

---

**APPRAISAL REPORT**

---

OF

**VACANT LOT No. 37, BLOCK 20  
BAHAMIA WEST REPLAT  
FREEPORT, GRAND BAHAMA**

PREPARED FOR:



AS OF:

**MARCH 19<sup>th</sup>, 2008**

PREPARED BY:

**BERT E. LIGHTBOURNE, PRRA, CCRA**  
PROFESSIONAL RESIDENTIAL REAL ESTATE APPRAISER  
P. O. BOX F- 40693  
FREEPORT, GRAND BAHAMA  
PHONE: (242) 352-4765,  
FAX: (242) 351-5590  
e-mail: belight30@hotmail.com

\*\*\*\*\*

TABLE OF CONTENTS

PAGE NO.

Letter of Transmittal.....	1
Purpose of the Appraisal.....	2
Definition of Value.....	2
Property Rights.....	2
Highest and Best Use.....	2
City Data.....	3
The Subdivision.....	4
Site Data.....	4
Zoning.....	4
Amenities.....	4
Market Study.....	4
Market Value.....	5
Underlying Assumptions.....	6
Certificate of Appraisal.....	6
Qualification of Appraiser.....	7

APPENDIX

Exhibit	“A”	Plot Plan
Exhibit	“B”	Photographs

\*\*\*\*\*

## APPRAISAL CERTIFICATE

I hereby certify that upon application for valuation for:

  
FREEPROT, GRAND BAHAMA

The undersigned personally inspected the following described property:

All that piece, parcel or lot of land known as **LOT No. 37, BLOCK 20**, in the **BAHAMIA WEST REPLAT**, located in the southwestern section of the city of Freeport, Grand Bahama Island, an island in the Commonwealth of the Bahamas, registered in the Registrar General's office Nassau, Bahamas.

And to the best of my knowledge and belief the statements contain in this report are true and correct, and neither the employment to make this appraisal nor the compensation is contingent upon the value reported, and that in my opinion the **MARKET VALUE** as of the **19<sup>th</sup>** day of **MARCH, 2008** is:

**THIRTY FIVE THOUSAND DOLLARS (\$35,000)**

The property was appraised as a whole, owned in fee simple title and unencumbered, subject to the contingent and limiting conditions outlined herein.

  
**BERT E. LIGHTBOURNE, PRRA, CCRA**  
PROFESSIONAL RESIDENTIAL REAL ESTATE APPRAISER



## **PURPOSE OF APPRAISAL**

The purpose of this appraisal is to estimate the market value of the subject property, as to determine the feasibility of obtaining mortgage funds from a local financial institution using the said property as collateral.

## **DEFINITION OF MARKET VALUE**

Market value, as used in this report, is defined as:

The most probable price, in terms of money, which a property can bring in a competitive and open market under all conditions requisite to a fair sale, with a buyer and seller each acting prudently and knowledgeable and assuming the price is not affected by undue stimulus.

## **PROPERTY RIGHTS**

The property rights being appraised are fee simple.

Fee simple is defined as:

The maximum possible estimate one can possess in real property. A fee simple estate is the least limited interest and the most complete and absolute ownership in land; is of infinite duration, freely transferable, and inheritable.

## **HIGHEST AND BEST USE**

Highest and best use is defined by the Appraisal of Real Estate, published by the AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS as: "The use that, at the time of appraisal, is the most profitable use". It may be also defined as: "The available use and program of future utilization that produces the highest present land value".

However, elements effecting value that depend upon events or combination of occurrences which, while within the realm of possibility, are not fairly shown to be reasonably probable, should be excluded from consideration, also if the intended use is depended on an uncertain act of another person, the intention cannot be considered.

Based on the above definition and after seeing the site, neighborhood, and area, it is my opinion that the present use of the subject property is its highest and best use.

## CITY DATA

The city of Freeport is the main focus of development on the island of Grand Bahama, which is the fourth largest Island in the Bahamas archipelago. It is less than a hundred miles from the coast of Florida.

Development in Freeport commenced around 1955. The city covers an area of about 150,000 acres and has a population of approximately 45,000 people.

**IN GENERAL.....**Freeport is a very desirable place to live in; the city is very well laid out and planned, and has extremely strict zoning codes that are strongly enforced. Areas are specifically allocated for light and heavy industry, and commercial and residential development. The residential areas are clearly defined, and very limited business activity is allowed to be conducted therein. Freeport is admired by visitors and residence alike for its very attractive appearance; the landscaped streets throughout the city are kept and maintained in manicured condition.

**HOUSING.....**A good variety of homes and apartments are available in Freeport with prices ranging from \$85,000 to over \$4,000,000. Rentals (depending on size and location) can run from \$500 to over \$10,000.

**SCHOOLS, CHURCHES, AND RECREATION.....**Schools on the island range from kindergarten, elementary to high school and junior college, and include parochial, that are operated by the various churches and a number of public schools. Churches on the island include most denominations such as Roman Catholic, Anglican Episcopal, Methodist, Lutheran, Presbyterian, Baptist, and Jewish to mention a few. For recreation most of the hotels have exercise rooms equipped with the most modern facilities, and in addition; swimming pools, tennis and volley ball courts are found on most of these properties. And above all, there are the many beautiful beaches. There is also a local Y. M. C. A. that is used by the general public for numerous sporting and recreational activities.

**MEDICAL.....**The Rand Memorial Hospital (75 to 100 beds) is the only one on the island, however there are an ample number of medical clinics and medical centers that provide medical and dental services. Extreme medical cases can be readily transported to hospitals in Florida, less than 100 miles away or to the hospital in Nassau.

**CONCLUSION.....**Freeport saw very rapid growth during its "hay day" the late sixties and early seventies. However, from the mid-seventies and into the nineties a fluctuating down turn in the economy was experienced due to recessions throughout the western world. Finally there is evidence once again of a gradual growth trend, which is expected to continue for some time to come.

There are a number of investment projects in process such as wet and dry docking facilities for ship repairs; a multi-million dollar container port that is now in its fourth phase, all at Freeport harbour. Among other industrial developments are: oil refining and storage facilities, pharmaceutical plants, plastic and construction products. And in the tourist sector, three hotels on the Lucayan Beach Strip (Our Lucaya Hotels & Isle Of Capri Casino) have been re-built into a large 4-star complex including a casino. There are many other building projects including the re-development of the hotel properties in the Western end (WEST END) of the island (Old Bahama Bay Resort).

## THE SUBDIVISION

The subject property is situated in the **BAHAMIA WEST REPLAT**, in the southwestern section of the city of Freeport, Grand Bahama, and is located about 2.35 miles from the center of town. The subdivision is developed with mainly single-family, duplex and multi-family dwellings.

The AREA is fully serviced with utilities such as: Power, paved streets, mains water, telephone and cable television.

## THE SITE

The land is known as Lot No. 37, Block 20. The lot is flat and generally irregular in shape having an area of approximately 12,125 sq. ft. or 0.278 acres. The lot is bounded on the west by lot 36, running about (115) feet, on the north by Tract "F", running about (165) feet, on the east by lot 38, running about (120) feet and fronting on the south at the top of cul-de-sac **PERTH COURT**.

## ZONING

The property is located in an area zoned as "**SINGLE FAMILY**".

## AMENITIES

Distance to (in miles):

Down Town: 2.35    Hospital: 2.35    Airport: 2.75    Harbour: 2.55

Shopping: 1.55    Post Office 2.35    High School: 2.20

## MARKET STUDY

A study of lot prices in the general area revealed that lots of similar size have been sold between \$30,000 and \$37,000.

## MARKET VALUE

After completing a market study of the described area and comparables to the subject, over the last eighteen months and after considering the size of the said lots, the appraiser puts a **MARKET VALUE** on the said lot as of the 19<sup>th</sup> day of **MARCH, 2008** of: **\$35,000.**

**UNDERLYING ASSUMPTIONS AND LIMITING  
CONDITIONS APPLICABLE TO THIS APPRAISAL**

1. I assume no responsibility for matters legal in nature, nor do I render any opinion as to title, which is assumed to be marketable. The property is appraised as though under responsible ownership.
2. The legal description used herein is assumed, but is not guaranteed to be correct.
3. I have made no survey of the property, and the boundaries are taken from records believed to be reliable. The sketches in this report are included to assist the reader in visualizing the property, and no responsibility is assumed for their accuracy.
4. I am not required to testify or appear in court on matters contained herein, unless previous arrangements have been made.
5. The distribution of the total valuation in this report between land, and the separate valuation for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
6. I assume that there are no hidden or unapparent conditions of the property, subsoil or structures which would render it more or less valuable. I assume no responsibility for such conditions or for engineering which might be required to discover such factors.
7. The information, estimates, and opinions furnished to me and contained in this report were obtained from sources considered reliable and believed to be true and accurate. However, no responsibility for accuracy can be assumed by me.
8. This report is to be used in its entirety and only for the purpose for which it was rendered.
9. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS and THE SOCIETY OF REAL ESTATE APPRAISERS or to the R. M. or S. R. A. designation) shall be reproduced, published, or disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication, without the prior written consent and approval of the appraiser.

## CERTIFICATE OF APPRAISAL

This appraiser hereby certifies that:

1. I have no present or contemplated future interest the subject property.
2. I have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved. My findings are not based on the employment to make the appraisal or the compensation expected.
3. To the best of my knowledge and belief, the statements of fact contained in the appraisal report, upon which the analyses, opinions and conclusions expressed herein are based, are true and correct.
4. The appraisal report sets forth all the limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analyses, opinions and conclusions contained in this report.
5. This appraisal report has been made in conformity with and is subject to the requirements of the code of professional ethics and standards of professional conduct of the appraisal organizations with which the appraiser is affiliated.
6. No one other than the undersigned prepared the analyses, conclusions and opinions concerning real estate that are set forth in this appraisal report.
7. Based upon the information contained in this report and upon my general experience as an appraiser, it is my opinion that the market VALUE as defined, of the subject property, as of the 19<sup>th</sup> day of MARCH, 2008 is:

**THIRTY FIVE THOUSAND DOLLARS (\$35,000)**



**BERT E. LIGHTBOURNE, PRRA, CCRA**  
PROFESSIONAL RESIDENTIAL REAL ESTATE APPRAISER

## QUALIFICATIONS OF APPRAISER

**EDUCATION**....The Appraiser holds an **ASSOCIATE OF ARTS DEGREE**, in **Business Management**, from the College of the Bahamas. Studied at the University of Miami, Senior Business Management Program.

**CERTIFICATE**: Principals and Practice of Real Estate, Florida International University. **CERTIFICATE**: Real Estate Law , COB. **DIPLOMA**: Professional Residential Real Estate Appraisals. The National College of Appraisals and Property Management, Atlanta Georgia. (1993).

**PROFESSIONAL MEMBERSHIPS**.....Member: Bahamas Real Estate Association: **License No. 215**. The American Society of Professional Real Estate Appraisers, **Designation: (PRRA) Professional residential Real Estate Appraiser**. National Society of Real Estate Appraisers, **Designation: (CCRA) Certified Commercial Real Estate Appraiser**. Licensed by the Grand Bahama Port Authority, and insured by Lloyd's through Insurance Management Company, Nassau, Bahamas.

**EXPERIENCE**.....1966 – 1970 worked with CHASE MANHATTAN TRUST CORPORATION, as junior trust and custody officer, duties included the management of customers investment portfolios. 1970 – 1976 LOWE'S PARADISE ISLAND HOTEL, Nassau and the HOLIDAY INN HOTEL, Freeport, Grand Bahama; Assistant to The Controller, duties included supervision of staff, and reporting of all revenue from Food & Beverage.

1976 to present, REAL ESTATE DEVELOPMENT, SALES AND APPRAISALS.

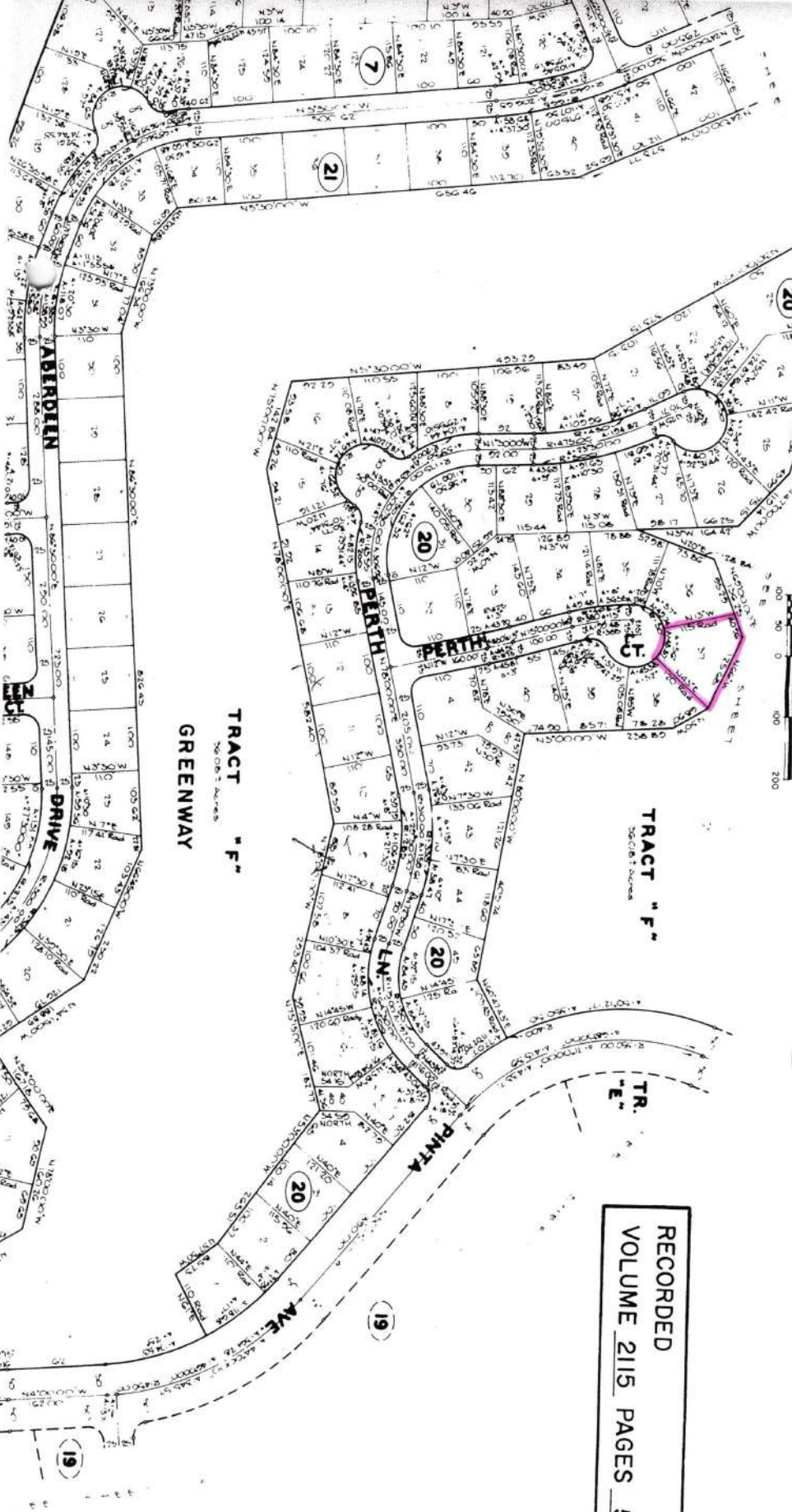
\*\*\*\*\*

# Bahamian West Replat

EXHIBIT "F"  
JUNE 1973  
JOB No.- 17.211

RECORDED  
VOLUME 2115 PAGES 5 TO 17

BERT E. LIGHTBOURNE, P.R.R.A.



BERT E. LIGHTBOURNE, P.P.R.A.



**FRONT VIEW OF LOT**



**VIEW OF AREA**