



AN APPRAISAL
OF
WANDERERS EXECUTIVE GOLF COURSE
LOCATED ON THE
SOUTHEAST CORNER OF AERO CLUB DRIVE
AND SOUTH CLUB DRIVE
WELLINGTON, FL 33414

PREPARED FOR
VILLAGE OF WELLINGTON
12300 WEST FOREST HILL BOULEVARD
WELLINGTON, FL 33414
P.O. #140699

BY
JOHN R. UNDERWOOD, JR., MAI, SRA
STATE-CERTIFIED GENERAL REAL ESTATE APPRAISER RZ706
APPRAISAL & ACQUISITION CONSULTANTS, INC.





June 9, 2014

Mr. Michael O'Dell
Project Director
Village of Wellington
12300 Forest Hill Boulevard
Wellington, FL 33414

RE: Wanderers Executive Golf Course
P.O. #140699

Dear Mr. O'Dell:

As requested, we have made an investigation and analysis of the Wanderers Executive Golf Course located on the southeast corner of Aero Club Drive and South Club Drive, Wellington Florida. The purpose of this investigation and analysis was to estimate the market value of the subject property.

As a result of our investigation and analysis, as well as general knowledge of real estate valuation procedures, it is our opinion that the market value of the subject property, as of June 7, 2014 was:

THREE MILLION FOUR HUNDRED EIGHTY-FIVE THOUSAND DOLLARS
(\$3,485,000)

The sketch of boundary survey prepared by Exacta Commercial Land Surveyors, 3460 Fairlane Farms Road, Suite 6, Wellington, Florida, job number FL1309-2819, dated November 11, 13, in survey note 11 indicates that the property is 35.35 acres (1,539,975 sq.ft.), more or less. The area does not include the property at the north end labeled "A Portion of Parcel J". Our assignment is to include this portion as a part of the property and the client states that the total area of the property being valued is 40 acres, more or less, or 1,742,400 square feet. Should the size of the subject property be different than 40 acres, the value reported herein will be affected. See Special Assumption and Limiting Condition #1.

The market value definition includes a reasonable marketing time. The above value estimate is based on a specific date wherein a theoretical exposure time in the market has already occurred.

A description of the property appraised, the assumptions and limiting conditions upon which valuation is predicated, as well as an explanation of the valuation procedures utilized are contained in the body of the attached report.

Mr. Michael O'Dell
Project Director
Village of Wellington
June 9, 2014
Page Two

Thank you for the opportunity to have been of service.

Respectfully submitted,

APPRAISAL & ACQUISITION CONSULTANTS, INC.

A handwritten signature in brown ink, appearing to read "William H. Crickenberger".

William H. Crickenberger
State-Certified General Real Estate Appraiser RZ1380

A handwritten signature in brown ink, appearing to read "John R. Underwood, Jr.". The signature is stylized with a large "J" and "U".

John R. Underwood, Jr., MAI, SRA
State-Certified General Real Estate Appraiser RZ706

WHC/JRU/dlm



EXECUTIVE SUMMARY

The subject property is the Wanderers Executive Golf Course, a nine-hole facility that has been closed. The property is maintained but not as a golf course, but as open green area only. The sketch of boundary survey prepared by Exacta Commercial Land Surveyors, 3460 Fairlane Farms Road, Suite 6, Wellington, Florida, job number FL1309-2819, dated November 11, 13, in survey note 11 indicates that the property is 35.35 acres (1,539,975 sq.ft.), more or less. The area does not include the property at the north end labeled "A Portion of Parcel J". Our assignment is to include this portion as a part of the property and the client states that the total area of the property being valued is 40 acres, more or less, or 1,742,400 square feet. Should the size of the subject property be different than 40 acres, the value reported herein will be affected. See Special Assumption and Limiting Condition #1. The property is a portion of The Landings PUD.

Date of Valuation:	June 7, 2014
Dates of Inspection:	May 22, 2014 and June 7, 2014
Location:	Southeast corner of Aero Club Drive and South Club Drive, Wellington
Property Appraised:	Wanderers Executive Golf Course
Land Area:	40 acres, or 1,742,400 square feet
Ownership:	Wanderers Club, LLC 1900 Aero Club Drive Wellington, FL 33414
Zoning:	PUD, Planned Unit Development, by Village of Wellington
Land Use:	Commercial Recreation, by Village of Wellington
Tax I.D. #:	73-41-44-07-07-005-0020, 73-41-44-07-07-010-0000, 73-41-44-18-03-004-0020, and 73-41-44-44-18-03-006-0000
Flood Zone:	According to F.I.R.M. Panel #120192 0100B, dated October 14, 1982, the property is located in Flood Zone "O", and area inundated by 100-year flooding. According to the survey, the property is in Flood Zone "B".





EXECUTIVE SUMMARY – Continued

Appraisal Purpose:	To estimate the market value of the subject property.
Highest and Best Use:	As vacant – develop with a commercial recreational use and/or residential development as allowed under the land use and zoning regulations of the Village of Wellington
Value Indications:	
Cost Approach:	N/A
Sales Comparison Approach:	\$3,485,000
Income Capitalization Approach:	N/A
Market Value:	\$3,485,000
Appraisers:	William H. Crickenberger State-Certified General Real Estate Appraiser RZ1380 John R. Underwood, Jr., MAI, SRA State-Certified General Real Estate Appraiser RZ706
File #:	14C008





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ADDENDA

Survey/Legal Description
Qualifications



INTRODUCTION



CERTIFICATION

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions and conclusions.
3. 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.
4. We have performed services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved in this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
9. John R. Underwood, Jr., and William H. Crickenberger have made a personal inspection of the property that is the subject of this report.
10. No one provided real property appraisal assistance to the persons signing this certification.





CERTIFICATION - Continued

11. The reported analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, John R. Underwood, Jr. has completed the continuing education program for Designated Members of the Appraisal Institute.
14. John R. Underwood, Jr.'s and William H. Crickenberger's state certifications expire November 30, 2014.

A handwritten signature in brown ink, appearing to read "William H. Crickenberger".

William H. Crickenberger
State-Certified General Real Estate Appraiser RZ1380

A handwritten signature in brown ink, appearing to read "John R. Underwood".

John R. Underwood, Jr., MAI, SRA
State-Certified General Real Estate Appraiser RZ706

WHC/JRU:dln





ASSUMPTIONS AND LIMITING CONDITIONS

1. Unless otherwise stated, the value appearing in this appraisal represents our opinion of market value or the value defined as of the date specified. Market value of real estate is affected by national and local economic conditions and consequently will vary with future changes in such conditions.
2. Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for other than its intended use. The physical reports remain the property of the appraiser for the use of the client, the fee being for analytical services only. The report may not be used for any purpose by any person or corporation other than the client or the party to whom it is addressed or copied without the written consent of an officer of the appraisal firm (APPRAISAL & ACQUISITION CONSULTANTS, INC.) and then only in its entirety. This report is not to be utilized in any manner for public offerings involved in the syndication of the subject property.
3. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations efforts, news, sales or other media without the written consent and approval of an officer of APPRAISAL & ACQUISITION CONSULTANTS, INC., nor may any reference be made in such a public communication to the Appraisal Institute or the MAI or SRA designations.
4. The appraiser may not divulge material contents of the report, analytical findings or conclusions or give a copy of the report to anyone other than the client or his designee as specified in writing, except as may be required by the Appraisal Institute as they may request in confidence for ethics enforcement or by a court of law or body with the power of subpoena.
5. This appraisal is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analyses which are set forth in the report were prepared by the appraiser(s) whose signature(s) appears on the appraisal report unless indicated as review appraiser. No change of any item in the report shall be made by anyone other than the appraiser, and the appraiser and firm shall have no responsibility if any such unauthorized change is made.
6. No responsibility is assumed for matters legal in character or nature, nor matters of survey, nor of any architectural, structural, mechanical or engineering nature. No opinion is rendered as to the title, which is presumed to be good and merchantable. The property is appraised as if free and clear unless otherwise stated in particular parts of the report.





ASSUMPTIONS AND LIMITING CONDITIONS - Continued

7. No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee or public records. We are not liable for such information or the work of possible subcontractors. Comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit. All are considered appropriate for inclusion to the best of our factual judgment and knowledge.
8. The contract for appraisal, consultation or analytical service is fulfilled and total fee payable upon completion of the report. The appraiser or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal in full or in part nor engaged in post-appraisal consultation with the client or third parties except under separate and special arrangement and at additional fee.
9. Liability of APPRAISAL & ACQUISITION CONSULTANTS, INC. and its employees or subcontractors is limited to the fee collected for preparation of the appraisal. There is no accountability or liability to any third party.
10. The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photos, if any, are included for the same purpose and are not intended to represent the property in other than actual status as of the date of the photographs.
11. It is assumed there are no hidden or unapparent conditions of the property, subsoil or structures which make it more or less valuable. The appraiser assumes no responsibility for such conditions or engineering which might be required to cover these facts. No topographical survey was provided.
12. Distribution of the total valuation in this report between land and improvements applies only under the existing program of use. Separate valuations for land and building must not be used in conjunction with any other appraisal, no matter how similar, and are invalid if so used.
13. No environmental or impact study, special market study or analysis, highest and best use analysis or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report. The appraiser reserves the unlimited right to alter, amend, revise or rescind any of the statements, findings, opinions, values, estimates or conclusions upon any subsequent such study or analysis or previous study or analysis subsequently becoming known to him.





ASSUMPTIONS AND LIMITING CONDITIONS - Continued

13. Continued:

In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the building, such as the presence of urea-formaldehyde foam insulation, and/or the existence of toxic waste, which may or may not be present on the property, was not observed by me; nor do I have any knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The existence of urea-formaldehyde insulation or other potentially hazardous waste material may have an effect on the value of the property. I (we) urge the client to retain an expert in this field if desired.

14. The market value estimated and the cost used are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the value estimate.
15. This appraisal expresses our opinion and employment to make this appraisal was in no way contingent upon reporting a predetermined value or conclusion. The fee for this appraisal or study is for the service rendered and not for time spent on the physical report.
16. The value estimated in this appraisal report is gross without consideration given to any encumbrance, restriction or question of title unless specifically defined. The estimate of value in the appraisal report is not based in whole or in part upon race, color or national origin of the present owners or occupants or properties in the vicinity of the property appraised.
17. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I (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 upon the value of the property. Since I (we) have no direct evidence relating to this issue, I (we) did not consider possible noncompliance with the requirements of the ADA in estimating the value of the property.
18. Authentic copies of this report are signed in brown ink. Any copy that does not have the above is unauthorized and may have been altered.
19. ACCEPTANCE AND/OR USE OF THIS APPRAISAL REPORT CONSTITUTES ACCEPTANCE OF THE PRECEDING CONDITIONS.





SPECIAL ASSUMPTIONS AND LIMITING CONDITIONS

1. The sketch of boundary survey prepared by Exacta Commercial Land Surveyors, 3460 Fairlane Farms Road, Suite 6, Wellington, Florida, job number FL1309-2819, dated November 11, 13, in survey note 11 indicates that the property is 35.35 acres (1,539,975 sq.ft.), more or less. The area does not include the property at the north end labeled "A Portion of Parcel J". Our assignment is to include this portion as a part of the property and the client states that the total area of the property being valued is 40 acres, more or less, or 1,742,400 square feet. Should the size of the subject property be different than 40 acres, the value reflected herein will be affected.





1. LOOKING SOUTH ACROSS SOUTH CLUB DRIVE AT SUBJECT PROPERTY



2. LOOKING NORTH AT CLUBHOUSE FROM SUBJECT PROPERTY





3. LOOKING SOUTH AT SUBJECT AT NORTH END



4. LOOKING NORTH AT NORTH END OF SUBJECT





5. TYPICAL INTERIOR VIEW OF SUBJECT



6. RESTROOM FACILITIES





7. LOOKING EAST AT SOUTH END OF PROPERTY



8. GREENBRIAR BOULEVARD LOOKING WEST





9. LOOKING WEST AT AERO CLUB DEVELOPMENT



10. AERO CLUB DRIVE LOOKING NORTH





11. SOUTH CLUB DRIVE LOOKING EAST



12. AERO CLUB DRIVE LOOKING SOUTH



**GENERAL
INFORMATION
AND
ANALYSES**



GENERAL INFORMATION AND ANALYSIS

Property Type and Location

The subject property consists of 40 acres of the closed Wanderers Executive Golf Course. The property is located at the southeast corner of Aero Club Drive and South Club Drive, Wellington, Florida.

Legal Description

The legal description of 35.35 acres of the 40 acres is included on the sketch of boundary survey prepared by Exacta Commercial Land Surveyors, 3460 Fairlane Farms Road, Suite 6, Wellington, Florida, job no. FL 1309-2819, dated November 11, 2013. A copy of the survey is included in the Addenda.

Purpose, Function and Date

The purpose of this appraisal is to estimate the market value of the subject property. The function of this report is to aid the client/user, Village of Wellington in negotiations to purchase the property. The date of value is June 7, 2014.

Intended User/Intended Use

The intended user of this report is the Village of Wellington. The intended use of this report is to assist the Village of Wellington in negotiations to purchase the property.

Definition of Market Value

“The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.” (Source: *The Appraisal of Real Estate, 13th Edition*, by the Appraisal Institute).





GENERAL INFORMATION AND ANALYSIS – Continued

Definition of Fee Simple Estate

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

Marketing/Exposure Time

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

Based on the analysis of the sales, and discussions with real estate professionals in the area, the marketing and exposure time of the property is six to nine months.

Current Ownership and Sales History

No title report was provided to the appraiser. Based on Public Records, the current owner of the property is Wanderers Club, LLC, 1900 Aero Club Drive, Wellington, FL 33414. The property was acquired via a Warranty Deed, dated June 1, 2005, and recorded in O.R. Book 18684 Page 870, Public Records of Palm Beach County. The indicated consideration was \$9,000,000. The property acquired included an 18-hole Wanderers Golf Course and the clubhouse facilities.





GENERAL INFORMATION AND ANALYSIS – Continued

Taxes and Assessed Value Analysis

The property is assessed under property control numbers 73-41-44-07-07-005-0020, 73-41-44-07-07-010-0000, 73-41-44-18-03-004-0020, and 73-41-44-18-03-006-0000. The property is assessed as follows.

Land	\$764,776	
Improvements	<u>2,080</u>	
Total	\$767,656	(2013)
Taxes:		
Ad Valorem	\$ 16,345	
Non-Ad Valorem	<u>14,600</u>	
Total	\$ 39,945	(2013)

Scope of the Appraisal

A) Assignment Elements

The client is the Village of Wellington. There are no other intended users. The intended use of the report is to aid the client/user in negotiations to purchase the property. The value requested is market value. The date of value is June 7, 2014. The property being valued is the Wanderers Executive Golf Course property located at the southeast corner of Aero Club Drive and South Club Drive, Wellington, Florida. All approaches to value were considered. Only the Sale Comparison Approach is used to value the land. The purpose of this assignment is to arrive at market value of the fee simple estate.





GENERAL INFORMATION AND ANALYSIS – Continued

Scope of the Appraisal – Continued

B) Determining and Performing the Scope of Work

The scope of this appraisal involves the systematic research and analysis necessary to reach a market value conclusion of the going concern for the subject property. The initial step was to investigate the property, the general market area and the neighborhood. After investigating the area regarding economic, political, social, and physical factors, research was conducted relevant to the valuation process, including gathering land sales and other information pertinent to the valuation process.

C) Changes in the Scope of Work

There were no changes in the scope of work which were caused by information or conditions discovered during the course of the assignment.





AREA ANALYSIS

Palm Beach County, Florida

Palm Beach County is located on the eastern coastline of the State of Florida. It is bordered on the north by Martin County, which at this point is mainly rural but undergoing development. To the south lies heavily urban Broward County. Hendry, Okeechobee and Glades Counties are agricultural and along with Lake Okeechobee form the western boundary of Palm Beach County. The county is bordered on the east by the Atlantic Ocean. Palm Beach County lies in what is known as the "Gold Coast region." It has a total land area of 2,023 square miles (2,578 square miles including lakes). The county seat is West Palm Beach, which is 65 miles north of Miami.

The climate of coastal Palm Beach County is classified as sub tropical. Its close proximity to the warming effects of the Atlantic Ocean's Gulf Stream and prevailing southeasterly winds provides a warm, humid climate. This climate is the major reason for the size and type of population increases the area has had; it is a major attraction and the basis of the economy.

One of the county's most important resources is the Atlantic Ocean. Tourists and retirees have long sought the ocean as a major attraction for development. The ocean's influence on the county cannot be understated. The beaches and shores are an extremely valuable resource. If left undisturbed, they protect upland development from hurricanes and storm damage, and provide the county's primary recreational asset.

There are 45 miles of coastline in Palm Beach County. Of this, 14.7 miles are under county or municipal ownership, with some areas protected for public use by prescriptive easements or legal access. Approximately 10.3 of the 14.7 miles of beaches are open for use by the entire population. The remaining 4.4 miles of public beaches are restricted to residents of certain municipalities. There are more than 1,400 acres of waterfront (Intracoastal Waterway and ocean) parks available in Palm Beach County. There are currently a total of 48 county owned parks with more than 4,800 acres of land in Palm Beach County.

People from around the nation and world look to Palm Beach County for its tropical atmosphere and ocean views. This is the predominant reason for the price structures along the Intracoastal Waterway and Atlantic Ocean. The presence of the ocean has kept property values high along and near its beaches and shores, even as other property values decline from their highs of the 1st Quarter 2006.





AREA ANALYSIS Continued

Palm Beach County, the third largest county in Florida, has experienced unprecedented growth. According to the United States Census Bureau, Palm Beach County's 2000 population grew to 1,131,184, a 31% increase from 1990. The 1990 population was 863,503; a 50% increase over 1980. The largest municipality, in terms of both population and size, is West Palm Beach. The 2010 population of Palm Beach County was 1,320,134, a 16% increase over 2000. The 2013 population was 1,345,652, a 2% increase over 2010.

Many new residents of the county are older than those of past years. In 1970, 17% of the population was 65 or older. In 1980, that number rose to 23%. In 1990, it increased to 24.2%. In 2000 it decreased somewhat to 23.2%, then to 21.8% in 2010, and then to 22% in 2012, according to the United States Census Bureau. The University of Florida studies show that those over the age of 45 make up 48% of the county's population. As the population over 45 increased, household size decreased. This had a profound effect on types of housing, recreation, municipal services, retail outlets and all other facets of life within the county. This trend toward an increase in the over 45 population was mirrored by an increase in the younger, still working population. The Sun Belt has become a major attraction to young professionals seeking a higher quality of life and they moved to Palm Beach County in sizable numbers. "Florida derives most of its population growth from two age groups: people 65 and over and 25 to 44," reports Hank Fishkind, a representative of M.G. Lewis Econometrics of Winter Park. "Over the next 20 years, these two age groups will be the fastest growing."

The communities that experienced the greatest growth are those west of I 95 in Boca Raton, Delray Beach and Boynton Beach to the south and in Palm Beach Gardens, Jupiter and suburban West Palm Beach to the north. The greatest increase in development in the future is expected in the northern and western parts of the county.

Current interest rates on residential properties are in the 3.5% to 5% range with commercial being 1 to 2 points over prime. There have been changes in types of mortgages available, with numerous variable or adjustable rate mortgages having a major impact on the industry. In the past, savings and loans and commercial banks provided the primary source of funds. The last few years have seen an increase in conventional mortgages placed through mortgage companies and subsidiaries that are all competing for the same dollars.

The economy of Palm Beach County is very divergent, depending on agriculture, tourism, construction and manufacturing. In addition to these conventional sources of economic activity, Palm Beach County relies on retirees. The climate of south Florida attracts many retirees who bring income and spendable cash into the area.





AREA ANALYSIS Continued

According to the Labor Market Statistics, the total labor force in Palm Beach County as of December 2013 was 634,923 persons. The unemployment rate in December 2013 was 6.0%.

Major industrial and manufacturing centers can be found in the northern and southern portions of the county. Pratt & Whitney has been a major employer in the northern portion of the county but has reduced the labor force at that facility. In the south county, Boca Raton and Boynton Beach have attracted many high tech industries to the area and are referred to as the "Silicon Valley" of southern Florida. These types of industries have provided a strong economic base in southern Palm Beach County. Employees are typically higher paid than in other parts of the county. This relative affluence has created demand for higher priced housing, more cultural activities, and finer shops and restaurants throughout southern Palm Beach County. The Scripps Research Center was approved for development in the Jupiter area with heavy infusions of state and local dollars as incentives.

The two major business and professional centers in the county are the cities of West Palm Beach and Boca Raton. West Palm Beach is the county seat and is characterized by a strong concentration of government offices and services, including city, county, and federal office buildings in the downtown area. This concentration of government services has led to the development of related professional services in the area. Boca Raton, in addition to becoming a high tech center, has also developed into an office and financial center. These cities form the major markets and have the largest concentration of professional office space in the county. Rent levels are increasing after a decrease in previous years. Vacancy levels have also begun to stabilize and/or decrease.

Transportation in the county is primarily by automobile. Interstate 95 runs without interruption through the county into Broward and Dade. Palm Tran is the county's major attempt at mass transit, providing bus routes throughout the county. Tri-Rail is a mass transit rail carrier from central Palm Beach County to Miami and has been met with moderate success.

The Florida Turnpike, a toll road, west of I 95, provides access from the north. The county road system is considered adequate at best, with major road renovations needed and being scheduled for some time in the future.

Palm Beach County's future traffic circulation system is primarily under control of the Metropolitan Planning Organization, which has developed two general highway system plans.





AREA ANALYSIS Continued

The Florida East Coast and Seaboard Coast Line Railroads serve this area. Both systems carry heavy freight traffic; passenger service is provided but at very low volume. Palm Beach International Airport serves the commercial aviation needs of the county, with commercial freight and passenger service. General aviation needs of Palm Beach County are served at Palm Beach International Airport, Palm Beach Park in Lantana, and Boca Raton Airport. Increased commercial demand at PBIA is creating a situation where general aviation is gradually being pushed out of this major airport. The long term outlook for general aviation at PBIA is limited, with more emphasis to be placed on commercial. The Lantana facility has limited runways and can only accommodate smaller, non-jet traffic. Boca Raton Airport accommodates corporate jets and smaller planes. North Palm Beach County Airport is open and operating on a large tract south of Bee Line Highway at PGA Boulevard.

The Port of Palm Beach is located in Riviera Beach, providing deep-water access to the Atlantic Ocean. The port moved over 213,000 containers in fiscal year 2010, making it the fourth busiest of the 14 deep water ports in Florida and is one of the 20th busiest container ports in the United States. More than 341,000 passengers sail from the port annually.

Health care facilities in the county are adequate at this time. There are 18 general hospitals with over 4,200 beds in Palm Beach County. Several new facilities are basically aimed at the western communities, where there has been considerable growth but a lack of acute care hospitals in close proximity. The Veteran Administration Hospital has 520 beds and is at Military Trail and the Beeline Highway.

In addition to the hospitals, there are 45 nursing home/convalescent centers offering skilled nursing care, with over 5,400 beds. A growing number of facilities offer care for those of the aged who do not require skilled nursing care or hospitalization but need some help. Adult care facilities (ACF's) are usually apartment type complexes where the elderly may live independently while still being in a somewhat supervised environment. There are more than 75 ACF's in Palm Beach County, with a capacity of more than 3,100 persons.

Recreation facilities are numerous and widespread. The county has many golf courses, both public and private. Major funding for county park and recreation facilities has occurred over the last few years, as evidenced by the development of Okeeheelee Park in the central part of the county, as well as other small parks in the north and south parts of the county.

The school system provides education from kindergarten through college. Upper level college courses are available at Palm Beach State College, the College of Boca Raton and Florida Atlantic University in Boca Raton. Palm Beach Atlantic College is a small, privately owned four year institution located in West Palm Beach.





AREA ANALYSIS Continued

The overall economy in the county had slowed mirroring the national economy as the recession impacted the county. The stock market has been in flux since a major tumble in October 2008 and resulted in a credit squeeze for real estate. The overall real estate market is improving with residential construction leading the way

Conclusion

Palm Beach County's population will be the greatest factor affecting every area of analysis. The County has experienced unprecedented growth and is projected by the Commerce Department to be one of the fastest growing areas in the U.S.

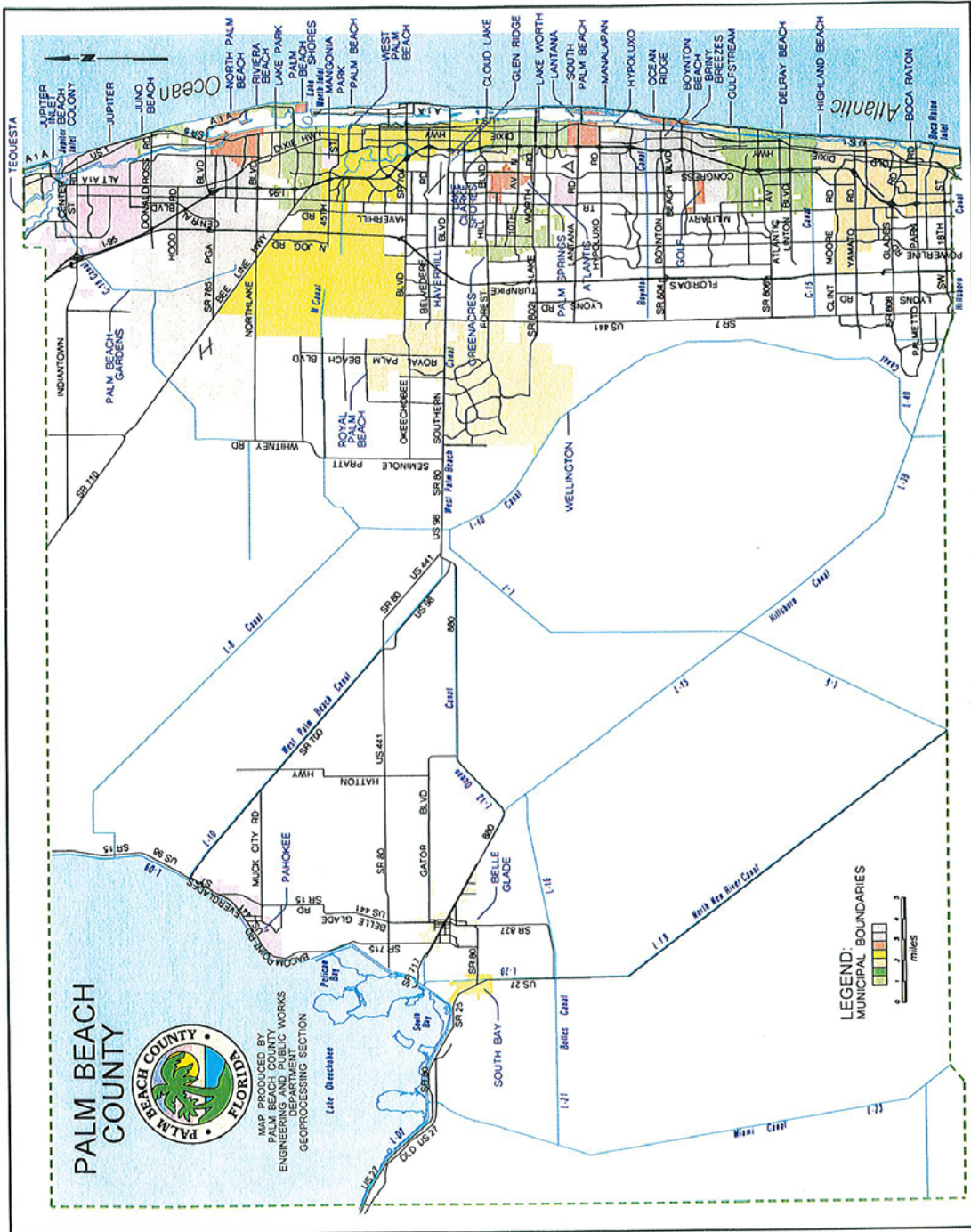
The national economy has a definite effect on the local economy although, perhaps, not as substantial an effect as it has on the more urbanized manufacturing areas in the north. Its effect is not as substantial as in more urbanized manufacturing areas of the north but it does have an impact.

If interest rates remain at acceptable levels and housing continues to improve, then it can be anticipated that development and the county's overall economy will continue to improve. Attraction of high tech industries, particularly in the south and central county area, has had a major impact on stabilization of the economy. As further industry is attracted, it will add strength and diversification to the county's overall economy.

The economic development of an area is partially reflected in its per capita income. Residents of Palm Beach County enjoy relatively high incomes but unemployment levels had been increasing but have now decreased. Palm Beach County has the highest per capita income in the state.

The long range forecast for Palm Beach County is optimistic with anticipated growth, but at a much slower pace. Uncertainty continues to exist in the real estate market.







NEIGHBORHOOD ANALYSIS

The subject property is within the Village of Wellington, and the neighborhood is considered to be the Village of Wellington. The major east/west roadways in the Village of Wellington are Forest Hill Boulevard and Lake Worth Road. Southern Boulevard, although not in the Village of Wellington, is a major east/west roadway used by the residents. The major north/south roadways are State Road 7 and Lyons Road. Other important roadways in the Village are South Shore Boulevard, Wellington Trace, Big Blue Trace, and Greenview Shores Boulevard.

Commercial developments are well located within the Village and include the Mall at Wellington Green, a major regional shopping mall at the southwest corner of Forest Hill Boulevard and State Road 7. Several other office, retail and restaurants have been developed along State Road 7 and Forest Hill Boulevard, surrounding the mall. Other commercial development has taken place along various areas of State Road 7. There are other commercial developments within the Village including the Publix anchored center at Forest Hill Boulevard and South Shore Boulevard. Commercial development is also centered at Forest Hill Boulevard and Wellington Trace, and Wellington Trace and Greenview Shores Boulevard. The Wellington Regional Hospital, a 233-bed facility, is located on the northwest corner of Forest Hill Boulevard and State Road 7.

The Village of Wellington has a large equestrian community. The community is the home of Palm Beach Polo and the winter equestrian shows. The 2013 population is 58,108, an increase of 47.9% over the 2000 population.

As can be seen from the statistics on the following pages, the area surrounding the subject has grown at a rate of approximately .4% per year in the past 13 years and is projected to grow at a rate of approximately 1% per year over the next five years. Within a five-minute drive time of the subject, the median household income is \$93,545, the average household income is \$127,707, and the per capita income is \$42,626. Within a ten minute drive time of the subject, the median household income is \$76,315, the average household income is \$102,040, and the per capita income is \$35,746. Within a fifteen minute drive time of the subject, the median household income is \$73,301, the average household income is \$96,930, and the per capita income is \$33,104. The median household income for all U.S. households is \$51,314, the average household income is \$71,842, and the per capita income is \$27,567.

Real estate values, particularly for residential single family and condominium, have increased the past two years. This is a turnaround from the economic slowdown that has taken place in the area. Commercial and industrial properties were also affected and have now stabilized and/or begun to increase.





NEIGHBORHOOD ANALYSIS – Continued

Conclusion

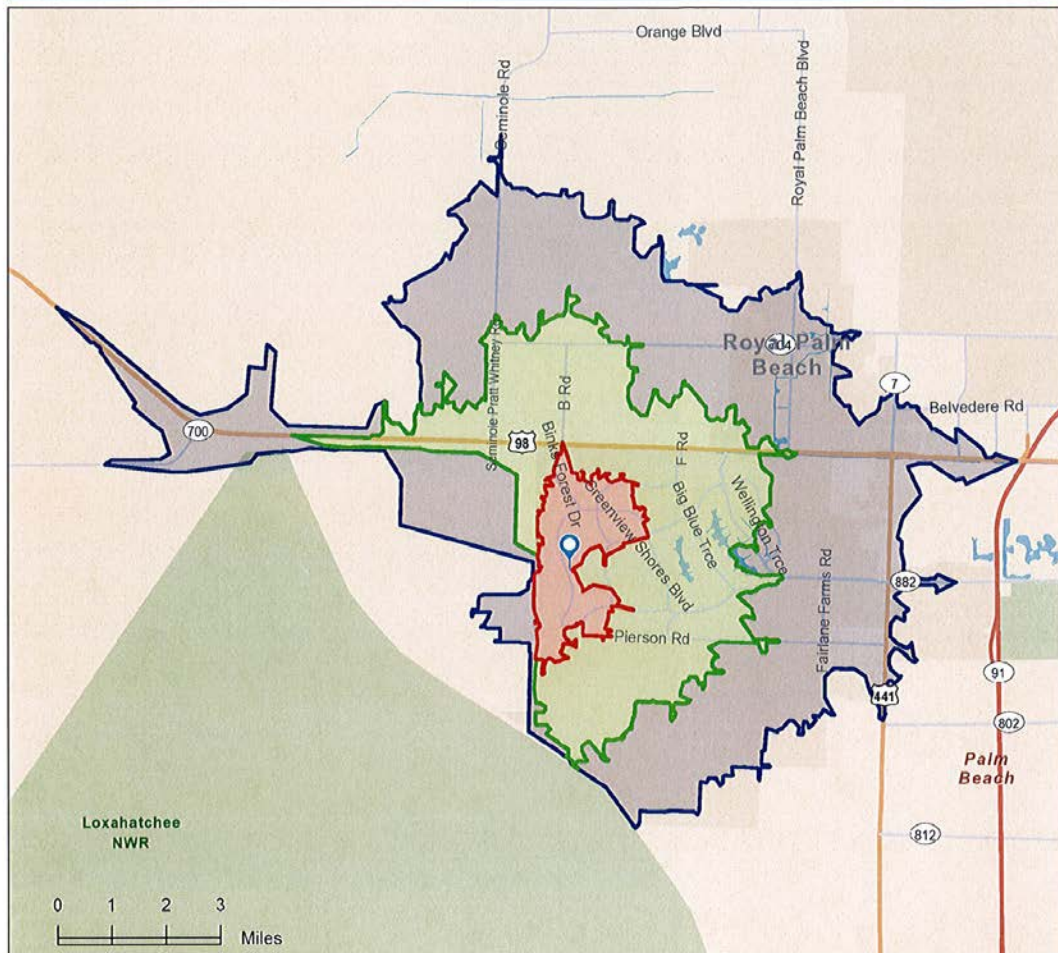
The Village of Wellington is well established and is considered a prestigious address. Real estate values had been decreasing on residential properties and now are stabilized or increasing. On other properties, real estate values, which had been decreasing, have stabilized and/or have been increasing. This is a city with a strong base and values would be expected to continue to rebound.





Lat: 3080236.850377, Lon: -8937757.355558
Drive Time: 5, 10, 15 Minutes

Prepared by John Underwood MAI SRA
Latitude: 26.653415
Longitude: -80.28924



June 04, 2014





Executive Summary

Lat: 3080236.850377, Lon: -8937757.355558
Drive Time: 5, 10, 15 minutes

Prepared by John Underwood MAI SRA
Latitude: 26.653414892
Longitude: -80.28924038

	0 - 5 minutes	0 - 10 minutes	0 - 15 minutes
Population			
2000 Population	10,178	36,595	65,360
2010 Population	10,483	40,347	96,861
2013 Population	10,643	41,161	99,633
2018 Population	11,161	43,406	105,992
2000-2010 Annual Rate	0.30%	0.98%	4.01%
2010-2013 Annual Rate	0.47%	0.62%	0.87%
2013-2018 Annual Rate	0.96%	1.07%	1.24%
2013 Male Population	48.8%	48.5%	48.6%
2013 Female Population	51.2%	51.5%	51.4%
2013 Median Age	42.0	41.3	39.9

In the identified area, the current year population is 99,633. In 2010, the Census count in the area was 96,861. The rate of change since 2010 was 0.87% annually. The five-year projection for the population in the area is 105,992 representing a change of 1.24% annually from 2013 to 2018. Currently, the population is 48.6% male and 51.4% female.

Median Age

The median age in this area is 39.9, compared to U.S. median age of 37.3.

Race and Ethnicity

2013 White Alone	84.1%	79.7%	74.3%
2013 Black Alone	8.0%	10.4%	14.7%
2013 American Indian/Alaska Native Alone	0.2%	0.3%	0.2%
2013 Asian Alone	2.9%	2.8%	4.2%
2013 Pacific Islander Alone	0.0%	0.1%	0.0%
2013 Other Race	2.3%	3.7%	3.6%
2013 Two or More Races	2.5%	3.0%	3.0%
2013 Hispanic Origin (Any Race)	20.6%	23.4%	22.0%

Persons of Hispanic origin represent 22.0% of the population in the identified area compared to 17.4% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 62.1 in the identified area, compared to 62.1 for the U.S. as a whole.

Households

2000 Households	3,210	12,325	22,114
2010 Households	3,523	14,205	32,784
2013 Total Households	3,573	14,467	33,557
2018 Total Households	3,741	15,221	35,562
2000-2010 Annual Rate	0.93%	1.43%	4.02%
2010-2013 Annual Rate	0.43%	0.56%	0.72%
2013-2018 Annual Rate	0.92%	1.02%	1.17%
2013 Average Household Size	2.98	2.84	2.95

The household count in this area has changed from 32,784 in 2010 to 33,557 in the current year, a change of 0.72% annually. The five-year projection of households is 35,562, a change of 1.17% annually from the current year total. Average household size is currently 2.95, compared to 2.93 in the year 2010. The number of families in the current year is 26,345 in the specified area.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018. Esri converted Census 2000 data into 2010 geography.

June 04, 2014

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Executive Summary

Lat: 3080236.850377, Lon: -8937757.355558
Drive Time: 5, 10, 15 minutes

Prepared by John Underwood MAI SRA

Latitude: 26.653414892

Longitude: -80.28924038

	0 - 5 minutes	0 - 10 minutes	0 - 15 minutes
Median Household Income			
2013 Median Household Income	\$93,545	\$76,315	\$73,301
2018 Median Household Income	\$105,418	\$87,433	\$84,707
2013-2018 Annual Rate	2.42%	2.76%	2.93%
Average Household Income			
2013 Average Household Income	\$127,707	\$102,040	\$96,930
2018 Average Household Income	\$152,753	\$118,927	\$113,489
2013-2018 Annual Rate	3.65%	3.11%	3.20%
Per Capita Income			
2013 Per Capita Income	\$42,626	\$35,746	\$33,104
2018 Per Capita Income	\$50,905	\$41,564	\$38,610
2013-2018 Annual Rate	3.61%	3.06%	3.12%
Households by Income			
Current median household income is \$73,301 in the area, compared to \$51,314 for all U.S. households. Median household income is projected to be \$84,707 in five years, compared to \$59,580 for all U.S. households			
Current average household income is \$96,930 in this area, compared to \$71,842 for all U.S. households. Average household income is projected to be \$113,489 in five years, compared to \$83,667 for all U.S. households			
Current per capita income is \$33,104 in the area, compared to the U.S. per capita income of \$27,567. The per capita income is projected to be \$38,610 in five years, compared to \$32,073 for all U.S. households			
Housing			
2000 Total Housing Units	3,447	13,640	24,497
2000 Owner Occupied Housing Units	2,746	10,044	18,870
2000 Owner Occupied Housing Units	465	2,282	3,244
2000 Vacant Housing Units	236	1,314	2,383
2010 Total Housing Units	3,845	16,159	37,340
2010 Owner Occupied Housing Units	2,861	11,125	26,410
2010 Renter Occupied Housing Units	662	3,080	6,374
2010 Vacant Housing Units	322	1,954	4,556
2013 Total Housing Units	3,874	16,386	37,975
2013 Owner Occupied Housing Units	2,809	10,923	26,111
2013 Renter Occupied Housing Units	764	3,545	7,446
2013 Vacant Housing Units	301	1,919	4,418
2018 Total Housing Units	3,998	17,082	39,652
2018 Owner Occupied Housing Units	2,968	11,653	28,035
2018 Renter Occupied Housing Units	773	3,568	7,527
2018 Vacant Housing Units	257	1,861	4,090

Currently, 68.8% of the 37,975 housing units in the area are owner occupied; 19.6% renter occupied; and 11.6% are vacant. Currently, in the U.S., 56.4% of the housing units in the area are owner occupied; 32.3% are renter occupied; and 11.3% are vacant. In 2010, there were 37,340 housing units in the area - 70.7% owner occupied, 17.1% renter occupied, and 12.2% vacant. The annual rate of change in housing units since 2010 is 0.75%. Median home value in the area is \$222,694, compared to a median home value of \$177,257 for the U.S. In five years, median value is projected to change by 1.39% annually to \$238,609.

Data Note: Income is expressed in current dollars

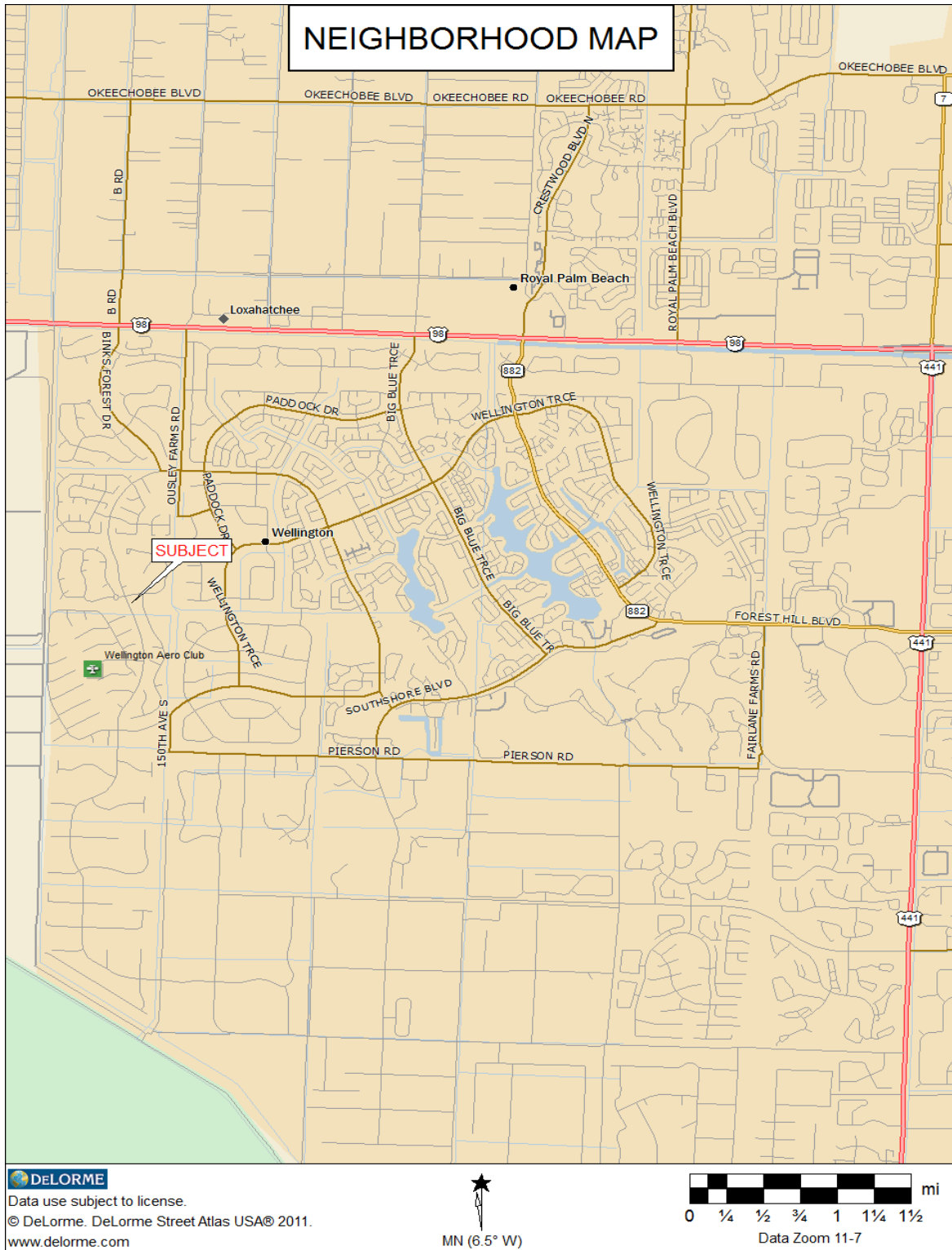
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018. Esri converted Census 2000 data into 2010 geography.

June 04, 2014

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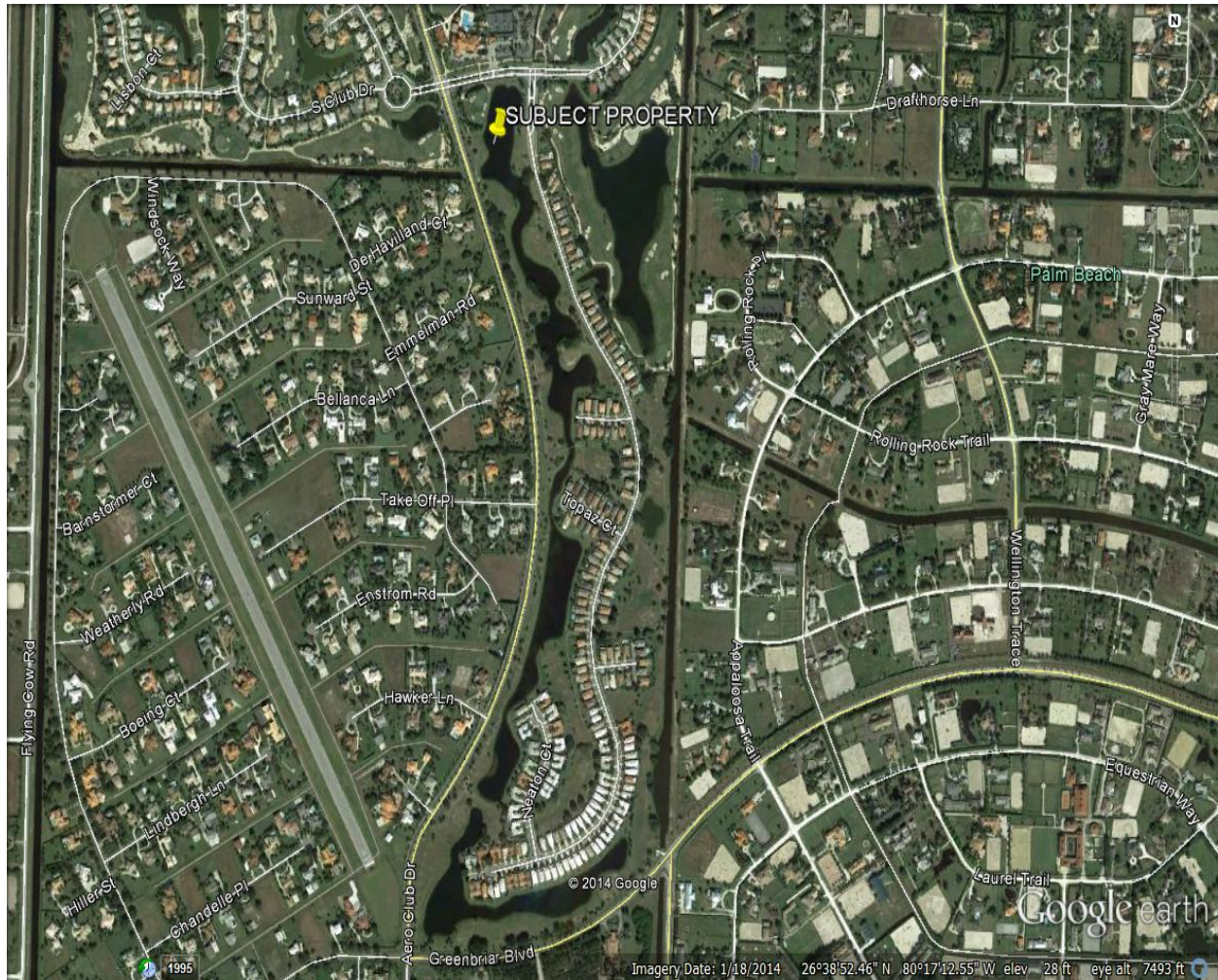
Page 2 of 2







AERIAL VIEW





SITE ANALYSIS

Location

The subject site is located at the southeast corner of Aero Club Drive and South Club Drive, Wellington, Florida. The property runs along the entire frontage of Aero Club Drive, from South Club Drive to Greenbriar Drive and continues east along Greenbriar Drive.

Size and Shape

Based on instructions from the Village of Wellington, the property is 40 acres in size, or 1,742,400 square feet. The property is irregular in shape, as it was a 9-hole executive golf course. As a golf course, portions of the site are narrow and there are moguls throughout the site, all of which make the site difficult to develop with uses other than a golf course. The property borders the lakes and has good view amenities.

Zoning

The property is zoned PUD, Planned Unit Development, by the Village of Wellington. The land use designation is Commercial Recreation. The property's Commercial Recreation designation supports commercial uses which are recreational in nature and compatible with residential and rural development patterns. Uses such as equestrian arenas, stadiums and show rings, golf courses, clubhouses, tennis houses, pools and other private recreational facilities are consistent with this designation. There are also a variety of quasi-commercial uses such as veterinary clinics, feed stores, tack stores, and commercial stables scattered throughout the equestrian preservation area of Wellington that are ancillary to the equestrian community and will be permitted in the Commercial Recreation land use plan subcategory. Commercial Recreation properties shall retain a Category B underlying land use plan designation: maximum building coverage – 10%; maximum FAR – 0.10. Category B underlying land use is residential, .1 dwelling unit per one acre.

Access and Exposure

Access to the site is from South Club Drive, Aero Club Drive, and Greenbriar Boulevard. The exposure of the site is good.





SITE ANALYSIS – Continued

Topography and Soil Conditions

The site is at, and/or above street grade. The site has several moguls and is not level. No engineering report was provided. The soil appears to be a sandy mulch typical of the area.

Flood Zone

According to F.I.R.M. Panel #120192 0100B, dated October 14, 1982, the property is located in Flood Zone “O” an area inundated by 100-year flooding (usually sheet flow on sloping terrain) for which average depths have been determined; flood depth range from one to three feet.

The survey provided indicates that the property is in Flood Zone “B” which are areas between limits of the 100 year flood and 500 year flood, or certain areas subject to 100 year flooding with average depths of less than one (1) foot or where the contributing drainage area is less than one square mile, or areas protected by levees from the base flood.

Easements and Encroachments

No easements or encroachments are indicated on the survey.

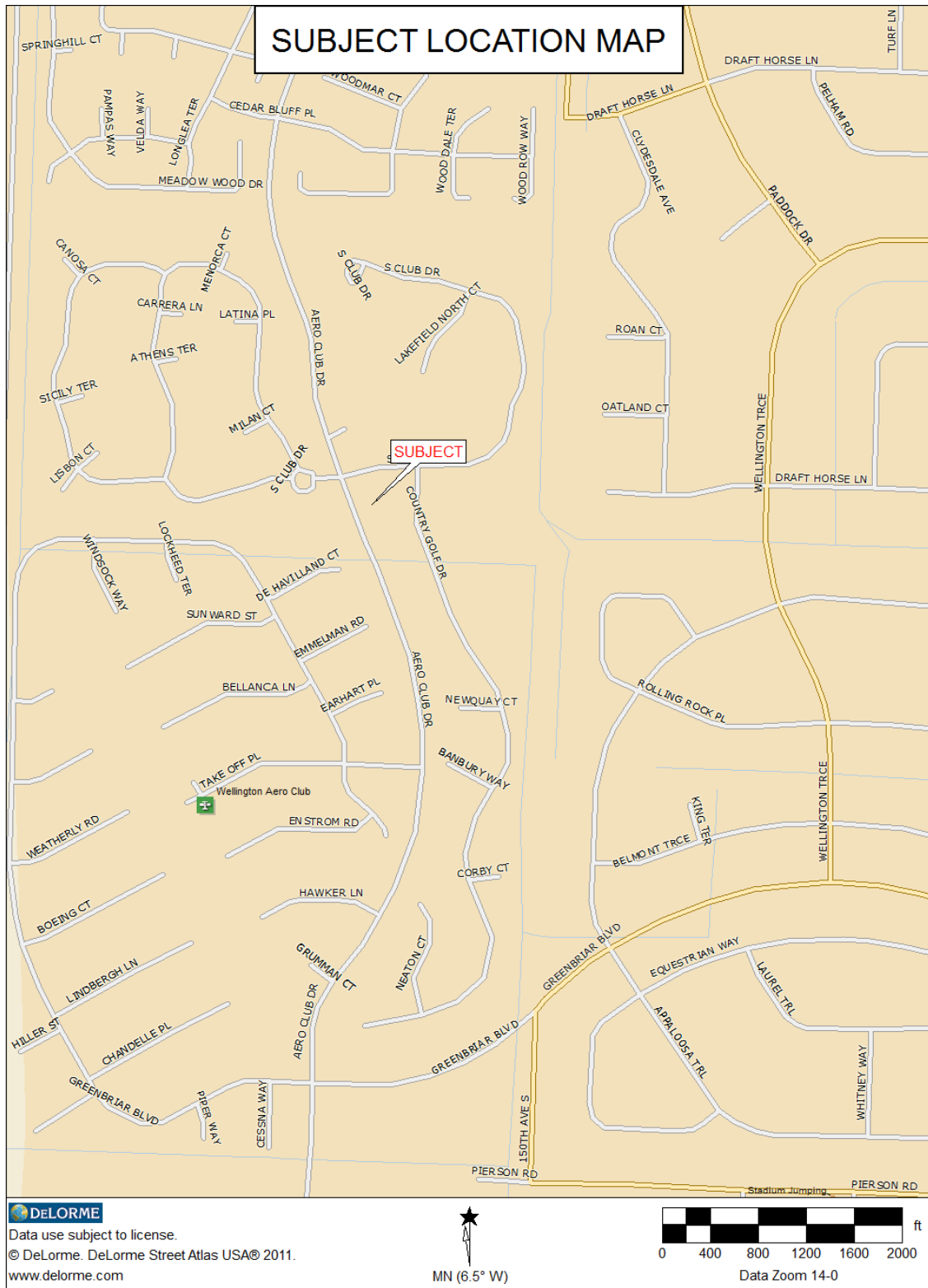
Utilities

All public utilities are available to the site.

Conclusion

The subject site has good access and exposure and would be available to be put to its highest and best use.







HIGHEST AND BEST USE ANALYSIS

"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 legal permissibility, physical possibility, financial feasibility and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of that use – that is adequately supported and results in the highest present value." (*Dictionary of Real Estate Appraisal, 5th Edition*)

Implied in the preceding definition is that both improvements and land can have a highest and best use. A good check on the highest and best use of a site is to examine each segment of the definition. If a proposed use is favorable when considering each segment, it will represent one of the highest and best uses of the site.

As Vacant

Legal Permissibility

The subject property is zoned PUD by the Village of Wellington and is in The Landings PUD. The land use designation is Commercial Recreation and the underlying land use is Residential B. The property could be developed with any of the uses allowed under the zoning and land use, as described in the Zoning and Land Use section of the report.

Physical Possibility

The subject site has a total of 40 acres and is large enough to be developed with uses allowed under the zoning and land use. The shape of the site limits its utility.

Financial Feasibility

The Commercial Recreational facilities in the Wellington area have been shown to be financially feasible, as have residential uses.





HIGHEST AND BEST USE ANALYSIS – Continued

Maximum Productivity

The maximally productive use for the site would be for Commercial Recreational use and/or residential development.

Conclusion – As Vacant

The highest and best use of the property, as vacant, would be for development with a Commercial Recreational use as allowed under the land use designation, or for residential development.



VALUATION



APPRAISAL PROCESS

This is a systematic analysis of the factors that bear upon the value of real estate. It is an orderly program where the problem is defined, work necessary to solve the problem is planned and data required to solve the problem is acquired, classified, analyzed and interpreted into an estimate of value. In this process, three basic approaches are used by the appraiser: 1) the SALES COMPARISON APPROACH, 2) the INCOME CAPITALIZATION APPROACH, and 3) the COST APPROACH.

The SALES COMPARISON APPROACH is based on the proposition that an informed purchaser would pay no more for a property than the cost of acquiring a similar property with like utility. In this approach, similar properties that have recently sold are compared to the subject through appropriate units of comparison. Notable differences in the comparable units are adjusted to the subject. Comparisons are made on the basis of time of sale, age, location, physical characteristics, financing and terms of sale. Adjustments are abstracted from actions of buyers and sellers in the market. The value range indicated by the adjusted comparable sales is correlated into a reliable indication of value where an active market provides sufficient quantities of reliable, verifiable data.

The INCOME CAPITALIZATION APPROACH is a process in which the anticipated flow of future benefits (dollar income or amenities) is discounted to a present worth figure through the capitalization process. The appraiser's concern is with arriving at potential gross income from rentals of competing properties. From this, a deduction is made for applicable vacancy and rent losses, the remainder being effective gross income. Expenses attributable to the real estate are then deducted from effective gross income to arrive at net income. When business is involved in the income stream, all income attributable to the business is also deducted. Net income is capitalized into value by market-abstracted rates using techniques applicable to the subject.

The COST APPROACH is based on the proposition that an informed purchaser would pay no more than the cost of producing a substitute property with the same utility as the subject. The appraiser must first value the subject site as if vacant by comparing it to similar sites that have recently sold. Reproduction cost of new improvements as determined by comparison of cost of similar properties is estimated. From reproduction cost new, depreciation from all sources is subtracted to arrive at an indicated value. This approach is most appropriate when improvements are new and represent the highest and best use.

Reconciliation is the process by which the appraiser weighs the relative significance, applicability and defensibility of the indication of value from each approach. Most weight and reliance is placed on the approach which best approximates market response to the subject property. Reconciliation is an examination of conscience by which the appraiser evaluates his own analyses.





APPRAISAL PROCESS - Continued

The subject property is valued as vacant land. The Sales Comparison Approach will be utilized in the valuation of vacant land. The Cost and Income Capitalization Approaches are not utilized in the valuation of vacant land.





SALES COMPARISON APPROACH

Methodology

The Sales Comparison Approach to value is based on the principle of substitution; that is, when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable property assuming no costly delay in making the substitution.

The traditional appraisal technique involves collection and analysis of sales of various properties having as many similar characteristics to the subject being evaluated as possible. The validity of this approach is dependent upon the availability, quantity, relevancy, and quality of the data.

A search was made of the Public Records of Palm Beach County for sales of commercial recreational land. No such sales were located. Sales of land zoned for institutional, public facilities, public ownership, and residential are used in this analysis. Sales of closed golf courses were also researched. However, none in Palm Beach County were located during this time period. The sales took place between October 2011 and April 2014.





SALES COMPARISON APPROACH - Continued

Discussion of Vacant Land Sales

Sale #1 is located on the north side of Southern Boulevard, approximately 670 feet east of 1st Street, unincorporated Palm Beach County. The property sold in July 2012 for \$4,575,000. The total site contains 38.2214 acres for an indicated sale price per square foot of \$2.75. The property is zoned IPF, Institute and Public Facilities. The property was owned by Palm Beach Atlantic University and was planned for athletic facilities. Palm Beach Atlantic University acquired property in another area and this site was no longer needed.

Sale #2 is located on the north side of Southern Boulevard, approximately 1,220 feet east of 1st Street, unincorporated Palm Beach County. The property sold in December 2013 for \$1,005,429. The property has a total of 10.73 acres for an indicated sale price per square foot of \$2.15. The property was purchased by the owner of the property adjacent which is Sale #1. The property is zoned PO, Public Ownership, and was sold by Palm Beach County.

Sale #3 is located on the northeast corner of Hypoluxo Road and Rivermill Club Drive, Palm Beach County. The property has a total of 13.17 acres and sold in March 2014 for \$2,682,500, or \$4.68 per square foot. The property has been re-zoned from AR to PUD and is approved for 55 dwelling units which indicates a density of 4.22 dwelling units per acre.

Sale #4 is located on the west side of Ranchette Road, approximately 275 feet south of Summit Boulevard, Greenacres. The property sold in April 2014 for \$2,055,000. The property has a total of 16.01 acres for an indicated sale price per square foot of \$2.95. The property has been approved for development with 73 single family homes which indicates a density of 4.56 dwelling units per acre.

Sale #5 is located on the northeast corner of Gardenia Drive and East Island Avenue, Palm Beach Gardens. The property sold in October 2013 for \$2,000,000. The property has a total of 7.7286 acres for an indicated sale price per square foot of \$5.94. The property has been approved for development for 21 zero lot line units indicating a density of 2.72 dwelling units per acre.

Sale #6 is located on the west side of North Military Trail at Green Pine Boulevard, West Palm Beach. This is the purchase of two separate parcels by Oxbridge Academy. The sale took place in October and November 2011 with a total purchase of \$3,850,000. The property has a total of 13.6204 acres for an indicated sale price per square foot of \$6.49. The property adjoin one another and were purchased by the adjoining property owner for purposes of expanded a private school.

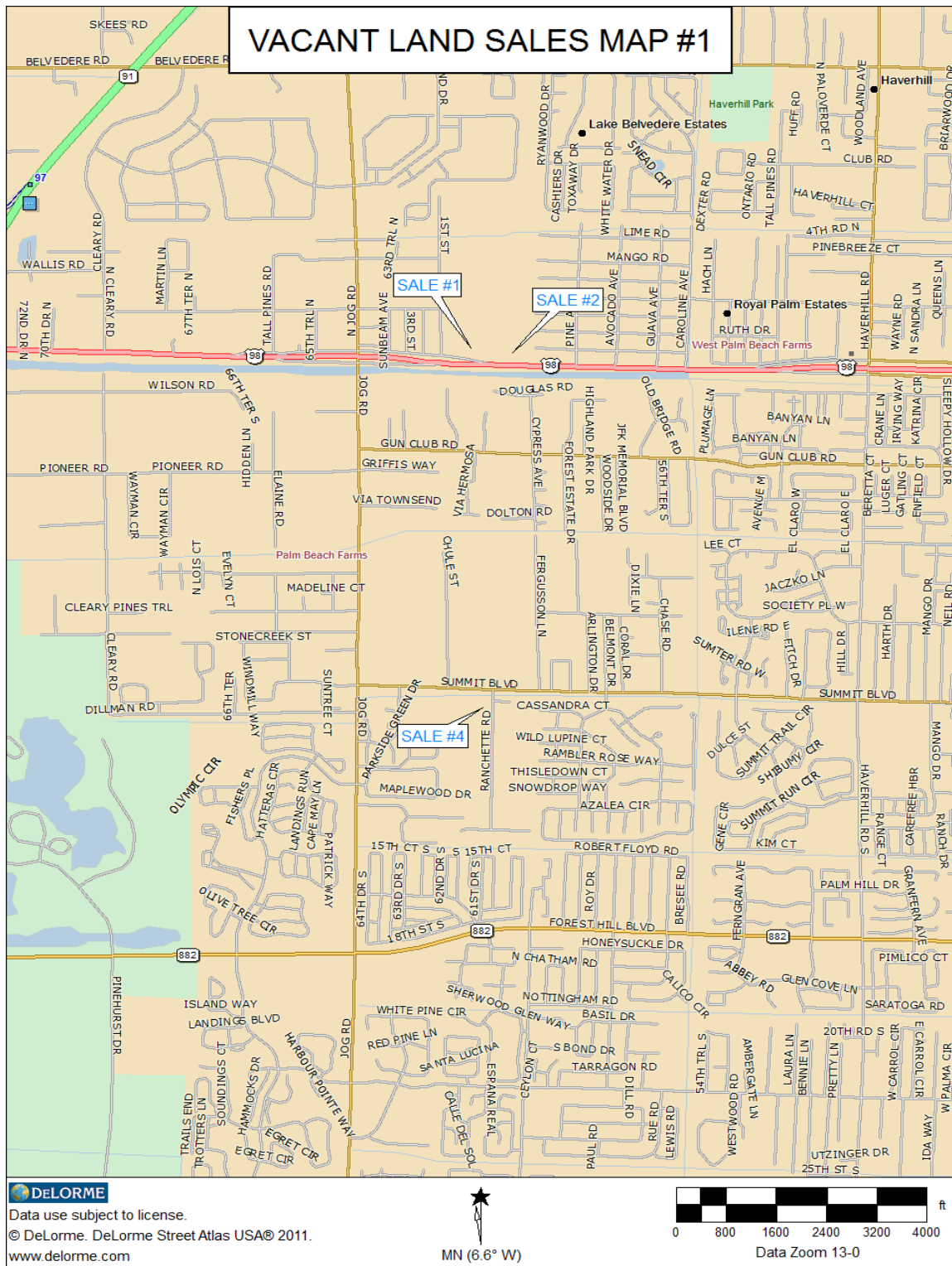


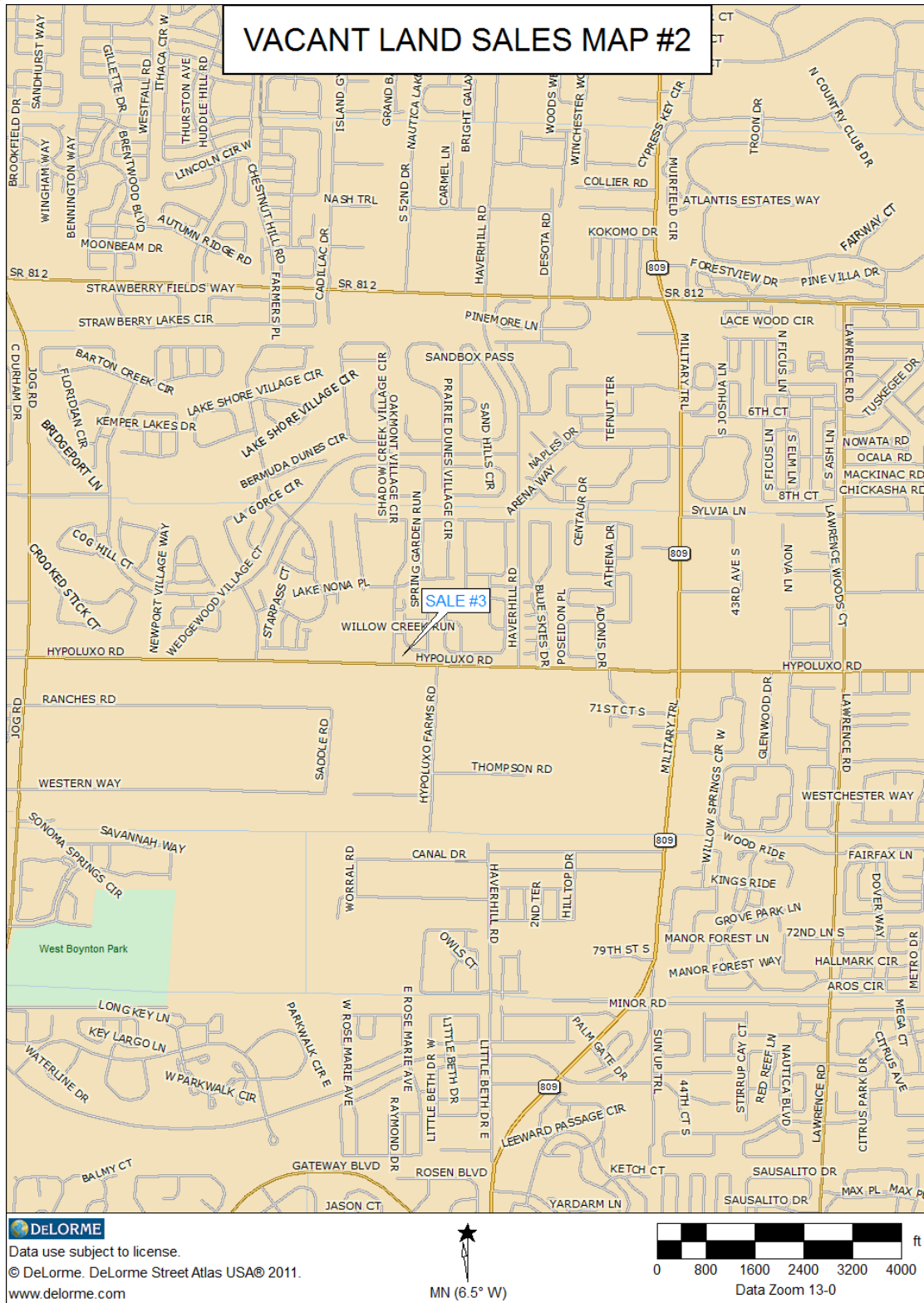


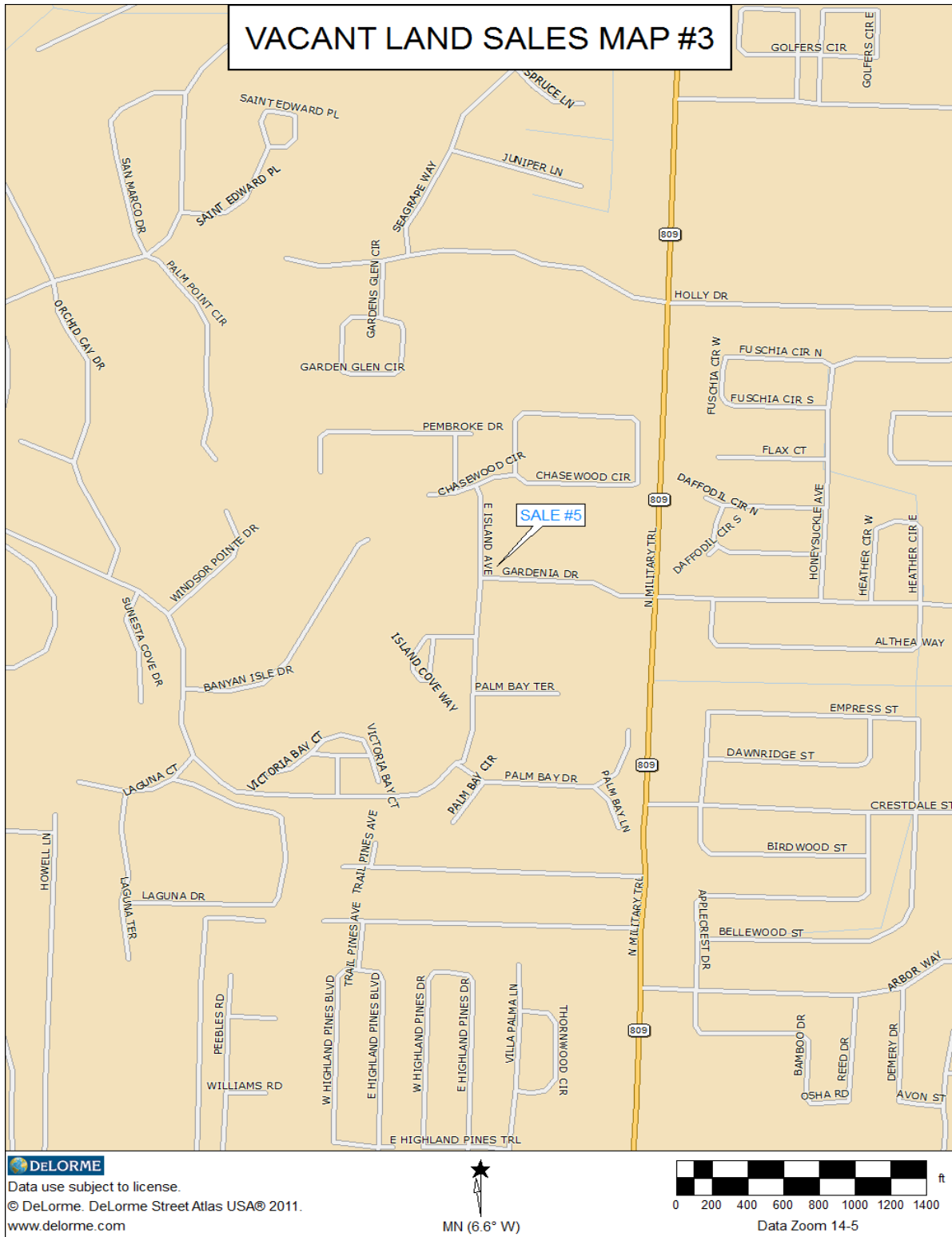
**VACANT LAND SALES CHART
SEC OF AERO CLUB DR & S CLUB DR
WELLINGTON**

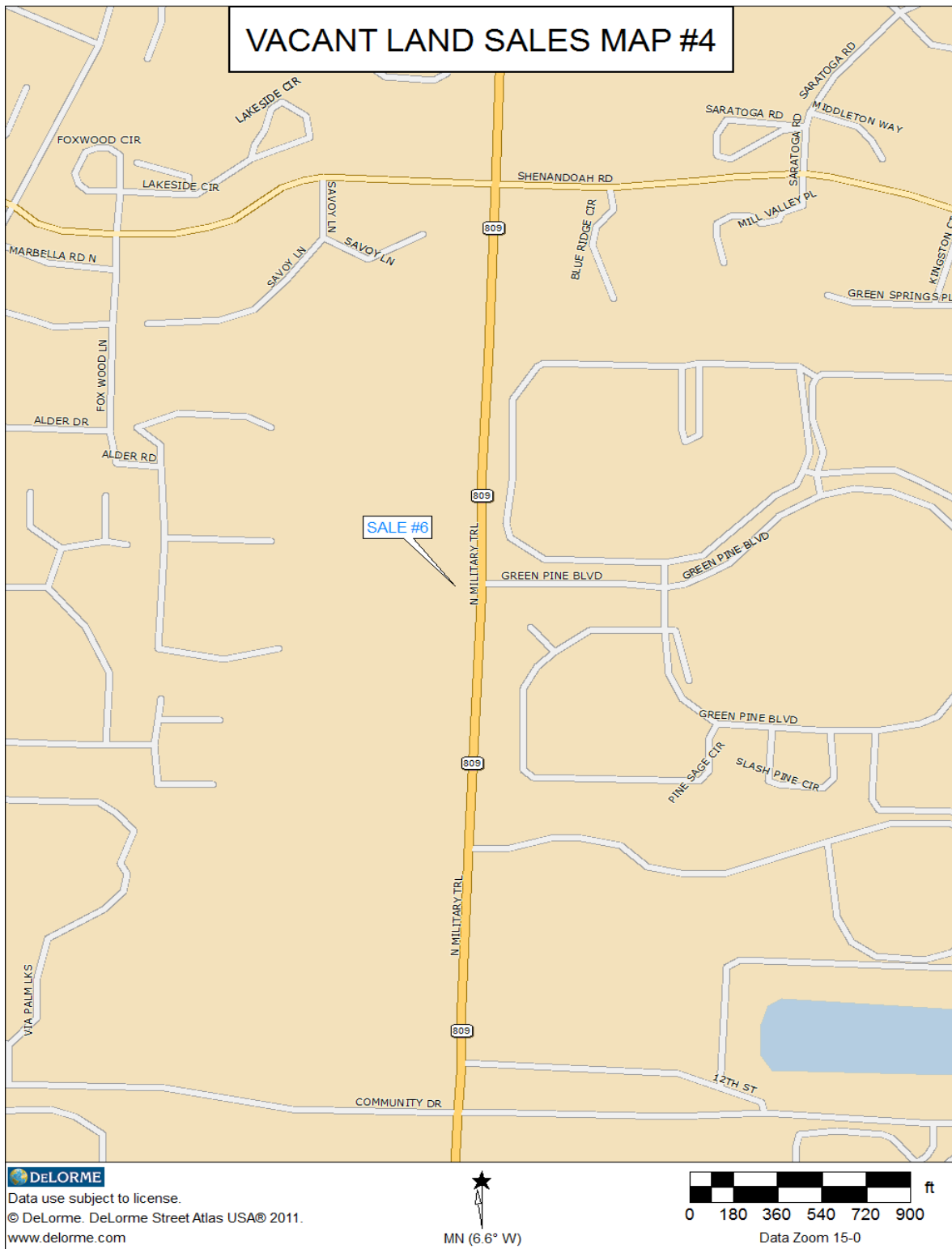
	Subject	1	2	3	4	5	6
Location	SEC of Aero Club Dr & S Club Dr Wellington	N side of Southern Blvd approx 670' E of 1st St Palm Beach County	N side of Southern Blvd approx 1220' E of 1st St Palm Beach County	NEC of Hypoluxo Rd & Rivermill Club Dr Palm Beach County	W side of Ranchette Rd approx 275' S of Summit Blvd Greenacres	NEC of Gardenia Dr & East Island Ave Palm Beach Gardens	W side of N Military Tr at Green Pine Blvd West Palm Beach
Sale Price		\$4,575,000	\$1,005,429	\$2,682,500	\$2,055,000	\$2,000,000	\$3,850,000
Sale Date		Jul-12	Dec-13	Mar-14	Apr-14	Oct-13	Oct-11
Cond of Sale		Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length
Property Interest	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Zoning	PUD	IPF	PO	AR	RL-3	RM	RPD & CS
Site Size - SF	1,742,400	1,664,924	467,429	567,587	697,396	336,658	593,305
Site Size - AC	40	38.2214	10.73	13.03	16.01	7.7286	13.6204
SP/SF		\$2.75	\$2.15	\$4.73	\$2.95	\$5.94	\$6.49
SP/AC		\$119,697	\$93,696	\$205,871	\$128,357	\$258,779	\$282,664
Adjustments:							
Shape/Configuration		-10%	-10%	-10%	-10%	-10%	-10%
Adjusted SP/SF		\$2.48	\$1.94	\$4.26	\$2.66	\$5.35	\$5.84
Market Conditions		Inferior	Similar	Similar	Similar	Similar	Inferior
Location		Similar	Similar	Superior	Inferior	Superior	Similar
Size		Similar	Superior	Superior	Superior	Superior	Superior
Access/Exposure		Similar	Similar	Similar	Similar	Similar	Similar
Zoning/Land Use		Superior	Superior	Superior	Superior	Superior	Superior
Overall Indication		Superior	Superior	Superior	Superior	Superior	Superior
		Less than	Less than	Less than	Less than	Less than	Less than
		\$2.48	\$1.94	\$4.26	\$2.66	\$5.35	\$5.84













SALES COMPARISON APPROACH - Continued

DISCUSSION OF THE DIFFERENCES IN SALES

The appraiser can take either a quantitative or qualitative analysis in order to arrive at an indication of value for the subject. A quantitative analysis makes positive and negative adjustments for individual differences. It is often difficult to support the adjustments and they frequently obfuscate the point. A qualitative analysis is frequently more logical and leads the reader to a conclusion. Due to the differences in the comparable sales and the subject property, a quantitative analysis is deemed appropriate. Differences were considered for shape/configuration, financing, market conditions (time), location, size, access/exposure, and zoning/land use.

Shape/Configuration

The subject site is irregular in shape with portions of the property being very narrow. There are several moguls on the site. These features make development of the property for anything but a golf course more difficult and a negative 10% adjustment is made to each of the sale prior to consideration of other adjustments.

Time

The real estate market has improved since 2011 and, thus, Sales #1 and #6 are considered inferior to the subject. The other four sales which took place between October 2013 and April 2014 are considered similar to the subject.

Location

The subject property is located in Wellington and its location is considered good. The location is considered similar to Sales #1 and #2 which are located on Southern Boulevard, and Sale #6 which is located on Military Trail. Sale #4 is located on Ranchette Road, off Summit Boulevard, is an inferior location to the subject. Sale #5 in Palm Beach Gardens and Sale #3 on Hypoluxo Road are considered superior locations to the subject.

Size

The subject property has a total of 40 acres and is similar in size to Sale #1. The other five sales are all smaller and, typically, the smaller the site the higher the price per square foot and vice versa. Thus, these sales are considered superior.





SALES COMPARISON APPROACH - Continued

DISCUSSION OF THE DIFFERENCES IN SALES - Continued

Access/Exposure

The access/exposure of the subject is good and all of the sales are considered to have similar access/exposure.

Zoning/Land Use

The zoning and land use of the subject is more restrictive than the sales and all of the sales are considered to be superior to the subject in this category.

Conclusion

The sales are ranked as follows:

Sale #6	\$5.84
Sale #5	\$5.35
Sale #3	\$4.26
Sale #4	\$2.66
Sale #1	\$2.48
Sale #2	\$1.94

The first two sale prices are impacted by high density and adjacent property owners. Greatest weight is on the last three sales. Based on the analysis, the subject is at the bottom end of the sales and, thus, would be just above \$1.94 per square foot at \$2.00. After analysis, it is our opinion that the indicated value of the subject is \$2.00 per square foot. The value is calculated as follows:

1,742,400 sq.ft. x \$2.00/sq.ft. =	\$3,484,800
Rounded to,	\$3,485,000





RECONCILIATION

The purpose of the reconciliation is to examine the strengths and weaknesses of each approach to determine which is most indicative of value for the subject. In a more perfect and orderly market, all approaches would theoretically indicate the same value. Due to discrepancies in the real estate market, lack of data and uniqueness of individual properties, this rarely occurs.

The appraisers have developed each applicable approach into an indication of value. The value indication for the fee simple estate of the subject property from each approach is as follows:

Cost Approach	N/A
Sales Comparison Approach	\$3,485,000
Income Capitalization Approach	N/A

The only applicable approach in the valuation of vacant land is the Sales Comparison Approach.

It is our opinion that market value of the fee simple estate of the subject property, as of June 7, 2014 was:

THREE MILLION FOUR HUNDRED EIGHTY-FIVE THOUSAND DOLLARS
(\$3,485,000)



A D D E N D A



QUALIFICATIONS

WILLIAM H. CRICKENBERGER

Academic Degree: Bachelor of Arts Degree, 1961
Major - Mathematics
University of Florida
Gainesville, Florida

State-Certified General Real Estate Appraiser RZ1380

Appraisal Education

Completed and passed the following courses by the American Institute of Real Estate Appraisers:

Real Estate Appraisal I
Real Estate Appraisal II

Completed and passed the following courses by the Society of Real Estate Appraisers:

Principles and Techniques of Residential Appraising
Appraising Apartments

Completed and passed the following courses by the Appraisal Institute:

Separating Real and Personal Property from Intangible Real Estate, Course 800
Condemnation Appraising: Advanced Topics and Applications, Course 720
Highest and Best Use and Market Analysis, Course 520
Standards of Professional Practice, Parts A & B
Standards of Professional Practice, Part C

Attended several seminars sponsored by The Society of Real Estate Appraisers, American Institute of Real Estate Appraisers as well as many lending seminars and courses





QUALIFICATIONS - WILLIAM H. CRICKENBERGER - Continued

Appraisal Education – Continued

Some of the most recent seminars completed are:

Residential Appraiser Update: Staying Competent in a New Decade

USPAP, National Update

Dirty Dozen

Intro – Expert Witness Testimony

Supervisor Trainees Roles and Relationships

Florida Real Estate Appraisal License Law Update

Uniform Appraisal Standards for Federal Land Acquisition

I Have Received a Subpoena, Now What Do I Do?

The Technology Assisted Appraiser

Lease Abstracting and Analysis

Eminent Domain and Condemnation Appraising

Internet and Appraising

Appraisal of Nursing Facilities

Fundamentals of Relocation Appraising

Florida Commercial Construction

Partial Interest Valuation - Divided

Communicating the Appraisal

Neighborhood Analysis

Appraisal Principles

Real Estate, Mortgages, and the Law

Sales Comparison Approach

Appraisal Experience

As of 3/90	Appraiser Associate, Appraisal & Acquisition Consultants, Inc.
7/68 to 8/71	Vice President and Chief Appraiser, Southern Federal Savings & Loan Association of Broward County
10/66 to 6/68	Staff Appraiser, Southern Federal Savings & Loan Association of Broward County
4/64 to 9/66	Staff Appraiser, Greater Miami Federal





QUALIFICATIONS - WILLIAM H. CRICKENBERGER - Continued

Related Experience

10/85 to 2/90	President, TGI Development, Inc., and Secretary/Treasurer, TGI Group, Inc., developer of condominium and large (6,000+ SF) homes
2/83 to 12/85	President, Dana Construction Company, Inc.
8/78 to 12/82	Executive Vice President, Southern Federal Savings & Loan Association of Broward County
3/77 to 7/78	President and CEO, Depositors Savings, Jackson, Mississippi
10/74 to 2/77	Senior Vice President - Lending, Century Federal Savings, Ormond Beach, Florida
2/61 to 3/64	Estimator, Paul & Son, Inc., West Palm Beach, Florida

Related Activities

Charter Member, Society of Real Estate Appraisers, Broward County Chapter 204, 1972
Board of Directors, Society of Real Estate Appraisers, Broward County Chapter 204, 1972-1974
Chairman Admissions Committee, Society of Real Estate Appraisers, Broward County Chapter 204, 1972
Chairman Program Committee, Society of Real Estate Appraisers, Broward County Chapter 204, 1973
Second Vice President, Society of Real Estate Appraisers, Broward County Chapter 204, 1972
First Vice President, Society of Real Estate Appraisers, Broward County Chapter 204, 1973
President, Society of Real Estate Appraisers, Broward County Chapter 204, 1974
Chairman Admissions Committee, Daytona Beach Chapter 180, 1975
Charter Member, National Association of Home Builders, Florida Atlantic Builders Association, 1967
Board of Directors, National Association of Home Builders, Florida Atlantic Builders Association, 1967-1973
Secretary, National Association of Home Builders, Florida Atlantic Builders Association, 1969
Second Vice President, National Association of Home Builders, Florida Atlantic Builders Association, 1971 and 1973

Other Professional

State of Florida Certified General Contractor (Inactive)

Licenses

Real Estate Salesman, State of Florida





QUALIFICATIONS - WILLIAM H. CRICKENBERGER - Continued

Types of Properties Appraised

Adult Congregate Living Facilities	Industrial Buildings
Apartment Buildings	Lots and Acreage - Vacant
Banks	Lumber Yards
Car Washes	Marinas
Churches	Medical Offices
Clinics	Mobile Home Parks
Commercial Strip Centers	Motels
Condominiums (individual and projects, garden, highrise and townhouse)	Nursing Homes
Condemnations	Office Buildings
Country Clubs	Outdoor Advertising Signs
Day Care Center	Residences
Easements	Resort Properties
Feasibility Studies	Restaurants
Funeral Homes	Right of Ways
Furniture Stores	Service Stations
Golf Courses	Shopping Centers
Hotels	(neighborhood and community)
	Special Purpose
	Store Buildings
	Subdivisions
	Warehouses
	Wetlands





QUALIFICATIONS

JOHN R. UNDERWOOD, JR., MAI, SRA

Academic Degree: Bachelor of Science Degree, 1970
Florida State University
Tallahassee, Florida

Resident of Florida since 1948, licensed by Real Estate Commission, State of Florida since 1973; presently Registered Real Estate Broker, and member of the Jupiter-Tequesta-Hobe Sound Board of Realtors.

State-Certified General Real Estate Appraiser RZ706

Professional Designations

Member, Appraisal Institute, MAI designation #6541, awarded 1982.

Member, Appraisal Institute with SRA (Senior Residential Appraiser) designation, awarded 1984.

Prior to the formation of the Appraisal Institute, I also held the SRPA and SREA designations awarded by the Society of Real Estate Appraisers.

The Appraisal Institute conducts a continuing education and recertification program for designated members; I am currently certified in this program.

Appraisal Education

Completed and passed the following courses by the American Institute of Real Estate Appraisers:

Course 1B	Capitalization Theory & Techniques
Course II	Urban Properties
Course VI	Investment Analysis
Course	Standards of Professional Practice Part A and B

Completed and passed the following courses by the Society of Real Estate Appraisers:

Course 101	An Introduction to Appraising Real Property
Course 201	Principles of Income Property Appraising
Course 301	Special Applications of Appraisal Analysis





QUALIFICATIONS - JOHN R. UNDERWOOD, JR., MAI, SRA - Continued

Appraisal Education - Continued

Attended numerous other seminars sponsored by the Society of Real Estate Appraisers, American Institute of Real Estate Appraisers, and the Appraisal Institute as well as many lending seminars and courses.

Currently approved instructor for the following Appraisal Institute courses and seminars:

Appraising the Appraisal: Residential
Complex Litigation Appraisal Case Studies
The Appraiser as an Expert Witness: Preparation and Testimony
Litigation Appraising: Specialized Topics and Applications
Condemnation Appraising: Basic Principles & Applications
Condemnation Appraising: Advanced Topics & Applications
Uniform Appraisal Standards for Federal Land Acquisitions
Analyzing Operating Expenses
Litigation Skills for the Appraiser
Small Hotel/Motel Valuation
Appraising the Tough Ones
Analyzing Commercial Lease Clauses
Appraisal Consulting: A Solutions Approach for Professionals
Rates and Ratios: Making Sense of GIMs, OARs, and DCFS
The Road Less Traveled: Special Purpose Properties
Analyzing Distressed Real Estate
Office Building Valuation: A Contemporary Perspective
Online: Eminent Domain and Condemnation

Certified Distance Education Instructor, #67482, International Distance Education Certification Center (IDECC)

Appraisal Experience

As of 1/83	President, Appraisal & Acquisition Consultants, Inc.
12/80 to 1/83	Vice President/Appraisals, Southern Federal Savings & Loan Association of Broward County (became Home Savings of America, 1981)
3/80 to 12/80	Self-employed fee appraiser, Lake Worth Realty & Investment
1971 to 3/80	Staff appraiser, First Federal Savings & Loan Association of Lake Worth, appraising residential and commercial properties

Qualified as expert witness Federal and Florida State Court.





QUALIFICATIONS - JOHN R. UNDERWOOD, JR., MAI, SRA - Continued

Related Activities

National

Chief Reviewer, The Appraiser as an Expert Witness: Preparation & Testimony
Member, Appraisal Institute's National Seminar's Division, 1998-2003
Funding Task Force, 1998
General Appraiser Board 1994- 1997
Chairman, Region X, 1993-1994
Chairman, Education Coordination Committee, 1993
Director, Appraisal Institute, 1991-1994
Vice Chairman, Region X of Appraisal Institute, 1991-1992
Chairman, Appraisal Institute's General Education Committee, 1992
Vice Chairman, Appraisal Institute's General Education Committee, 1991
Member, Appraisal Institute's Body of Knowledge Committee, 1991
Member, Appraisal Institute's Steering Committee for Unification, 1990
Member, Appraisal Institute's Level 2 Curriculum Committee, 1990
Governor, Society of Real Estate Appraisers, District 29, 1988-1990
Vice Governor, Society of Real Estate Appraisers, District 29, 1983-1987
Chairman, Society of Real Estate Appraisers National Education Committee, 1988, 1989 and 1990.
Member, Society of Real Estate Appraisers Executive Committee, 1990.
Member, Society of Real Estate Appraisers Appraisal Standards Committee, 1988, 1989 and 1990.
Member, Program Committee, Society of Real Estate Appraisers National Conference, 1989
Chairman, Program Committee, Society of Real Estate Appraisers National Conference, 1990
Vice Chairman, Society of Real Estate Appraisers National Education Committee, 1986-87
Chairman, Society of Real Estate Appraisers National Subcommittee for Continuing Education, 1984-87
Member, Society of Real Estate Appraisers National Education Committee, 1984-1989
Member, Special Committee, Appraisal Form Development, 1988 and 1989
Member, Society of Real Estate Appraisers Conference Committee, 1985

Publications

Co-Developer; Small Hotel/Motel Valuation Seminar, published by the Appraisal Institute, 1999
Co-Author/Developer; Has Government Gone Too Far? 2000
Author/Developer; Inverse Condemnation – An Appraiser's Dilemma, 2004
Uniform Appraisal Standards for Federal Land Acquisition, Seminar Update, 2009
Author; Trial Components, Recipe for Success or Disaster?, 2011





QUALIFICATIONS - JOHN R. UNDERWOOD, JR., MAI, SRA - Continued

Types of Properties Appraised

Appraisals made on the following types of property for individuals, attorneys, banks, corporations, government agencies, mortgage companies and savings and loans:

Adult congregate living facilities	Market studies
Apartment buildings	Mobile home parks
Automobile agencies	Motels
Banks	Nursing homes
Bowling alleys	Office buildings
Car Washes	Outdoor advertising signs
Churches	Ranches
Clinics	Recreation leases
Commercial strip centers	Residences (all types)
Condominiums (individual and projects, garden, high-rise and townhouse)	Resort properties
Condemnations	Restaurants
Country clubs	Right-of-ways
Easements	Service stations
Feasibility studies	Single Family Estates
Furniture stores	Shopping centers (neighborhood and community)
Golf courses	Special Purpose
Hotels	Store buildings
Industrial buildings	Subdivisions
Lots and acreage - vacant	Supermarkets
Lumber yards	Warehouses
Marinas	Wetlands

