

**APPRAISAL REPORT
ON
REAL ESTATE ADDRESSED
@
LOT NO.13, BLOCK NO.3
LINCOLN GREEN SUBDIVISION,
UNIT 1
FREEPORT, GRAND BAHAMA**

**Requested by
FIDELITY BANK
FOR**

**[REDACTED]
of the city of Freeport, Grand Bahama , Bahamas
and prepared by**

**ASTON JONES & ASSOCIATES
Licensed Real Estate Appraisers
Nervee Professional Building
7A, West Mall Drive
P.O. Box F-41684
Freeport, Bahamas
tel. 242 3512061**

PURPOSE OF APPRAISAL

This appraisal was made for the purpose of estimating market value of the subject real estate.

LEGAL DESCRIPTION

All that piece parcel or tract of land legally referred to as Lot no.13, Block no.3 in the Lincoln Green, Unit 1 Subdivision in the city of Freeport, Grand Bahama.

STATEMENT OF LIMITING CONDITIONS & ASSUMPTIONS

No responsibility has been assumed for matters which are legal in nature, and this appraisal assumes marketable title. Liens and encumbrances, if any, have been disregarded and the property is valued as though free from indebtedness.

The valuation is in Bahamian Dollars. The Bahamian dollar is on par with the U.S. dollar.

No investigation was carried out to determine the magnitude, nature and strength of the strata forming the subject land.

The areas and dimensions indicated in this report are assumed to be correct.

The appraiser has made no land survey of the property and assumes no responsibility in connection with such matters. Any related drawings or identified survey of the property included in this report is only for the purpose of assisting the reader to visualize the property.

The appraiser is not required to give testimony or attendance in court by reason of this appraisal unless arrangements have been previously made.

CERTIFICATION AND MARKET VALUE

I hereby certify that I have inspected the land as it physically exists at the present time, whose address is herein described as Lot no.13, Block no.3, Lincoln Green Unit 1 Subdivision, Freeport, Grand Bahama, and that the fair value has been developed from verified information.

I further certify that:

The reported analysis, opinions and conclusions are limited only by the reported assumptions and limiting conditions;
the appraiser has no interest, present or prospective, direct or indirect, financial or otherwise, in the property that is the subject of this appraisal; and is not associated with any of the parties involved with the subject real estate;
the appraiser's compensation is not contingent upon an action or event resulting from the analysis, opinions or conclusions in or the use of, the appraisal.

Assessment of the real estate, whose address is given at caption, made this 22nd Day of March 2016, results in an appraised market value of **forty-two thousand four hundred and ninety-four (\$42,494.00) dollars as is.**

Respectfully submitted,
Aston Jones & Associates


Aston Jones
Licensed Real Estate Appraiser
MBREA
#384

SUMMARY OF SALIENT FACTS & CONCLUSIONS

Subject Real Estate:	Lot no.13, Block no.3, Lincoln Green, Unit 1 Subdivision, Freeport
Date of Appraisal:	22nd March 2016
Appraisal Requested by:	Fidelity Bank [REDACTED]
Land Size:	13,800 square feet or 0.31 acres
Forced Sale Value	\$31,870.00 (less 25% market value)
Assigned Market Value:	\$42,494.00

AREA PROFILE

The Island of Grand Bahama

Grand Bahama is the fourth largest island among the archipelago of islands which make up the Commonwealth of the Bahamas. It is the second most populous island. It lies 100 miles north of the island of New Providence which accommodates the capital city of the nation, Nassau; and it is 87 miles to the southeast of the coast of Florida. Freeport is the main city on Grand Bahama.

The City of Freeport

Freeport occupies approximately the middle third of Grand Bahama and has a land area exceeding 233 square miles. The community is supported by a relatively broad economic base of industry, commerce and tourism.

Tourism is the major support system with 23 hotels contributing about 2,000 rooms and 230 "time-share" villas. However, industry based about the Freeport Harbour Area is becoming more and more supportive to Freeport's economy. The city is known as an important transshipping point for traders, covering markets in Latin America and the Caribbean.

Freeport's harbour can now accommodate the largest ships in the world and its airport's runway can accommodate the world's largest aircraft. It can supply 6.5 million gallons of potable water per day and sells its water for 20% of Nassau's cost. The power company has a capacity of 127 megawatts with a current demand of 58.4 megawatts and this electricity is sold at a rate of 85% of Nassau's sales price.

The Grand Bahama International Airport recently redeveloped its facility to the tune of \$50 million dollars and built a new air control tower.

Freeport's Container Port has grown by "leaps and bounds" - and continues to outdo projected business.

Memories (a hotel in the Port Lucaya area) were recently opened.

GENERAL VICINITY

Lincoln Green is the name given to an area which has been subdivided into five units and zoned for residential development. The fifth unit of this subdivision is now referred to as 'Clearwater Cove'.

The tract of land containing the Lincoln Green Subdivision is situated near the center of Freeport's overall area (developed and undeveloped).

The subdivision is bounded to the east by Fortune Bay Drive, and to the west by Churchill Drive; two neighborhood collector streets. The northern boundary of the subdivision is bounded by Grand Bahama Highway, and the southern boundary is bounded by East Sunrise Highway; two arterial roads.

The majority of lots range in size from .30 acres to .40 acres.

Lincoln Green Subdivision lies an approximate distance of 7-1/2 miles from the international bazaar which is the largest shopping complex on the island, 8 miles from the Freeport's town center and 5 miles from the nearest medical facility.

Lincoln Subdivision was developed rather recently. Most of the infra-structural facilities are in place. These include paved roads, mains electricity and city running water. Aerially strung cables carrying boosted television reception service lines are not as yet available to all lots throughout the subdivision. The subject real estate has all of the above mentioned services.

The Development Company is the developer of the subdivision. This company is authorized by law to carry out the administrative functions and general maintenance of the city of Freeport. (That is, it acts as a quasi-government agency. The Bahamas Government is responsible for POLICE, IMMIGRATION, TAXES and REGISTRATION of LEGAL DOCUMENTS.)

THE SITE

The real estate in question is addressed at Lot No.13, Block No.3. This parcel of land is situate within the Lincoln Green Subdivision, Unit 1. The lot lies in an area that is zoned as 'duplex residential'. The property is located one lot east of the intersection of Ludford Avenue and Ludford Place. The lot fronts along Ludford Avenue. The site's positioning in the neighborhood is estimated to be about 300 yards to the east of Churchill Drive, a neighborhood collector street, and about a half mile to the north of East Sunrise Highway, an arterial road.

Directions....travel west along East Sunrise Highway from the Casuarina Bridge , then turn right at the fifth corner onto Churchill Drive, then turn right at the fourth corner onto Ludford Drive, then turn first right onto Ludford Road, then turn first left onto Ludford Avenue and the subject lot is the second on the right hand side of the street just before reaching the first corner on the right .

The immediate area is slow with individual lot development. However, a few occupied duplex apartments and about four buildings at various stages of construction exists nearby; but within a radius of about 400 yards of the subject lot, a number of duplex apartment buildings and single-family houses are under construction. The immediate vicinity is, otherwise, consumed by the mature growth of natural vegetation typical to the island of Grand Bahama.

The terrain of the subject lot is flat and somewhat 'rocky'. The configuration of the lot is rectangular. The lot has a width of 115 feet and a depth of 120 feet. These lot dimensions result in a land area of 13,800 square feet or 0.31 acres.

THE APPRAISAL PROCESS

(a) Property Rights Appraised

The property rights appraised are all rights that are existing in fee simple on the appraisal date. These rights are the legal and economic properties of the owners that may rightfully be exchanged for money or equivalent goods.

Property rights inherent in the ownership of tangible personal property, and intangible benefits of the property itself, are not the subject of this report.

(b) Market Value

For the purpose of this appraisal, Market Value is defined as the highest price estimated in terms of money which a property will bring if exposed for sale in the open market, allowing a reasonable time to find a purchaser who buys with the knowledge of all the uses to which it is adapted, and for which it is capable of being used.

Frequently, it is referred to as the price at which a willing seller would sell and a buyer would buy, neither being under abnormal pressure. It is the price expected if a reasonable time is allowed to find a purchaser and if both seller and prospective buyer are informed. (Appraisal Terminology And Hand Book 5th. Ed., American Institute of Real Estate, Appraisers, Chicago, 1973).

The generally accepted method of obtaining the market value of a parcel of property is by the use of the three (3) approaches to value. These approaches are the Cost Approach, the Income Approach, and the Market Data Approach.

The value indicated by each approach is carefully reviewed and that approach, which in the judgment of the appraiser most adequately reflects all the circumstances in connection with the property under appraisal and the purposes for which the appraisal is being made, will be selected as the best indication of Market Value.

In this appraisal, we apply the **market data approach** using comparable nearby land sales to prove **land value** of the subject property.

We apply the **cost approach**, and the **comparable sales approach** with respect to the **site improvements**.

ZONING and HIGHEST AND BEST USE

The subject lot of land exists in a vicinity which is zoned for duplex residential development. The neighborhood is being developed with duplex and multi-family residences. Its geographical location is such that it enjoys peace and privacy but it is not within convenient proximity to most services a resident will require in a city such as Freeport.

COMPARISON CHART

	S u b j e c t							Average/s.f.
	Property	Comp. 1	Adj.	Comp. 2	Adj.	Comp. 3	Adj.	
Property Description	L i n c o l n Green Unit 1 Lot.13 Bl.3	Bristol Bay Unit.. 2 Lot .3 Bl-12		Bristol Bay Unit 2 Lot..12 Bl..10		Shannon Lot -15 Bl-2		
Date Of Sale		2013		2012		2013		
Sold		\$26,000.00		\$25,000.00		\$25,000.00		
Listed								
Size of lot	13,800 s.f.	20,436 s.f.		17,441 s.f.		20,251 s.f		
Zoning	d u p l e x family	-Multi- family		multi-family		Multi-family		
Interior	Yes	Yes		Yes		Yes		
Value/s.f.		\$1.27	25%	\$1.43	25%	\$1.23	25%	\$1.31 s.f..
Adjusted Value/s.f.		\$1.58/s.f.		\$1.78/s.f.		\$1.53/s.f.		\$1.63
Adjusted values								
S u b j e c t Value	\$22,494.00							

No other reliable comparables could be found in the same neighborhood as the subject. These comparables are all within two (2) miles of the subject and the comparable subdivisions are equal in prestige to the subject. The comps used are multi-family lots and the subject lot is a duplex lot. However, these lots were sold under forced sale conditions. Hence the adjustments were made.

However, when the value (\$20,000.00) of the incomplete building is added the total value becomes forty-two thousand four hundred and ninety-four (\$42,494.00) dollars. Due to the poor economic climate on the island of Grand Bahama, real estate values declined for the past year by as much as 35% in some areas. However, values seem to be stable presently.

ANALYSIS, CORRELATION and CONCLUSIONS

The purpose of the appraisal is to arrive at a fair market value.

In the subject appraisal, the comparable sales value, or value by market data is available and it serves as the most accurate of the three approaches to appraising.

Consequently, the writer assigns a market value of forty-two thousand four hundred and ninety-four (\$42,494.00) dollars as the market value of the subject real estate.



Aston Jones



