



**AGENDA  
SPECIAL MEETING  
of THE MARY ESTHER CITY COUNCIL  
December 5, 2023 - 6:00 PM**

195 Christobal Road – North, Mary Esther, FL 32569

- 1. INVOCATION**
- 2. CALL TO ORDER**
- 3. PLEDGE OF ALLEGIANCE**
- 4. ROLL CALL**
- 5. APPROVAL OF THE AGENDA**
- 6. OLD BUSINESS**
  - 6.1. Lease or Acquisition of Property Located at 302 Mary Esther Boulevard**
- 7. NEW BUSINESS**
  - 7.1. Off Base Military Housing**
  - 7.2. Wastewater Treatment Plant Generator Procurement**
  - 7.3. Amended Consent Order Penalty Project**
  - 7.4. City Clerk Recruitment Process**
  - 7.5. Facilitator for FY 2024 City Manager Evaluation**
  - 7.6. Cancellation of Regular December City Council Meeting**
- 8. ADJOURN**

**\*\*\*\*\* PLEASE TURN OFF OR SILENCE ALL CELL PHONES \*\*\*\*\***

## REMOTE MEETING ATTENDANCE

The virtual link to our meetings is posted in the calendar section of our website ([www.cityofmaryesther.com](http://www.cityofmaryesther.com)) You may log into the meeting up to 10 minutes prior to the start time to ensure your connection is working properly.

All communications via the chat feature by online participants during city meetings are subject to Florida's public records laws and must be civil in public discourse whether written or spoken. Any private messages sent by online attendees during the meeting is strongly discouraged. Only messages sent to "All" or "Everyone" in the public forum will be addressed by the City Council or City staff during the meeting.

### **NOTES:**

- 1) *Adjournment with continuation on the following day at 6:00 PM may be called if the meeting proceeds past 10 PM.*
- 2) *The City does not keep verbatim minutes as a matter of record. If a person decides to appeal any decision made by the Mary Esther City Council with respect to any matter considered at this meeting, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. See Florida Statute 286.0105*
- 3) *Any invocation that may be offered before the official start of the Council meeting shall be the voluntary offering of a private citizen, to and for the benefit of the Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the Council, and the Council is not allowed by law to endorse the religious beliefs or views of this or any other speaker.*

# AGENDA ITEM

Agenda Item 6.1.

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**TO:** Honorable Mayor and Members of the City Council

**FROM:** Jared Cobb, City Manager

**DATE:** December 5, 2023

**SUBJECT:** Lease or Acquisition of Property Located at 302 Mary Esther Boulevard

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## **BACKGROUND:**

On October 2, the City Council directed staff to negotiate the lease or acquisition of the property located at 302 Mary Esther Boulevard (former First Florida Bank building). If purchased, the property would be used for city operations and replace our current City Hall.

As part of our due diligence, staff hired a licensed property appraiser to complete an appraisal report. The appraiser valued the property at \$2,600,000. We also had an architect prepare a report comparing the cost to purchase and renovate the bank building against the cost of building a new city hall. Both reports are attached for reference.

The property owner started at a list price of \$3,200,000. As shown in the attached Letter of Intent (LOI), staff negotiated the purchase price down to \$2,375,000, which is \$225,000 less than the appraised value.

## **DISCUSSION:**

Review of alternatives:

302 Mary Esther Boulevard (7,220 SF) - The building would provide ample space for current and future operations. This includes space for a larger Council Chambers, a conference room, public records storage (currently stored in air-conditioned sheds), and offices, including one that could be used for our contract OCSO deputies. Estimated purchase price of \$2,375,000, with \$574,500 in renovations, for a total of \$2,949,500.

New City Hall (7,220 SF) - The facility could be built to city specifications and accommodate the needs listed above. Estimated current construction cost of \$3,392,123 to \$4,000,000. This cost does not include property acquisition. Additionally, the planning, design, and construction would likely take 3-5 years, so an estimate for inflation should be considered.

Renovation and Expansion of Existing City Hall (approximately 4,500 SF) - This option has not been thoroughly reviewed. This would be a sizeable project, as concerns such as ADA access, water, sewer, electrical, networking, storage, conference room, and office additions should be considered. Such a major renovation would require the city to lease office space during construction. In the event the council elects not to proceed with the purchase, this option could

be explored further.

Staff is requesting direction from the City Council, which could include any of the following:

1. Submitting a formal offer with the purchase price and terms agreed to in the LOI.
2. Submitting a formal offer with a lower purchase price and/or alternate terms.
3. No action. Staff would notify the commercial realtor that the City is no longer interested in the property.

**FINANCIAL IMPACT:**

The acquisition and renovations would be funded through General Fund and Utilities Fund reserves and a loan. Surplus property could be sold to help replenish reserves or pay down the loan; however, proceeds would not be available at closing. This includes the 8.01 acres of property located to the immediate east of the City Hall and Library, which the County Property Appraiser values at \$496,370.

The current FY 2024 Budget includes the following:

General Fund

Unassigned Fund Balance - \$1,238,320  
Projected Operating Surplus - \$157,320

Utilities Fund

Unassigned Fund Balance - \$3,326,150  
Projected Operating Surplus - \$533,930 (decreasing to approximately \$206,018 in FY 2025 as debt service starts for Springdale and Azalea projects)

The following funding scenario is shown for discussion purposes and is based on a total cost of \$3,000,000 to account for closing costs:

\$2,500,000 Loan @ 7% over 20 years = \$155,836 (67%) General Fund/year, \$76,755 (33%)  
Utilities Fund/year  
\$500,000 Reserves = \$335,000 (67%) General Fund, \$165,000 Utilities Fund (33%)

**RECOMMENDATION:**

The agenda item has been included for the City Council to discuss next steps and provide staff with direction.

**ATTACHMENT(S):**

1. Appraisal Report - 302 Mary Esther Boulevard
2. Probable Cost Comparison
3. Informal Letter of Intent

**Appraisal Report**

**302 MARY ESTHER BOULEVARD  
BANK/OFFICE BUILDING  
OKALOOSA COUNTY, FLORIDA**



# MARR APPRAISAL LLC

**Thomas A. Marr**  
State-certified General Real Estate Appraiser № RZ2645 (FL)

139 Beal Parkway SE, Unit 202  
Fort Walton Beach, Florida 32569  
Telephone: (850)-243-0958  
Cell: (850) 461-0226  
Tom@panappraisal.com

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9/11/2023

City of Mary Esther  
Attn: Jared Cobb  
195 N. Christobal Road  
Fort Walton Beach, FL 32569

**Re:** Appraisal of an approximate 7,220 SF bank/office improvement. The subject features a postal address of 302 Mary Esther Boulevard in Mary Esther, Florida, 32569.

Marr Appraisal, LLC file # 230298

Dear Mr. Cobb:

This appraisal assignment seeks to derive an opinion of the current market value of a vacant existing bank/Retail Partners, LLC.

I, with significant assistance provided by State Registered Trainee RI 25257 Samuel Davenport, have completed the requisite inspections, research, and analyses necessary to appraise the 100% fee simple ownership interest in the subject property and improvements.

The accompanying appraisal report is an appraisal report as contrasted with a restricted report.

Market value, fee simple interest, highest and best use, and other pertinent terms are defined in the following report. The opinion of highest and best use of the property is continued use as is as an office improvement.

I estimate the market value of the subject property 'as is' as of 9/5/2023 to be:

**TWO MILLION SIX HUNDRED THOUSAND DOLLARS**  
**\$2,600,000**

The estimated exposure time linked to the final current value opinion is a range of three (3) to six (6) months.

**Certification**

I hereby certify I have no interest, present or contemplated, in the appraised property. This appraisal has been prepared utilizing all of the requirements set forth as standards for real estate appraisals established for federally related transactions by the Comptroller of the Currency, the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Internal Revenue Service. The appraisal is in conformity with the standards for real estate appraisals as established by the Appraisal Foundation and its Appraisal Standards Board. The appraisal also conforms to the 2020/2021 (Extended to December 31, 2023) Uniform Standards of Professional Appraisal Practice. The fee for this appraisal was not based on value nor was the assignment undertaken based on a predetermined value, a trend, or range or direction in value.

Respectfully submitted,

A handwritten signature in cursive script that reads "Thomas A. Marr".

Thomas A. Marr  
State-Certified General Real Estate Appraiser № RZ 2645 (FL)

## APPRAISAL REPORT

This is an Appraisal Report which is intended to comply with the reporting requirements in accordance with the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it represents summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. The supporting documentation concerning the data, reasoning, and analyses may be included in the addenda to this report, however, may be retained in the appraiser's files. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated below. The appraisers are not responsible for unauthorized use of this report.

**CLIENT:** City of Mary Esther  
Attn: Jared Cobb  
Mary Esther, FL 32569

**APPRAISER:** Thomas A. Marr  
*State-certified General Real Estate Appraiser № RZ 2645 (FL)*  
Samuel M. Davenport  
*State-Registered Trainee Real Estate Appraiser № RI 25257 (FL)*

**MARR APPRAISAL LLC**  
139 Beal Parkway SE, Unit 202  
Fort Walton Beach, FL 32548

**SUBJECT PROPERTY:** Legal Description  
Metes and Bounds - See Page 10.

Physical Address of Subject Property  
302 Mary Esther Boulevard  
Fort Walton Beach, Florida 32569

Tax ID #: 16-2S-24-0000-0001-001D

**PURPOSE OF THE APPRAISAL:** The purpose of this appraisal was to derive an opinion of the current market value of the subject property, 'as is', as of 9/5/2023.

**INTENDED USE OF REPORT:** The intended use of the appraisal is for loan underwriting and-or credit decisions by Client and-or participants.

**INTENDED USER:** The intended user is City of Mary Esther and-or affiliates, its assigns, legal counsel, review appraisers, and regulatory authorities. This report is not intended or authorized for any other user or audience.

**PROPERTY RIGHTS APPRAISED:** Fee Simple.

**EFFECTIVE DATE OF VALUE:** 9/5/2023

**DATE OF REPORT:** 9/11/2023

**DATE OF INSPECTION:** Both Thomas A. Marr and Samuel M. Davenport most recently viewed both the exterior and the interior of the subject property on 9/5/2023.

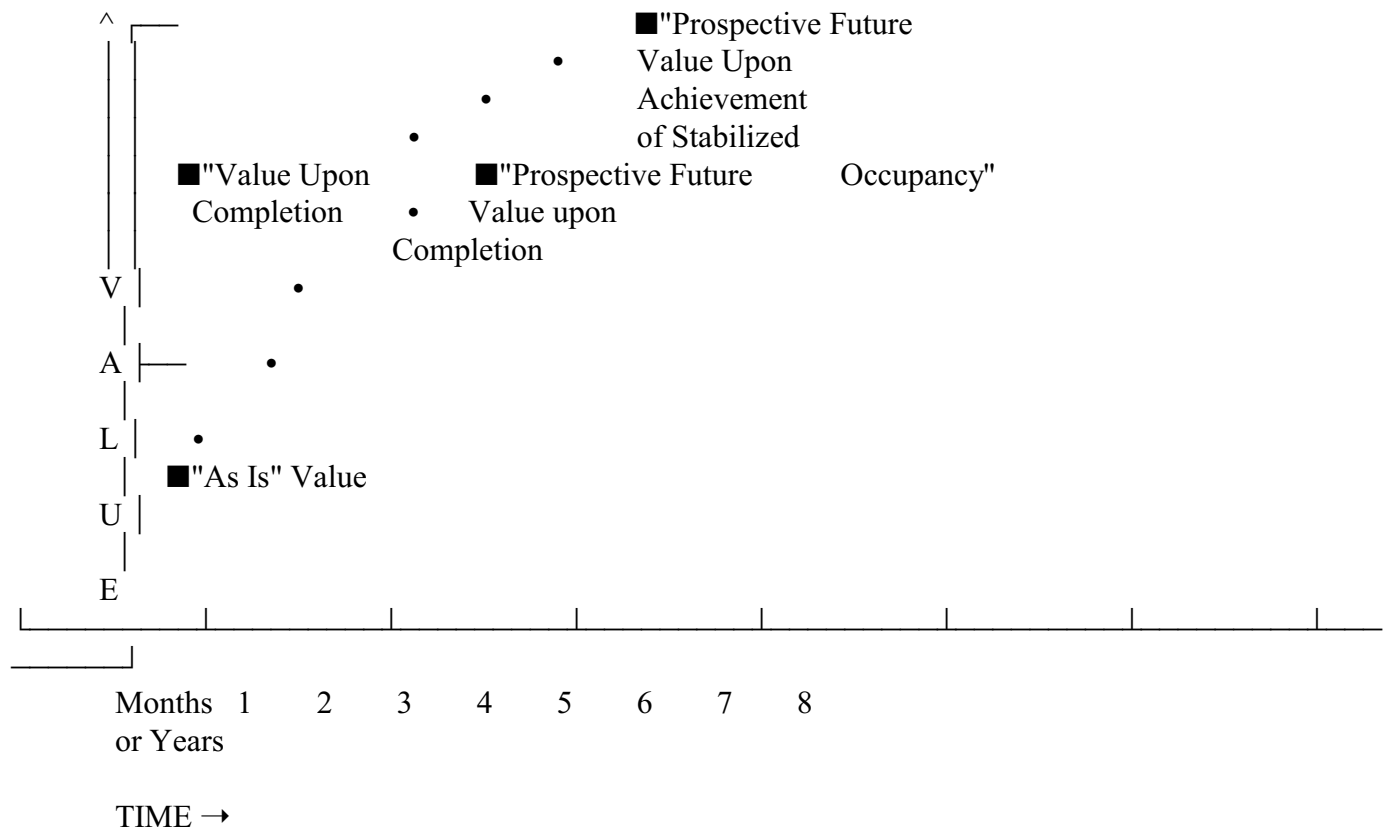
**DEFINITIONS:** The following definitions are provided to assist the reader in understanding this appraisal report.

**Market Value<sup>1</sup>**

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

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised and each acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

**Value Creation Continuum<sup>2</sup>**



The preceding exhibit graphically displays the creation of value in a real estate development project over time, assuming a zero inflation environment for clarity of presentation.

The four time differential values on the graph which may be considered in the appraisal of proposed developments are defined as follows:

<sup>1</sup> Title XI, Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), [Pub. L. No. 101-73, 103 Stat. 183 (1989)], 12 U.S.C. 3310, 3331-3351, and section 5(b) of the Bank Holding Company Act, 12 U.S.C. 1844(b); Part 225, Subpart G: Appraisals; Paragraph 225.62 (f). Uniform Standards of Professional Appraisal Practice, 2003 Edition, Page 3 Federal Reserve System, 12 CFR Parts 208 and 225, Sec. 225.62 Office of the Comptroller of the Currency, 12 CFR Part 34, Sec. 34.42 (g) FDIC, 12 CFR Part 323, Sec. 323.2 (g) (2000) Office of Thrift Supervision, 12 CFR Part 564, Sec. 564.2 NCUA, 12 CFR Part 722, Sec. 722.2

<sup>2</sup> Code of Federal Regulations, Title 12, as amended by the Federal Home Loan Bank Board.

- (1) **"As Is"** means an estimate of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date of appraisal.
- (2) **"Value Upon Completion"** means the market value of a property with all proposed construction, conversion, or rehabilitation hypothetically completed, or under other specified hypothetical conditions as of the date of appraisal. With regard to properties wherein anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this estimate of value shall reflect the market value of the property as if complete and prepared for occupancy by tenants.
- (3) **"Prospective Future Value Upon Completion"** means the prospective future value of a property on the date that construction is completed, based upon market conditions forecast to exist as of that completion date.
- (4) **"Prospective Future Value Upon Achievement of Stabilized Occupancy"** means the prospective future value of a property at a point in time when all improvements have been physically constructed and the property has been leased to its optimum level of long term occupancy.

### **Fee Simple Estate**<sup>3</sup>

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.

### **Leased Fee Interest**<sup>4</sup>

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease.

### **Leasehold Interest**<sup>5</sup>

The interest held by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions.

### **Condominium**<sup>6</sup>

A multi-unit structure or property in which persons hold fee simple title to individual units and an undivided interest in common areas.

### **Highest and Best Use**<sup>7</sup>

The reasonably probable and legal use of vacant land or an improved property, which 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 profitability.

#### **...of land or a site as though vacant:**

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

#### **...of property as improved:**

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

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<sup>3</sup> The Dictionary of Real Estate Appraisal, Appraisal Institute, Fourth Edition, 2002, Page 113.

<sup>4</sup> Ibid., Page 161.

<sup>5</sup> Ibid., Page 162.

<sup>6</sup> Ibid., Page 59.

<sup>7</sup> Ibid., Page 135.

**EXTENT OF THE PROCESS OF COLLECTING, CONFIRMING, AND REPORTING DATA:**

Preparation of this appraisal included the following:

- ▶ The subject site, improvements, and parking improvements were inspected by the appraiser, the improvements were measured, and the property was photographed. File data for similar properties was reviewed.
- ▶ The property was individually analyzed and measured on the viewing date.
- ▶ The appraiser examined the economic, social, governmental, and environmental forces affecting value in the subject neighborhood and the entire market area as a whole.
- ▶ Market forces in the neighborhood and overall market were analyzed including the supply and demand for similar properties in the market, comparable land sales, comparable improved sales, comparable rents, occupancy statistics, and overall economic data for the neighborhood and/or market area. Construction costs, accrued depreciation, and capitalization and yield rates for the market area were also researched and analyzed.
- ▶ The appraisers confirmed the data employed in this report and analyzed the results.
- ▶ The Sales Comparison Approach and Income Approach were employed as the method of deriving an opinion of value for the subject property.

**IDENTIFICATION OF THE APPRAISAL REPORT FORMAT:**

I have provided an **Appraisal Report**, as defined by the 2020/2021 (Extended to December 31, 2023) edition of the Uniform Standards of Professional Appraisal Practice, which is a narrative report which may contain a summary of pertinent conclusions, data, and analysis used in the report.

**TERMS OF THE FINAL VALUE OPINION:**

The final opinion of the current market value of the subject property, in an 'as is' condition, is expressed in terms of cash or financing terms equivalent to cash.

**POLICY STATEMENT OF THE APPRAISAL INSTITUTE:**

It is improper to base a conclusion or opinion of value upon the premise that the racial, ethnic, or religious homogeneity of the inhabitants of an area or of a property is necessary for maximum value.

Racial, religious, and ethnic factors are deemed unreliable predictors of value trends or price variance.

It is improper to base a conclusion or opinion of value, or a conclusion with respect to neighborhood trends, upon stereotyped, biased presumptions relating to the effective age or remaining life of the property being appraised or the life expectancy of the neighborhood in which it is located.

The undersigned appraiser is not a member of the Appraisal Institute.

**GENERAL ASSUMPTIONS:**

1. No responsibility is assumed for the legal description provided or for matters relevant to legal or title considerations. Title to the property is assumed to be marketable unless otherwise stated. The legal description used in this report is assumed to be correct.
2. The subject property is appraised free and clear of any or all liens, leases, or encumbrances unless otherwise stated. All mortgages, liens, encumbrances, leases and servitudes have been disregarded unless so specified within the report.
3. No survey of the property has been made by the appraisers and no responsibility is assumed in connection with such matters. Sketches, plot plans, or illustrative material presented in this report are included only to assist the reader in visualizing the property.
4. Information and data furnished by others is usually assumed to be true, correct and reliable. When such information and data appears to be dubious and when it is critical to the appraisal, a reasonable effort has been made to verify all such information; however, no responsibility for its accuracy is assumed by the appraiser.
5. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
6. It is assumed there are no hidden or unapparent conditions of the property, subsoil or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
7. It is assumed there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report.
8. It is assumed the subject property is in compliance with all applicable zoning and land use regulations, unless a nonconformity has been stated, defined and considered in the appraisal report.
9. It is assumed all required licenses, consents or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use which the value estimate contained in this report is based.
10. It is assumed the utilization of the land and improvements is within the boundaries or property lines of the property described and there is no encroachment or trespass unless noted within the report.

**EXTRAORDINARY ASSUMPTIONS:**

None.

**GENERAL LIMITING CONDITIONS:**

1. This is an Appraisal Report which is intended to comply with the reporting requirements set forth in accordance with the 2020/2021 edition (Extended to December 31, 2023) of the Uniform Standards of Professional Appraisal Practice for a narrative Appraisal Report. As such, it includes summary discussions of the data, reasoning, and analyses used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the addenda to the report. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.
2. Appraisers are not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraisers that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraisers' descriptions and resulting comments are the result of the routine observations made during the appraisal process.
3. The subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the *Americans with Disabilities Act*. The presence of architectural and communications barriers that are structural in nature that would otherwise restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
4. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
5. Neither all nor any part of the contents of this report shall be conveyed to any person or entity, other than the appraiser's or firm's client, through advertising, solicitation materials, public relations, news, sales, or other media without the written consent and approval of the authors, particularly as to valuation conclusions, the identity of the appraiser or firm with which the appraiser is connected, or any reference to affiliation with any professional appraisal organization. Further, the appraiser or firm assumes no obligation, liability, or accountability to any third party. If this report is placed in the hands of anyone but the client, client shall make party aware of all the assumptions and limiting conditions of the assignment.
6. The appraisers affixing their signatures to this appraisal report will not be required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been previously made thereof.
7. No environmental impact studies were either requested or made in conjunction with this appraisal, and the appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research, or investigation.
8. The appraiser has not been supplied with a report of the subsoil conditions indicating the exact capacity of the subsoil. We do not have the benefit of subsoil test results of the properties and detection of possible soil defects would be beyond our realm of expertise. However, there appear to be no hidden or apparent conditions of the subject sites or subsoil structures which would render them more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
9. Acceptance of and/or use of this appraisal report constitutes acceptance of the foregoing General Assumptions, Special Assumptions, General Limiting Conditions, and Special Limiting Conditions.

**EXTRAORDINARY LIMITING CONDITIONS:**

None.

**CERTIFICATION:**

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
3. I have no present or prospective interest in the property which is the subject of this report and no personal interest with respect to the parties involved.
4. I have no bias with respect to the property which is the subject of this report or to the parties involved with this assignment.
5. The engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. The 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.
7. The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
8. Both Thomas A. Marr, CERT GEN RZ 2645 and Samuel M. Davenport, Trainee RI 25257 have made a personal viewing of the property that is the subject of this report.
9. Trainee RI 25257, Samuel M. Davenport, provided significant real property appraisal assistance to the persons signing this report.
10. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

**The opinion of market value 'as improved' of the 100% fee simple ownership interest in the subject property, as of the viewing date, of 9/5/2023 is:**

**TWO MILLION SIX HUNDRED THOUSAND DOLLARS**  
**\$2,600,000**

Respectfully submitted,



Thomas A. Marr  
State-Certified General Real Estate Appraiser № RZ 2645 (FL)

**DESCRIPTION OF REAL ESTATE APPRAISED**

SITE

**Ownership:**

The subject parcel is currently owned by Retail Partners Santa LLC per ORB 3279/1208.

See the following warranty deed from public records:

**FILE #3106233 RCD: 12/12/2016 8:45 AM, BK: 3279 PG: 1208, RECORDING: \$19.50 RECORDING ARTICLE V: \$16.00  
D Doc Stmp: \$9,135.00 DEPUTY CLERK ASECRIST  
JD PEACOCK II CLERK OF COURTS, OKALOOSA COUNTY, FLORIDA**

4  
3350

RETURN TO:  
FIDELITY NATIONAL TITLE  
ATTN: SUE ROBINSON  
5690 W. Cypress Street, Suite A  
Tampa, FL 33607  
File No. 16-33210

Prepared by:  
Elizabeth Smith, Esq.  
Goldberg Weprin Finkel Goldstein LLP  
1501 Broadway, 22<sup>nd</sup> Floor  
New York, New York 10036

Special Warranty Deed

THIS SPECIAL WARRANTY DEED, made and executed as of the 9<sup>th</sup> day of December, 2016, by SRM-SPE, LLC, a Delaware limited liability company, whose office address is c/o Radiant Partners LLC, 145 West 45<sup>th</sup> Street, 10<sup>th</sup> Floor, New York, New York 10036 (hereinafter referred to as the "Grantor") to RETAIL PARTNERS SANTA, LLC, Tennessee limited liability company, whose mailing address is 209 29<sup>th</sup> Avenue, Suite 150, Nashville, Tennessee 37203 (hereinafter referred to as the "Grantee"):

(wherever used herein the terms "Grantor" and "Grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations, partnerships, public bodies and quasi-public bodies).

WITNESSETH:

THAT the Grantor, for and in consideration of the sum of TEN AND NO/00 DOLLARS (\$10.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee all that certain land situated in Okaloosa County, Florida and more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof (hereinafter referred to as the "Property").

TOGETHER with all of the Grantor's interest in and to all licenses, approvals, tenements, hereditaments and appurtenances belonging or in anywise appertaining to the Property

SUBJECT TO:

1. All easements, conditions, covenants, restrictions, reservations, limitations and agreements of record, provided that this instrument shall not reimpose same.
2. Real estate taxes for the year 2017 and all subsequent years.
3. Existing applicable governmental building and zoning ordinances and other governmental regulations.

BK: 3279 PG: 1209

- 4. Permitted Encumbrances listed in Exhibit "B" attached hereto and made a part hereof.

TO HAVE AND TO HOLD, the same in fee simple forever.

AND the Grantor does hereby covenant with the Grantee, as against all persons lawfully claiming by, through, or under the Grantor, that the Grantor is lawfully seized of the Property in fee simple; that the Grantor has good right and lawful authority to sell and convey the Property; the Grantor does hereby fully warrant the title to the Property and will defend the same against the lawful claims of all persons claiming by, through or under the Grantor, except as to claims arising under the Permitted Encumbrances set forth in Exhibit "B".

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed in its name, and its corporate seal to be hereunto affixed by its property officers or representatives thereunto duly authorized, as of the day and year first above written.

Signed sealed and delivered in the presence of:

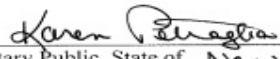
SRM-SPE, LLC, a Delaware limited liability company

  
 Print Name: Greta Chester  
  
 Print Name: Elizabeth Smith

By:   
 Name: Daniel P. Friedman  
 Title: President

STATE OF NEW YORK )  
 ) SS:  
 COUNTY OF NEW YORK )

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of December, 2016, by Daniel P. Friedman as the president of SRM-SPE, LLC, a Delaware limited liability company, who is personally known to me or has produced a driver's license as identification.

  
 Notary Public, State of New York  
 Print Name: Karen Petraglia  
 Commission Expires: 2/11/17



KAREN L. PETRAGLIA  
 NOTARY PUBLIC-STATE OF NEW YORK  
 No. 01PE6277661  
 Qualified in Queens County  
 My Commission Expires March 11, 2017

**BK: 3279 PG: 1210**

**EXHIBIT "A"**

COMMENCE AT THE INTERSECTION OF THE SOUTH LINE OF THE NORTHEAST ¼ OF SECTION 16, T-2-S, R-24-W, AND THE WESTERLY R/W OF STATE ROAD #189 (MARY ESTHER CUT-OFF); THENCE N-12°01'20"-E ALONG SAID WESTERLY R/W A DISTANCE OF 441.79 FEET; THENCE N-89°58'53"-W ALONG SAID R/W A DISTANCE OF 12.27 FEET; THENCE N-12°01'20"-E, A DISTANCE OF 344.92 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE N-12°01'20"-E, ALONG THE AFORESAID WESTERLY R/W OF STATE ROAD #189 (MARY ESTHER CUT-OFF), A DISTANCE OF 250.50 FEET; THENCE N-32°58'40"-W ALONG SAID R/W A DISTANCE OF 55.15 FEET; THENCE N-77°58'40"-W A DISTANCE OF 99.00 FEET; THENCE S-12°01'20"-W A DISTANCE OF 328.49 FEET; THENCE S-77°58'40"-E A DISTANCE OF 99.00 FEET TO THE AFORESAID R/W OF STATE ROAD #189; THENCE N-57°01'20"-E ALONG SAID R/W A DISTANCE OF 55.15 FEET TO THE POINT OF BEGINNING.

BEARINGS BASED ON BEARING OF N-12°01'20"-E ALONG THE WESTERLY R/W OF STATE ROAD #189. ALL LYING AND BEING IN SECTION 16, T-2-S, R-24-W, OKALOOSA COUNTY, FLORIDA.

**EXHIBIT "B"**

1. Easement granted to James W. Wilson, Jr., Robert E. Lowder, James K. Lewder and Thomas H. Lowder by Valparaiso Bank and Trust Company, dated January 28, 1975 and recorded in Official Records Book 784, Page 258 as affected by license for Use of Easement, by the State of California Public Employees Retirement System, to the Eglin Federal Credit Union, dated March 4, 1994 and recorded March 11, 1994 in Official Records Book 1819, Page 1804, as affected by Corrective License for Use of Easement, by the State of California Public Employees Retirement System, to the Eglin Federal Credit Union, a Federally Chartered Credit Union, dated March 4, 1994 and recorded April 18, 1994 in Official Records Book 1828, Page 1629.
2. Amended and Restated Construction, Operating and Reciprocal Easement Agreement dated July 10, 1985, recorded July 16, 1985, In Official Records Book 1300, Page 1765, as affected by Assignment of Core Agreement and Related Documents dated February 25, 1987, recorded February 27, 1987, in Official Records 1387, Page 1441, Public Records of Okaloosa County, Florida.
3. Underground Easement for Electric Service granted to Gulf Power Company, a corporation by Santa Rosa Mall Venture, a general partnership, recorded September 16, 1976 In Official Records Book 867, Page 541.
4. Easement for ingress and egress contained in the Limited Warranty Deed between Santa Rosa Mall Venture, a Florida general partnership, and Mercantile Properties, Inc., a Delaware corporation, dated July 10, 1985, recorded July 16, 1985, in Official Records Book 1300, Page 1747.
5. Easement Agreement granted to State of California Public Employees' Retirement System by James W. Wilson, Jr., dated February 25, 1987 and recorded February 27, 1987 in Official Records Book 1387, Page 1433, as modified by that certain Termination and Modification of Easement Agreement recorded August 10, 2007 in Official Records Book 2801, Page 1409, and corrected by that certain Correction Termination and Modification of Easement Agreement recorded July 23, 2008 in Official Records Book 2851, Page 3091.
6. Rights of J.C. Penney Corporation, Inc. a Delaware corporation f/k/a J.C. Penney Company, Inc., derived from that certain unrecorded Lease dated November 15, 1974 and being evidenced by Memorandum of Lease recorded February 18, 1975 in O.R. Book 786, Page 573; and as subsequently amended and/or supplemented by instruments recorded in O.R. Book 791, Page 147; O.R. Book 862, Page 134; O.R. Book 896, Page 109; O.R. Book 1252, Page 971, and lastly amended by Memorandum of Lease Extension Agreement recorded April 10, 2013 in O.R. Book 3089, Page 3546, Public Records.
7. Rights of Panerra, LLC, a Delaware limited liability company, derived from that certain unrecorded lease dated May 10, 2007 and being evidenced by Memorandum of Lease recorded June 5, 2007 in O.R. Book 2788, Page 1509, as subsequently affected by Pad Sites Restrictions Agreement recorded October 18, 2016 in O.R. Book 3271, Page 3577, Public Records.
8. Rights of Starbucks Corporation, a Washington corporation, derived from that certain unrecorded Ground Lease dated September 28, 2006 and being evidenced by a Memorandum of Lease recorded May 15, 2008 in O.R. Book 2841, Page 2971 and as subsequently affected by the Pad Sites Restrictions Agreement recorded October 18, 2016 in O.R. Book 3271, Page 3577, Public Records.
9. Pad Sites Restrictions Agreement Recorded October 18, 2016 in O.R. Book 3271, Page 3577, Public Records.

**Location Description:**

The subject consists of a metes and bounds legal description parcel, located in urban Mary Esther, Florida 32569, governed by the city of Mary Esther.

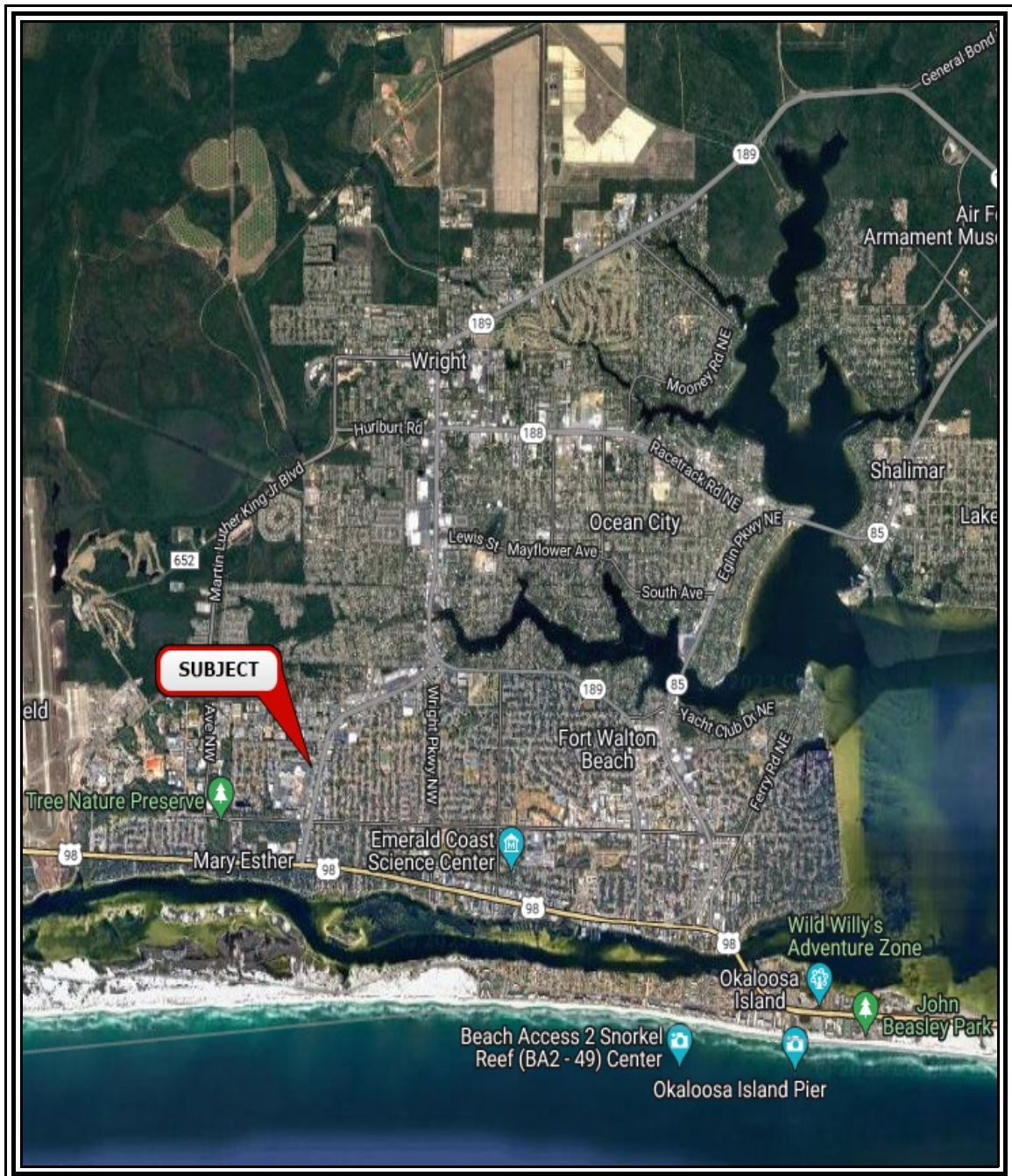
The subject is sited on the west side of Mary Esther Boulevard, an approximate 800 feet north of the Mary Esther Boulevard and Hollywood Boulevard intersection.

This location is an out parcel of the Santa Rosa Mall.

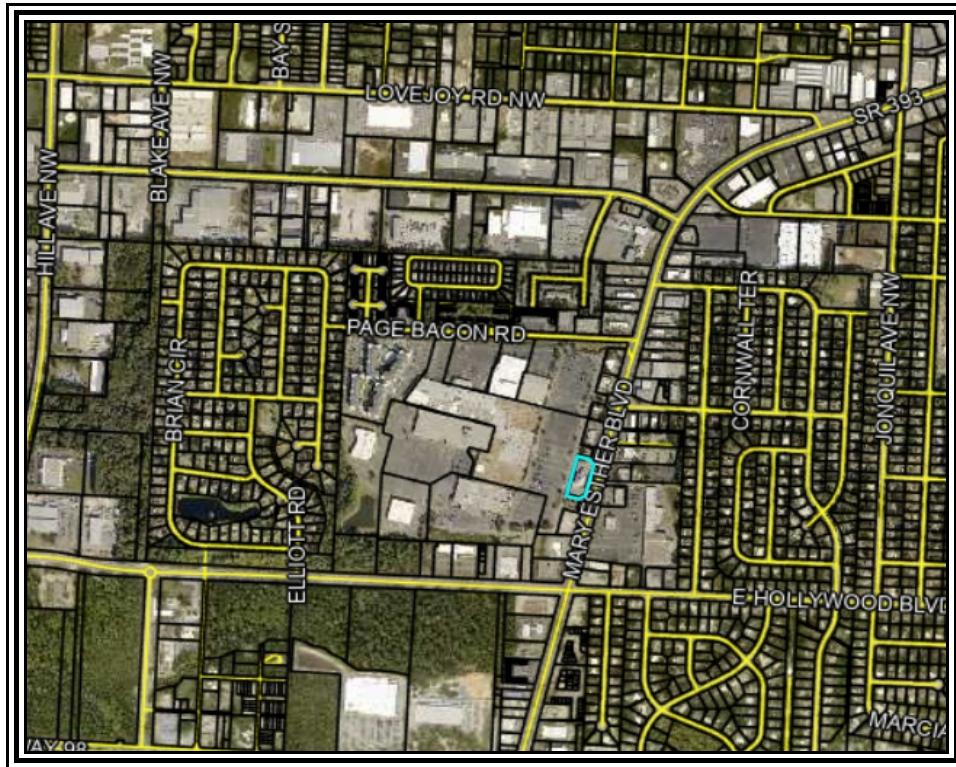
This is an area with mixed, mature development consisting of residential use on the interior as well as high intensity commercial use on the arterials.

This is a good area in the Fort Walton Beach market.

The following map provides a wide view of the subject in the greater Fort Walton Beach/Mary Esther/Shalimar market.



The following map provides the reader a more local view of the subject with its frontage on Mary Esther Boulevard.



The following map provides a close up of the subject location.



**Size/Shape:**

The subject site is a single parcel.

The subject site is an approximate 1.01 acres.

The dimensions are described below.

Dimensions and Frontages

099.00 feet on the north side,  
055.15 feet on the north east side,  
250.50 feet on the east side; fronting Mary Esther Boulevard,  
055.15 feet on the south east side,  
099.00 feet on the south side, and  
328.49 feet on the west side.



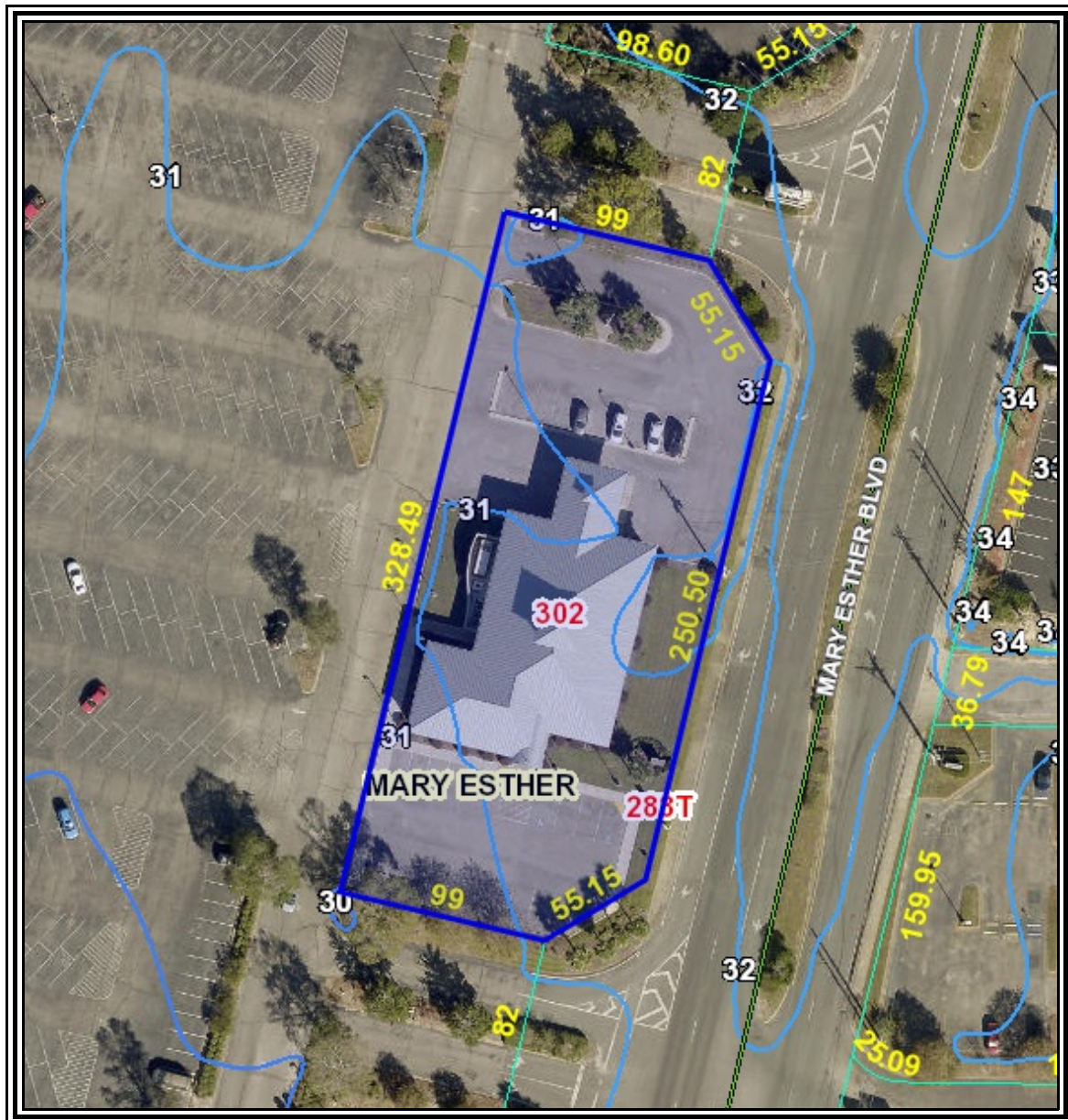
**Topography:**

The soil appears to be Urban land with no evidence of subsurface muck or flooding and is depicted as level or 0% to 5% slopes in the *Soil Survey*<sup>8</sup>. Most of the subject parcel is covered by the improvement, paved parking and drives and good landscaping islands.

The subject is generally level.

Drainage appears adequate. There is a storm water retention swale along Mary Esther Boulevard on the east side of the improvement.

See the following contour map obtained from the Okaloosa County GIS Mapping program.



<sup>8</sup>Soil Conservation Service, United States Department of Agriculture, *Soil Survey of Okaloosa County, Florida*.

**Easements/Encroachments:**

I have not been furnished a copy of any survey of the subject property.

A physical viewing did not reflect any encroachments or easements. My inspection did not reveal any visible signs of encroachment or easement. **However, there is a deed restriction noted in Exhibit "B" in the warranty deed restricting the sale of coffee on the subject, identified as a "pad site". I have enclosed this nine (9) page document on the immediate pages following this page. I would suggest that the client have the city attorney review the warranty deed, especially Exhibit "B".**

This appraisal assumes no other easements or encroachments that would adversely affect the value of the subject property.

**Utilities:**

<i>Utility</i>	<i>Provider</i>	<i>Utility</i>	<i>Provider</i>
Electricity	Florida Power and Light	Storm Water Drainage	Okaloosa County
Water and Sewer	Mary Esther	Fire Department	Okaloosa County
Natural Gas	Okaloosa Gas	Police Department	Okaloosa County
Telephone	Cox Cable	Refuse Removal	By contract
Cable Television	Cox Cable		

**Ingress/Egress:**

Vehicular ingress/egress is available from Mary Esther Boulevard as well as from the interior from the Santa Rosa Mall.

Mary Esther Boulevard is a major arterial in the market, beginning with a "T" intersection with U. S. Highway 98 (Miracle Strip Parkway) to the south and terminating in another "T" intersection with U. S. Highway 89 (Beal Parkway) to the north.

Parking at the site appears to be adequate as there are an approximate fifteen (15) parking spaces on the south side of the improvement and another approximate seven (7) parking spaces on the north side. In addition, there is substantial mall parking to the west.

Access and egress is typical of most locations in the market.

**PAD SITE RESTRICTION AGREEMENT**

**FILE #3096768 RCD: 10/18/2016 3:17 PM, BK: 3271 PG: 3577, RECORDING: \$42.00 RECORDING ARTICLE V: \$36.00  
DEPUTY CLERK ASECRIST  
JD PEACOCK II CLERK OF COURTS, OKALOOSA COUNTY, FLORIDA**

Return to Brooke McCranie  
Chicago Title Insurance Company  
5690 W Cypress St., Ste A  
Tampa, FL 33607  
File # 596 860.3

**PREPARED BY AND UPON  
RECORDING RETURN TO:**  
The Law Offices of Nancy Schiavone  
3656 West Fullerton Avenue  
First Floor  
Chicago, Illinois 60647  
Attention: Nancy Schiavone, Esq.

**PAD SITES RESTRICTIONS AGREEMENT**

**THIS PAD SITE RESTRICTIONS AGREEMENT** (this "Agreement"), entered into as of the 14 day of OCTOBER, 2016, between SRM-SPE, LLC, a Delaware limited liability company ("Seller"), and MAZLEHURST, LLC, a Georgia limited liability company ("Buyer").

**WITNESSETH:**

**WHEREAS**, simultaneously with the recording of this Agreement, Seller is conveying to Buyer that certain real property, containing approximately 0.3993 acres located in the City of Mary Esther, Okaloosa County, Florida, and legally described on Exhibit "A" attached hereto and made a part hereof (the "Outparcel"); and

**WHEREAS**, as evidenced by that certain Memorandum of the Starbucks Ground Lease recorded in Official Records Book 2841, Page 2971 (the "Starbucks MOL"), Starbucks Corporation, a Washington corporation, has a ground lease interest in and to the Outparcel (the "Starbucks Ground Lease"); and

**WHEREAS**, Seller is the owner of those certain pad sites located in the City of Mary Esther, Okaloosa County, Florida and legally described on Exhibit "B" attached hereto and made a part hereof (the "Pad Sites") which Pad Sites are located along the perimeter of the regional shopping center commonly known as "Santa Rosa Mall"; and

**WHEREAS**, as further evidenced by the Starbucks MOL, Starbucks has an exclusive, subject to the terms and conditions of the Starbucks Ground Lease, which encumbers the Pad Sites; and

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WHEREAS, as part of the consideration from Seller to Buyer in connection with the sale of the Outparcel, Seller has agreed that the Pad Sites shall be subject to the restrictions set forth in this Agreement.

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller agrees that the Pad Sites are subject to the following restriction use:

1. **Pad Sites Restricted Use.** As evidenced by the Starbucks MOL, Starbucks has a ground lease interest in and to the Outparcel and Starbucks has an exclusive, subject to the terms and conditions of the Starbucks Ground Lease, which encumbers the Pad Sites. The Owners of the Pad Sites covenant with Owner of the Outparcel that their respective Pad Sites shall not be used or allowed to be used by any person or entity for the sale of (a) freshly ground and whole coffee beans, (b) espresso, espresso-based and coffee-based drinks, or (c) gourmet brand-identified brewed coffee. Notwithstanding anything herein to the contrary (i) full service, sit-down restaurants serving a complete dinner menu located on the Pad Sites, respectively, may sell brewed coffee or hot espresso drinks for on-premises consumption only; and (ii) occupants of the Pad Sites, respectively, may sell the items set forth in this Section 1 on an incidental basis. For purposes of this Section 1, "incidental basis" shall mean that the total number of square feet devoted to the display for the sale of the items described in this Section 1 will not exceed five percent (5%) of the total square feet of the floor area comprising such premises on the respective Pad Site.

Notwithstanding anything to the contrary set forth herein, if at any time Starbucks Corporation ceases to sell an item set out in this Section 1 (a), (b) or (c) for a consecutive one hundred eighty (180) day period and such failure is not due to force majeure, casualty, inventory, the acts or omissions of the Owners of the Pad Site, respectively, or reasons otherwise outside of Starbucks Corporation's control, the exclusive right to sell such item provided in this Section 1 will be terminated thirty (30) days after written notice from the Owner of the Pad Site, respectively, to the Owner of the Outparcel of such termination unless the Owner of the Outparcel notifies the applicable Owner of the Pad Site within such thirty (30) day period that Starbucks Corporation is re-selling the item.

2. **Duration.** This Agreement shall terminate on the earlier to occur of (a) the date of the expiration or earlier termination of the Starbucks Ground Lease; or (b) the date that the Starbucks Ground Lease is transferred, other than a transfer by Starbucks Corporation to (i) a parent, subsidiary, affiliate, division or corporation controlling, controlled by or under common control with Starbucks Corporation; (ii) a successor corporation related to Starbucks Corporation by merger, consolidation, reorganization or government action; (iii) a party that acquires Starbucks Corporation's leasehold interest in the Outparcel, provided that, such party operates a lawful retail or restaurant use (the "2(b)(iii) Entity") and Starbucks Corporation remains financially liable under the Starbucks Ground Lease following an assignment or sublease to the 2(b)(iii) Entity; or (iv) a third party unrelated to Starbucks Corporation which is a regional coffee retailer operating at least the same number of coffee retail outlets as Starbucks Corporation in Fort Walton Beach, Florida metropolitan area on September 28, 2006.

3. **Notices.** Any and all notices required or permitted hereunder shall be in writing and shall be delivered (a) by United States Mail and sent postage prepaid certified mail, return receipt requested or (b) overnight commercial courier delivery service (such as FedEx) providing confirmation of delivery, and



directed to the other party at its address set forth below, or at such other address within the continental United States as any party may hereafter designate by similar notice to the other:

OWNERS OF THE PAD SITE:

SRM-SPE, LLC,  
c/o Radiant Partners, LLC  
145 West 45th Street, 10th Floor  
New York, New York 10036  
Attention: Mr. Daniel Friedman

OWNER OF THE OUTPARCEL:

MAZLEHURST, LLC  
1100 Abernathy Road, N.E.  
Bldg. 500, Suite 600  
Atlanta, Georgia 30328  
Attention: Mr. Brian Munn

Notices shall be deemed to have been given upon deposit in the United States Mail as aforesaid or upon receipt of such overnight commercial courier delivery service. Each party hereto shall have the right to change its foregoing address for notice by written notice to the other party to such effect at least ten (10) days prior to the effective date of such change. Further, upon conveyance of the Pad Sites, the Owners of the Pad Sites shall have the right to designate notice addresses for each respective Pad Site by written notice to the other party to such effect at least ten (10) days prior to the effective date of such change.

4. **Binding Effect.** The restrictions contained herein shall be effective as of the date hereof, shall run with the Pad Sites burdened thereby, shall be binding upon the respective Owners of the Pad Sites, as applicable, and their respective successors and assigns, and shall inure to the benefit of the Owner of the Outparcel, and its successors and assigns.

5. **Owners.**

A. The defined term "Owner of the Outparcel" as used in this Agreement shall mean Buyer, or its successors in interest as shown by the official records of the Office of the Clerk of Okaloosa County, Florida, as of the date of the exercise of powers or rights or the performance of its obligations created by this Agreement. In the event of the transfer or conveyance of the Outparcel by the Owner of the Outparcel, without retaining any beneficial interest other than under the terms of a deed of trust or mortgage or without simultaneously acquiring a new interest by way of leasehold, life estate or other possessory interest, then the powers conferred upon such Owner of the Outparcel shall be deemed assigned, transferred or conveyed and the obligations assumed with its interest in the Outparcel.

B. The defined term "Owner of the Pad Site" as used in this Agreement shall mean the Seller, or its successors in interest as shown by the official records of the Office of the Clerk of Okaloosa County, Florida, as of the date of the exercise of powers or rights or the performance of its obligations created by this Agreement. In the event of the transfer or conveyance of a Pad Site by the respective Owner of the Pad Site, without retaining any beneficial interest other than under the terms of a deed of trust or mortgage or without simultaneously acquiring a new interest by way of leasehold, life estate or other possessory interest, then the powers conferred upon such Owner of the Pad Site shall be deemed assigned, transferred or conveyed and the obligations assumed with its interest in such Pad Site. Each Owner of the Pad Site shall have several liability for the obligations pertaining to its respective Pad Site and, notwithstanding anything to the contrary contained herein, there shall be no joint liability between and among any Owner of the Pad Site.

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6. **Governing Law.** This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the State of Florida.

7. **Remedies.** If an Owner of the Pad Site breaches any provision of this Agreement, then the Owner of the Outparcel may institute legal action against the defaulting Owner of the Pad Site for specific performance, injunction, declaratory relief, damages, or any other remedy provided by law. All remedies at law shall be cumulative and not inclusive. As used herein, any reference to rights or remedies "at law" or "under applicable law" shall also include any rights or remedies "in equity". In the event of any violation by an Owner of the Pad Site, its tenants or occupants of the applicable Pad Site, of any of the terms, covenants, and restrictions herein contained, in addition to any other remedies provided for in this Agreement, the Owner of the Outparcel shall have the right to enjoin such violation and to bring an action for declaratory relief in a court of competent jurisdiction. The rights set forth in this Section 7 shall extend to Starbucks Corporation, as tenant under the Starbucks Ground Lease, in the event of a violation of the restrictive covenant set forth in Section 1 of this Agreement.

8. **Estoppel Certificate.** The Owner of the Outparcel hereby covenants that, within thirty (30) days after the written request of any Owner of the Pad Site, the Owner of the Outparcel will issue to such requesting Owner of the Pad Site or to any prospective Mortgagee or purchaser of such Owner of the Pad Site an estoppel certificate stating: (a) whether the Owner of the Outparcel knows of any default under this Agreement and if there are known defaults specifying the nature thereof; and (b) whether to the knowledge of the Owner of the Outparcel this Agreement as of that date is in full force and effect. Each Owner of the Pad Site hereby severally covenants that, within thirty (30) days after the written request of the Owner of the Outparcel, such Owner of the Pad Site so requested will issue to the Owner of the Outparcel or to any prospective Mortgagee or purchaser of the Owner of the Outparcel an estoppel certificate stating: (a) whether the Owner of the Pad Site to whom the request has been directed knows of any default under this Agreement and if there are known defaults specifying the nature thereof; and (b) whether to the knowledge of such Owner of the Pad Site this Agreement as of that date is in full force and effect.

9. **Amendment.** This Agreement may be amended only by the written agreement of parties hereto, or their respective successors or assigns.

10. **Invalidity.** If any term, covenant or restriction herein shall be invalid or unenforceable, the remainder shall not be affected thereby, and each term, covenant and restriction shall be valid and enforceable to the fullest extent permitted by law.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]



BK: 3271 PG: 3582

IN WITNESS WHEREOF, Buyer has executed this Agreement as of the date first above written.

WITNESSES:

By: Phillipa McClure  
Name: Phillipa McClure

By: Robert Plaster  
Name: Robert Plaster

BUYER:

MAZLEHURST, LLC,  
a Georgia limited liability company

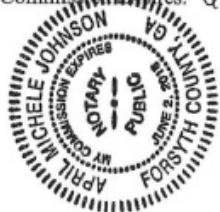
By: Brian Munn  
Name: Brian Munn  
Title: Managing Member

STATE OF Georgia )  
COUNTY OF Forsyth )SS.

On this the 12 day of October, 2016, before me, a Notary Public duly authorized in and for the said County in the State aforesaid to take acknowledgments, personally appeared BRIAN MUNN to me known and known to me to be a Managing Member of MAZLEHURST, LLC, a Georgia limited liability company, one of the companies described in the foregoing instrument, and acknowledged that as such officer, being authorized so to do, he executed the foregoing instrument on behalf of said company by subscribing the name of such company by himself as such officer, as his free and voluntary act, and as the free and voluntary act of said company, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission Expires: 6/2/2018



Michele Johnson  
Notary Public

BK: 3271 PG: 3583

**EXHIBIT "A"**  
**OUTPARCEL**  
**LEGAL DESCRIPTION**

COMMENCE AT THE INTERSECTION OF THE SOUTH LINE OF THE NORTHEAST ¼ OF SECTION 16, T-2-S, R-24-W, AND THE WESTERLY RIGHT-OF-WAY OF STATE ROAD #189 (MARY ESTHER CUT-OFF); THENCE N-12°01'20"-E ALONG SAID WESTERLY R/W OF STATE ROAD #189 A DISTANCE OF 441.79 FT.; THENCE N-89°58'53"-W ALONG SAID R/W A DISTANCE OF 12.27 FT.; THENCE N-12°01'20"-E ALONG SAID R/W A DISTANCE OF 938.99 FT. TO THE P.O.B.; THENCE N-77°58'40"-W A DISTANCE OF 132.60 FT.; THENCE N-77°55'40"-W A DISTANCE OF 5.40 FEET; THENCE N-12°01'20"-E A DISTANCE OF 131.56 FT.; THENCE S-77°58'40"-E A DISTANCE OF 99.00 FT. TO A POINT ON THE AFORESAID WESTERLY RIGHT-OF-WAY; THENCE S-32°58'40"-E ALONG SAID R/W A DISTANCE OF 55.15 FT.; THENCE S-12°01'20"-W ALONG SAID R/W A DISTANCE OF 92.57 FT. TO THE P.O.B. SAID TRACT CONTAINS 0.3993 ACRES MORE OR LESS.

BEARINGS BASED ON BEARING OF N-12°01'20"-E ALONG THE WESTERLY R/W OF MARY ESTHER CUT-OFF (S.R. #189). ALL LYING AND BEING IN SECTION 16, TOWNSHIP 2 SOUTH, RANGE 24 WEST, OKALOOSA COUNTY, FLORIDA

A-1

BK: 3271 PG: 3584

**EXHIBIT "B"****PAD SITES  
LEGAL DESCRIPTION****FORMER VANGUARD BANK PARCEL**

COMMENCE AT THE INTERSECTION OF THE SOUTH LINE OF THE NORTHEAST 1/4 OF SECTION 16, T-2-S, R-24-W, AND THE WESTERLY R/W OF STATE ROAD #189 (MARY ESTHER CUT-OFF); THENCE N-12°01'20"-E ALONG SAID WESTERLY R/W A DISTANCE OF 441.79 FT.; THENCE N-89°58'53"-W ALONG SAID R/W A DISTANCE OF 12.27 FT.; THENCE N-12°01'20"-E A DISTANCE OF 344.92 FT. TO THE P.O.B.; THENCE CONTINUE N-12°01'20"-E, ALONG THE AFORESAID WESTERLY R/W OF STATE ROAD #189 (MARY ESTHER CUT-OFF), A DISTANCE OF 250.50 FT.; THENCE N-32°58'40"-W ALONG SAID R/W A DISTANCE OF 55.15 FT.; THENCE N-77°58'40"-W A DISTANCE OF 99.0 FT.; THENCE S-12°01'20"-W A DISTANCE OF 328.49 FT.; THENCE S-77°58'40"-E A DISTANCE OF 99.0 FT. TO THE AFORESAID R/W OF STATE ROAD #189; THENCE N-57°01'20"-E ALONG SAID R/W A DISTANCE OF 55.15 FT. TO THE P.O.B.. CONTAINS 1.01 ACRES MORE OR LESS. BEARINGS BASED ON BEARING OF N-12°01'20"-E ALONG THE WESTERLY R/W OF STATE ROAD #189. ALL LYING AND BEING IN SECTION 16, T-2-S, R-24-W, OKALOOSA COUNTY, FLORIDA.

**FORMER AMSOUTH BANK PARCEL**

COMMENCE AT THE INTERSECTION OF THE SOUTH LINE OF THE NORTHEAST 1/4 OF SECTION 16, T-2-S, R-24-W, AND THE WESTERLY R/W OF STATE ROAD #189 (MARY ESTHER CUT-OFF); THENCE N-12°01'20"-E ALONG SAID WESTERLY R/W A DISTANCE OF 441.79 FT.; THENCE N-89°58'53"-W ALONG SAID R/W A DISTANCE OF 12.27 FT.; THENCE N-12°01'20"-E A DISTANCE OF 1320.62 FT. TO THE P.O.B.; THENCE CONTINUE N-12°01'20"-E, ALONG THE AFORESAID WESTERLY R/W OF STATE ROAD #189 (MARY ESTHER CUT-OFF), A DISTANCE OF 229.50 FT.; THENCE S-89°57'21"-W A DISTANCE OF 141.12 FT.; THENCE S-12°01'20"-W A DISTANCE OF 200.00 FT.; THENCE S-77°58'40"-E A DISTANCE OF 138.00 FT. TO THE P.O.B.. CONTAINS 0.68 ACRES MORE OR LESS. BEARINGS BASED ON BEARING OF N-12°01'20"-E ALONG THE WESTERLY R/W OF STATE ROAD #189. ALL LYING AND BEING IN SECTION 16, T-2-S, R-24-W, OKALOOSA COUNTY, FLORIDA.

**FORMER APPLEBEE'S RESTAURANT PARCEL**

COMMENCE AT THE INTERSECTION OF THE SOUTH LINE OF THE NORTHEAST 1/4 OF SECTION 16, T-2-S, R-24-W, AND THE WESTERLY R/W OF STATE ROAD #189 (MARY ESTHER CUT-OFF); THENCE N-12°01'20"-E ALONG SAID WESTERLY R/W A DISTANCE OF 441.79 FT.; THENCE N-89°58'53"-W ALONG SAID R/W A DISTANCE OF

B-1

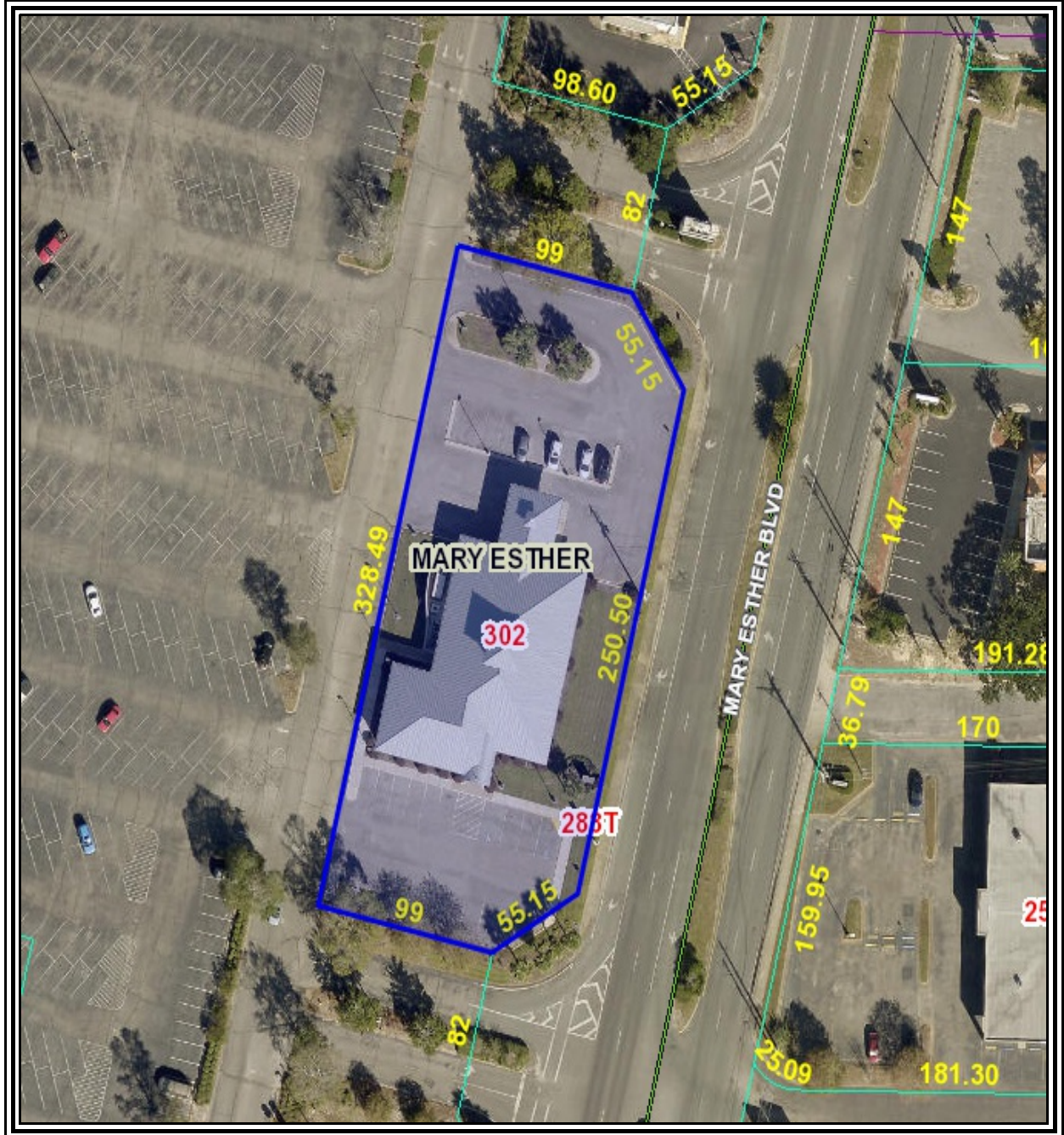
**Flood Risk:**

FEMA Map Panel	Map Area	Dated	Flood Zone
12091C 0442 J	Okaloosa County	12-9-2021	'X'

The subject is located entirely in a Flood Zone "X".

Any final determination of flood zone status should only be made by an adequately insured, licensed Florida Surveyor utilizing the latest FEMA Panels.





### Zoning and Concurrency

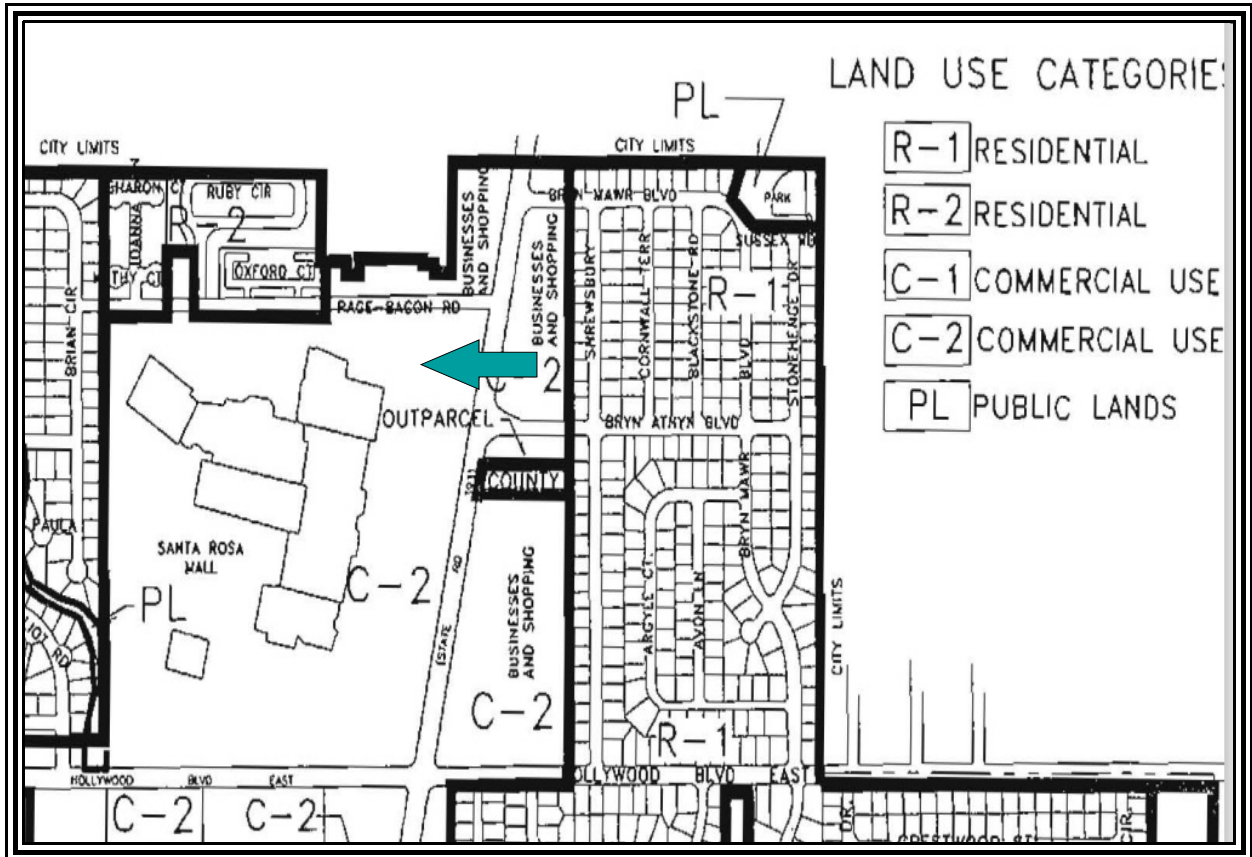
The zoning map for the city of Mary Esther indicates the subject parcel is zoned Commercial (C2).

The green arrow depicts the general subject location.

This zoning designation is flexible as it allows low and high intensity development.

The existing use is legally permissible.

See the following zoning map obtained from the on line city of Mary Esther zoning map.



**Site Improvements:**

Site improvements include water and sewer taps, good landscaping, and adequate paved parking spaces.

**Structural Improvements:****Size:**

The subject consists of a single improved concrete block with stucco improvement of 7,222 HVAC SF, with a metal roof. It features a large, covered drive thru portico on the north side of the improvement.

The interior is that of a bank building and is considered as Class "A" office space.

The Class "A" status of the subject is the ten foot ceilings with high quality acoustic tile, some wood accent ceilings, travertene flooring with a small amount of high quality carpet, solid wood doors and travertene accents in both rest rooms.

Upon entering on the south side, one encounters a large open area where the bank probably had service counters for patrons to prepare their banking transaction as well as seating for customers. I will refer to this area as a lobby. Beyond the lobby is the teller area which is a long service counter. To the left and left rear (west side facing mall) of the lobby are offices, followed by two rest rooms and terminating in the NW corner of the improvement in an employee break room. To the right and right rear of the lobby (facing Mary Esther Boulevard), are offices, followed by a vault area and then followed by offices and an administrative area on the north east side of the improvement. In the north/center is the area where tellers service customers using the drive thru lanes.

**Construction Quality:**

The quality of construction for the subject property is estimated to have been good to superior for the subject property. Details of construction are summarized below.

<b>Construction Component Details</b>	
<i>Foundation</i>	Reinforced concrete
<i>Exterior walls</i>	Concrete Block with stucco
<i>Roof</i>	Sloped Metal
<i>Trim</i>	Wood, paint.
<i>Windows</i>	Aluminum Double Pane
<i>Exterior doors</i>	Insulated Metal.
<i>Gutters</i>	Metal
<i>Insulation</i>	Unknown but probable R19 or R19 vinyl-backed in walls and ceiling
<i>HVAC</i>	Self-Contained Units
<i>Ceiling</i>	Dropped acoustical tile 2' by 2' at a ceiling height of 10 feet.
<i>Interior Walls</i>	Sheet rock and plaster on interior walls, finished with paint.
<i>Interior flooring</i>	Travertene and high quality carpet.
<i>Interior doors</i>	Solid Wood
<i>Restrooms</i>	Two
<i>Other</i>	Large break room.

**Condition of Improvements:**

The current condition of the improvements is good.

**Age of Improvements:**

The subject was constructed in 1978 and the actual age is 45 years.

However, it appears there has been significant renovation or remodeling of the improvements.

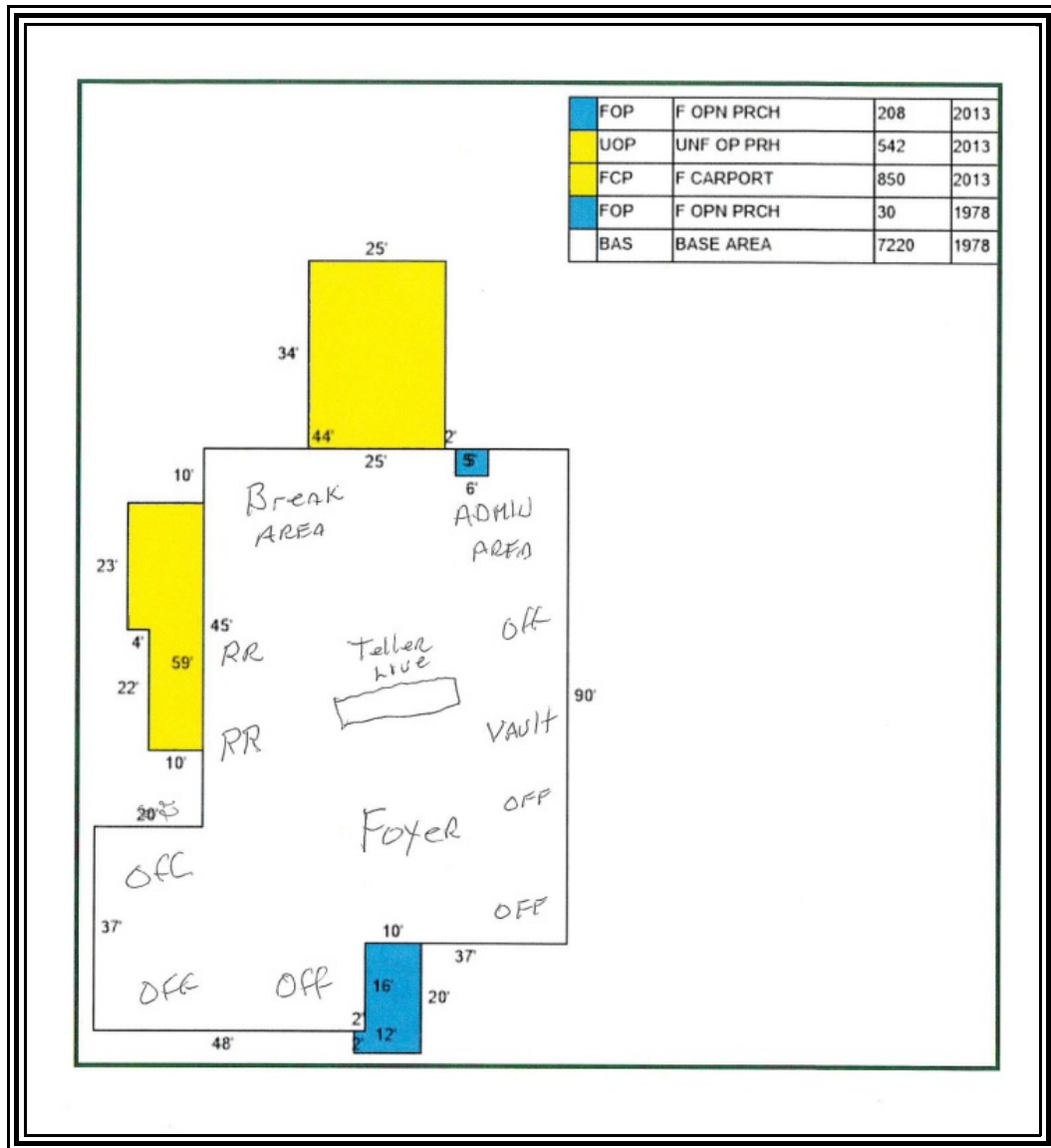
The Okaloosa County Property Appraiser indicates an effective year built of 1998.

These improvements lower effective age.

I consider the effective age to be 25 years.

Actual Age of improvements:	45 years
Estimated Effective Age of Improvements:	25 years
Estimated Total Economic Life:	60 years
Estimated Total Physical Life:	75 years
Estimated Remaining Economic Life:	35 years

The design of the Office Building can be seen in the sketch below.



**PHOTOGRAPHS**



**MARY ESTHER BOULEVARD TO NORTH**



**MARY ESTHER BOULEVARD TO SOUTH**



**FRONT AND PARKING**



**REAR AND DRIVE THRU PORTICO**



**LOBBY**



**TELLER AREA IN LOBBY**



**TYPICAL OFFICE**



**TYPICAL OFFICE**



**REST ROOM #1**



**REST ROOM #2**



**BREAK ROOM**



**TELLER AREA FOR DRIVE THRU**



**REAR OF MAIN TELLER AREA IN LOBBY**



**VAULT AND SAFE DEPOSIT BOXES**



**ADMINISTRATIVE AREA**



**SERVER ROOM**

**ASSESSED VALUE AND AD VALOREM TAXES**

The tax identification numbers, gross tax amounts due, amount paid, and assessed values for the 2022 tax year.

Tax Identification Number	Assessed Value	Gross Tax Amount Due	Amount paid	Date Paid
16-2S-24-0000-0001-001D	\$1,350,160	\$28,021.42	\$26,900.57	11/21/2022

There are no delinquent taxes owing on the subject property.

It is my opinion the assessed value has little impact on either value or transferability.

See the following tax assessor cards for the subject parcel.

[Search](#) > Account Summary

## Real Estate Account #162S2400000001001D

**Owner:** RETAIL PARTNERS SANTA LLC     **Situs:** 302 MARY ESTHER MARY ESTHER 32569     [Parcel details](#)  
[Property Appraiser](#)

---

### Amount Due

Your account is **paid in full**. There is nothing due at this time.  
 Your last payment was made on **11/21/2022** for **\$26,900.57**.

---

### Account History

BILL	AMOUNT DUE	STATUS
<a href="#">2022 Annual Bill</a> ⓘ	\$0.00    Paid \$26,900.57	11/21/2022    Receipt #315-22001211

**History**

**Sales:**

The subject parcel was last sold in 2016.

This is outside the five year window and no analysis is required.

**Listings:**

I spoke with Dustin Parkman from NBI Properties and he stated that the subject was not listed for sale.

He also stated that the owners preferred to lease the subject, but would sell at an attractive price.

He mentioned a figure of \$3,200,000 to me.

**Current Use**

The subject is the site of a vacant bank building.

**Adjacent Uses:**

Adjacent uses include a mix of primarily commercial use along the arterials with some mixed residential use.

**Okaloosa County** is a county in the state of Florida. Located in northwest Florida, it extends from the Gulf of Mexico to the Alabama state line. As of the 2000 census, the population was 170,498. The U.S. Census Bureau 2005 estimate for the county is 182,172. <sup>[1]</sup> The 2009 estimate for the county is 196,237 people. Its county seat is Crestview.

Okaloosa County is coextensive with the **Fort Walton Beach-Crestview-Destin, Florida Metropolitan Statistical Area**, a metropolitan statistical area (MSA) designated by the Office of Management and Budget. Fort Walton Beach, Crestview and Destin are designated as the principal cities of the MSA. The Fort Walton Beach, Florida Standard Metropolitan Statistical Area was first defined in 1981. In 2003 Crestview and Destin were named principal cities, and the MSA name was changed to its present form.

POPULATION			CLIMATE		
	Okaloosa	Florida	Average Temperature	High	Low
1980:	109,920	9,746,961	January:	60	37
1990:	143,777	12,938,071	July:	91	71
2010:	180,822	18,801,310	Florida Mean Annual Precipitation	53	
2020(p):	192,600	21,326,800	Average Annual Rain Days	110	
2040(p):	214,400	26,081,800			
(p) Denotes Projected Population					
PER CAPITA PERSONAL INCOME			MIGRATION		
	Okaloosa	Florida	(2010)		
2007	\$41,109	\$39,449	In-Migration	14,069	
2008	\$42,288	\$40,133	Out-Migration	16,536	
2009	\$42,007	\$38,965	Net-Migration	-2,467	
*Estimates based on IRS Statistics of Income data					
LABOR FORCE			EXISTING EMPLOYMENT		
(2010)			<b>Major Private Sector Employers</b>		
Labor Force		96,350	Fort Walton Beach Medical Center		
Labor Force % of County Population		53.3	Business Line: Full Service Hospital		
Number in County Unemployed		7,789	Number of Employees..... 1,305		
Unemployment Rate		8.1%			

Monthly labor force data are available from the [Florida Agency for Workforce Innovation](#).

**EMPLOYMENT BY INDUSTRY**

<i>N/D = No Data</i>	<b>Okaloosa</b>	<b>Florida</b>
<b>(2010)</b>		
<b>Average Annual Employment</b>	<b>74,502</b>	<b>7,109,630</b>
Natural Resources & Mining	0.0%	1.2%
Construction	5.0%	5.0%
Manufacturing	4.9%	4.3%
Trade, Transportation and Utilities	18.9%	21.2%
Information	1.6%	1.9%
Financial Activities	6.2%	6.6%
Professional & Business Services	13.9%	14.8%
Education & Health Services	11.9%	22.0%
Leisure & Hospitality	16.1%	13.2%
Other Services	3.2%	3.3%
Public administration	12.3%	6.6%
Unclassified	0.0%	0.0%

**L-3 Communications/Crestview Aerospace**

**Business Line:** Aircraft Manufacturing, Maintenance, & Modification

**Number of Employees**..... 930

**DRS Training & Control Systems**

**Business Line:** Defense Electronics

**Number of Employees**..... 875

**InDyne Inc.**

**Business Line:** Range Test Facilities, Security Systems & Multimedia

**Number of Employees**..... 800

**ResortQuest**

**Business Line:** Property Management & Real Estate

**Number of Employees**..... 750

**Jacobs TEAS**

**Business Line:** Engineering Services

**Number of Employees**..... 700

Average Annual Wage		Number of Employees	
(2010)			
All Industries	\$38,637	<b>BAE Technical Services</b>	
Construction	\$33,820	<b>Business Line: Aerospace &amp; Defense Contractor</b>	
Education & Health Services	\$37,833	<b>Number of Employees.....</b>	<b>700</b>
Financial Activities	\$39,138		
Information	\$58,700	<b>Lockheed Martin</b>	
Leisure & Hospitality	\$16,210	<b>Business Line: Aerospace &amp; Defense Contractor</b>	
Manufacturing	\$52,713	<b>Number of Employees.....</b>	<b>680</b>
Natural Resources & Mining	\$15,199		
Other Services	\$29,819	<b>Tybrin Corporation</b>	
Professional & Business Services	\$53,974	<b>Business Line: Engineering Analysis &amp; Software Development</b>	
Public administration	\$60,204	<b>Number of Employees.....</b>	<b>535</b>
Trade, Transportation and Utilities	\$29,327		
Unclassified	\$85,819	<b>Boeing</b>	
		<b>Business Line: Aerospace &amp; Defense Contractor</b>	
		<b>Number of Employees.....</b>	<b>530</b>

### TRANSPORTATION

<b>Federal Interstates</b>	I-10	<b>Nearest Airport with Scheduled Commerical Airline Service:</b>	Northwest Florida Regional Airport
<b>Federal Highways</b>	US-90, US-98	<b># Runways</b>	2
<b>State Highways</b>	Route 20, Route 85	<b>Longest Paved Runway(ft.)</b>	12010
<b>Railroads</b>	CSX	<b>General Aviation Airports</b>	Bob Sikes Airport, Destin Airport
		<b>Local Deep Water Port</b>	Port of Pensacola
		<b>Miles to Closest Port</b>	44

### STATE AND LOCAL TAXATION

COUNTY		STATE	
<b>Countywide Ad Valorem Millage Rates:</b>			
Government	3.2899	Corporate Income Tax	5.5%
Schools	7.7690	Personal Income Tax	0.0%
Special	0.0400	Retail Sales Tax	6.0%
<b>Total</b>	<b>11.0989</b>		
<hr/>			
Ad Valorem Tax Exemption:	No		
Retail Sales Tax (Local Option)	0.00		
Federal Enterprise Zone	No		
State Enterprise Zone	EZ-4601		

COMMERCIAL/INDUSTRIAL SERVICES		EDUCATION		
<b>Electric Companies:</b>		<b>Public Schools</b>	<b>Teachers</b>	<b>Enrollments</b>
<ul style="list-style-type: none"> <li>● Gulf Power Company</li> <li>● Choctawhatchee Electric Cooperative (CHELCO)</li> </ul>				
<b>Natural Gas Companies:</b>		<b>Totals:</b>	54	1,896
<ul style="list-style-type: none"> <li>● Okaloosa Gas District</li> </ul>				
<b>Telephone Companies:</b>		<b>Private Schools Available: Yes</b>		
<ul style="list-style-type: none"> <li>● CenturyLink</li> <li>● Cox Communications</li> <li>● CHELCO</li> </ul>		<b>POST SECONDARY EDUCATION SERVING THE COUNTY:</b>		
<b>Water &amp; Sewer Companies:</b>		<b>Colleges/Universities:</b>		
<ul style="list-style-type: none"> <li>● Okaloosa Water &amp; Sewage</li> <li>● Individual Cities Water Management Districts</li> </ul>		<ul style="list-style-type: none"> <li>● Embry Riddle Aeronautical University</li> <li>● University of West Florida</li> <li>● University of Arkansas</li> <li>● Troy University</li> <li>● Northwest Florida State College</li> <li>● UF - Research, Engineering &amp; Education Facility</li> </ul>		
<b>Existing Industrial Zoned Land</b>	Yes	<b>Junior/Community Colleges:</b>		
<b>Number of Acres</b>	1,065	<ul style="list-style-type: none"> <li>● none</li> </ul>		
<b>Largest Available Contiguous Parcel</b>	0	<b>Technical Schools:</b>		
<b>Industrial Parks</b>	Yes	<ul style="list-style-type: none"> <li>● Okaloosa Applied Technology Center</li> <li>● Bay Area Vocational Technology School</li> <li>● Crestview Vocational Technology Center</li> </ul>		
<b>Number of Acres</b>	900	<b>Other Schools:</b>		
<b>Largest Available Contiguous Parcel</b>	0	<ul style="list-style-type: none"> <li>● Collegiate High School</li> <li>● Community High Institute of Career Education</li> </ul>		
<b>Foreign Trade Zones</b>	No			

MEDIA	FINANCIAL INSTITUTIONS
<p><b>Local Radio Stations:</b></p> <ul style="list-style-type: none"><li>• WKSM - FM 99.5</li><li>• WMXA - FM 103.1</li><li>• WWAV - FM 102.1</li><li>• WYZB - FM 105.5</li><li>• WNCV - FM 100.3</li><li>• WFTV - AM 1260</li><li>• WSNX - 96.5</li><li>• WTKE - FM 98.1</li></ul> <p><b>Local Television Stations:</b></p> <ul style="list-style-type: none"><li>• Beach TV</li><li>• WEAR (ABC)</li><li>• WSRE (PBS)</li><li>• WJHG (NBC)</li><li>• Cox Cable (IND)</li><li>• Gulf Coast TV</li></ul> <p><b>Locally Printed Newspapers:</b></p> <ul style="list-style-type: none"><li>• The Northwest Florida Daily News</li><li>• The Crestview News Bulletin</li><li>• The Destin Log</li><li>• The Bay Beacon</li><li>• Hurlburt Warrior/Eglin Flyer</li></ul>	<p><b>Number of Banks:</b> 27</p> <p><b>Number of Savings and Loans:</b> 0</p> <p><b>Number of Credit Unions:</b> 6</p>

<b>QUALITY OF LIFE</b>									
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%; vertical-align: top; padding-right: 20px;"> <p><b>Cost of Living</b></p> <p>Price Level Index, (2010)</p> <p>Florida State Average = 100</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">2008</td> <td style="text-align: right;">95.22</td> </tr> <tr> <td>2009</td> <td style="text-align: right;">96.16</td> </tr> <tr> <td>2010</td> <td style="text-align: right;">97.49</td> </tr> </table> </td> <td style="width: 60%; vertical-align: top;"> <p><b>Medical Services :</b></p> <ul style="list-style-type: none"> <li>• Fort Walton Beach Medical Center</li> <li>• North Okaloosa Medical Center</li> <li>• Sacred Heart Hospital Emerald Coast</li> <li>• Twin Cities Hospital</li> <li>• White-Wilson Medical Center</li> </ul> <p><b>Recreational Opportunities :</b></p> <ul style="list-style-type: none"> <li>• Beaches/Water Parks/Boardwalks</li> <li>• Camping</li> <li>• Canoeing/Kayaking/Rafting</li> <li>• Golf</li> <li>• Hunting/Fishing</li> <li>• Scuba Diving/Snorkeling</li> <li>• Shopping/Dining</li> <li>• Watersports / Boating</li> </ul> <p><b>Historical Points Of Interest :</b></p> <ul style="list-style-type: none"> <li>• Air Force Armament Museum</li> <li>• Camp Walton School House</li> <li>• Carver-Hill Museum</li> <li>• Destin Fishing &amp; History Museum</li> <li>• Heritage Museum of NW Florida</li> <li>• Indian Temple Mound Museum &amp; Park</li> </ul> <p><b>Cultural Events/Festivals:</b></p> <ul style="list-style-type: none"> <li>• Amphitheater</li> <li>• Arts Center of Northwest FL State College</li> <li>• Destin Fishing Rodeo - Destin Cobla Tournament</li> <li>• Emerald Coast Science Center</li> <li>• Festivals - Arts, Crafts, Seafood</li> <li>• Mattie Kelly Arts Foundation</li> <li>• NWF Ballet Academy</li> </ul> </td> </tr> </table>		<p><b>Cost of Living</b></p> <p>Price Level Index, (2010)</p> <p>Florida State Average = 100</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">2008</td> <td style="text-align: right;">95.22</td> </tr> <tr> <td>2009</td> <td style="text-align: right;">96.16</td> </tr> <tr> <td>2010</td> <td style="text-align: right;">97.49</td> </tr> </table>	2008	95.22	2009	96.16	2010	97.49	<p><b>Medical Services :</b></p> <ul style="list-style-type: none"> <li>• Fort Walton Beach Medical Center</li> <li>• North Okaloosa Medical Center</li> <li>• Sacred Heart Hospital Emerald Coast</li> <li>• Twin Cities Hospital</li> <li>• White-Wilson Medical Center</li> </ul> <p><b>Recreational Opportunities :</b></p> <ul style="list-style-type: none"> <li>• Beaches/Water Parks/Boardwalks</li> <li>• Camping</li> <li>• Canoeing/Kayaking/Rafting</li> <li>• Golf</li> <li>• Hunting/Fishing</li> <li>• Scuba Diving/Snorkeling</li> <li>• Shopping/Dining</li> <li>• Watersports / Boating</li> </ul> <p><b>Historical Points Of Interest :</b></p> <ul style="list-style-type: none"> <li>• Air Force Armament Museum</li> <li>• Camp Walton School House</li> <li>• Carver-Hill Museum</li> <li>• Destin Fishing &amp; History Museum</li> <li>• Heritage Museum of NW Florida</li> <li>• Indian Temple Mound Museum &amp; Park</li> </ul> <p><b>Cultural Events/Festivals:</b></p> <ul style="list-style-type: none"> <li>• Amphitheater</li> <li>• Arts Center of Northwest FL State College</li> <li>• Destin Fishing Rodeo - Destin Cobla Tournament</li> <li>• Emerald Coast Science Center</li> <li>• Festivals - Arts, Crafts, Seafood</li> <li>• Mattie Kelly Arts Foundation</li> <li>• NWF Ballet Academy</li> </ul>
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<h2>History <span style="float: right;">[edit]</span></h2> <p>Okaloosa County was created by an act passed June 3, 1915.<sup>[2]</sup> Okaloosa is a Choctaw word meaning "black water". "Oka" means water, and "lusa" is black in the Choctaw language.</p>	<table border="1"> <tr> <td><b>Founded</b></td> <td>June 13, 1915</td> </tr> <tr> <td><b>Seat</b></td> <td>Crestview</td> </tr> <tr> <td><b>Area</b></td> <td></td> </tr> <tr> <td>- <b>Total</b></td> <td>1,082.00 sq mi (2,802 km²)</td> </tr> <tr> <td>- <b>Land</b></td> <td>935.63 sq mi (2,423 km²)</td> </tr> <tr> <td>- <b>Water</b></td> <td>146.37 sq mi (379 km²), 13.53%</td> </tr> <tr> <td><b>Population</b></td> <td></td> </tr> <tr> <td>- <b>(2010)</b></td> <td>180,822</td> </tr> <tr> <td>- <b>Density</b></td> <td>193/sq mi (74.62/km²)</td> </tr> <tr> <td><b>Website</b></td> <td><a href="http://www.co.okaloosa.fl.us">www.co.okaloosa.fl.us</a> <span>↗</span></td> </tr> </table>	<b>Founded</b>	June 13, 1915	<b>Seat</b>	Crestview	<b>Area</b>		- <b>Total</b>	1,082.00 sq mi (2,802 km²)	- <b>Land</b>	935.63 sq mi (2,423 km²)	- <b>Water</b>	146.37 sq mi (379 km²), 13.53%	<b>Population</b>		- <b>(2010)</b>	180,822	- <b>Density</b>	193/sq mi (74.62/km²)	<b>Website</b>	<a href="http://www.co.okaloosa.fl.us">www.co.okaloosa.fl.us</a> <span>↗</span>
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<h2>Geography <span style="float: right;">[edit]</span></h2> <p>According to the 2000 census, the county has a total area of 1,082.00 square miles (2,802.4 km²), of which 935.63 square miles (2,423.3 km²) (or 86.47%) is land and 146.37 square miles (379.1 km²) (or 13.53%) is water.<sup>[3]</sup> Fort Walton Beach and three United States Air Force bases, (Duke Field in the North and Eglin AFB and Hurlburt Field are in the south).</p> <p>Okaloosa County is the sole county in the <i>Fort Walton Beach-Crestview-Destin Metropolitan Statistical Area</i>.</p>																					

<h2>Demographics <span style="float: right;">[edit]</span></h2> <p>As of the census<sup>[5]</sup> of 2000, there were 170,498 people, 66,269 households, and 46,520 families residing in the county. The population density was 182 people per square mile (70/km²). There were 78,593 housing units at an average density of 84 per square mile (32/km²). The racial makeup of the county was 83.41% White, 9.10% Black or African American, 0.60% Native American, 2.47% Asian, 0.14% Pacific Islander, 1.33% from other races, and 2.96% from two or more races. 4.28% of the population were Hispanic or Latino of any race.</p> <p>There were 66,269 households out of which 33.10% had children under the age of 18 living with them, 56.20% were married couples living together, 10.20% had a female householder with no husband present, and 29.80% were non-families. 23.50% of all households were made up of individuals and 7.50% had someone living alone who was 65 years of age or older. The average household size was 2.49 and the average family size was 2.94.</p> <p>In the county the population was spread out with 24.70% under the age of 18, 9.60% from 18 to 24, 31.10% from 25 to 44, 22.40% from 45 to 64, and 12.10% who were 65 years of age or older. The median age was 36 years. For every 100 females there were 102.20 males. For every 100 females age 18 and over, there were 101.50 males.</p> <p>The median income for a household in the county was \$41,474, and the median income for a family was \$47,711. Males had a median income of \$30,977 versus \$21,961 for females. The per capita income for the county was \$20,918. About 6.60% of families and 8.80% of the population were below the poverty line, including 12.70% of those under age 18 and 6.50% of those age 65 or over.</p>	<table border="1"> <thead> <tr> <th colspan="3">Historical populations</th> </tr> <tr> <th>Census</th> <th>Pop.</th> <th>%±</th> </tr> </thead> <tbody> <tr> <td><b>1920</b></td> <td>9,360</td> <td>—</td> </tr> <tr> <td><b>1930</b></td> <td>9,897</td> <td>5.7%</td> </tr> <tr> <td><b>1940</b></td> <td>12,900</td> <td>30.3%</td> </tr> <tr> <td><b>1950</b></td> <td>27,533</td> <td>113.4%</td> </tr> <tr> <td><b>1960</b></td> <td>61,175</td> <td>122.2%</td> </tr> <tr> <td><b>1970</b></td> <td>88,187</td> <td>44.2%</td> </tr> <tr> <td><b>1980</b></td> <td>109,920</td> <td>24.6%</td> </tr> <tr> <td><b>1990</b></td> <td>143,776</td> <td>30.8%</td> </tr> <tr> <td><b>2000</b></td> <td>170,498</td> <td>18.6%</td> </tr> <tr> <td><b>2010</b></td> <td>180,822</td> <td>6.1%</td> </tr> </tbody> </table> <p><small>[4][5]</small></p>	Historical populations			Census	Pop.	%±	<b>1920</b>	9,360	—	<b>1930</b>	9,897	5.7%	<b>1940</b>	12,900	30.3%	<b>1950</b>	27,533	113.4%	<b>1960</b>	61,175	122.2%	<b>1970</b>	88,187	44.2%	<b>1980</b>	109,920	24.6%	<b>1990</b>	143,776	30.8%	<b>2000</b>	170,498	18.6%	<b>2010</b>	180,822	6.1%
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<b>2010</b>	180,822	6.1%																																			

**THE CITY OF FORT WALTON BEACH**

**Fort Walton Beach** is a city in southern Okaloosa County, Florida, United States. As of 2005, the population estimate for Fort Walton Beach was 19,992, and as of 2010, the population estimate for Fort Walton Beach is 19,507 recorded by the U.S. Census Bureau.<sup>[3]</sup> It is a principal city of the Fort Walton Beach –Crestview–Destin Metropolitan Statistical Area.

Fort Walton Beach is a year-round fishing and beach resort community. Its busiest time of the year is the summer, with spring break being another busy time when thousands of people flock to the Emerald Coast.

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<b>Fort Walton Beach, Florida</b>	
— City —	
Nickname(s): The Emerald Coast, The Sonic City (1950s-1970s) Motto: A City On The Move "	
	
Location in Okaloosa County and the state of Florida Coordinates:  <span>30°25′13″N 86°37′0″W</span>	
<b>Country</b>	 United States
<b>State</b>	 Florida
<b>County</b>	Okaloosa
<b>Government</b>	
• <b>Mayor</b>	Mike Anderson
<b>Area</b>	
• <b>Total</b>	8.2 sq mi (21.3 km <sup>2</sup> )

## Geography [edit]

Fort Walton Beach is located at 30°25′13″N 86°37′00″W﻿ / ﻿30.420199, -86.616727﻿ / 30.420199; -86.616727.<sup>[12]</sup> According to the United States Census Bureau, the city has a total area of 21.3 km<sup>2</sup> (8.2 sq mi). 19.3 km<sup>2</sup> (7.5 sq mi) of it is land and 2 km<sup>2</sup> (0.77 sq mi), or 9.26%, is water.

## Climate [edit]

Fort Walton Beach has a very warm humid subtropical climate. The area experiences hot and very humid summers, generally from late May to mid-September. Autumns, from mid-September to early December, are generally warm. Winters are very short and mild, from mid-December to late February. Springs are warm, from late February to late May. The area recorded its highest temperature of 107°F (42°C) in July 1980. The area recorded its lowest temperature of 4°F (-16° C) in January 1985, just five years later.

Fort Walton Beach, part of the western Chootawhatchee Bay region of which Destin and Niceville are also part, is very wet, averaging 69 inches of rain each year, more than any city in Florida, including Pensacola. The wettest season is summer, and the driest autumn; however, the flood season is also in autumn. Snow and freezing rain are very rare. Freezing rain occurs about once every 5–10 years. Snow occurs about once every 10–15 years. The last significant snowfall was on January 31, 1977, when a depth of 4 inches was reported in inland Florida. The last report of snow was on December 24, 2001. The last report of freezing rain was on February 11, 2010.



View from Sound Park looking west towards Presidio Condominium. [edit]

Climate data for Fort Walton Beach/Destin <span style="float: right;">[hide]</span>													
Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Record high °F (°C)	80 (27)	83 (28)	87 (31)	101 (38)	101 (38)	102 (39)	107 (42)	103 (39)	102 (39)	99 (37)	89 (32)	84 (29)	84.3 (34.9)
Average high °F (°C)	61 (16)	65 (19)	71 (22)	78 (26)	84 (29)	90 (32)	91 (33)	91 (33)	88 (31)	80 (27)	72 (22)	64 (18)	77.9 (25.5)
Average low °F (°C)	37 (3)	40 (4)	46 (8)	51 (11)	60 (16)	66 (20)	71 (22)	71 (22)	66 (19)	54 (12)	46 (8)	39 (4)	54.1 (12.3)
Record low °F (°C)	4 (−18)	11 (−12)	19 (−7)	20 (−7)	36 (3)	49 (9)	55 (13)	59 (15)	37 (3)	27 (−3)	18 (−8)	8 (−13)	28.6 (−1.9)
Precipitation Inches (mm)	5.80 (147.3)	5.39 (138.9)	6.52 (165.6)	4.26 (108.2)	4.32 (109.7)	6.08 (154.4)	9.40 (238.3)	8.91 (226.5)	6.72 (170.7)	4.53 (115.1)	4.70 (119.4)	4.57 (116.1)	69.20 (1,757.7)

Source: The Weather Channel<sup>[12]</sup>

## Economy

[\[edit\]](#)


This section **does not cite any references or sources**. (May 2010)

The economy of Fort Walton Beach is driven by two primary factors: tourism and the military. There are two major Air Force bases which border Fort Walton Beach. Hurlburt Field is home to Headquarters, Air Force Special Operations Command (AFSOC), the 1st Special Operations Wing, and the Joint Special Operations University. Eglin AFB is home to the Air Force Material Command's Air Armament Center and the 96th Air Base Wing, the 46th Test Wing, and Air Combat Command's 33rd Fighter Wing. Eglin is geographically one of the largest Air Force bases at 724 square miles (1,880 km<sup>2</sup>), and thus home to joint exercises, and missile and bomb testing. For example, the 'Massive Ordnance Air Blast' or 'Mother of All Bombs' (MOAB) was first tested at Eglin AFB on March 11, 2003.

There is support industry in the area that benefits from the presence of the bases, including military contractors and the service industry. Companies based in Fort Walton Beach include [Lee's Famous Recipe Chicken](#) and [ResortQuest](#).

The tourism industry is seasonal, with summer being the primary season, and a smaller peak season during spring break. The [Billy Bowlegs Pirate Festival](#) is held annually.

## Demographics

[\[edit\]](#)

In the census of 2000, there were 19,973 people,<sup>[14]</sup> 8,460 households, and 5,419 families residing in the city. The population density was 2,683.0 inhabitants per square mile (1,036.5/km<sup>2</sup>). The racial makeup of the city was 78.84% White, 13.34% African American, 0.45% Native American, 2.72% Asian, 0.08% Pacific Islander, 1.22% from other races, and 3.36% from two or more races. Hispanic or Latino of any race were 4.04% of the population.

There were 8,460 households, of which 26% had children under the age of 18 living with them, 47.3% were married couples living together, 12.6% had a female householder with no husband present, and 35.9% were non-families. 28.5% of all households were made up of individuals, and 9.6% had someone living alone who was aged 65 or older. The average household size was 2.33, and the average family size was 2.85.<sup>[15]</sup>

In the city the population was spread out with 22.4% under the age of 18, 8.9% from 18 to 24, 29.3% from 25 to 44, 23.1% from 45 to 64, and 16.3% who were 65 years of age or older. The median age was 39 years. For every 100 females there were 96.2 males. For every 100 females age 18 and over, there were 94.5 males.

The median income for a household in the city was \$40,153, and the median income for a family was \$45,791. Males had a median income of \$29,709 versus \$21,641 for females. The per capita income for the city was \$21,085. About 7.3% of families and 9.9% of the population were below the poverty line, including 16.2% of those under age 18 and 4.1% of those aged 65 or over.

## Top employers

[\[edit\]](#)

According to Fort Walton Beach's 2010 Comprehensive Annual Financial Report,<sup>[17]</sup> the top employers in the city were:

#	Employer	# of Employees
1	Eglin Air Force Base	16,476
2	Hurlburt Field	11,171
3	Okaloosa County School District	3,278
4	Okaloosa County	1,383
5	Fort Walton Beach Medical Center	1,305
6	DRS Technologies	875
7	InDyne	786
8	Northwest Florida State College	763
9	ResortQuest	750
10	BAE Systems	700

## SUMMARY

The local economy had been afflicted by poor market conditions since approximately mid 2005. The low point of the market was mid 2008 to mid 2009.

Since then the single family residential market has rebounded in the entire local area. A stimulus to the return of optimistic residential use was the first time home buyer's bonus as well as the low interest rates at the time.

The market for commercial has historically trended behind the market for residential. Commercial use began to rebound in perhaps 2012/2013 and the demand has been consistent. However, there is virtually no speculative commercial purchases. Buyers generally have specific and immediate use for any property purchased or developed.

Thus, the demand for commercial vacant or improved parcels is lower than the available supply and it is still a buyers market for most commercial uses.

**HIGHEST AND BEST USE 'AS IS'**Legally Permissible

The subject property is zoned C2 by Mary Esther. The C2 zoning allows most commercial uses.

The existing use as an office building is legally permissible.

Physically Possible

The subject parcel is level and at road grade. Soil and subsoil conditions are compatible with commercial development. All utilities needed for commercial use are presently at the site. The size and dimensions of the site are sufficient to allow a wide variety of legally permissible uses. The shape of the site is rectangular and this does not limit utility. Transportation of construction materials or labor to the site is considered to be relatively simple due to the central location of the site within the overall market. Access to the site is good. Therefore, all legal uses are physically possible to some extent.

The fact that the subject exists is the best substantiation that development is physically possible.

Financially Feasible

The subject improvements are legally conforming, have been adequately well maintained, and feature significant remaining economic and physical life as indicated earlier in the report.

Value indications in the sales comparison analysis indicates the existing improvement contributes value to the underlying land. Therefore, use as an owner occupied commercial building is financially feasible.

However, I note that most office users will find the large lobby, the vault and the drive thru portico as a super adequacy and not needed. I would think that virtually all users will face a need to retrofit the subject to some degree, unless a proposed purchaser or tenant was a bank user. However, I would consider a typical office user as much more probable than a bank user.

Maximally Productive

The alternatives of addition, demolition, expansion, modernization, or conversion to alternate uses have been considered within the legal, physical, and financially feasible parameters. Several alternatives exist.

Alternatives for use of improvements:Expansion

The subject is 7,220 HVAC SF and fits the parcel very well. Expansion is not considered feasible due to the site dimensions as it would come at the expense of some parking.

Renovation

The subject improvement is in good condition. No renovation is required.

Downsizing

Downsizing would result in a value decrease from any of the approaches to value. Value indications from the sales comparison analysis and the income approaches show all of the existing areas contribute value. Our viewing of the subject did not indicate any areas which should be downsized. Thus, downsizing would lower value and does not appear to be a viable alternative.

Subdividing

I doubt that the gain of utility would much exceed the cost. Thus, subdivision is not desirable or maximally productive.

Demolition

Demolition would extinguish the existing value attributable to the improvements as indicated in the two approaches to value and no other use is estimated to generate a return sufficient to justify new development and construction at this time. Thus, demolition is not considered beneficial at this time.

Utilizing existing improvements

The subject property should be sold to an end user, most probably for owner/occupant use.

**CONCLUSION OF HIGHEST AND BEST USE 'AS IS'**

*Analysis of recent trends and current market supply and demand strongly indicate the highest and best use of the subject property, 'as is' is continued use as a commercial Office Building, or bank building.*

## SUMMARY OF ANALYSIS AND VALUATION

### Methodology

Site valuation via Sales Comparison Analysis involves direct comparisons of the subject property to similar properties that have sold in the marketplace to derive a comparative value indication for the subject property 'as if vacant,' as of the effective date of value. This approach is also called the 'direct sales comparison approach', or the 'market approach', and tends to be the most reliable approach for estimating the value of vacant land or sites available for development. Other methods of estimating the value of land are available. Allocation, extraction, land residual, ground rent capitalization, and discounted cash flow analysis are all recognized as reasonable methods. However, sales comparison analysis is employed most often by market participants to derive pricing decisions in the local market. Therefore, we employ this method exclusively.

The cost approach is a reliable methodology for new or nearly new buildings. We estimate the replacement cost or reproduction cost, in this case replacement construction cost, of the existing or proposed improvements and site improvements (including direct and indirect costs as well as an appropriate developer profit), deducting accrued depreciation from physical, functional, and external sources from the total replacement or reproduction cost new. The depreciated replacement or reproduction cost of the improvements is added to the value of the site resulting in a value indication of the fee simple interest in the property.

The sales comparison approach is based on the 'Principle of Substitution' which indicates that an informed purchaser would pay no more for a property than the cost of acquiring an equally desirable substitute property possessing the same or similar utility. This approach is applicable when an active market provides sufficient quantities of reliable data which can be verified from authoritative sources. The Sales Comparison Approach is reliable in an active market or if an estimate of value is related to properties which there are comparable sales available. This approach to value is also relevant when sales data can be verified with the principals to the transaction. Heavy emphasis is usually placed on this approach to value in an active market.

The income approach is recognized as a reliable approach for estimating the value of 'income producing' property to an investor. The income approach consists of methods, techniques, and mathematical procedures that an appraiser utilizes to analyze a property's capacity to generate income and convert said income into an indication of present value either by capitalizing the current income at a market capitalization rate or discounting the future cash flows into a present value estimate using an appropriate yield (discount) rate. The appraisal process emulates the market and the most probable buyer would be an investor or prospective owner occupant. Two techniques associated with the income approach are direct capitalization and discounted cash flow analysis.

### Methodology employed and explanation of the exclusion of any of the three approaches to value

I did not perform cost analysis. The subject is 47 years old. In addition, it is my opinion that market participants would not consider the cost to construct the subject as a factor in listing or buying decisions. Thus, I am not performing cost analysis.

The sales comparison analysis for the subject site and improvements was employed in this appraisal.

The income approach has not been utilized. It is my opinion that an owner would not purchase or construct the subject improvements, only to lease it to another market participant.

**COST ANALYSIS  
NOT PERFORMED**

# **IMPROVED SALES COMPARISON ANALYSIS**

**SALES COMPARISON ANALYSIS**

The approach involves direct comparisons of the subject property to similar properties have sold in the marketplace to derive a comparative value indication for the subject property. This approach is also called the 'direct sales comparison approach', or the 'market approach'.

The approach consists of steps in which the appraiser searches the market for sales, qualifies the sales prices and terms, compares the sales to the subject property for differences, adjusts the sales for those differences, and formulates an opinion of value of the subject property from the indicated values (as adjusted) of the sales.

Ideally, the subject would be compared to sales of similar office/bank facilities of a consistent age as the subject. I identified a few sales which could be considered similar.

I used all identified sales, considering that I could reduce the sales to a price/value per SF. This mass appraisal methodology tends to overcome the absence of truly comparable sales via the use of overwhelming market data.

**Unit of Comparison**

Typically, the appraiser reduces the comparable sale to a unit of comparison. Units of comparison represent the unit which is consistently used in the market to derive pricing decisions. Analysis of these sales and other sales reflect the common pricing and valuation unit is dollars per SF of gross space of improvement, or price per unit purchased, both inclusive of estimated land value. This is consistent with the estimated highest and best user of the subject property.

**The units of comparison utilized in this analysis is price per gross square foot (SF) of improvement, inclusive of land value, as demonstrated on the following page.**

**Elements of Comparison**

The following ten (10) basic elements of comparison should be considered in sales comparison analysis:

- 1.) Real property rights conveyed: fee simple, leased fee, leasehold, fractional interest, etc.
- 2.) Financing terms: Cash, cash equivalent, seller financing, financing concessions by seller, etc.
- 3.) Conditions of Sale: Seller concessions, personal property included in sale, parties related, etc.
- 4.) Expenditures made immediately upon purchase: deferred maintenance repairs, rehabilitation, renovation, upgrades
- 5.) Market Conditions: Appreciation, depreciation, stagnation in real estate prices since the time of sale.
- 6.) Location: corner, major traffic artery, city/county, interior lot, etc.
- 7.) Physical characteristics: Size, topography, access to utilities, construction quality, condition, etc.
- 8.) Economic characteristics: rents, operating expenses, vacancy rates, lease provisions, management competence, etc.
- 9.) Use: zoning, future land use, building codes, government control, etc.
- 10.) Non-realty components of value: furniture, fixtures, and equipment.

On the following page, I will present nine closed sales of office/bank buildings and then derive values based on a price per SF.

I note that the array of sales is imperfect as there are no approximate 7,220 SF bank building floating around as recent sales. This requires the appraiser to identify sales that have some of the subject's features and then interpolate from there.

Most of the sales have a mixed age range.

These sales are all 2022 to 2023 sales.

The sales bracket the subject in size and actual age.

**COMPARABLE IMPROVED SALES SUMMARY TABLE - PRICE PER SF**

<b>Nº</b>	<b>Location</b>	<b>Actual Age</b>	<b>Sale Date</b>	<b>Price</b>	<b>Building Size (SF)</b>	<b>Price/SF</b>
1.	23 John Sims Parkway, Niceville - Bank	63	6/30/2023	\$2,314,400	13,009	\$177.91
2.	661 Harbor Blvd, Destin - Bank	24	6/15/2023	\$2,142,900	1,850	\$1,158.32
3.	36164 Emerald Coast Parkway, Destin	21	4/12/2023	\$1,950,000	3,432	\$568.18
4.	13 Memorial Parkway, FWB	52	11/2/2022	\$2,000,000	12,622	\$158.45
5.	45 Eglin Parkway, FWB	14	8/30/2022	\$9,150,000	30,936	\$295.77
6.	1301 Industrial Drive, Crestview - Bank	17	8/9/2022	\$2,975,000	19,801	\$150.24
7.	9539 U. S. Highway 98, Destin	34	3/28/2022	\$2,495,000	7,680	\$324.87
8.	543 Harbor Boulevard, Destin	19	1/28/2022	\$1,100,000	2,628	\$418.57
9.	15 Yacht Club Drive, FWB	36	1/7/2022	\$1,340,000	3,718	\$360.41
	Average	31			10,630	\$401.41
	Average less sale #2	32			11,731	\$306.80
	Subject	45/25			7,220	

**COMMENTS REGARDING THE SALES**

Sales #1, #2 and #6 are bank buildings and are thus similar to the subject if dedicated use is as a bank. Sales #1 and #6 are much larger than the subject and exhibit the market tendency that larger buildings tend to sell for less per unit of comparison than do smaller buildings.

I note that I was suspicious of Sale #2 (previous Beach Community Bank location) as it sold in 2022 for \$1,500,000 and is selling again in 2023 for \$2,142,900, with the purchaser being in Miami, Florida. I conducted some research and found that the buyer is a medical cannabis dealer. It is my experience that cannabis retailers will pay well above market prices for locations that are on prime arterials such as U. S. Highway 98, and /or on corners. This influences me to disclose this sale, and then eliminate it from the analysis.

I selected sales #3, #5, #7 and #8 because of their superior quality of construction, similar to that of the subject. These four sales averaged \$401.85 per SF in selling price. However, I note that two of the four sales are much smaller than the subject.

I selected sales #4 and #9 because they are recent office sales in the greater Fort Walton Beach market. I note again that these two sales reinforce the fact a smaller building will generally sell for more per unit of comparison than will a larger building. They also indicate the tendency that older buildings will sell for less than newer buildings.

**DISCUSSION OF AREAS OF ADJUSTMENTS**

An appraiser could adjust for many possible areas of adjustment, however, the most important areas of adjustment are location, age/curable physical condition, quality of construction and size.

**Location:**

Location can be a significant area of adjustment as parcels located on arterials are almost always more valuable than parcels located on secondary or tertiary arterials. Parcels located in "good" neighborhoods are almost always more valuable than parcels located in "average" areas, all other factors being equal.

**Age/Condition:**

Properties with less actual and effective age are almost always more valuable than properties with more actual or effective ages, all other factors equal. A buyer has more comfort purchasing a 20 year old building as compared to a 40 year old building. In the case of the older building, there is less remaining life overall, as well as the probability that major systems failures such as the roof, HVAC, plumbing or electrical systems may require immediate and generally expensive replacement.

I note that an appraiser tends to distinguish separately between age and condition, as a well cared for older property could be in a better condition than a non cared for newer property. Thus, an appraiser may make an age adjustment in one direction and a condition adjustment in the other direction. However, I do not note typical market participants making this distinction and most of the time a market participant affiliates age with incurable physical condition. Thus, to emulate the market, I typically make only one, combined adjustment.

**Quality of Construction:**

This is an area which requires some experience. Most new properties appear to be of a high quality of construction as the new aspect suggests a higher quality of construction. However, new and inexpensive construction can skew an analysis. Systems such as masonry construction, metal roofs, high quality flooring and features such as solid wood doors are indicative of better construction quality.

**Size:**

Appraisers make size adjustments as larger properties may cost more in total, but have a lower cost to build on a per unit basis (price per SF) as there can often be a bulk discount applied to the construction of more units. This market tendency is an example of the well accepted economic principle of marginal utility which states that the most recent unit added contributes marginally less utility than the previous unit added. This influences an appraiser to make an upward adjustment to a larger improvement than the subject and a downward adjustment to a smaller improvement than the subject, all other factors equal.

See the following page for analysis:

**ANALYSIS:**

The range of value for the 9 comparable sales is \$150.24 to \$1,158.32 per SF, with an average of \$401.41 per SF. However, I am of the opinion that Sale #2 skews the data to the high side and I am eliminating Sale #2. Absent Sale #2, the range of values is \$150.24 to \$568.18 with an average of \$306.80.

The range of size for the 8 remaining sales is 2,628 to 30,936 SF, with an average of 11,731 SF, larger than the subject size of 7,220 SF.

The range of age for the 8 sales is 14 years to 63 years, with an average of 32 years, younger than the subject actual age of 45 years, but older than the subject's estimated effective age of 25 years.

The subject's quality of construction is similar to four sales and superior to five sales.

**Location discussion:**

The subject is located directly on Mary Esther Boulevard and is an out parcel of the Santa Rosa Mall. I consider the subject location to be superior to two or three sales and similar to most of the sales which are located on U. S. Highway 98 in Destin, Eglin Parkway in Fort Walton Beach or John Sims Parkway in Niceville. **Thus, I consider a 5% upward adjustment to be market supported.**

**Age/incurable physical depreciation adjustment:**

The subject has been renovated and its effective age is much lower than the actual age. Because the subject's effective age is so much younger than the average of the sales arrays, I consider the comparable sales as being inferior to the subject **and I will adjust the average of the array upward 5% for inferior age.**

I base this adjustment on the difference between an actual age average of 45 years and an effective age of 25 years for the subject.

**Quality of Construction:**

I consider the subject similar to four sales and superior to five sales. **I will adjust the average of the range upward 10%.**

**Size adjustment:**

The average of the array of 11,731 SF is larger than the subject 7,220 SF. This requires an upward adjustment to the average of the array, based on the well accepted economic principle of marginal utility which states that each additional unit added contributes marginally less utility than did the previous unit added. **I made a 5% upward adjustment.**

Adjustments:

The average sales price is \$306.80 per SF.

I am adjusting the average sales price of the range upward an aggregate 125% (5% = 5% = 10% = 5% = 25%) for location, age, quality of construction and size considerations as discussed above.

**I am also adjusting the average of the range upward 5% for market condition adjustments as some of the sales are dated.**

The final aggregate upward adjustment is 30%.

Adjusting the average of \$306.80 per SF upward an aggregate net 30% results in an adjusted average of \$398.84 per SF., rounded to \$400.00 per SF.

The subject is 7,220 SF.

Multiplying 7,220 SF by \$400 per SF results in a value of \$2,888,000, **rounded to \$2,900,000.**

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Applying another look at the subject value is using the four sales which feature a similar quality of construction, eliminating the 10% quality of construction adjustment.

These four sales averaged \$401.85 per SF, were all located on major arterials as is the subject, featured similar quality of construction and averaged 11,169 SF in size. However, this average is skewed by Sale #5.

All in all, I consider no adjustments to be necessary.

Thus, I consider that the four most similar sales result in a value of \$401.85, rounded to \$400 per SF.

Multiplying the subjects 7,220 SF by \$400 per Sf results in a value \$2,888,000, again rounded to **\$2,900,000**.

---

As a final analysis, it appears that Sale #7 is most similar in size at \$7,680, slightly larger than the subject. It is 34 years old, slightly older than the subject's effective age. It sold on March 2022, with the commercial market appreciating since then .

Applying a rounded 10% adjustment to Sale #7's selling price of \$2,495,000 results in an adjusted value of \$2,744,500, rounded to **\$2,750,000**.

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Thus, we have values of \$2,900,000, \$2,900,000 and \$2,750,000.

These three values average a very rounded **\$2,850,000**.

Accordingly, the -

**MARKET VALUE FOR THE SUBJECT PROPERTY "AS IS"  
VIA THE SALES COMPARISON ANALYSIS  
(As of 9/5/2023)**

**TWO MILLION EIGHT HUNDRED THOUSAND DOLLARS  
\$2,850,000**

## **INCOME ANALYSIS**

**INCOME ANALYSIS**

I am performing an income analysis, primarily to provide alternate value opinion for the value derived in the and sales comparison approaches.

I note that it is almost always a constant in commercial analysis that the cost approach will result in the highest value, the sales comparison analysis will result in a more centrist value and that the income approach will result in the lowest value.

**Contract Rent:**

The subject is vacant and there is no current contract rent.

I spoke to Dustin Parkman, representative of the owner and he stated that the owners were thinking of rent of \$29.00 per SF annually, triple net.

**Market Rent:**

I searched MLS for recent rents of improvements in the local market, to include a small bank building in Niceville, leased by a high end jewelry store.

I also spoke to commercial real estate brokers Chad Knaepple, Dustin Parkman, Janye Nabors and Jason Shirey.

**Leased properties:**

My research discovered many rents in the \$15.00 per SF range, but none of these buildings were comparable to the subject quality of construction and condition.

I mentioned the small (1,625 SF) bank building in Niceville. It leased on 2/20/2023 for \$5,000 per month, or \$45.28 per SF, triple net. I spoke to Chad Knaepple, the listing agent who stated that the lessee was a jewelry store from Panama City who had done their homework and wanted a very nice building on a corner. He also stated that they did not care about the price per SF annually, but were more focused on the \$5,000 per month figure as they could "make that work".

A retail space at 330 Mary Esther Boulevard, adjacent to the subject, rented for \$39.00 per SF on 11/1/2022. This was a 2,764 SF space. Dustin Parkman informed me that the tenant received four months without rent while the lessor completed build out which was factored back into the annual rent.

A condo unit in The Plaza in Destin of 1,520 SF rented on 4/19/2023 for \$3,000 per month, triple net. This is \$23.68 per SF. This space may be lower than the other rents because it is located in a commercial condo.

One should quickly note that these three rents are of smaller spaces. The same principle of marginal utility applies to rentals as well as sales. Thus, I would consider that the subject would rent for less per SF than do these smaller spaces as the subject is 7,220 SF. In addition, as stated previously in the appraisal, the subject presents some super adequacy in the form of the vault, the teller county, the excessive lobby and the drive thru area for a traditional office owner.

**Active lease offerings:**

I also researched active listings. I found a space at 1046 Marwalt Drive in a medical oriented building. The 6,280 SF office was offered at \$13,606 per months, or \$25.00 per SF, triple net. This property approaches the subject size and is almost certainly well built out, being a medical office. This listing has been on the market for 333 days.

A second listing is 2 NE Eglin Parkway, the old Regions Bank Building and later the home of the NW Florida Daily News. This building has been vacant for about three years. It is an approximate 12,000 SF and the list rent is \$24,000 monthly. This is an asking lease rate of \$24.00 per SF annually, triple net. This building has been listed for 795 days, which is over two years. This building illustrates the difficulty in selling or leasing a large building, as there are so few potential purchasers/lessees who need this much nice office area.

**Broker Opinions:**

I asked Mr. Knaepple what he considered a market rent for the subject to be and he very quickly stated from \$20 to 22 per SF.

Mr. Parkman had previously stated \$29.00 per SF.

Research supports a value toward the low side, and I am choosing \$23.00 per SF, triple net.

**This results in a monthly rent of \$13,834 and an annual rent of \$166,060.**

**INCOME ANALYSIS - VACANCY AND EXPENSES**

**Vacancy:**

I assume a 2% frictional vacancy factor.

**Management:**

Management rates typically range from 3% to 7%. I estimate 4%.

**Taxes:**

Paid by the lessee.

**Insurance:**

Paid by the lessee.

**Utilities:**

Paid by Lessee.

**Repairs and Maintenance Exterior:**

Owner paid and estimated at 1%.

**Administration Expense:**

Owner paid and estimated at 1%.

**Reserves:**

Owner paid and estimated at 2%.

**INCOME ANALYSIS - CAPITALIZATION RATE**

Based on data in my files and other market dat indices, as well as national data, I consider a capitalization rate of 7.0% to be market supported.

**DIRECT CAPITALIZATION - "AS IS"**

Per Above Income Calculation			\$166,060
Gross Potential Income (GPI)			\$166,060
Vacancy and Credit Loss (VC&L)	2.00%	of PGI	3,321
Effective Gross Income (EGI)			\$162,739
Operating Expenses			
Management - per above	4.00%	of EGI	6,510
Passed to lessee			0
Passed to lessee			0
Passed to Lessee			
Maintenance	1.00%	of EGI	1,627
Legal, Accounting and Secretarial	1.00%		1,352
Replacement Reserves	2.00%	of EGI	3,255
Total Operating Expenses			\$12,744
Operating Expense Ratio (OER)	7.83%	of EGI	
Net Operating Income (NOI)			\$149,995
Estimated Capitalization Rate for Subject			7.00%
Indicated Value for the Subject derived from Direct Capitalization			\$2,142,783

**RECONCILIATION OF THE INCOME APPROACH 'AS IS'**

Direct Capitalization (DCR) of the proposed net operating income (NOI) indicates a leased fee market value of \$2,142,783, rounded to \$2,150,000.

Accordingly, the -

**MARKET VALUE FOR THE SUBJECT PROPERTY - 'AS IS'**  
**VIA DIRECT CAPITALIZATION**  
**(As of 9/5/2023)**

**TWO MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS**  
**\$2,150,000**

**RECONCILIATION OF FINAL MARKET VALUE**

The following table contains the indicated market values for the subject property in 'as is' condition, as of my most recent viewing, which was on 9/5/2023.

<b>Valuation Method</b>	<b>Indicated Value</b>
Cost Approach	Not Employed
Sales Comparison Analysis	\$2,850,000
Income Approach	\$2,150,000

I did not perform cost analysis. The subject is 45 years old. It is my opinion that neither a potential purchaser or the seller would use cost analysis to base a list price or an offering price. Thus, a prudent appraiser would not use cost analysis.

The sales comparison analysis is generally regarded as a reliable method of deriving value in the local market as it emulates the contemporary actions of knowledgeable purchasers and sellers. The quality and quantity of data is regarded as sufficient to derive a reliable range of value as I used nine sales, all of which included some of the features of the subject.

Given the quality and quantity of the sales data available using this approach to value, I have allocated additional weight to the value opinion from sales comparison analysis.

The income approach indicated a lower value than did the sales comparison analysis. This is typical in appraisal analysis. I note that I have to apply some weight to the income analysis as the subject is vacant, had been a leased property and is as likely to be leased as it is sold.

I am selecting a rounded final value of \$2,600,000, weighting the value derived from the sales comparison analysis more than the value derived from income analysis.

**FINAL VALUE OPINION**

Subject to the above analysis, general assumptions and limiting conditions, and certification of value set forth herein, it is my professional opinion the market value of the fee simple interest in the subject property, 'As Is', as of 9/5/2023 is:

**TWO MILLION SIX HUNDRED THOUSAND DOLLARS**  
**\$2,600,000**

**Marketing and Exposure Time**

The marketing and exposure time linked to the final current value opinion is a range of six (6) to nine (9) months based on market sales of similar properties and current market activity.

**ADDENDA**

Engagement Letter  
Qualifications of the Appraiser  
License

**CLIENT ENGAGEMENT LETTER**

FNBT BANK  
 29 N. EGLIN PARKWAY, FORT WALTON BEACH, FL 32548  
 PHONE: 850-796-2000 FAX: 850-796-2001 EMAIL: APPRAISAL@FNBT.COM

Date of Request: 8/29/2023 Request By: Stefanle Smith  
 APPRAISER: Tom Marr APPRAISAL FIRM: Marr Appraisal  
**SUBJECT: APPRAISAL ENGAGEMENT**

Please find enclosed our request for appraisal services in the form of an engagement letter to be done in accordance with the Guidelines and terms herein. Please sign this letter as acceptance and return to us **within three (3) days** from receipt.

- I. **INTRODUCTION**
- |   |                                       |  |
|---|---------------------------------------|--|
| <input type="checkbox"/> Residential Property           | <input type="checkbox"/> Vacant       | <input type="checkbox"/> Owner-Occupied      |
| <input checked="" type="checkbox"/> Commercial Property | <input type="checkbox"/> Construction | <input checked="" type="checkbox"/> Purchase |

This letter is for professional appraisal services and represents your authorization to prepare an appraisal meeting the current USPAP rules and representing a "Fair Market Value" of the real estate.

**Select Report Type:**

<input checked="" type="checkbox"/> Appraisal Report	<input type="checkbox"/> Restricted Appraisal Report
<input checked="" type="checkbox"/> As is Report	<input type="checkbox"/> As Proposed

Contact is: Ryan Dubois (850) 585-1235.  
 Borrower/Owner: Ryan Dubois or new business entity (being formed today)  
 Address: 129 Staff Ave, Fort Walton Beach, FL 32548 (FYI Current listing notates address as Staff Drive)  
 Parcel No: 13-25-24-195D-0003-0060  
 Brief Legal: PARK PLACE 3RD ADD LOT 6 BLK 3  
 Description: 1,465 SF commercial mixed use building.

II. **FEE**  
 The Fee for appraisal services shall be \$2,000.00  
 The date of completion shall be on or before **September 13, 2023 (10 business days)**

III. **REQUIRED CONTENTS**  
 The Appraisal report shall be prepared with the following minimum guidelines:  
**A.** This appraisal report is to be in writing and in narrative format or on a form approved by FNBT BANK and the appropriate federal banking regulatory agency. Regardless of the format chosen, the report shall be thorough and shall conform to the minimum reporting requirements of the appropriate federal institutions' regulatory agencies.

**B. Conformity** with the Uniform Standards of Professional Appraisal Practice (USPAP) – This appraisal report is to conform to the current USPAP requirements.

**C. Market value** means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:  
 (1) Buyer and seller are typically motivated;  
 (2) Both parties are well informed or well advised, and acting in what they consider their own best interests;  
 (3) A reasonable time is allowed for exposure in the open market;  
 (4) Payment is made in terms of cash in US dollars or in financial arrangements comparable thereto; and  
 (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

**D. DISCLOSURE OF COMPETENCY** – This appraisal report shall make an affirmative statement that the appraiser is competent to complete his report in accordance with the competency provision in USPAP. In the absence of an affirmative statement, the appraiser must disclose any lack of knowledge and / or experience for this assignment and any necessary steps taken to comply with the competence provision in the USPAP.

**E. APPRAISER INDEPENDENCE** – Include in the certification require by USPAP an additional statement that the appraiser has acted in an independent capacity and that the appraisal assignment is not based on a requested minimum valuation, a specific valuation, or the approval of a loan. The appraiser has no direct or indirect interest in the property or the transaction and/or bias with respect to the parties involved.

IV. **CLIENT**  
 FNBT BANK is the client for this report. The intended use of this appraisal report is for loan underwriting or credit decisions. The appraisal shall be ordered or requested by an employee of this institution and payment shall be made directly from the bank to the appraiser, once appraisal is accepted and/or reviewed. All documents furnished from this bank are to be considered confidential information to the appraiser pursuant to the disclosure requirements in the confidentiality section of the ethics provision and Statement on Appraisal Standards Number 5 and are to be returned to us. **ALL APPRAISAL REPORTS MUST INCLUDE A COPY OF THIS LETTER.**

**Note – Please do NOT reconcile using active listings or pending sales. You may provide this information to offer an indication of the market.**

I/we agree to the term of this engagement letter.

Appraiser's Signature: *Tom Marr* Date: 9-7-2023

**EMAIL Final Appraisal Reports to: Appraisal@fnbt.com**  
**ALL APPRAISAL REPORTS MUST INCLUDE A COPY OF THIS LETTER**

Qualifications of  
**Thomas A. Marr**  
State-Certified General Real Estate Appraiser No. RZ 2645 (FL)

M.B.A. Master of Business Administration  
City University of Seattle, Seattle, WA  
B.A. Bachelor of Arts, English  
Pennsylvania State University – State College, PA

**Business Affiliations and Work Experience, Past / Present**

Panhandle Appraisal Group - Real Estate Appraiser - Certified General Appraiser  
Marsh Appraisal Corporation - Real Estate Appraisal and Valuation Services; Certified General Appraiser  
Humphrey and Associates – Real Estate Appraisers; Fort Walton Beach, FL  
Humphrey and Smith – Real Estate Appraisers; Fort Walton Beach, FL  
Appraisal House – Real Estate Appraisers; Fort Walton Beach, FL  
Department of Transportation – Management Analyst  
United States Army

**APPRAISAL AND ADVISORY EXPERIENCE**

**Property Types**

<b>Agricultural Land</b>	<b>Day Care Centers</b>	<b>Office-Warehouse Facilities</b>
<b>Aircraft Hangars</b>	<b>Development Appraisals</b>	<b>Office Condominiums</b>
<b>Antenna Towers</b>	<b>Golf Courses / Clubs</b>	<b>Parking Facilities</b>
<b>Apartments</b>	<b>Health Clubs</b>	<b>Replacement Cost (Insurance)</b>
<b>Hotel and Motels</b>	<b>Home Sites (Lots)</b>	<b>Retail Stores</b>
<b>Bank Buildings</b>	<b>Industrial Land</b>	<b>Retail Strip Centers</b>
<b>Broadcast Facilities</b>	<b>Industrial Improvements</b>	<b>Restaurants</b>
<b>Car Washes</b>	<b>Manufacturing Facilities</b>	<b>Self-Service Storage</b>
<b>Churches</b>	<b>Medical Offices</b>	<b>Subdivisions (Commercial)</b>
<b>Condominium Units</b>	<b>Mobile Home Parks</b>	<b>Single-Family Residences</b>
<b>Assemblages, Complexes</b>	<b>Multifamily Land</b>	<b>Subdivisions (Residential)</b>
<b>And Conversions</b>	<b>Nurseries</b>	<b>Urban Land</b>
<b>Condominium Vacant Land</b>	<b>Office Buildings</b>	<b>Warehouses</b>

<b>Assignment Types</b>	<b>Assignment Purposes</b>	<b>Assignment Locations</b>
Fee Appraisals Including	Acquisition	North Okaloosa County
Full and Fractional Interests	Assessment Appeal	South Okaloosa County
Construction Progress	Disposition	North Walton County
Feasibility Studies	Development Feasibility	South Walton County
Highest and Best Use Study	Estate Planning	North Santa Rosa County
Market Studies	Financing	South Santa Rosa County
Rent Studies	Investment Analysis	Panama City Beach
Insurance		

**Appraisal Education / Courses Completed:****Representative Clients Past/Present**

Principles of Appraising  
Real Estate Appraisal Specialists, Orlando, FL

First National Bank and Trust  
Trustmark National Bank  
Vision Bank

Principles of Highest and Best Use  
Appraisal Institute

Whitney Bank  
Beach Community Bank  
Alternative Funding Corporation  
Kevin Helmich, Esc. P.A.

Advanced Capitalization  
Appraisal Institute

First City Bank  
BankTrust

Appraisal Report Writing  
Appraisal Institute

Gulf South Private Bank  
Access Bank and Mortgage  
Colonial Bank

USPAP Update (15-Hour)  
Ed Klopfer School of Real Estate

Florida Coastal Mortgage  
Vanguard Bank

USPAP Update (7-Hour)  
Ed Klopfer School of Real Estate

Pensacola Guarantee Mortgage  
Suntrust Bank

Appraisal Course ABII  
Ed Klopfer School of Real Estate

People's First Community Bank  
Bank of Bonifay  
Smart Bank  
Regions Bank

My appraisal experience spans approximately 25 years of consistent service in the valuation of all types of commercial and residential property. Coupling this experience with a lifetime of personal residential and commercial real estate investment practice, I am able to bring to my work both the appraisal knowledge and the first-hand investment experience necessary to adequately evaluate real estate from all perspectives; The most important of which is the perspective of the client. I and my firm pride ourselves on professional, courteous, and time-responsive service unparalleled in the local area. Please allow us to service all of your commercial and residential valuation requirements.

**APPRAISER LICENSE**



Ron DeSantis, Governor

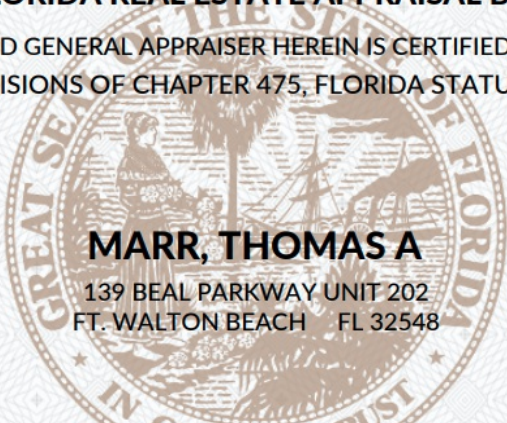
Melanie S. Griffin, Secretary



**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



**MARR, THOMAS A**

139 BEAL PARKWAY UNIT 202  
FT. WALTON BEACH FL 32548

**LICENSE NUMBER: RZ2645**

**EXPIRATION DATE: NOVEMBER 30, 2024**

Always verify licenses online at [MyFloridaLicense.com](http://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.

CITY OF MARY ESTHER  
NEW CITY HALL MODIFICATIONS OR REMODEL PROBABLE COST COMPARISON  
Date: October 2, 2023



To: Mr. Jared Cobb, City Manager  
City of Mary Esther, FL  
195 Christobal Road  
Mary Esther, FL 32569  
850.243.3566 ext 14  
(Via: [jcobb@cityofmaryesther.com](mailto:jcobb@cityofmaryesther.com))

Re: Probable Cost Comparison – New City Hall or Remodel an Existing Building

Dear Mr. Cobb,

Thank you for meeting with us and for the opportunity to provide you with a generalized probable cost comparison between potentially building a new city hall building vs. remodeling an existing property (First Florida Bank) located at 302 Mary Esther Blvd, Mary Esther, FL 32569.



The professional opinion offered is consistent with Florida Architects, Inc. (FLA) normal governmental project requirements, services, and processes normally required for a City Hall in the range of 7,220-NSF (9,747-GSF).

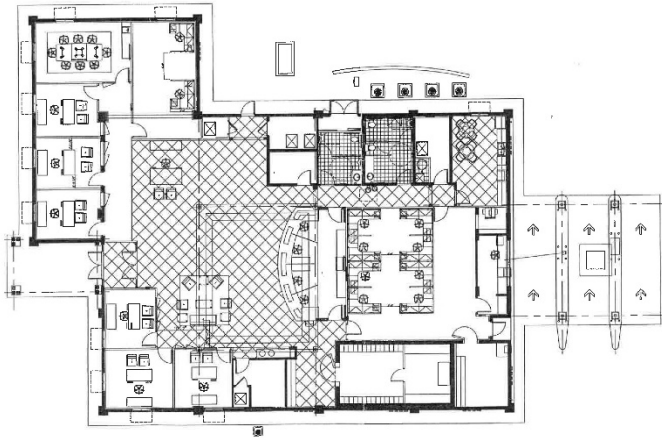
The following items and descriptions represent Florida Architects, Inc. proposed professional architectural and engineering services scope-of-work, deliverables, schedule, and related compensation.

**OPTION #1: EXISTING BUILDING REMODELING**

The existing building is in very good condition, has an emergency generator, with some exterior site improvements necessary, such as parking and driveway coating and restriping.

The interior would require some remodeling to accommodate city functions but are considered to be mostly related to new partitions and some finish work. Specific improvements would be considered during the design phase.

CITY OF MARY ESTHER  
 NEW CITY HALL MODIFICATIONS OR REMODEL PROBABLE COST COMPARISON  
 Date: October 2, 2023



**OPTION #1: Remodeling/Improvements Probable Cost**

Interior: 7,220-NSF x \$75.00/SF = \$541,500

Exterior: Parking & Drive Coatings = \$33,000

**TOTAL OPTION #1: \$574,500**

**OPTION #2: CONSTRUCT NEW CITY HALL**

- Approx. 7,220-NSF x 1.35 = 9,747-GSF (hurricane resistant)
- Reinforced CMU w/Brick Veneer Exterior Walls
- KEE Single-Ply Membrane Roofing on Insulated Concrete Deck & Steel Joists/Beams
- Suspended AT Ceilings
- LVP Vinyl Plank & Carpet Plank Flooring
- Porcelain Tile Restrooms Floors & Wall Finishes
- Painted Gypsum Board Interior Walls & Birch Paneling in Chamber
- Split HVAC System
- Mid-Level Grade Site Work/Minimum Improvements

9,747-GSF x \$322.88/SF = \$3,147,123

Generator Option (whole bldg) = \$245,000

**TOTAL OPTION #2: \$3,392,123 to \$4,000,000**

CITY OF MARY ESTHER  
NEW CITY HALL MODIFICATIONS OR REMODEL PROBABLE COST COMPARISON  
Date: October 2, 2023



The Probable Cost Estimates included are based on minimum assumptions and should be studied further in a design process with more detail. However, this information is a reasonable comparison.

Thank you for the opportunity to *best serve* the City of Mary Esther.

Respectfully Submitted By  
FLORIDA ARCHITECTS, INC.

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Prepared By: Joseph Sorci, AIA, President

Encl: New Building Means Probable Cost Estimate Worksheet

# Cost Estimate Report

Date: 10/01/2023

## City of Mary Esther

195 Christobal Road North Mary Esther, FL 32569  
Mary Esther, Florida, 32569

## Mary Esther City Hall

Year 2023

Assembly Summary Report

Prepared By: Valli Sorci

Florida Architects, Inc.

Division Description		Total
A Substructure		\$93,213.45
B Shell		\$868,455.76
C Interiors		\$525,957.90
D Services		\$681,206.67
E Equipment & Furnishings		\$24,653.98
G Building Sitework		\$384,009.01
<b>Subtotal</b>		<b>\$2,577,496.77</b>
<b>General Contractor's Markup on Subs</b>	<b>5.00%</b>	<b>\$0.00</b>
<b>Subtotal</b>		<b>\$2,577,496.77</b>
<b>General Conditions</b>	<b>11.00%</b>	<b>\$283,524.64</b>
<b>Subtotal</b>		<b>\$2,861,021.41</b>
<b>General Contractor's Overhead and Profit</b>	<b>10.00%</b>	<b>\$286,102.14</b>
<b>Grand Total</b>		<b>\$3,147,123.55</b>

**LETTER OF INTENT**

**SITE:** Mary Esther Bank  
**PROPERTY PARCEL NUMBER(S):** 16-2S-24-0000-0001-001D  
**SIZE:** Approximately 1.01 acres  
**LOCATION:** 302 Mary Esther Blvd, Mary Esther, FL 32569

<b>SELLER:</b> Retail Partners Santa LLC	<b>PURCHASER:</b> City of Mary Esther
209 29th Avenue, Ste. 150	195 Christobal Rd
Nashville, TN 37203	Mary Esther, FL 32569

**OFFER PRICE:** ~~\$2,000,000.00~~ cash at closing ~~\$2,450,000.00~~ *\$2,200,000 J.E. 10/25/23*

**EARNEST MONEY:** \$25,000.00 (to be applied to purchase price at closing) *10/26/23 (MB) until Dec 31, 2023* *\$2,375,000 (MB) 10/26/23*

**DUE DILIGENCE PERIOD.** Purchaser shall have ~~sixty (60) days from the Effective Date~~, ("Approval Period") to obtain approval of the parcel and building. Purchaser retains exclusive right to cancel the Purchase and Sale Agreement during the due diligence period for any reason without penalty or recourse by the Buyer. If Purchaser cancels the Agreement during the due diligence period, the parties agree all earnest money shall be returned without penalty, reduction, or set-off to Purchaser within forty-eight (48) hours of written notice of cancellation of the Purchase and Sale Agreement.

**CONTINENCY:** Purchase and Sale Agreement must be approved by Mary Esther City Council. In the event the city council does not approve the Purchase and Sale Agreement, the Purchaser shall receive the return of all earnest money without penalty, reduction or set-off within forty-eight (48) hours of written notice.

**CLOSING:** Closing on the Premises shall take place within thirty (30) days following the Due Diligence Period to purchase the Premises on the date, time of day and place as Buyer and Seller shall mutually agree.

**SURVEY:** Seller to provide if on file; Buyer to provide survey at Buyer's expense if a survey is not available.

**TITLE:** Buyer to order at Buyer's expense a Title Commitment Survey (title binder) to be provided by Buyer selected title company TBD.

**COMMISSION:** Seller shall pay a real estate commission to NBI Properties, Inc.

**STANDARD CLOSING COSTS:**


**Seller pays:** Deed and/or easement preparation, documentary stamps, recording fee, all assessments or installments which become due prior to the Closing, Seller obligated attorney fees; Agent Commissions

**Buyer pays:** Full purchase price set forth above, less Earnest Money Deposit, Owner's Title Policy, Buyer obligated attorney fees.

**Real estate taxes:** Whether or not then due or payable, shall be prorated to the date of Closing and be the Sellers' responsibility.

**Miscellaneous:** Miscellaneous Closing costs shall be split equally between Buyer and Seller(s) including other costs associated with closing.

Using the foregoing guidelines, we are prepared to negotiate a formal purchase agreement. This Letter of Intent is not a legally binding instrument but is a summary of the terms and conditions for preparation of a formal contract for the purchase of the real property identified above.

  
 PURCHASER

10/19/23  
 DATE

  
 SELLER

10/23/23  
 DATE

**EXHIBIT A**



# AGENDA ITEM

Agenda Item 7.1.

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**TO:** Honorable Mayor and Members of the City Council

**FROM:** Jared Cobb, City Manager

**DATE:** December 5, 2023

**SUBJECT:** Off Base Military Housing

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**BACKGROUND:**

On August 15, I was contacted by Brenner Campbell to discuss a proposal to build an off base dormitory facility in Mary Esther. The facility would support airmen and women from Hurlburt Field and Eglin Air Force Base. Subsequently, on October 17 I attended a meeting with Mr. Campbell and officials from Hurlburt and Eglin to better understand their housing challenges and the proposed alternative.

**DISCUSSION:**

Hurlburt and Eglin officials have articulated a need for more housing to support their mission. The proposal brought by Mr. Campbell was recently implemented at Cannon Air Force Base in Clovis, New Mexico. If the City Council is interested in exploring this alternative, the next step would be to send a formal letter to Eglin and Hurlburt to gauge their interest. Mr. Campbell plans to attend the meeting virtually to provide an overview of his concept and answer questions.

**FINANCIAL IMPACT:**

None.

**RECOMMENDATION:**

Motion to direct the City Manager to send a formal letter to Eglin AFB and Hurlburt Field.

**ATTACHMENT(S):**

# AGENDA ITEM

Agenda Item 7.2.

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**TO:** Honorable Mayor and Members of the City Council

**FROM:** Lonnie Lindsey, Public Works Director

**DATE:** December 5, 2023

**SUBJECT:** Wastewater Treatment Plant Generator Procurement

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**BACKGROUND:**

Previously, the City Council approved a consent order in-kind penalty project to replace the generator at the sewer plant. The Council elected to complete the generator project with a minimum investment of \$133,564.50, in lieu of paying a civil penalty to FDEP in the amount of \$89,043.00.

The existing generator powers our sewer plant, city hall, and public works department and is approximately 30–40 years old. Although it functions adequately at present, its age and the potential difficulty in sourcing replacement parts necessitate considering a replacement.

**DISCUSSION:**

City staff and Jacobs have been working to locate a generator that is in stock, as many are on back-order with wait times of up to one year. Last week we located a generator through Ring Power with state contract pricing that meets our requirements, including a shelter resilient to winds up to 150 mph. The cost is approximately \$160,000, as detailed in the attached quote.

**FINANCIAL IMPACT:**

The proposed expenditure for the generator purchase is \$160,000. An additional \$20,000 is estimated for installation, quoted separately, for a total project cost of \$180,000. This amount slightly exceeds the engineer's estimate and our budget of \$165,000; however, potential savings may arise from reusing recently replaced components and the existing pad.

**RECOMMENDATION:**

Motion to approve the purchase of an emergency backup generator for the sewer plant through a state contract or cooperative purchasing agreement for an amount not to exceed \$160,000.

**ATTACHMENT(S):**

1. Ring Power Quote\_350KW Generator

**Construction and Industrial Equipment (22100000-21-STC)**

**Price Quote Form (PQF)**

Updated 8/16/2021

**Instructions**

Contractor will need to fill in the fields that are in white. Please fill in the requested information as per the requirements of the state term contract.  
 Contractor will need to refer to the Product Group Discount Sheet and/or applicable price sheet on the contract website to locate the applicable Discount %.  
 For all Base Equipment and OEM and Non-OEM Options, Parts, Accessories, and Implements quoted on the PQF, the MSRP List must also be provided to the Customer.  
 Please enter MSRP credits as a negative number or with parenthesis in front of the MSRP. The quantity should be a whole number. Example: \$1532 or (\$1532).  
 If the Customer requests an OEM or Non-OEM Option, Part, Accessory, or Implement from a Group that is different than that of the Base Equipment, the Contractor must provide the Group number in the OEM or Non-OEM Option, Part, Accessory, or Implement Manufacturer/Brand and Description field. **Example: If the Base Equipment requested is from Group 1 and the Customer is also requesting a loader which is only provided in Group 2, the Contractor should indicate "DMS 260 Loader (from Group 2)".**

**Awarded Contractor Information**

Contractor Name:	Ring Power						
Street Address:	500 World Commerce Parkway						
City, State, Zip:	St Augustine Florida						
Contact Person:	Brian Martinez		Title:	Salesman			
Original Quote Date:	11/22/2023	Revised Quote Date:		Est. Delivery:	16-22 weeks from release		
Phone #'s:	Primary: 904-759-5834	Secondary:	850-536-2341				
Email Address:	brian.martinez@ringpower.com						
Fax #:							

**Requesting Customer Information**

Agency/Eligible User Name:	City of Mary Ester						
Contact Person:	L. Shawn Lindsey		Title:	Director of Public Works			
Phone #'s:	Primary: 850-243-3566 X138	Secondary:					
Email Address:	slindsey@cityofmaryesther.com						
Fax #:							

**Secondary Contact for Customer (Optional)**

Contact Person:			Title:				
Phone #'s:	Primary:	Secondary:					
Email Address:							
Fax #:							

Group	Group Description	UNSPSC Commodity Code*	Manufacturer/Brand
15	Power generators (Excluding Portable)	26111600	Caterpillar

Base Equipment Model Number	Base Equipment Description	QTY	MSRP \$###,###.##	Base Equipment Discount % (see Product Group Discount Sheet)	Discount Dollar Amount Per Unit	Net Price Per Unit	Total Price
C13-350	C13DF50- 350kW 480V 60hz 3-ph Emg. Stby Generator -open (N	1	\$ 77,761.00	20.00%	\$ 15,552.20	\$ 62,208.80	\$ 62,208.80
<b>OEM Item Model Number</b>	<b>OEM Option, Part, Accessory, or Implement Manufacturer/Brand and Description</b>	<b>QTY</b>	<b>MSRP \$###,###.##</b>	<b>OEM Discount % (see Product Group Discount Sheet)</b>	<b>Discount Dollar Amount Per Unit</b>	<b>Net Price Per Unit</b>	<b>Total Price</b>
OGNSE1M	LC6114D-60Hz SE Alternator	1	\$ 18,347.00	10.00%	\$ 1,834.70	\$ 16,512.30	\$ 16,512.30
PMEXC13	PERMANENT MAGNET EXCITATION	1	\$ 1,151.00	10.00%	\$ 115.10	\$ 1,035.90	\$ 1,035.90
PWRCTR	POWER CENTER -RH MOUNT	1	\$ 1,145.00	10.00%	\$ 114.50	\$ 1,030.50	\$ 1,030.50
BTC1028	BATT CHARGER UL10A 120V	1	\$ 1,278.00	10.00%	\$ 127.80	\$ 1,150.20	\$ 1,150.20
WHHH03	JACKET WATER HEATER PUMP STYLE	1	\$ 1,537.00	10.00%	\$ 153.70	\$ 1,383.30	\$ 1,383.30
HTRCG01	HEATER CONTROL GROUP	1	\$ 589.00	10.00%	\$ 58.90	\$ 530.10	\$ 530.10
MNTWB08	WIDE BASE	1	\$ 11,499.00	10.00%	\$ 1,149.90	\$ 10,349.10	\$ 10,349.10
ENCST5	SOUND ATTENUATED STEEL ENCLOSURE LEVEL1	1	\$ 38,118.00	10.00%	\$ 3,811.80	\$ 34,306.20	\$ 34,306.20
CBAUX1	AUXILIARY CONTACTS & SHUNT TRIP	1	\$ 447.00	10.00%	\$ 44.70	\$ 402.30	\$ 402.30
<b>SUBTOTAL: OEM Options, Parts, Accessories, and Implements CONTINUED</b>					\$ 3,158.90	\$ 29,417.10	\$ 29,417.10
<b>TOTAL COST: OEM Options, Parts, Accessories, and Implements</b>					\$ 10,570.00	\$ 96,117.00	\$ 96,117.00

Non-OEM Item Model Number	Non-OEM Option, Part, Accessory, or Implement Manufacturer/Brand and Description	QTY	MSRP \$###,###.##	Non-OEM Discount % (see Product Group Discount Sheet)	Discount Dollar Amount Per Unit	Net Price Per Unit	Total Price
Load Test	NFPA 110- Load test 4-hour resistive	1	\$ 1,560.00	5.00%	\$ 78.00	\$ 1,482.00	\$ 1,482.00
					\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -
<b>SUBTOTAL: Non-OEM Options, Parts, Accessories, and Implements CONTINUED</b>					\$ -	\$ -	\$ -
<b>TOTAL COST: Non-OEM Options, Parts, Accessories, and Implements</b>					\$ 78.00	\$ 1,482.00	\$ 1,482.00
<b>Grand Total State Term Contract Price</b>							\$ 159,807.80

<b>Contractor Comments:</b>	#####
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<b>Customer Comments:</b>	Generator is a stock generator located in St Augustine Florida subject to prior sales without notice. Site picture was given, generator does not have a sub base fuel tank. Existing stand alone tank to be used.
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\*UNSPSC = United Nations Standard Products and Services Commodity Code. Refer to the Product Group Discount Sheet for the code(s) applicable to each Group.



# AGENDA ITEM

Agenda Item 7.3.

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**TO:** Honorable Mayor and Members of the City Council

**FROM:** Lonnie Lindsey, Public Works Director

**DATE:** December 5, 2023

**SUBJECT:** Amended Consent Order Penalty Project

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**BACKGROUND:**

On November 6, 2023, the City Council approve an amended consent order with the Florida Department of Environmental Protection (FDEP). This consent order included a civil penalty of \$4,136.00. Alternatively, in lieu of the civil penalty, the City is able to complete an in-kind penalty project of at least \$6,204.00. Staff notified FDEP that the City plans to submit a proposal for an in-kind penalty project. The City is required to submit the project proposal to FDEP by January 14, 2024.

**DISCUSSION:**

Staff discussed a project with FDEP to install inflow protectors on sewer manholes. These simple devices keep storm water that passes over the manhole through sheet flow or stands above manholes during flood events from leaking around and through the manhole cover. Inflow protectors are not required, but can prevent thousands of gallons of rainwater from entering the system on a rainy day.

Based on a recent inspection by the Florida Rural Water Association, our system has over 400 manholes, with inlet protection installed on about 50%. If this project is approved, we will prioritize sewer lines in low-lying areas along streets that flood during heavy rainfall events.

**FINANCIAL IMPACT:**

FDEP requires a minimum investment of \$6,204.00.

**RECOMMENDATION:**

Motion to submit an in-kind penalty project to FDEP for the purchase and installation of inflow protectors.

**ATTACHMENT(S):**

1. Examples of Inflow Protectors

**Examples of Inflow Protectors**



# AGENDA ITEM

Agenda Item 7.4.

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**TO:** Honorable Mayor and Members of the City Council

**FROM:** Jared Cobb, City Manager

**DATE:** December 5, 2023

**SUBJECT:** City Clerk Recruitment Process

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## **BACKGROUND:**

On Friday, November 3, the City Clerk tendered her resignation, which became effective on Tuesday, November 28. The City Council should consider and provide direction on the following:

- Selection of an Interim City Clerk
- Updates to the current job description for the City Clerk
- Recruitment method for the permanent City Clerk

## **DISCUSSION:**

Interim City Clerk - The City Council will need to select an Interim City Clerk to perform the basic duties of the position, including preparing meeting agendas and minutes. The prior City Clerk trained our current Administrative Coordinator, Dillon Morris, for these duties. The Council may appoint Mr. Morris or advertise the position.

Job Description - Prior to the resignation of the City Clerk, GinNeal McVay of Amplified HR Solutions was in the process of updating the job description. Any changes to the current job description requires Council approval. Please review the attached draft job description, provide comments and/or recommend changes.

Recruitment Method for Permanent City Clerk - The position may be filled through an internal recruitment process or hiring an executive search firm. Managing the recruitment internally would primarily require staff time and resources. In contrast, engaging an executive search firm would entail professional service fees. A cost analysis of both options can be provided if requested by the Council.

## **FINANCIAL IMPACT:**

The FY 2024 Budget includes funding for a full-time City Clerk and a part-time Deputy City Clerk. If desired, resources are available to hire an Interim City Clerk and/or contract with an executive search firm to fill the permanent City Clerk position.

**RECOMMENDATION:**

Three separate motions are required:

1. Motion to appoint Dillon Morris as Interim City Clerk. **-OR-** Motion to advertise the Interim City Clerk position.
2. Motion to approve the job description for the City Clerk as presented. **-OR-** Motion to approve the job description for the City Clerk with the following changes: \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_.
3. Motion to direct the City Manager to conduct the recruitment process. **-OR-** Motion to solicit proposals from executive search firms to facilitate the hiring of a permanent City Clerk.

**ATTACHMENT(S):**

1. City Clerk Job Description



## CITY OF MARY ESTHER POSITION DESCRIPTION

**JOB TITLE: CITY CLERK**

### **CITY CLERK DEPARTMENT REPORTS TO THE CITY COUNCIL**



The City of Mary Esther is an Equal Opportunity Employer and does not discriminate on the basis of race, color, national origin, gender, religion, age, disability, marital status, family status or sexual orientation in employment or the provision of services. This is an at-will position. This job description does not constitute an employment agreement between the City and employee and is subject to change by the City as the needs of the City and requirements of the job change.

**GENERAL STATEMENT OF JOB:** Serves as the official custodian of the City's records and the City seal. Serves at the pleasure of the City Council.

#### **ESSENTIAL JOB FUNCTIONS:**

Essential functions are fundamental job duties. They do not include marginal tasks which are also performed but are incidental to the primary functions. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position, nor does every position allocated to the class necessarily perform every duty listed.

- Directs personnel functions of the department (i.e., selection, assignment, evaluation, training, scheduling, interviewing, hiring and discipline).
- Plans, develops, and implements department operating budget; monitors costs and expenditures; orders services, materials, and equipment in accordance with the City's purchasing guidelines.
- Develops, implements, and reviews policies and procedures for the department.
- Attends all meetings of the City Council, Special Magistrate and Local Planning Agency, as well as records and transcribes minutes of the same.
- Advertises all notices as required by law (ordinances, special meetings, TRIM, etc.) in a timely fashion; coordinates with local newspaper for placement of legal and display ads.
- Maintains and safeguards all vital records of the City, including destruction of such records in accordance with State guidelines.
- Coordinates, prepares, and distributes meeting agendas, agenda materials, and posts the same to the City's website.
- Ensures compliance with State regulations for Sunshine Law and Ethics Commission with advertising and information dispersal.
- Responds to all Public Records Requests and Subpoenas Duces Tecum (for production of documents) on behalf of the City.
- Recommends and monitors annual fiscal year budgets for the City Clerk's Office and the City Council.
- Prepares ordinances, resolutions, proclamations to be executed, presented, recorded, and/or maintained.
- Ensures timely codification of the City's enacted ordinances and maintains consolidated Code of Ordinances, Land Development Code and Comprehensive Plan.
- Coordinates with the Okaloosa County Supervisor of Elections for City elections, notifies the

Supervisor's office of resignations and appointments, ballot questions, and serves on the canvassing board for municipal elections; assists candidates during the process before and after elections.

- Maintains all original executed contracts and agreements.
- Responds to invitations and coordinates travel/training on behalf of Mayor, Council, and other representatives of the City.
- Composes and disseminates correspondence on behalf of the Mayor and/or City Council.
- Plans and executes special events and/or local League of Cities quarterly dinners when hosted by Mary Esther.
- Serves as Financial Disclosure Coordinator for the City with the Florida Commission on Ethics.
- May provide signature authority on payable obligations, bank withdrawals, document certifications and attestations.
- Records legal documents with Clerk of Courts office on behalf of the City.
- Gathers information and prepares reports.
- Serves as the point of contact for issuance of RFP/RFB/RFQ's, receives bids solicited by the City for various projects and administers the openings and distribution of the process.
- Provides Notary Public services to the public.
- Interacts with the public in an effective and courteous manner.
- Must demonstrate commitment to our mission, vision, values and goals and represent the City in a professional, dignified manner at all times both in actions and appearance.
- May have a role in the City's disaster preparation and/or recovery efforts; may be required to work before, during and/or after an emergency.
- Must be able to meet minimum attendance standards; may be required to work an irregular schedule, including evenings.
- Performs related duties as required.

**ESSENTIAL PHYSICAL, VISUAL, AND COMMUNICATION SKILLS:**

The physical requirements are that of sedentary work and include exerting up to 10 pounds of force occasionally and/or negligible amount of force frequently or constantly to lift, carry, push, pull or otherwise move objects, including the human body. Sedentary work involves sitting most of the time. Walking and standing are required occasionally. Requires repetitive motion of the wrists, hands and/or fingers. Requires fingering to include picking, pinching, typing or otherwise working primarily with fingers rather than with the whole hand as in handling. Required to operate a motor vehicle to attend offsite meetings.

Requires close visual acuity to perform an activity such as: preparing and analyzing data and figures. Transcribing; viewing a computer terminal; extensive reading; visual inspection involving small defects, small parts, and/or operation of machines (including inspection); using measurement devices; and/or assembly or fabrication parts at distances close to the eyes.

Requires the expression or exchange of ideas by means of the spoken word. Those activities in which they must convey detailed or important spoken instructions to others accurately, loudly, or quickly. Requires perceiving the nature of sounds at normal speaking levels with or without correction. Ability to receive detailed information through oral communication and to make the discriminations in sound.

**ENVIRONMENTAL CONDITIONS:**

The working environment involves everyday risks or discomforts that require normal safety precautions and is nearly absent of potentially disagreeable elements, such as irate customers, outdoor weather conditions, excessive noise, extreme temperatures, odors, dust, etc. The employee is not substantially exposed to adverse environmental conditions (such as in typical office or administrative work).

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:**

Knowledge of principles and practices of municipal government rules for adoption of ordinances, resolutions, and proclamations, requirements for advertising and executive session, records management guidelines, and charter provisions.

Required to operate a personal computer, word processing and spreadsheet software. Requires creative and business proofreading, editing, writing and research; verbal communication; public speaking.

Required to read, analyze, interpret, and apply statutes, codes, policies, and regulations; prepare complex and comprehensive written and oral reports; effectively represent the City and the department in answering questions, responding to inquiries, providing assistance, and dealing with concerns from the public, community organizations, other City staff and other agencies; express ideas effectively both orally and in writing; establish and maintain working relationship with department heads, officials, employees and public.

**MINIMUM & PREFERRED QUALIFICATIONS:**

Bachelor’s Degree in Business Administration, Public Administration or closely related field; supplemented by a minimum of five (5) years of progressively responsible governmental administrative experience; one (1) year of which shall be in a supervisor/management capacity; or an equivalent combination of education, training, and experience that provides the required knowledge, skills, and abilities. Must be computer literate. Experience with Microsoft Word and Excel is required. Experience in a municipal organization is preferred. Experience as a City Clerk, Deputy Clerk, or Certified Municipal Clerk is preferred. Experience with Tyler Technologies ERP Pro software is preferred.

**LICENSURE AND/OR CERTIFICATIONS:**

Requires a valid driver license at the date of hire and maintain said license while employed in this position. Florida Notary Public required or the ability to obtain within three (3) months of hire.

**CREATED:**

**REVISED:**

I have been given a copy of the position description and my signature below indicates my understanding of an agreement to the requirements and responsibilities associated with this position.

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**Employee Name Printed**

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**Employee Signature**

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**Date**

# AGENDA ITEM

Agenda Item 7.5.

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**TO:** Honorable Mayor and Members of the City Council

**FROM:** Jared Cobb, City Manager

**DATE:** December 5, 2023

**SUBJECT:** Facilitator for FY 2024 City Manager Evaluation

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## **BACKGROUND:**

On February 1, 2021, the City Council adopted an evaluation process for the City Manager position. Staff reached out to four facilitators for proposals. Two were received, one from Michelle Bono of Bono Communications & Marketing for the amount of \$5,900-7,900, and a second from Dr. Walt Hanline of the National Center for Executive Leadership and School Board Development for the amount of \$3,000. The Council selected Dr. Walt Hanline to facilitate the evaluation and subsequent evaluations for FY 2022 and 2023.

On November 15, 2023, Dr. Hanline reached out and asked if the City Council would like him to facilitate the FY 2024 evaluation in August 2024 for an amount not-to-exceed \$4,000. A copy of the email is attached for reference.

## **DISCUSSION:**

The City Council should select a facilitator they are comfortable working with. If desired, staff will solicit additional proposals.

## **FINANCIAL IMPACT:**

The FY 2024 Budget includes \$11,000 for the evaluation of charter officers and training.

## **RECOMMENDATION:**

Motion to select Dr. Walt Hanline and the National Center for Executive Leadership and School Board Development to facilitate the FY 2024 Annual Evaluation of the City Manager for an amount not-to-exceed \$4,000. -OR- Motion to direct the City Manager to solicit proposals for the FY 2024 Annual Evaluation of the City Manager.

## **ATTACHMENT(S):**

1. Email\_Dr Hanline

## Jared Cobb

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**From:** Walt Hanline <[whanline@nationalleadership.net](mailto:whanline@nationalleadership.net)>  
**Sent:** Wednesday, November 15, 2023 4:51 PM  
**To:** Jared Cobb  
**Cc:** Fred Van Vleck  
**Subject:** Annual Evaluation

Jared,

I am building my calendar for 2024 and want to schedule my National Center work, recognizing that I am reducing my workload. If you wish for me to facilitate, virtually, your evaluation in September of 2024, the cost will be \$4,000. Please let me know your thoughts. Please respond to this email at your earliest convenience.

Walt



**Walt L. Hanline, Ed.D.**  
Executive Director

☎ 209-765-4818  
✉ [whanline@nationalleadership.net](mailto:whanline@nationalleadership.net)  
🌐 [www.nationalleadership.net](http://www.nationalleadership.net)

# AGENDA ITEM

Agenda Item 7.6.

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**TO:** Honorable Mayor and Members of the City Council

**FROM:** Jared Cobb, City Manager

**DATE:** December 5, 2023

**SUBJECT:** Cancellation of Regular December City Council Meeting

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**BACKGROUND:**

A Special City Council meeting was scheduled for December 5, 2023, to review and consider several time-sensitive topics, including the purchase of 302 Mary Esther Boulevard and selection of an Interim City Clerk. Staff is seeking direction on whether the Council would like to hold or cancel the Regular City Council meeting scheduled for December 12, 2023.

**DISCUSSION:**

If the meeting is canceled, the monthly reports for December will be emailed to the Mayor and City Council for review and placed on the next City Council meeting agenda scheduled for January 16, 2024.

**FINANCIAL IMPACT:**

None.

**RECOMMENDATION:**

Motion to cancel the Regular City Council meeting scheduled for December 12, 2023.

**ATTACHMENT(S):**