Winter Park, FL	Dec. 2002
Auburn University Bachelor of Arts (PR/Journalism)	Auburn, AL	Dec. 1993

Appraisal and Real Estate Courses**GoldCoast Real Estate Appraisal School Courses:**

Basic Residential Appraisal Procedures	Orlando, FL	October 2021
Basic Residential Appraisal Principles	Orlando, FL	October 2021
Florida Appraisal Law	Orlando, FL	October 2021
2020-2021 15-Hour Equivalent USPAP Course	Orlando, FL	October 2021
National Appraising for the Supervisor and Trainee	Orlando, FL	October 2021

Real Estate Experience

October 2021 - Present - Associate, Property Valuation & Consulting, Inc., Winter Garden, FL

Appraisal experience includes narrative report writing of commercial vacant land, residential land, office buildings, and church properties. This includes research, data collection, verification and market analysis.

2004-Present – Florida Licensed Real Estate Broker BK 3091132

Experience includes both real estate transactions totaling more than \$50 million and fee development services for various entitlement projects in central Florida. Experience encompasses commercial/residential/raw land, office, industrial and conservation real estate properties.

References

Available upon request.

APPRAISER LICENSES

Ron DeSantis, Governor Halsey Beshears, Secretary



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD
THE CERTIFIED GENERAL APPRAISER HEREIN IS CERTIFIED UNDER THE
PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

BEASLEY, BLAIR
204 S DILLARD STREET
WINTER GARDEN FL 34787

LICENSE NUMBER: RZ3871
EXPIRATION DATE: NOVEMBER 30, 2022
Always verify licenses online at MyFloridaLicense.com



Do not alter this document in any form.
This is your license. It is unlawful for anyone other than the licensee to use this document.

Ron DeSantis, Governor Julie I. Brown, Secretary



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD
THE REGISTERED TRAINEE APPRAISER HEREIN HAS REGISTERED UNDER THE
PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

FULLER, DAVID J
2330 LEU RD
ORLANDO FL 32803

LICENSE NUMBER: R125303
EXPIRATION DATE: NOVEMBER 30, 2022
Always verify licenses online at MyFloridaLicense.com



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Exhibit H
General Service Conditions and
██████████ Engagement Letter
(17 Pages)

General Service Conditions

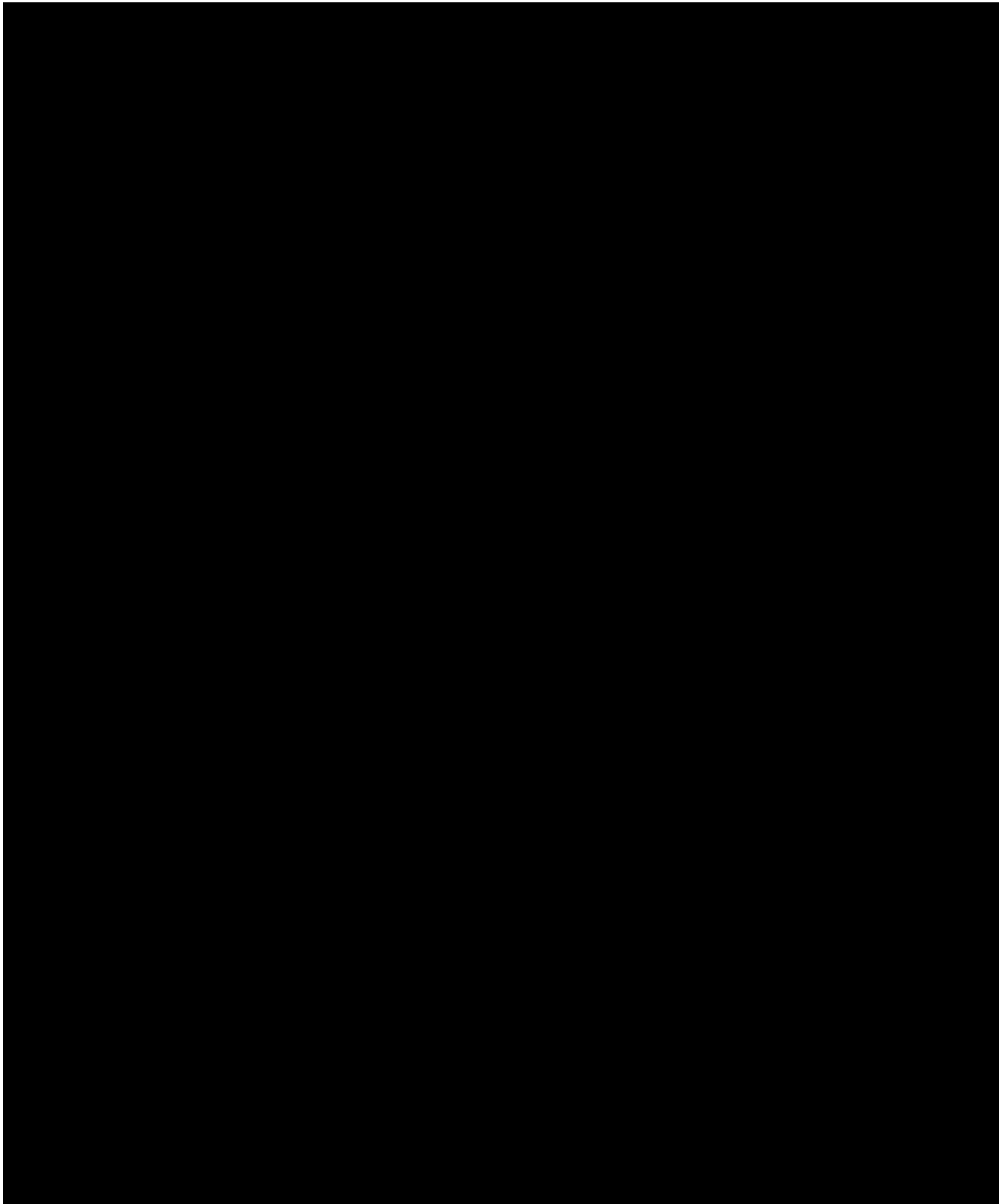
The service(s) provided by Property Valuation & Consulting, Inc. have been performed in accordance with professional appraisal standards. Our compensation was not contingent in any way upon our conclusions of value. We assumed, without independent verification, the accuracy of all data provided to us. We have acted as an independent contractor and reserved the right to use subcontractors. All files, work papers or documents developed by us during the course of the engagement are our property. We will retain this data for at least five years

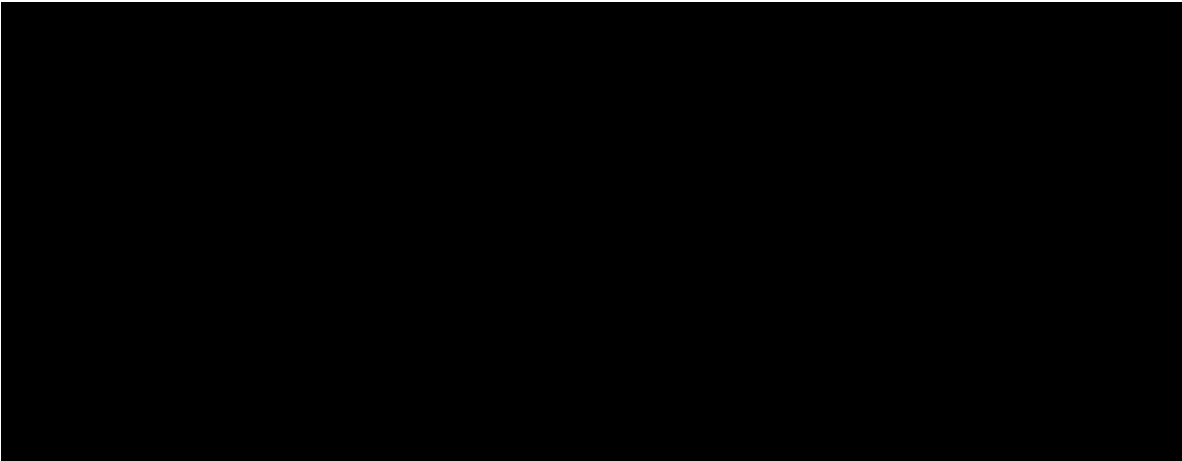
Our report is to be used only for the specific purposes stated herein and any other use is invalid. No reliance may be made by any third party without our prior written consent. You may show our report in its entirety to those third parties who need to review the information contained herein. No one should rely on our report as a substitute for his or her own due diligence. No reference to our name or our report, in whole or in part, in any document you prepare and/or distribute to third parties may be made without our prior written consent.

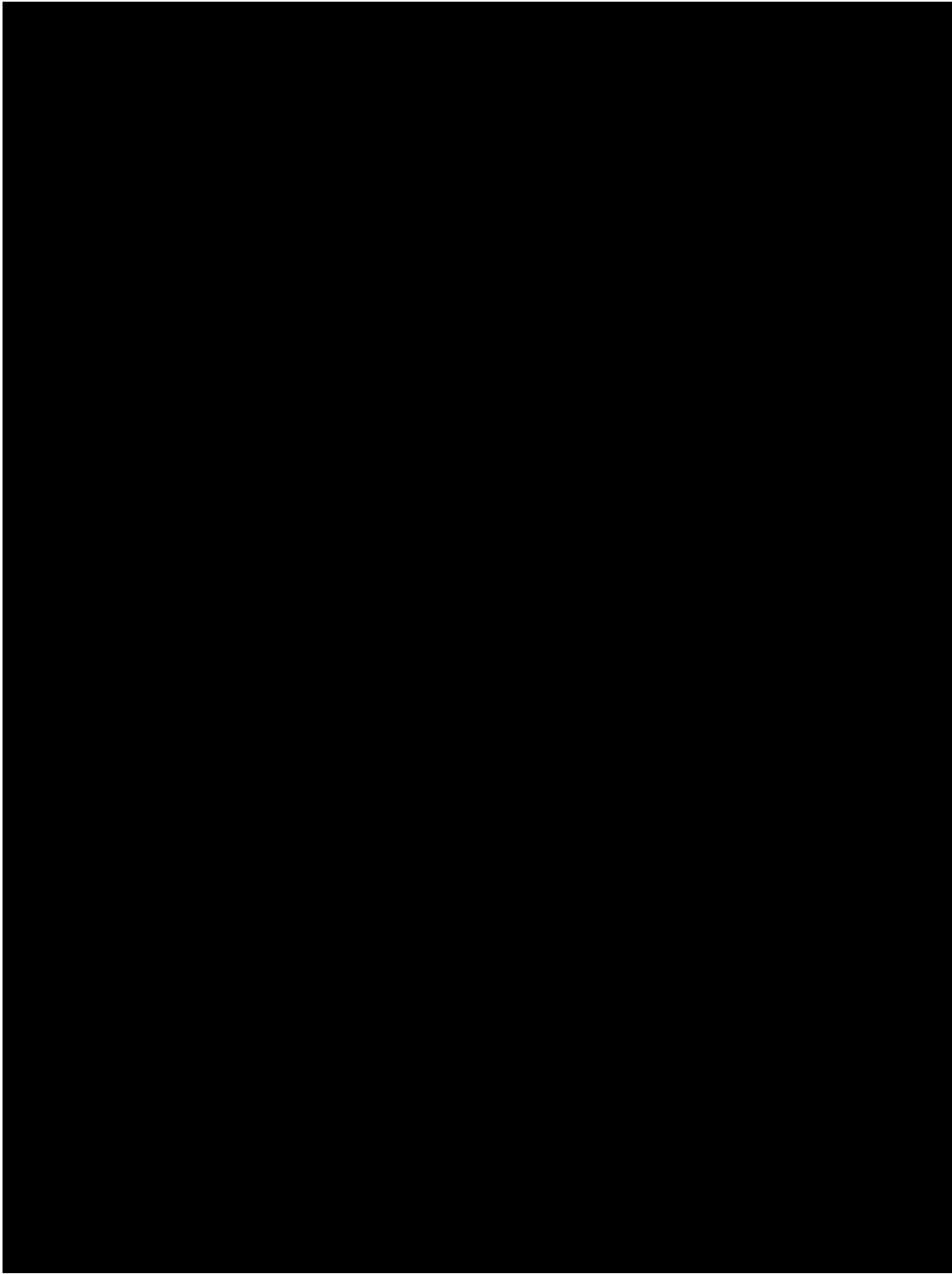
You will not be liable for our negligence. Your obligation for indemnification and reimbursement shall extend to any controlling person of Property Valuation & Consulting, Inc., including any director, officer, employee, subcontractors, subsidiary, affiliate, or agent.

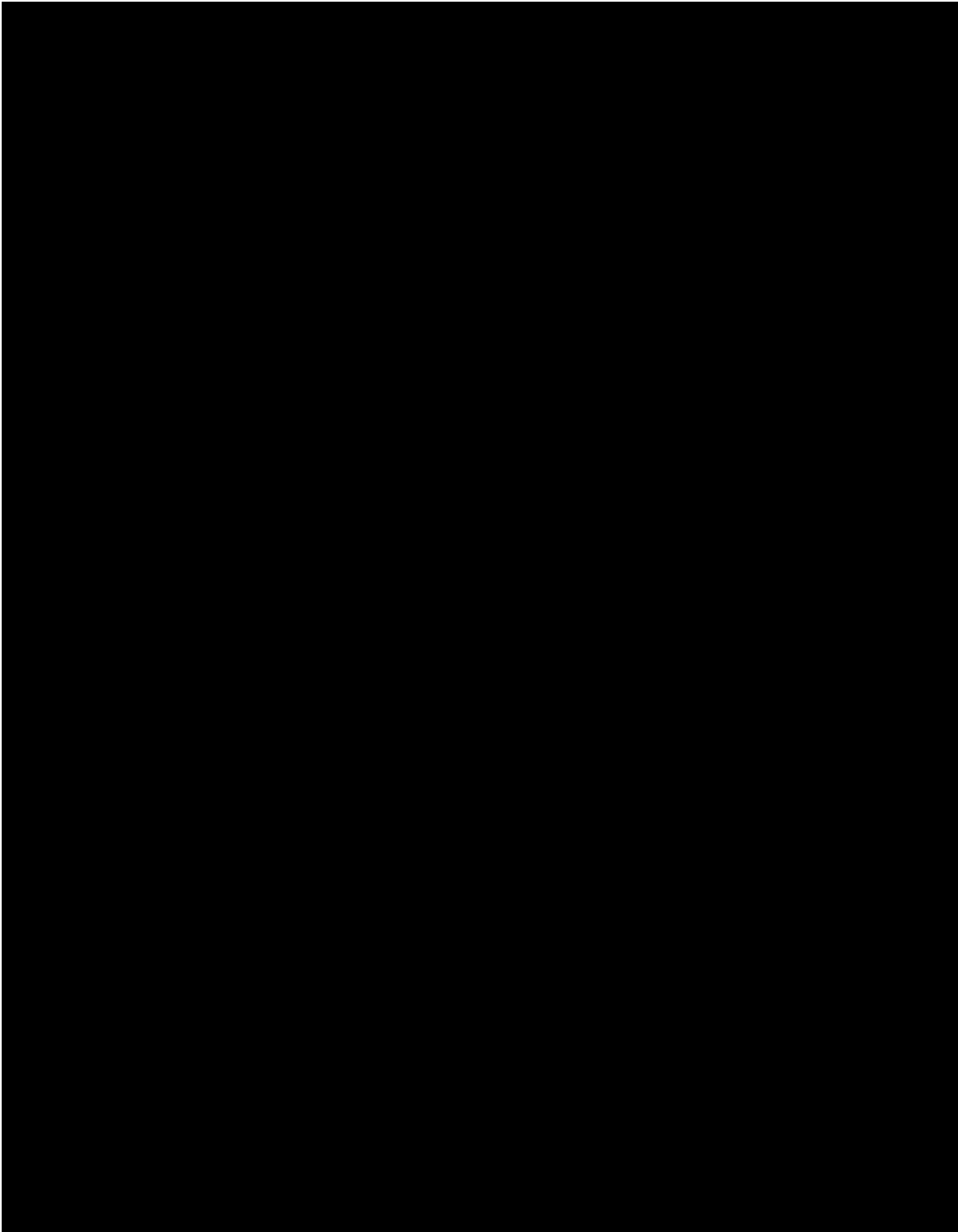
We reserve the right to include your company/firm name in our client list, but we will maintain the confidentiality of all conversations, documents provided to us, and the contents of our reports, subject to legal or administrative process or proceedings. These conditions can only be modified by written documents executed by both parties.

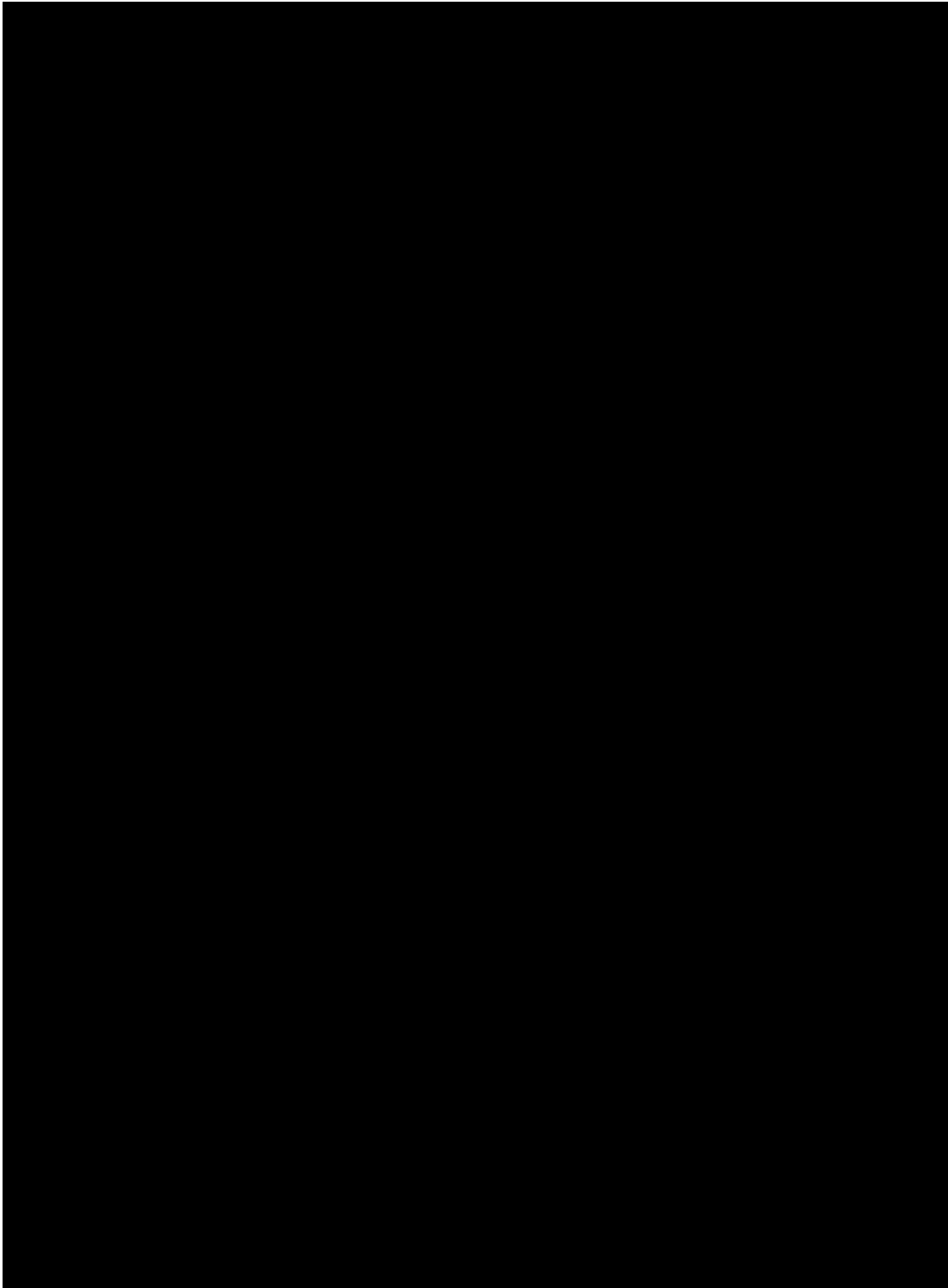
Property Valuation & Consulting, Inc., is an equal opportunity employer.

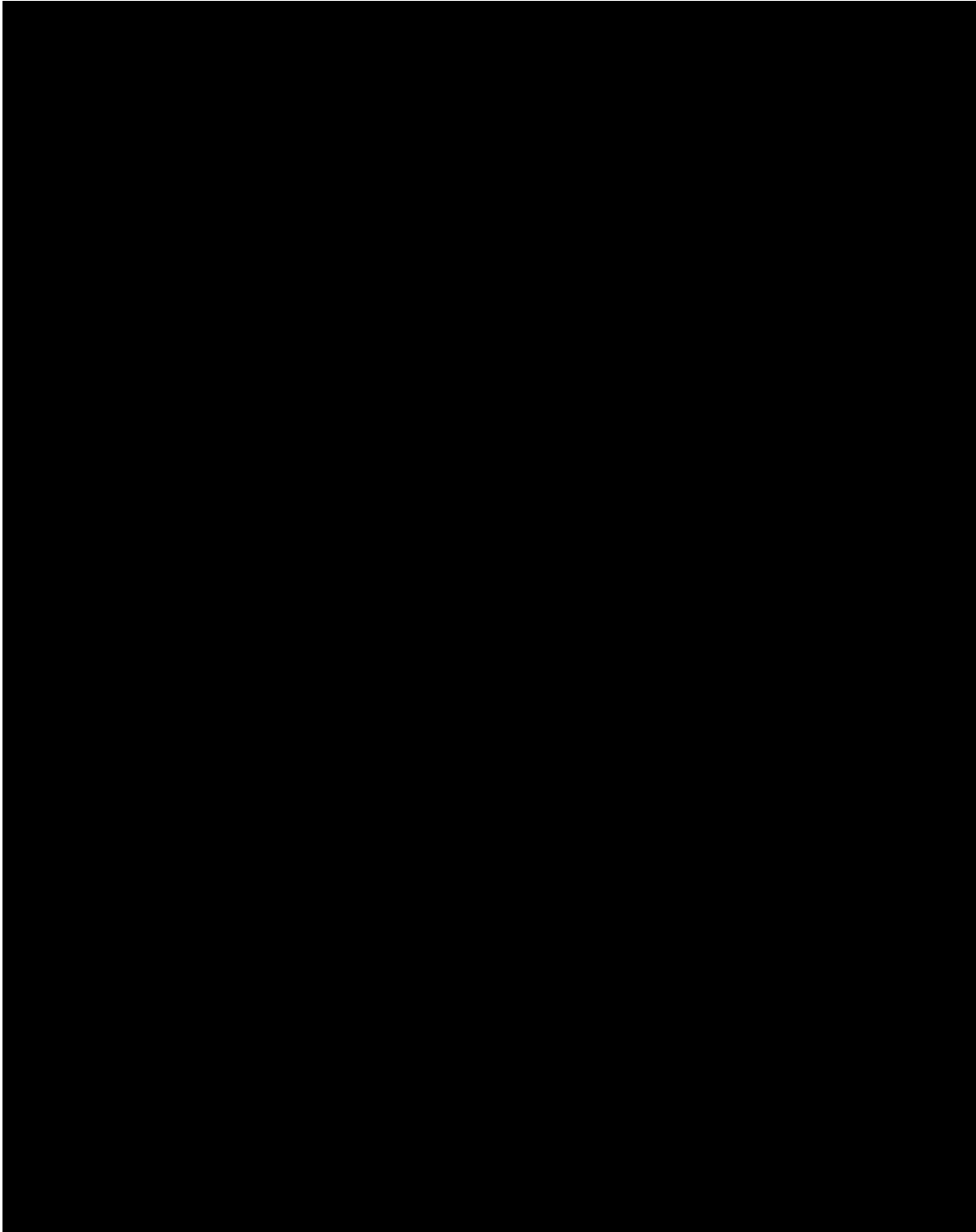


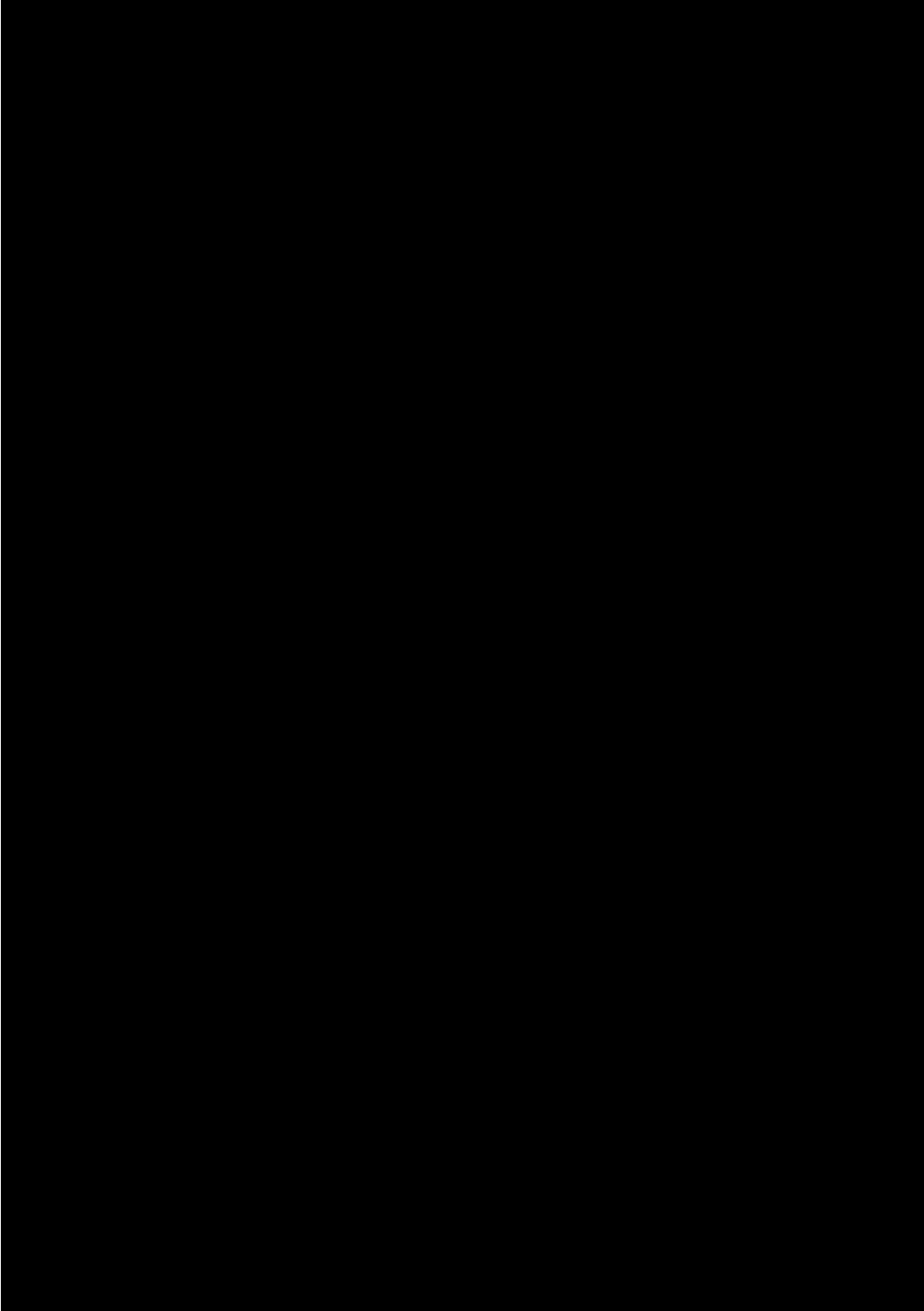


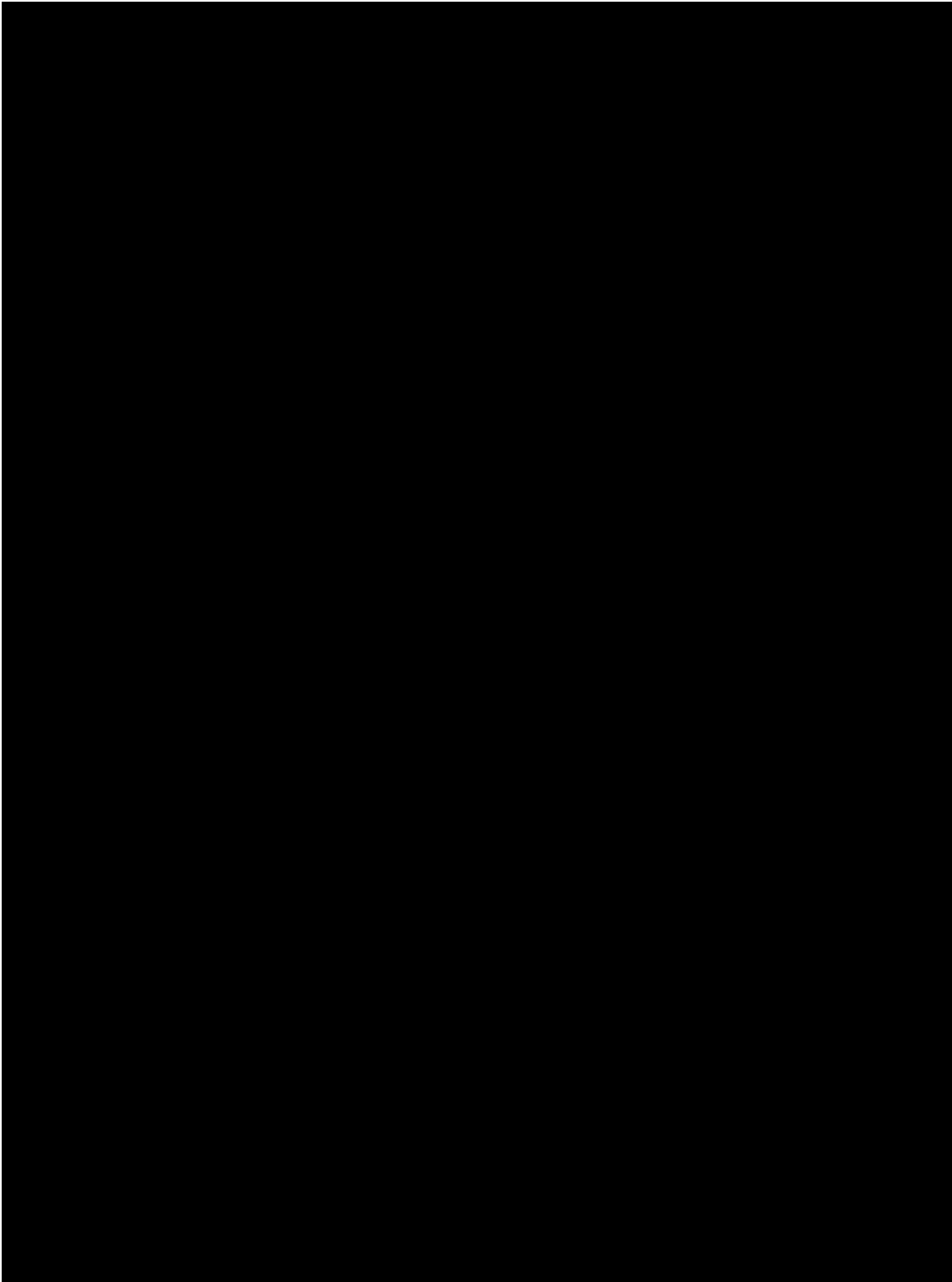


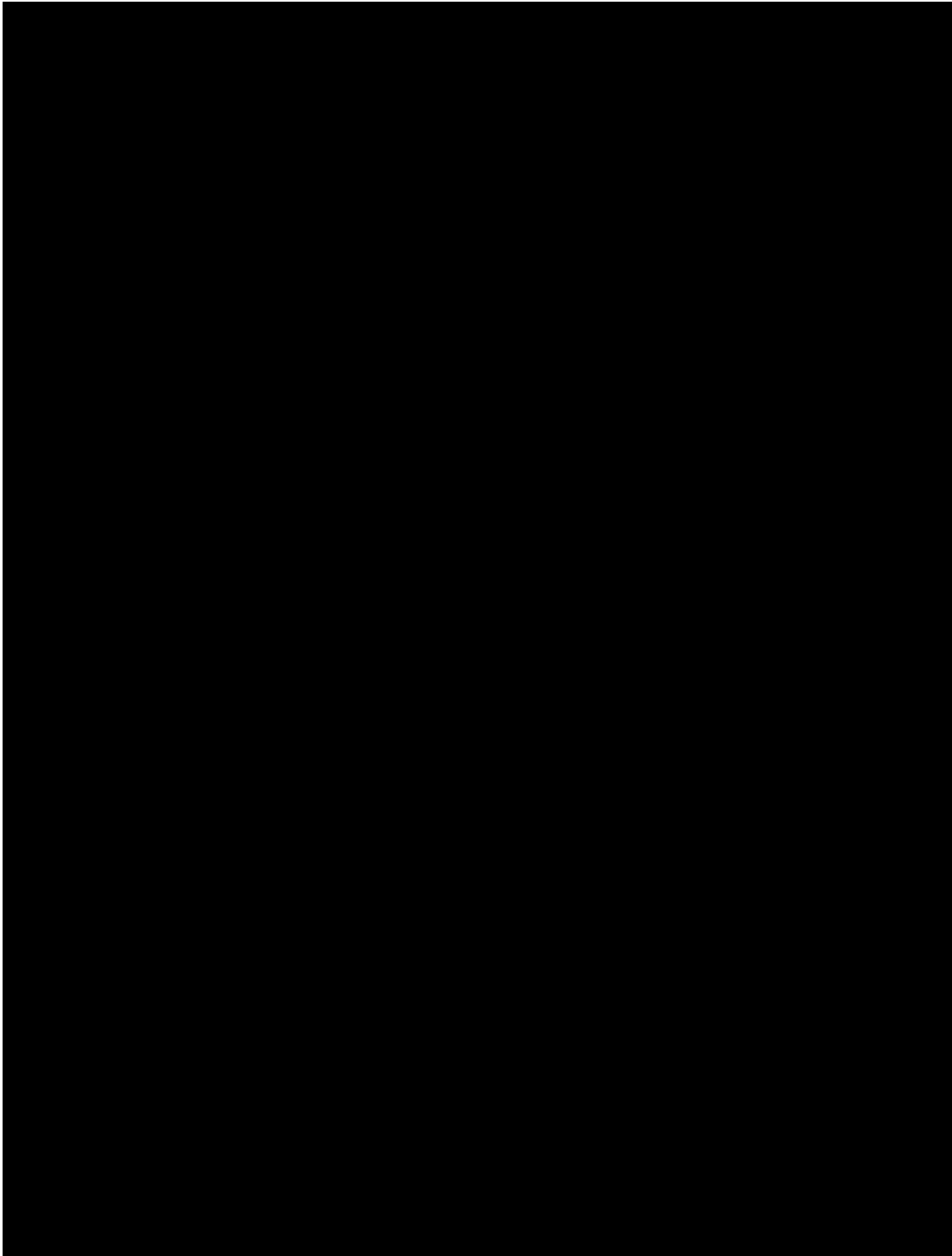


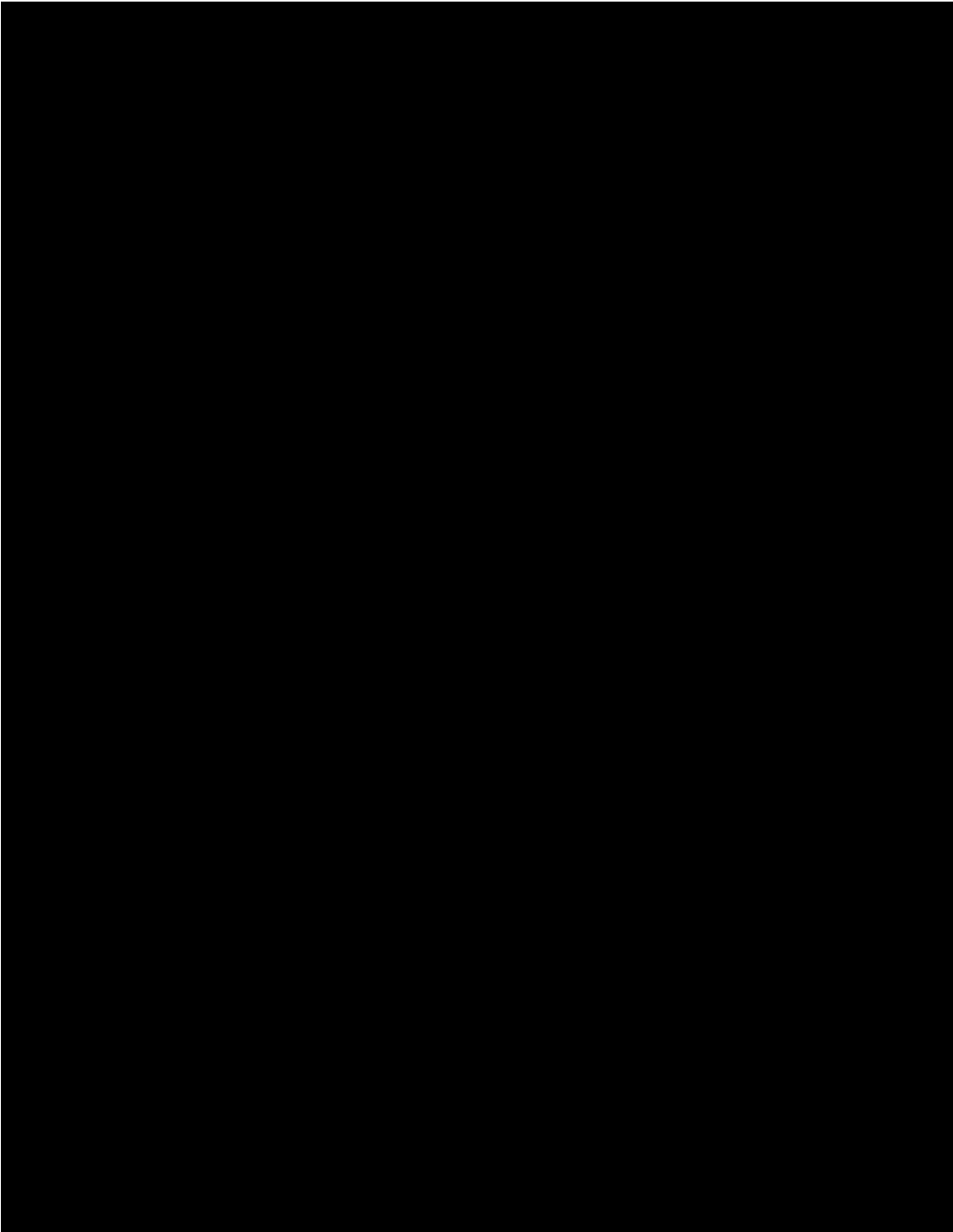


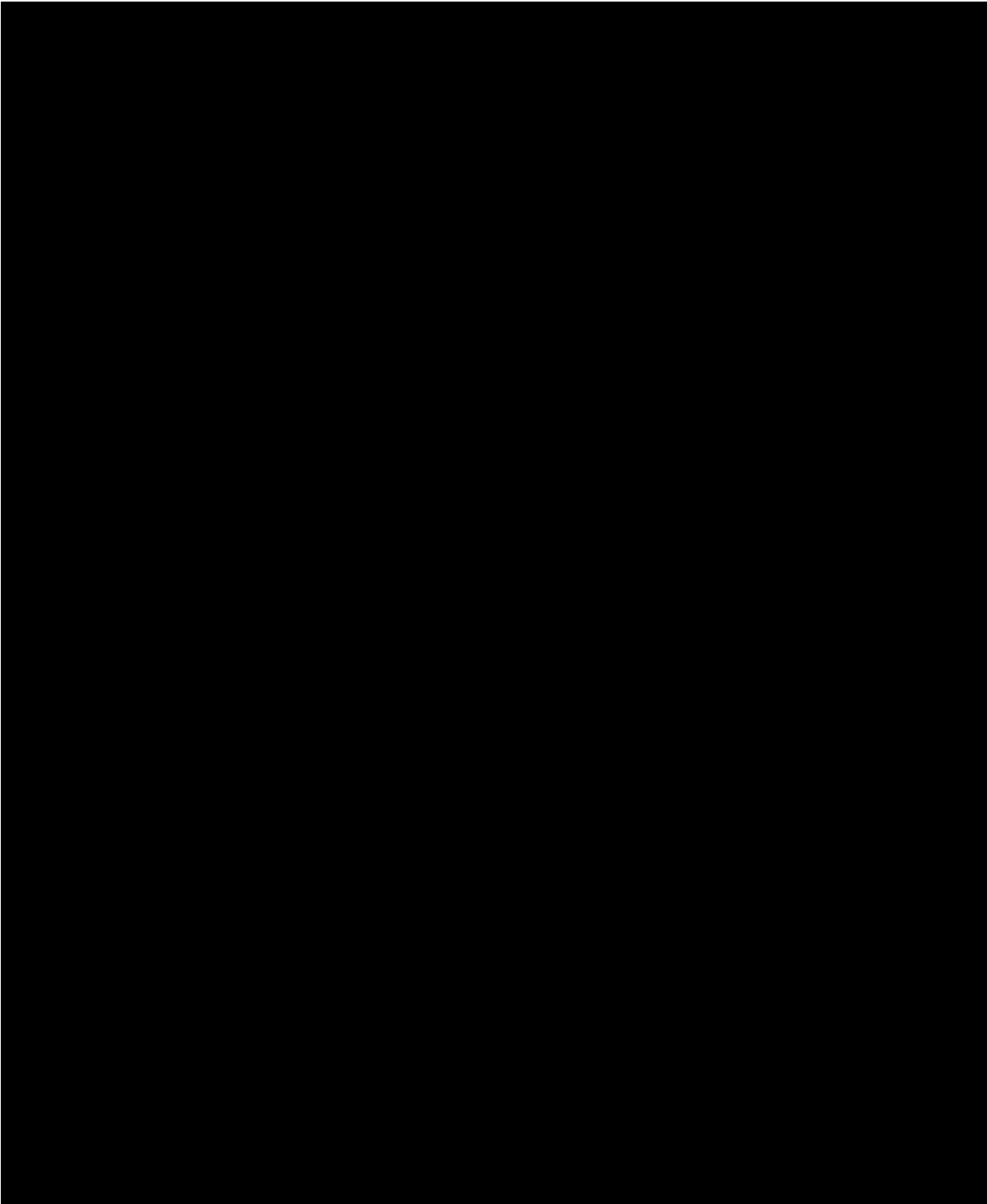




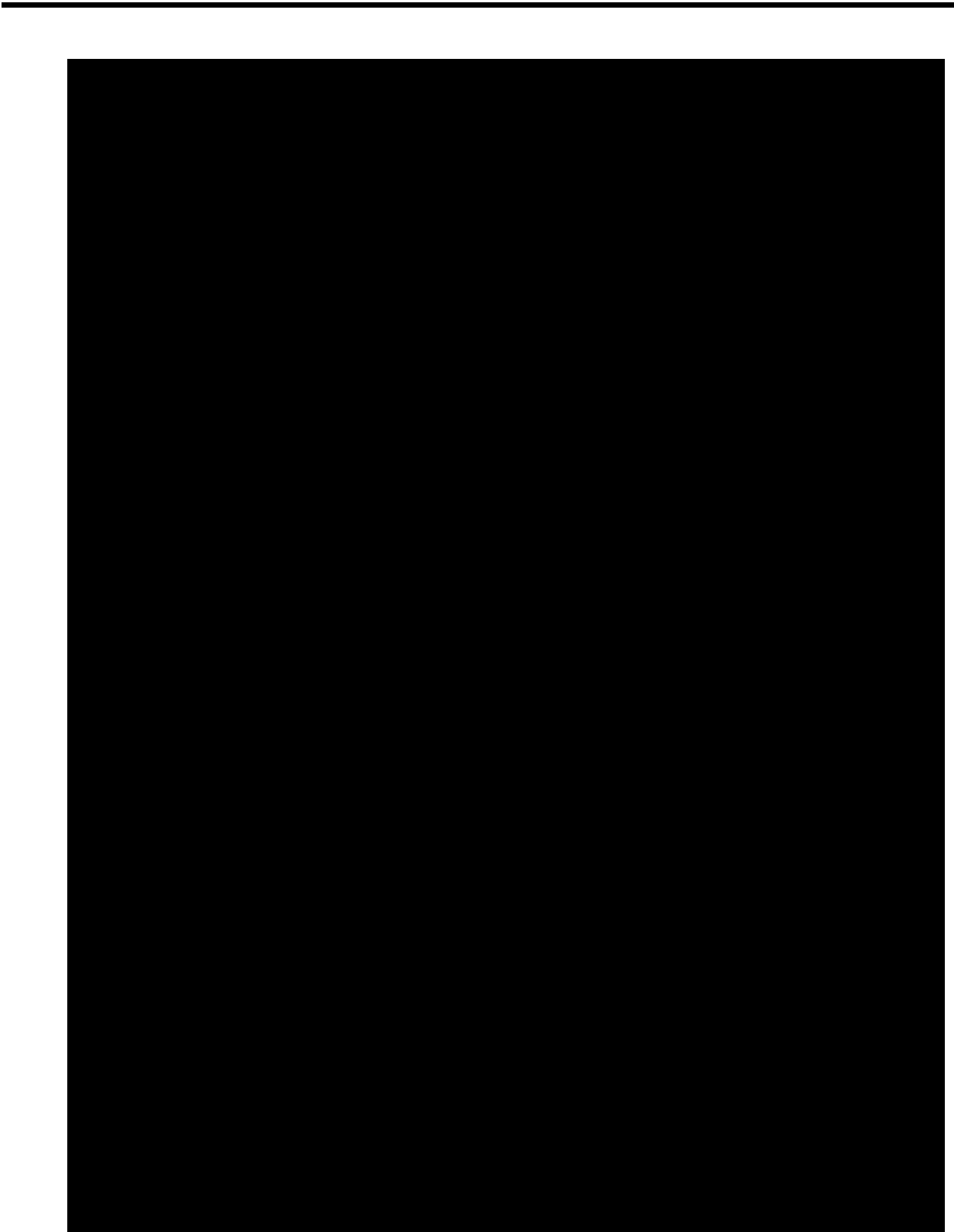




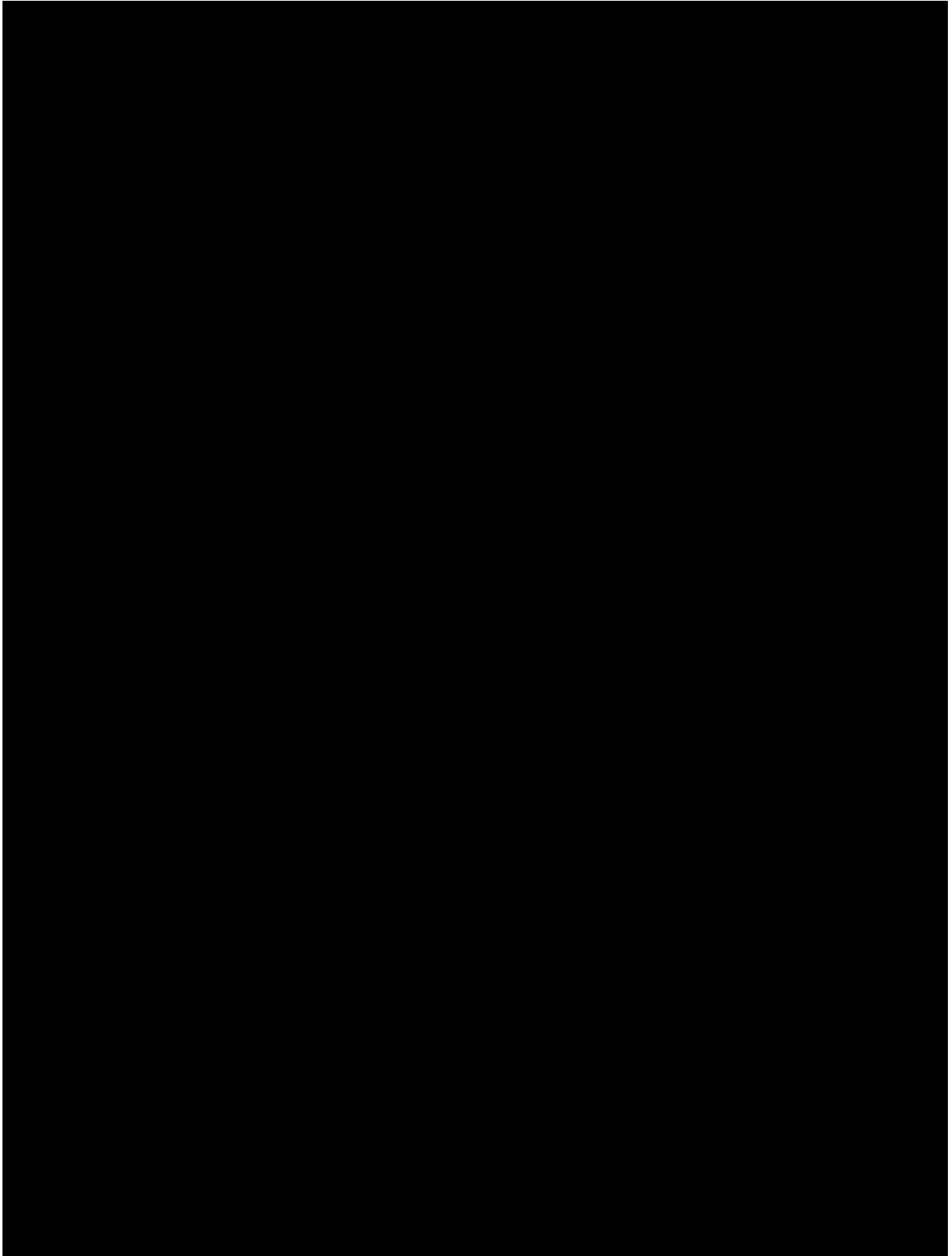


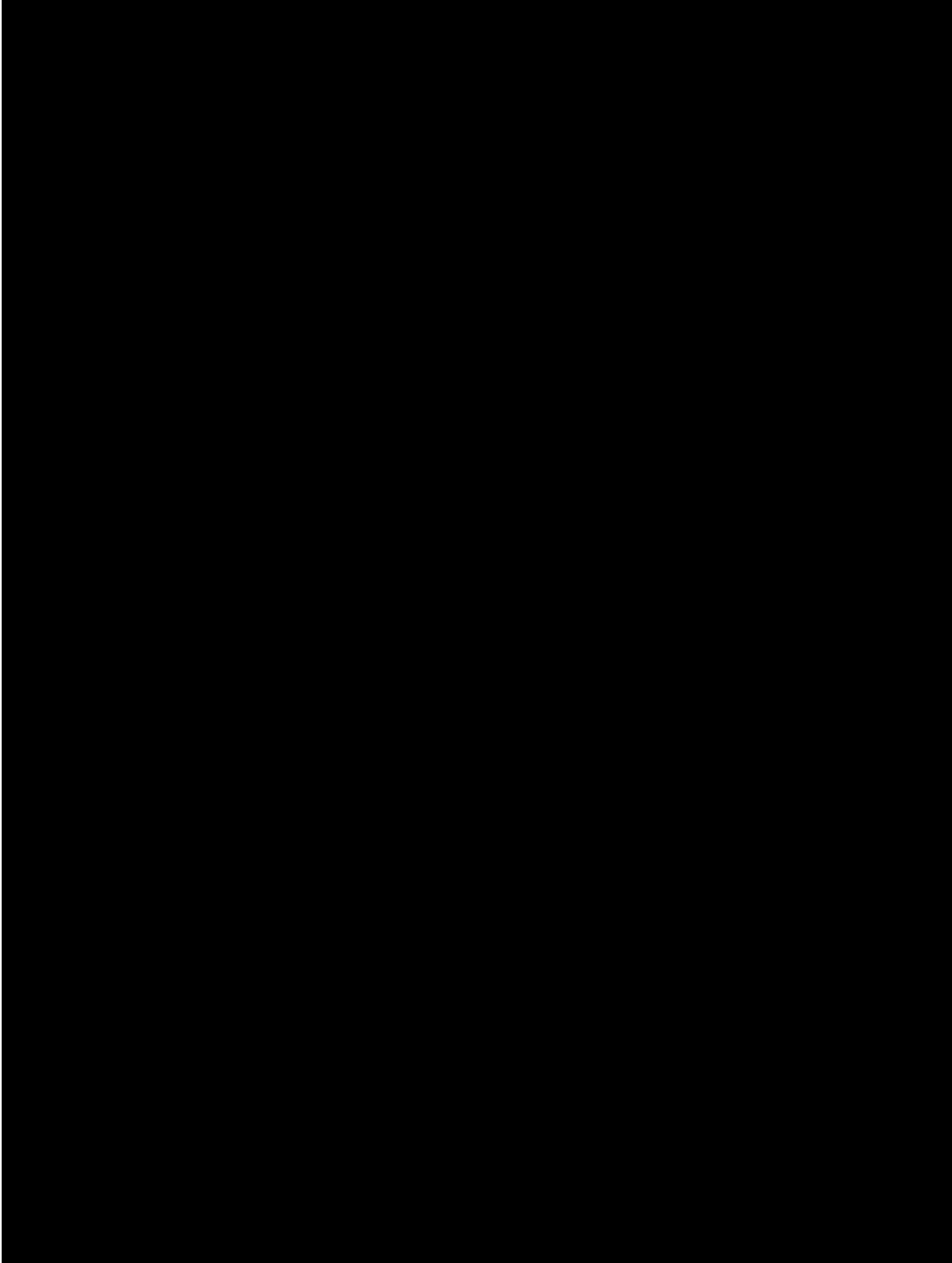


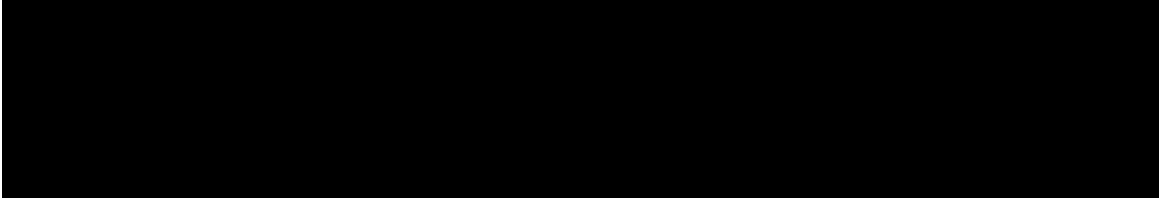




hours with respect to the performance of the assignment under this Engagement Letter.








You have caused this Engagement Letter to be executed as of the date set forth below.

Property Valuation & Consulting, Inc. (COMPANY)

By: 

Name: Blair Beasley

Title: Senior Appraiser