

APPRAISAL REPORT
on
REAL ESTATE
@
LOT #9, BLOCK Q
BAHAMIA SOUTH, Section I
FREEPORT, GRAND BAHAMA

Requested by
FIDELITY BANK
FOR

[REDACTED]
in the city of Freeport,
and prepared by

ASTON JONES & ASSOCIATES
Licensed Real Estate Appraisers
Nervee Professional Building
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Freeport, Bahamas
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PURPOSE OF APPRAISAL

This appraisal was made for the purpose of estimating market value of the subject real estate to assist a financial institution.

LEGAL DESCRIPTION

All that piece parcel or tract of land legally referred to as Lot no.9, Block "Q", Bahamia Section 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.9, Block "Q", Bahamia Section 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 20th Day of May, 2015, results in an appraised market value of **Twenty-six Thousand (\$26,000.00) Dollars.**

Respectfully submitted,
Aston Jones & Associates


Aston Jones
Licensed Real estate Appraiser
MBREA
#384

SUMMARY OF SALIENT FACTS & CONCLUSIONS

Subject Real Estate: Lot no.9, Block "Q", Bahamia Section 1
Subdivision, Freeport

Date of Appraisal: 20th May 2015

Appraisal Requested by: Fidelity Bank

Land Size: 16,500 square feet or 0.38 acres

Assigned Market Value: \$26,000.00

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 continue to outdo projected business.

Memories (a hotel in the Port Lucaya area) was opened a few months ago. The sale and re-opening of a major hotel in the heart of Freeport city was made public months ago, and signs of mobilizing is evident.

THE GENERAL VICINITY

The subdivision, Bahamia, was developed by the Princess Realty Company. It is presently being developed by Bahamia Service Company. It is essentially a residential area zoned for single family, duplex and multi-family. The new developers continue to maintain the area with respect to roads, garbage, water and sewerage services. Bahamia was planned to accommodate Freeport's middle class and upper middle class residents. Recently, though, adjustments were made to reduce some lot sizes, and effect some zoning changes.

The subject section of the Bahamia Section 1, subdivision, is zoned for single family residential. Individual lot development is occurring at a steady rate. There are a few occupied houses within a one hundred yard radius of the site in question. The remaining land is undeveloped.

All infrastructural facilities available in Freeport are accessible to the property in question. These include city running water, mains electricity, telephone and boosted television reception service, and paved roads.

The location of the area is attractive to most businessmen. It is less than four miles from downtown Freeport and just as close to the main Heavy Industrial Area and the Freeport Harbour.

THE SITE:

Lot #9, Block Q is located along the eastern side of Point Look Out Drive a minor street, which is connected to Robert Maynard Drive to the south (a neighborhood collector street).

Directions....travel west along West Sunrise Highway from the town area, then turn left onto the second corner (Santa Maria Drive), then turn first right onto Woods Rodgers Drive, then turn right onto Point Look Out Drive which is the sixth corner (excluding the cul-de-sac), and the subject is the tenth (10th) on the left hand side of the street.

The lot has the configuration of a rectangle. It's road and rear boundaries are each 110 linear feet and the lot has a depth of 150 feet. The total land area is 16,500 square feet or 0.38 acres. The terrain is relatively flat.

To date the site has not been cleared of its natural vegetation.

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 judgement 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 single family residential development. Its geographical location is such that it enjoys peace and privacy and it is within convenient proximity to most services a resident will require in a city such as Freeport.

LAND EVALUATION MARKET DATA APPROACH

Due to the poor economic climate on the island of Grand Bahama, the developers of this subdivision have recently listed their base value to sixty-five thousand (\$65,000.00) dollars per acre for lots in the immediate vicinity without golf course frontage. Other features like positioning in the neighborhood, lot size, land elevation, lot configuration, etc. effect modifications to the value of the property. Not many lots are available in the subject vicinity.

Reflecting these situations, Lot no.9, Block "Q", has an assigned value of twenty-six thousand (\$26,000.00) dollars.

PHYSICAL CONDITION

To date the lot has not been cleared of its natural vegetation Pine and shrubbery typical to Freeport.

VALUE OF IMPROVEMENTS - COMPARABLE SALES APPROACH

AREA VALUES

The real estate in question is situated in a single-family only residential neighborhood. House sizes range from 1,400 square feet to in excess of 3,000 square feet. Replacement values on single-family developments (without land value) would range between \$140,000.00 and \$450,000.00.

COMPARABLE VALUES

Real estate values presently are reflecting the values of about 6 years ago.

Status	Location	Size	Date	Price	\$/Sq.Ft.	Adj %	Adj \$/s f	Adj. price
Sold	Bahamia West Lot . 6, Bl . 13	12,350s.f.	2015	\$25,000.00	\$2.02	0%	\$2.02	
Sold	Bahamia West Lot..10 Bl. 21	19,589 s.f.	2015	\$15,000.00	\$0.76	10%	\$0.83	\$16,258.87
Sold	Bahamia West Lot. 15, Bl 23	15,251 s.f.	2013	\$28,000.00	\$1.83	0%	\$1.83	
Average					\$1.53		\$1.56	
	Subject	16,500 s.f.		25,740.00				

ANALYSIS, CORRELATION and CONCLUSIONS

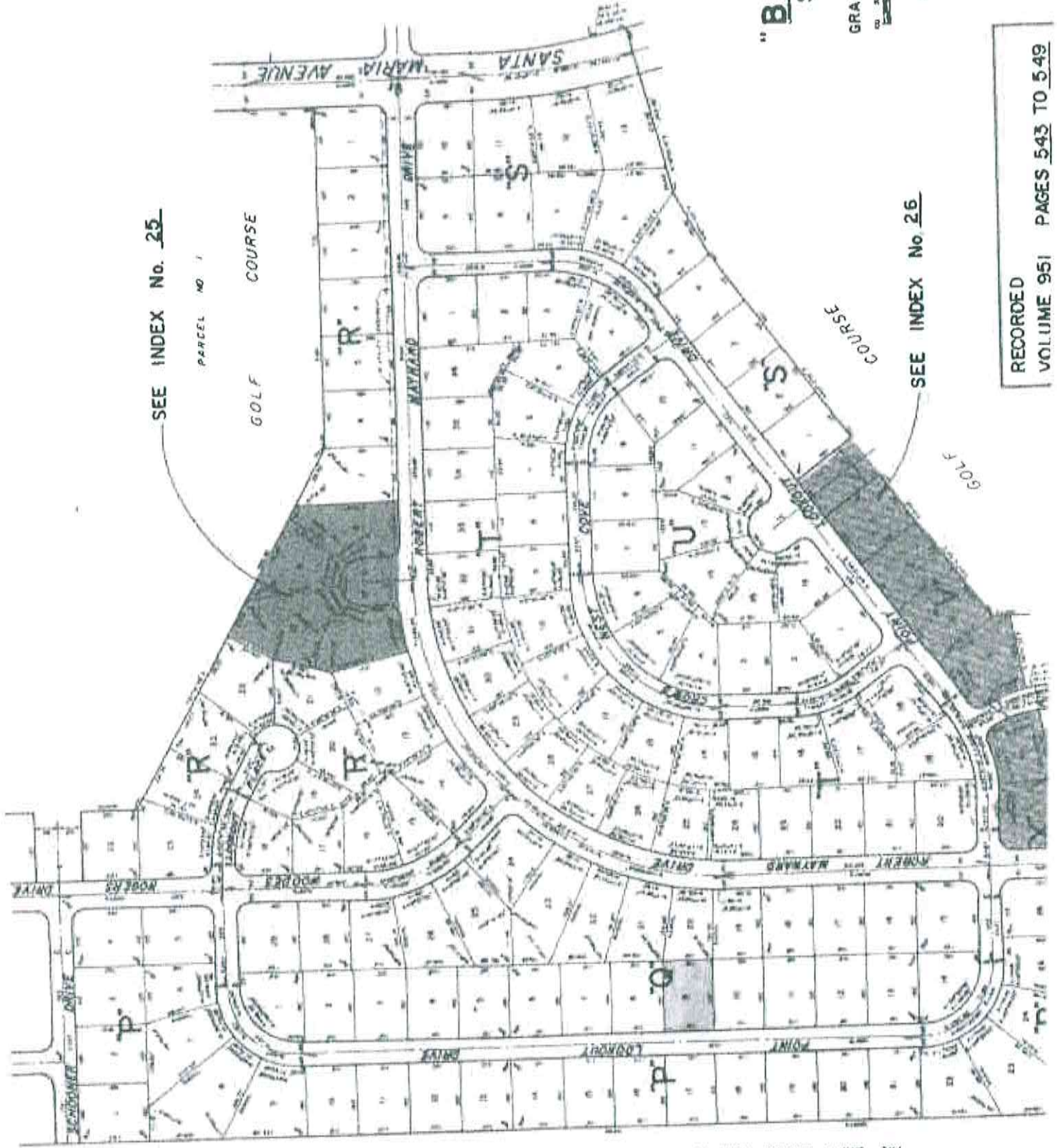
The purpose of the appraisal is to arrive at a fair market value.

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

Consequently, the writer assigns the value from comparable sales, **twenty-six thousand (\$26,000.00) dollars rounded.**



Aston Jones



THE GRAND BAHAMA PORT AUTHORITY LTD. TRACT

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GOLF

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