



Clayton, Roper & Marshall, Inc., a Florida Corporation

CRAIG H. CLAYTON, MAI
State-Certified General Appraiser RZ 118

PAUL M. ROPER, MAI, SRPA, SRA
State-Certified General Appraiser RZ 141

STEVEN L. MARSHALL, MAI, SRA, AI-GRS
State-Certified General Appraiser RZ 155



November 14, 2019

Ms. Lucy Hamelers, Land Acquisition Supervisor
Brevard County Public Works Department
2725 Judge Fran Jamieson Way
Building A, Suite 204
Viera, Florida 32940

Re: Florida Recyclers of Brevard, LLC
Property: 44.73± Gross Acre Improved C&D Landfill and Recycling Center, Located Along the South Side of Sarno Road, at 3351 Sarno Road, Melbourne FL 32934.
County: Brevard

Dear Ms. Hamelers:

As requested, we have conducted the necessary analyses and incidental inspections of the above-referenced property in order to provide a current market value estimate based upon the income stream attributable to the operation of the subject property. The subject income stream results from the operation of the Florida Recyclers of Brevard, LLC's C&D landfill operations and from the Simply Organic Lawn and Garden operations which consist of the manufacture of mulch and soil for retail sales.

At the direction of the client we have analyzed the subject under two different scenarios. The first scenario involved an as is evaluation of the property based on the current height restriction from the City of Melbourne of 40 feet above grade, which equates to an elevation of 64 feet NGVD. Under this scenario, the subject has an estimated total capacity of 1,620,000 Cubic Yards per the Jones, Edmunds & Associates, Inc. report provided by the client.

The second valuation scenario required the use of an **Extraordinary Assumption**. For this value scenario, we have assumed that the subject could be built out to a height limitation of 81 feet, which equates to an elevation of 104 feet NGVD. Under this scenario, we believe that (subject to current engineering calculations) the subject has a capacity of approximately 2,600,000 Cubic Yards, also per the Jones, Edmunds & Associates, Inc. report. As such, the second valuation is made subject to the following *Extraordinary Assumption*:

The Florida Recyclers of Brevard Landfill would be granted a variance by the City of Melbourne to allow for buildout above their current CUP to match their FDEP permitted height of 81 feet which equates to an elevation of 104 feet NGVD.

Please note, we have appraised the fee simple interest in the subject real estate. The subject is a special use property that requires specific knowledge and equipment to operate and maintain. As such, separation of the real estate and business interests is difficult to impossible. Therefore, we recognize that the reported values contained herein most likely are comprised of both business and real estate interests.

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Ms. Lucy Hamelers
Brevard County Public Works Department

We were provided with the subject's financial operating history for the time frame of 2014-2018. We have been asked by the property owner to keep their financial data confidential. As such, we have only provided summary statistics in the body of this report, while retaining the original statements in our work files. In evaluating the subject, we have utilized a Discounted Cash Flow model in order to estimate the present value of the ongoing operation of the subject property up to full build out and closure. This was considered the best method for valuing the subject, as the Cost Approach and the Sales Comparison Approach were not considered applicable.

The subject property is more specifically described by both legal and narrative descriptions within the text of the accompanying Appraisal Report. The effective date of this appraisal report is June 3, 2019.

This is an Appraisal Report which is intended to comply with the reporting requirements set forth under the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it presents only 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.

Scenario 1 - Current Value at Height of 40 feet Above Grade:

Based upon our investigation into those matters that affect market value, and by virtue of our experience and training, we have estimated the "As Is" market value of the fee simple interest in the subject property, effective June 3, 2019, to be:

FIVE MILLION FOUR HUNDRED THOUSAND DOLLARS

(\$5,400,000).

Scenario 2 - Current Value at Height of 81 feet Above Grade (*Extraordinary Assumption*):

Based upon our investigation into those matters that affect market value, and by virtue of our experience and training, we have estimated the "As Is" market value of the fee simple interest in the subject property, effective June 3, 2019, to be:

ELEVEN MILLION FOUR HUNDRED SEVENTY THOUSAND DOLLARS

(\$11,470,000).

We have considered an appropriate marketing period and exposure period for the subject property at the market value estimates reported above. Our estimates are based upon interviews with active real estate market participants within the subject's marketing area. Assuming the utilization of an organized and coordinated marketing effort, we have estimated a reasonable marketing period for the subject property of approximately one year to eighteen months. In addition, we have estimated a reasonable exposure period for the subject property of approximately one year to eighteen months. This exposure period will allow for exposure to a greater pool of buyers, as well as provide for an extended due diligence period.

Ms. Lucy Hamelers
Brevard County Public Works Department

This letter of transmittal precedes and is hereby made a part of the Appraisal Report which follows, setting forth the most pertinent data and reasoning which was used in order to reach the final value estimate. The appraisal is subject to the *General Assumptions* and *General Limiting Conditions* which have been included within the text of this report. The assumptions and conditions are considered usual for this type of assignment.

To the best of the appraisers' ability, the analysis, opinions, and conclusions were developed, and the report was prepared in accordance with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice (USPAP).

We have not performed real estate services, as an appraiser or in any other capacity, regarding the property that is the subject of this report at any time preceding acceptance of this assignment.

The intended user of this appraisal report is Brevard County. This report was prepared for the sole use and benefit of Brevard County and their assigned representatives. In keeping with our agreement with Brevard County, only Brevard County, its employees, agent, successors and/or assigns, shall have the right or use of this appraisal report. This appraisal report may not be used for any purpose by any person other than the intended user without the prior written consent of Clayton, Roper & Marshall. Possession of the report, or a copy thereof, does not carry with it the right of publication. No other party is entitled to rely on the information, conclusions, or opinions contained herein. The intended use of this appraisal is for internal decision making.

We hereby certify that to the best of our knowledge and belief the statements of fact contained in this report are true and correct; the reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions; we have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved; we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment; our engagement in this assignment was not contingent upon developing or reporting predetermined results; 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; I, the supervisory appraiser of the registered trainee who contributed to the development or communication of this appraisal, hereby accept full and complete responsibility for any work performed by the registered appraisal trainee named herein as my own; my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP); and we have made a personal inspection of the property that is the subject of this report. Joseph W. Machovina, State Registered Trainee Appraiser, License Number: RI 23550, provided professional assistance in the functions of data research, analysis, report writing, preparation of exhibits, and preparation of this Appraisal Report.

The Appraisal Institute maintains a voluntary continuing education program for its members. As of the date of this report, the undersigned MAI has completed the requirements of the continuing education program of the Appraisal Institute. We do not authorize the out of context quoting from or partial reprinting of this appraisal report. Further, neither all nor any part of this appraisal shall be disseminated to the general public by the use of media for public communication without the prior written consent of the appraisers signing this appraisal report.

November 14, 2019

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Ms. Lucy Hamelers
Brevard County Public Works Department

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives and to the requirements of the State of Florida relating to review by its Real Estate Appraisal Board.

Respectfully submitted,
CLAYTON, ROPER & MARSHALL



Paul M. Roper, MAI, SRA
State-Certified General Real Estate Appraiser
License Number: RZ 141

PMR/JWM/sas

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

PROPERTY OWNER NAME, ADDRESS

Florida Recyclers of Brevard.
c/o Jack A. Kirschenbaum, Esq.
1795 West NASA Boulevard
Melbourne, FL 32901
321-727-8100

SUBJECT LOCATION

The physical address is 3351 Sarno Road, Melbourne, FL 32901

EFFECTIVE DATE OF THE APPRAISAL

June 3, 2019

DATE OF APPRAISAL REPORT

August 26, 2019

TYPE OF PROPERTY

The subject property is comprised of a flag shaped, 44.73± gross acre improved parcel of land. The area of the site permitted for use as a disposal area is approximately 35 acres. The balance of the acreage is perimeter buffer.

ZONING AND LAND USE

The subject parcel is under the jurisdiction of the city of Melbourne and has a zoning designation of C-M1, Neighborhood Commercial/Light Industrial and the C&D landfill operates as a Conditional Use. The future land use designation is Industrial.

HIGHEST AND BEST USE

AS VACANT

The highest and best use of the subject property as vacant is for industrial development.

AS IMPROVED

Continued use of the existing improvements represents the highest and best use of the site as improved.

PROPERTY INSPECTION

Paul M. Roper, MAI, SRA and Joseph W. Machovina of Clayton, Roper and Marshall, Inc, among others, inspected the subject on May 2, 2019. cursory inspections were conducted on June 3, 2019 and November 14, 2019.

PROFESSIONAL ASSISTANCE

Joseph W. Machovina, State Registered Trainee Appraiser, License No.: RI 23550 provided professional assistance in the preparation of this appraisal by conducting market and data research, exhibit preparation and report writing.

Craig H. Clayton, MAI, provided professional assistance in the development of the discounted cash flow model and provided advice concerning appraisal methodology and procedures for this property classification.

CLAYTON, ROPER & MARSHALL

SITE AND IMPROVEMENTS

The subject property is improved with a C&D landfill and recycling center. The facility has been in operation since 1998. The facility started operations in 1998 as an unlined C&D debris disposal facility. In 1999, the facility converted to a Class III landfill and, in 2014, the facility filed a permit application requesting classification as a C&D debris and recycling facility. FDEP granted the facility a 10-year operation permit as a C&D facility, but required the site continue to monitor groundwater, surface water, and landfill gas in accordance with Class III landfill guidelines.

According to the permit drawings, the approximate natural grade on the site is at elevation 25 feet NGVD. The bottom of waste is at approximately elevation 24.4 feet. The setback requirements of 100 feet from the property boundary for Class III landfills was reduced to 50 feet because of the adjacent county owned and operated Sarno Road Class III Landfill and Sarno Road Transfer Station. The majority of the Florida Recyclers waste appears to be landfilled on the south portion of the site, and there are piles of mulched material placed on the north half of the site. Based on the current recycling and processing operations at the site, it is unclear if the entire permitted footprint area has landfilled waste.

Waste is monitored and recorded at the facility scale house. The site's 2014 Operation Plan states that recyclable materials from construction waste and vegetative waste are recycled and that non-recyclable construction debris is landfilled. The site does not currently accept CCA pressure-treated wood for disposal. However, CCA treated wood was likely accepted for disposal in the past before FDEP's prohibition regarding disposal of this waste in unlined landfills. The facility is also authorized to process yard trash. Residential yard waste is processed into landscaping mulch and topsoil. The facility has 10 groundwater monitoring wells and one surface water sampling point; monitoring and sampling are performed semi-annually. The facility also monitors landfill gas migration quarterly at the perimeter landfill gas probes and within structures on the property.

CAPACITY AND LIFESPAN

We have based the remaining capacity and lifespan on the June 2018 report prepared by Jones, Edmunds & Associates, Inc. This was a Landfill Evaluation report of Florida Recyclers C&D Landfill prepared for Brevard County. This information was used, in conjunction with a current Topographic survey, to estimate the total and remaining capacity for the subject.

Scenario 1:

Per the Jones Edmunds report, the subject has a total capacity of 1,620,000 CY (assuming a height of 40 feet and an elevation of 64' NGVD). As of June 21, 2019, use of the property had consumed approximately 1,049,585 CY. Therefore, the remaining capacity is estimated to be 570,415 CY (1,620,000 CY - 1,049,585 CY = 570,415 CY).

The remaining lifespan has been estimated at about 15 years. This was based on an extension of the subject's historical fill rate of approximately 40,000 CY per year.

Scenario 2 (*Extraordinary Assumption*):

Per the Jones Edmunds report, the subject has a total capacity of 2,600,000 CY (assuming a height of 81 feet and an elevation of 104' NGVD). As of June 21, 2019, use of the property had consumed approximately 1,049,585 CY. Therefore, the remaining capacity is estimated to be 1,550,415 CY (2,600,000 CY - 1,049,585 CY = 1,550,415 CY).

The remaining lifespan has been estimated at about 39 years. This was based on an extension of the subject's historical fill rate of approximately 40,000 CY per year.

PROPERTY INTEREST APPRAISED

Fee Simple

SUBJECT PROPERTY TAX MAP/AERIAL

CLAYTON, ROPER & MARSHALL

FLORIDA RECYCLERS OF BREVARD DCF- SCENARIO 1(40 FOOT HEIGHT LIMIT)																															
As of June																															
2019 Total Capacity	570,415 CY																														
Annual Fill	40,000 CY																														
Net Contribution	30%																														
Net Income Per CY Year	\$78.44 CY																														
Annual Increase in Total Revenue/Income	6.00%																														
Annual Capacity Reduction	40,000 CY																														
		Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year															
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15															
Remaining Capacity		570,415	530,415	490,415	450,415	410,415	370,415	330,415	290,415	250,415	210,415	170,415	130,415	90,415	50,415	10,415															
Capacity Reduction		40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	10,415															
ANNUAL TOTAL INCOME/REVENUE	\$	3,137,600	\$	3,325,856	\$	3,525,407	\$	3,736,932	\$	3,961,148	\$	4,198,817	\$	4,450,746	\$	4,717,790	\$	5,000,858	\$	5,300,909	\$	5,618,964	\$	5,956,102	\$	6,313,468	\$	6,692,276	\$	1,673,069	
TOTAL ANNUAL INCOME	\$	3,137,600	\$	3,325,856	\$	3,525,407	\$	3,736,932	\$	3,961,148	\$	4,198,817	\$	4,450,746	\$	4,717,790	\$	5,000,858	\$	5,300,909	\$	5,618,964	\$	5,956,102	\$	6,313,468	\$	6,692,276	\$	1,673,069	
EXPENSES	Increase																														
Cost of Goods Sold	5.00%	\$	1,400,000	\$	1,470,000	\$	1,543,500	\$	1,620,675	\$	1,701,709	\$	1,786,794	\$	1,876,134	\$	1,969,941	\$	2,068,438	\$	2,171,860	\$	2,280,452	\$	2,394,475	\$	2,514,199	\$	2,639,909	\$	659,977
Other Expenses	5.00%	\$	800,000	\$	840,000	\$	882,000	\$	926,100	\$	972,405	\$	1,021,025	\$	1,072,077	\$	1,125,680	\$	1,181,964	\$	1,241,063	\$	1,303,116	\$	1,368,271	\$	1,436,685	\$	1,508,519	\$	377,130
Real Estate Taxes	3.00%	\$	30,301	\$	31,210	\$	32,146	\$	33,111	\$	34,104	\$	35,127	\$	36,181	\$	37,266	\$	38,384	\$	39,536	\$	40,722	\$	41,944	\$	43,202	\$	44,498	\$	11,124
Reserves for Closure/Long Term Care	3.25%	\$	100,000	\$	108,090	\$	114,576	\$	121,450	\$	128,737	\$	136,462	\$	144,649	\$	153,328	\$	162,528	\$	172,280	\$	182,616	\$	193,573	\$	205,188	\$	217,499	\$	856,274
Entrepreneurial Profit	10.00%	\$	313,760	\$	332,586	\$	352,541	\$	373,693	\$	396,115	\$	419,882	\$	445,075	\$	471,779	\$	500,086	\$	530,091	\$	561,896	\$	595,610	\$	631,347	\$	669,228	\$	167,307
TOTAL EXPENSES	\$	2,644,061	\$	2,781,886	\$	2,924,763	\$	3,075,029	\$	3,233,070	\$	3,399,290	\$	3,574,115	\$	3,757,994	\$	3,951,400	\$	4,154,828	\$	4,368,803	\$	4,593,874	\$	4,830,620	\$	5,079,653	\$	2,071,812	
NET OPERATING INCOME	\$	493,539	\$	543,970	\$	600,645	\$	661,903	\$	728,078	\$	799,527	\$	876,631	\$	959,796	\$	1,049,458	\$	1,146,081	\$	1,250,161	\$	1,362,228	\$	1,482,847	\$	1,612,623	\$	(398,743)	
DISCOUNT RATE	12.00%	89.29%	79.72%	71.18%	63.55%	56.74%	50.66%	45.23%	40.39%	36.06%	32.20%	28.75%	25.67%	22.92%	20.46%	18.27%															
PRESENT VALUE	\$	440,660	\$	433,650	\$	427,527	\$	420,651	\$	413,131	\$	405,065	\$	396,543	\$	387,645	\$	378,445	\$	369,007	\$	359,391	\$	349,650	\$	339,830	\$	329,975	\$	(72,849)	
NET PRESENT VALUE	\$	5,378,323																													
	\$	5,400,000.00 Rd.																													

FLORIDA RECYCLERS OF BREVARD DCF- SCENARIO 2 (81 FOOT HEIGHT LIMIT)																					
As of June																					
2019 Total Capacity	1,550,415 CY																				
Annual Fill	40,000 CY																				
Net Contribution	30%																				
Net Income Per CY Year	\$78.44 CY																				
Annual Increase in Total Revenue/Income	6.00%																				
Annual Capacity Reduction	40,000 CY																				
		Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	
Remaining Capacity		1,550,415	1,510,415	1,470,415	1,430,415	1,390,415	1,350,415	1,310,415	1,270,415	1,230,415	1,190,415	1,150,415	1,110,415	1,070,415	1,030,415	990,415	950,415	910,415	870,415	830,415	
Capacity Reduction		40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
ANNUAL TOTAL INCOME/REVENUE	\$	3,137,600	\$ 3,325,856	\$ 3,525,407	\$ 3,736,932	\$ 3,961,148	\$ 4,198,817	\$ 4,450,746	\$ 4,717,790	\$ 5,000,858	\$ 5,300,909	\$ 5,618,964	\$ 5,956,102	\$ 6,313,468	\$ 6,692,276	\$ 7,093,812	\$ 7,519,441	\$ 7,970,607	\$ 8,448,844	\$ 8,955,775	
TOTAL ANNUAL INCOME	\$	3,137,600	\$ 3,325,856	\$ 3,525,407	\$ 3,736,932	\$ 3,961,148	\$ 4,198,817	\$ 4,450,746	\$ 4,717,790	\$ 5,000,858	\$ 5,300,909	\$ 5,618,964	\$ 5,956,102	\$ 6,313,468	\$ 6,692,276	\$ 7,093,812	\$ 7,519,441	\$ 7,970,607	\$ 8,448,844	\$ 8,955,775	
EXPENSES	Annual Increase																				
Cost of Goods Sold	5.00%	\$ 1,400,000	\$ 1,470,000	\$ 1,543,500	\$ 1,620,675	\$ 1,701,709	\$ 1,786,794	\$ 1,876,134	\$ 1,969,941	\$ 2,068,438	\$ 2,171,860	\$ 2,280,452	\$ 2,394,475	\$ 2,514,199	\$ 2,639,909	\$ 2,771,904	\$ 2,910,499	\$ 3,056,024	\$ 3,208,826	\$ 3,369,267	
Other Expenses	5.00%	\$ 800,000	\$ 840,000	\$ 882,000	\$ 926,100	\$ 972,405	\$ 1,021,025	\$ 1,072,077	\$ 1,125,680	\$ 1,181,964	\$ 1,241,063	\$ 1,303,116	\$ 1,368,271	\$ 1,436,685	\$ 1,508,519	\$ 1,583,945	\$ 1,663,143	\$ 1,746,300	\$ 1,833,615	\$ 1,925,295	
Real Estate Taxes	3.00%	\$ 30,301	\$ 31,210	\$ 32,146	\$ 33,111	\$ 34,104	\$ 35,127	\$ 36,181	\$ 37,266	\$ 38,384	\$ 39,536	\$ 40,722	\$ 41,944	\$ 43,202	\$ 44,498	\$ 45,833	\$ 47,208	\$ 48,624	\$ 50,083	\$ 51,585	
Reserves for Closure/Long Term Care	0.00%	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	
Entrepreneurial Profit	10.00%	\$ 313,760	\$ 332,586	\$ 352,541	\$ 373,693	\$ 396,115	\$ 419,882	\$ 445,075	\$ 471,779	\$ 500,086	\$ 530,091	\$ 561,896	\$ 595,610	\$ 631,347	\$ 669,228	\$ 709,381	\$ 751,944	\$ 797,061	\$ 844,884	\$ 895,577	
TOTAL EXPENSES	\$	2,644,061	\$ 2,773,796	\$ 2,910,187	\$ 3,053,579	\$ 3,204,332	\$ 3,362,828	\$ 3,529,466	\$ 3,704,666	\$ 3,888,872	\$ 4,082,549	\$ 4,286,186	\$ 4,500,300	\$ 4,725,432	\$ 4,962,154	\$ 5,211,064	\$ 5,472,794	\$ 5,748,009	\$ 6,037,407	\$ 6,341,725	
NET OPERATING INCOME	\$	493,539	\$ 552,060	\$ 615,220	\$ 683,353	\$ 756,815	\$ 835,988	\$ 921,280	\$ 1,013,124	\$ 1,111,986	\$ 1,218,360	\$ 1,332,777	\$ 1,455,801	\$ 1,588,035	\$ 1,730,122	\$ 1,882,749	\$ 2,046,647	\$ 2,222,599	\$ 2,411,436	\$ 2,614,050	
DISCOUNT RATE	12.00%	89.29%	79.72%	71.18%	63.55%	56.74%	50.66%	45.23%	40.39%	36.06%	32.20%	28.75%	25.67%	22.92%	20.46%	18.27%	16.31%	14.56%	13.00%	11.61%	
PRESENT VALUE	\$	440,660	\$ 440,099	\$ 437,902	\$ 434,283	\$ 429,437	\$ 423,538	\$ 416,740	\$ 409,184	\$ 400,993	\$ 392,279	\$ 383,142	\$ 373,668	\$ 363,937	\$ 354,017	\$ 343,971	\$ 333,852	\$ 323,709	\$ 313,582	\$ 303,509	
		Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	
		20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39
Remaining Capacity		790,415	750,415	710,415	670,415	630,415	590,415	550,415	510,415	470,415	430,415	390,415	350,415	310,415	270,415	230,415	190,415	150,415	110,415	70,415	30,415
Capacity Reduction		40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	30,415
ANNUAL TOTAL INCOME/REVENUE	\$	9,493,121	\$ 10,062,708	\$ 10,666,471	\$ 11,306,459	\$ 11,984,847	\$ 12,703,937	\$ 13,466,174	\$ 14,274,144	\$ 15,130,593	\$ 16,038,428	\$ 17,000,734	\$ 18,020,778	\$ 19,102,025	\$ 20,248,146	\$ 21,463,035	\$ 22,750,817	\$ 24,115,866	\$ 25,562,818	\$ 27,096,587	\$ 20,603,567
TOTAL ANNUAL INCOME	\$	9,493,121	\$ 10,062,708	\$ 10,666,471	\$ 11,306,459	\$ 11,984,847	\$ 12,703,937	\$ 13,466,174	\$ 14,274,144	\$ 15,130,593	\$ 16,038,428	\$ 17,000,734	\$ 18,020,778	\$ 19,102,025	\$ 20,248,146	\$ 21,463,035	\$ 22,750,817	\$ 24,115,866	\$ 25,562,818	\$ 27,096,587	\$ 20,603,567
EXPENSES	Annual Increase																				
Cost of Goods Sold	5.00%	\$ 3,537,730	\$ 3,714,617	\$ 3,900,348	\$ 4,095,365	\$ 4,300,133	\$ 4,515,140	\$ 4,740,897	\$ 4,977,942	\$ 5,226,839	\$ 5,488,181	\$ 5,762,590	\$ 6,050,719	\$ 6,353,255	\$ 6,670,918	\$ 7,004,464	\$ 7,354,687	\$ 7,722,422	\$ 8,108,543	\$ 8,513,970	\$ 6,473,810
Other Expenses	5.00%	\$ 2,021,560	\$ 2,122,638	\$ 2,228,770	\$ 2,340,209	\$ 2,457,219	\$ 2,580,080	\$ 2,709,084	\$ 2,844,538	\$ 2,986,765	\$ 3,136,103	\$ 3,292,908	\$ 3,457,554	\$ 3,630,432	\$ 3,811,953	\$ 4,002,551	\$ 4,202,678	\$ 4,412,812	\$ 4,633,453	\$ 4,865,126	\$ 3,699,320
Real Estate Taxes	3.00%	\$ 53,133	\$ 54,727	\$ 56,369	\$ 58,060	\$ 59,801	\$ 61,595	\$ 63,443	\$ 65,347	\$ 67,307	\$ 69,326	\$ 71,406	\$ 73,548	\$ 75,755	\$ 78,027	\$ 80,368	\$ 82,779	\$ 85,263	\$ 87,820	\$ 90,455	\$ 68,780
Reserves for Closure/Long Term Care	0.00%	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 1,097,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Entrepreneurial Profit	10.00%	\$ 949,312	\$ 1,006,271	\$ 1,066,647	\$ 1,130,646	\$ 1,198,485	\$ 1,270,394	\$ 1,346,617	\$ 1,427,414	\$ 1,513,059	\$ 1,603,843	\$ 1,700,073	\$ 1,802,078	\$ 1,910,202	\$ 2,024,815	\$ 2,146,303	\$ 2,275,082	\$ 2,411,587	\$ 2,556,282	\$ 2,709,659	\$ 2,060,357
TOTAL EXPENSES	\$	6,661,735	\$ 6,998,253	\$ 7,352,133	\$ 7,724,279	\$ 8,115,638	\$ 8,527,209	\$ 8,960,042	\$ 9,415,241	\$ 9,893,970	\$ 10,397,453	\$ 11,924,228	\$ 11,383,899	\$ 11,969,644	\$ 12,585,713	\$ 13,233,686	\$ 13,915,226	\$ 14,632,083	\$ 15,386,098	\$ 16,179,209	\$ 12,302,266
NET OPERATING INCOME	\$	2,831,386	\$ 3,064,456	\$ 3,314,337	\$ 3,582,180	\$ 3,869,208	\$ 4,176,728	\$ 4,506,132	\$ 4,858,903	\$ 5,236,622	\$ 5,640,975	\$ 5,076,506	\$ 6,636,879	\$ 7,132,381	\$ 7,662,433	\$ 8,229,348	\$ 8,835,591	\$ 9,483,783	\$ 10,176,720	\$ 10,917,378	\$ 8,301,301
DISCOUNT RATE	12.00%	10.37%	9.26%	8.26%	7.38%	6.59%	5.88%	5.25%	4.69%	4.19%	3.74%	3.34%	2.98%	2.66%	2.38%	2.12%	1.89%	1.69%	1.51%	1.35%	1.20%
PRESENT VALUE	\$	293,521	\$ 283,645	\$ 273,905	\$ 264,322	\$ 254,912	\$ 245,689	\$ 236,666	\$ 227,851	\$ 219,254	\$ 210,878	\$ 169,443	\$ 197,790	\$ 189,783	\$ 182,042	\$ 174,563	\$ 167,342	\$ 160,374	\$ 153,653	\$ 147,175	\$ 99,918
NET PRESENT VALUE	\$	11,471,228																			
	\$	11,470,000.00 Rd.																			

QUALIFICATIONS OF PAUL M. ROPER, MAI, SRPA, SRA

BUSINESS ADDRESS

Clayton, Roper & Marshall, Inc.
246 North Westmonte Drive
Altamonte Springs, Florida 32714

Telephone: (407) 772-2200, Ext. 316
Fax: (407) 772-1340
E-mail: proper@crmre.com

EDUCATION

BSBA Degree (Finance), University of Central Florida, Orlando, Florida..... 1979
AS Degree, Daytona State College, Daytona Beach, Florida 1974

REAL ESTATE APPRAISAL COURSES AND SEMINARS

COMPLETED UNDER DIRECTION OF THE APPRAISAL INSTITUTE

2019 Central Florida Real Estate Forum.....	2019
2018 Central Florida Real Estate Forum.....	2018
2017 Central Florida Real Estate Forum.....	2017
2016 Central Florida Real Estate Forum.....	2016
Online Cool Tools Course.....	2016
National USPAP Update Course.....	2016
Florida Law Update.....	2016
Central Florida Real Estate Forum.....	2015
Evaluating Residential Construction.....	2014
2014 Central Florida Real Estate Forum – Unity of the Community	2014
Business Practice and Ethics.....	2014
National USPAP Update Course.....	2014
Florida Law	2014
Litigation Assignments for Residential Appraisers: Doing Expert Work on Atypical Cases.....	2014
Central Florida Real Estate – 2012 Valuation Forum	2012
Fundamentals of Separating Real, Personal Property, and Intangible Business Assets.....	2012
The Uniform Appraisal Dataset from Fannie Mae and Freddie Mac.....	2011
Appraisal Curriculum Overview	2010
Florida Supervisor/Trainee Roles & Rules	2010
Valuation by Comparison: Residential Analysis	2010
Analyzing the Effects of Environmental Contamination on Real Property	2010
Condemnation Appraising: Principles and Applications	2010
10-Hour USPAP Update & Core Law	2010
Property Tax Assessment.....	2010
Business Practices and Ethics	2010
Value by Comparison: Residential Analysis and Logic.....	2009
Florida Appraisal Law.....	2009
National USPAP Update Course, Florida Association of Realtors.....	2006
Florida Law Update for Real Estate Appraisers, Florida Association of Realtors.....	2006/2010
South Florida Water Management District Seminar	2005
Course 420: Business Practices and Ethics (formerly Standards of Professional Practice, Part B).....	2005/2010
National USPAP Update Course, University of Phoenix.....	2004
Florida Law Update for Real Estate Appraisers.....	2004
FDOT – Advanced Appraisal Review Course	2004
South Florida Water Management District Course	2004
Uniform Standards for Federal Land Acquisitions, “The Yellow Book” Tallahassee, Florida	2004
South Florida Water Management District Appraisal Seminar.....	2003
South Florida Water Management District Appraisal Seminar.....	2002
Florida State Law Update for Real Estate Appraisers.....	2002
Standards of Professional Practice, Part C.....	2002
When Good Houses Go Bad (FREAB Course 01-03)	2001
Litigation Skills for the Appraiser.....	2001

CLAYTON, ROPER & MARSHALL

**REAL ESTATE APPRAISAL COURSES AND SEMINARS
COMPLETED UNDER DIRECTION OF THE APPRAISAL INSTITUTE (CONTINUED)**

Capital Gains in Like-Kind Exchanges	2001
Appraising from Blueprints.....	2000
Partial Interest Valuation.....	2000
USPAP/Law	2000
St. Johns River Water Management Appraisal Seminar	2000
Business Enterprise Valuation - Course No. 701	1999
Alternative Dispute Resolution (ADR) - Course No. 706.....	1999
Improving Your Business, Management and Bottom Line Profit.....	1999
Valuing Your Business	1999
Appraisal Considerations for Rural Properties.....	1998
USPAP - Part C.....	1997
Fannie Mae Guidelines Update.....	1996
USPAP (Update/Core Law)	1996
Agriculture and the Internet Computer Workshop.....	1995
How to Appraise FHA-Insured Property	1995
Appraisal Institute Faculty Workshop.....	1995
Technology Video Conference.....	1995
Understanding Limited Appraisals & Reporting Options - General.....	1994
Powerline Easements & Electro Magnetic Fields' Effect on People & Value.....	1994
USPAP Core Law for Appraisers.....	1994
Standards of Professional Practice, Parts A & B	1992
Interim Use Properties.....	1992
SREA 201 Instructor's Clinic	1988
Course IV - Condemnation Appraisal Practice	1988
Uniform Residential Appraisal Report.....	1987
Valuation and Evaluation of Proposed Projects	1987
R-41c - Overview and Analysis	1987
R-41b - Overview and Analysis	1986
Capitalization Theory and Techniques.....	1986
Federal Income Taxes Affecting Real Estate	1985
R-41b - Federal Home Loan Bank Board Regulations	1985
Condemnation and the Appraiser.....	1984
Development of Business Centers and Office Showrooms.....	1984
Overview - Apartment Development Process.....	1984
Adjusting for Financing Differences in Residential Properties.....	1983
SREA 201 Instructor's Clinic	1982
Report Writing Seminar	1981
Construction Facts/Inspections	1981
Course VII, Industrial Valuation.....	1981
Hotel/Motel Valuation and Analysis Seminar	1981
Golf Course Valuation and Analysis Seminar	1981
R-2 Single-Family Residential Examination.....	1978
Course II, Urban Case Studies	1977
Narrative Report Writing Workshop.....	1976
Course 201 - University of Central Florida.....	1976
Applied Capitalization Techniques Workshop	1975
Course 101 - Stetson University.....	1975

INDEPENDENT SEMINARS (OTHER THAN APPRAISAL INSTITUTE)

FDOT – 7-Hour USPAP Update.....	2018
FDOT – Florida Law Update	2018
Orlando Regional Realtors Ethics Course for Continuing Education.....	2018
Real Estate Continuing Education State Brokers Course and Exam.....	2018

CLAYTON, ROPER & MARSHALL

INDEPENDENT SEMINARS (OTHER THAN APPRAISAL INSTITUTE) (CONTINUED)

Conservation Trust for Florida - Conservation Easements from All Angles	2013
Orlando Regional Realtor Association – 3rd Cycle Quad Code of Ethics.....	2012
Florida Department of Revenue – 2010 Value Adjustment Board Training.....	2010
FDOT – 7-Hour USPAP Update.....	2010
FDOT – Florida Law Update	2010
FDOT – Advanced Appraisal Review	2010
University of Florida – Florida Water Law and Sustainability	2010
Supervisor & Trainee Appraiser Rules & Roles	2008
Advanced Appraisal Review	2008
Sovereignty Submerged Land Easements	2008
Florida Department of Transportation- Advanced Appraisal Review	2004
SFWMD-Current Appraisal Issues in Florida.....	2004
SFWMD-Current Appraisal Issues in Florida.....	2002
Real Estate Continuing Ed Course	2002
SFWMD-Uniform Appraisal Standards for Federal Land Acquisitions	2001
SFWMD-Current Appraisal Issues in Florida.....	2000
Less Than Fee Interest Workshop.....	1999
The Internet and Appraising.....	1997
Risk Reduction for Brokers.....	1996
Contracts, Collectibles, Crimes, Copy & More	1996
Agriculture and the Internet II Workshop	1996
Marshall & Swift Square Foot Method Use & Application.....	1996
Real Estate Law Symposium.....	1995
Concurrency Management Seminar - City of Orlando	1992
Citrus Groves - Evaluation and Analysis	1991
Appraisal Review of Commercial Real Estate and Federal Home Loan Bank Board Memorandum R-41c	1986

The Appraisal Institute conducts a voluntary program of continuing education for its designated members. MAI's who meet the minimum standards of this program are awarded periodic educational certification. Paul M. Roper is currently certified under this program.

Mr. Roper has also attended various seminars under the direction of the Orlando Area Association of Realtors and the American Society of Appraisers.

PROFESSIONAL DESIGNATIONS

MAI Designation - Appraisal Institute, Certificate #6442

SRPA and SRA Designations - Appraisal Institute

(Past President of Chapter No. 100; Past Education Committee Chairman)

Licensed Real Estate Broker, State of Florida

State-Certified General Real Estate Appraiser, State of Florida, License Number RZ 141

FNMA Approved - #1108588

EXPERIENCE

Special Magistrate for Valuation Adjustment Board Hearings

Orange County 1984, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 2005, 2006, 2007, 2008, 2015, 2016, 2017

Special Magistrate for Valuation Adjustment Board Hearings

(sole member) for Osceola County

1986, 1987, 1988, 1989, 1990

Instructor: Less Than Fee Interest Workshop for Northwest Florida Water Management District

1999

Appraisal Institute (Appraising Interim Use Properties)

1992, 1991

Society of Real Estate Appraisers (SREA Course 201)

1991, 1985

Society of Real Estate Appraisers (Uniform Residential Appraisal Reports)

1987

CLAYTON, ROPER & MARSHALL

EXPERIENCE (CONTINUED)

Instructor: Continuing Education Instructor Valencia College, Orlando, Florida 1984
American Institute of Real Estate Appraisers..... 1984
Author: Coursework for Teaching "Less Than Fee Interest" 1999
Author: Coursework and Appraisal Articles for Teaching and Publication, such as:
"Appraising Interim Use Properties" 1992, 1991
Vice-President of Clayton, Roper & Marshall, Inc. (formerly Clayton & Roper Appraisal Services) Since 1982
Associate with Pardue, Heid, Church, Smith & Waller 1975 to 1982

ASSOCIATIONS

Member: The Appraisal Institute
Altamonte Springs Chamber of Commerce
Kissimmee Chamber of Commerce
Orlando Regional Realtor Association
Better Business Bureau
International Right-of-Way Association (IRWA)

Paul M. Roper has completed appraisal reports and lease negotiations throughout the United States for individuals, attorneys, mortgage brokers, mortgage bankers, credit unions, banks, savings and loan associations and various Federal, State, and local governmental agencies for valuation, evaluation and analysis assignments that include:


- Ranch Lands, Citrus Groves and Crop Farms, Florida Springs and Conservation Easements
- Airport Land Acquisitions and Avigation Easements
- Business Valuations
- Cemeteries and Mortuaries
- Commercial Properties of most Classifications
- Condemnation (Eminent Domain) and Expert Witness Testimony
- Hotel/Motel Valuation
- Industrial Properties
- Office Buildings
- Litigation/Consultation Assignments
- Market/Feasibility Studies
- Mobile Home Sales and Rental Parks
- Personal Property Appraisals
- Roadside Advertising Signs
- Single-Family and Multi-Family Residential Properties
- Restaurants
- Special Purpose Properties such as Citrus and Tomato Packing Plants and a US Naval Training Center
- Appraisal Reviews

Paul Roper presently owns interests in office buildings, land investments and detached residential housing. He has testified as an expert witness for various litigation involving real estate in Federal Courts and the Circuit Courts of Brevard, Escambia, Lake, Marion, Orange, Osceola, Pasco, Polk, Seminole, and Volusia Counties in the State of Florida.

OTHER

Member: U.S. Marine Corps (Vietnam Veteran) Honorable Discharge - 1969-1972
Disabled American Veterans (DAV)
Veterans of Foreign Wars (VFW)

STATE OF FLORIDA CERTIFICATION

	RICK SCOTT, GOVERNOR	JONATHAN ZACHEM, 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 ROPER, PAUL M 246 N WESTMONTE DRIVE ALTAMONTE SPRINGS FL 32714 <div style="border: 1px solid black; padding: 2px; display: inline-block;">LICENSE NUMBER: RZ141</div> EXPIRATION DATE: NOVEMBER 30, 2020 <small>Always verify licenses online at MyFloridaLicense.com</small>  <div style="clear: both;"></div> <p style="text-align: center;">Do not alter this document in any form.</p> <p style="text-align: center;">This is your license. It is unlawful for anyone other than the licensee to use this document.</p>			

QUALIFICATIONS OF JOSEPH W. MACHOVINA

BUSINESS ADDRESS

Clayton, Roper & Marshall, Inc.
246 North Westmonte Drive
Altamonte Springs, Florida 32714

Telephone: (407) 772-2200, Ext. 320
Fax: (407) 772-1340
E-mail: jmachovina@crmre.com

EDUCATION

University of Florida – Gainesville, Florida
Bachelor of Science in Business Administration degree awarded December 2009
- Major in Finance

RELEVANT COURSES/SEMINARS

Business Finance – University of Florida	2007
Real Estate Analysis – University of Florida	2008
Legal Environment of Business – University of Florida	2008
Debt and Money Markets – University of Florida	2009
Equity and Capital Markets – University of Florida	2009
Financial Management– University of Florida	2009
15-Hour National Uniform Standards of Professional Appraisal Practice (USPAP)	2010
Steve Williamson's Real Estate Education Specialists, Inc. – 3-Hour Florida State Law	2010
Steve Williamson's Real Estate Education Specialists, Inc. – Basic Appraisal Principles	2010
Steve Williamson's Real Estate Education Specialists, Inc. – Basic Appraisal Procedures	2010
Steve Williamson's Real Estate Education Specialists, Inc. – Residential Report Writing	2010
Steve Williamson's Real Estate Education Specialists, Inc. – Florida Law and Rules	2010
Steve Williamson's Real Estate Education Specialists, Inc. – Supervisor Trainee Roles & Relationships	2010
Steve Williamson's Real Estate Education Specialists, Inc. – Statistics, Modeling, & Finance	2011
Cooke Real Estate School - General Site Valuation and Cost Approach	2012
The Appraisal Institute – General Sales Comparison Approach	2014
Institute of Florida Real Estate Careers – 3-Hour Florida State Law	2014
Institute of Florida Real Estate Careers – 7-Hour National USPAP Update	2014
Florida Real Estate Appraisal Laws and Rules	2016
2016-2017 7-Hour Equivalent USPAP Update Course	2016
Methodology and Application of Sales Comparison	2016
Better to be Safe Than Sorry	2016
The Appraisal Institute - General Appraiser Income Approach / Part 1	2018
The Appraisal Institute - General Appraiser Income Approach / Part 2	2018

PROFESSIONAL DESIGNATIONS AND AFFILIATIONS

Registered Trainee Appraiser - State of Florida - License Number: RI 23550

EXPERIENCE

Trainee Real Estate Appraiser - Clayton, Roper & Marshall, Orlando, Florida

2010 to Present

Joseph Machovina has testified as an expert witness in Federal Bankruptcy Court, as well as provided testimony in Seminole County Value Adjustment Board (VAB) Hearings in the State of Florida.




CLIENTS SERVED

- Financial Institutions
- County Government: Orange, Seminole, Osceola, Polk, among others
- Private Attorneys
- City Government
- Property Owners
- FDOT

TYPES OF PROPERTIES APPRAISED

- Vacant Residential, Commercial and Industrial Land
- Existing Office Buildings
- Proposed Office Buildings
- Existing Warehouse and Industrial Buildings
- Proposed and Existing Retail Buildings
- Easements: Drainage, Conservation, Mineral Rights, Supplemental Communications
- Condemnation Appraisals: LAIs, Before and Afters, TCEs, Storm Sewer Easements
- Partial Interests
- Property Tax Appeal

STATE OF FLORIDA CERTIFICATION

	RICK SCOTT, GOVERNOR	JONATHAN ZACHEM, 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 MACHOVINA, JOSEPH W 246 NORTH WESTMONTE DRIVE ALTAMONTE SPRINGS FL 32714 <div style="border: 1px solid black; padding: 2px; display: inline-block;">LICENSE NUMBER: RI23550</div> EXPIRATION DATE: NOVEMBER 30, 2020 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.			