

[REDACTED]

**APPRAISAL REPORT
ON
RESIDENTIAL DEVELOPMENT
addressed as
LOT #279,
BRITANNIA
FREEPORT, BAHAMAS**

**Requested by
Fidelity Bank (Bahamas) Limited
For**

[REDACTED]
**Of the city of Freeport,
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.279 in the Britannia Estates 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.279, Britannia Estates 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 15th Day of May, 2015, results in an appraised market value of **Thirty Thousand (\$30,000.00) Dollars.**

Respectfully submitted,
Aston Jones & Associates


Aston Jones
Licensed Real Estate Appraiser
MBREA
#384

SUMMARY OF SALIENT FACTS & CONCLUSIONS

Subject Real Estate: Lot no.279, Britannia Estates Subdivision, Freeport

Date of Appraisal: 15th May 2015

Appraisal Requested by: Fidelity Bank (Bahamas) Limited

Land Size: 0.32 acres

Assigned Market Value: \$30,000.00

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.

NEIGHBORHOOD

Britannia subdivision is zoned for commercial and residential development. This subdivision is bounded to the north by Imperial park subdivision, to the south by Bahama Terrace subdivision, to the west by Caravel Beach and to the east by Freeport Commercial and Industrial area.

Britannia subdivision is situated just five minutes (by automobile) away from downtown Freeport and ten minutes from the International Airport.

To date most of the land is undeveloped and is without any type of infrastructure facilities. However, these facilities are accessible along its western boarder (along Polaris Road) and its southern boarder (along Lunar Boulevard). To date most of the infrastructure is being installed on the interior of the subdivision. There are however, two occupied multi-family buildings in the subject subdivision along Lunar Boulevard and two shopping centers along Lunar Boulevard and Polaris Road.

Development in the surrounding subdivisions is substantial with complete infrastructure, relatively speaking. There are paved roads, city running water, mains electricity, telephone service lines, boosted television reception lines, good street maintenance and public garbage collection.

The subject lot is zoned for multi-family developments.

To date a private developer is in the process of developing the northern portion of the area with multi-family, single-family and commercial lots. There will be 156 multi-family lots and three commercial lots. Multi-family lots range between .24 to .31 of an acre. The commercial lots have a total area of 1.4 acres in size.

The **subject** section is just south of the above mentioned area.

To date a commercial building (Britannia Town Plaza) and two other commercial buildings are open to the public. There are also two occupied multi-family buildings and a few duplex buildings under various stages of construction.

Britannia Town Plaza contains a bar with an adjoining wooden cocktail deck, a take away restaurant, a food store, an apartment unit, a beauty salon and a laundrymat.

THE SITE

The subject site is situated within the interior of the subdivision and near the southern boundary. The lot is just one block east of Britannia Town Plaza. The lot is positioned along a dirt road called Joseph Pinder Drive. It is about 200 yards east of Polaris Drive. Directions...travel south along The Mall South from Ranfurly Circus Round about then turn left at the sixth corner (Lunar Boulevard) then turn first left onto Polaris Drive, then first right onto Joseph Pinder Drive and the subject lot is the eleventh on the right hand side of the street.

The configuration of the lot is rectangular. Its road boundary is 100.77 feet long and it has a depth of 140 feet. These lot dimensions result in a land area of 0.32 acres or 14,107 square feet. The terrain of the lot is relatively flat. The lot has not been cleared of its natural vegetation (Pine and shrubbery) typical to Freeport.

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 multi-family development. The neighborhood is being developed with commercial, multi-family, duplexes and single-family developments. Its geographical location is such that it enjoys peace and privacy and is within convenient proximity to most services a resident will require in a city such as Freeport. The subject land may, thus, be considered with development which maximizes its potential.

LAND EVALUATION MARKET DATA APPROACH

Due to the poor economy on the island of Grand Bahama, land values decreased for the past three years. However, values seem to be stabilized presently.

To date there is very little infrastructure available in the subject area. Mains electricity and cable are available. The residents use electrical pumps to obtain water from ground wells. However, the land value given in this report reflects the cost of land presently in the subject area. The market value assigned to the subject lot is **Thirty Thousand (\$30,000.00) Dollars.**

Physical Condition

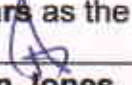
To date, the lot has not been cleared of its natural vegetation typical to Freeport (shrubby and Pine).

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 not available, although it serves as the most accurate of the three approaches to appraising

Consequently, the writer assigns a market value of **Thirty Thousand (\$30,000.00) Dollars** as the market value of the subject real estate.


Aston Jones

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