

**SLACK
JOHNSTON
MAGENHEIMER**
REAL ESTATE APPRAISERS & CONSULTANTS

7245 S.W. 87TH AVENUE, SUITE 300
MIAMI, FLORIDA 33173

APPRAISAL OF REAL PROPERTY

**FAIR MARKET ANNUAL RENTAL ESTIMATES FOR VARIOUS
PROPERTIES AT THE ARTHUR DUNN, MERRITT ISLAND AND SPACE
COAST REGIONAL AIRPORTS,
BREVARD COUNTY, FLORIDA**

**APPRAISAL REPORT
SJM FILE: 14085**

PREPARED FOR

**MR. MICHAEL POWELL
EXECUTIVE DIRECTOR
TITUSVILLE-COCA AIRPORT AUTHORITY
355 GOLDEN KNIGHTS BOULEVARD
TITUSVILLE, FLORIDA 32780**



ANDREW H. MAGENHEIMER, MAI
CERT. GEN. RZ1073

THEODORE W. SLACK, MAI
(1902-1992)

THEODORE C. SLACK, MAI
(RETIRED)

SUE BARRETT SLACK, MAI
(RETIRED)

December 8, 2014

Mr. Michael Powell
Executive Director
Titusville-Cocoa Airport Authority
355 Golden Knights Boulevard
Titusville, Florida 32780

RE: Appraisal of Real Property – Fair Market Annual Rental Estimates for Various Properties at the Arthur Dunn, Merritt Island and Space Coast Regional Airports, Brevard County Florida.
SJM File: 14085

Dear Mr. Powell:

At your request, we have prepared an appraisal of the fair market annual rent for various properties at the three airports controlled by the Titusville-Cocoa Airport Authority (TCAA) as of September 10, 2014, the date of valuation. TCAA is a quasi-governmental body that oversees the operation of the three airports within Brevard County, Florida. Arthur Dunn (X21) and Space Coast (TIX) are located in Titusville, Merritt Island (COI) is located in unincorporated Brevard County. The scope of this analysis is limited to providing an estimate of the fair market annual rent for various properties located at the above referenced airports, as specified by the client.

The scope of our analysis included a visit to the airports and various properties that are the subject of this report, as well as market research regarding fair market rental rates for various properties. The purpose of this analysis is to provide an indication of the annual fair market rent for the properties that are the subject of this report. It should be clearly understood that this analysis is limited to a rental analysis of the properties described herein and has not considered the market value of the fee simple or leased fee interests in properties at the airports. It is our understanding the appraisal will be used for the purpose of the rental adjustments for existing tenants and negotiating with future tenants.

Mr. Michael Powell
December 8, 2014
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The appraisal report states our opinion of fair market rent, subject to various assumptions and limiting conditions contained in this appraisal report. The property visit and analyses forming the basis of our valuation have been performed by the undersigned. The appraisal has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.

The following report contains the results of our investigations and the explanation of the approaches to value.

Respectfully submitted,

SLACK, JOHNSTON & MAGENHEIMER, INC.



Andrew H. Magenheimer, MAI
CERT. GEN. RZ1073



Zachary J. Olen
CERT. GEN. RZ3124

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SUMMARY OF SALIENT FACTS AND CONCLUSIONS
Arthur Dunn Airpark (X21)

Property Appraised: Aeronautical Land, Pavement and Buildings 9, 10, 11 and 12, T-hangar Buildings T1, T2, T3, T7, T8, T9, Storage Areas within T-hangars and Non-Aviation Building 23 at the Arthur Dunn Airpark, Titusville, Brevard County, Florida

Ownership: Titusville-Cocoa Airport Authority
 355 Golden Knights Boulevard
 Titusville, Florida 32780

Interest Appraised: Fair market annual rent
 Date of Valuation: September 10, 2014
 Date of Report: December 8, 2014
 Value Indications: Fair market rent

<u>Aeronautical Buildings</u>	<u>Annual Rent/Sq. Ft.</u>
X21 Building 9	\$1.50 (1)
X21 Building 10	\$1.50
X21 Building 11	\$3.00
X21 Building 12	\$4.00
X21 T-Hangar Storage Areas	\$1.75

<u>T-Hangar Buildings</u>	<u>Rent/Unit/Mo.</u>
X21 Building T1	\$280
X21 Building T2	\$280
X21 Building T3	\$280
X21 Building T7	\$280
X21 Building T8	\$280
X21 Building T9	\$280

<u>Non Aviation Building 23</u>	<u>Annual Rent/Sq. Ft.</u>
385 N. Singleton Avenue	\$7.00

Note (1): Rent is based on the building condition prior to tenant improvements made by the current tenant.

SUMMARY OF SALIENT FACTS AND CONCLUSIONS
Merritt Island Airport (COI)

Property Appraised: Aeronautical Land, Pavement and Buildings 2, 3, 4, 5, and 25 and T-hangar Buildings T1, T2, T3, T4, T5, T6, T7, T8, T9, T10, T11, T12, T14 Storage Units within T-hangars and Port-a-Port P31-P38, P40-P43 and P46-P49 at the Merritt Island Airport, Merritt Island, Brevard County, Florida

Ownership: Titusville-Cocoa Airport Authority
 355 Golden Knights Boulevard
 Titusville, Florida 32780

Interest Appraised: Fair market annual rent
 Date of Valuation: September 10, 2014
 Date of Report: December 8, 2014
 Value Indications: Fair market rent

<u>Aeronautical Buildings</u>	<u>Annual Rent/Sq. Ft.</u>
COI Building 2	\$2.50
COI Building 3	\$2.00 (1)
COI Building 4	\$3.50 (1)
COI Building 5	\$1.00 (1)
COI Building 25	\$4.50 (1)
COI T-Hangar Storage Areas	\$1.75

<u>T-Hangar Buildings</u>	<u>Rent/Unit/Mo.</u>
COI Building T1-A & E	\$750
COI Building T1-B, C, F & G	\$560
COI Building T1-D & H	\$620
COI Building T2	\$285
COI Building T3	\$290
COI Building T4	\$315
COI Building T5	\$315
COI Building T6	\$280
COI Building T7	\$295
COI Building T8	\$280
COI Building T9	\$295
COI Building T10	\$285
COI Building T10-D	\$750
COI Building T11	\$295
COI Building T12	\$295

COI Building T14 \$600

<u>Port-a-Port Buildings</u>	<u>Rent/Unit/Mo.</u>
COI Building P31-P38	\$230
COI Building P40-P43	\$230
COI Building P46-P49	\$230

Note (1): Rent is based on the building condition prior to tenant improvements made at the current tenant's expense.

SUMMARY OF SALIENT FACTS AND CONCLUSIONS
Space Coast Regional Airport (TIX)

Property Appraised: Aeronautical Land, Pavement and Buildings 1, 9, 27, 29, 40, 41, 43, 51 and 52, T-hangar Buildings T2, T3, T4, T5, T7, T8, T9, T11 and Non-Aviation Building 60 at the Space Coast Regional Airport, Titusville, Brevard County, Florida

Ownership: Titusville-Cocoa Airport Authority
355 Golden Knights Boulevard
Titusville, Florida 32780

Interest Appraised: Fair market annual rent
Date of Valuation: September 10, 2014
Date of Report: December 8, 2014
Value Indications: Fair market rent

<u>Aeronautical Buildings</u>	<u>Annual Rent/Sq. Ft.</u>
TIX Building 1	\$12.00 (1)
TIX Building 9	\$6.50
TIX Building 27	\$4.50
TIX Building 29	\$6.00 (1)
TIX Building 40	\$6.00 (1)
TIX Building 41	\$5.50 (1)
TIX Building 43	\$7.00 (1)
TIX Building 51	\$4.75
TIX Building 52	\$1.50
TIX T-Hangar Storage Areas	\$2.00

<u>T-Hangar Buildings</u>	<u>Rent/Unit/Mo.</u>
TIX Building T2	\$315
TIX Building T3	\$315
TIX Building T4	\$315
TIX Building T5	\$315
TIX Building T7	\$330
TIX Building T8	\$330
TIX Building T9	\$350
TIX Building T11	\$400
<u>Non-Aviation Building 60</u>	<u>Annual Rent/Sq. Ft.</u>
6995 Tico Road	\$9.00

Note (1): Rent is based on the building condition prior to tenant improvements made at the current tenant's expense.

CERTIFICATION

We certify that, to the best of our knowledge and belief,...

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- we have no present or prospective interest in the properties that are the subject of this report and no personal interest with respect to the parties involved.
- we have no bias with respect to the properties that are the subject of this report or to the parties involved with this assignment.
- our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- our 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.
- 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 Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice (USPAP).
- Andrew H. Magenheimer has made a visit to the property that is the subject of this report.
- no one provided significant real property appraisal assistance to the persons signing this certification.
- the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- we have not performed services regarding the subject property within the prior three years.
- as of the date of this report, Andrew H. Magenheimer, has completed the continuing education program of the Appraisal Institute.

SLACK, JOHNSTON & MAGENHEIMER, INC.



Andrew H. Magenheimer, MAI
CERT. GEN. RZ1073



Zachary J. Olen
CERT. GEN. RZ3124

ASSUMPTIONS AND LIMITING CONDITIONS

The appraisal is subject to the following assumptions and limiting conditions:

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. No legal opinion related to a title search was provided and all existing liens and encumbrances, including deed restrictions and developers agreements, have not been investigated unless otherwise stated. The property is appraised as though free and clear.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others has been gathered from sources deemed to be reliable, however, no warranty is given for its accuracy.
5. All engineering and surveying is assumed to be correct. Any sketches, plats, or drawings included in this report are included to assist the reader in visualizing the property. We have made no survey of the property, and assume no responsibility in connection with such matters.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for unusual soil conditions and no opinion as to these matters is to be inferred or construed from the attached report other than those specifically stated in the report. Unless stated otherwise, the soil conditions of the subject property are assumed to be adequate to support development utilizing conventional construction techniques. We recommend the client obtain an opinion from a competent engineering firm.
7. It is assumed that 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 that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.
9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

11. Any proposed or partially completed improvements included in this report are assumed to be completed in accordance with approved plans and specifications and in a workmanlike manner.

12. Our estimates of future values were formulated based upon market conditions as of the date of appraisal, considerate of future projections concerning supply and demand. The appraiser has no responsibility for significant events that alter market conditions subsequent to the effective date or dates of appraisal.

13. This study is to be used in whole and not in part. No part of it shall be used in conjunction with any other appraisal. Publication of this report or any portion thereof without the written consent of the appraiser is not permitted.

14. The appraiser, by reason of this report, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.

15. 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 the appraiser is connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the appraiser. The use of this report in any public offering or syndication document is specifically prohibited.

16. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of, nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them. It is recommended that the client retain an expert in this field, if needed.

17. Disclosure of the contents of this report by the appraiser is controlled by the Appraisal Institute of which one or more signatures of this report is an MAI member and by the Florida Department of Professional Regulation, Division of Appraisal State Certification. The analysis and value conclusions, as well as non-public information about the subject property, are confidential matters and cannot be divulged to any persons other than the party for whom the report is prepared.

Exceptions to this confidentiality provision are requests by committees of the Appraisal Institute or the Florida Department of Professional Regulations for peer review, and subpoenas by any court having jurisdiction to request production of the report.

18. Section 404.056(8) of the Florida Statutes requires that prior to or at the time a rental agreement or contract for any building is executed, the following disclosure statement must be issued:

"RADON GAS: is a naturally occurring gas that, when it has accumulated in a building in sufficient quantities, may present risk to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in building in Florida. Additional information regarding radon and radon testing may be obtained from your public health unit."

19. Surveys and building plans were not provided for our review. Any difference in the size of the sites or buildings could have a material effect on the value conclusions and would require further analysis.

Acceptance or use of this report constitutes acceptance of the preceding conditions.

OWNERSHIP, LEGAL DESCRIPTION AND HISTORY OF THE PROPERTY

Ownership

The Arthur Dunn Airpark, Merritt Island and Space Coast Regional Airport are owned in their entirety by the Titusville-Cocoa Airport Authority (TCAA), 355 Golden Knights Boulevard, Titusville, Florida. All of the land at the airports is owned by TCAA. Most of the pavement and improvements are owned by TCAA as well. According to the airport manager, all of the land and improvements included within the scope of this report are owned by TCAA. It was noted that there are some airport improvements (pavement and buildings) that were developed through development leases and the ownership of those facilities remain with the lessees until the end of the development lease, at which point the ownership of the improvements revert to TCAA. It should be clearly understood that the identification of the ownership and title analysis was not performed and is beyond the scope of this assignment.

Legal Description

Complete legal descriptions of the airport properties were not provided for review. The Arthur Dunn Airpark (X21) is legally described as a portion of Sections 32 and 33, Township 21 South, Range 35 East, Brevard County, Florida. The Merritt Island Airport (COI) is legally described as a portion of Sections 1 and 2, Township 25 South, Range 36 East, Brevard County, Florida. The Space Coast Regional Airport (TIX) is legally described as a portion of Sections 2, 3, 10 and 11, Township 23 South, Range 35 East, Brevard County, Florida.

Property History

The Arthur Dunn Airpark, Merritt Island Airport and Space Coast Regional are operated by the Titusville-Cocoa Airport Authority (TCAA). TCAA was formed by the cities of Titusville and Cocoa in 1963 to “service the local, commercial and corporate aviation needs as well as stimulate economic growth in the community”. TCAA is comprised of a seven-member appointed board. TCAA oversees operation of the airports and may levy ad valorem taxes on all properties within the district. The following are brief summaries of the airport history at each of the airports.

Arthur Dunn Airpark (X21) The present day airport was originally developed in the early 1920’s as part of the navigational aid system for U.S. Air Mail service that operated light stations along designated mail routes that provided pilots with nighttime visual navigation. The light station also functioned as a lighted emergency landing field with grass landing strips. In the late 1920’s, Brevard County developed the Arthur Dunn Airpark adjacent to the light station based on a lease between neighboring property owners. In 1947, Brevard County purchased the land from the adjacent property owners.

Brevard County operated the airport as a based on the mosquito control operation until the mid 1960's. In the 1960's the runway and taxiways were paved and many of the original airport buildings were constructed. Also during the 1960's most of the operating area was leased to a group of aircraft owners that continued the operation of the airfield. In the late 1960's the airport was transferred to TCAA. Arthur Dunn Airpark has operated as a general aviation airport and facility development has also continued, mostly with additional t-hangar projects over the past several years. The airport caters to local pilots and homebuilt aircraft, as well as the base for parachute jumping and ultra-light aircraft enthusiasts in the area.

Merritt Island Airport (COI) The Central Brevard Airport was built in the 1940's by the Brevard County Mosquito Control District (BCMCD). The original airfield improvements consisted of grass landing strips that served as the base of operation of the BCMCD. In the 1960's the runways and taxiways were paved. It is believed the airport was named the Merritt Island Airport when the property was deeded to TCAA. The BCMCD deeded the airport to TCAA in exchange for a parcel at Space Coast Regional Airport. Many of the airport's building improvements date since the 1960's. Newer facility development at the airport includes an executive hangar building. Currently, the airport is the base of operations to several fixed base operators, a flight school and the aviation unit of the sheriff's office. The airport mostly caters to local pilots, and some limited corporate traffic.

Space Coast Regional Airport (TIX) The airport was originally developed as the Titusville-Cocoa Auxiliary Field by the U.S. Navy in 1939 as a supplemental airfield to the Sanford Naval Air Station. In 1947, the Navy transferred the airport to the cities of Titusville and Cocoa. The cities jointly operated the airport and formed an authority in 1959. In the late 1960's, the airport was transferred to TCAA. Space Coast Regional has continued to operate as the primary reliever airport for northern Brevard County. For a time, the airport was used for limited commercial passenger aircraft service that has since been stopped. Currently, the airport is the base of operation to several fixed base operators, a helicopter flight school and a newly constructed ARFF station. Newer facility development at the airport includes a t-hangar building. Bristow Academy is occupying several buildings on an off airport property and is reportedly the largest helicopter flight school in the world. Facility development has continued, both with commercial hangar and t-hangars. The airport caters to corporate traffic, flight schools and local pilot traffic.

PURPOSE, INTENDED USE, AND DATE OF THE APPRAISAL

The purpose of our analysis is to provide an estimate of the current fair market annual rent for various aeronautical and non-aviation properties at the Arthur Dunn Airpark, Merritt Island Airport and Space Coast Regional Airport. It should be understood that

this analysis is limited to a rental analysis of the properties described herein and has not considered the market value of the fee simple or leased fee interests in the land or building improvements at X21, COI or TIX. The intended user of this report is the Titusville-Cocoa Airport Authority. The intended use of this report is to assist in determining rental adjustments for existing tenants and negotiating with future tenants. There are no other intended users or intended uses of this appraisal. The date of valuation is September 10, 2014 and the date of this report is December 8, 2014.

SCOPE OF THE APPRAISAL

The scope of this appraisal report includes an analysis of the subject properties and their surrounding environments in order to estimate the highest and best use and fair market annual rental rate for the aeronautical properties and two non-aviation buildings that comprise the subject properties. We have made a recent visit to the airports and properties and reviewed factual data concerning their condition. The data reviewed included airport histories, Airport Layout Plan (ALP), Brevard County Tax Records, Brevard County and Titusville zoning and land use information, Brevard County Tax and Aerial Maps, as well as the TCAA rent roll for each airport.

As stated, this report is limited to an estimate of the fair market annual rent for the subject properties as of September 10, 2014, the date of valuation. This appraisal included an estimation of the highest and best use of the subject properties. This analysis includes a visit to the properties, gathering information concerning potential uses of the properties, as well as a review of market conditions for the properties. The aeronautical properties are located within the Airport Operating Area (AOA) of each airport, with limited potential uses due to this designation. The scope of our market rental analysis for the subject aeronautical land, aeronautical pavement and buildings was based on comparison with similar properties. The focus of the rental analysis is general aviation airports within the central regions of Florida.

Aeronautical Properties

Our research included a review of the method of establishing rental rates and charges for aeronautical properties. Generally, aeronautical properties within Florida do not sell and; therefore, determining rental rates and charges based on capitalization rates and sales prices is not possible. There are two methods typically utilized to estimate rental rates of aeronautical properties: 1) market comparative analysis based on market research and 2) a comparison of non-airport (off-port) land values and improvement values to airport (on-port) properties.

It is our opinion that the on-port/off-port method of estimating rental rates for aeronautical property is a less reliable way of estimating market rents, especially when

comparable airport rental information is available. Inherent in ownership of real estate is the "bundle of rights" that each property possesses. In most areas, aeronautical properties are owned by aviation authorities and may only be used by leasing the property. In addition to the ownership differences in non-aviation and aeronautical properties, the permitted use of properties differ greatly. Generally, the FAA mandates that aeronautical properties may only be used for aeronautical related uses; therefore, it is difficult to quantify the impact of this restriction on airport properties and relate it to a unit of comparison for estimating rental rates with non-aviation properties of different use (e.g. industrial or commercial property).

Furthermore, "market rent" is specifically defined as the rent a property would command as indicated by the current rents paid and asked for similar property. It is our opinion that the restriction of use of aeronautical property is so finite that they can not be compared to non-aviation property.

It is our opinion that market research produces the best method of estimating market rental rates between similar property types. This method serves as the basis for our estimation of the fair market annual rental for the subject properties.

As stated, our general aviation survey included over 50 airports within the State of Florida. These airports included a variety of general aviation to large hub commercial airports. Our survey indicates that, although there is a wide variation in geographic locations and non-aviation property values throughout the state, there are several similarities in rental rates and charges for various components at the airports based on the airport use (general aviation and commercial).

The scope of our survey has included a mail questionnaire and telephone interviews with airport managers and fixed base operators (FBO). In addition, our analysis included a review of several secondary aviation data sources.

The primary focus of our survey was rental rates and charges for aeronautical properties. The airports have been compared based on location, physical size, annual operations, based aircraft and fuel flowage. The data collected includes statistical information described above, as well as rates and charges for various types of aeronautical properties.

For the purpose of this portion of the appraisal, aeronautical land, pavement and building rental rates were the focus of our analysis. The wide variety of airports included in our survey necessitated a review of the units of comparison used to compare airports to one another. Airports were compared based on activity levels relating to geographic locations, physical size, number and length of runways, based aircraft, annual operations and fuel flowage. In our research, the focus of airport comparisons was based on geographic location and relationships between based aircraft, operations and fuel

flowage. The valuation section of this report will further discuss the comparison of airport properties.

Non-Aviation Properties

This appraisal includes an estimate of two non-aviation buildings located at X21 and TIX. The non-aviation buildings are currently being used as offices. The market rent for the non-aviation buildings was based on a comparison to other similar properties in the vicinity of X21 and TIX. It was noted the market rent for these facilities (X21 Building 23 and TIX Building 60) was estimated to include the supporting land associated with the use, as previously discussed.

Conclusion

Our research has focused on the best available data concerning each of the different property types described herein, as of the date of valuation. It is our opinion that the above described valuation methods produce a reliable indication of fair market annual rental rates for the various properties that are the subject of this report.

DEFINITION OF VALUE AND INTEREST APPRAISED

The Uniform Standards of Professional Appraisal Practice (USPAP 2014-15) defines **Market Value** as "a type of value, stated as an opinion, that presumes the transfer of a property (i.e. a right of ownership or a bundle of rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal."

We have relied on the Dictionary of Real Estate Appraisal, Fifth Edition, definition of **Market Value** as "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 best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in cash in United States dollars or in terms of 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.

(Federal Register 77472, Volume 75, No. 237, December 10, 2010)

Other pertinent definitions from the Dictionary of Real Estate Appraisal, Fifth Edition, as follows:

Fee Simple Estate is the "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."

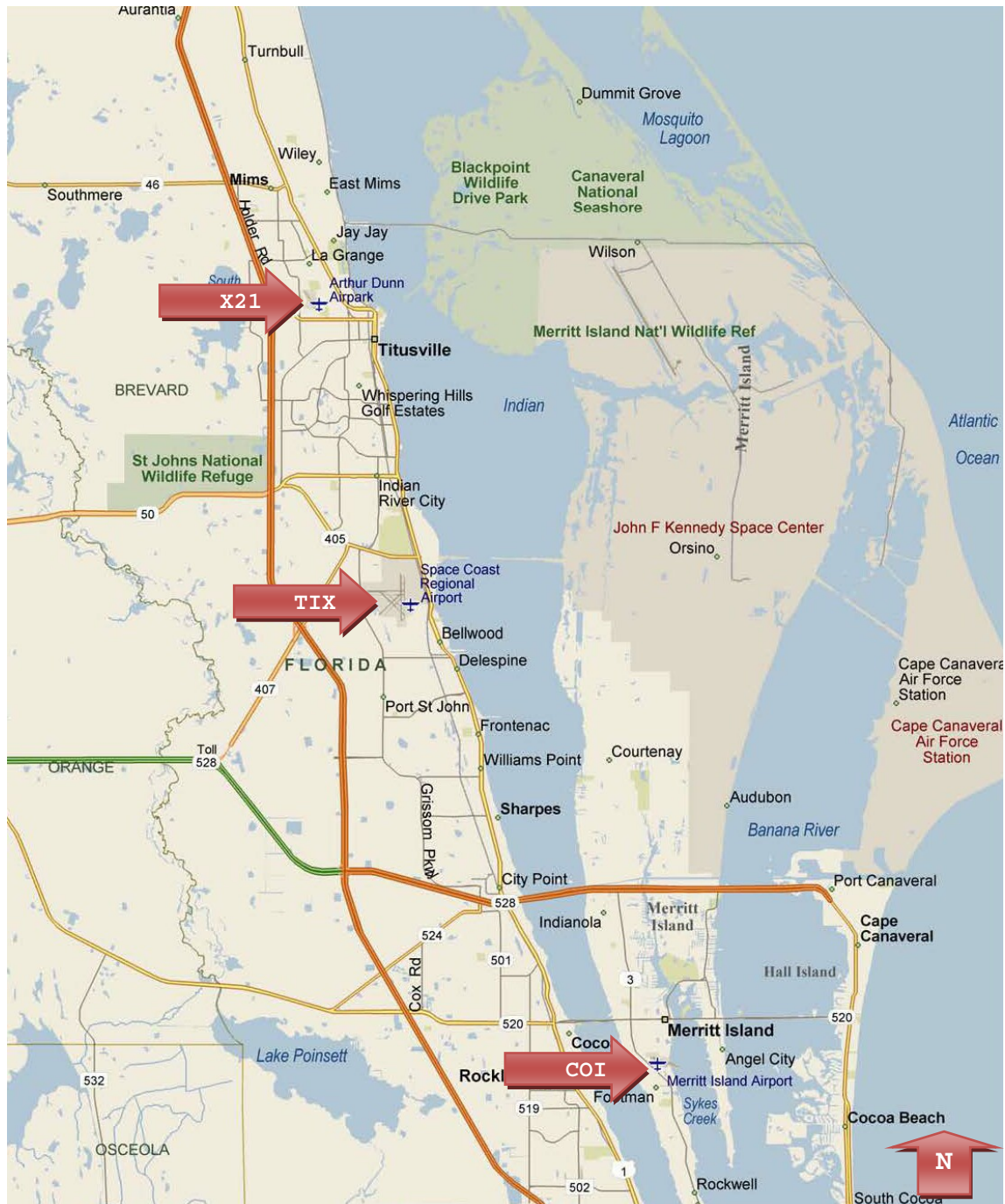
Leased Fee Interest is "a freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease)".

Market Rent is “the most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).”

Hypothetical Condition is "that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal or economic characteristics of the subject property. "

AREA DISCUSSION

Arthur Dunn Airpark (X21), Merritt Island Airport (COI) and Space Coast Regional Airport (TIX) are located in northern and central Brevard County. X21 and TIX are both located within the City of Titusville. COI is located on Merritt Island in unincorporated Brevard County. The recipients of this report are familiar with the Titusville, Merritt Island and Brevard County areas and this area discussion is, therefore, limited.



AIRPORT OVERVIEW

Aviation Overview

The aviation industry along the east central coast of Florida is characterized by numerous smaller general aviation airports with regional small and non hub commercial airports located in the vicinity of areas of population concentration and, the large hub, Orlando International Airport servicing the entire region. The regional commercial airports in the area include Orlando International, Orlando-Sanford International, Daytona Beach International and Melbourne International Airports. According to a review of the FAA's "Airport Activity Statistics of Certified Route Air Carriers", the local regional commercial airports are as follows:

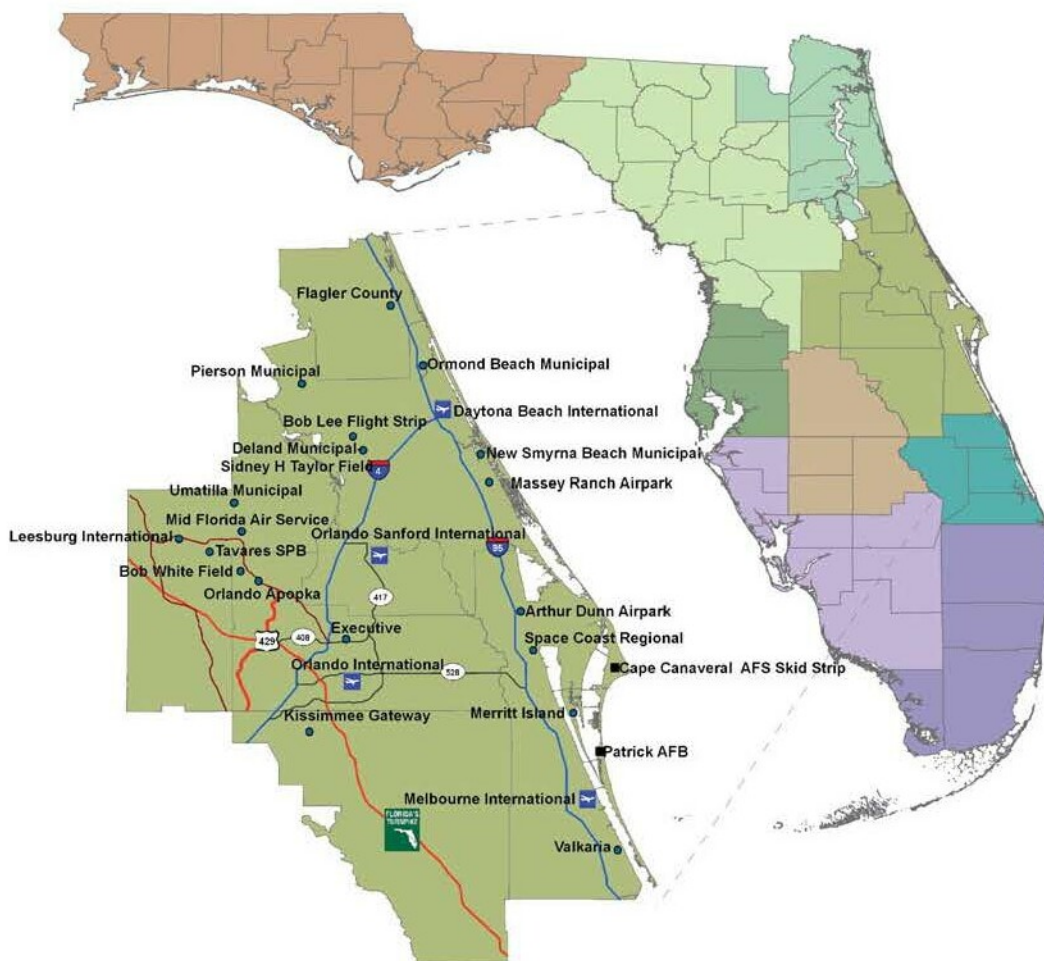
<u>Airport</u>	2013 <u>Enplanements</u>	<u>Hub Size</u>
Orlando Int'l	15,278,563	Large
Orlando-Sanford Int'l	797,058	Small
Daytona Beach Int'l	293,605	Non
Melbourne Int'l	211,595	Non

A review of the "Florida Aviation System Plan 2025" (FASP) prepared by the Florida Department of Transportation (FDOT) and Federal Aviation Administration (FAA) identifies 131 public airports in Florida. The FASP classifies airports within Florida into two general categories: Commercial Service and General Aviation. Within Florida, the FASP identifies 19 commercial airports and 112 community (general aviation) airports. The FASP divides the state into nine regions and identifies the airports within each region according to the use classification. X21, COI and TIX are all located within the East Central Florida Region, which includes Brevard, Lake, Orange, Osceola, Seminole and Volusia Counties. The FASP classifies Arthur Dunn Airpark (X21), Merritt Island (COI) and Space Coast Regional (TIX) Airports as community airports.

The FASP identifies the public airports in the East Central Florida region as follows:

<u>Commerical Airports</u>	<u>Community Airports</u>	<u>Community Airports</u>	<u>Community Airports</u>
Orlando Int'l	Arthur Dunn Airpark	Massey Ranch Airpark	Pierson Munic.
Orlando Sanford Int'l	Bob Lee Flight Strip	Merritt Island	Space Coast Reg'l
Daytona Beach Int'l	Bob White Field	Mid Florida Air Service	Umatilla Munic.
Melbourne Int'l	DeLand Reg'l	New Smyrna Beach Munic.	Valkaria
	Flagler Co.	Orlando/Apopka	
	Kissimmee Gateway	Orlando Executive	
	Leesburg Int'l	Ormond Beach Munic.	

EAST CENTRAL FLORIDA METROPOLITAN AREA



The FASP is useful in establishing the universe of airports within the state and segregating the airports based on use characteristics. The FASP helps identify the airports which are similar in terms of geographic location and use. In our analysis, we researched rental rates for aeronautical properties at airports within Florida, concentrating on airports in the central eastern section of Florida. Please refer to the valuation section which follows.

Florida Aviation System Plan 2025



- | | | |
|--|---|--|
| 1. Apalachicola Municipal | 45. Mid Florida Air Service | 89. Sebring Regional |
| 2. St. George Island | 46. Bob Lee Flight Strip | 90. Lakeland Linder Regional |
| 3. Quincy Municipal | 47. DeLand Municipal- Sidney H Taylor Field | 91. Buchan |
| 4. Pensacola Regional | 48. Flagler County | 92. Marco Island |
| 5. Coslin | 49. Daytona Beach International | 93. Page Field |
| 6. Eglin AFB (Okaloosa) | 50. Miami Hellport | 94. Immokalee Regional Airport |
| 7. Bob Sikes | 51. Massey Ranch Airpark | 95. La Belle Municipal |
| 8. Calhoun County | 52. Orlando Sanford International | 96. Naples Municipal |
| 9. Tallahassee Regional | 53. Bob White Field | 97. Airglades |
| 10. Tri-County | 54. Orlando/Apopka Country | 98. Charlotte County |
| 11. Tallahassee Commercial | 55. Pierson Municipal | 99. Shell Creek Airpark |
| 12. Marianna Municipal | 56. Ormond Beach Municipal | 100. Southwest Florida International |
| 13. Peter Prince Field | 57. Leesburg Regional | 101. Airport Manatee |
| 14. Carrabelle-Thompson | 58. Executive | 102. Everglades Airpark |
| 15. DeFuniak Springs | 59. Kissimmee Gateway | 103. Venice Municipal |
| 16. Ft Walton Beach | 60. Valkaria | 104. Sarasota/Bradenton International |
| 17. Coastal | 61. Orlando International | 105. Okeechobee County |
| 18. Panama City-Bay County International | 62. Melbourne International | 106. Sebastian Municipal |
| 19. Wakulla County | 63. Merritt Island | 107. St. Lucie County International |
| 20. Ferguson | 64. New Smyrna Beach Municipal | 108. Witham Field |
| 21. Destin-Ft Walton Beach | 65. Arthur Dunn Airpark | 109. New Hibiscus Airpark |
| 22. Williston Municipal | 66. Space Coast Regional | 110. Vero Beach Municipal |
| 23. Crystal River | 67. Umalla Municipal | 111. Indiantown |
| 24. Cross City | 68. Zephyrhills Municipal | 112. Palm Beach County Glades |
| 25. Ames Field | 69. Peter O Knight | 113. Fort Lauderdale Executive |
| 26. Flying Ten | 70. Tampa North Aero Park | 114. Downtown Ft Lauderdale |
| 27. Perry-Foley | 71. Tampa International | 115. Dade-Collier Training and Transition |
| 28. George T. Lewis | 72. Clearwater Airpark | 116. Boca Raton |
| 29. Dunnellon/Marion County | 73. Albert Whitted | 117. Fort Lauderdale-Hollywood International |
| 30. Inverness | 74. St. Petersburg-Clearwater International | 118. Opa-locka |
| 31. Gainesville Regional | 75. Pilot Country | 119. Miami International |
| 32. Lake City Municipal | 76. Plant City Municipal | 120. Opa-locka West |
| 33. Suwannee County | 77. Vandenberg | 121. Key West International |
| 34. Ocala International - Jim Taylor Field | 78. Hernando County | 122. North Perry |
| 35. Rudy's | 79. South Lakeland | 123. Pompano Beach Airpark |
| 36. Palaika Municipal Lt. Kay Larkin | 80. Jack Brown's SPB | 124. Kendall-Tamiami Executive |
| 37. Keystone Airpark | 81. Avon Park Executive | 125. North Palm Beach Co. General Aviation |
| 38. Hilliard Airpark | 82. Wauchula Municipal | 126. Palm Beach International |
| 39. Craig Municipal | 83. Chalet Suzanne Air Strip | 127. Palm Beach County Park |
| 40. Fernandina Beach Municipal | 84. Bartow Municipal | 128. Miami SPB |
| 41. St. Augustine | 85. Winter Haven's Gilbert | 129. Homestead General Aviation |
| 42. Jacksonville International | 86. Arcadia Municipal | 130. The Florida Keys Marathon |
| 43. Herlong | 87. River Ranch Resort | 131. Belle Glade State Municipal |
| 44. Cecil Field | 88. Lake Wales Municipal | |

Brevard County

Brevard County is the home of the Arthur Dunn Airpark (X21), Space Coast Regional Airport (TIX), Merritt Island Airport (COI), Melbourne International Airport (MLB) and Valkaria Airport (X59), as well as Patrick Air Force Base and Cape Canaveral Air Force Station. According to the FAA's "U.S. Civilian Airmen Statistics", the population of licensed pilots in Brevard County since 2009 is as follows:

Year	Total	Commercial	Airline Transport	Student	Private
2009	2,617	667	822	325	792
2010	2,839	654	634	611	724
2011	2,867	669	856	654	672
2012	2,853	664	911	601	658
2013	2,757	609	950	525	652

The population of civilian airmen is a measure of the climate for the general aviation industry in a given region. Nationally, the civilian airmen population has been slowly decreasing over the past several years. In Florida, the civilian airmen population has been fairly stable, with some increase. A review of the civilian airmen population within Brevard County since 2009 indicates some growth in total pilots, with mostly stable private pilot populations, increasing airline transport and decreasing commercial and student pilots. These trends are similar to the airmen population on a regional basis primarily due to the strength of flight training in this region.

Arthur Dunn Airpark (X21)

Arthur Dunn Airpark (X21) is located in northern Brevard County and is operated by the TCAA. X21 is a general aviation airport without a tower or scheduled airline transportation. The airport property contains approximately 138 acres and includes both aviation and non-aviation activities. The aviation areas are referred to as the Airport Operating Area (AOA) and include general aviation hangar buildings, T-hangars, fuel farm, runways, ramp and supporting areas. X21 has a zoning classification of P (Public Use) and a land use designation of "Public/Semi Public 0.2 FAR". Please refer to the airport site plan. X21 has two runways in a 04-22, 15-33 configuration. The following is a summary of the X21 airport facilities:

Location

Street Reference: In the vicinity of Airport Road and North Williams Avenue, north of Garden Street and West of Old Dixie Highway, Titusville, Brevard County, Florida

Coordinates: N 28°37.35'
W 80°50.12'

Elevation: 30 feet

Airport Facilities

Hour of Operation: 1300-0100Z

Control Tower: No

U.S. Customs: No

Fire/Rescue Station: No

FAA Part 139 Certificated: No

Runways: 04-22 1,805' x 100' Turf
15-33 2,961' x 70' Asphalt

Approaches: RNAV, Vortac, GPS

Lighting: Beacon
Runway 15-33 – MIRL, PAPI

ILS- Instrument Landing System

NDB- Non-Directional Beacon

MIRL- Medium Intensity Runway Lighting

HIRL- High Intensity Runway Lighting

PAPI- Precision Approach Path Indicator

MALSR- Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights

VASI- Visual Approach Slope Indicator

REIL- Runway End Identifier Lights

S- Single Wheel Landing Gear Runway Bearing Capacity (__,000 lbs.)

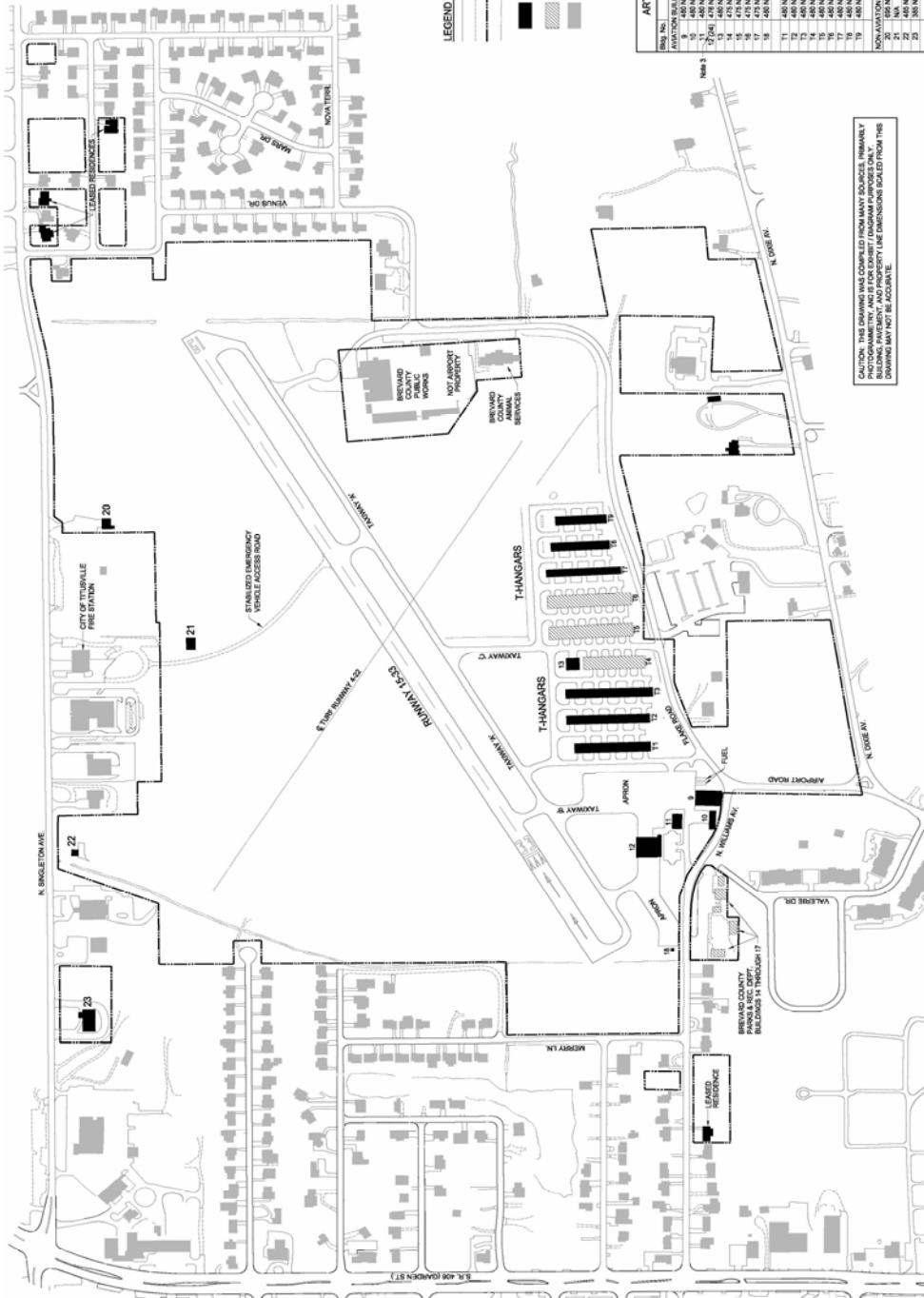
D- Dual Wheel Landing Gear Runway Bearing Capacity (__,000 lbs.)

T- Twin Wheel Landing Gear Runway Bearing Capacity (__,000 lbs.)

DT- Dual-Tandem Landing Gear Runway Bearing Capacity (__,000 lbs.)

Arthur Dunn Airpark (X21)





- LEGEND**
- EDGE OF ACTIVE PAVEMENT (AREALD AND VEHICULAR)
 - APPROXIMATE AIRPORT PROPERTY LINE
 - DRAINAGE SWALE
 - BUILDING OWNED BY THE TITUSVILLE-COCCOA AIRPORT AUTHORITY (WITH BUILDING NUMBER)
 - BUILDING OWNED BY THE TENANT (LAND LEASE) (WITH BUILDING NUMBER)
 - BUILDING NOT ON AIRPORT PROPERTY

ARTHUR DUNN AIRPARK (X21) - BUILDINGS

Blg. No.	Address	Description	Tenant	Blg. Owner
1	145 N. Williams Ave.	Accord Mktg. '99	Baynes Space Center	TCOA
2	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
3	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
4	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
5	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
6	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
7	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
8	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
9	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
10	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
11	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
12	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
13	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
14	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
15	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
16	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
17	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
18	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
19	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
20	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
21	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
22	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA
23	145 N. Williams Ave.	Support Bldg.	TCOA	TCOA

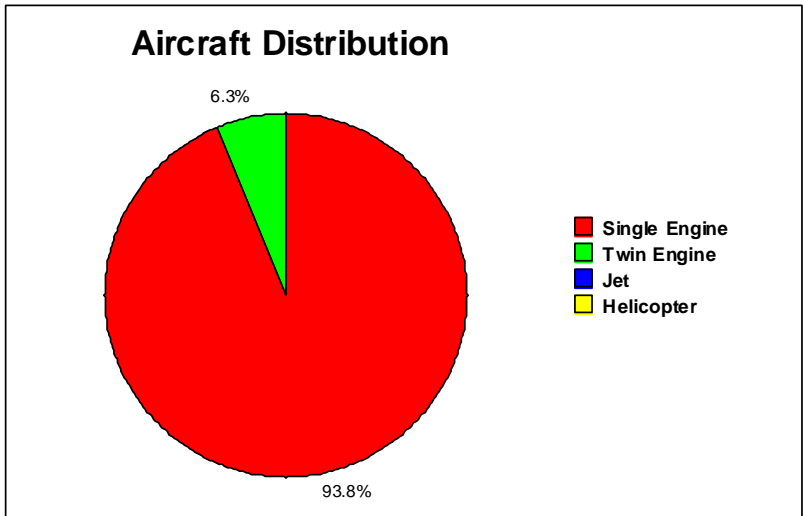
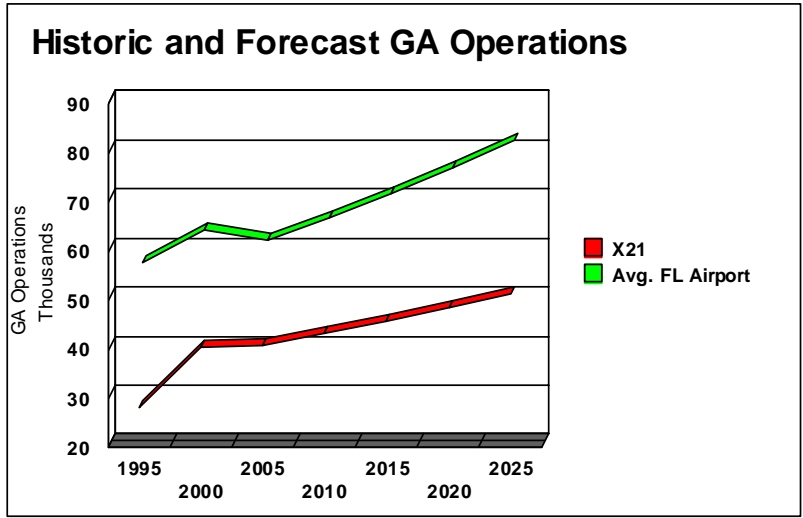
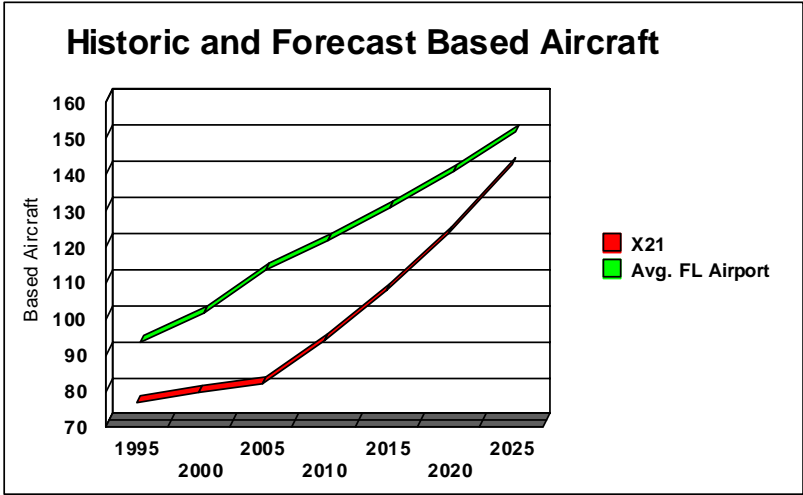
NOTES:
 1. TCOA IN TENANT COLUMN INDICATES THAT THE BLDG. IS USED BY THE AIRPORT.
 2. TCOA IN TENANT COLUMN INDICATES THAT THE BLDG. IS USED BY THE AIRPORT.
 3. FORMER BUILDING NUMBER IS IN PARENTHESES.

ACRONYMS/ABBREVIATIONS:
 BIC BREWARD COUNTY
 TCOA TITUSVILLE-COCCOA AIRPORT AUTHORITY

**ARTHUR DUNN AIRPARK (X21)
 TITUSVILLE, FL
 BUILDINGS**

PREPARED BY AIRPORT ENGINEERING CO., INC.
 1401 W. UNIVERSITY AVE.
 SUITE 100
 TITUSVILLE, FL 32780





X21 serves as a general aviation and recreational airport within the Titusville area of Brevard County, with periodic parachute jumping, ultra-light aircraft and experimental aircraft activity. The following is a summary of the activity information for X21. According to the FAA’s “Airport Operations at Airports with FAA-Operated Control Towers” regarding the activity in Florida and the airport manager regarding the activity at X21, the total and general aviation operations since 2009 has been as follows:

X21 & Florida Airport Operations

Year	X21		Total Operations		X21		GA Operations	
		% change	Florida	% change		% change	Florida	% change
2009	40,450		5,358,496		40,450		3,703,901	
2010	40,450	N/A	5,169,633	-3.5%	40,450	N/A	3,499,828	-5.5%
2011	40,450	0.0%	5,312,512	2.8%	40,450	0.0%	3,609,789	3.1%
2012	40,450	0.0%	5,446,794	2.5%	40,450	0.0%	3,776,048	4.6%
2013	40,450	0.0%	5,598,684	2.8%	40,450	0.0%	3,921,724	3.9%

According to the airport manager, the total general aviation fuel flowage at X21 since 2009 is as follows:

X21 Fuel Flowage

Year	AvGas	JetA	Total	% Change
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	
2011	8,355	31,780	40,135	
2012	N/A	N/A	31,644	-21.2%
2013	8,299	15,581	23,880	-24.5%

According to the airport manager, the total based aircraft at X21, since 2009 is as follows:

X21 Based Aircraft

Year	SE	ME	Jet	Helo	Based Aircraft	% Change
2009	47	6	0	1	54	
2010	46	5	0	1	52	-3.7%
2011	47	5	0	1	53	1.9%
2012	47	5	0	1	53	0.0%
2013	73	5	0	1	79	49.1%

Merritt Island Airport (COI)

Merritt Island Airport (COI) is located on Merritt Island in central Brevard County and is operated by the TCAA. COI is a general aviation airport without a tower or scheduled airline transportation. The airport property contains approximately 140 acres and includes both aviation and non-aviation activities. The aviation areas are referred to as the Airport Operating Area (AOA) and include general aviation hangar buildings, T-hangars, fuel farm, runways, ramp and supporting areas. COI has a zoning classification of GML (Government Managed Land) and a land use designation of "Public Facilities". Please refer to the airport site plan. COI has a single runway in a 11-29 configuration. The following is a summary of the COI airport facilities:

Location

Street Reference: In the vicinity of Airport Road and South Courtenay Parkway, Brevard County, Florida

Coordinates: N 28°20.50'
W 81°41.13'

Elevation: 6 feet

Airport Facilities

Hour of Operation: 1300-0100Z

Control Tower: No

U.S. Customs: No

Fire/Rescue Station: No

FAA Part 139 Certificated: No

Runways: 11-29 3,601' x 75' Asphalt

Approaches: NDB, Vortac, GPS

Lighting: Beacon
Runway 11-29 – MIRL, PAPI

ILS- Instrument Landing System

NDB- Non-Directional Beacon

MIRL- Medium Intensity Runway Lighting

HIRL- High Intensity Runway Lighting

PAPI- Precision Approach Path Indicator

MALS- Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights

VASI- Visual Approach Slope Indicator

REIL- Runway End Identifier Lights

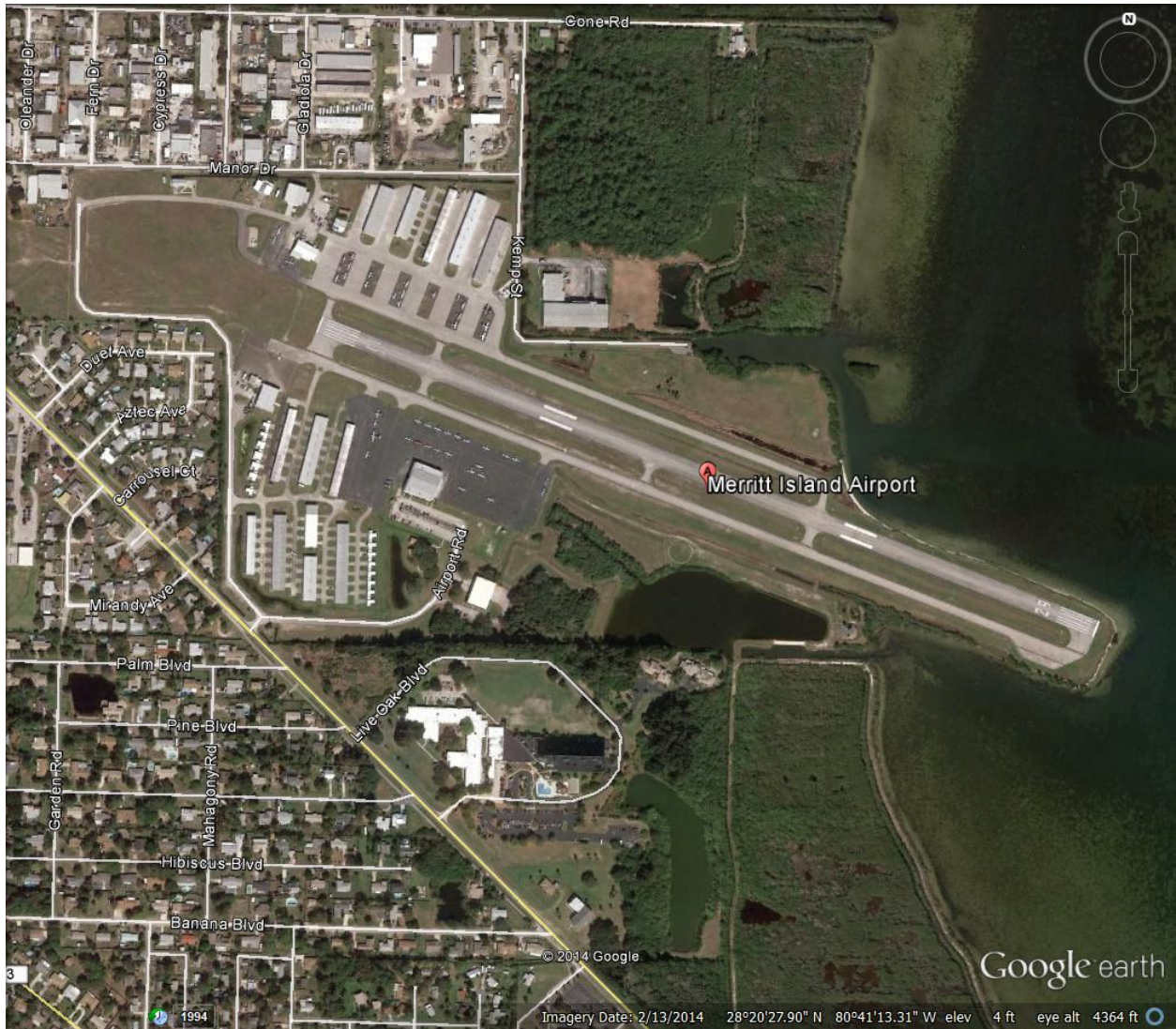
T- Single Wheel Landing Gear Runway Bearing Capacity (__,000 lbs.)

D- Dual Wheel Landing Gear Runway Bearing Capacity (__,000 lbs.)

T- Twin Wheel Landing Gear Runway Bearing Capacity (__,000 lbs.)

DT- Dual-Tandem Landing Gear Runway Bearing Capacity (__,000 lbs.)

Merritt Island Airport (COI)



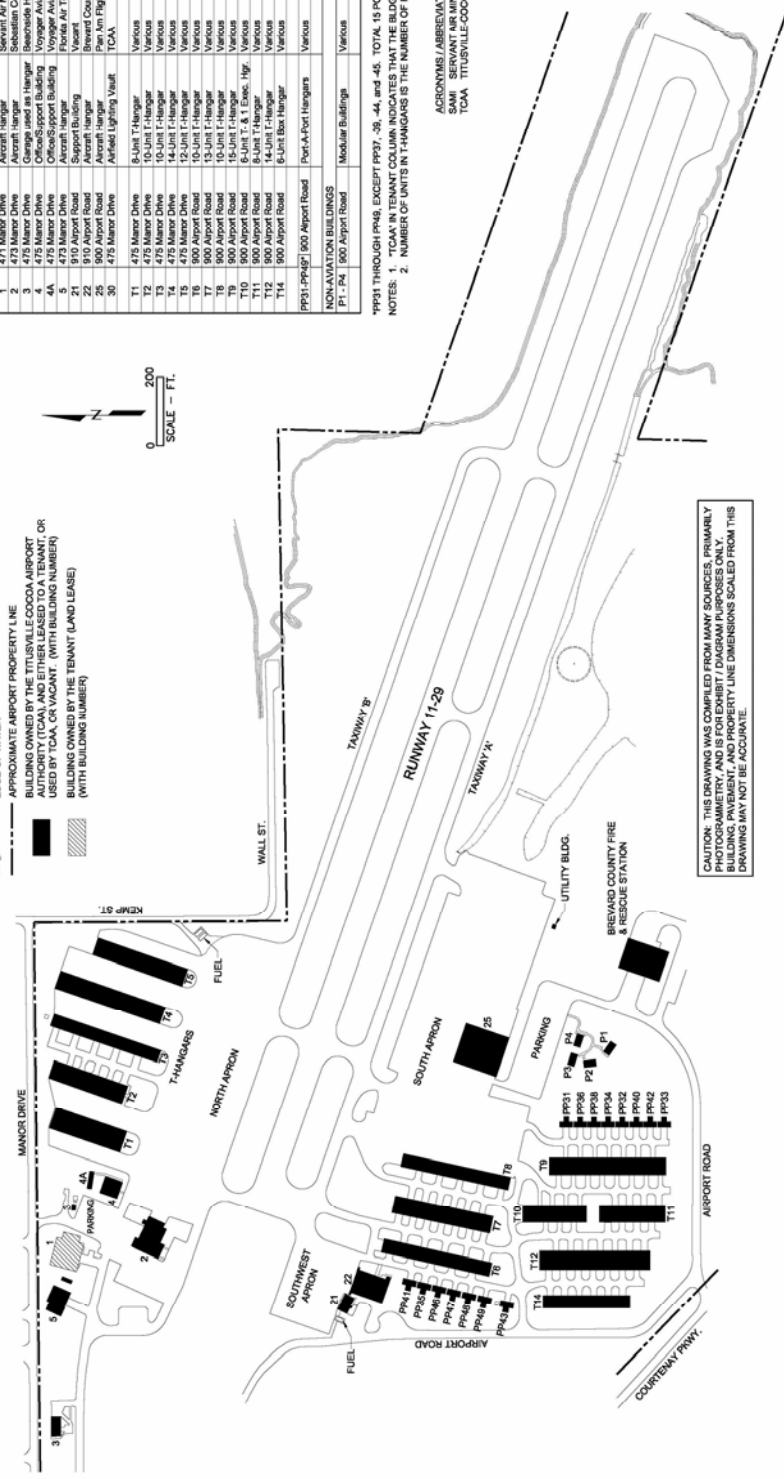
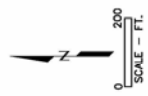
MERRITT ISLAND AIRPORT (COI) - BUILDINGS

Bldg. No.	Address	Description	Tenant	Bldg. Owner
AVIATION BUILDINGS				
1	471 Manor Drive	Aircraft Hangar	Servant Air Ministries	SAMI
2	472 Manor Drive	Aircraft Hangar	Sebastian Communications	TCOA
3	473 Manor Drive	Aircraft Hangar	Titusville-Ocooca Airport Authority	TCOA
4	475 Manor Drive	Office/Support Building	Voyager Aviation	TCOA
4A	475 Manor Drive	Office/Support Building	Voyager Aviation	TCOA
5	475 Manor Drive	Aircraft Hangar	Florida Air Tours	TCOA
11	910 Airport Road	Aircraft Hangar	Various	TCOA
22	910 Airport Road	Aircraft Hangar	Brevard County Sheriff Dept.	TCOA
29	900 Airport Road	Aircraft Hangar	Pen Am Flight Academy	TCOA
30	475 Manor Drive	Airfield Lighting Vsect	TCOA	TCOA
T1	475 Manor Drive	8-Unit T-Hangar	Various	TCOA
T2	475 Manor Drive	10-Unit T-Hangar	Various	TCOA
T3	475 Manor Drive	10-Unit T-Hangar	Various	TCOA
T4	475 Manor Drive	12-Unit T-Hangar	Various	TCOA
T5	475 Manor Drive	12-Unit T-Hangar	Various	TCOA
T6	900 Airport Road	10-Unit T-Hangar	Various	TCOA
T7	900 Airport Road	13-Unit T-Hangar	Various	TCOA
T8	900 Airport Road	15-Unit T-Hangar	Various	TCOA
T9	900 Airport Road	15-Unit T-Hangar	Various	TCOA
T10	900 Airport Road	8-Unit T & 1 Exec. Hqr.	Various	TCOA
T11	900 Airport Road	8-Unit T-Hangar	Various	TCOA
T12	900 Airport Road	8-Unit T-Hangar	Various	TCOA
T14	900 Airport Road	6-Unit T-Hangar	Various	TCOA
PP31-PP43	900 Airport Road	Port-A-Fort Hangars	Various	TCOA
NON-AVIATION BUILDINGS				
P1 - P4	900 Airport Road	Modular Buildings	Various	TCOA

*PP31 THROUGH PP48, EXCEPT PP37, -39, -44, and -45, TOTAL 18 PORT-A-FORT HANGARS
 NOTES: 1. 'TCOA' IN TENANT COLUMN INDICATES THAT THE BLDG. IS USED BY THE AIRPORT.
 2. NUMBER OF UNITS IN T-HANGARS IS THE NUMBER OF FULL-SIZE UNITS.

ACRONYMS / ABBREVIATIONS
 SAMI SERVANT AIR MINISTRIES, INC.
 TCOA TITUSVILLE-OCOCHA AIRPORT AUTHORITY

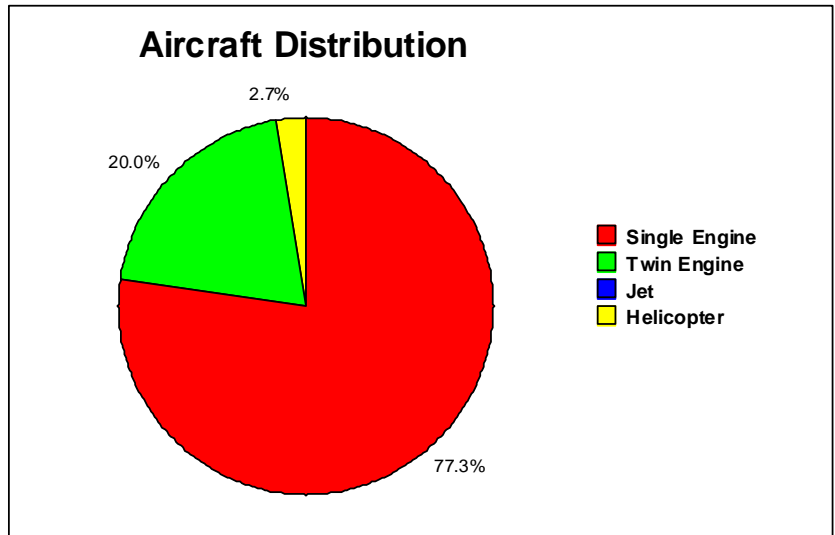
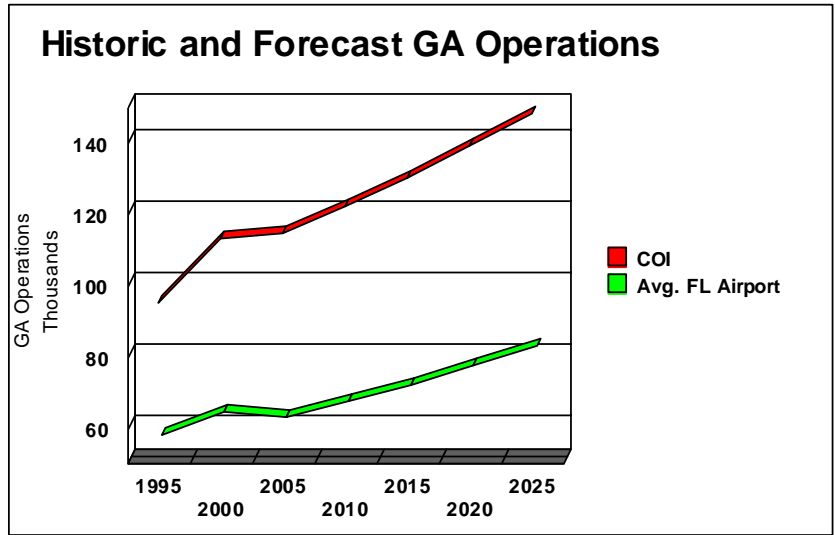
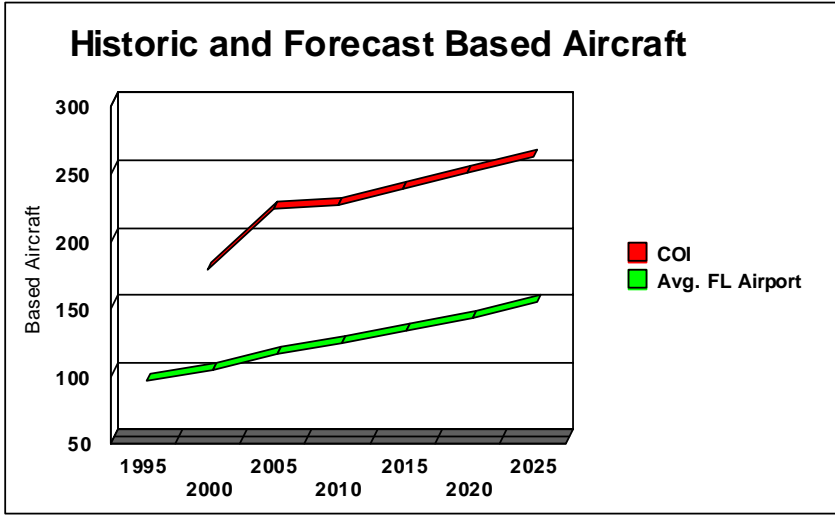
LEGEND
 --- EDGE OF ACTIVE PAVEMENT (AIRFIELD, AND VERGULAR)
 --- APPROXIMATE AIRPORT PROPERTY LINE
 --- BLDG. OWNED BY THE TITUSVILLE-OCOCHA AIRPORT AUTHORITY (TCOA) AND NOT RENTED TO A TENANT, OR USED BY TCOA, OR VACANT. (WITH BUILDING NUMBER)
 ■ BLDG. OWNED BY THE TENANT (LAND LEASE) (WITH BUILDING NUMBER)



CAUTION: THIS DRAWING WAS COMPILED FROM MANY SOURCES, PRIMARILY PHOTOGRAMMETRY, AND IS FOR EXHIBIT / DIAGRAM PURPOSES ONLY. DIMENSIONS AND DIMENSION LINE DIMENSIONS SCALED FROM THIS DRAWING MAY NOT BE ACCURATE.

MERRITT ISLAND AIRPORT (COI)
 MERRITT ISLAND, FL
BUILDINGS

PREPARED BY AIRPORT ENGINEERS CO., INC.
 4500 PAUL BLACKWOOD BUILDING DRG 949214
 REV. 1. 9-23-2014



COI serves as a general aviation airport within the Cocoa area of Brevard County, with periodic banner towing and helicopter activity. The following is a summary of the activity information for COI. According to the FAA’s “Airport Operations at Airports with FAA-Operated Control Towers” regarding the activity in Florida and the Airport Manager regarding the activity at COI, the total and general aviation operations since 2009 has been as follows:

COI & Florida Airport Operations

Year	COI		Total Operations		COI		GA Operations	
	COI	% change	Florida	% change	COI	% change	Florida	% change
2009	113,500		5,358,496		113,500		3,703,901	
2010	113,500	0.0%	5,169,633	-3.5%	113,500	0.0%	3,499,828	-5.5%
2011	113,500	0.0%	5,312,512	2.8%	113,500	0.0%	3,609,789	3.1%
2012	113,500	0.0%	5,446,794	2.5%	113,500	0.0%	3,776,048	4.6%
2013	113,500	0.0%	5,598,684	2.8%	113,500	0.0%	3,921,724	3.9%

According to the airport manager, the total general aviation fuel flowage at COI since 2009 is as follows:

COI Fuel Flowage

Year	AvGas	JetA	Total	% Change
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	
2011	134,346	3,962	138,308	
2012	189,741	27,728	217,469	57.2%
2013	56,538	15,939	72,477	-66.7%

According to the airport manager, the total based aircraft at COI, since 2009 is as follows:

COI Based Aircraft

Year	SE	ME	Jet	Helo	Based Aircraft	% Change
2009	133	22	0	7	162	
2010	128	19	0	6	153	-5.6%
2011	174	45	0	6	225	47.1%
2012	174	45	0	6	225	0.0%
2013	174	45	0	6	225	0.0%

Space Coast Regional Airport (TIX)

Space Coast Regional Airport (TIX) is located in central Brevard County and is operated by the TCAA. TIX is a general aviation airport with a tower and no scheduled airline transportation. The airport property contains approximately 1,650 acres and includes both aviation and non-aviation activities. The aviation areas are referred to as the Airport Operating Area (AOA) and include general aviation terminal, general aviation hangar buildings, T-hangars, fuel farm, runways, ramp and supporting areas. TIX has a zoning classification of P (Public Use) and a land use designation of "Public/Semi Public 0.2 FAR". Please refer to the airport site plan. TIX has two runways in a 09-27 and 18-36 configuration. The following is a summary of the TIX airport facilities:

Location

Street Reference: In the vicinity of Golden Knights Boulevard, west of U.S. Highway 1, Titusville, Brevard County, Florida

Coordinates: N 28°30.89'
W 81°47.95'

Elevation: 34 feet

Airport Facilities

Hour of Operation: 1300-0100Z

Control Tower: No

U.S. Customs: No

Fire/Rescue Station: Yes

FAA Part 139 Certificated: Yes

Runways: 09-27 5,000' x 100' Asphalt
18-36 7,319' x 150' Grooved Asphalt

Approaches: ILS, GPS, Vortac

Lighting: Beacon
Runway 09-27 - MIRL, REIL, PAPI
Runway 18-36 - HIRL, REIL, PAPI
Runway 36 - MALSR, REIL, PAPI

ILS- Instrument Landing System

NDB- Non-Directional Beacon

MIRL- Medium Intensity Runway Lighting

HIRL- High Intensity Runway Lighting

PAPI- Precision Approach Path Indicator

MALSR- Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights

VASI- Visual Approach Slope Indicator

REIL- Runway End Identifier Lights

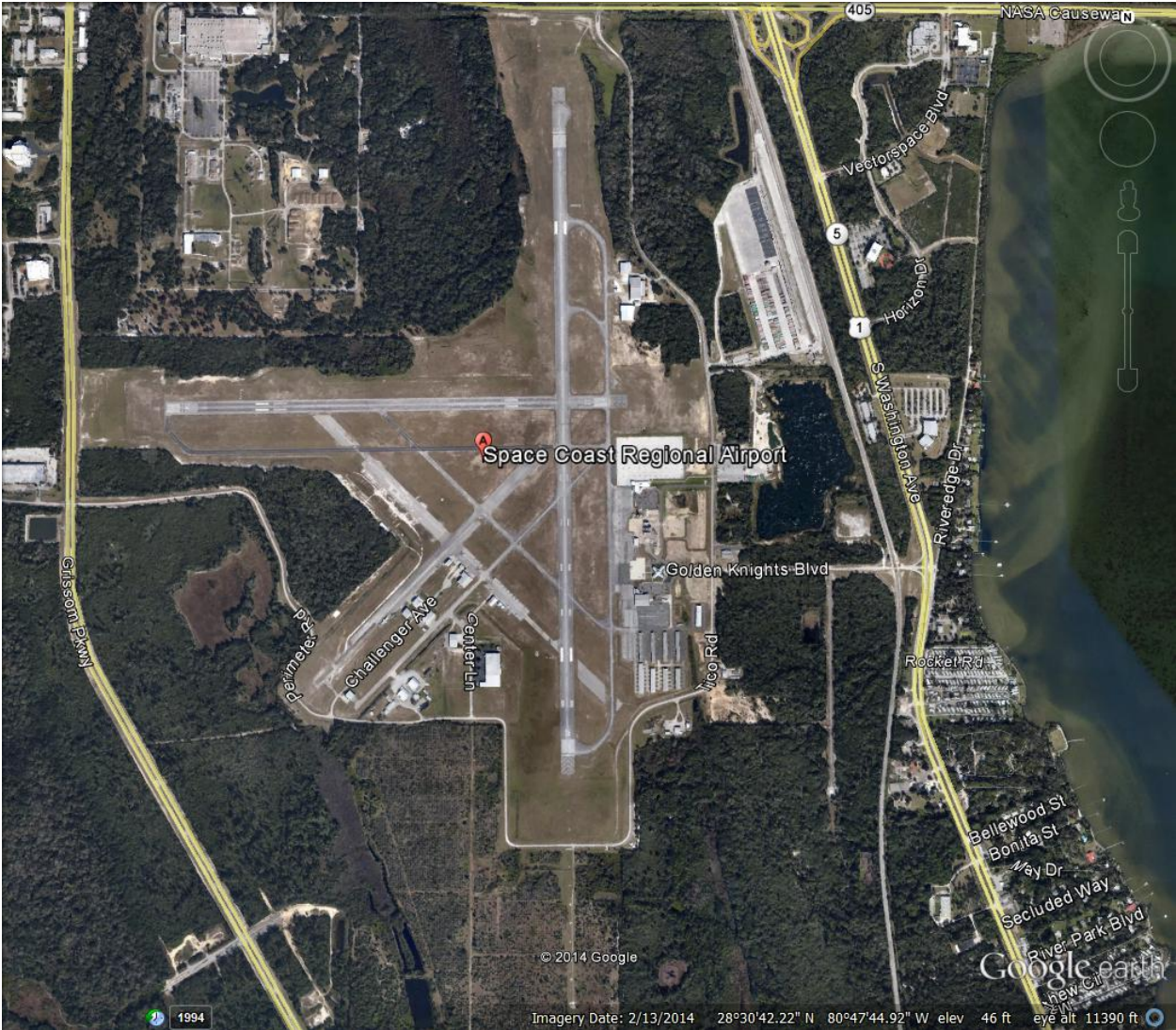
U- Single Wheel Landing Gear Runway Bearing Capacity (_,000 lbs.)

D- Dual Wheel Landing Gear Runway Bearing Capacity (_,000 lbs.)

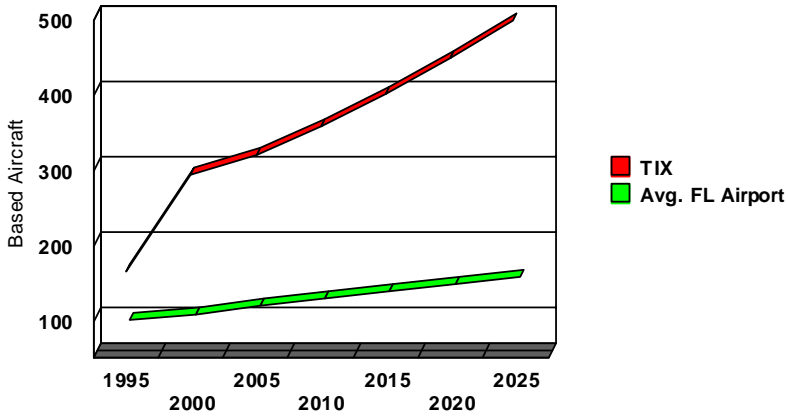
T- Twin Wheel Landing Gear Runway Bearing Capacity (_,000 lbs.)

DT- Dual-Tandem Landing Gear Runway Bearing Capacity (_,000 lbs.)

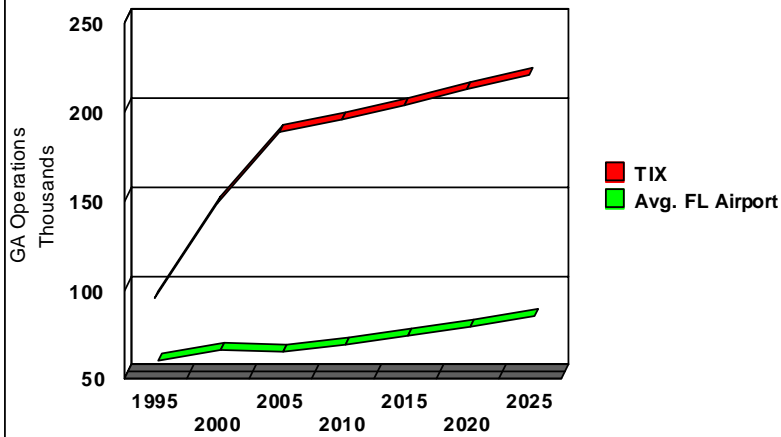
Space Coast Regional Airport (TIX)



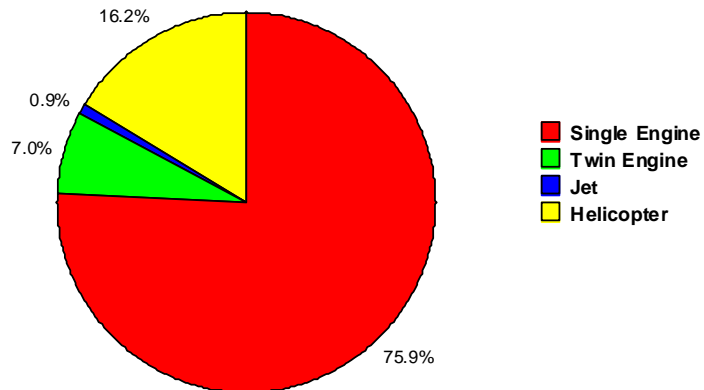
Historic and Forecast Based Aircraft



Historic and Forecast GA Operations



Aircraft Distribution



TIX serves as a general aviation and corporate airport within the Titusville-Cocoa area of Brevard County. The following is a summary of the activity information for TIX. According to the FAA’s “Airport Operations at Airports with FAA-Operated Control Towers” regarding the activity in Florida and at TIX, the total and general aviation operations since 2009 has been as follows:

TIX & Florida Airport Operations

Year	TIX		Total Operations		TIX		GA Operations	
		% change	Florida	% change		% change	Florida	% change
2009	146,856		5,358,496		146,199		3,703,901	
2010	109,654	-25.3%	5,169,633	-3.5%	109,288	-25.2%	3,499,828	-5.5%
2011	89,926	-18.0%	5,312,512	2.8%	89,467	-18.1%	3,609,789	3.1%
2012	103,118	14.7%	5,446,794	2.5%	102,782	14.9%	3,776,048	4.6%
2013	103,362	0.2%	5,598,684	2.8%	102,849	0.1%	3,921,724	3.9%

In addition, the operations at TIX are divided by category as follows:

TIX Operations

Year	Local	Itinerant	AirTaxi	Military	Total
2009	73,059	73,140	219	387	146,856
2010	49,999	59,289	191	175	109,654
2011	41,202	48,265	183	276	89,926
2012	49,880	52,902	197	127	103,118
2013	50,292	52,557	191	110	103,362

According to the airport manager, the total general aviation fuel flowage at TIX since 2009 is as follows:

TIX Fuel Flowage

Year	AvGas	JetA	Total	% Change
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	
2011	295,558	243,081	538,639	
2012	271,142	267,930	539,072	0.1%
2013	178,725	144,719	323,444	-40.0%

According to the airport manager, the total based aircraft at TIX, since 2009 is as follows:

TIX Based Aircraft						
Year	SE	ME	Jet	Helo	Based Aircraft	% Change
2009	73	14	1	47	135	
2010	73	14	1	47	135	0.0%
2011	69	15	1	50	135	0.0%
2012	69	15	1	50	135	0.0%
2013	69	35	1	55	160	18.5%

Summary

The above statistics of airport activity at X21, COI and TIX were analyzed in terms of the business trends, as well as for purposes of comparison with other airports in Florida. The information was provided mostly by the airport manager. It was noted that several years of fuel flowage was incomplete. It was also noted that the operations information for X21 and COI, as well as the base aircraft information for all the airports, showed little change, most likely to reporting criteria since 2009. Although somewhat limited, the information for the airports does aid in establishing the general measures of airport activity.

The level of operations at an airport is a general measure of airport activity. This information is measured by the FAA standards in terms of air carrier, air taxi, general aviation and military operations. The operations are further classified as “local” and “itinerant” operations. A review of the total and general aviation operations provides a basis of airport comparison, as well as trends in airport activity. The operations information at TIX is most complete, since the airport has a control tower. The operations information at X21 and COI is limited due to the lack of control towers at these airports. According to TCAA, the operations are not tracked at X21 and COI, therefore, we relied the estimates from Airport IQ 5010 reports. Limited based aircraft information was provided for all three airports. We also relied on the Airport IQ 5010 reports for the missing based aircraft information.

Based on our analysis of total general aviation operations in Florida, at airports with control towers, the trend has been one of increase since 2009. Based on the information from the 5010 reports for X21 and COI, operations appear to have been generally stable since 2009. As noted, X21 and COI do not have control towers and the operation activity is typically estimated by the airport manager. The operation information for TIX comes from the control tower and is considered more reliable. General aviation operations at TIX have fluctuated and have show stability over the past two years. Based on an analysis of the breakdown of the operations at TIX, it is evident that the increase in operations is primarily attributable to increases in flight training activity as reflected as “local” operations.

The general aviation fuel flowage is considered a good measure of general aviation airport activity and further provides insight into the type of general aviation traffic at the airport. Unfortunately, the fuel flowage information for the subject airports is limited to the past three years. At X21, the fuel flowage information is not consistent with the operations information. At TIX, the fuel flowage is also not consistent with the level of operations since 2009. At COI, the fuel flowage information is limited since the fuel provider does not pay a fuel flowage fee and does not report fuel flowage.

The relationship of aviation gas and jet fuel reflects the type of business at the airport. Generally, a large level of aviation gas sales indicates active private aviation traffic, while large levels of jet fuel sales indicate active corporate (jet and turbine) traffic. The fuel flowage trend at the subject airports was not available.

The annual based aircraft count also impacts the general aviation business at an airport. Analysis of the based aircraft at the subject airports indicates the based aircraft have been fairly stable since 2009, with some increases. It was noted that the ultra-light aircraft based at X21 were not counted in the based aircraft count.

The overview of the airport activity requires the prioritization of the information. The general aviation operations, based aircraft and fuel flowage are all considered important measures of airport activity for the purpose of this analysis. Unfortunately, the information was limited and was not considered reliable for purposes of a trending analysis. The information reviewed does provide some insight into the classification of the subject airports as they relate to other airports in the region and in Florida.

Based on the level and type of operations, all the subject airports are classified as general aviation airports, primarily due to their lack of commercial air service. X21 and COI are small airports in terms of size and runway capacity and will most likely remain at current operational levels for the foreseeable future.

TIX is a general aviation airport based on the level of operations and its position within the regional airport system in central Florida. It is our opinion that the dominance of Orlando International Airport as the premier large hub commercial airport and the growth of Orlando-Sanford International Airport as a small hub commercial airport will severely limit the growth of a significant commercial airport on the east coast between the established non hub commercial airports of Melbourne International Airport in south Brevard County and Daytona International Airport in Volusia County to the north. Within the subject area, the potential for growth in the aviation industry will depend on the ability of airports to develop and sustain niche markets (flight training, maintenance, corporate).

DESCRIPTION OF THE PROPERTIES

For valuation purposes, we have classified the aeronautical properties included in this analysis as aeronautical land, pavement, hangars, t-hangars and port-a-port hangars. The ownership of the various types of aeronautical and non-aviation properties range from properties owned by the Titusville-Cocoa Airport Authority (TCAA) to leasehold improvements (pavement and hangars) owned by the tenants that developed the improvements until the end of their development lease, at which point ownership of the improvements will revert to TCAA.

All the aeronautical land, with the exception of the Brevard County Mosquito Control parcel at TIX, is reportedly owned by TCAA and leased to tenants as either part of their building leasehold, or part of a development leasehold. The pavement is similarly either owned by TCAA through inheritance or construction, or constructed by tenants as part of their development leasehold.

The two non-aviation buildings include offices buildings located at TIX and X21. The buildings are owned by TCAA and the current tenants pay building rent inclusive of supportive land and pavement as is typical for buildings of this type in this market.

Development of the airports is overseen by the TCAA, as well as local zoning regulations. As stated, this analysis is limited to estimates of the fair market annual rental for the aeronautical and non-aviation properties described herein. It should be clearly understood that the scope of this analysis is limited to the fair market annual rental of the properties and has not considered the fee simple value of the properties.

This analysis included an exterior visit to all of the buildings and interior inspection of those buildings where access was permitted by the tenant. The building areas were measured as part of this analysis and are subject to verification by survey or "as-built" building plans. The building information was further verified with the Brevard County Property Appraiser's (BCPA) parcel information, including the building ages. The lease information was provided in summary format from the airport manager.

It was noted, tenant improvements have been made to several of the buildings subsequent to the date of the leases (i.e. new roof, interior build out, painting, etc). Our estimates of fair market rent are based on the hypothetical condition the building conditions excluding any tenant improvements made at the tenants' expense. It should be noted, if the existing tenants are to vacate the buildings, it would be anticipated the rent would increase for subsequent tenants. Our estimates of market rent for the applicable buildings have also taken into consideration any improvements made at TCAA's expense subsequent to the effective date of the lease. A description of the improvements made to each building will be discussed in the following property descriptions. A summary of the airport buildings at each airport is located on the following pages.

Arthur Dunn Airpark (X21) - Aeronautical Building Summary

Bldg. No.	Year Built	Bldg. Sq.Ft.	Hangar Sq.Ft.	Support Area Sq.Ft.	%	Tenant
9	1965	6,000	5,880	120	2%	Skydive Space Center
10	1965	1,896	1,032	864	46%	EAA
11	1965	1,440	0	1,440	100%	Skydive Space Center
12	1993	10,000	4,800	5,200	52%	Skydive Space Center

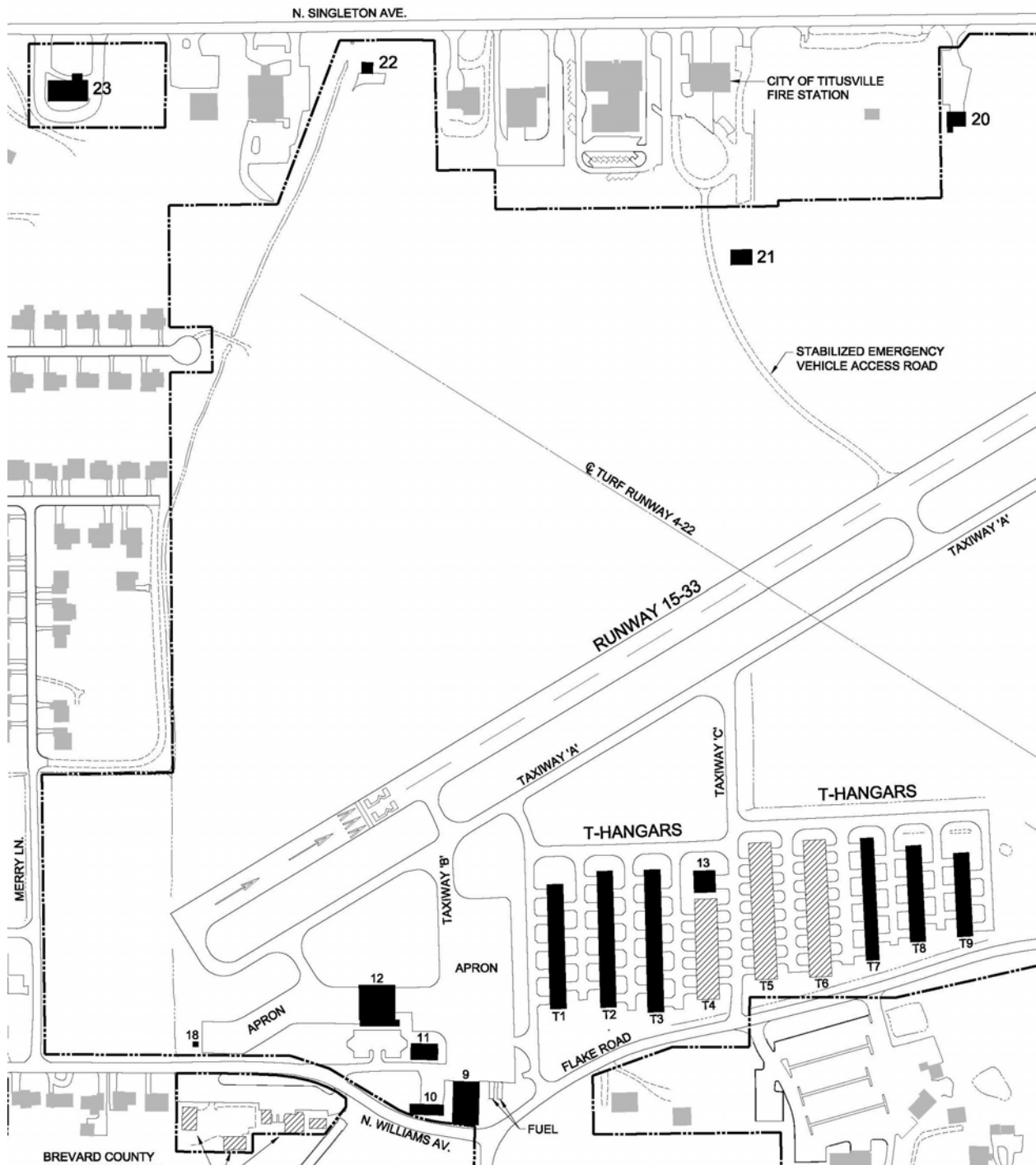
T-Hangars

Bldg. No.	Year Built	Bldg. Sq.Ft.	No. Units
T1	1993	10,220	9
T2	1993	11,040	10
T3	2000	11,760	10
T7	1992	8,323	9
T8	1992	7,785	7
T9	1992	6,419	6

Arthur Dunn Airpark (X21) - Non-Aviation Building Summary

Bldg. No.	Year Built	Bldg. Sq.Ft.	Tenant
23	1967	3,400	Pheonix Design

Arthur Dunn Airpark (X21)



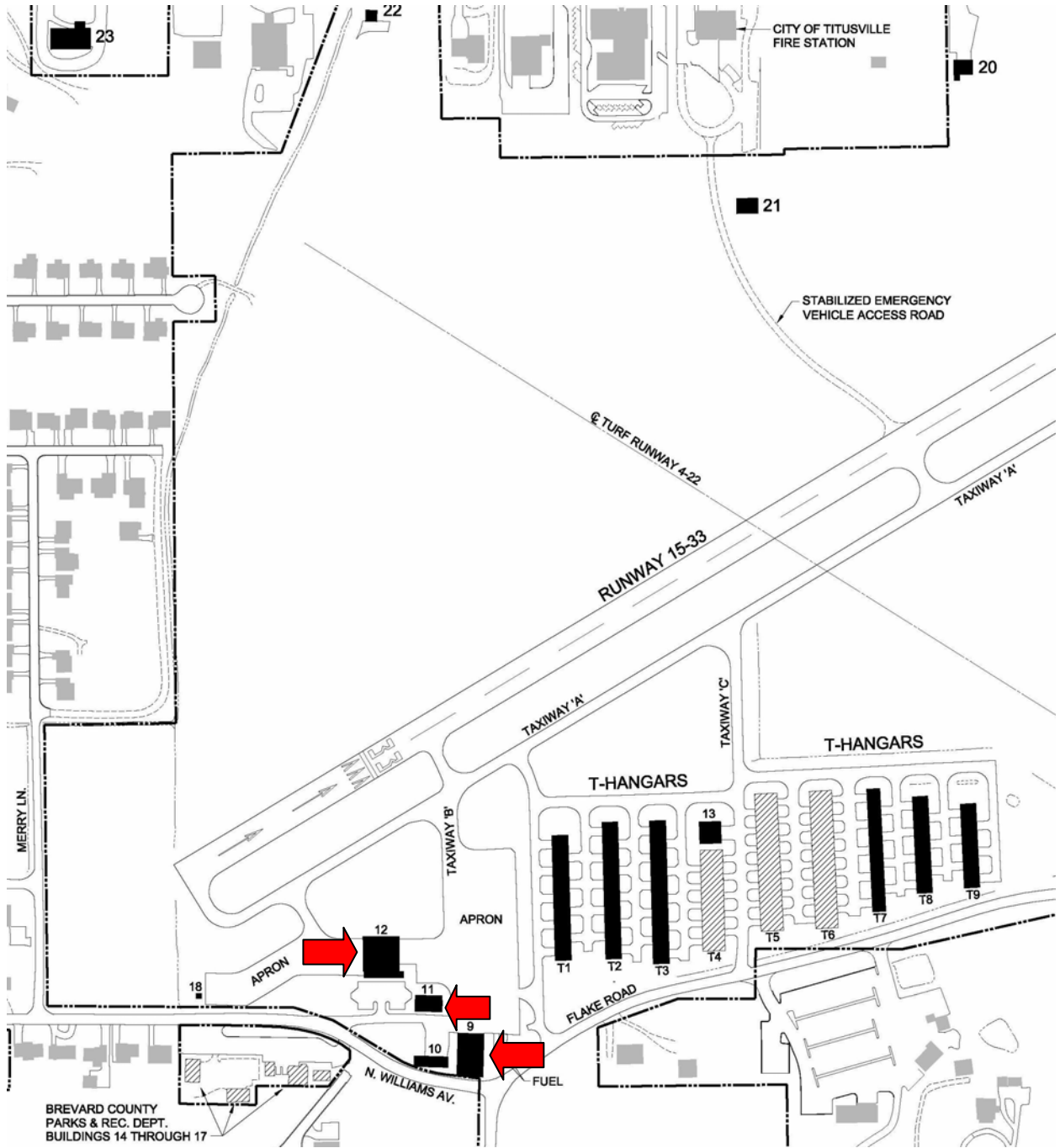
**Arthur Dunn Airpark (X21)
Buildings 9, 11 & 12**

Building Numbers:	9, 11 & 12 (f/k/a Building 24)
Address:	476 & 480 North Williams Avenue, Titusville, Florida
Township-Range-Section	21S-35E-32
Lessee:	Skydive Space Center
Lease Term:	September 1, 2002 to August 31, 2012
Renewal:	2 @ 5 years
Terms:	Gross
Current Annual Rent:	\$65,735.04
Annual Rent Per Square Foot:	\$3.77 (including land and pavement)
Land Area:	190,160 sq. ft.; 4.37 acres
Paved Area:	98,790 sq. ft.; 2.27 acres
Building Area:	Building 9
Support	0 sq. ft. (0%)
Hangar	<u>6,000</u> sq. ft. (100%)
Total	6,000 sq. f t.
Adjusted Building Area (BCPA)	6,000 sq. ft.
Year Built:	1965 (BCPA)
Condition:	Fair
BCPA Account Number:	21-35-32-00-00827.0-0000.00
Building Area:	Building 11
Support	1,440 sq. ft. (100%)
Hangar	<u>0</u> sq. ft. (0%)
Total	1,440 sq. ft.
Adjusted Building Area (BCPA)	1,416 sq. ft.
Year Built:	1965 (BCPA)
Condition:	Fair
BCPA Account Number:	21-35-32-00-00828.0-0000.00
Building Area:	Building 12
Support	5,200 sq. ft. (52%)
Hangar	<u>4,800</u> sq. ft. (48%)
Total	10,000 sq. ft.
Adjusted Building Area (BCPA)	8,800 sq. ft.
Year Built:	1993 (BCPA)
Condition:	Average
BCPA Account Number:	21-35-32-00-00751.0-0000.00 (portion of)

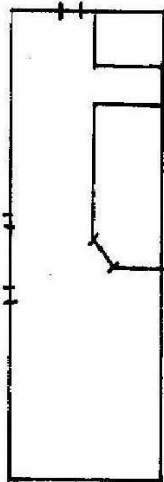
Comments: Buildings 9, 11 & 12 are under lease to Skydive Space Center, Inc. Building 9 is a pre-engineered metal hangar building in fair condition. Building 9 has a hangar door on the west end of the

building. The hangar door provides for an opening of approximately 58 feet and has a clear height of approximately 13 feet. The building is currently used at the a maintenance hangar for the sky dive operations. Based on our visit to Building 9, TCAA reportedly replaced the roof several years ago and the tenant has recently renovated the office area, bathroom and installed a retaining wall around the hangar footprint to prevent storm water intrusion into the hangar area. The southeast portion of the interior of Building 11 has open-partitioned for storage areas. Building 11 is a concrete block building that was formerly used as the FBO lounge and offices. Building 12 (f/k/a Building 24) is a pre-engineered metal hangar building that is being used as FBO that specializes in sky diving. The building is in average condition, with two-story support area (office, classrooms and storage) at the eastern portions of the building. The hangar portion of the building has hangar doors on the south and north ends of the building. The hangar doors provide for an opening of approximately 55 feet and have a clear height of approximately 16.5 feet. The lease references a building area of 7,600 square feet. The tenant maintains that they built portions of the interior improvements.

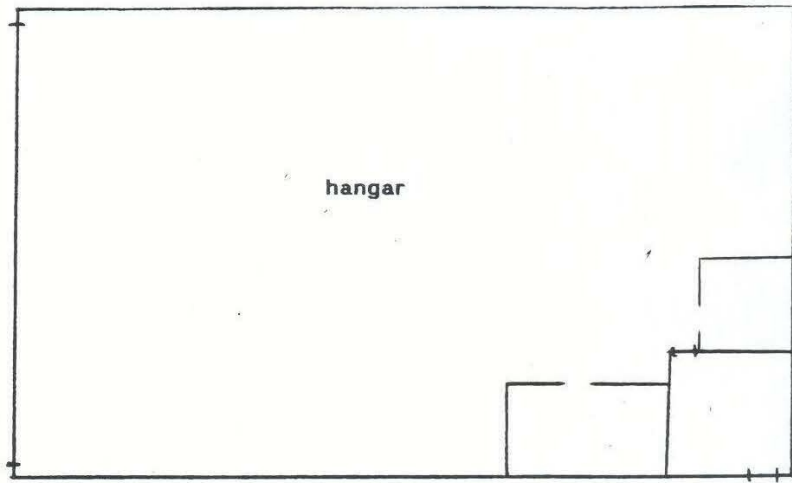
Inspection: AHM & ZJO; 9/14



BLDG. 11

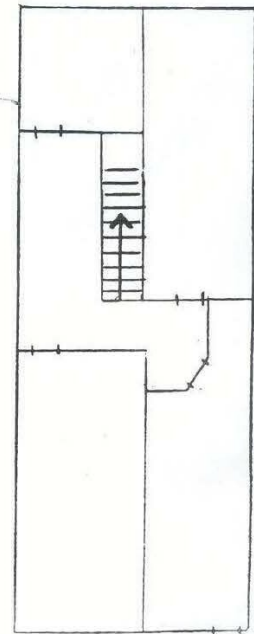
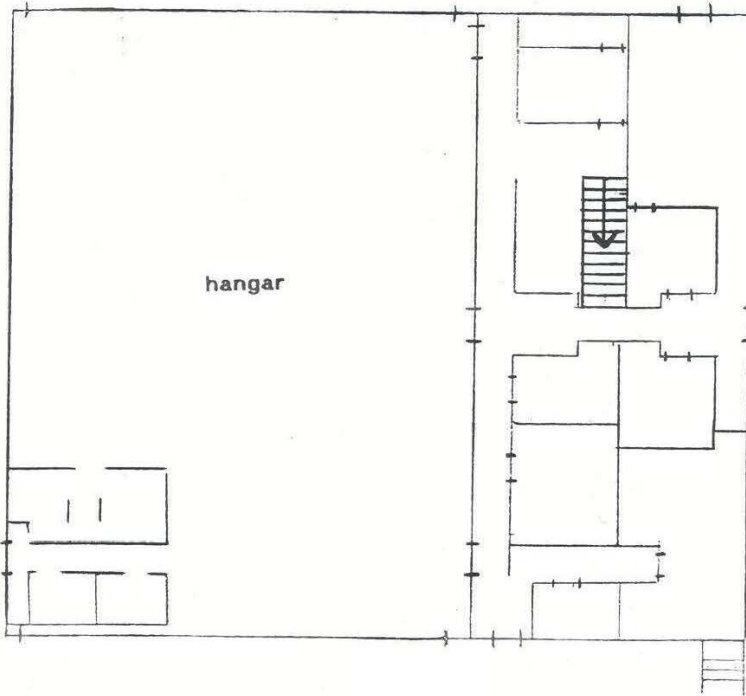


BLDG. 9



nts

BLDG. 12



nts

X21 – Building 9



View of the south and west elevations.



View of the north and east elevations.

X21 – Building 9



Interior view of the hangar area.



Interior view of the office area.

X21 - Building 11



View of the north and west elevations.



View of the south and east elevations.

X21 – Building 11



Interior view.



Interior view.

X21 – Building 12



View of south and west elevations.



View of north and east elevations.

X21 – Building 12



Interior view.



Interior view.

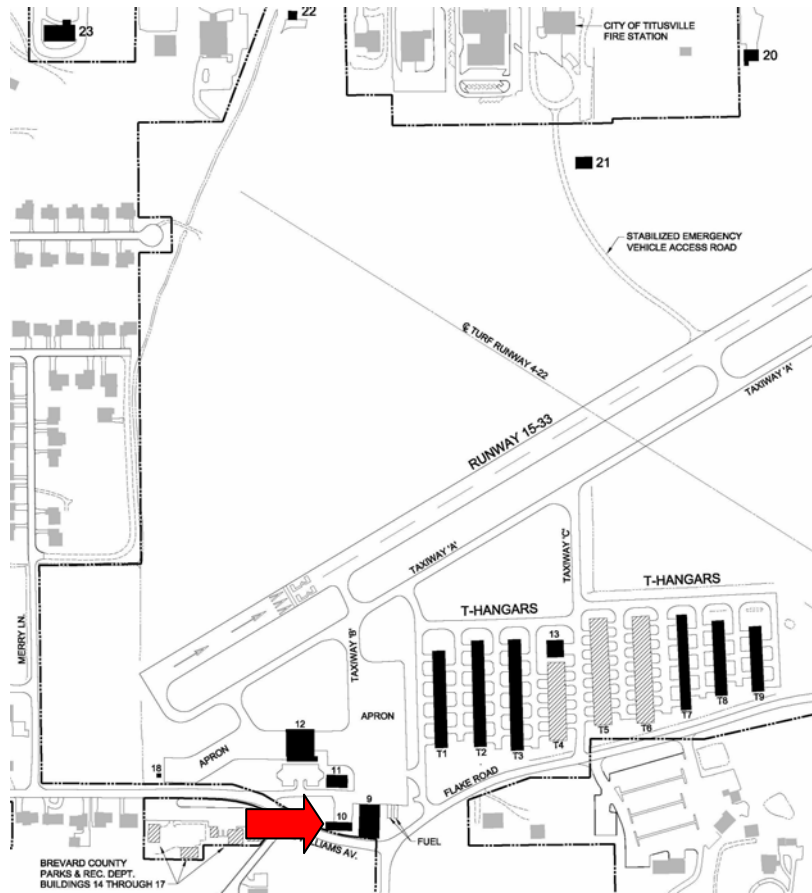
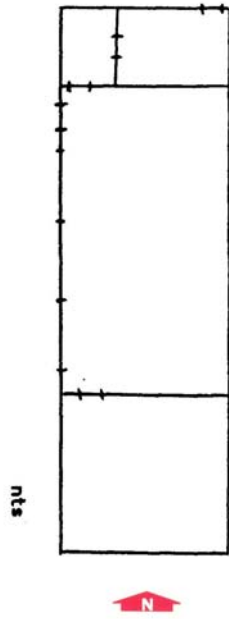
**Arthur Dunn Airpark (X21)
Building 10**

Building Number:	10
Address:	480 North Williams Avenue, Titusville, Florida
Township-Range-Section	21S-35E-32
Lessee:	EAA
Lease Term:	See Comments
Terms:	See Comments
Current Annual Rent:	See Comments
Annual Rent Per Square Foot:	See Comments
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
Support	864 sq. ft. (46%)
Garage	<u>1,032</u> sq. ft. (54%)
Total	1,896 sq. ft.
Adjusted Building Area (BCPA)	1,872 sq. ft.
Year Built:	1965 (BCPA)
Condition:	Poor
BCPA Account Number:	21-35-32-00-00751.0-0000.00 (portion of)

Comments: Building 10 is an old concrete block building with a wood truss, tin roof. Building 10 is occupied by the local chapter of the Experimental Aircraft Association (EAA). We were not provided interior access to Building 10. Based on our previous visit to the interior of the building in 2007 it was configured to include a garage area in the center portion of the building and support areas to the north and south of the garage. Access to the garage portion of the building is provided via two garage doors on the western end of the building. EAA members meet in the building and use the garage portion of the building to assemble home-built aircraft. TCAA reportedly allows the EAA to occupy the building without monetary compensation in exchange for EAA maintaining the building.

Inspection: AHM & ZJO; 09/14

X21 – Building 10



X21 - Building 10



View of the south and west elevations.



View of the south and east elevations.

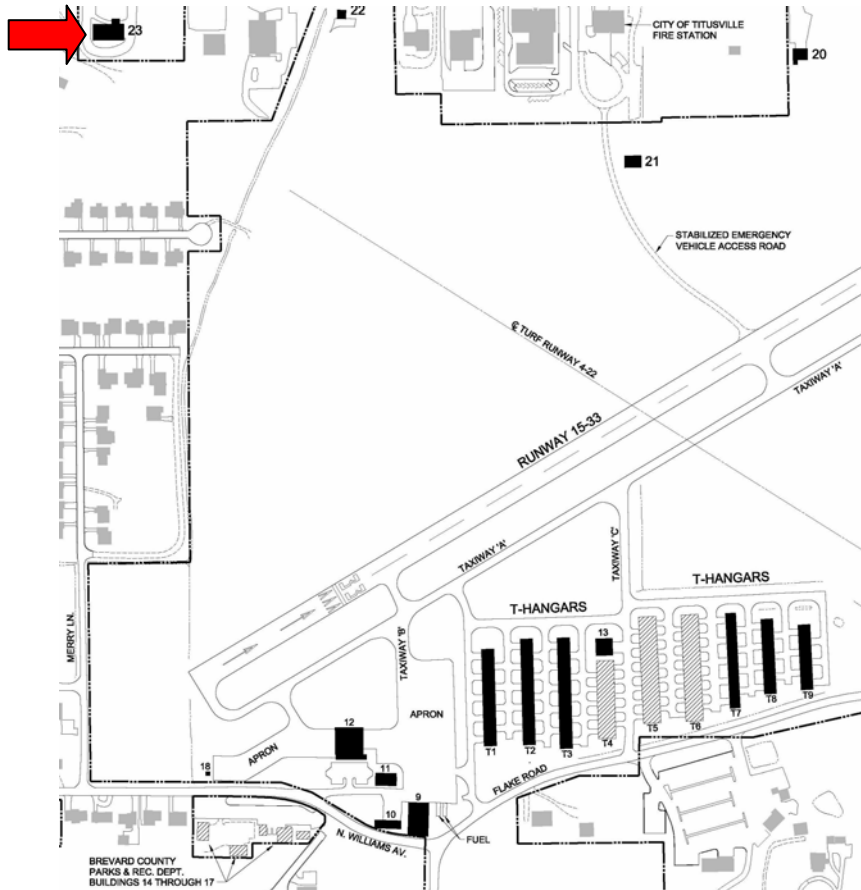
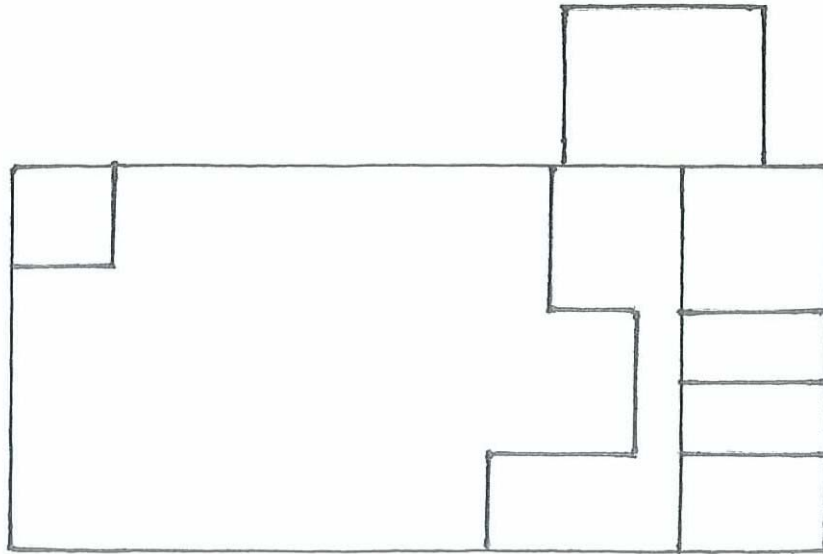
**Arthur Dunn Airpark (X21)
Non-Aviation Building 23**

Building Number:	23
Address:	385 N. Singleton Avenue, Titusville, Florida
Township-Range-Section	21S-35E-32
Lessee:	Phoenix Design & Integration, LLC
Lease Term:	September 1, 2012 to August 31, 2015
Renewal:	None
Terms:	Gross
Current Annual Rent:	\$26,239.44
Annual Rent Per Square Foot:	\$7.72 (including land and pavement)
Land Area:	32,234 sq.ft.; 0.74 acre
Paved Area:	Not Specified
Building Area:	3,400 sq. ft.
Adjusted Building Area (BCPA)	3,400 sq. ft.
Land-to-Building Ratio:	9.48:1
Land Use:	Industrial (1.0 FAR)
Zoning:	M-1 (Light Industrial Services and Warehousing)
Year Built:	1967 (BCPA)
Condition:	Average
BCPA Account Number:	21-35-32-00-00753.1-0000.00

Comments: Building 23 is of CBS construction with brick veneer and a hip roof with asphalt shingles. The building was formerly used as a church. Based on its current design and open layout the building functions as a neighborhood single-tenant office building. The interior of the building includes carpet flooring, vinyl baseboards, 2' x 4' acoustical ceiling tiles with drop in fluorescent lighting, a combination of painted CBS and wallpaper, solid core doors and a central HVAC system. The layout of the building includes a foyer, one office, two storage rooms, two bathrooms, a kitchenette and a large open area.

Inspection: AHM & ZJO; 09/14

X21 – Non-Aviation Building 23



X21 - Non-Aviation Building 23



View looking south from Singleton Avenue at the north and west elevations.



View of the south and east elevations.

X21 - Non-Aviation Building 23



Interior view.



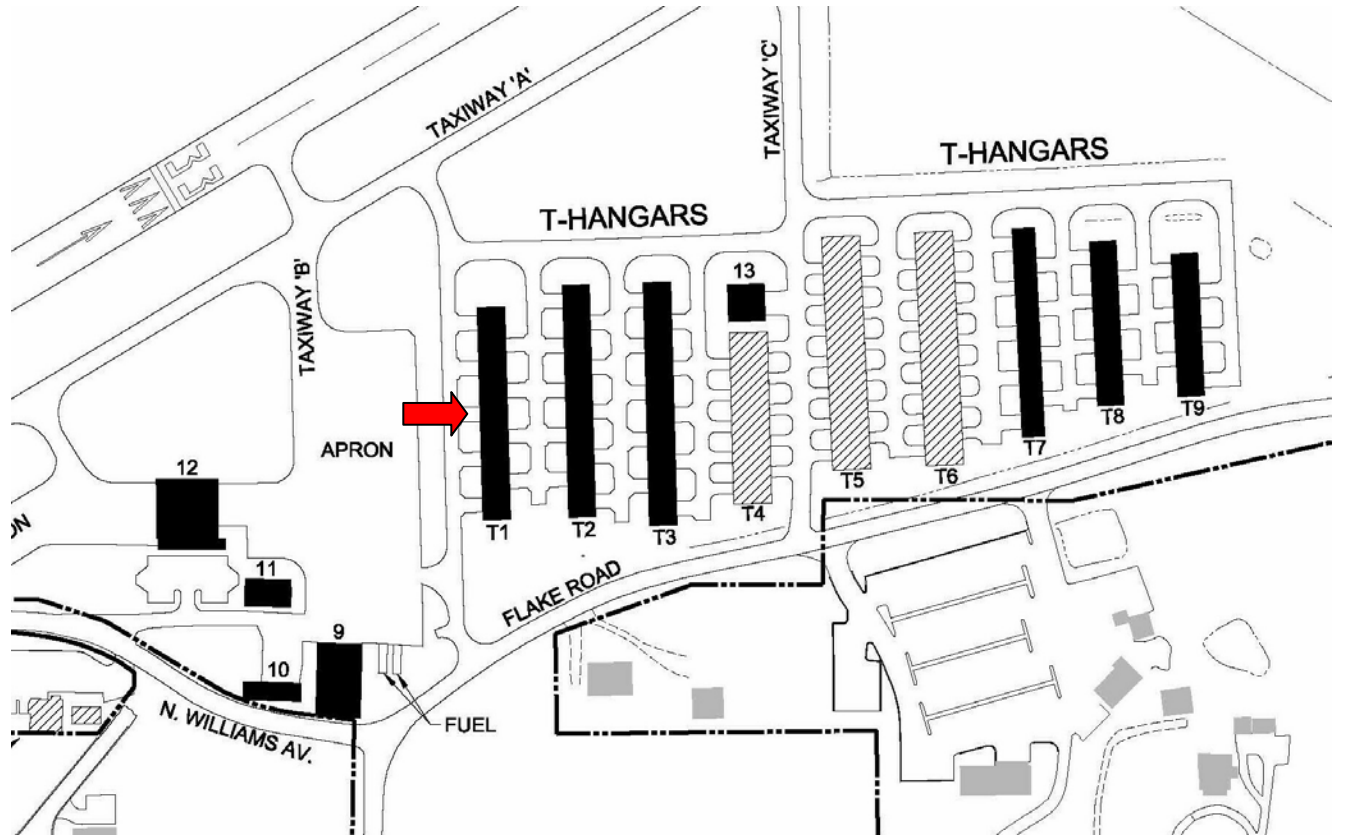
View of the south and east elevations.

**Arthur Dunn Airpark (X21)
Building T1**

Building Number:	T1
Address:	Not Specified
Township-Range-Section	21S-35E-32
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	\$274/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	10,220 sq. ft.
Adjusted Building Area (BCPA)	10,804 sq. ft.
Year Built:	1993 (BCPA)
Condition:	Good
BCPA Account Number:	21-35-32-00-00751.0-0000.00 (portion of)

Comments: Building T1 is a 9-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 41 feet. The building also includes two storage units.

Inspection: AHM & ZJO; 09/14



X21 – Building T1



View of the north and east elevations.



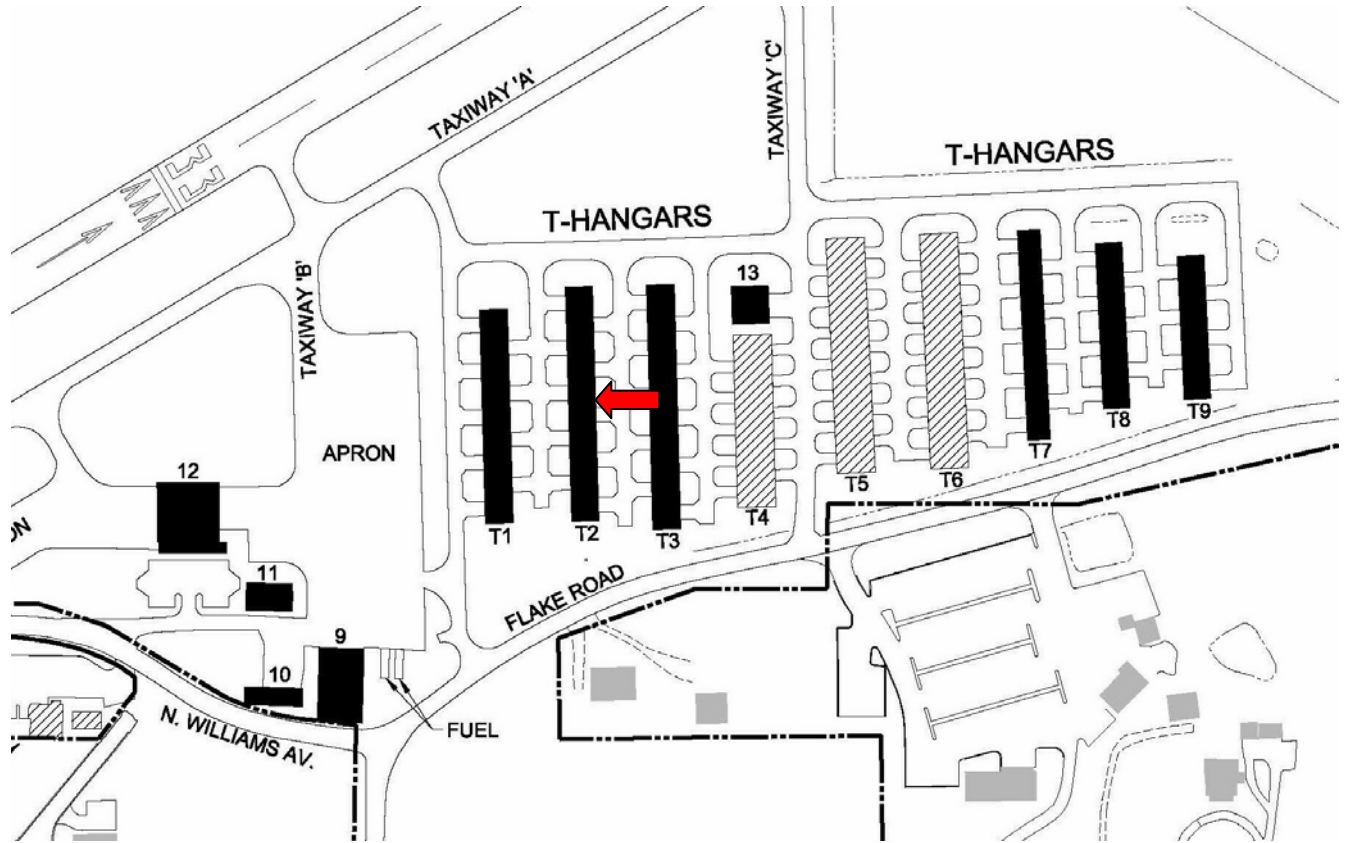
View of the south and west elevations.

**Arthur Dunn Airpark (X21)
Building T2**

Building Number:	T2
Address:	Not Specified
Township-Range-Section	21S-35E-32
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	1 @ \$318/unit; 9 @ \$274/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	11,040 sq. ft.
Adjusted Building Area (BCPA)	11,200 sq. ft.
Year Built:	1993 (BCPA)
Condition:	Good
BCPA Account Number:	21-35-32-00-00751.0-0000.00 (portion of)

Comments: Building T2 is a 10-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 41 feet. The building also includes two storage units. The base monthly rent for the t-hangar units is \$274/unit. It was noted that the unit renting for \$318/unit includes a storage area.

Inspection: AHM & ZJO; 09/14



X21 – Building T2



View of the south and west elevations.



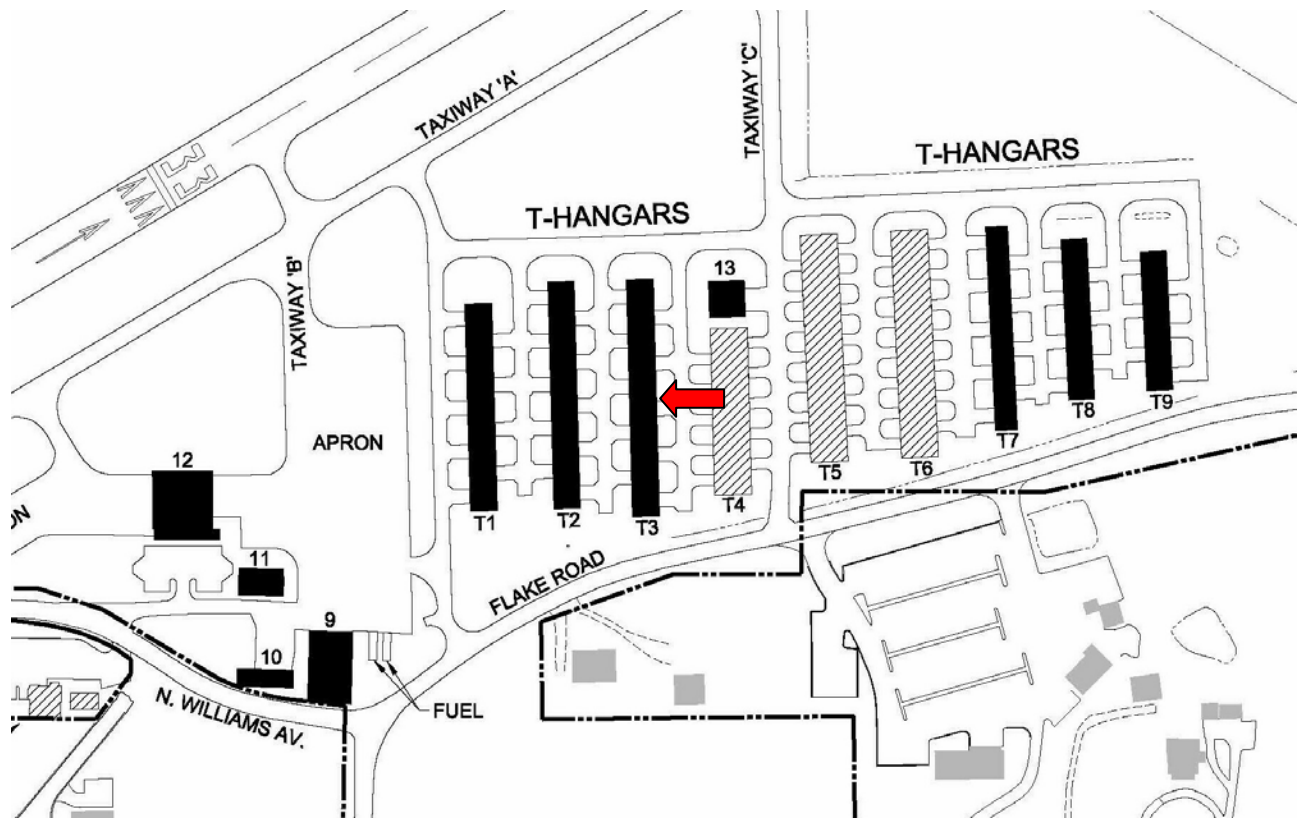
View of the north and east elevations.

Arthur Dunn Airpark (X21)
Building T3

Building Number:	T3
Address:	Not Specified
Township-Range-Section	21S-35E-32
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	\$274/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	11,760 sq. ft.
Adjusted Building Area (BCPA)	11,736 sq. ft.
Year Built:	2000 (BCPA)
Condition:	Good
BCPA Account Number:	21-35-32-00-00751.0-0000.00 (portion of)

Comments: Building T3 is a 10-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 41 feet. The building also includes two storage units. Restroom facilities for the X21 t-hangar tenants are provided at the west end of this building.

Inspection: AHM & ZJO; 09/14



X21 – Building T3



View of the north and east elevations.



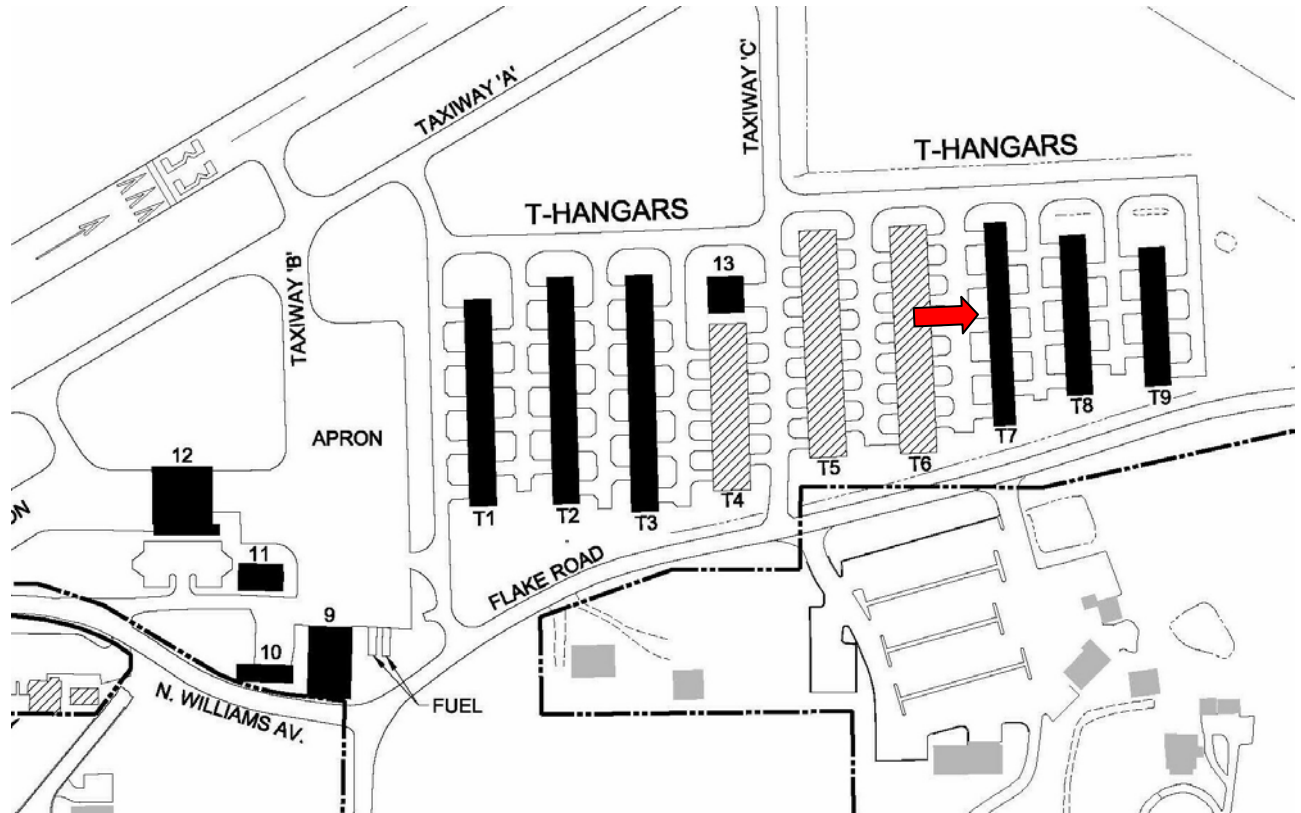
View of the south and west elevations.

**Arthur Dunn Airpark (X21)
Building T7**

Building Number:	T7
Address:	Not Specified
Township-Range-Section	21S-35E-32
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	\$274/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	8,323 sq. ft.
Adjusted Building Area (BCPA)	8,550 sq. ft.
Year Built:	1992 (BCPA)
Condition:	Good
BCPA Account Number:	21-35-32-00-00751.0-0000.00 (portion of)

Comments: Building T7 is a 9-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 40 feet. The building also includes two storage units.

Inspection: AHM & ZJO; 09/14



X21 – Building T7



View of the north and east elevations.



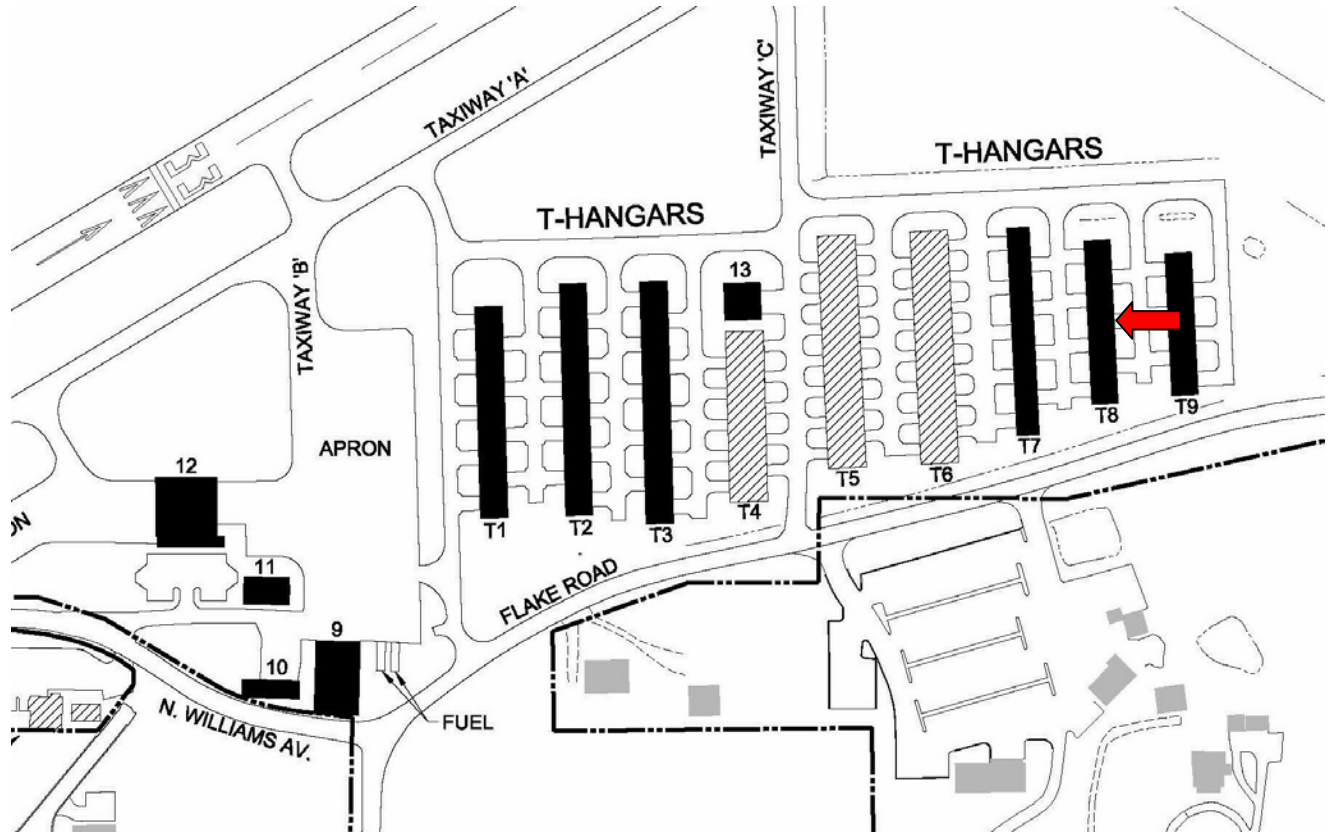
View of the south and west elevations.

**Arthur Dunn Airpark (X21)
Building T8**

Building Number:	T8
Address:	Not Specified
Township-Range-Section	21S-35E-32
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	\$274/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	7,785 sq. ft.
Adjusted Building Area (BCPA)	7,910 sq. ft.
Year Built:	1992 (BCPA)
Condition:	Good
BCPA Account Number:	21-35-32-00-00751.0-0000.00 (portion of)

Comments: Building T8 is a 7-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 40 feet. The building also includes two storage units.

Inspection: AHM & ZJO; 09/14



X21 – Building T8



View of the north and east elevations.



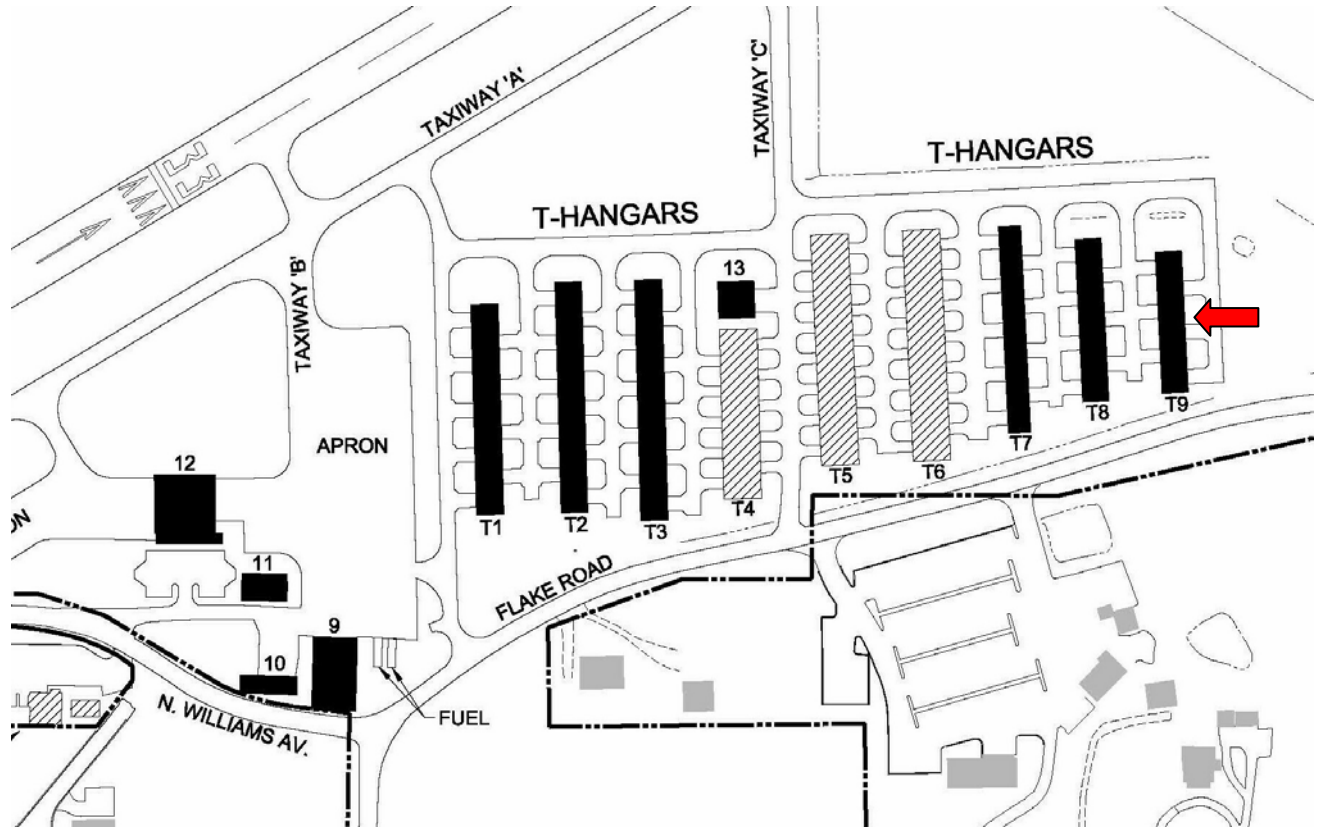
View of the south and west elevations.

**Arthur Dunn Airpark (X21)
Building T9**

Building Number:	T9
Address:	Not Specified
Township-Range-Section	21S-35E-32
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	\$274/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	6,419 sq. ft.
Adjusted Building Area (BCPA)	6,860 sq. ft.
Year Built:	1992 (BCPA)
Condition:	Good
BCPA Account Number:	21-35-32-00-00751.0-0000.00 (portion of)

Comments: Building T9 is a 6-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 40 feet. The building also includes two storage units.

Inspection: AHM & ZJO; 09/14



X21 – Building T9



View of the north and east elevations.



View of the south and west elevations.

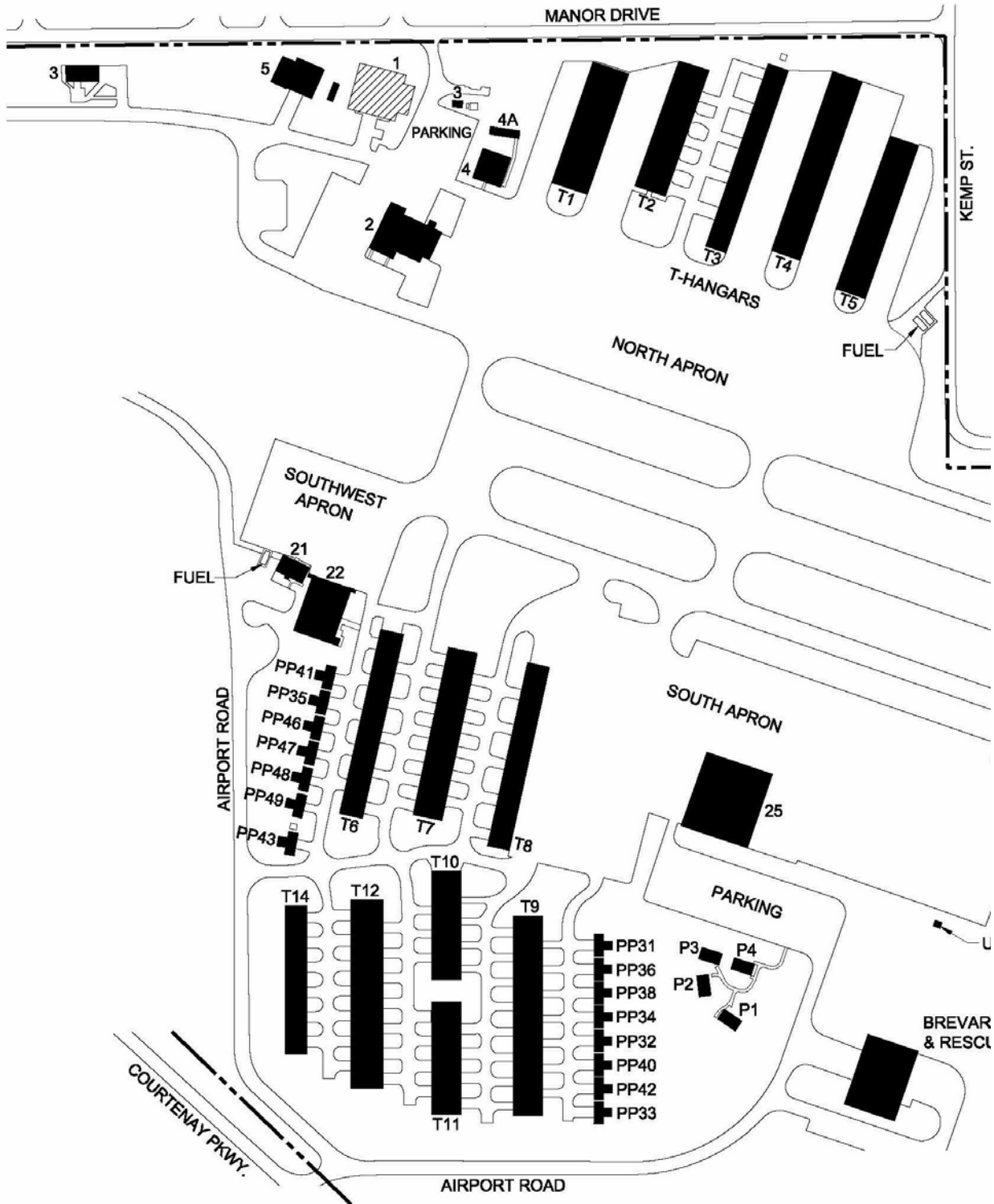
Merritt Island (COI) - Aeronautical Building Summary

Bldg. No.	Year Built	Bldg. Sq.Ft.	Hangar Sq.Ft.	Support Area Sq.Ft.	%	Tenant
2	1956	6,728	5,000	1,728	26%	Sebastian Communication
3	1956	1,388	1,388	0	0%	Beachside Helicopters
4	1974	2,000	0	2,000	100%	Voyager Aviation
5	1970	2,704	2,704	0	0%	Florida Air Tours
25	1976	20,844	9,954	10,890	52%	Pan Am Flight Academy

Port-a-Ports

T-Hangars/Executive Hangars					Bldg. No.	Bldg. Sq.Ft.
Bldg. No.	Year Built	Bldg. Sq.Ft.	No. Units			
					SE	
					P31	855
					P36	855
					P38	855
					P34	855
					P32	855
					P40	855
					P42	855
					P33	855
					SW	
					P43	855
					P49	855
					P48	855
					P47	855
					P46	855
					P41	855

Merritt Island Airport (COI)



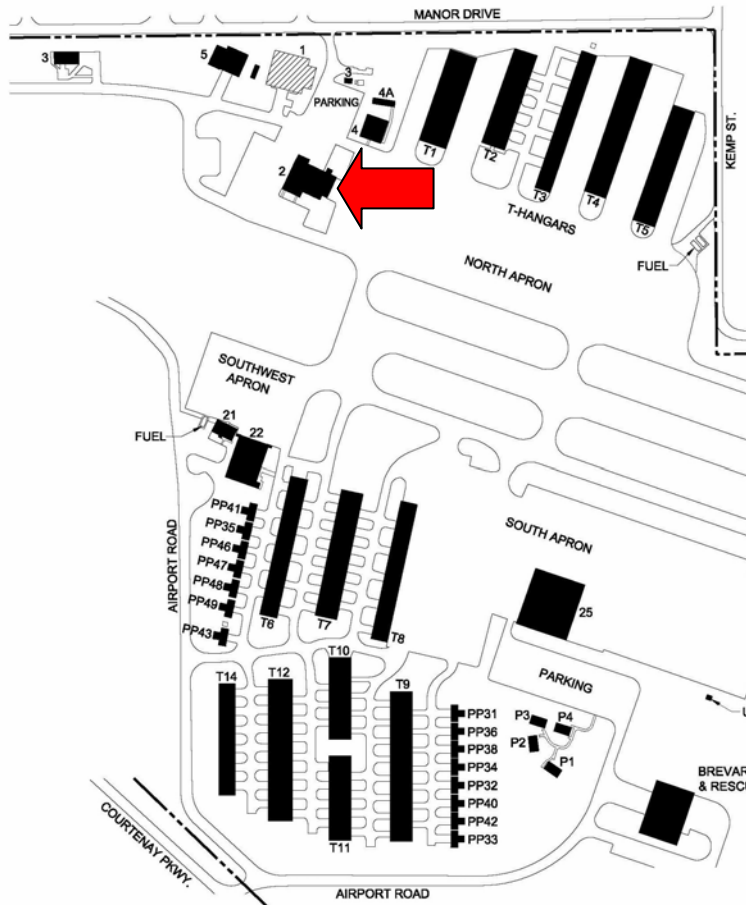
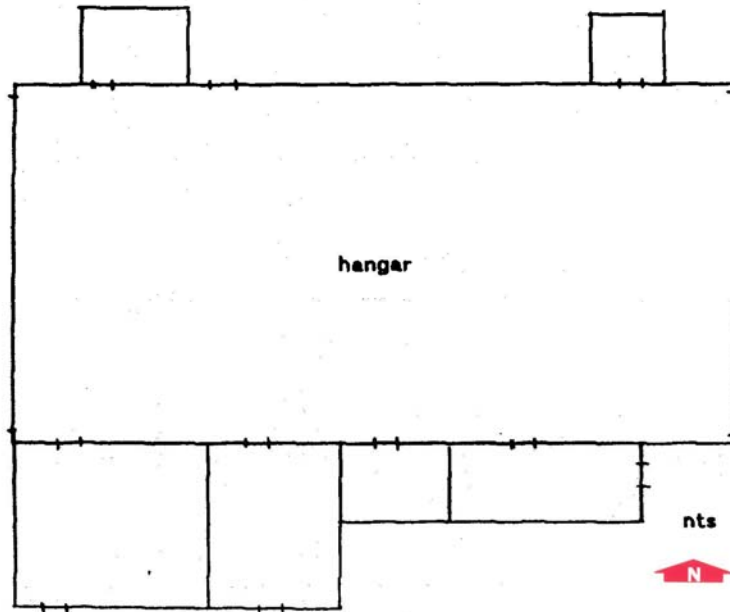
**Merritt Island Airport (COI)
Building 2**

Building Number:	2
Address:	473 Manor Drive, Merritt Island, Florida
Township-Range-Section	25S-36E-1
Lessee:	Sebastian Communications
Lease Term:	See Comments
Renewal:	Not Specified
Terms:	Gross
Current Annual Rent:	\$12,858.36
Annual Rent Per Square Foot:	\$1.91 (including land and pavement)
Land Area:	23,000 sq. ft.; 0.528 acre
Paved Area:	18,000 sq. ft.; 0.413 acre
Building Area:	
Support	1,728 sq. ft. (26%)
Hangar	5,000 sq. ft. (74%)
Total	6,728 sq. ft.
Adjusted Building Area (BCPA)	6,560 sq. ft.
Year Built:	1956 (BCPA)
Condition:	Poor/Average
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building 2 is a pre-engineered metal hangar building that is being used by a company that specializes in avionics. The hangar portion of the building is in poor condition, with newer support area (offices, shop) at the south end of the building. The hangar portion of the building has hangar doors on the east and west ends of the building. The hangar doors provide openings of approximately 48 feet, with a clear height of approximately 13 feet. The lease summary references a building area of 5,000 square feet. The lease expired September 1, 2001 and is reportedly being leased on a month-to-month basis currently.

Inspection: AHM & ZJO; 09/14

COI - Building 2



COI – Building 2



View of the north and east elevations.



View of the south and west elevations.

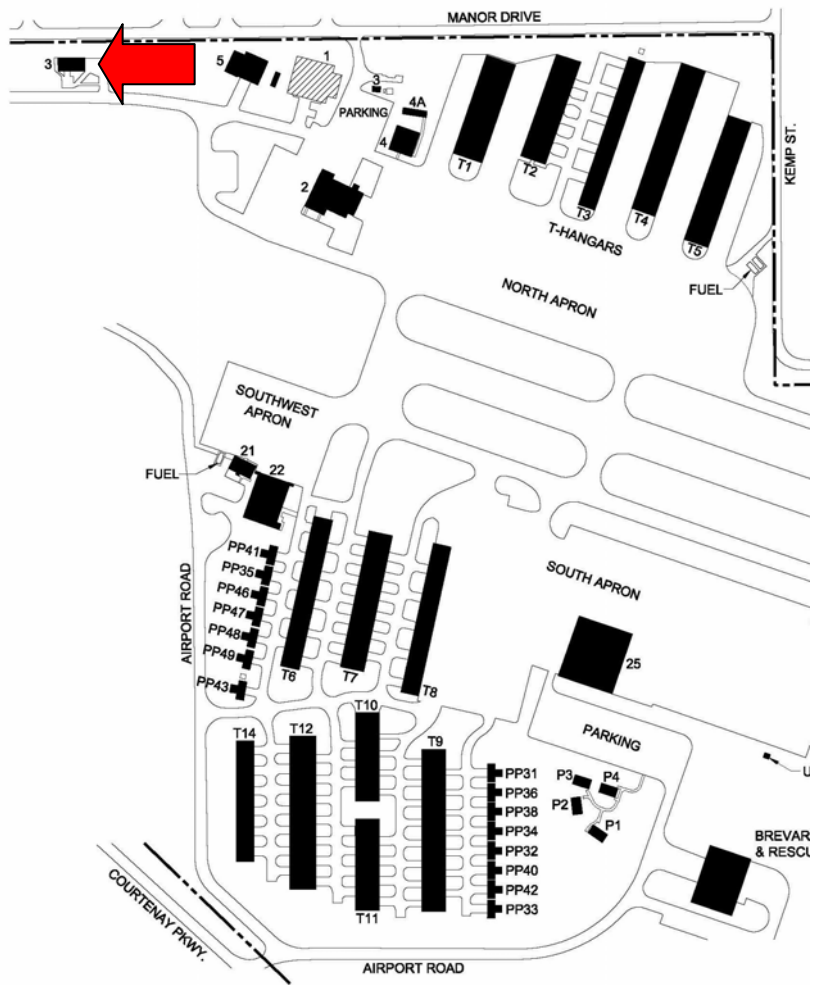
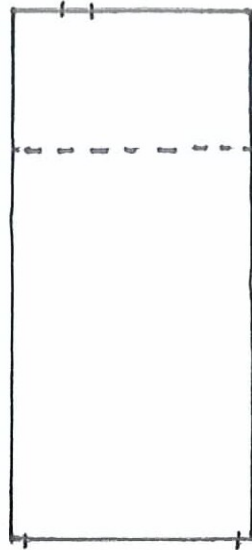
**Merritt Island Airport (COI)
Building 3**

Building Number:	3
Address:	475 Manor Drive, Merritt Island, Florida
Township-Range-Section	25S-36E-1
Lessee:	Beachside Helicopters
Lease Term:	See Comments
Renewal:	See Comments
Terms:	See Comments
Current Annual Rent:	See Comments
Annual Rent Per Square Foot:	See Comments
Land Area:	Not specified
Paved Area:	Not specified
Building Area:	
Support	375 sq. ft. (27%)
Hangar	1,013 sq. ft. (73%)
Total	1,388 sq. ft.
Adjusted Building Area (BCPA)	1,260 sq. ft.
Year Built:	1956 (BCPA)
Condition:	Poor
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building 3 is a concrete block building with an overhead rollup door on the east end of the building, providing an opening of approximately 20 feet and has a clear ceiling height of approximately 13 feet. The building includes two stories of office space located on the west side of the hangar. It does not appear the second floor office space is permitted. We did not consider the additional size of the second floor space in our analysis. The building is reportedly subleased to Beachside Helicopters from Voyager Aviation. We were not provided any lease information for Building 3.

Inspection: AHM & ZJO; 09/14

COI – Building 3



COI – Building 3



View of the south and east elevations.



View of the north and west elevations.

COI - Building 2



Interior view.



Interior view.

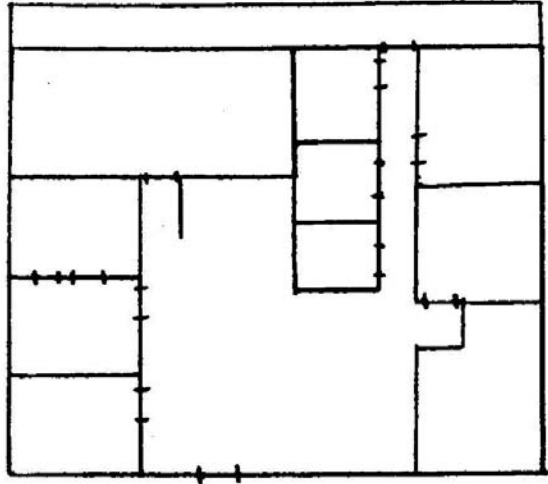
**Merritt Island Airport (COI)
Building 4**

Building Numbers:	4
Address:	475 Manor Drive, Merritt Island, Florida
Township-Range-Section:	25S-36E-1
Lessee:	Voyager Aviation International
Lease Term:	September 1, 2007 to August 31, 2017
Renewal:	2 @ 5 years
Terms:	Gross
Current Annual Rent:	\$9,790.44
Annual Rent Per Square Foot:	\$4.90 (including land and pavement)
Land Area:	28,253 sq. ft.; 0.649 acre
Paved Area:	17,773 sq. ft.; 0.408 acre
Building Area:	
Support	2,000 sq. ft. (100%)
Hangar	___0 sq. ft. (0%)
Total	2,000 sq. ft.
Adjusted Building Area (BCPA)	2,000 sq. ft.
Year Built:	1974 (BCPA)
Condition:	Average

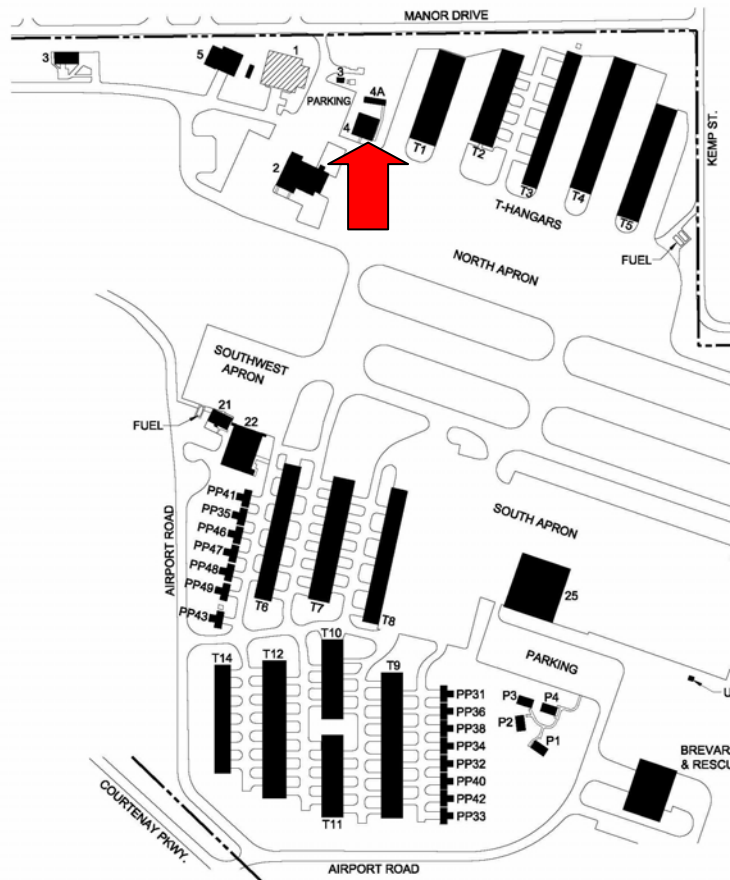
Comments: Buildings 4 is under lease to Voyager Aviation International. Based on our visit to the property, the tenant has renovated the building including flooring, paint, trim, electrical fixtures, etc. According to the tenant the renovation cost was approximately \$25,000. Building 4 is a pre-engineered metal terminal office building.

Inspection: AHM & ZJO; 09/14

Bldg 4



nts



COI – Building 4



View of the north and west elevations.



View of the south and east elevations.

COI – Building 4



Interior view.



Interior view.

**Merritt Island Airport (COI)
Building 5**

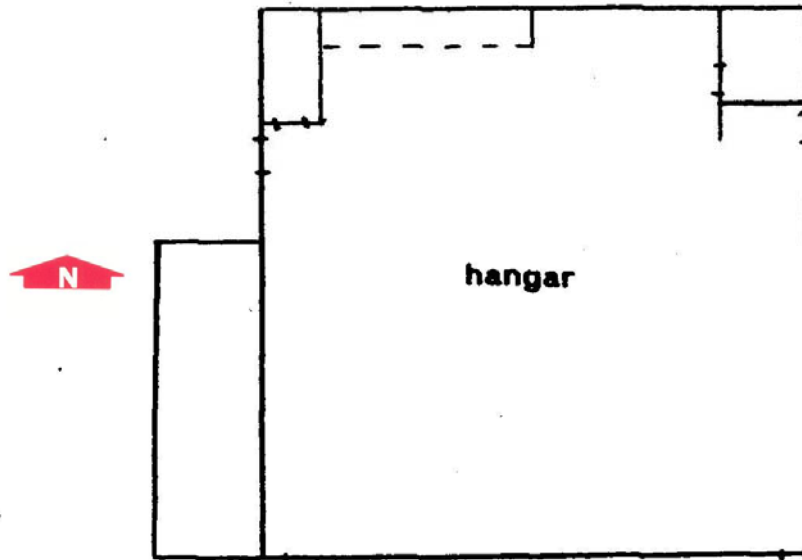
Building Number:	5
Address:	473 Manor Drive, Merritt Island, Florida
Township-Range-Section	25S-36E-1
Lessee:	Space Coast Aviation
Lease Term:	September 1, 2007 to August 31, 2012
Renewal:	Not Specified
Terms:	Gross
Current Annual Rent:	\$2,527.80
Annual Rent Per Square Foot:	\$0.93 (including land)
Land Area:	12,415 sq. ft.; 0.29 acre
Paved Area:	0
Building Area:	
Support	0 sq. ft. (0%)
Hangar	<u>2,704</u> sq. ft. (100%)
Total	2,704 sq. ft.
Adjusted Building Area (BCPA)	2,450 sq. ft.
Year Built:	1970 (BCPA)
Condition:	Fair
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Based on the lease information provided, the tenant is currently paying land rent for the site. The building is considered to be in fair condition. Building 5 is a pre-engineered metal hangar building. Building 5 has a hangar door on the south end of the building of approximately 50 feet. Based on our visit to the property, the tenant reportedly spent approximately \$60,000 repairing the structure of the building.

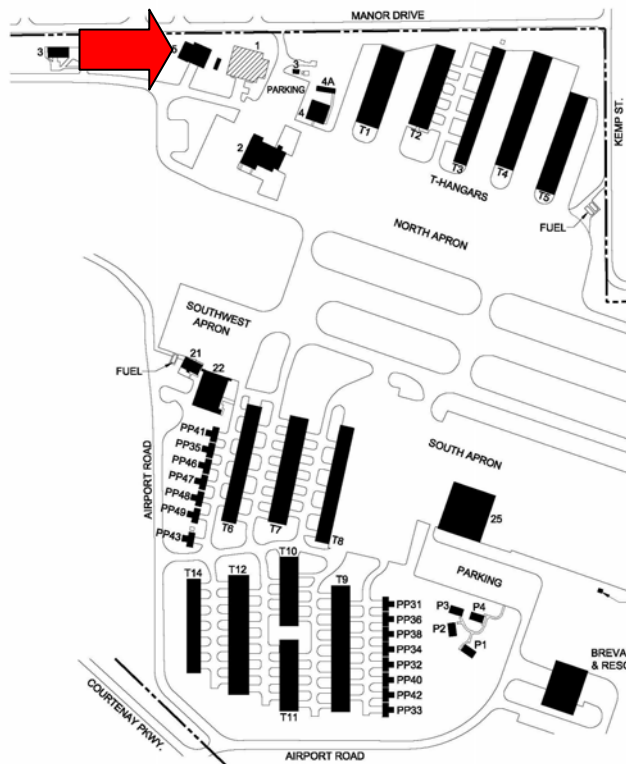
Inspection: AHM & ZJO; 09/14

COI – Building 5

Bldg 5



nts



COI – Building 5



View of the south and east elevations.



Interior view.

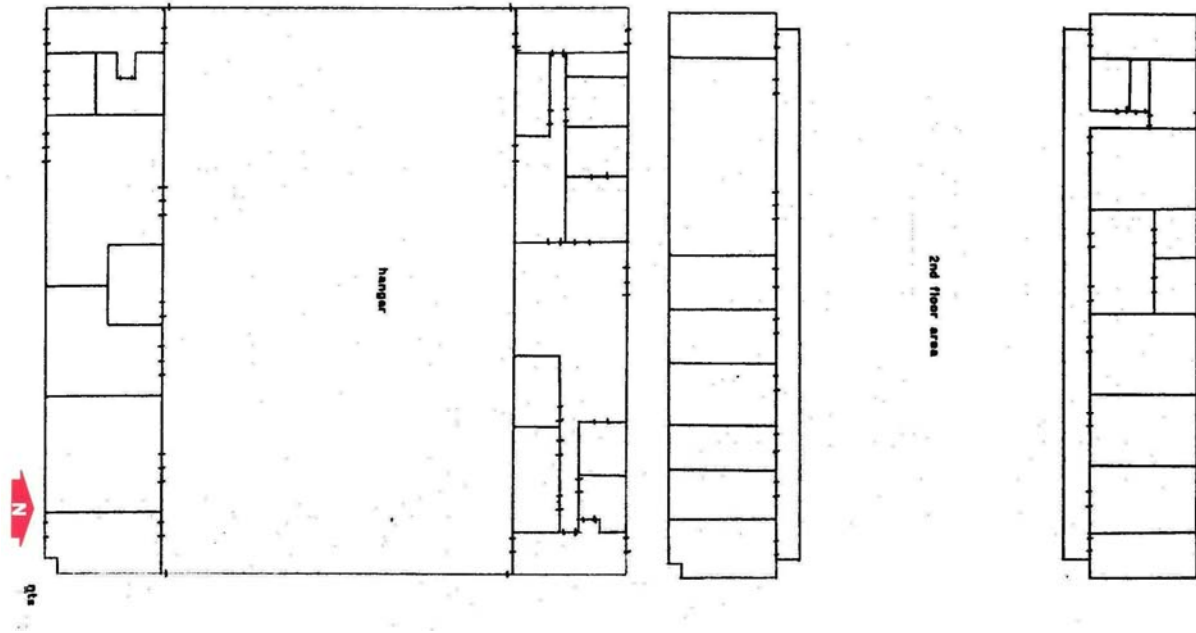
**Merritt Island Airport (COI)
Building 25**

Building Number:	25
Address:	900 Airport Road, Merritt Island, Florida
Township-Range-Section	25S-36E-1
Lessee:	Space Coast Aviation
Lease Term:	March 1, 2008 to February 28, 2028
Renewal:	2 @ 5 years
Terms:	Gross; electricity individually metered per unit
Current Annual Rent:	\$37,510.80
Annual Rent Per Square Foot:	\$1.80 (including land and pavement)
Land Area:	267,396 sq. ft.; 6.139 acres
Paved Area:	254,500 sq. ft.; 5.843 acres
Building Area:	
Support	10,890 sq. ft. (52%)
Hangar	<u>9,954</u> sq. ft. (48%)
Total	20,844 sq. ft.
Adjusted Building Area (BCPA)	12,800 sq. ft.
Year Built:	1976 (BCPA)
Condition:	Fair
BCPA Account Number:	25-36-01-00-00256.0-0000.00

Comments: Building 25 is a concrete block terminal/hangar building that is leased Space Coast Aviation (d/b/a Pan Am Aviation). As of the date of our visit, the operator indicated the company will be operating as Airborne Career Academy in the near future. The building is in fair condition, with two-story support area (offices, shop, storage, classroom, and lounge) at the north and south ends of the building. The hangar portion of the building has hangar doors on the east and west ends of the building that provides openings of approximately 79 feet and a clear height of approximately 18 feet. The lease summary references a building area of 12,896 square feet. Based on our visit to the building, the tenant has renovated the second floor office/classrooms and is utilizing the space for a flight school.

Inspection: AHM & ZJO; 09/14

COI-Building 25



COI – Building 25



View of the north and east elevations.



View of the south and east elevations.

COI - Building 25



Interior view of hangar area.



Interior view of hangar area.

COI - Building 25



Interior view of ground floor office area.



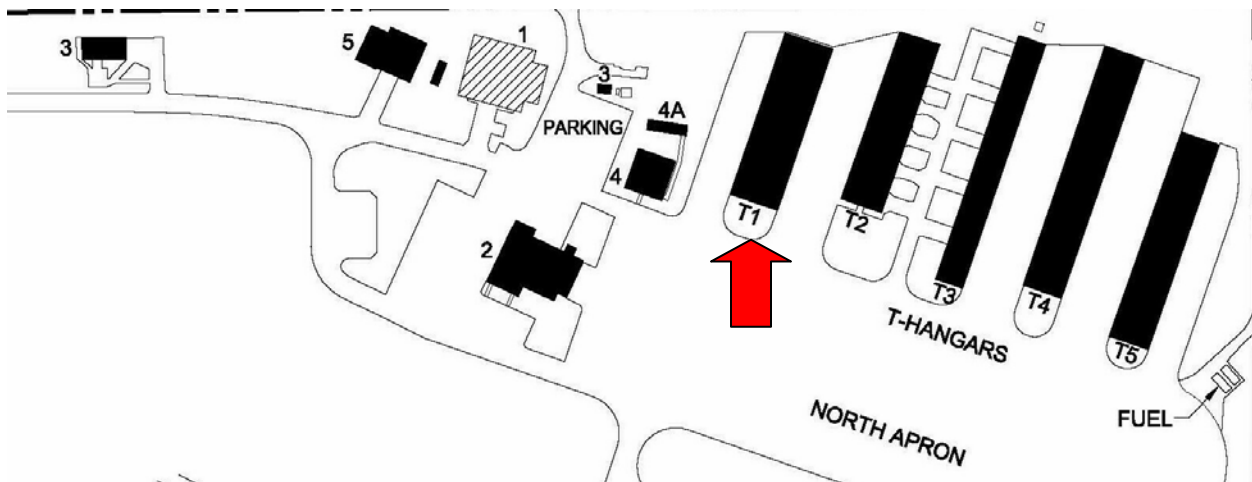
Interior view of second floor office area.

**Merritt Island Airport (COI)
Building T1**

Building Number:	T1
Address:	Not Specified
Township-Range-Section	25S-36E-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	2 @ \$564/unit, 2 @ \$650/unit, 4 @ \$485/unit
Current Annual Rent:	\$3.91/sq.ft. to \$4.09/sq.ft.
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
Hangar	13,454 sq. ft.
Adjusted Building Area (BCPA)	13,671 sq. ft.
Year Built:	1984 (BCPA)
Condition:	Good
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building T1 is an 8-unit pre-engineered metal executive type hangar building. Premiums are paid for bays with support area. Each unit has a bi-fold door opening of approximately 48 feet. It was noted that there are three different sizes of hangars in Building T1, which reflects the different rents.

Inspection: AHM & ZJO; 09/14



COI – Building T1



View of the south and east elevations.



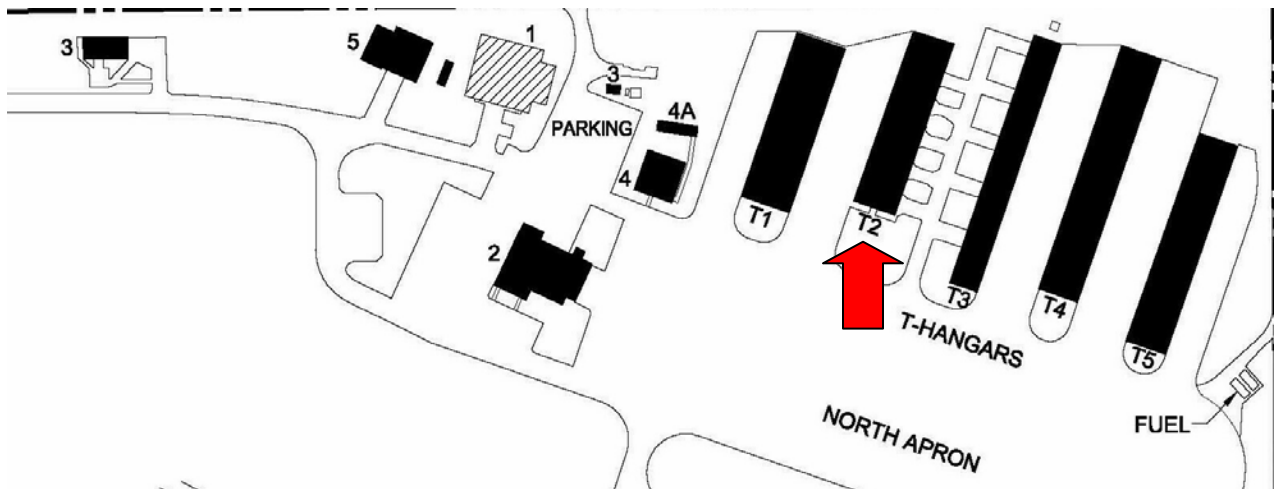
View of the north and west elevation.

**Merritt Island Airport (COI)
Building T2**

Building Number:	T2
Address:	Not Specified
Township-Range-Section	25S-36E-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	1 @ \$388/unit; 1 @ \$433/unit; 8 @ \$287/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	11,988 sq. ft.
Adjusted Building Area (BCPA)	11,880 sq. ft.
Year Built:	1987 (BCPA)
Condition:	Good
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building T2 is a 10-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 40 feet. The building also includes two storage units. The base monthly rent for the t-hangar units is \$287/unit. It was noted that the two units renting for \$388 and \$433/unit include additional storage area.

Inspection: AHM & ZJO; 09/14



COI – Building T2



View of the south and west elevations.



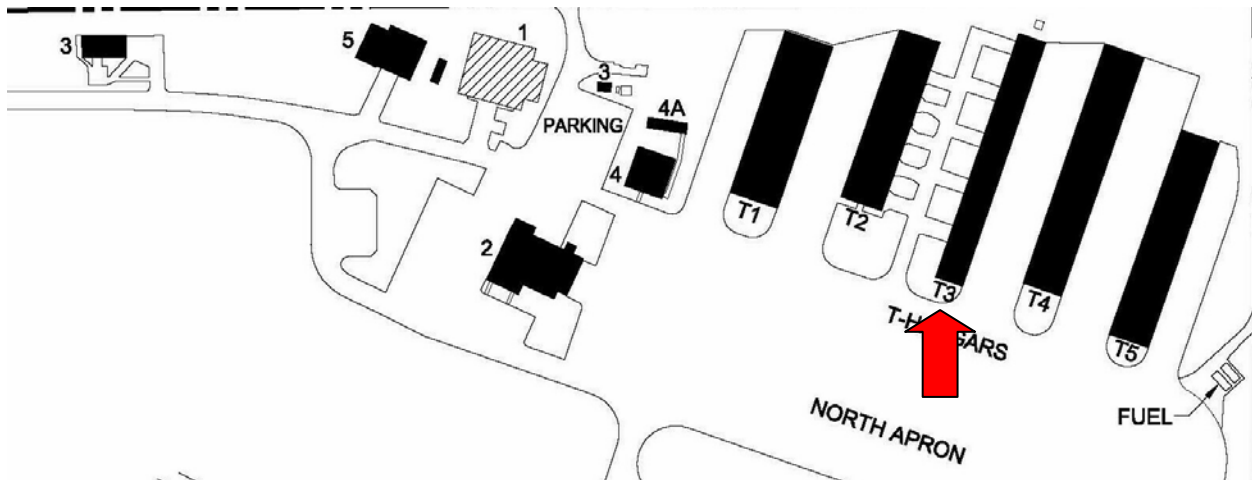
View of the south and west elevations.

**Merritt Island Airport (COI)
Building T3**

Building Number:	T3
Address:	Not Specified
Township-Range-Section	25S-36E-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	1 @ \$320/unit; 9 @ \$274/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	10,758 sq. ft.
Adjusted Building Area (BCPA)	11,050 sq. ft.
Year Built:	1976 (BCPA)
Condition:	Average
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building T3 is a 10-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 45 feet. The building also includes two storage units. The base monthly rent for the t-hangar units is \$274/unit. It was noted that the unit renting for \$320 includes an additional storage area.

Inspection: AHM & ZJO; 09/14



COI – Building T3



View of the south and west elevations.



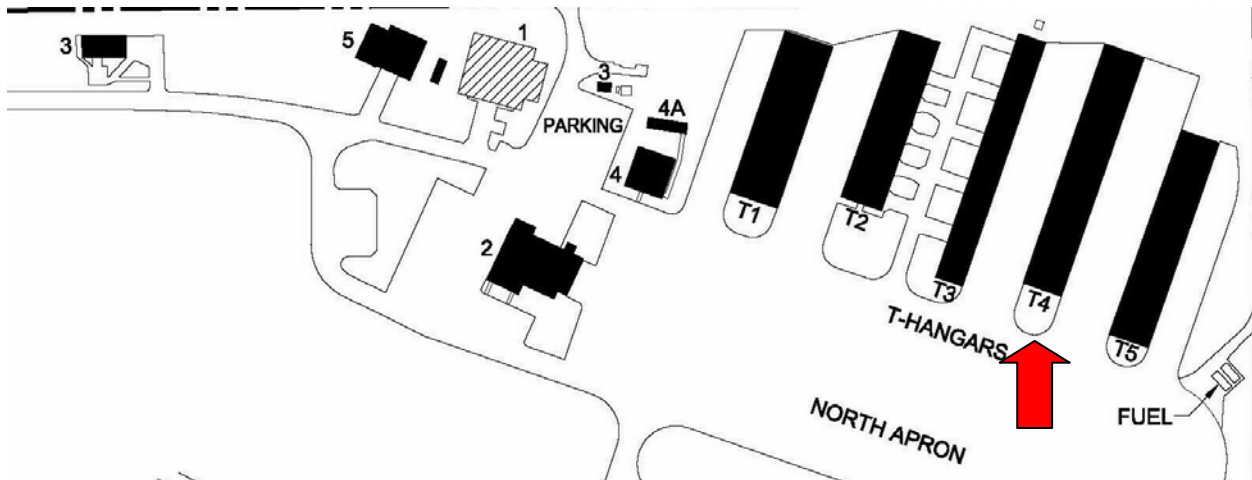
View of the north and east elevations.

**Merritt Island Airport (COI)
Building T4**

Building Number:	T4
Address:	Not Specified
Township-Range-Section	25S-36E-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	4 @ \$346/unit; 10 @ \$300/unit (See Comments)
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	16,167 sq. ft.
Adjusted Building Area (BCPA)	16,536 sq. ft.
Year Built:	1984 (BCPA)
Condition:	Good
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building T4 is a 14-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 42 feet. The base monthly rent for the t-hangar units is \$263/unit. It was noted that the four units renting for \$346/unit include storage area.

Inspection: AHM & ZJO; 09/14



COI – Building T4



View of the south and west elevations.



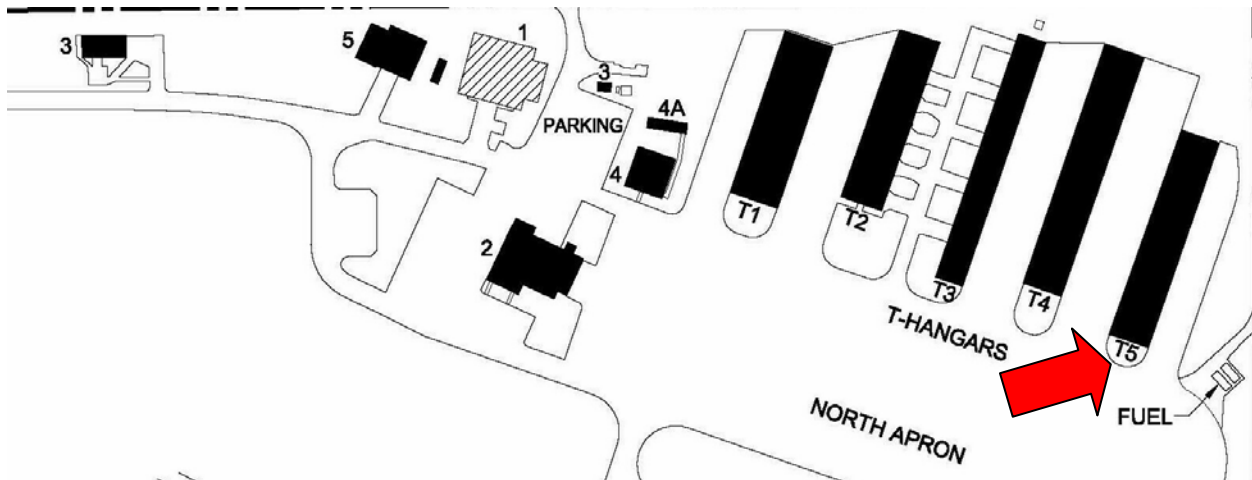
View of the north and east elevations.

**Merritt Island Airport (COI)
Building T5**

Building Number:	T5
Address:	Not Specified
Township-Range-Section	25S-36E-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	1 @ \$350/unit; 2 @ \$352/unit; 1 @ \$355; 8 @ \$300/unit (See Comments)
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	14,025 sq. ft.
Adjusted Building Area (BCPA)	14,352 sq. ft.
Year Built:	1984 (BCPA)
Condition:	Good
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building T5 is a 12-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 42 feet. The base monthly rent for the t-hangar units is \$300/unit. It was noted that the four units renting for \$350/unit, \$352/unit and \$355/unit include additional storage area.

Inspection: AHM & ZJO; 09/14



COI – Building T5



View of the south and east elevations.



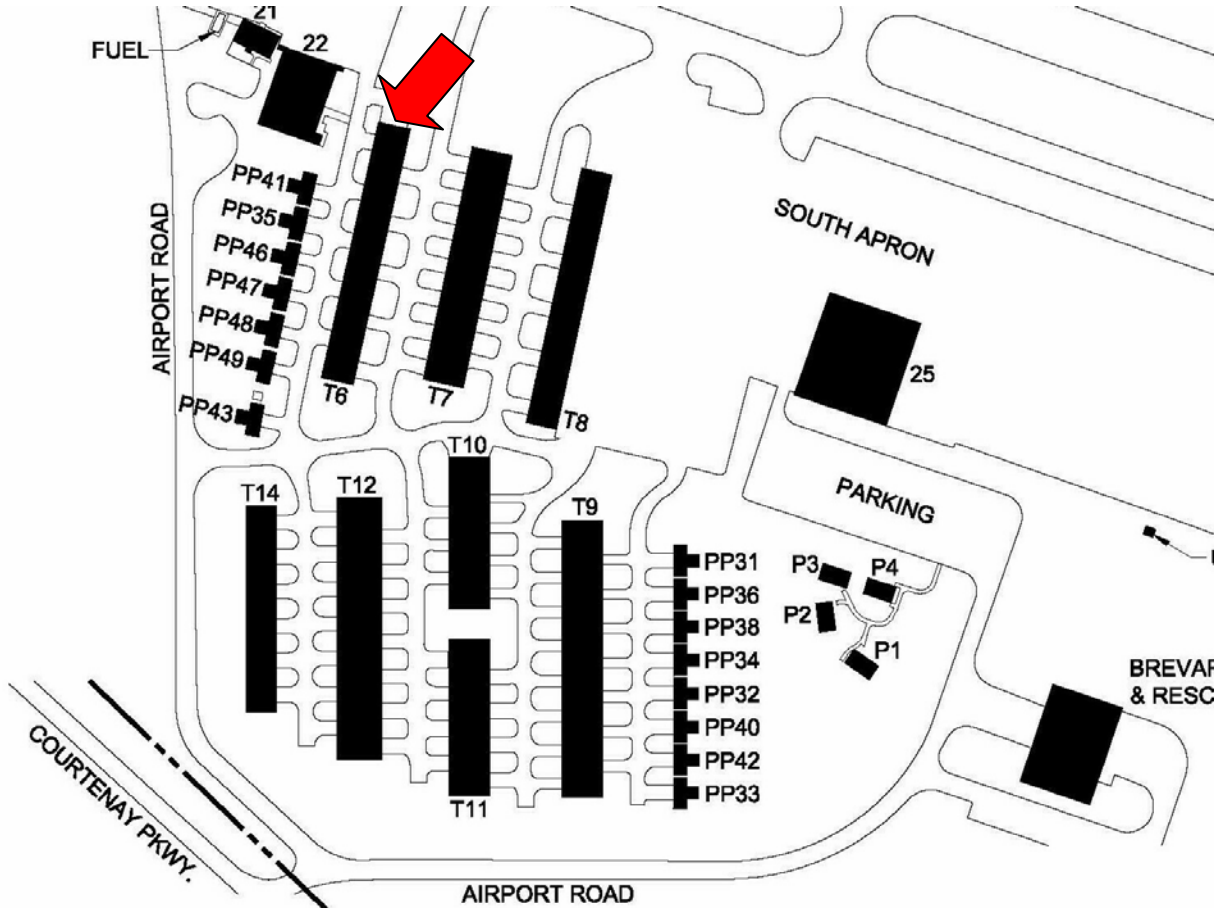
View of the north and west elevations.

**Merritt Island Airport (COI)
Building T6**

Building Number:	T6
Address:	Not Specified
Township-Range-Section	25E-36S-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	\$274/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	10,395 sq. ft.
Adjusted Building Area (BCPA)	11,025 sq. ft.
Year Built:	1961 (BCPA)
Condition:	Average
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building T6 is a 10-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 40 feet. The building also has two storage units

Inspection: AHM & ZJO; 09/14



COI – Building T6



View of the north and west elevations.



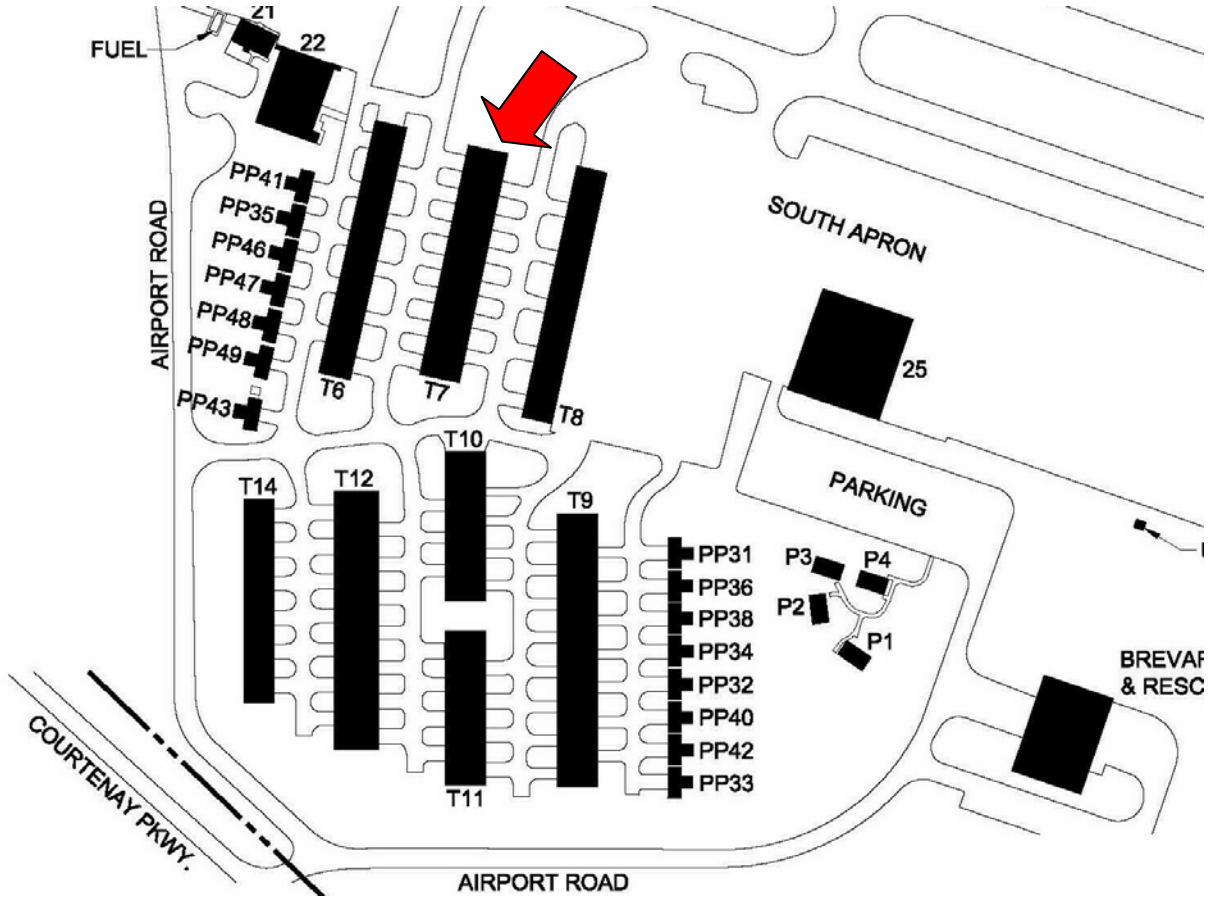
View of the south and east elevations.

**Merritt Island Airport (COI)
Building T7**

Building Number:	T7
Address:	Not Specified
Township-Range-Section	25E-36S-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	\$287/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	15,392 sq. ft.
Adjusted Building Area (BCPA)	15,822 sq. ft.
Year Built:	1990 (BCPA)
Condition:	Good
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building T7 is a 13-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 42 feet. The building also has four storage units.

Inspection: AHM & ZJO; 09/14



COI – Building T7



View of the south and west elevations.



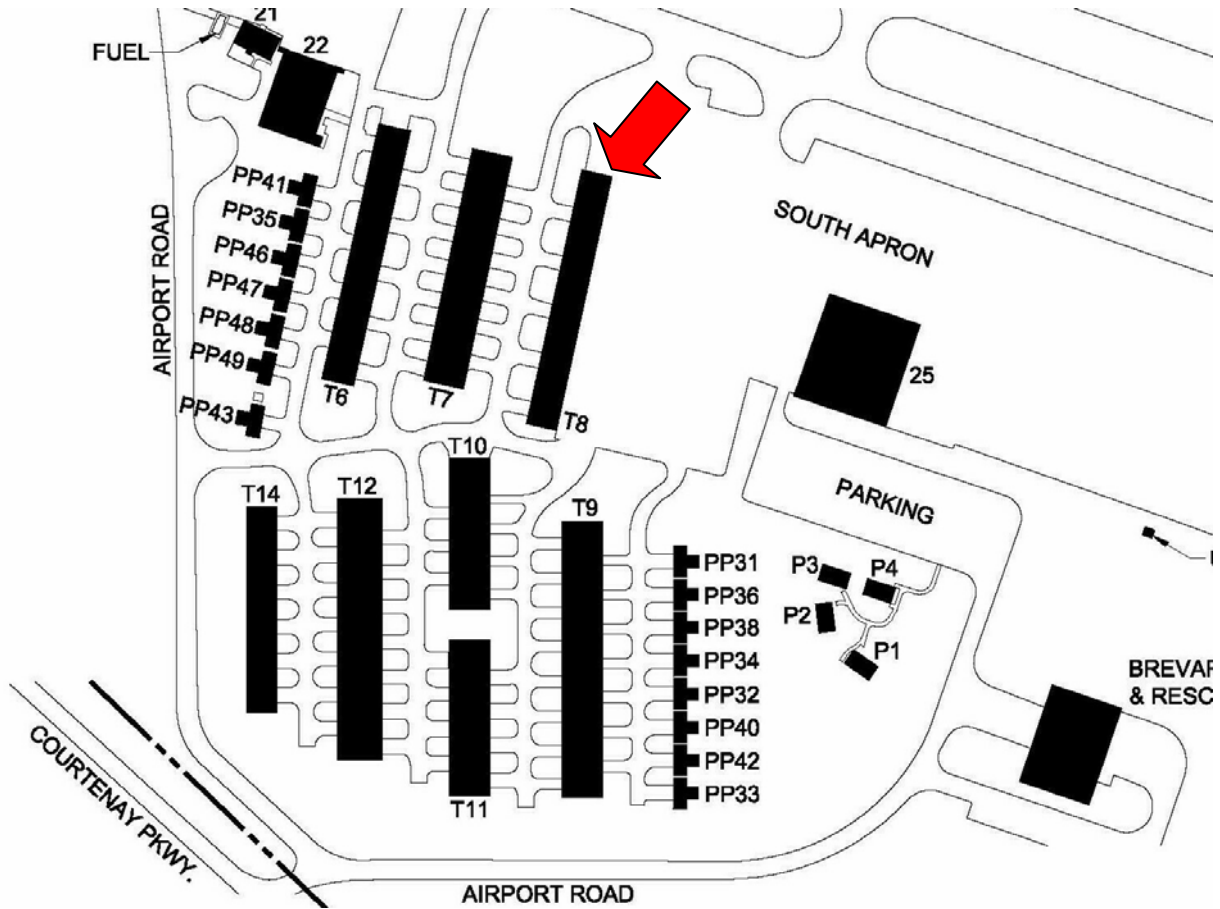
View of the north and east elevations.

**Merritt Island Airport (COI)
Building T8**

Building Number:	T8
Address:	Not Specified
Township-Range-Section	25E-36S-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	\$274/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	13,395 sq. ft.
Adjusted Building Area (BCPA)	10,710 sq. ft.
Year Built:	1961 (BCPA)
Condition:	Average
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building T8 is a 10-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 40 feet. The building also has two storage units.

Inspection: AHM & ZJO; 09/14



COI – Building T8



View of the north and west elevations.



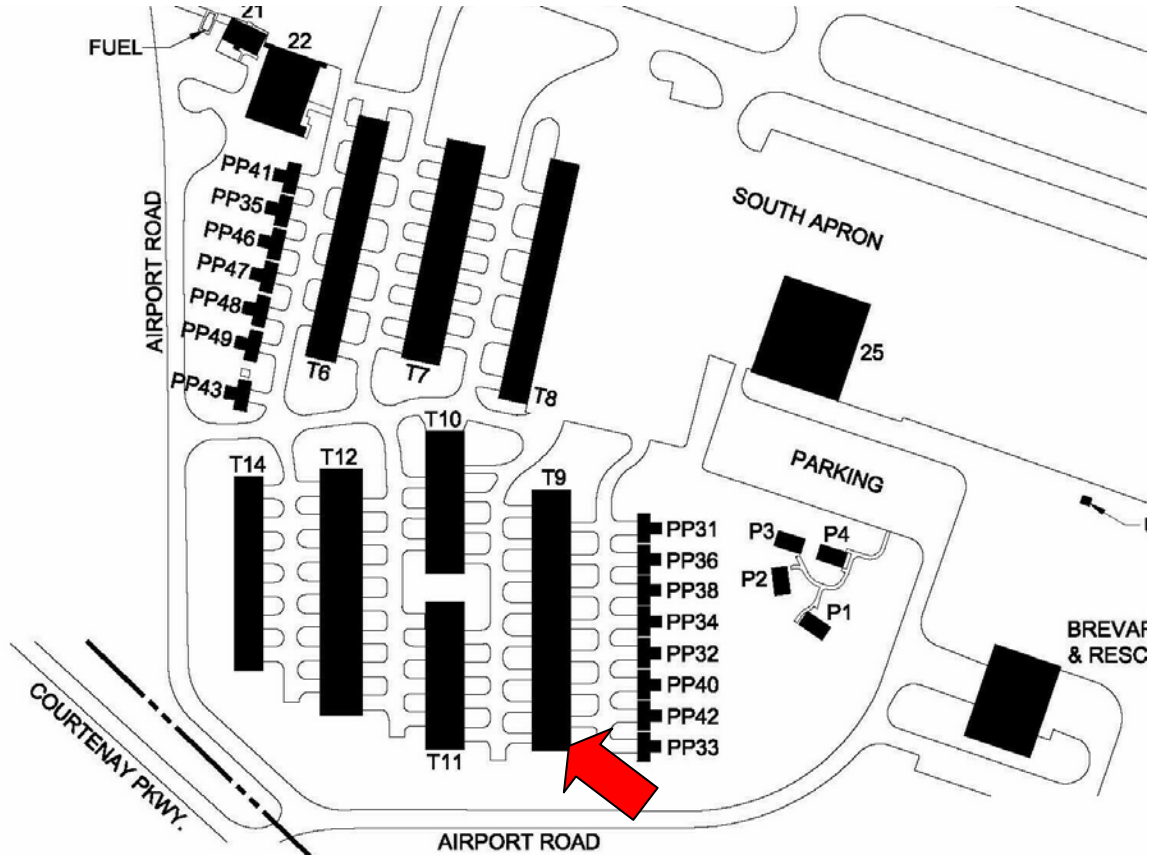
View of the south and east elevations.

**Merritt Island Airport (COI)
Building T9**

Building Number:	T9
Address:	Not Specified
Township-Range-Section	25E-36S-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	2 @ \$335/unit; 2 @ \$413/unit; 11 @ \$287/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	17,340 sq. ft.
Adjusted Building Area (BCPA)	17,340 sq. ft.
Year Built:	1990 (BCPA)
Condition:	Good
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building T9 is a 15-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 42 feet. The base monthly rent for the t-hangar units is \$287/unit. It was noted that the four units renting for \$335/unit and \$413/unit include additional storage area.

Inspection: AHM & ZJO; 09/14



COI – Building T9



View of the south and east elevations.



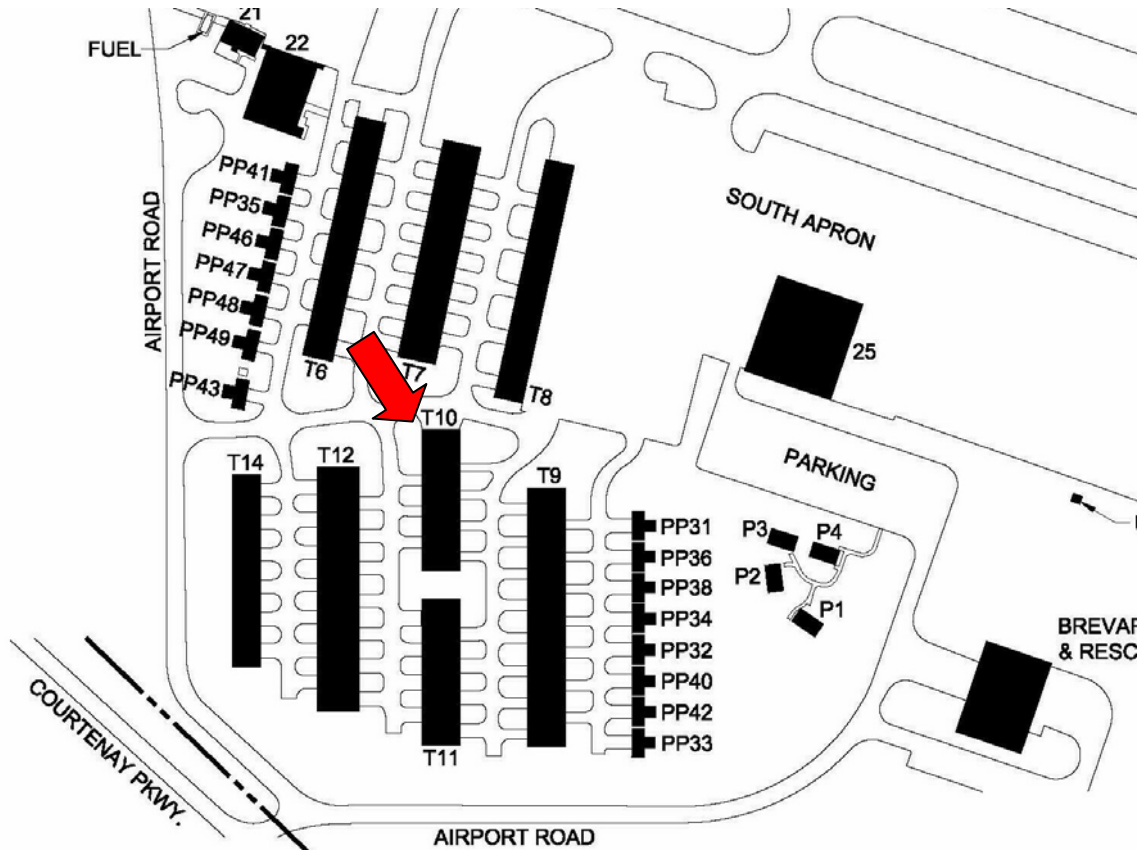
View of the north and west elevations.

**Merritt Island Airport (COI)
Building T10**

Building Number:	T10
Address:	Not Specified
Township-Range-Section	25E-36S-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	Unit D @ \$814/unit; 1 @ \$319/unit; 4 @ \$321/unit; 1 @ \$487/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	9,000 sq. ft.
Adjusted Building Area (BCPA)	9,000 sq. ft.
Year Built:	1984 (BCPA)
Condition:	Good
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building T10 is a 7-unit pre-engineered metal t-hangar building. Unit D on the north end of the Building T10 is an executive type hangar with dimensions of 40 feet by 50 feet. Each unit has a door opening of approximately 40 feet. The building also has two storage units. The base monthly rent for the t-hangar units is \$321/unit. It was noted that the unit renting for \$487/unit includes an additional storage area.

Inspection: AHM & ZJO; 09/14



COI – Building T10



View of north and east elevations.



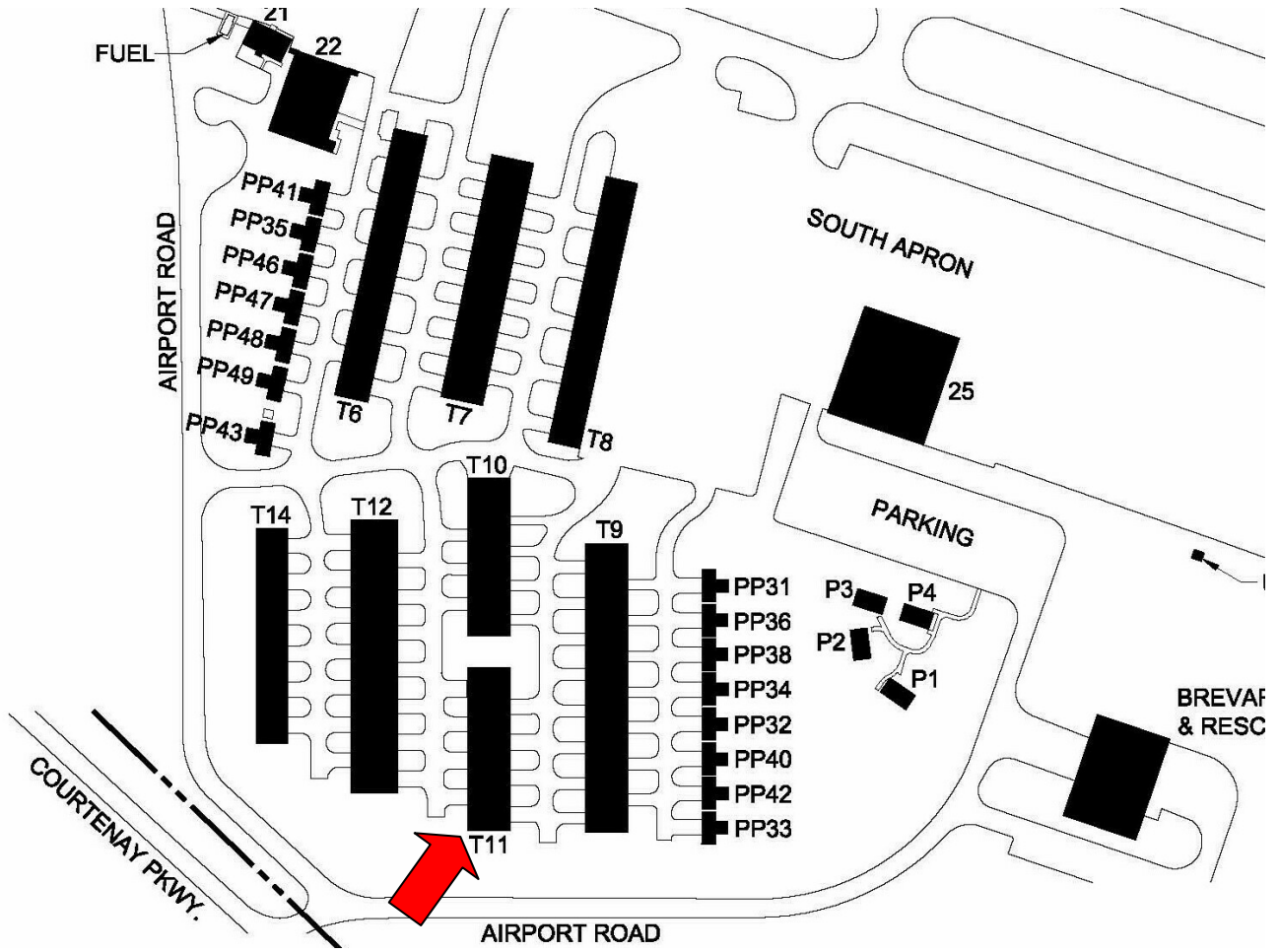
View of south and west elevations.

**Merritt Island Airport (COI)
Building T11**

Building Number:	T11
Address:	Not Specified
Township-Range-Section	25E-36S-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	\$287/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	9,932 sq. ft.
Adjusted Building Area (BCPA)	10,260 sq. ft.
Year Built:	1990 (BCPA)
Condition:	Good
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building T11 is an 8-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 42 feet. The building also has three storage units.

Inspection: AHM & ZJO; 09/14



COI – Building T11



View of the south and east elevations.



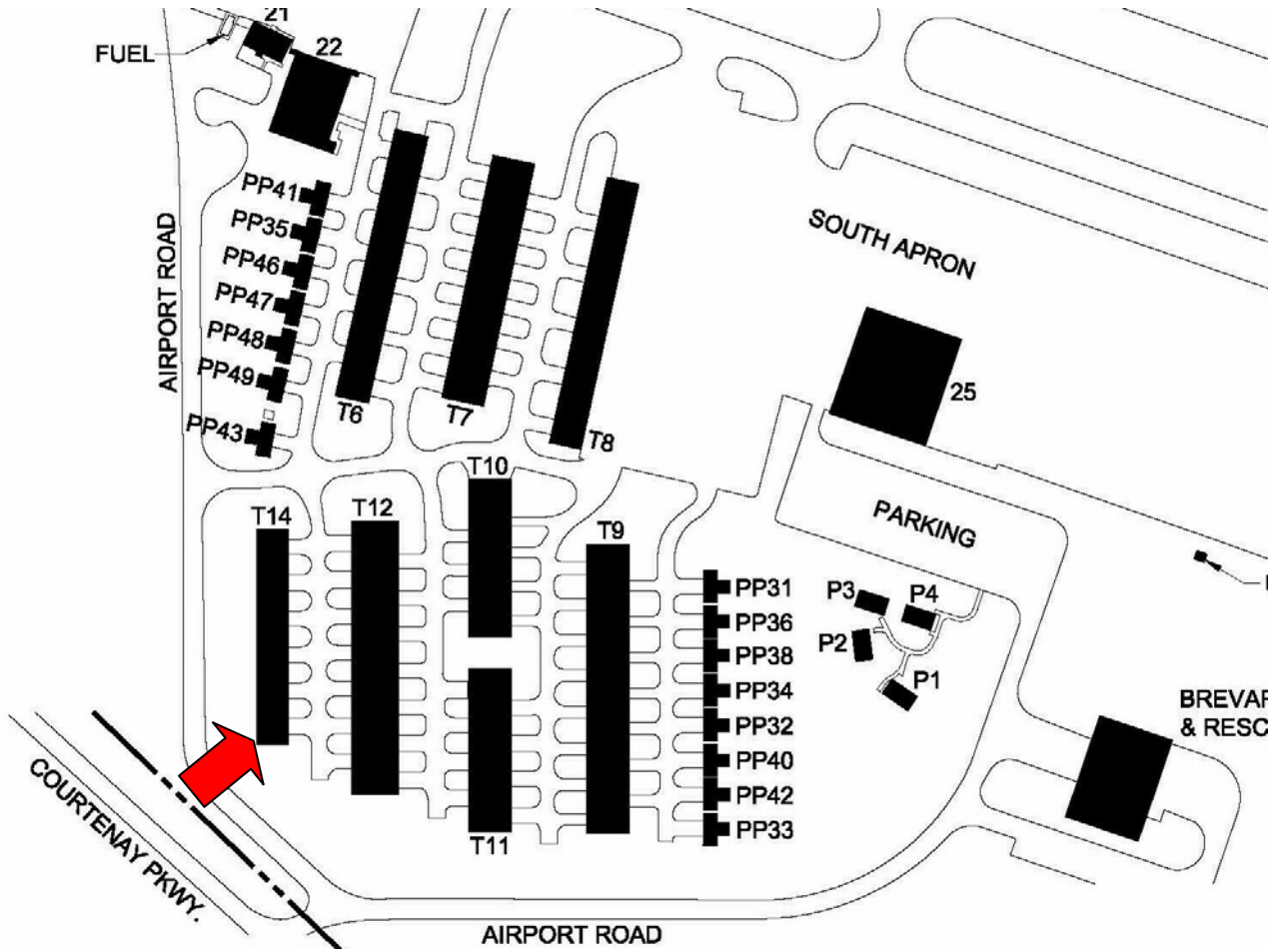
View of the north and west elevations.

**Merritt Island Airport (COI)
Building T12**

Building Number:	T12
Address:	Not Specified
Township-Range-Section	25S-36E-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	\$287/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	18,032 sq. ft.
Adjusted Building Area (BCPA)	18,032 sq. ft.
Year Built:	1990 (BCPA)
Condition:	Good
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building T12 is a 14-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 42 feet. The building also has two storage units.

Inspection: AHM & ZJO; 09/14



COI – Building T12



View of the north and east elevations.



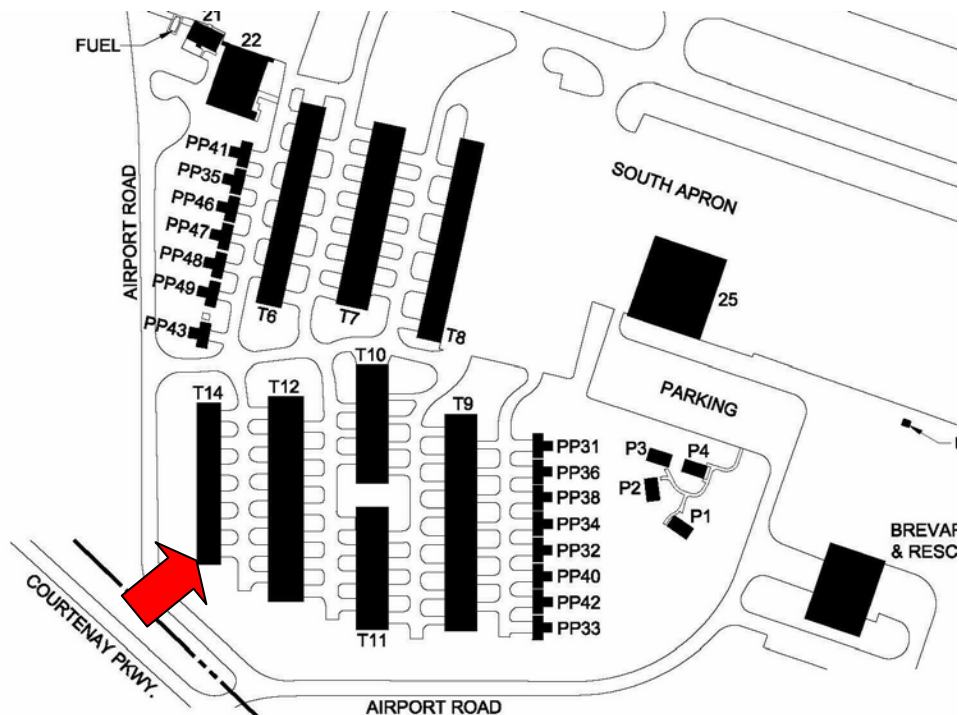
View of the south and west elevations.

Merritt Island Airport (COI) Building T14

Building Number:	T14
Address:	Not Specified
Township-Range-Section	25S-36E-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	See Comments
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	9,324 sq. ft.
Adjusted Building Area (BCPA)	9,324 sq. ft.
Year Built:	2012 (BCPA)
Condition:	Good
BCPA Account Number:	25-36-01-00-00004.0-0000.00 (portion of)

Comments: Building T14 is a 6-unit pre-engineered metal executive type hangar building. Each unit has a sliding door opening of approximately 42 feet. We were not provided any lease information for Building T14.

Inspection: AHM & ZJO; 09/14



COI – Building T14



View of the north and east elevations.



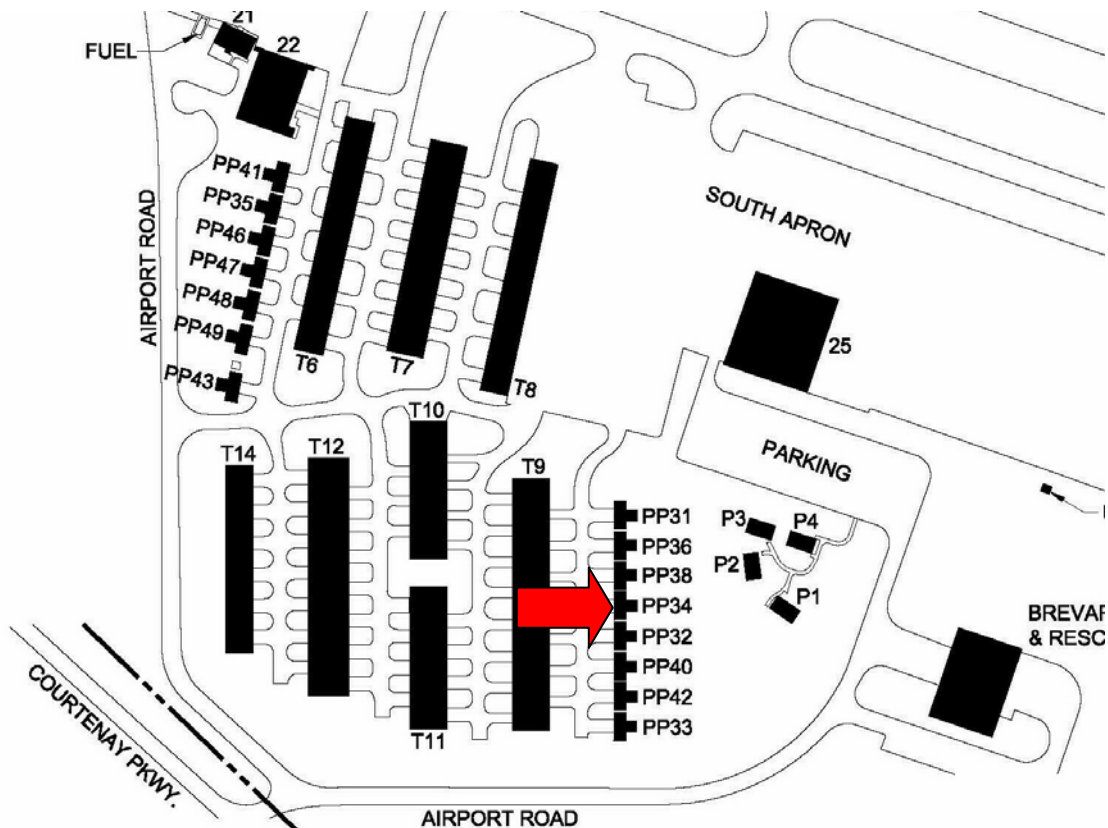
View of the south and west elevations.

**Merritt Island Airport (COI)
Buildings P31, P36, P38, P34, P32, P40, P42 & P33**

Building Numbers:	P31, P36, P38, P34, P32, P40, P42 & P33
Address:	Not Specified
Township-Range-Section	25S-36E-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	\$228/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	855 sq. ft. each
Year Built:	Unknown
Condition:	Fair
BCPA Account Number:	N/A; considered personal property

Comments: Buildings P31, P36, P38, P34, P32, P40, P42 & P33 are small port-a-port units located east of Building T9.

Inspection: AHM & ZJO; 09/14



COI – Buildings P31, P36, P38, P34, P32, P40, P42 & P33



View of the north and west elevations.



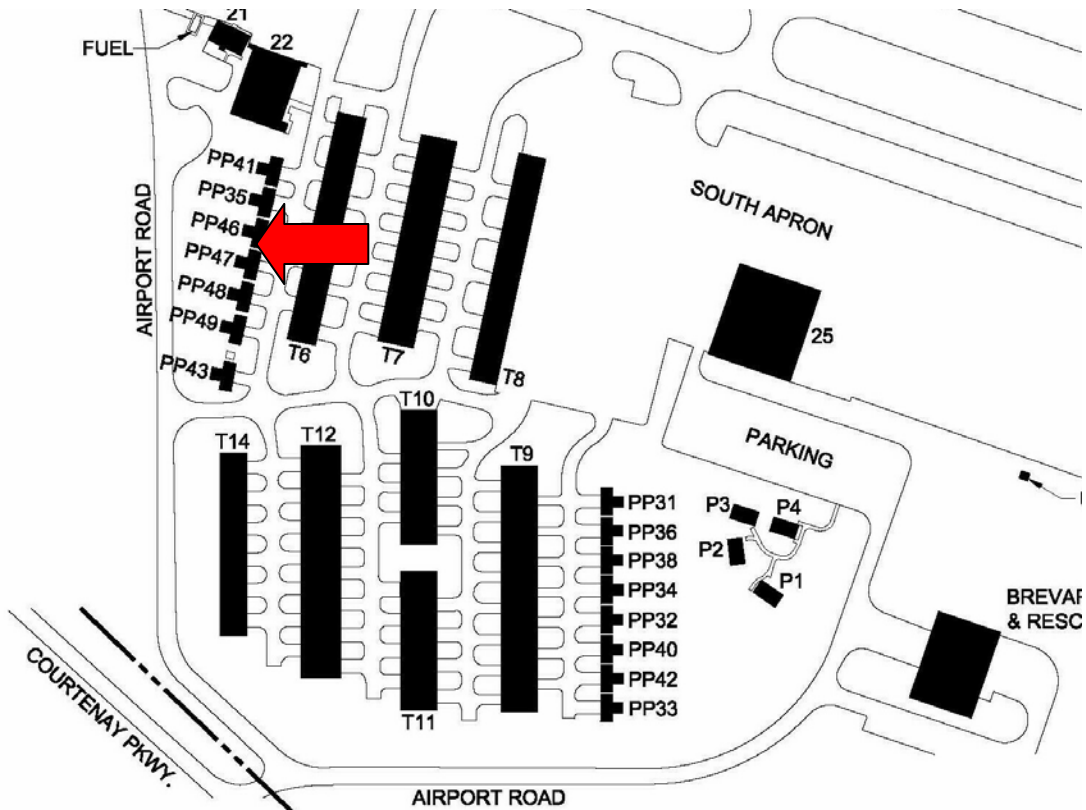
View of the south and east elevations.

**Merritt Island Airport (COI)
Buildings P43, P49, P48, P47, P46 & P41**

Building Numbers:	P43, P49, P48, P47, P46 & P41
Address:	Not Specified
Township-Range-Section	25S-36E-1
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	\$228/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	855 sq. ft. each
Year Built:	Unknown
Condition:	Fair
BCPA Account Number:	N/A; considered personal property

Comments: Buildings P43, P49, P48, P47, P46 & P41 are small port-a-port units located west of Building T6 and south of Building 21.

Inspection: AHM & ZJO; 09/14



COI – Buildings P43, P49, P48, P47, P46 & P41



View of the north and east elevations.



View of the south and west elevations.

Space County Regional (TIX)- Aeronautical Building Summary

Bldg. No.	Year Built	Bldg. Sq.Ft.	Hangar Sq.Ft.	Support Area Sq.Ft.	%	Tenant
1	1961	2,576	0	2,576	100%	Bristow Academy
9	1991	8,420	7,620	800	10%	CompAir
27	1961	4,420	1,860	2,560	58%	Airscan
29	1970	22,110	18,600	3,510	16%	Bristow Academy
40	1990	7,350	4,900	2,450	33%	Sheltair/Helex
41	1991	5,600	5,600	0	0%	Sheltair/Helex
43	1996	6,400	4,375	2,025	32%	NASS
51	1961	11,340	8,100	3,240	29%	Vacant
52	1961	60,000	6,000	54,000	90%	Airscan

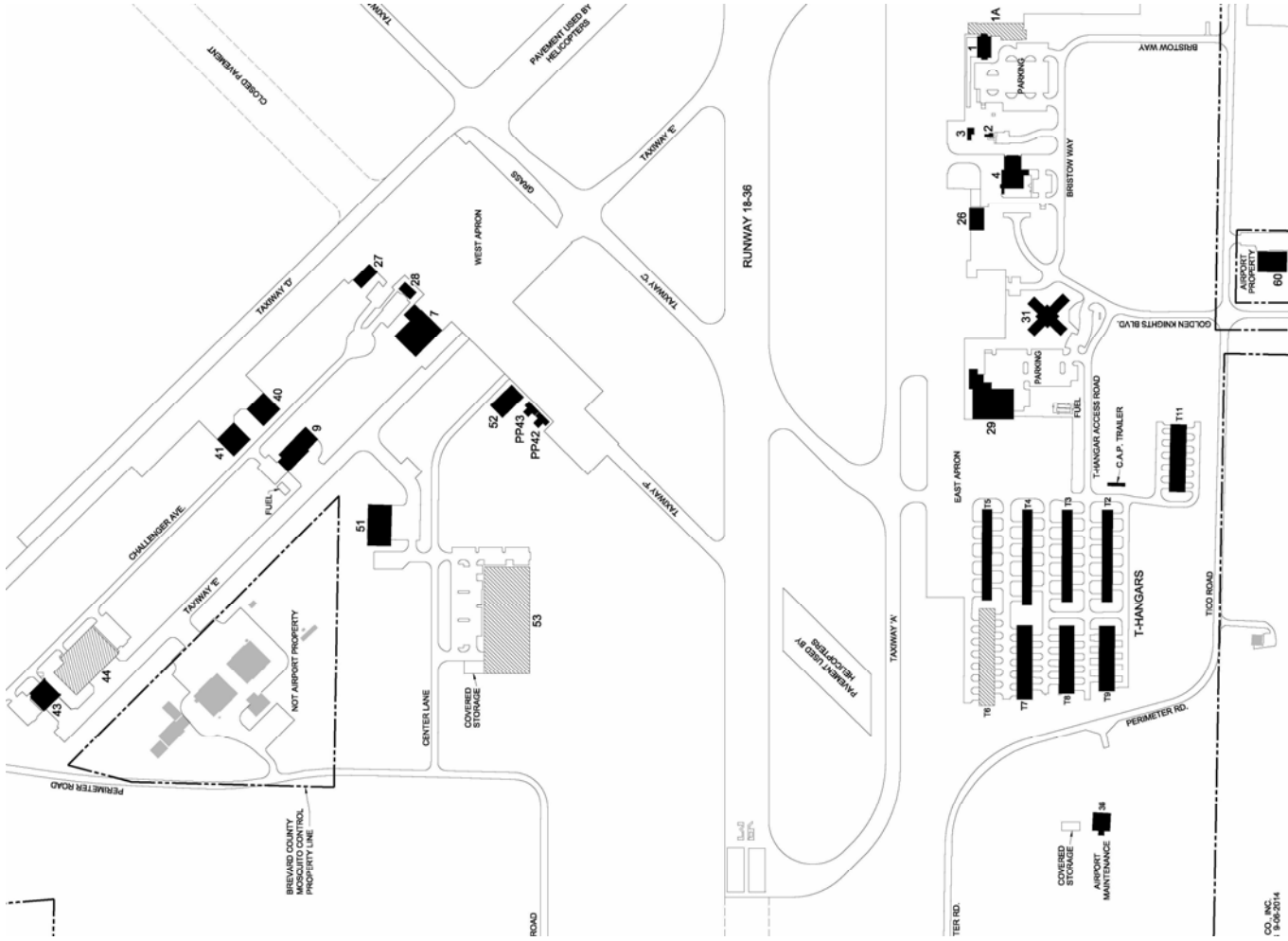
T-Hangars

Bldg. No.	Year Built	Bldg. Sq.Ft.	No. Units
T2	1974	10,912	10
T3	1974	10,912	10
T4	1964	10,890	10
T5	1964	10,345	10
T7	1990	12,900	11
T8	1990	11,900	10
T9	1990	12,031	10
T11	2012	12,031	10

Space Coast Regional (TIX) - Non-Aviation Building Summary

Bldg. No.	Year Built	Bldg. Sq.Ft.	Tenant
60	1966	7,000	Bristow Academy

Space Coast Regional Airport (TIX)



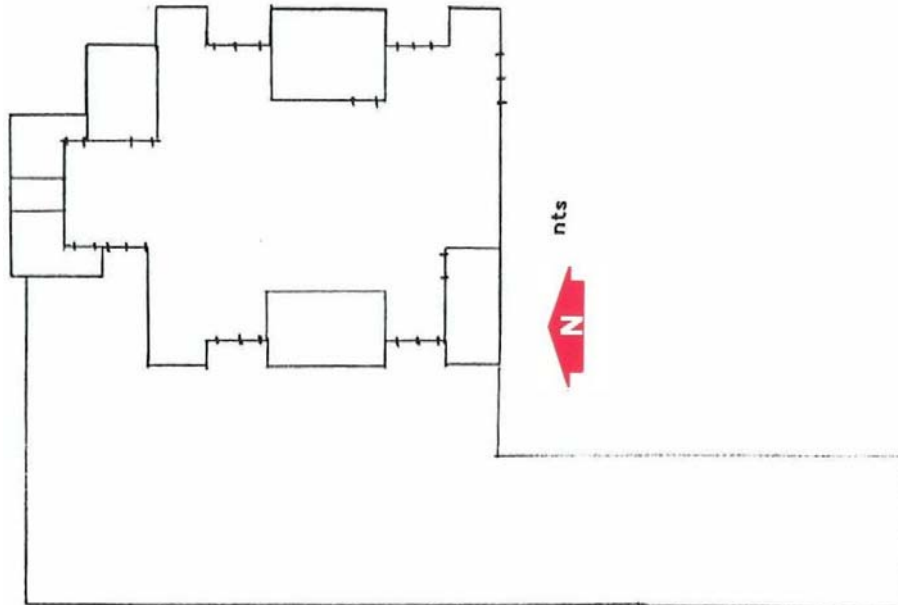
**Space Coast Regional Airport (TIX)
Building 1**

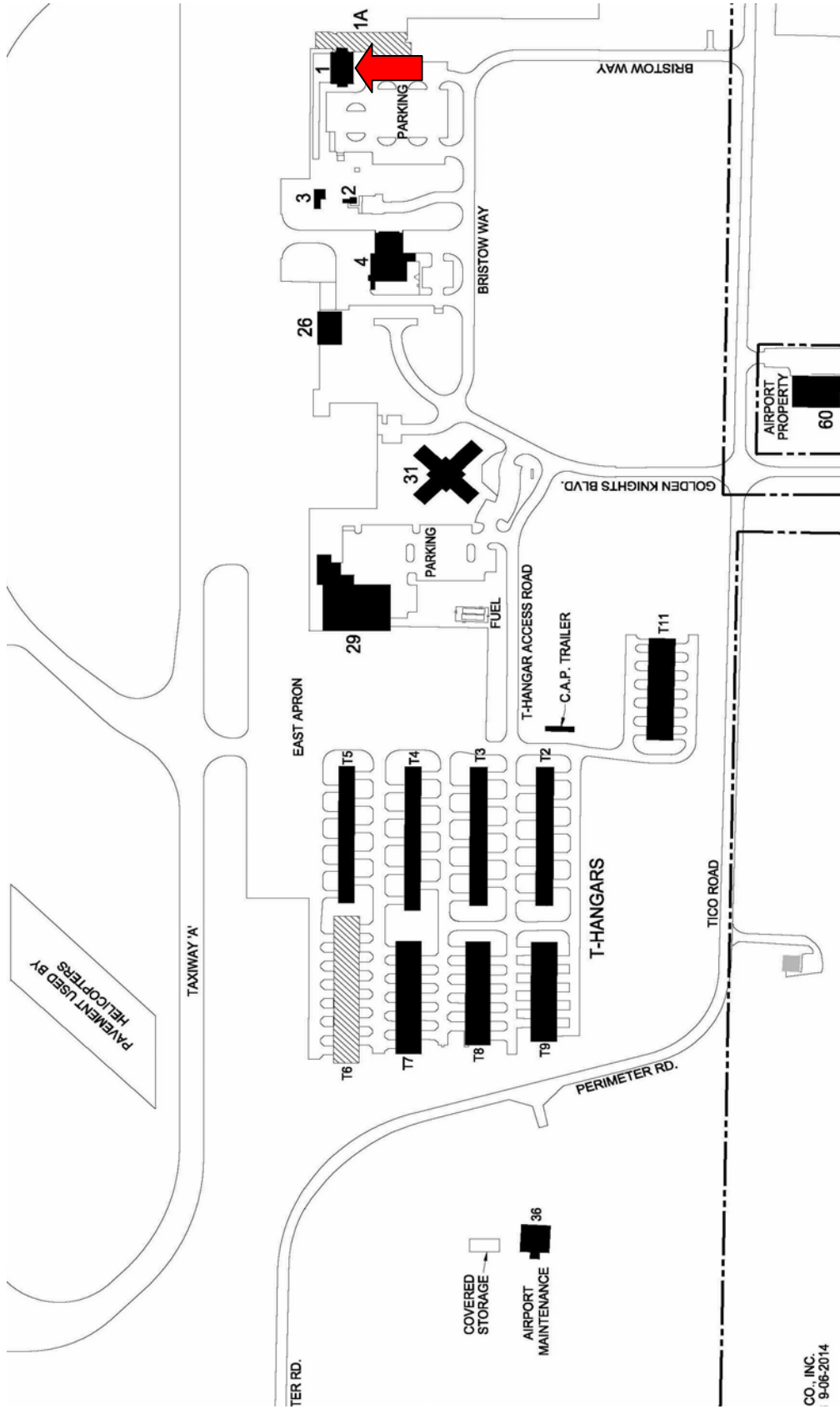
Building Number:	1
Address:	1 Bristow Way., Titusville, Florida
Township-Range-Section	23S-35E-2
Lessee:	Bristow Academy
Lease Term:	December 1, 2003 to November 31, 2028
Renewal:	Not Specified
Terms:	Gross
Current Annual Rent:	\$41,768.04
Annual Rent Per Square Foot:	\$16.21 (including land and pavement)
Land Area:	75,150 sq. ft.; 1.725 acres
Paved Area:	50,968 sq. ft.; 1.170 acres
Building Area:	
Terminal Office	2,576 sq. ft.
Adjusted Building Area (BCPA)	2,702 sq. ft.
Year Built:	1961 (BCPA)
Condition:	Average
BCPA Account Number:	23-35-02-00-00002.0-0000.00 (portion of)

Comments: The original Building 1 is a terminal building that includes waiting areas, pilot's lounge, restrooms and a large covered area airside. Based on our visit to the property, the current tenant has made an addition to the building and renovated the interior of the original building. Our valuation of Building 1 has not considered the addition made to the building or the renovations made at the tenant's expense to the original 2,576 square foot building. The lease summary references a building area of 2,592 square feet for the original building. It was noted, the tenant receives a rental abatement of about \$30,000 over three years for work completed by the tenant.

Inspection: AHM & ZJO; 09/14

TIX - Building 1





CO, INC.
9-06-2014

TIX – Building 1 (Photographs taken October, 2007)



View of the south and east elevations.



View of the north and west elevations.

TIX - Building 1 (Photographs taken October, 2007)



Interior view.



Interior view.

TIX - Building 1 (Photographs taken September, 2014)



View of the south and east elevations of the original building.



View of the south and west elevations of the original building.

TIX - Building 1 (Photographs taken September, 2014)



Interior view of the original building.



View of the south and east elevations of the new addition.

TIX - Building 1 (Photographs taken September, 2014)



View of the north and west elevations of the new addition.



Interior view of the new addition.

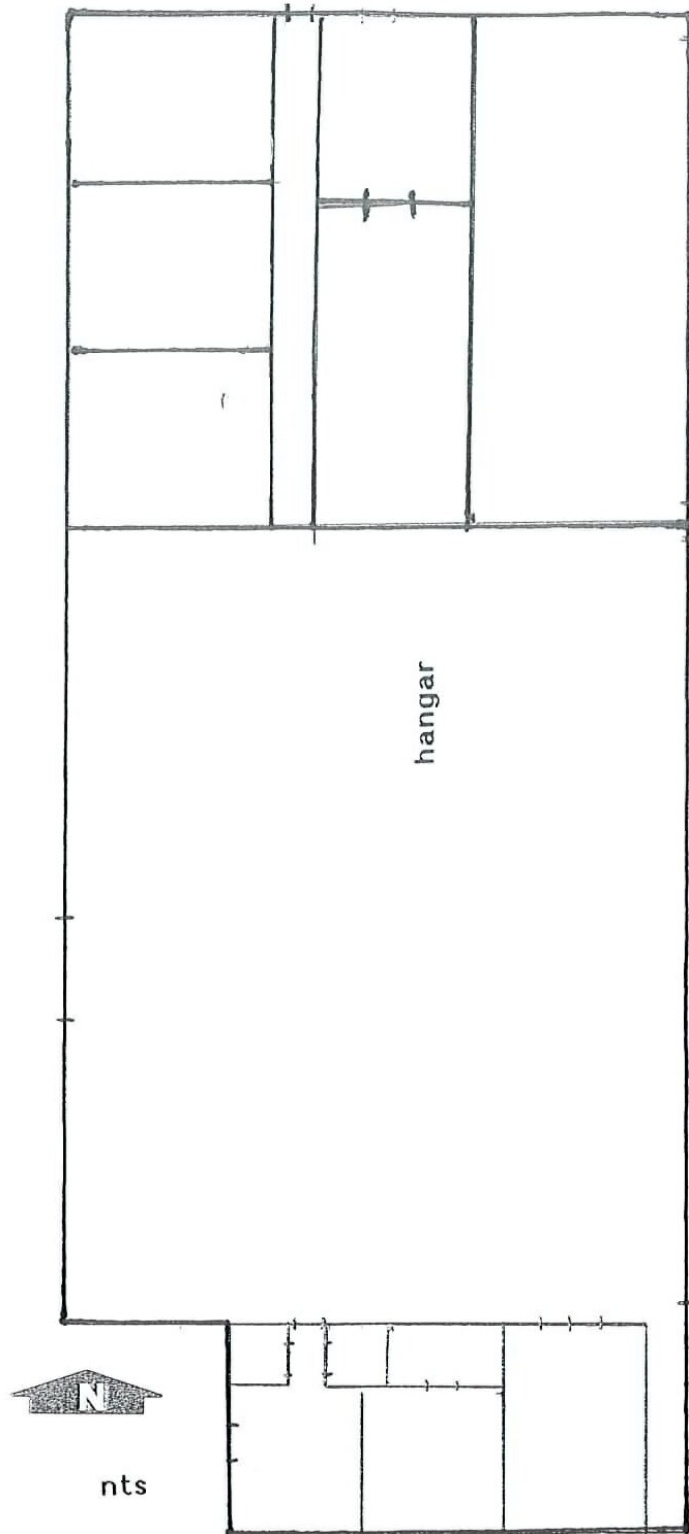
**Space Coast Regional Airport (TIX)
Building 9**

Building Number:	9
Address:	7017 Challenger Avenue, Titusville, Florida
Township-Range-Section	23S-35E-2
Lessee:	Comp Air
Lease Term:	December 19, 2013 to December 19, 2033
Renewal:	2 @ 5 years
Terms:	Gross
Current Annual Rent:	\$59,990.69
Annual Rent Per Square Foot:	\$7.12 (including land and pavement)
Land Area:	32,513 sq. ft.; 0.746 acre
Paved Area:	10,814 sq. ft.; 0.248 acre
Building Area:	
Support	2,600 sq. ft. (31%)
Hangar	<u>7,620</u> sq. ft. (69%)
Total	8,420 sq. ft.
Adjusted Building Area (BCPA)	9,480 sq. ft.
Year Built:	1991 (BCPA)
Condition:	Good
BCPA Account Number:	23-35-02-00-00002.0-0000.00 (portion of)

Comments: Building 9 is a pre-engineered metal hangar building. The building is in good condition, with support area (offices) at the southern portion of the building and support area (shop/storage) with storage mezzanine located on the northern portion of the building. The hangar portion of the building has a two hangar doors on the east end of the building. The large hangar door is a sliding door that provides an opening of approximately 75 feet, with a clear height of approximately 18 feet. The smaller hangar door is a bi-fold door that provides an opening of approximately 45 feet, with a clear height of approximately 11 feet. The lease summary references a building area of 9,150 square feet.

Inspection: AHM & ZJO; 09/14

TIX - Building 9



TIX – Building 9



View of the south and west elevations.



View of the north and east elevations.

TIX - Building 9



Interior view.



Interior view.

TIX - Building 9



Interior view.

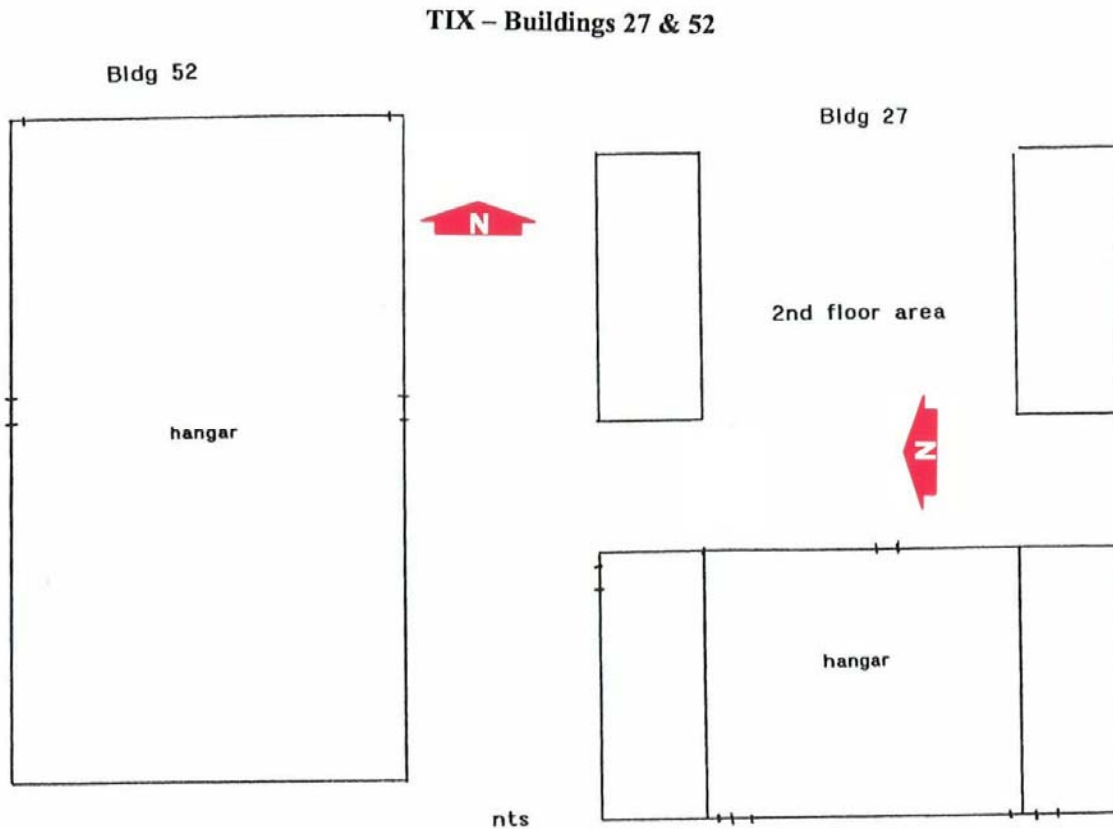
**Space Coast Regional Airport (TIX)
Buildings 27 & 52**

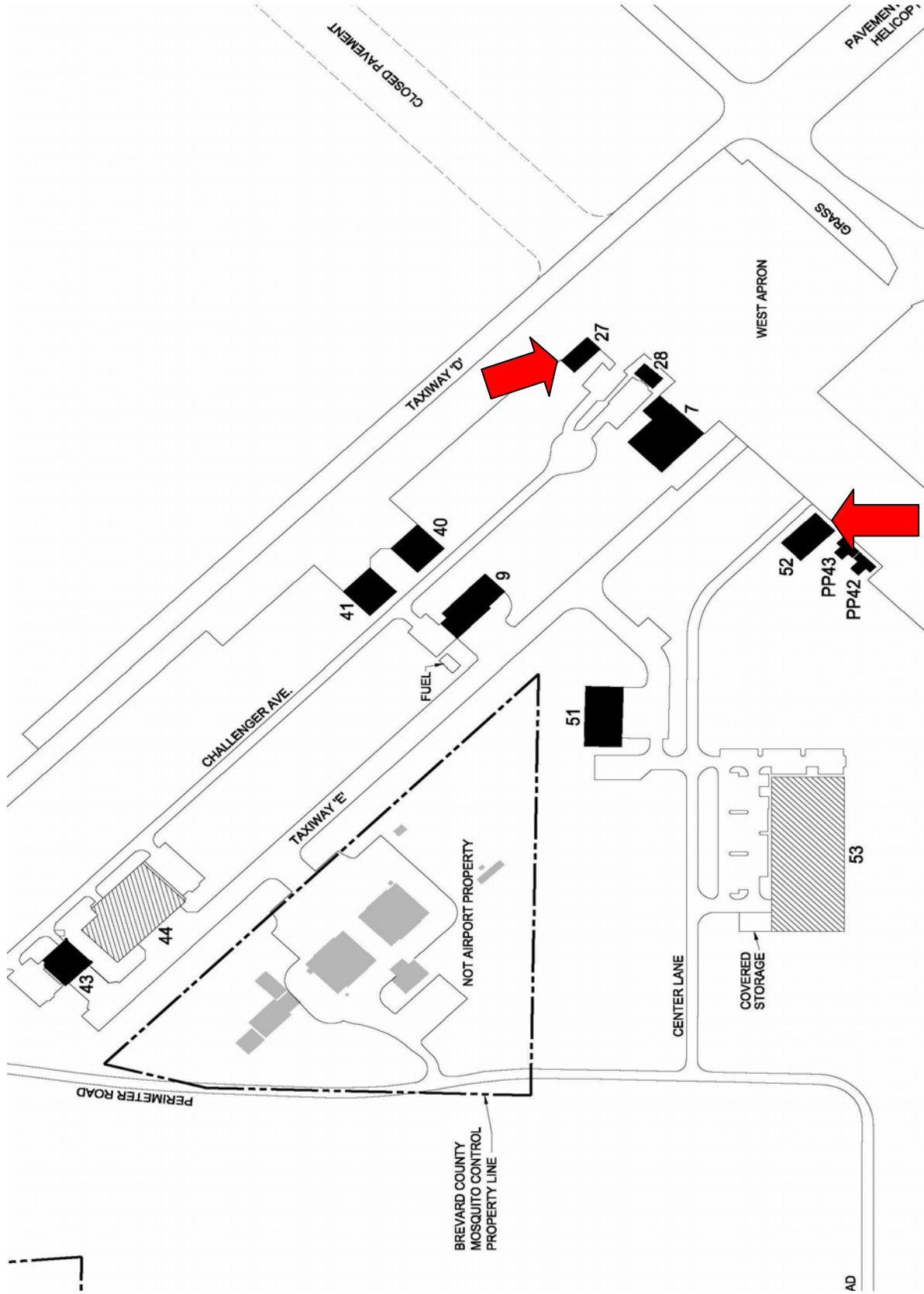
Building Numbers:	27 & 52
Address: Building 27	7000 Challenger Avenue, Titusville, Florida
Building 52	7005 Center Lane, Titusville, Florida
Township-Range-Section	23S-35E-2
Lessee:	Air Scan
Lease Term:	See Comments
Renewal:	See Comments
Terms:	See Comments
Current Annual Rent:	See Comments
Annual Rent Per Square Foot:	See Comments
Land Area:	See Comments
Paved Area:	Not Specified
Building Area:	Building 27
Support	2,560 sq. ft. (58%)
Hangar	<u>1,860</u> sq. ft. (42%)
Total	4,420 sq. ft.
Adjusted Building Area (BCPA)	4,400 sq. ft.
Year Built:	1961 (BCPA)
Condition:	Fair
Building Area:	Building 52
Support	0 sq. ft. (0%)
Hangar	<u>6,000</u> sq. ft. (100%)
Total	6,000 sq. ft.
Adjusted Building Area (BCPA)	6,000 sq. ft.
Year Built:	1961 (BCPA)
Condition:	Poor
BCPA Account Number:	23-35-02-00-00502.0-0000.00 (portion of)

Comments: Building 27 is a pre-engineered metal hangar building in fair condition, with two-story support area (shops, offices) at the south and north ends of the building. The hangar portion of the building is located between the support areas and has a hangar door on the west end of the building. The hangar door provides an opening of approximately 45 feet. The interior of Building 27 was not available for inspection. Building 52 is an older pre-engineered metal in poor condition. The hangar door is on the north end of the building and provides an opening of approximately 58 feet. The lease summary references a building area of 3,154 square feet for Building 27 and 6,186 square feet for Building 52. It was noted, the lease references the tenant as Space Coast Jet Center. Based on our visit to the

property, Air Scan has purchased the operation from Space Coast Jet Center and is currently occupying Buildings 27 and 52. Air Scan is also occupying Building 7 that is located at 7003 Challenger Avenue. Building 7 was not included in the scope of our analysis. Furthermore, the lease information provided does not specify the land, pavement or buildings included in the lease for Air Scan.

Inspection: AHM & ZJO; 09/14





TIX – Building 27



View of the north and east elevations.



View of the south and west elevations.

TIX – Building 52



View of the north and west elevations.



View of the south and east elevations.

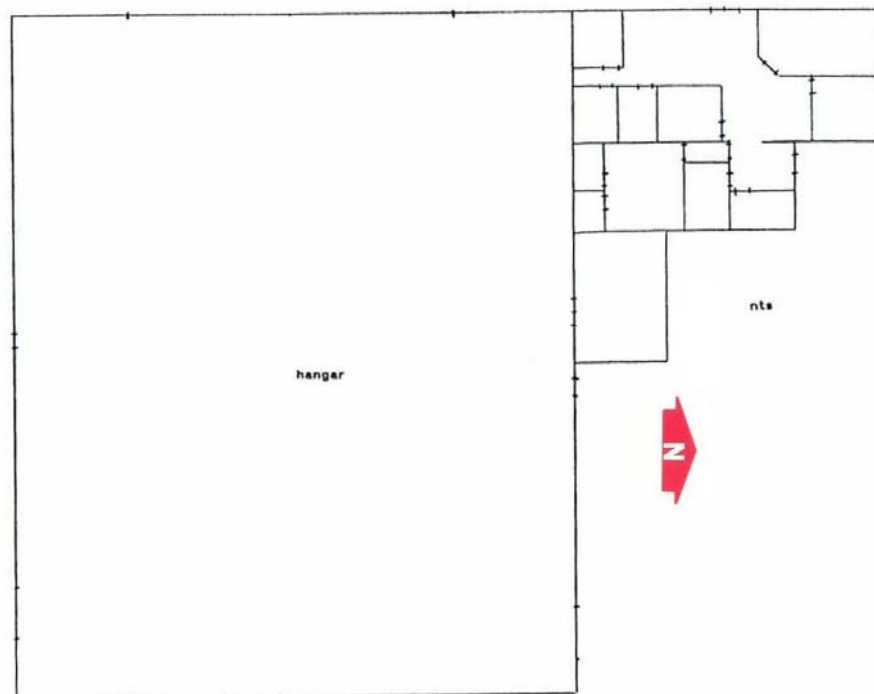
**Space Coast Regional Airport (TIX)
Building 29**

Building Number:	29
Address:	365 Golden Knights Blvd., Titusville, Florida
Township-Range-Section	23S-35E-2
Lessee:	Bristow Academy
Lease Term:	October 31, 2000 to October 30, 2020
Renewal:	2 @ 5 years
Terms:	Gross
Current Annual Rent:	\$132,333.60
Annual Rent Per Square Foot:	\$5.99 (including land and pavement)
Land Area:	276,032 sq. ft.; 6.337 acres
Paved Area:	229,007 sq. ft.; 5.257 acres
Building Area:	
Support	3,510 sq. ft. (16%)
Hangar	18,600 sq. ft. (84%)
Total	22,110 sq. ft.
Adjusted Building Area (BCPA)	22,465 sq. ft.
Year Built:	1970 (BCPA)
Condition:	Good
BCPA Account Number:	23-35-02-00-00009.0-0000.00

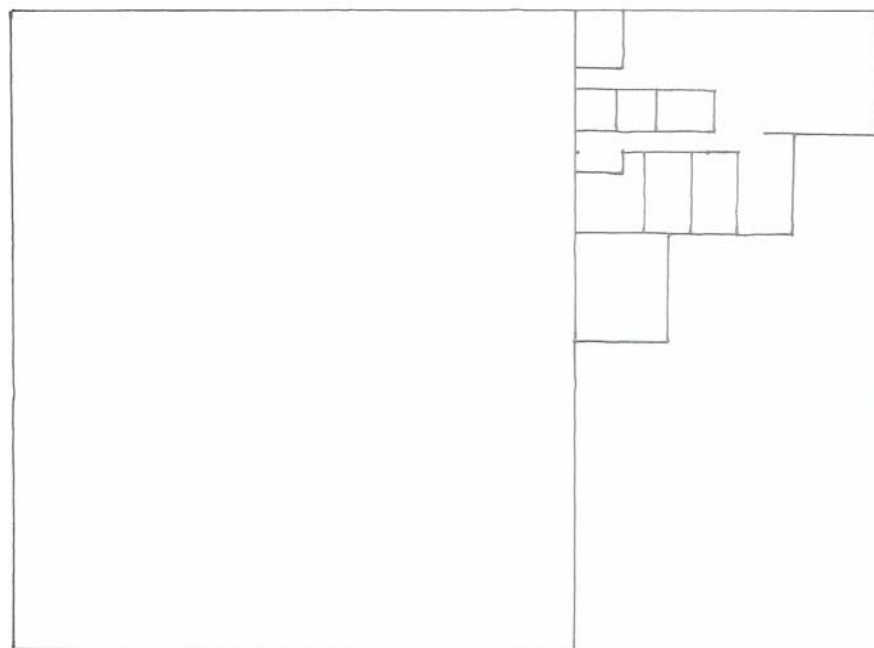
Comments: The building is in good condition, with support area (offices, shop) at the north end of the building. The hangar portion of the building has a hangar door on the west end of the building that provides an opening of approximately 70 feet, with a clear height of approximately 16 feet. The lease summary references a building area of 22,546 square feet. Based on our visit to the property the tenants has renovated the interior of the building at the tenant's expense. TCAA indicated the roof, fascia, HVAC and several other items were replaced for the support area at TCAA's expense. The improvements to the building were reportedly done in 2012. The lease summary references a building area of 22,546 square feet.

Inspection: AHM & ZJO; 09/14

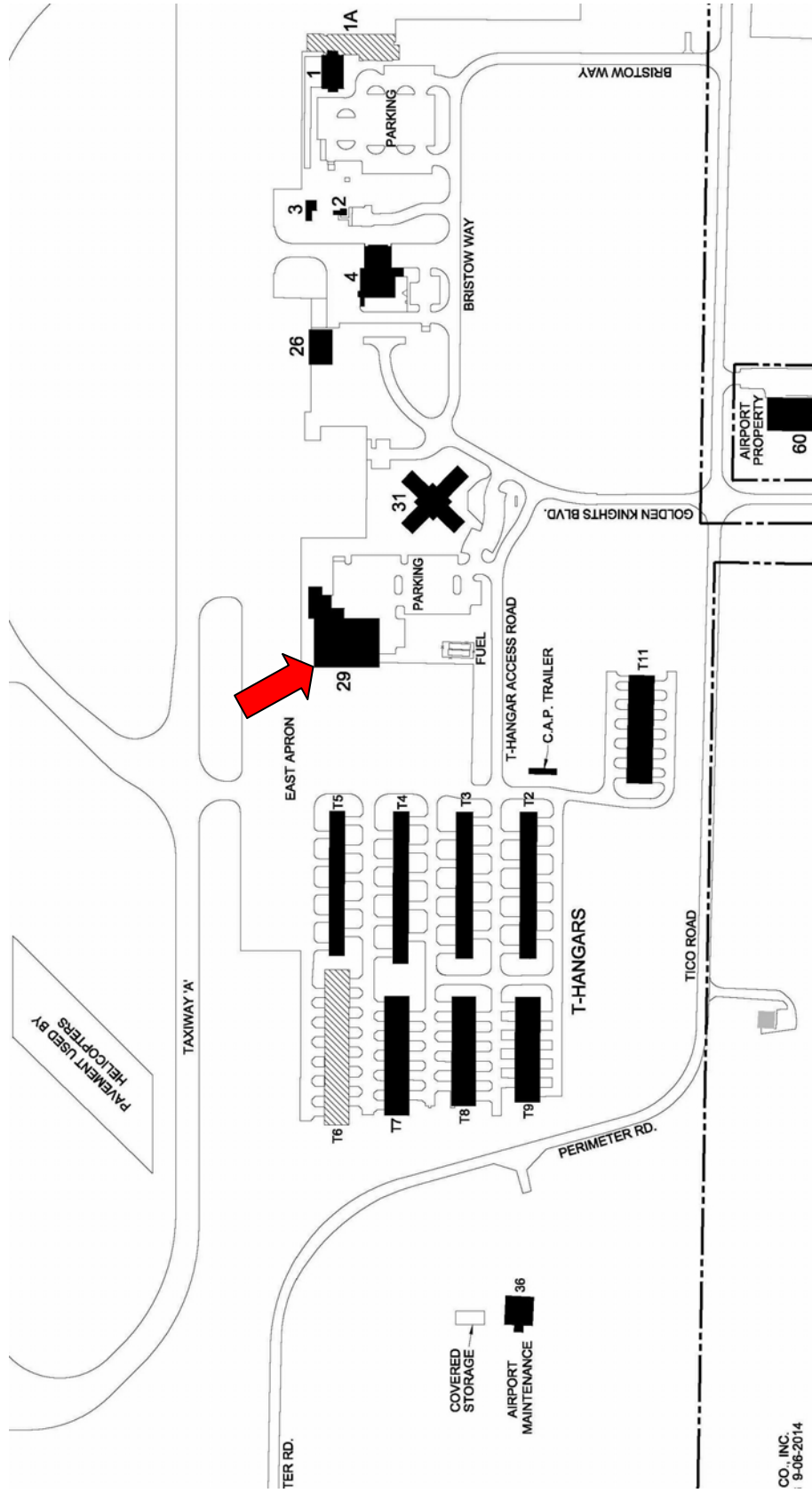
TIX – Building 29



Layout of TIX Building 29 in 2007



Layout of TIX Building 29 as of September 10, 2014



CO., INC.
9-06-2014

TIX – Building 29



View of the north and west elevations.



View of the south and east elevations.

TIX – Building 29



Interior view.



Interior view.

TIX – Building 29



Interior view.

**Space Coast Regional Airport (TIX)
Buildings 40 & 41**

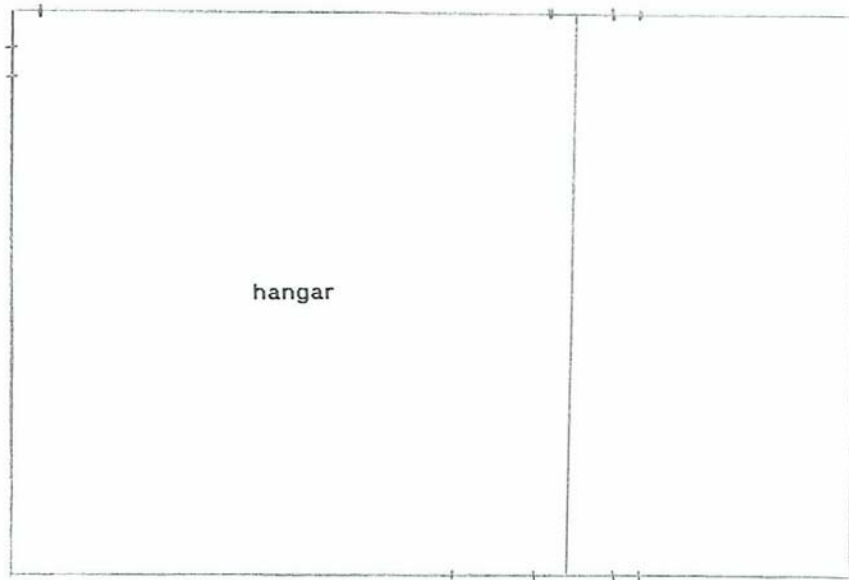
Building Numbers:	40 & 41
Address: Building 40	7016 Challenger Avenue, Titusville, Florida
Building 41	7018 Challenger Avenue, Titusville, Florida
Township-Range-Section	23S-35E-2
Lessee:	Sheltair Space Coast
Lease Term:	April 1, 2002 to March 31, 2022
Renewal:	4 @ 5 years
Terms:	Gross
Current Annual Rent:	\$63,210
Annual Rent Per Square Foot:	\$4.88 (including land and pavement)
Land Area:	89,930 sq. ft.; 2.065 acres
Paved Area:	76,980 sq. ft.; 1.77 acre
Building Area:	Building 40
Support	2,450 sq. ft. (33%)
Hangar	<u>4,900</u> sq. ft. (67%)
Total	7,350 sq. ft.
Adjusted Building Area (BCPA)	7,350 sq. ft.
Year Built:	1990 (BCPA)
Condition:	Good
Building Area	Building 41
Support	0 sq. ft. (0%)
Hangar	<u>5,600</u> sq. ft. (100%)
Total	5,600 sq. ft.
Adjusted Building Area (BCPA)	5,600 sq. ft.
Year Built:	1991 (BCPA)
Condition:	Good
BCPA Account Number:	23-35-02-00-00002.0-0000.00 (portion of)

Comments: Buildings 40 and 41 are pre-engineered metal hangar buildings that have been leased to an aviation property development company, which subleases the buildings to Helex. Helex is currently using the buildings for helicopter maintenance. Building 40 has a support area (offices) at the north end of the building. The hangar portion of the building has a bi-fold hangar door on the west end of the building that provides an opening of approximately 68 feet. Building 41 does not have support area. The hangar portion of the building has a bi-fold hangar door on the west end of the building that provides an opening of approximately 78 feet. Based on our visit to the buildings, the tenant has spent in excess of \$100,000 on

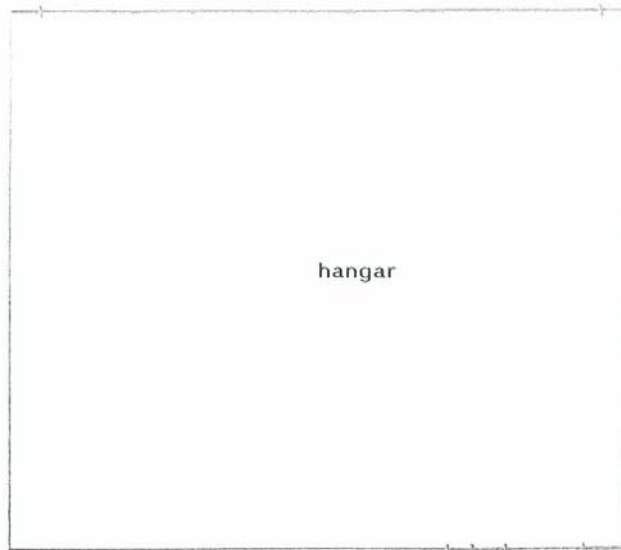
improvements to Building 41. The improvements included HVAC system for the entire hangar area, insulation, and floor coatings.

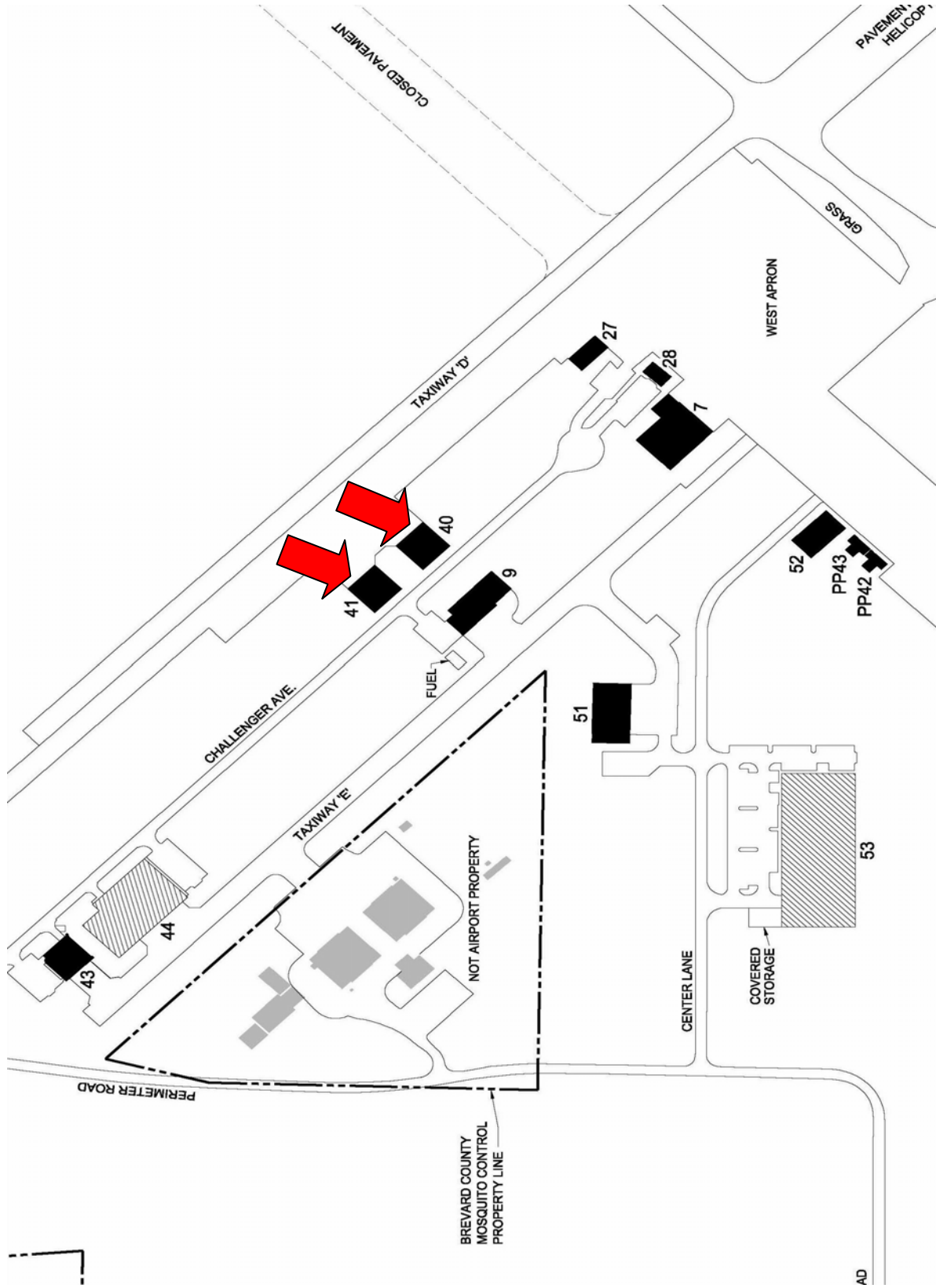
Inspection: AHM & ZJO; 09/14

TIX – Building 40



TIX - Building 41





TIX – Building 40



View of the north and west elevations.



View of the south and east elevations.

TIX – Building 40



Interior view of the hangar area.



Interior view of the office area.

TIX – Building 41



View of the north and west elevations.



View of the south and east elevations.

TIX – Building 41



Interior view.

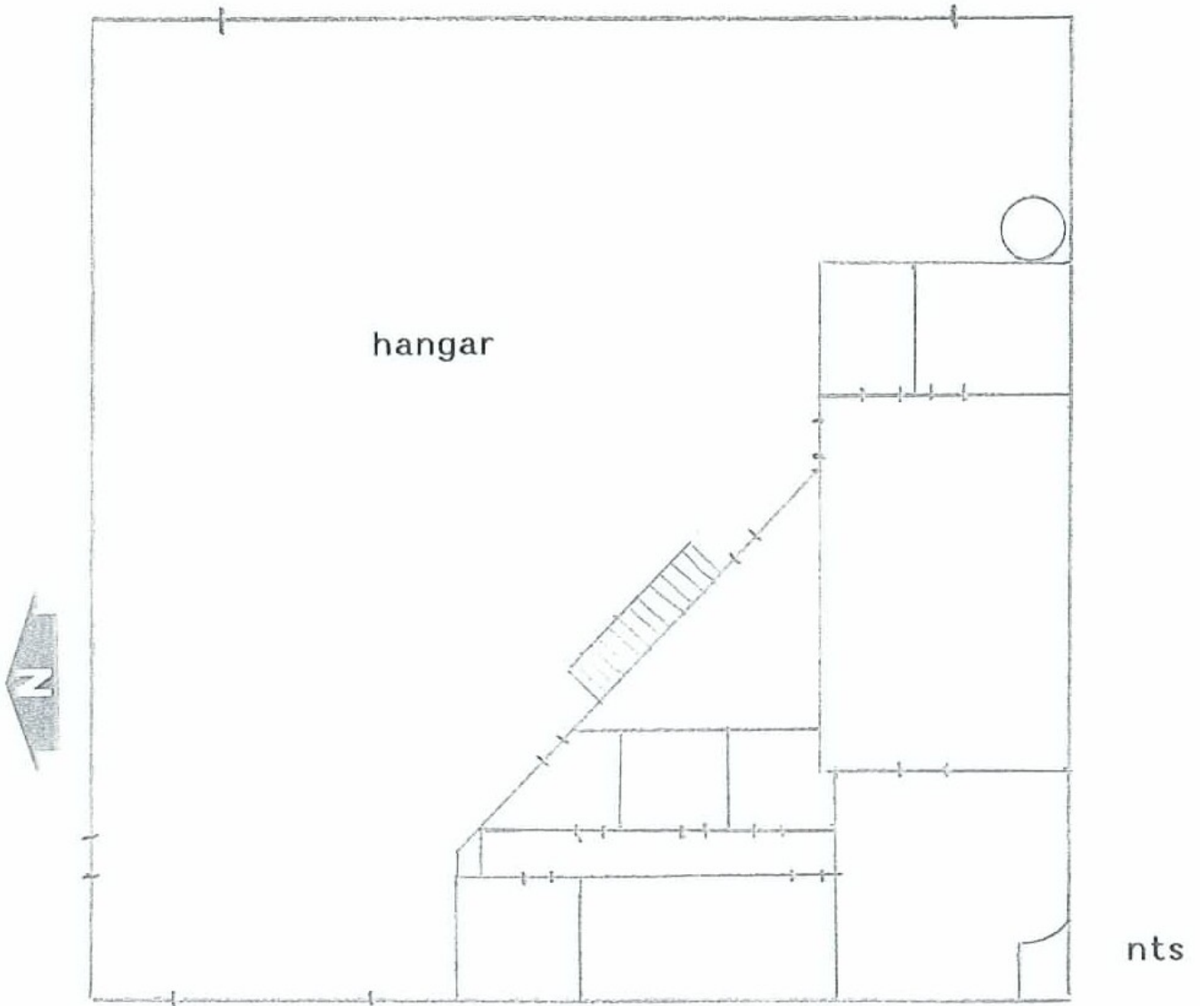
**Space Coast Regional Airport (TIX)
Building 43**

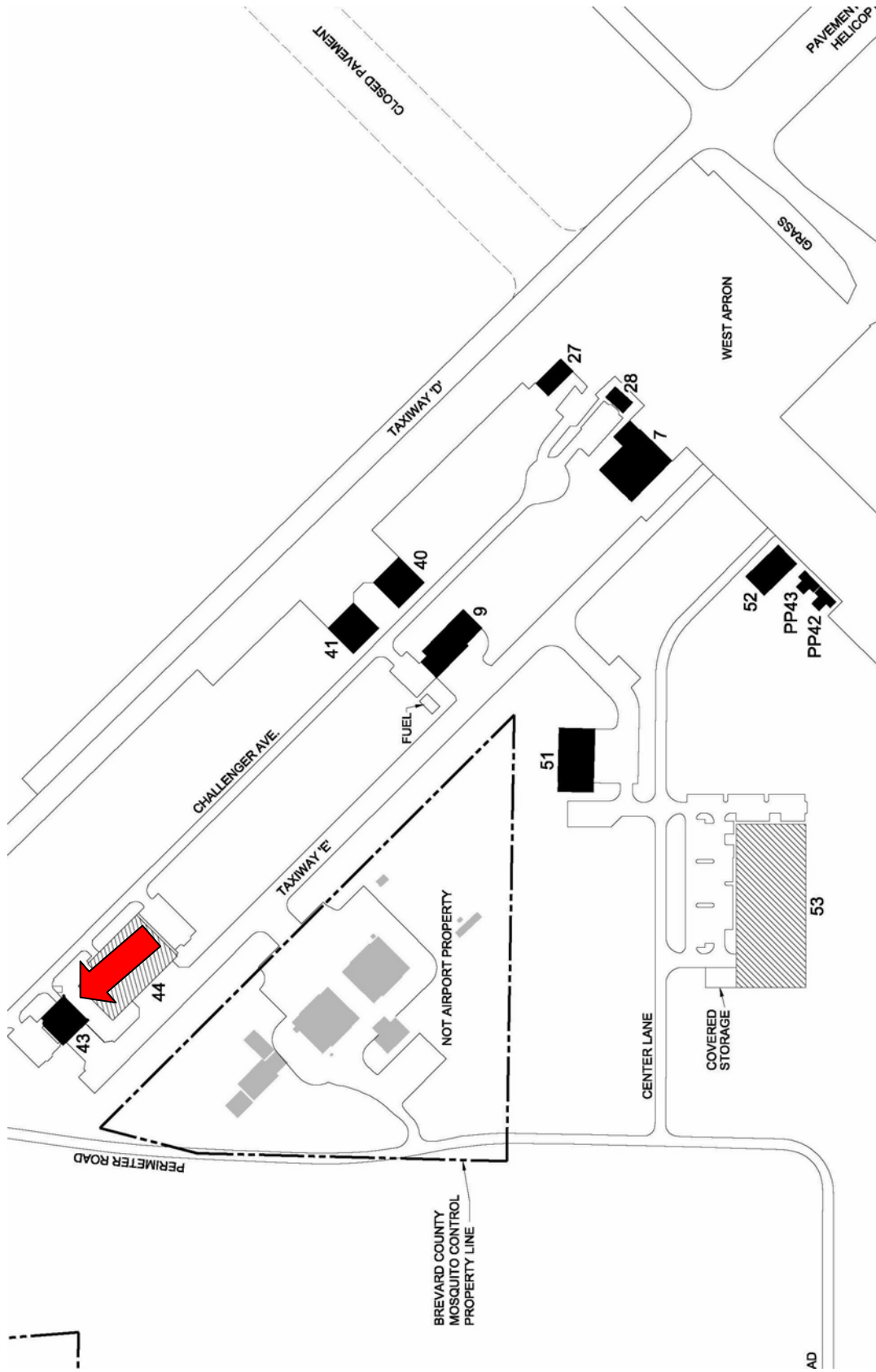
Building Number: 43
Address: 7065 Challenger Avenue, Titusville, Florida
Township-Range-Section 23S-35E-2
Lessee: North American Surveillance Systems, USA, Inc.
Lease Term: October 22, 2013 to October 22, 2033
Renewal: 2 @5 years
Terms: Gross
Current Annual Rent: \$67,380
Annual Rent Per Square Foot: \$10.53 (including land)
Land Area: 54,219 sq. ft.; 1.24 acres
Paved Area: Not Specified
Building Area:
 Support 2,025 sq. ft. (32%)
 Hangar 4,375 sq. ft. (68%)
 Total 6,400 sq. ft.
Adjusted Building Area (BCPA) 6,330 sq. ft.
Year Built: 1996 (BCPA)
Condition: Good
BCPA Account Number: 23-35-02-00-00002.0-0000.00 (portion of)

Comments: Building 43 is a pre-engineered metal hangar building. Access to the hangar from Challenger Avenue is provided via a roll-up door and airside access is provided via a hangar door. The hangar door width is 60 feet with a clear-height of 17 feet. The lease summary references a building area of 6,449 square feet. Based on our visit, the tenant is in the process making improvements to the building. According to TCAA, the cost of the improvements was estimated at \$189,000, of which about \$100,000 is subject to a rental abatement over three years. It was noted, NASS is currently in the process of constructing a new hangar building to the north of Building 43.

Inspection: AHM & ZJO; 09/14

TIX – Building 43





TIX – Building 43



View of the north and west elevations.



View of the south and east elevations.

TIX – Building 43



Interior view.



Interior view.

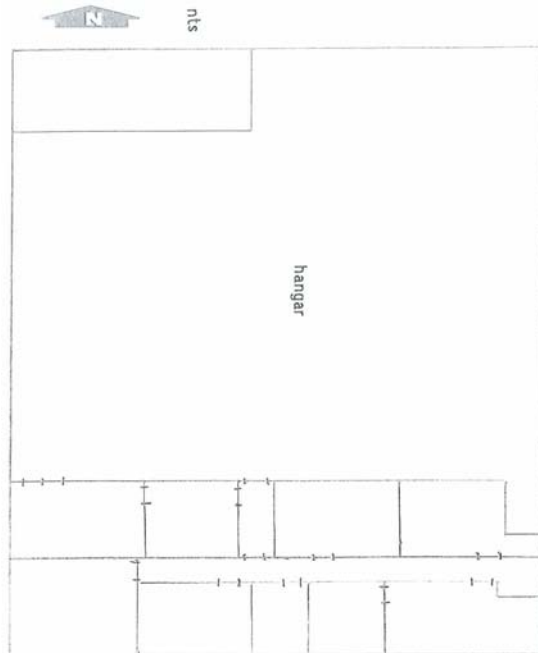
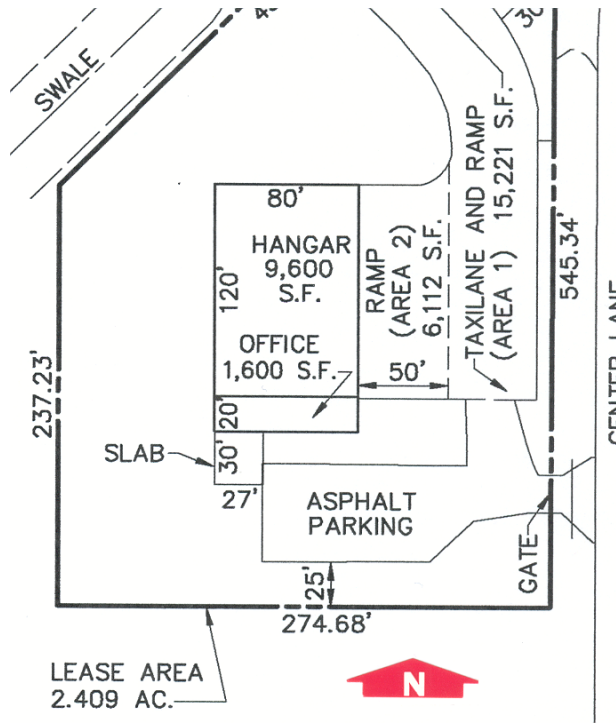
**Space Coast Regional Airport (TIX)
Building 51**

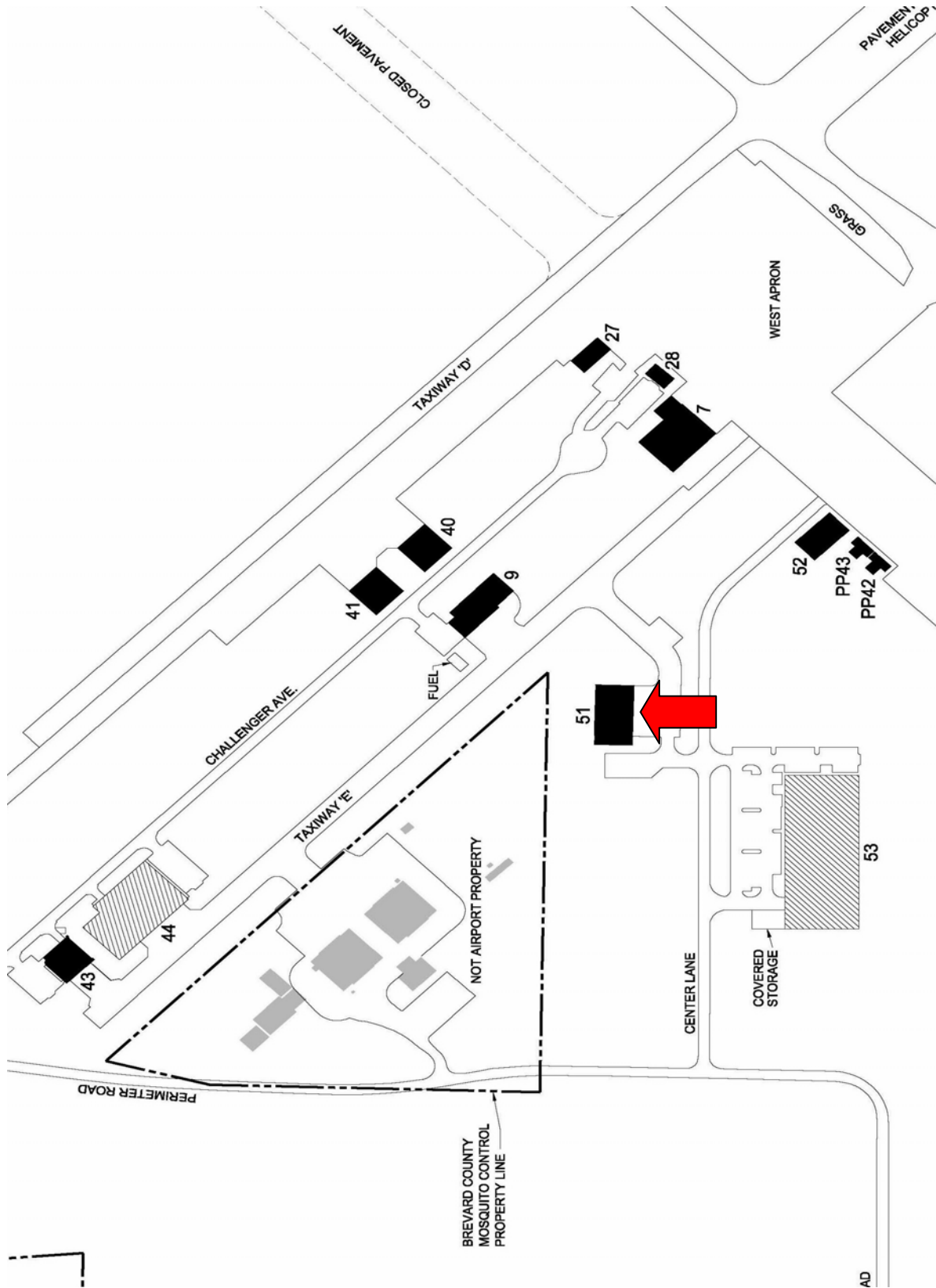
Building Number:	51
Address:	7030 Center Lane, Titusville, Florida
Township-Range-Section	23S-35E-2
Lessee:	Vacant
Lease Term:	N/A
Renewal:	N/A
Terms:	N/A
Current Annual Rent:	N/A
Annual Rent Per Square Foot:	N/A
Land Area:	N/A
Paved Area:	N/A
Building Area:	
Support	3,240 sq. ft. (29%)
Hangar	<u>8,100 sq. ft. (71%)</u>
Total	11,340 sq. ft.
Adjusted Building Area (BCPA)	11,200 sq. ft.
Year Built:	1961 (BCPA)
Condition:	Fair
BCPA Account Number:	23-35-02-00-00002.0-0000.00 (portion of)

Comments: Building 51 is a pre-engineered metal hangar building that is currently vacant. The building is in fair condition. We were not provided interior access to the building. Based on our visit to the property in 2007 it was configured with support area (offices) at the southern portion of the building. The hangar portion of the building has a hangar door on the east end of the building that provides an opening of approximately 80 feet, with a clear height of approximately 16 feet. The lease summary references a building area of 11,200 square feet.

Inspection: AHM & ZJO; 09/14

TIX – Building 51





TIX – Building 51



View of the north and east elevations.



View of the north and west elevations.

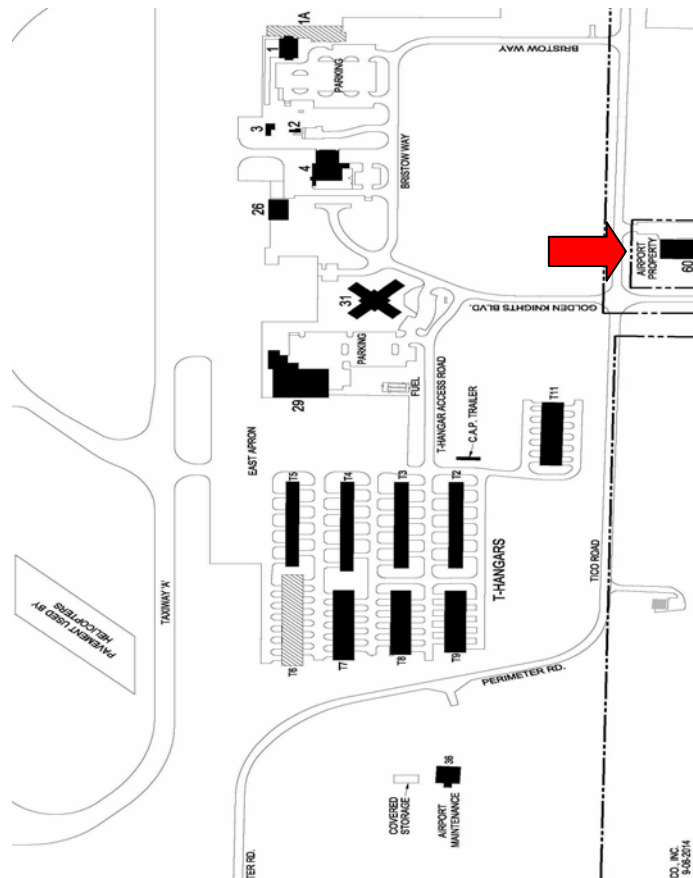
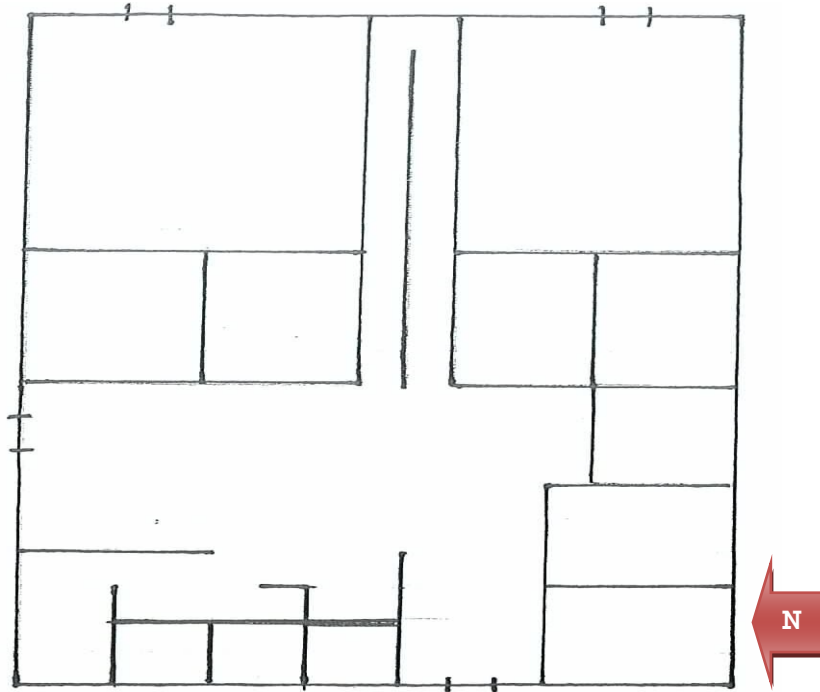
**Space Coast Regional Airport (TIX)
Non-Aviation Building 60**

Building Number:	60
Address:	6995 Tico Road, Titusville, Florida
Township-Range-Section	23S-35E-02
Lessee:	Bristow Academy
Lease Term:	September 1, 2012 to August 31, 2015
Renewal:	None
Terms:	Gross
Current Annual Rent:	\$56,063.16
Annual Rent Per Square Foot:	\$8.01 (including land and pavement)
Land Area:	93,415 sq.ft.; 2.14 acres
Paved Area:	Not Specified
Building Area:	7,000 sq. ft.
Adjusted Building Area (BCPA)	7,000 sq. ft.
Land-to-Building Ratio:	13.35:1
Land Use:	Public/Semi Public (0.2 FAR)
Zoning:	P (Public Use)
Year Built:	1966 (BCPA)
Condition:	Average
BCPA Account Number:	23-35-02-01-00000.0-0093.02

Comments: Building 60 is an office building of CBS construction with a flat roof. The layout of the building includes about six office, two conference rooms, two classroom, an open work area and two bathrooms. Interior finishes include a combination of tile and carpet flooring, wood baseboards and trim, 2' x 2' acoustical ceiling tiles with drop in fluorescent lighting, painted drywall, solid core doors and a central HVAC system. The lease summary references a building area of 7,171 square feet. Based on our visit to the property, the tenant has reportedly done tenant improvements to the building at the tenant's expense. It was noted, the tenant receives a rental abatement of about \$42,300 over two years for work completed by the tenant.

Inspection: AHM & ZJO; 09/14

TIX – Non-Aviation Building 60



TIX - Non-Aviation Building 60



View looking southeast from Tico Road of the north and west elevations.



View of the south and east elevations.

TIX - Non-Aviation Building 60



Interior view.



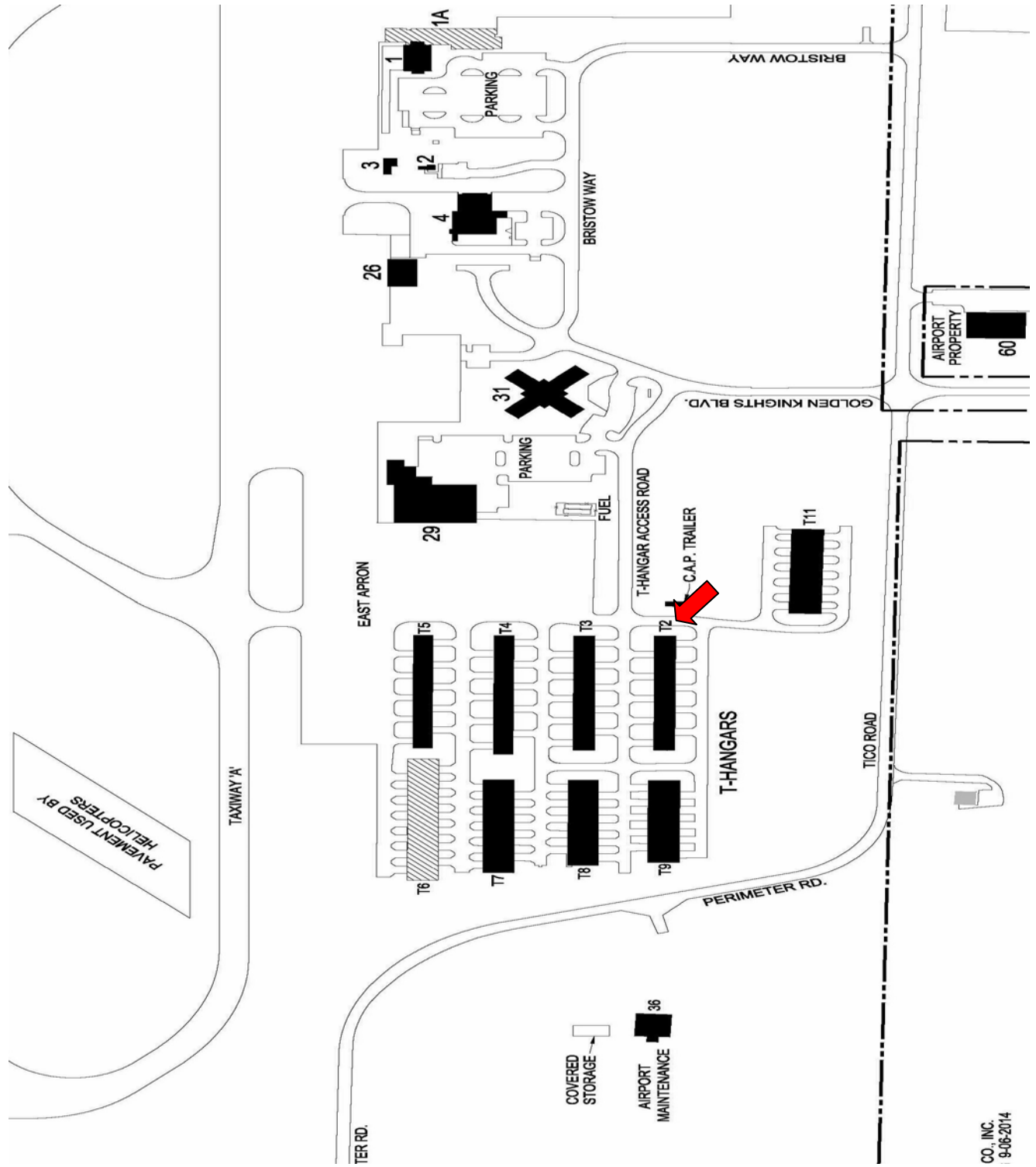
Interior view.

**Space Coast Regional Airport (TIX)
Building T2**

Building Number:	T2
Address:	Not Specified
Township-Range-Section	23S-35E-2
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	\$274/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	10,812 sq. ft.
Adjusted Building Area (BCPA)	10,080 sq. ft.
Year Built:	1974 (BCPA)
Condition:	Average
BCPA Account Number:	23-35-02-00-00002.0-0000.00 (portion of)

Comments: Building T2 is a 10-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 41 feet. The building also as two storage units.

Inspection: AHM & ZJO; 09/14



CO., INC.
9-06-2014

TIX – Building T2



View of the south and east elevations.



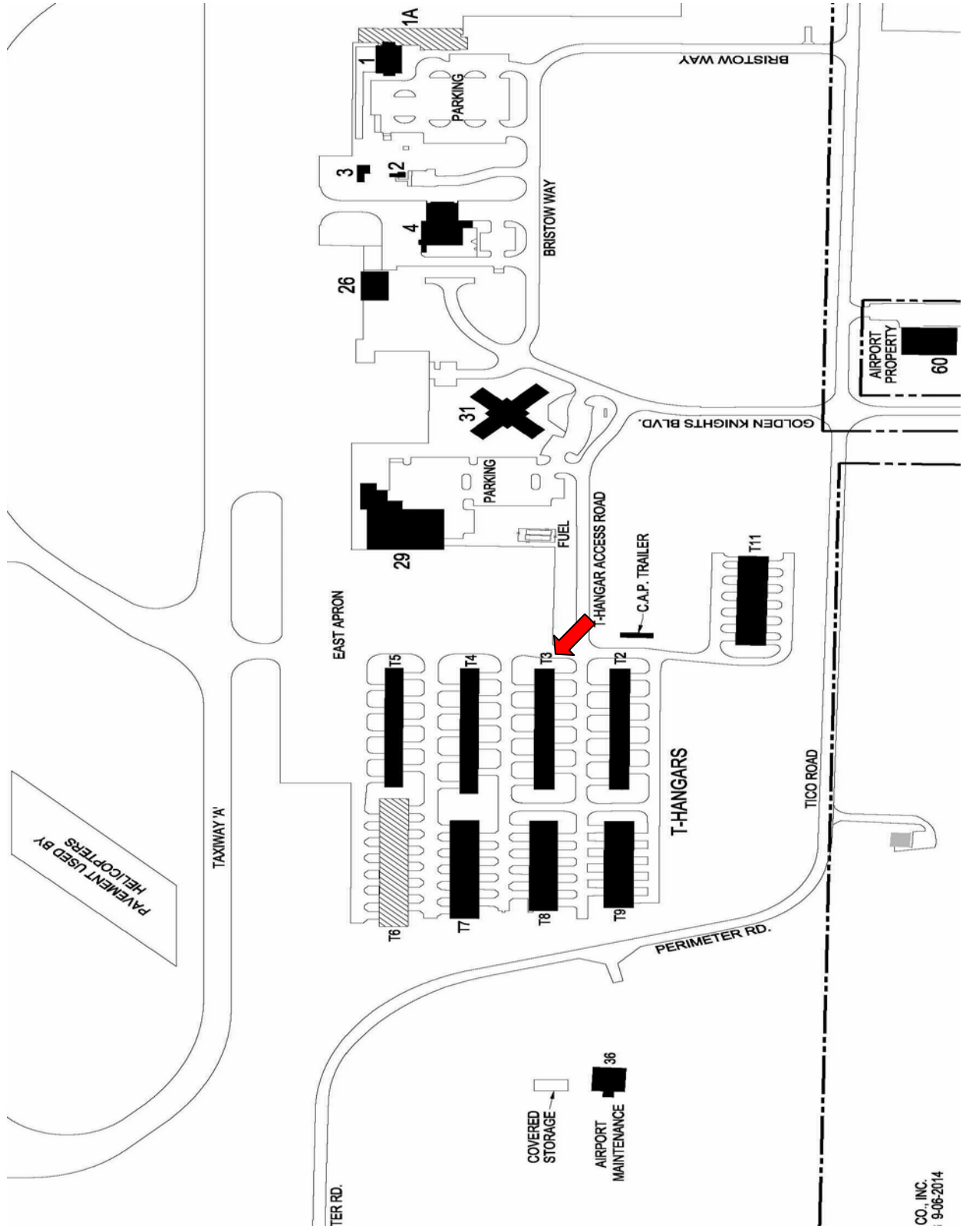
View of the north and west elevations.

**Space Coast Regional Airport (TIX)
Building T3**

Building Number:	T3
Address:	Not Specified
Township-Range-Section	23S-35E-2
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	\$274/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	10,812 sq. ft.
Adjusted Building Area (BCPA)	10,080 sq. ft.
Year Built:	1974 (BCPA)
Condition:	Average
BCPA Account Number:	23-35-02-00-00002.0-0000.00 (portion of)

Comments: Building T3 is a 10-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 40 feet. The building also has two storage units.

Inspection: AHM & ZJO; 09/14



CO., INC.
: 9-06-2014

TIX – Building T3



View of the south and east elevations.



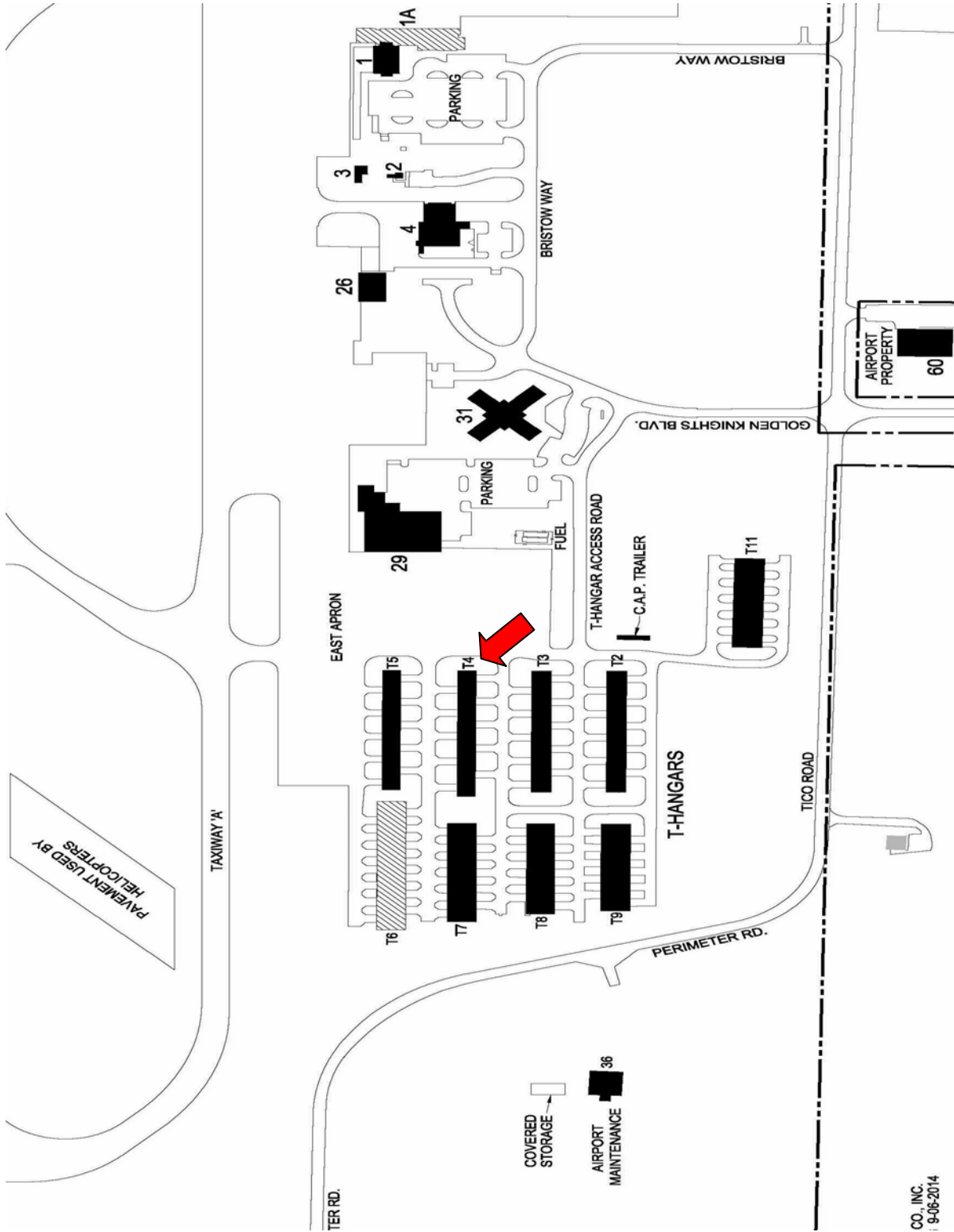
View of the north and west elevations.

**Space Coast Regional Airport (TIX)
Building T4**

Building Number:	T4
Address:	Not Specified
Township-Range-Section	23S-35E-2
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	\$274/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	10,890 sq. ft.
Adjusted Building Area (BCPA)	9,984 sq. ft.
Year Built:	1964 (BCPA)
Condition:	Average
BCPA Account Number:	23-35-02-00-00002.0-0000.00 (portion of)

Comments: Building T4 is a 10-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 40 feet. The building also has two storage units.

Inspection: AHM & ZJO; 09/14



CO., INC.
9-06-2014

TIX – Building T4



View of the south and east elevations.



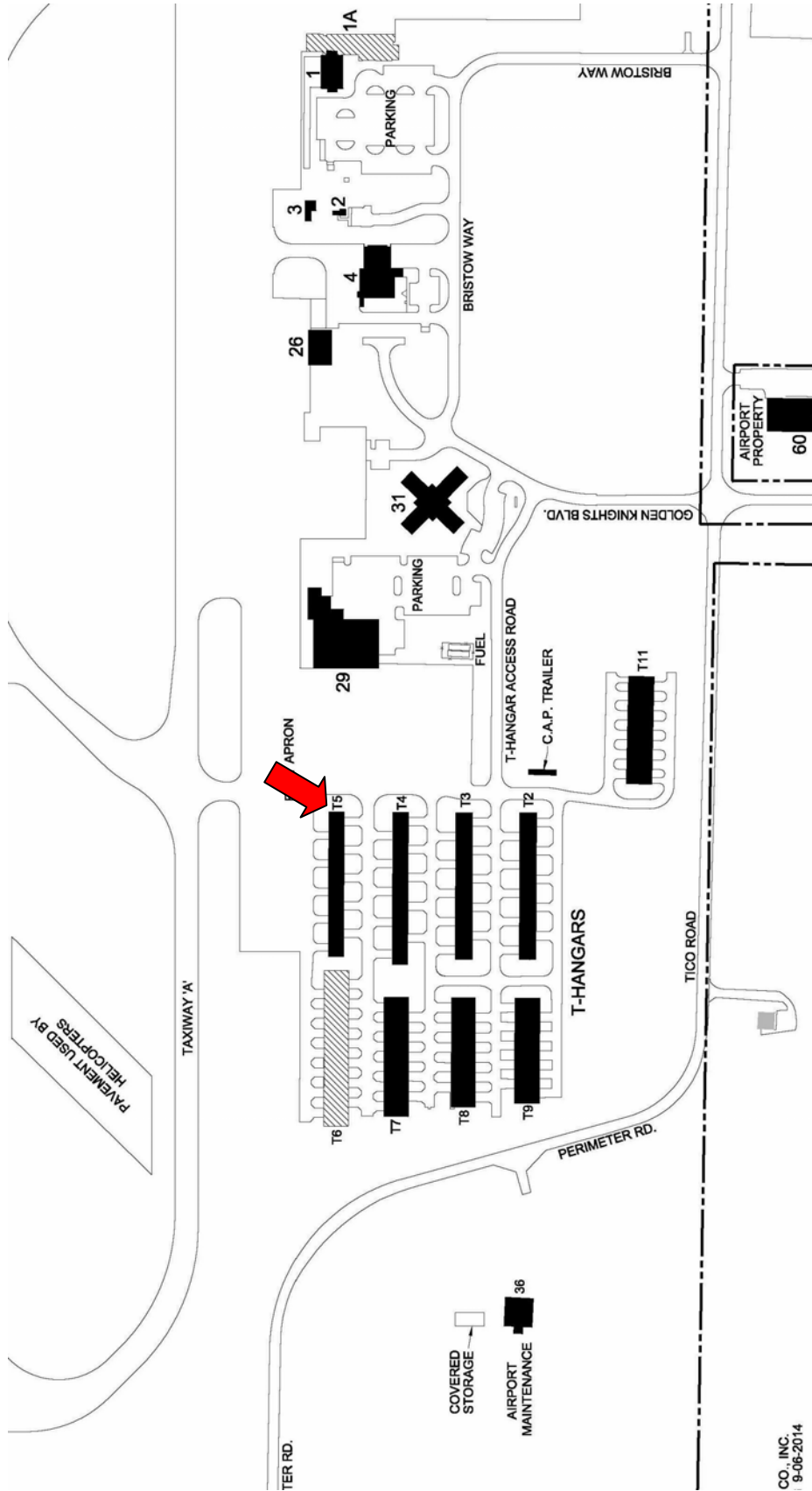
View of the north and west elevations.

**Space Coast Regional Airport (TIX)
Building T5**

Building Number:	T5
Address:	Not Specified
Township-Range-Section	23S-35E-2
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	\$274/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	10,345 sq. ft.
Adjusted Building Area (BCPA)	9,984 sq. ft.
Year Built:	1964 (BCPA)
Condition:	Average
BCPA Account Number:	23-35-02-00-00002.0-0000.00 (portion of)

Comments: Building T5 is a 10-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 40 feet. The building also has two storage units.

Inspection: AHM & ZJO; 09/14



CO., INC.
9-06-2014

TIX – Building T5



View of the south and west elevations.



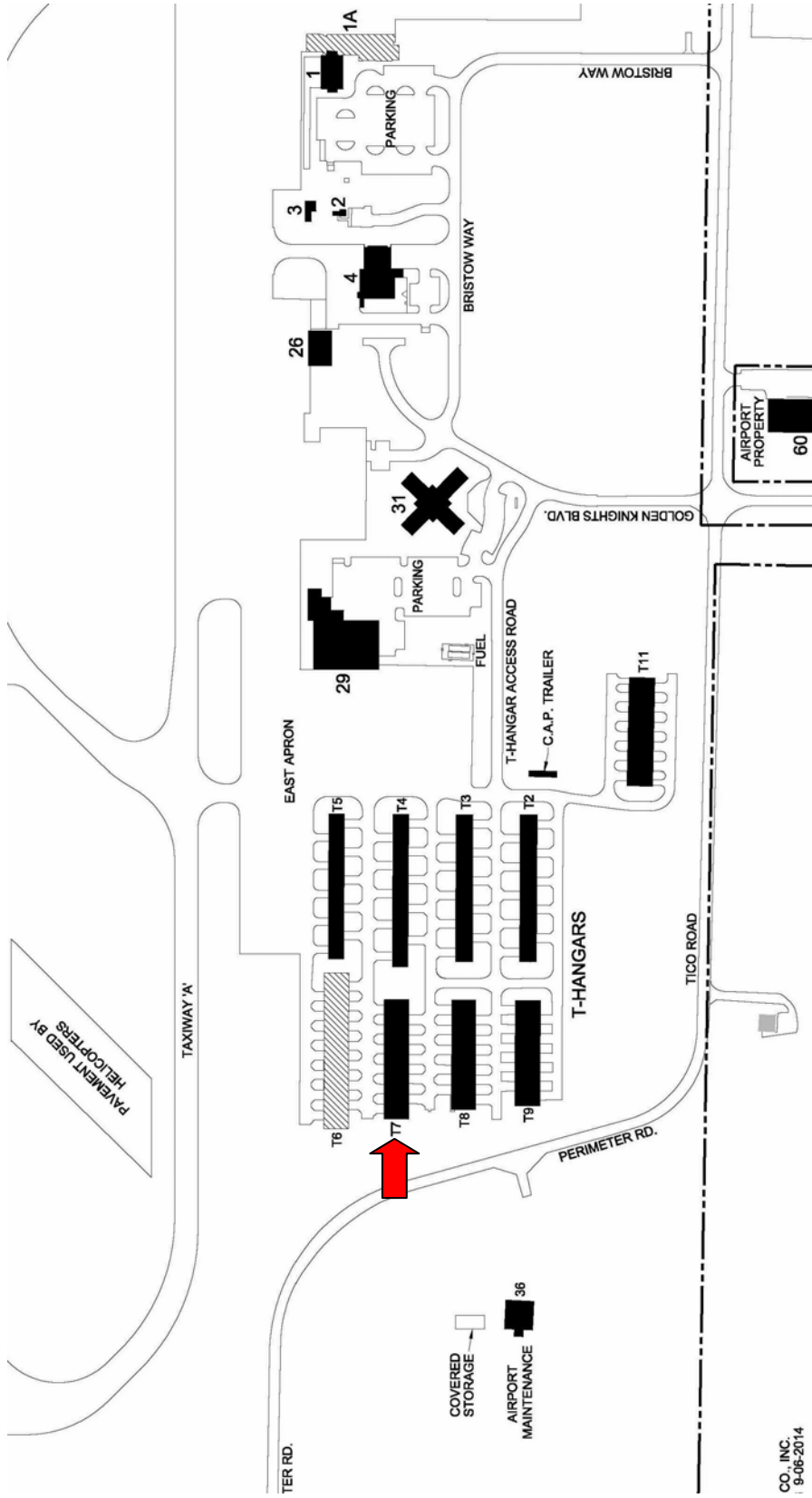
View of the north and east elevations.

**Space Coast Regional Airport (TIX)
Building T7**

Building Number:	T7
Address:	Not Specified
Township-Range-Section	23S-35E-2
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	\$287/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	12,900 sq. ft.
Adjusted Building Area (BCPA)	13,000 sq. ft.
Year Built:	1990 (BCPA)
Condition:	Good
BCPA Account Number:	23-35-02-00-00002.0-0000.00 (portion of)

Comments: Building T7 is an 11-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 42 feet. The building also has two storage units.

Inspection: AHM & ZJO; 09/14



TIX – Building T7



View of the south and east elevations.



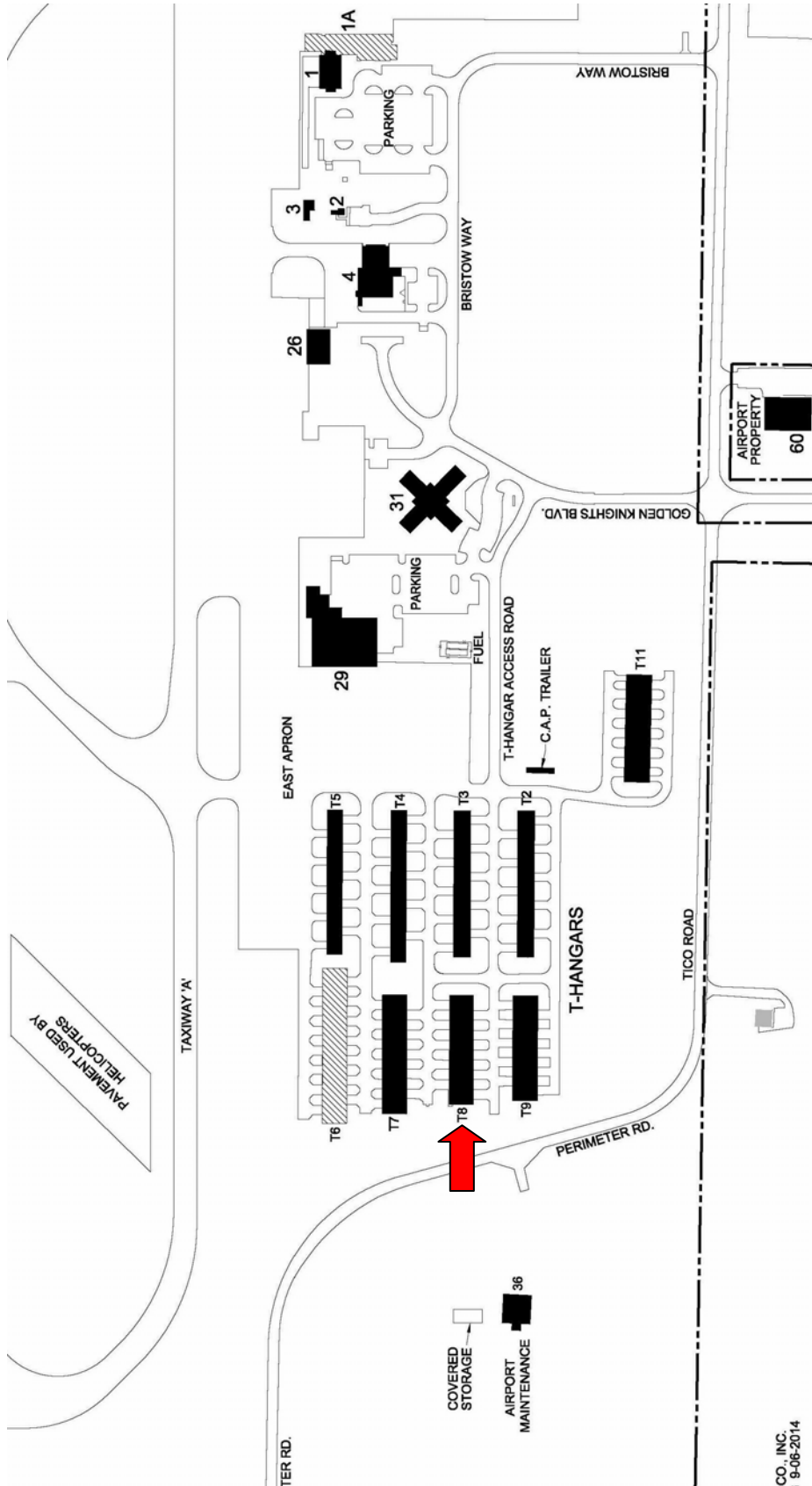
View of the north and west elevations.

**Space Coast Regional Airport (TIX)
Building T8**

Building Number:	T8
Address:	Not Specified
Township-Range-Section	23S-35E-2
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross; electricity individually metered per unit
Current Monthly Rent:	\$287/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	11,900 sq. ft.
Adjusted Building Area (BCPA)	11,850 sq. ft.
Year Built:	1990 (BCPA)
Condition:	Good
BCPA Account Number:	23-35-02-00-00002.0-0000.00 (portion of)

Comments: Building T8 is a 10-unit pre-engineered metal t-hangar building. Each unit has a door opening of approximately 42 feet. The building also has two storage units.

Inspection: AHM & ZJO; 09/14



CO., INC.
9-06-2014

TIX – Building T8



View of the south and east elevations.



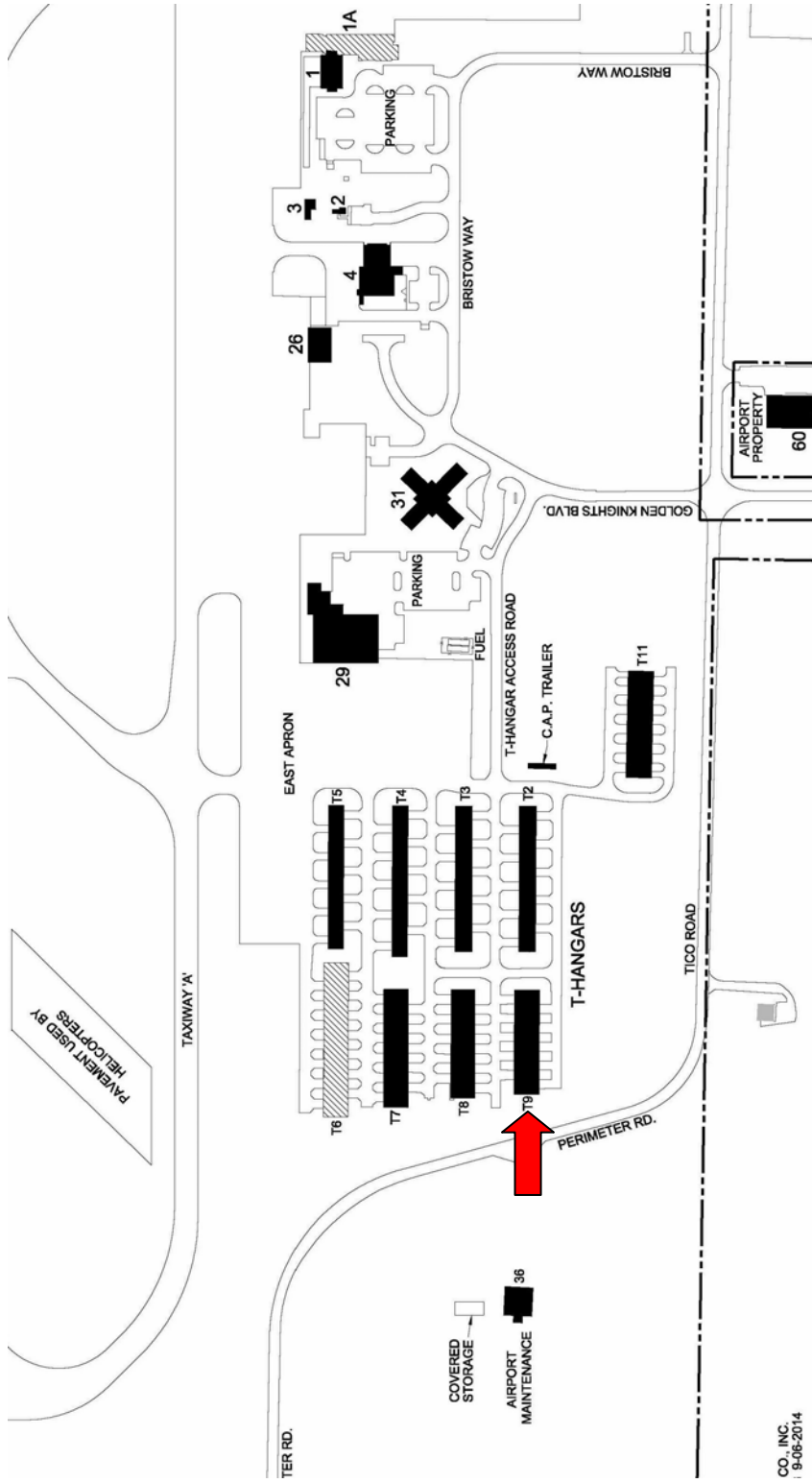
View of the north and west elevations.

**Space Coast Regional Airport (TIX)
Building T9**

Building Number:	T9
Address:	Not Specified
Township-Range-Section	23S-35E-2
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	2 @ \$338/unit; 8 @ \$300/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	12,031 sq. ft.
Adjusted Building Area (BCPA)	11,856 sq. ft.
Year Built:	1990 (BCPA)
Condition:	Good
BCPA Account Number:	23-35-02-00-00002.0-0000.00 (portion of)

Comments: Building T9 is a 10-unit pre-engineered metal t-hangar building. Each unit has a bi-fold door opening of approximately 41 feet. The building also has two storage units. The base monthly rent for the t-hangar units is \$300/unit. It was noted that the two units renting for \$338/unit include additional storage area.

Inspection: AHM & ZJO; 09/14



TIX – Building T9



View of the south and west elevations.



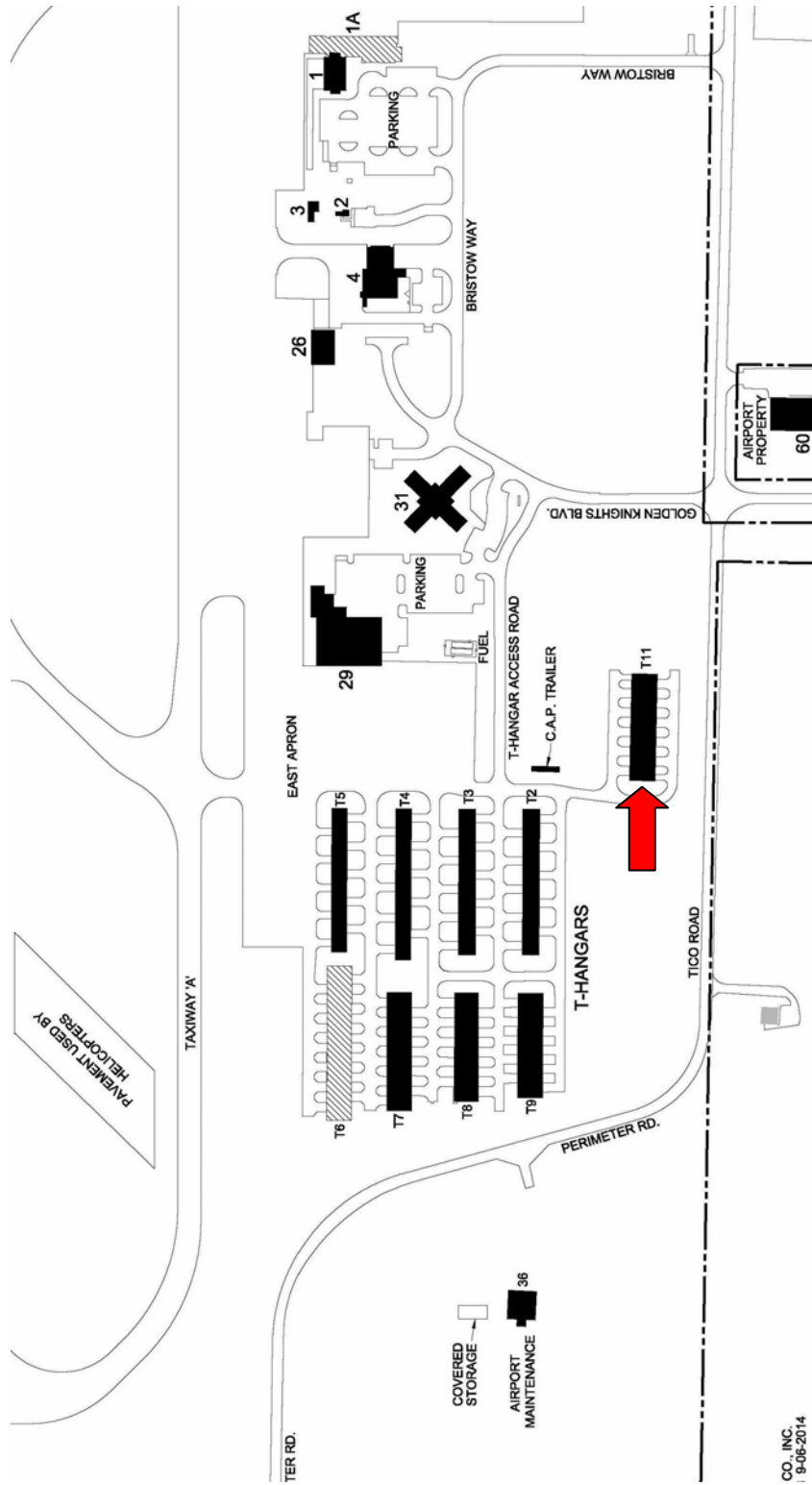
View of the north and east elevations.

**Space Coast Regional Airport (TIX)
Building T11**

Building Number:	T9
Address:	Not Specified
Township-Range-Section	23S-35E-2
Lessee:	Various Individuals
Lease Term:	Annual
Terms:	Gross
Current Monthly Rent:	1 @ \$539/unit; 1 @ \$559/unit; 8 @ \$408/unit
Land Area:	Not Specified
Paved Area:	Not Specified
Building Area:	
T-hangar	11,960 sq. ft.
Adjusted Building Area (BCPA)	11,960 sq. ft.
Year Built:	2012 (BCPA)
Condition:	Good
BCPA Account Number:	23-35-02-00-00002.0-0000.00 (portion of)

Comments: Building T11 is a 10-unit pre-engineered metal t-hangar building. Each unit has a bi-fold door opening of approximately 42 feet. The building also has two storage units. The base monthly rent for the t-hangar units is \$408/unit. It was noted that the two units renting for \$539/unit and \$559/unit include additional storage area.

Inspection: AHM & ZJO; 09/14



TIX – Building T11



View of the north and west elevations.



View of the south and east elevations.

HIGHEST AND BEST USE

According to The Dictionary of Real Estate Appraisal (Fifth Edition) published by the Appraisal Institute, the pertinent terms relating to highest and best use may be defined as follows:

Highest and Best Use is the “reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria that highest and best use must meet are legal permissibility, physical possibility, financial feasibility and maximum profitability.”

Highest and Best Use As Though Vacant is the use, “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 a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.”

Highest and Best Use As Improved is 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 new improvement would more than offset the cost of demolishing the existing building and constructing a new one.”

In estimating highest and best use, there are essentially four stages of analysis:

1. Possible Use - normally dictated by physical constraints.
2. Permissible Use - what use would be permitted in consideration of existing zoning and other applicable laws governing the use of the property, as well as any deed restrictions that may exist.
3. Feasible Use - which possible and permissible uses will produce a net return to the owner of the site.
4. Maximally Productive - among feasible uses, which use will produce the highest net return to the land.

To meet the tests of highest and best use, the use cannot be speculative or conjectural. It must be legal and probable. There must be a profitable demand for such use and it must return to the land the highest net return for the longest period of time. These tests have been applied to the subject properties. In arriving at the estimate of highest and best use, the subject properties were analyzed as vacant, as well as improved.

As discussed, inherent in real estate is the "bundle of rights" that each property possesses. This concept compares the rights of property ownership with a bundle of sticks, with each stick representing individual property rights such as the rights to use, sell or lease the property or to choose to exercise any or none of these rights. Typically, the highest and best use of vacant commercial property is dictated by the physical characteristics of the site (size, shape, configuration, location and zoning), as well as the supply and demand for parcels with similar characteristics.

Aeronautical Properties

As stated, with exception the two non-aviation buildings included in our analysis (X21 Building 23 and TIX Building 60) the subject properties are all located within the Airport Operating Areas (AOAs) of Arthur Dunn Airpark, Merritt Island Airport and Space Coast Regional Airport, respectively. The AOA is that portion of the airfield "inside the fence" and uses within this area are limited to aeronautical and related activities. TCAA has Minimum Standards that further govern business and development at the airports. Minimum standards are typical of Florida general aviation airports and serve to establish rules and regulations and minimum criteria for tenants at the airports.

Property uses within the AOA are restricted by the airport's development plan to those which provide for the operation of the airfield and related aeronautical uses. These uses include pilot training, commercial and charter aircraft service, aircraft sales and service, aviation fuel sales and other similar operation, which due to their relationship with aircraft operation, are classified as aeronautical activities. Due to the location of the subject properties within the AOA, any use of the properties would be required to be aeronautical related.

Due to the location of the subject properties within the AOA of X21, COI and TIX, the highest and best use of the land, as though vacant, as well as improved is limited to aeronautical facilities consistent with this designation. Our valuation analysis has considered the above limitations on the highest and best use and fair market annual rental for the subject properties.

Non-Aviation Properties

The two non-aviation buildings that are included in our analysis are located within close proximity to X21 and TIX and are known as X21 Building 23 and TIX Building 60. They represent single-tenant buildings that are currently used for office use in connection with aeronautical businesses.

X21 Building 23 is located on a 0.74-acre rectangular site. The property has a land use designation of "Industrial" and a zoning classification of M-1 (Light Industrial Services and Warehousing). The site has a interior location with one street frontage. The building

was constructed in 1967 and is considered to be in average condition with adequate maintenance provided. The building contains 3,400 square feet reflecting a land-to-building ratio of 9.48:1. The highest and best use conclusion, as improved, is dictated largely by the existing improvements on the property. Our analysis indicates the existing improvements represent a conforming use and contribute to the overall value of the property over and above the underlying land value. Given the functional design and quality construction, the most feasible and maximally productive use of the property is for continued use of the improvements.

TIX Building 60 is located on a 2.14-acre rectangular site. The property has a land use designation of "Public/Semi Public" and a zoning classification of P (Public Use). The site has a corner location with two street frontages. The building was constructed in 1966 and is considered to be in average condition with adequate maintenance provided. The building contains 7,000 square feet reflecting a land-to-building ratio of 13.35:1. The highest and best use conclusion, as improved, is dictated largely by the existing improvements on the property. Our analysis indicates the existing improvements represent a conforming use and contribute to the overall value of the property over and above the underlying land value. Given the functional design and quality construction, the most feasible and maximally productive use of the property is for continued use of the improvements.

SUMMARY OF ANALYSIS AND VALUATION

The Federal Aviation Administration mandates that airport operators, such as TCAA, charge fair market rent for all airport property in an effort to make the facility self sustaining. The purpose of our analysis is to provide an estimate of the current fair market annual rental for the subject properties at X21, COI and TIX.

As discussed in the scope of the appraisal, it is our opinion that market research produces the best method of estimating market rental rates between similar property types. This method serves as the basis for our estimation of the fair market annual rental for the subject properties.

As discussed in the preceding Highest and Best Use section, with exception to two non-aviation buildings (X21 Building 23 and TIX Building 60) the subject properties are within the AOA of X21, COI and TIX. The aeronautical properties are classified as such due to the use restrictions imposed by the airport development plan. All the subject airports are classified as a general aviation, with TIX and COI further classified as reliever airports based on their level of activity and geographic location.

The non-aviation buildings are currently being used as offices and are located adjacent to each of the respective airports. The market rent for the non-aviation buildings was based on a comparison to other similar properties in the competitive market area of X21 and TIX. It was noted, the market rent for these facilities (X21 Building 23 and TIX Building 53) was estimated to include the supporting land associated with the use, as previously discussed.

As discussed in the scope of the appraisal, it is our opinion that, consistent with the definition of “market rent” and based on the availability of comparable rental information, market research is the best method of estimating annual market rent for general aviation property. For valuation purposes and due to the scope of this assignment, our analysis has been divided based on land and pavement rentals, building rentals, t-hangar and port-a-port rentals (including storage units within the t-hangar buildings) and non-aviation building rentals in the following sections of the report. Our comparable rental analysis will focus on similar general aviation airports in Florida and a review of the existing rental rates at X21, COI and TIX. Our market research began with a review of our annual general aviation airport survey.

TCAA Rental Information

Our analysis included a review of the lease summaries and other rental information provided by the airport manager. The lease summaries for each airport are included in Addendum A of this report. The rental information for each of the subject buildings was summarized in the preceding Property Description section for each airport. It was noted

that the information contained within the lease summaries concerning the building areas was different from our research. In this analysis, we used the building area calculations from our property inspection. According to lease information provided at each of the airports, there have not been any recent land leases executed.

Each year, TCAA publishes the rental information for the airports. Please refer to the summary chart below.

**Titusville-Cocoa Airport Authority
Rates & Fees**

Property Description	Rate 10/1/2014
*Office Space	\$10.48
*Conventional Hangar	\$2.49
Land Unimproved - No Water & Sewer Access	\$0.14
Land Unimproved - With Water & Sewer Access	\$0.16
Land Improved - No water & Sewer Access	\$0.22
Land Improved - With Water & Sewer Access	\$0.24
*Terminal Office Space	\$20.47
*Terminal Counter Space	\$27.90
Commercial Landing Fee 1000 lbs. MGLW	\$1.19
Ground Transportation Per vehicle per yr.	\$73.18
Ramp Parking (B737-300 Type) Day	\$33.63
Fuel Flowage Fee Per Gallon Delivered	\$0.05

*Excluded New Construction

+Excluding percentage fees, these amounts are subject to an annual CPI based adjustment

Slack & Johnston General Aviation Survey

The scope of our survey began by establishing the universe of airports to compare to X21, COI and TIX with a review of the FASP. The FASP identifies 131 public airports in Florida. The scope of the survey was limited by excluding large and medium hub commercial airports (airports with greater than 1.65 million annual enplanements) from the survey. This limiting factor excludes seven commercial airports from the survey (Miami Int'l, Tampa Int'l, Orlando Int'l, Ft. Lauderdale Int'l, Palm Beach Int'l, Jacksonville Int'l and Southwest Florida Regional).

Our general aviation survey further considered annual operations as a secondary limiting factor. Based on a review of the FASP, airports with annual operations of less than 30,000 were further excluded from our survey. This limiting factor served to further reduce the scope of our survey by excluding about 40 general aviation airports. The airports excluded by the limiting factor are typically smaller, rural airports having a limited market for rates and charges information.

Through the use of the above limiting factors, our annual general aviation survey included over 50 public airports within Florida. Our market research focused on general aviation rates and charges within Florida based on a mail questionnaire, as well as telephone interviews with several airport managers and FBO operators. Refer to the following page for a summary of the general aviation airport survey, as well as Addendum B for survey information.

This was a direct survey and the reliability of the information collected is considered good. For the purpose of this analysis, the annual rental for land, pavement and aeronautical buildings is the most important portion of our survey. The format of the questionnaire of the aviation survey regarding ground rent asked for a range and average. It was our intention to survey current ground rental rates. When survey responses showed a range of rates at the airfield, an effort was made to clarify the rationale behind the variance. This is an important factor in our effort to report current rental rates, which are not skewed in favor of older leases with fixed or limited-increase rental rates.

Generally, the greatest variance in the ground rental rates at any airport is the format of the lease and rental increases, if any. Older leases (pre-1980) typically have fixed rent for the term or limited escalations. A factor that was considered in our ground rental analysis was the location and use of the land at the airports. Generally, the aviation land rental was consistent at each airfield for similar property. It is interesting to note that some airports make distinction of "improved" and "unimproved" aviation property. These terms relate to the level of infrastructure available to the site and corresponding difference in the rental rates. The subject land is generally considered improved. In this analysis, we have reported rental rates for similar improved land at the airports surveyed.

Once the information was collected, the next factor considered was the comparison of airports to one another. The variety of airports surveyed necessitated a review of units of comparison that consider the size, use and activity characteristics. Our rental analysis considered the market rental rates for the subject properties at X21, COI and TIX. This analysis reviewed the available information at subject airports, as well as similar airports in the area. From the over 50 airports surveyed, our rental analysis focused on airports located near subject airports, as well as airports similar in use to the subject airports.

We considered the size, use and operation of X21, COI and TIX in our estimate of the fair market rental analysis of the subject properties. Our analysis has considered the market annual land and pavement rents, as well as the hangar and t-hangar rents for the subject properties as of the date of valuation.

Aviation parcels typically lease on a net basis, with the tenant responsible for activity and operating expenses associated with the property. We have estimated that the rental rates for the subject properties would be in leased in this manner. In addition, our analysis considered the utilities provided by TCAA for the t-hangar units at each airport.

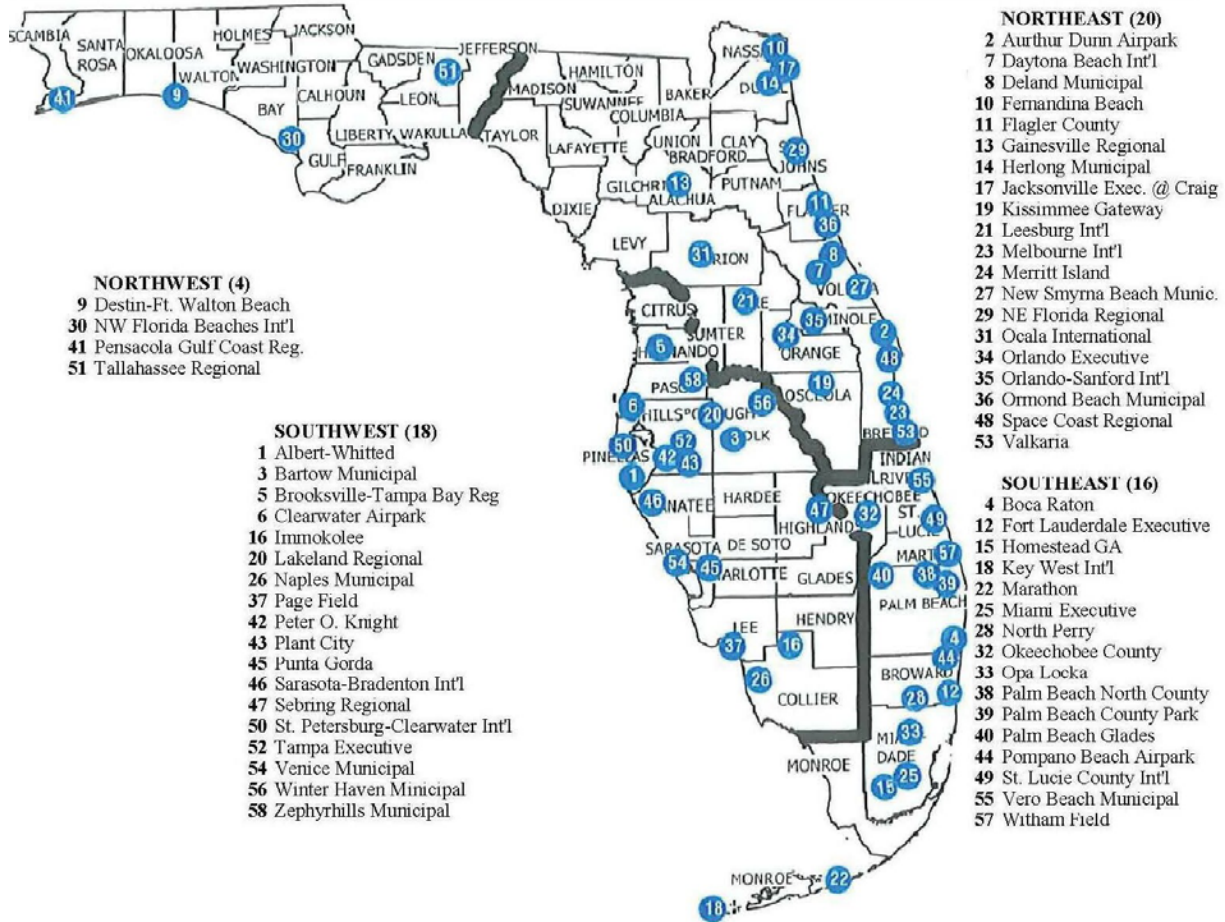
As discussed in the preceding section, the subject aeronautical properties are located within the AOA of X21, COI and TIX and use of the properties would be limited to aeronautical and related uses. As discussed in the Airport Overview section, all the airports are classified as general aviation airports and TIX and COI are further classified as reliever airports based on the type of aeronautical activity at the airports and the lack of commercial air carrier service. As discussed, due to the scope of this analysis, our analysis will be divided based on land and pavement rentals, building rentals and t-hangar rentals in the following sections.

General Aviation Airport Survey - Florida 2013-14

Prepared by: Slack, Johnston & Magenheimer, Inc.
 7245 SW 87 Avenue, Suite 300, Miami, Florida
 Phone: 305-670-2111 Email: SJMiami@aol.com

General Aviation, Non-Hub Commercial and Small-Hub Commercial Airports with > +/-30,000 Annual Op

	Airports Surveyed	Airport Size (Acres)	Based Aircraft	Annual GA Operations	Annual GA Fuel Flowage	Fuel Flowage Fee (\$/gal.)	Annual Ground Rent (\$/Sq. Ft.)	Aircraft Storage				
								Tie-Down S.E. (\$/mo.)	T-Hangars S.E. (\$/mo.)	T.E. (\$/mo.)	Shade S.E. (\$/mo.)	
Total	58											
High		4,000	495	280,400	10,264,000	\$0.150	\$0.79	\$150.00	\$750	\$1,100	\$375	
Low		47	9	29,000	24,000	\$0.030	\$0.07	\$30.00	\$190	\$278	\$76	
Mean		1,152	174	88,500	1,266,800	\$0.067	\$0.24	\$77.50	\$357	\$495	\$185	
Southeast	16											
High		3,700	495	234,400	10,264,000	\$0.150	\$0.79	\$150.00	\$750	\$1,100	\$375	
Low		197	9	29,000	55,000	\$0.030	\$0.07	\$45.00	\$258	\$421	\$125	
Mean		1,045	203	99,300	2,338,800	\$0.073	\$0.24	\$103.30	\$511	\$708	\$211	
Southwest	18											
High		2,400	317	112,800	5,026,000	\$0.100	\$0.48	\$125.00	\$513	\$705	\$300	
Low		47	48	34,100	75,000	\$0.040	\$0.09	\$30.00	\$247	\$278	\$95	
Mean		989	181	64,800	862,900	\$0.063	\$0.25	\$68.60	\$326	\$430	\$181	
Northeast	20											
High		2,800	330	280,400	2,409,000	\$0.120	\$0.38	\$122.00	\$415	\$850	\$310	
Low		138	54	38,000	24,000	\$0.035	\$0.09	\$32.00	\$206	\$300	\$76	
Mean		1,210	162	110,000	738,600	\$0.063	\$0.22	\$65.50	\$296	\$444	\$162	
Northwest	4											
High		4,000	110	63,000	1,530,000	\$0.090	\$0.31	\$105.00	\$375	\$340	n/a	
Low		395	42	31,200	750,000	\$0.050	\$0.08	\$60.00	\$190	\$280	n/a	
Mean		2,024	87	45,500	1,172,500	\$0.067	\$0.25	\$77.50	\$265	\$310	n/a	



- NORTHWEST (4)**
- 9 Destin-Ft. Walton Beach
 - 30 NW Florida Beaches Int'l
 - 41 Pensacola Gulf Coast Reg.
 - 51 Tallahassee Regional

- SOUTHWEST (18)**
- 1 Albert-Whitted
 - 3 Bartow Municipal
 - 5 Brooksville-Tampa Bay Reg
 - 6 Clearwater Airpark
 - 16 Immokolee
 - 20 Lakeland Regional
 - 26 Naples Municipal
 - 37 Page Field
 - 42 Peter O. Knight
 - 43 Plant City
 - 45 Punta Gorda
 - 46 Sarasota-Bradenton Int'l
 - 47 Sebring Regional
 - 50 St. Petersburg-Clearwater Int'l
 - 52 Tampa Executive
 - 54 Venice Municipal
 - 56 Winter Haven Municipal
 - 58 Zephyrhills Municipal

- NORTHEAST (20)**
- 2 Arthur Dunn Airpark
 - 7 Daytona Beach Int'l
 - 8 Deland Municipal
 - 10 Fernandina Beach
 - 11 Flagler County
 - 13 Gainesville Regional
 - 14 Herlong Municipal
 - 17 Jacksonville Exec. @ Craig
 - 19 Kissimmee Gateway
 - 21 Leesburg Int'l
 - 23 Melbourne Int'l
 - 24 Merritt Island
 - 27 New Smyrna Beach Munic.
 - 29 NE Florida Regional
 - 31 Ocala International
 - 34 Orlando Executive
 - 35 Orlando-Sanford Int'l
 - 36 Ormond Beach Municipal
 - 48 Space Coast Regional
 - 53 Valkaria

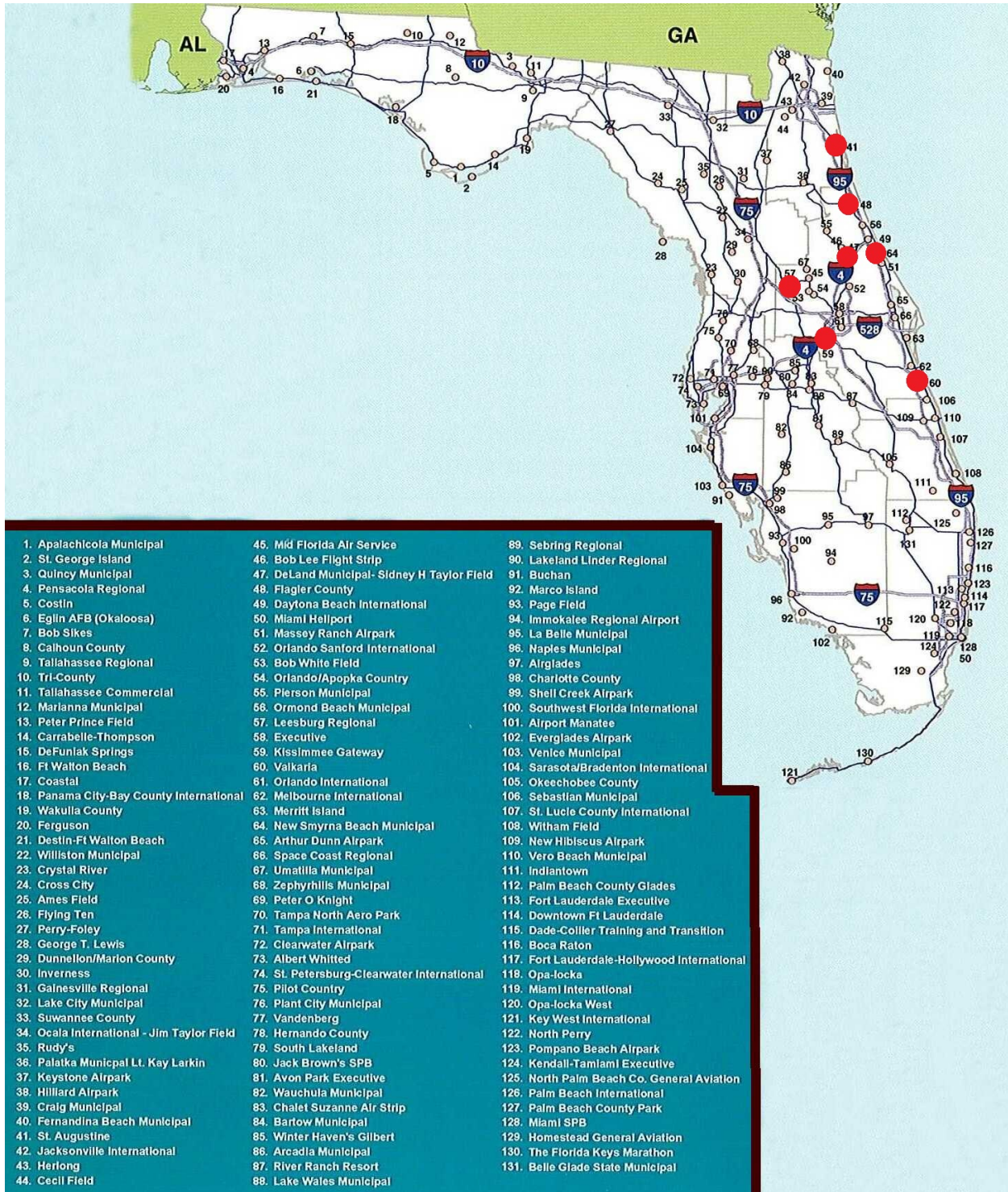
- SOUTHEAST (16)**
- 4 Boca Raton
 - 12 Fort Lauderdale Executive
 - 15 Homestead GA
 - 18 Key West Int'l
 - 22 Marathon
 - 25 Miami Executive
 - 28 North Perry
 - 32 Okeechobee County
 - 33 Opa Locka
 - 38 Palm Beach North County
 - 39 Palm Beach County Park
 - 40 Palm Beach Glades
 - 44 Pompano Beach Airpark
 - 49 St. Lucie County Int'l
 - 55 Vero Beach Municipal
 - 57 Witham Field

Land and Pavement Rental Analysis

Our analysis of the fair market aeronautical land and pavement rental rates for X21, COI and TIX included a review of market aeronautical land and pavement rental rates at similar general aviation airports in the area. Our aeronautical land and pavement rental analysis has used the annual rent per square foot unit or comparison, as is typical for these property types within this market area. This portion of our analysis concentrated on aeronautical land rent at the general aviation airports in central Florida as follows:

Summary of General Aviation Aeronautical Land Rentals

No.	Airport	Hub Size	Fasp Region	2013 Based Aircraft	2013 Fuel Flowage (K gal.)	2013 GA Operations (K)	Annual Land/Sq.Ft.
1	Deland Munic.	GA	EC	199	N/A	117.5	\$0.18
2	Flagler County	GA	EC	66	219	158.5	\$0.22
3	Kissimmee Gateway	GA	EC	141	1,856	107.1	\$0.17
4	Leesburg Int'l	GA	EC	141	537	52.4	\$0.15
5	New Smyrna Beach Munic.	GA	EC	83	269	145.6	\$0.09
6	NE Florida Reg'l	GA	NE	287	1,316	122.7	\$0.28
7	Valkaria	GA	EC	312	571	56.4	\$0.18
	Arthur Dunn Airpark	GA	EC	79	24	40.5	\$0.20
	Merritt Island	GA	EC	225	72	113.5	\$0.23
	Space Coast Reg'l	GA	EC	160	323	102.8	\$0.23

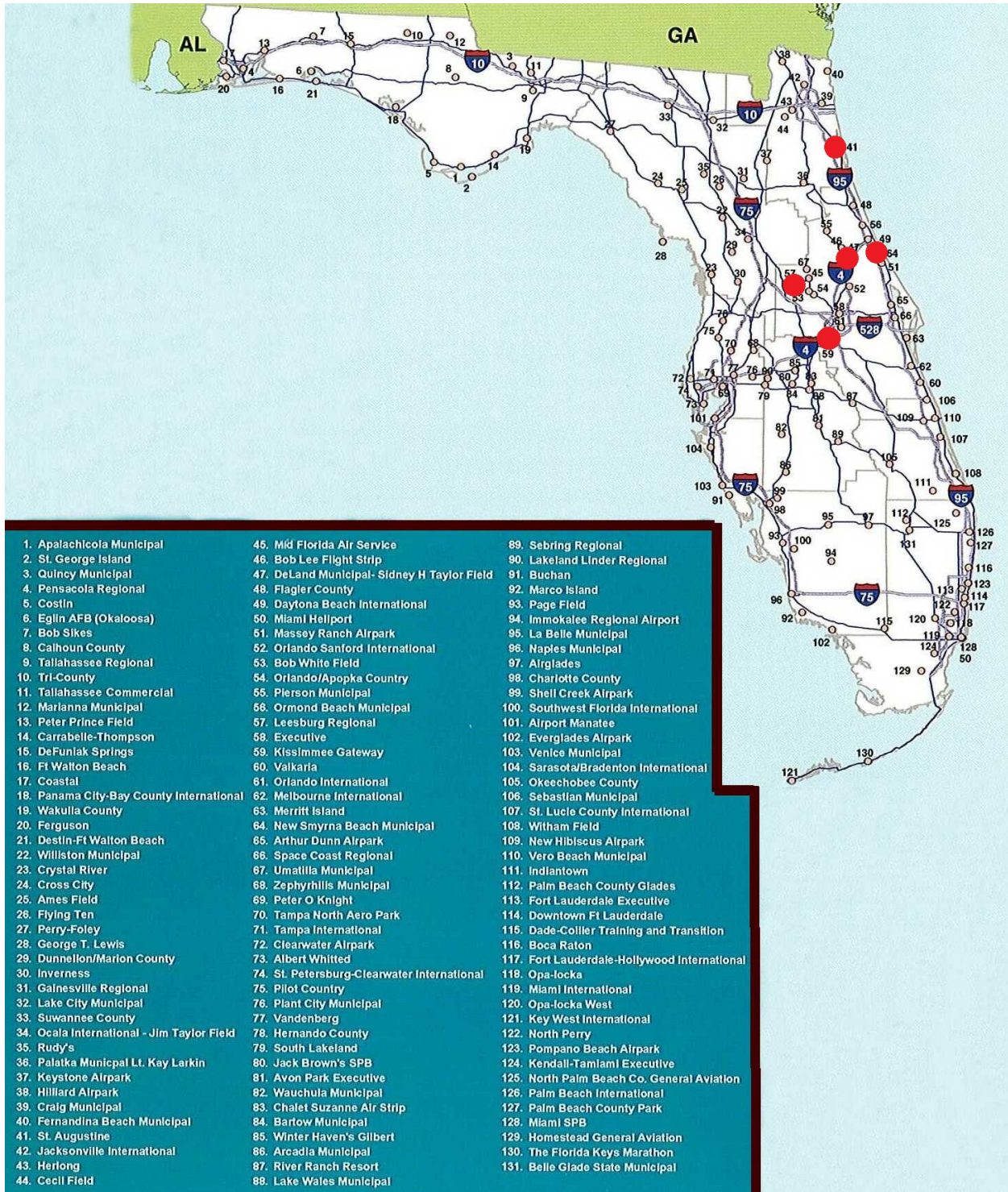


Based on the information provided, the current aeronautical land rent at the subject airports is \$0.20 per square foot at X21, \$0.23 per square foot at COI and \$0.23 per square foot at TIX. Based on our analysis of aeronautical land rental rates in the region, the existing rental rates at the subject airports are within the range of the comparable rental rates. The comparable annual aeronautical land rental rates range from \$0.09 to \$0.28 per square foot, with an average of \$0.18 per square foot. These comparable general aviation airports are considered a good representative sample in the central portion of Florida.

Our analysis of the fair market aeronautical pavement rental rates for X21, COI and TIX included a review of market aeronautical pavement rental rates at similar general aviation airports in the area. This portion of our analysis concentrated on aeronautical pavement rent at the general aviation airports in central Florida as follows:

Summary of General Aviation Aeronautical Pavement Rentals

No.	Airport	Hub Size	Fasp Region	2013 Based Aircraft	2013 Fuel Flowage (K gal.)	2013 GA Operations (K)	Annual Land/Sq.Ft.
1	Deland Munic.	GA	EC	199	N/A	117.5	\$0.10
2	Kissimmee Gateway	GA	EC	141	1,856	107.1	\$0.05
3	Leesburg Int'l	GA	EC	141	537	52.4	\$0.10
4	New Smyrna Beach Munic.	GA	EC	83	269	145.6	\$0.06
5	NE Florida Reg'l	GA	NE	287	1,316	122.7	\$0.05
	Arthur Dunn Airpark	GA	EC	79	24	40.5	
	Merritt Island	GA	EC	225	72	113.5	
	Space Coast Reg'l	GA	EC	160	323	102.8	



The comparable annual aeronautical pavement rental rates range from \$0.05 to \$0.10 per square foot, with an average of \$0.07 per square foot. It was noted that the above pavement rent is based on the paving improvement, excluding the underlying land. It was noted that some airports provide a separate “paving” rental rate, while other classify paved areas under an “improved” land category and do not provide for separate “paving” rental rates as such. Based on this market rental information, the pavement rentals appear to range based mostly on the age of the pavement, with newer pavement representing the upper end of the range. Based on the above information and the older age of the majority of the pavement at the subject airports, we have estimated fair market annual pavement rental rate for the paving at X21, COI and TIX at the lower end of the range at \$0.05 per square foot.

Aeronautical Building Rental Analysis

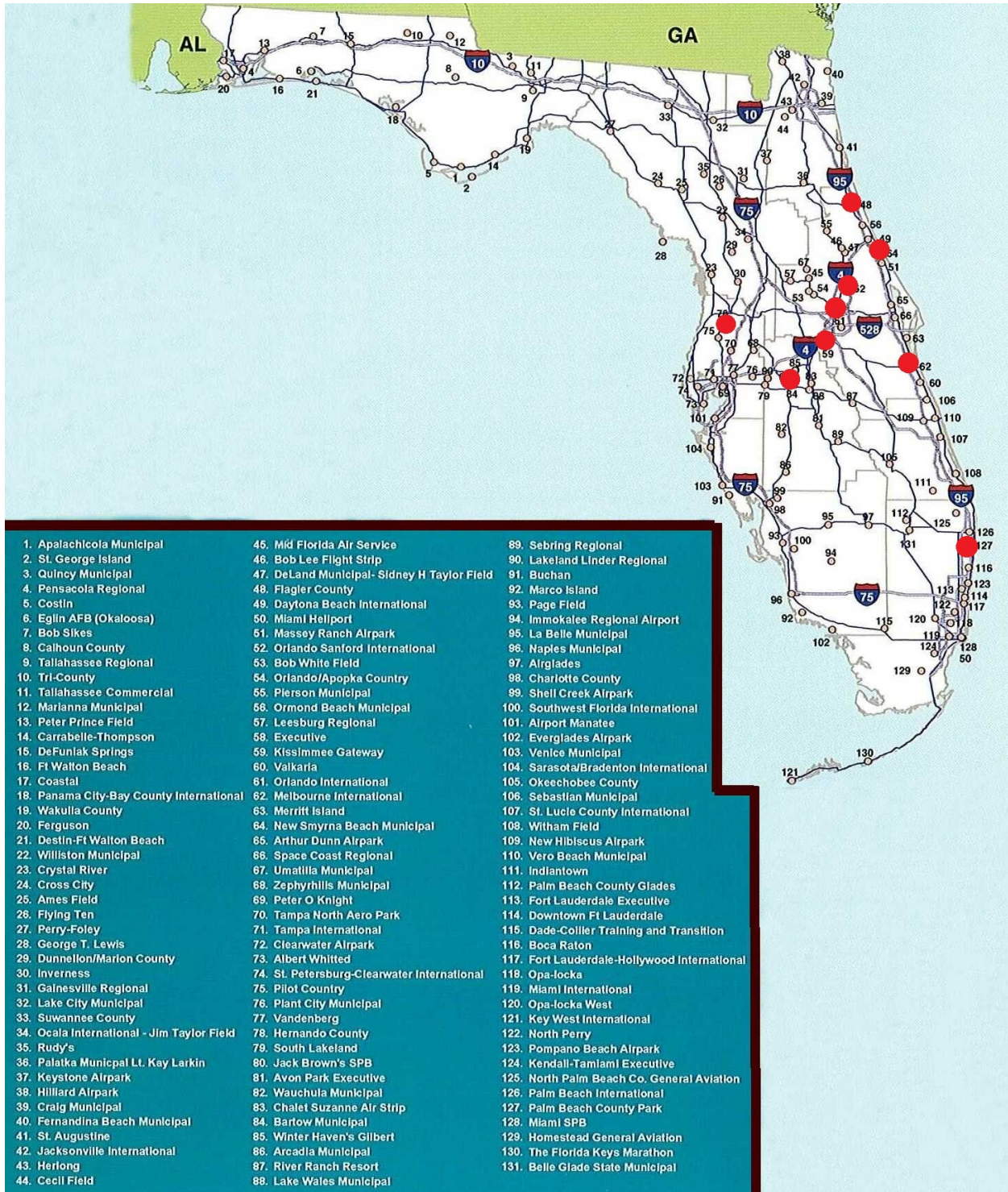
We considered the size, use and operation of X21, COI and TIX in the fair market rental analysis of the subject buildings. We have analyzed the land and improvements separately. This portion of our assignment utilizes the annual building rent per square foot unit of comparison and includes only the land under the building.

For valuation purposes, we reviewed recent rental information obtained from airport managers, as well as FBO operators, for aeronautical buildings in Florida. Our direct research of rental rates included over 100 aeronautical buildings in Florida. Of the information gathered, we selected the most similar properties for the purpose of comparison to the subject buildings at X21, COI and TIX. As discussed, tenant improvements have been made to several of the buildings subsequent to the date of the leases (i.e. new roof, interior build out, painting, etc). Our estimates of fair market rent are based on the hypothetical condition the building conditions excluding any tenant improvements made by the current tenant, at the tenants' expense. It should be noted, if the existing tenants are to vacate the buildings, it would be anticipated the rent would increase for subsequent tenants, based on the building condition. Our estimates of market rent for the applicable buildings has taken into consideration the building condition as of the effective date of this appraisal and has taken into consideration any improvements made at TCAA's expense subsequent to the effective date of the lease.

The focus of our analysis was aeronautical buildings at X21, COI and TIX and other airports in Florida. As stated, the rental information for the TCAA airports was limited to the lease summaries included in the addenda. A summary chart and location map of the comparable aeronautical building rentals is located on the following page.

Summary of Aeronautical Building Rentals

Bldg. No.	Airport	Hub Size	Fasp Region	Space Type	Support Area	Total Area (Sq.Ft.)	Bldg. Rent/Sq.Ft.
	Kissimmee Gateway	GA	EC				
1A				Hangar	16%	14,000	\$7.00
1B				Hangar	0%	18,000	\$7.00
	Flagler County	GA	EC				
2A				Hangar	74%	19,100	\$6.50
	Bartow Municipal	GA	C				
3A				Hangar	N/A	5,570	\$2.75
3B				Hangar	0%	8,100	\$3.38
3C				Hangar	N/A	8,500	\$4.75
3D				Terminal	100%	5,000	\$7.11
	New Smyrna Beach	GA	EC				
4A				Hangar	0%	10,000	\$3.25
4B				Terminal	100%	2,092	\$8.00
	Orlando-Sanford Int'l	Sml.	EC				
5A				Hangar	0%	14,400	\$2.12
5B				Hangar	0%	10,000	\$7.00
5C				Hangar	0%	4,900	\$4.00
5D				Hangar	0%	8,640	\$4.50
5E				Hangar	0%	14,400	\$3.75
5F				Hangar	0%	14,400	\$4.00
	Orlando Exec.	GA	EC				
6A				Hangar	32%	15,800	\$8.60
6B				Hangar	23%	12,950	\$6.12
	Hernando County	GA	WC				
7A				Hangar	23%	4,200	\$2.00
	Melbourne Int'l	Non	EC				
8A				Hangar	17%	7,516	\$6.07
8B				Hangar	27%	6,242	\$9.36
8C				Hangar	42%	16,825	\$6.76
8D				Terminal/Hangar	49%	19,260	\$9.67
8E				Terminal	100%	9,440	\$13.24
	Palm Beach County Park	GA	SF				
9A				Ancillary	100%	1,569	\$2.83
	Arthur Dunn Airpark	EC	GA				
9	Skydive Space Center			Hangar	2%	6,000	
10	EAA			Ancillary	46%	1,896	
11	Skydive Space Center			Ancillary	100%	1,440	
12	Skydive Space Center			Hangar	52%	10,000	
	Merritt Island	EC	GA				
2	Sebastian Comm.			Hangar	26%	6,728	
3	Beachside Helicopter			Hangar	27%	1,388	
4	Voyager Aviation			Terminal	100%	2,000	
5	Florida BiPlane			Hangar	0%	2,704	
25	Space Coast Aviation			Hangar	52%	20,844	
	Space Coast Reg'l	EC	GA				
1	Bristow Academy			Terminal	26%	2,576	
9	Comp Air			Hangar	31%	8,420	
27	Air Scan			Hangar	58%	4,420	
29	Bristow Academy			Hangar	16%	22,110	
40	Sheltair/Helex			Hangar	33%	7,350	
41	Sheltair/Helex			Hangar	0%	5,600	
43	NASS			Hangar	32%	6,400	
51	Vacant			Hangar	29%	11,340	
52	Air Scan			Hangar	0%	6,000	



The building rentals were selected based on their size, type, condition, location and use. Of the information collected, we have selected over 20 building rentals from nine airports that are considered generally similar to buildings at X21, COI and TIX. Our rental research included confirmation of the rental information through discussion with airport managers, as well as FBO operators.

In estimating the fair market annual building rental, the unit of comparison utilized was the annual building rent per square foot of building area. It should be noted that the hangar building rentals were reported to include, or were adjusted to reflect, only the land under the building in the reported annual rental rate based on the building square footage. The rental rates are generally quoted on a gross basis, with the tenant responsible for utilities, liability insurance and minor maintenance. The building rentals ranged in use from hangar buildings to terminal offices and ranged in building size from 1,569 to 19,260 square feet, with a range of rental rates from \$2.00 to \$13.24 per square foot. The following is the discussion of the comparable building rental information.

Rental 1 Kissimmee Gateway is a general aviation airport in Osceola County. Building Rentals 1A and 1B represent corporate type hangars ranging in size from 14,000 to 18,000 square feet. The hangars were constructed several years ago on a ground lease and are reportedly in good condition. The buildings contain from about 0% to 16% support area. The rental rates for the hangar space averages about \$7.00 per square foot. According to the operator, the office space can be rented separately at an additional cost, as will be discussed in the following section. Reportedly, the pre-engineered metal hangar buildings have clear door heights of about 26 feet. The hangars are owned by a fixed base operator and the average rental rate reflected represents hangars rented to single users or dual users.

Rental 2 Flagler County is a general aviation airport in Flagler County. This is a general aviation airport and the airport owns several buildings. Rental 2A is a hangar that was previously occupied by a flight school. The building contains 19,100 square feet including about 74% support area. The building was recently leased for \$6.50 per square foot to Army Guard.

Rental 3 Bartow Municipal is a general aviation airport in Polk County. Building Rental 3A represents a hangar building containing 5,570 square feet. The airport was unclear on how much support area the building contains. The building is currently leased for \$2.75 per square foot. Building Rental 3B represents a hangar building containing 8,100 square feet with no support area. The building is currently leased for \$3.38 per square foot. Building Rental 3C represents a hangar building containing 8,500 square feet. The airport was unclear on how much support area the building contains. The building is currently leased for \$4.75 per square foot. Building Rental 3D represents a terminal building containing 5,000 square feet with no support area. The building is currently leased for \$7.11 per square foot. It was noted, according to the airport, the rental rates reflected

above do not include insurance premiums which are the tenant's responsibility in addition to the base rent. According to the airport, the buildings are in fair to poor condition.

Rental 4 New Smyrna Beach is a general aviation airport in Volusia County. Rental 4A is a FBO hangar building containing 10,000 square feet, with no support area. The annual rent is \$3.25 per square foot. Rental 4B consists of a 2,092 square foot terminal building that is currently rented for \$8.00 per square foot.

Rental 5 Orlando-Sanford International is a small hub commercial service airport in Seminole County. Building Rental 5A represents a hangar building containing 14,400 square feet with no support area. The building is currently leased for \$2.12 per square foot and is reportedly in fair condition. Building Rental 5B represents a hangar building containing 10,000 square feet with no support area. The building was reportedly recently renovated and is considered to be in good condition. The airport reportedly paid for the renovations and is renting the hangar for \$7.00 per square foot. Rentals 5C and 5D are hangars that range in size from 4,900 to 8,640 square feet and range in annual rent from \$4.00 to \$4.50 per square foot. Rentals 5E and 5F are larger maintenance-type hangars that contain 14,400 square feet, with no support area and annual rent of \$3.75 and \$4.00 per square foot, respectively.

Rental 6 Orlando Executive is a general aviation airport in Orange County. Building Rental 6A represents a 15,800 square foot hangar building. The hangar includes approximately 32% support area. The hangar is currently leased by an FBO for \$8.60 per square foot to a single user. Building Rental 6B represents a 12,950 square foot hangar building. The hangar includes approximately 23% support area. The hangar is currently leased by an FBO for \$6.12 per square foot to a single user. According to the operator the buildings are in good condition with adequate maintenance provided.

Rental 7 Hernando County is a general aviation airport in Hernando County. Building Rental 7A represents a hangar building containing 4,200 square feet with about 23% support area and the hangar door has a clear height of about 19 feet. The airport currently leases the hangar to a single user for \$2.00 per square foot. According to the airport, the hangar is considered to be in fair condition.

Rental 8 Melbourne International is a non-hub commercial service airport in Municipal Airport in Brevard County. Rentals 8A, 8B and 8C represent hangar buildings leased by an FBO to single users. The hangars range in size from 7,516 to 16,825 square feet with an annual rents ranging from \$6.07 to \$9.36 per square foot. Rental 8D is a terminal with attached hangar that contains 19,260 square feet. The terminal portion of the building encompasses 49% of the building area and according to the operator the blended rate equates to \$9.67 per square foot. Rental 8E represents the terminal portion of the building of Rental 8D. The operator indicated the rental rate for the terminal portion of the building equates to \$13.24 per square foot.

Rental 9 Palm Beach County Park is a general aviation airport in Palm Beach County. Building Rental 9A represents a ancillary building containing 1,569 square feet consisting of 100% support area. The building is currently leased to a single user for \$2.83 per square foot and is used as an office/storage. The building is considered to be in fair condition.

As mentioned previously, we reviewed rental rates for over 100 aeronautical buildings in Florida. The rentals used in this report were selected based on their size, type, condition, location and use. Of the information collected, we have selected 24 building rentals at eight airports. The comparable building rentals ranged in size from 1,569 to 19,260 square feet, with 0% to 100% support area and a range of annual rental rates from \$2.00 to \$13.24 per square foot. The rental information was reported based on an annual building rent per square foot basis, including only the land under the building. The information contained in this report is considered to be the best available as of the date of valuation. Once the building rental information is collected and analyzed the rental information is compared to the subject buildings.

The location of the comparable properties was considered. All of the facilities are general aviation buildings at smaller commercial and general aviation airports in central Florida. The overall locations of these facilities are considered generally similar to the subjects' locations. The age and condition was also considered in our analysis of the individual subject buildings. The following is a summary of the rental analysis for the subject buildings.

At **Arthur Dunn Airpark**, the building rental information was compared to Buildings 9, 10, 11 and 24. Buildings 9, 10 and 11 are all older hangar and ancillary buildings that are in fair to poor condition and near the end of their economic life requiring significant renovation to extend their use. Rentals 3A, 3B, 4A, 5A ,7A and 9A (\$2.75/sq.ft., \$3.38/sq.ft., \$3.25/sq.ft., \$2.12/sq.ft., \$2.00/sq.ft and \$2.83/sq.ft.) were considered most comparable to Buildings 9, 10 and 11. We estimate an annual rent of \$1.50 per square foot for Buildings 9 and 10 and \$3.00 per square foot for Building 11. As discussed, the tenant of Building 9 has done some minor improvements to the interior of the hangar at their expense. Our estimate of fair market rent for Building 9 is based on the hypothetical condition the building condition excluding the tenant improvements paid for by the current tenant.

Building 12 (f/k/a Building 24) is an FBO hangar building with 52% support area. This is a functional building in average condition. Rentals 1A, 2A, 3C, 4A and 5D (\$7.00/sq.ft., \$6.50/sq.ft., \$4.75/sq.ft, \$3.25/sq.ft. and \$4.50/sq.ft.) were considered most comparable to Building 12. We estimate an annual market rent of \$4.00 per square foot for this building.

At **Merritt Island Airport**, the building rental information was compared to Buildings 2, 3, 4, 5 and 25. Buildings 2, 3 and 5 are all older hangar buildings in fair to poor condition and near the end of their economic life requiring significant renovation to extend their use. Rentals 3A, 3B, 4A, 5A, 7A and 9A (\$2.00/sq.ft., \$3.38/sq.ft., \$3.25/sq.ft., \$2.12/sq.ft., \$2.00/sq.ft and \$2.83/sq.ft.) were considered most comparable to compared to Buildings 2, 3 and 5. We estimate an annual rent of \$2.50 per square foot for Building 2, \$2.00 per square foot for Building 3 and \$1.00 per square foot for Building 5. As discussed, the tenant of Building 3 has done some minor improvements to the hangar at their expense. Our estimate of fair market rent for Buildings 3 is based on the hypothetical condition the building condition excluding the tenant improvements paid for by the current tenants. The tenant of Building 5 has done a large amount of improvements to the hangar at their expense. Our estimate of fair market rent for Buildings 5 is based on the hypothetical condition the building condition excluding the tenant improvements paid for by the current tenants.

Building 4 is a terminal building that is in average condition. Rentals 3D, 4B and 9A (\$7.11/sq.ft., \$8.00/sq.ft. and \$2.83/sq.ft.) were considered most comparable to compared to Building 4. As discussed, the tenant of Building 4 has done a large amount of improvements to the interior and exterior of the building at their expense. Our estimate of fair market rent for Building 4 is based on the hypothetical condition the building condition excluding the tenant improvements paid for by the current tenant. We estimate an annual rent of \$3.50 per square foot for Building 4.

Building 25 is an FBO terminal/hangar building with 52% support area. It was noted that the second floor of Building 25 has limited functional utility. Rentals 2A, 5E and 5F (\$6.50/sq.ft., \$3.75/sq.ft. and \$4.00/sq.ft.) were compared to Building 25. As discussed, the tenant of Building 25 has done improvements to second floor office/classroom areas of the building at their expense. Our estimate of fair market rent for Building 25 is based on the hypothetical condition the building condition excluding the tenant improvements paid for by the current tenant. We estimate an annual rent of \$4.50 per square foot for Building 25.

At **Space Coast Regional Airport**, the building rental information was compared to Buildings 1, 9, 27, 29, 40, 41, 43, 51 and 52. Building 1 is the former commercial terminal that is being used as a general aviation terminal. Building 1 is functional and in average condition. Rentals 3D, 4B and 8E (\$7.11/sq.ft., \$8.00/sq.ft., \$13.24/sq.ft.) were considered most comparable to compared to Building 1. We estimate an annual rent of \$12.00 per square foot for this building. As discussed, the tenant of Building 1 has done a large amount of improvements to the interior and exterior of the building at their expense. Our estimate of fair market rent for Building 1 is based on the hypothetical condition the building condition excluding the tenant improvements paid for by the current tenant. It was also noted, the improvements included an addition to the building that was not considered in our analysis.

Buildings 9, 29, 40, 41 and 43 are all newer hangar buildings that are functional and in good condition. Rentals 1A, 1B, 2A, 5B, 6A, 6B, 8A, 8B and 8C (\$7.00/sq.ft., \$7.00/sq.ft., \$6.50/sq.ft, \$7.00/sq.ft., \$8.60/sq.ft, \$6.12/sq.ft., \$6.07/sq.ft., \$9.36sq.ft. and \$6.76/sq.ft.) were compared to Buildings 9, 29, 40, 41 and 43. We estimate an annual rent of \$6.50 per square foot for Building 9, \$6.00 per square foot for Building 29, \$6.00 per square foot for Building 40, \$5.50 per square foot for Building 41 and \$7.00 per square foot for Building 43. As discussed, the tenants of Buildings 29, 40, 41 and 43 have done some improvements to the interiors and exteriors of the hangars at their expense. Our estimate of fair market rent for Building 29, 40, 41 and 43 is based on the hypothetical condition the building conditions excluding the tenant improvements paid for by the current tenants.

Buildings 27 and 51 are typical hangar buildings in fair condition. Rentals 3A, 3B, 3C, 4A, 5A and 7A (\$2.75/sq.ft., \$3.38/sq.ft., \$4.75/sq.ft., \$3.25/sq.ft., \$2.12/sq.ft. and \$2.00/sq.ft.) were considered most comparable to Buildings 27 and 51. We estimate an annual rent of \$4.50 per square foot for Building 27 and \$4.75 per square foot for Building 51.

Building 52 is an older hangar building that is near the end of its economic life and would require significant renovation to extend its use. Rentals 3A, 3B, 4A, 5A and 7A (\$2.75/sq.ft., \$3.38/sq.ft., \$3.25/sq.ft., \$2.12/sq.ft. and \$2.00/sq.ft.) were considered most comparable to Buildings 52. We estimate an annual rent of \$1.50 per square foot for this building.

The estimated annual market rental rates per square foot for the subject buildings are shown below:

Building Rental Summary

Arthur Dunn Airport (X21)	<u>Annual Rent/Sq. Ft.</u>
Building 9	\$1.50 (1)
Building 10	\$1.50
Building 11	\$3.00
Building 24	\$4.00
Merritt Island Airport (COI)	
Building 2	\$2.50
Building 3	\$2.00 (1)
Building 4	\$3.50 (1)
Building 5	\$1.00 (1)
Building 25	\$4.50 (1)

Space Cost Regional Airport (TIX)

Building 1	\$12.00 (1)
Building 9	\$6.50
Building 27	\$4.50
Building 29	\$6.00 (1)
Building 40	\$6.00 (1)
Building 41	\$5.50 (1)
Building 43	\$7.00 (1)
Building 51	\$4.75
Building 52	\$1.50

Note (1): Rent is based on the building condition prior to tenant improvements made at the current tenant's expense.

T-Hangar, Executive Hangar and Port-a-Port Rental Analysis

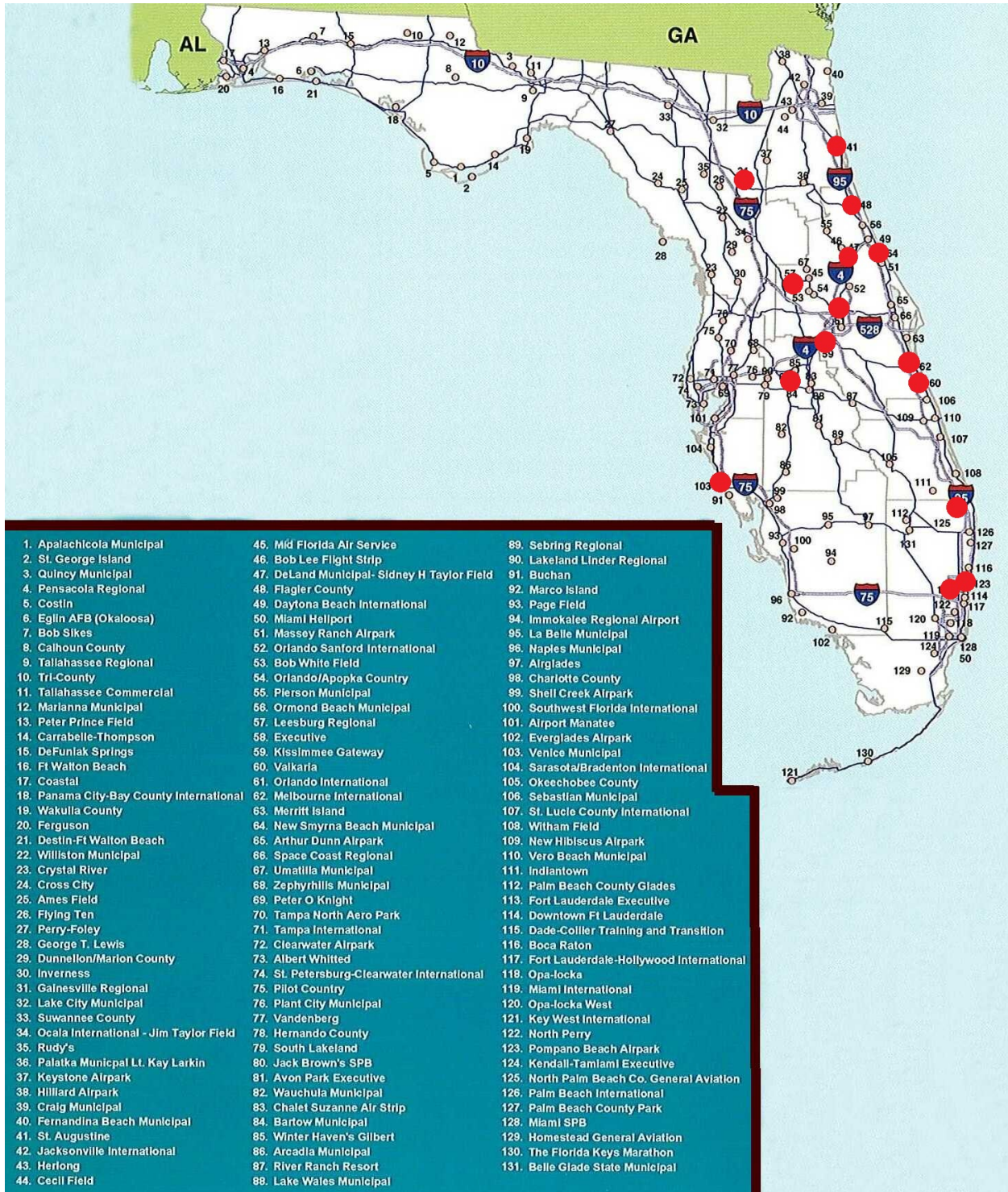
There are individual storage hangars at each subject airport. The inventory of individual storage hangars at X21, COI and TIX range from single port-a-port, t-hangar units to newer row t-hangars and executive type hangars. In addition, our analysis included a review of market rental rates for storage space associated with the t-hangar units, typically attributable to the end units of nested t-hangars. Our rental analysis considered the market rent for the individual storage hangar buildings at each airport. Our analysis considered the overall type, size, age, condition and utilities provided at X21, COI and TIX.

We have reviewed the available information at X21, COI and TIX, as well as individual storage hangar rental information at similar airports in the region. From the numerous general aviation airports in Florida that have individual storage hangars for rent, our rental analysis focused on airports located in central Florida, as well as airports similar in use to X21, COI and TIX and concentrated on Storage Hangar Rentals 1-7. As information for port-a-ports and storage areas within t-hangars is limited, our research included other airports in Florida including Storage Hangar Rentals 8-15. Our analysis has used the rent per unit, per month, unit of comparison for the storage hangars and port-a-ports as is typical for this type of property. Due to the various sizes of the storage spaces within the t-hangars, our analysis used the annual rent per square foot unit of comparison for the storage areas.

In our rental research, we reviewed individual storage hangar rental information obtained from airport managers, as well as FBO operators. For valuation purposes, we have relied most heavily on our review of individual storage hangar rental information from area airports. A summary chart and location map of the comparable rentals is located on the following page.

Summary of Storage Hangar Rentals

No.	Airport	Hub Size	Fasp Region	2013 Based Aircraft	2013 Fuel Flowage (K gal.)	2013 GA Operations (K)	Type	Avg. Rent \$/Mo.	Avg. Rent \$/Sq.Ft.
1	Deland Munic.	GA	EC	199	N/A	117.5	SE TE	\$225 \$315	
2	Flagler County	GA	EC	66	219	158.5	SE TE	\$280 \$300	
3	Kissimmee Gateway	GA	EC	141	1,856	107.1	SE TE	\$350 \$850	
4	Leesburg Int'l	GA	EC	141	537	52.4	SE TE Exec.	\$275 \$308 \$1,000	
5	New Smyrna Beach Munic.	GA	EC	83	269	145.6	SE TE Storage	\$206 \$359 \$150	\$6.00
6	NE Florida Reg'l	GA	NE	287	1,316	122.7	SE TE PaP	\$300 \$350 \$210	
7	Valkaria	GA	EC	312	571	56.4	SE TE	\$249 \$510	
8	Bartow Munic.	GA	C	138	287	34.1	PaP	\$157-\$323	
9	Palm Beach North Co.	GA	SF	205	391	75.0	Exec. Exec. Exec. Exec.	\$450 \$610 \$1,323 \$1,875	
10	Venice Munic.	GA	SW	251	483	60.8	Storage	\$200	N/A
11	Melbourne Int'l	Non	EC	234	1,045	122.8	Storage Exec.	\$80 \$800	\$5.71
12	Pompano Beach Airpark	GA	SF	180	620	131.0	Storage Storage Exec.	\$135 \$150 \$4,100	\$6.11 \$6.00
13	Boca Raton	GA	SF	202	4,429	40.9	Storage Storage	\$300 \$350	\$7.13 \$6.61
14	Orlando Exec.	GA	EC	209	2,409	100.0	Exec.	\$1,100	
15	Gainesville Reg'l	GA	NC	145	939	48.5	PaP	\$128-\$166	
	Arthur Dunn Airpark Sheltair	EC	GA	79	24	40.5	SE	\$310	
	Merritt Island	EC	GA	225	72	113.5			
	Space Coast Reg'l Sheltair	EC	GA	160	323	102.8	SE Storage	\$350 \$125	\$1.81



Our rental analysis considered several factors that affect hangar rental rates at the surveyed airports. As an overview, the market for t-hangars at general aviation airports in Florida is considered strong, with 95% or greater occupancies reported. Based on our analysis, it is our opinion demand will remain stable into the foreseeable future. A summary of the t-hangars and executive hangars located at the X21, COI and TIX are presented as follows.

Summary of TCAA Storage Hangar Rentals

Bldg. No.	Type	No. Units	Year Built	Bldg. Cond.	Utilities	Current Rent/Mo.
Arthur Dunn Airpark (X21)						
T1	T	9	1993	G	IM	\$274
T2	T	10	1993	G	IM	\$274
T3	T	10	2000	G	IM	\$274
T7	T	9	1992	G	IM	\$274
T8	T	7	1992	G	IM	\$274
T9	T	6	1992	G	IM	\$274
		<u>51</u>				
Merritt Island (COI)						
T1-A&E	T	2	1984	G	SM	\$650
T1-B,C,F&G	T	4	1984	G	SM	\$485
T1-D&H	T	2	1984	G	SM	\$564
T2	T	10	1987	G	IM	\$287
T3	T	10	1976	G	SM	\$274
T4	T	14	1984	G	SM	\$300
T5	T	12	1984	G	SM	\$300
T6	T	10	1961	G	SM	\$274
T7	T	13	1990	G	IM	\$287
T8	T	10	1961	G	SM	\$274
T9	T	15	1990	G	IM	\$287
T10	T	6	1984	G	IM	\$320
T10-D	Exec.	1	1984	G	IM	\$814
T11	T	8	1990	G	IM	\$287
T12	T	14	1990	G	IM	\$287
T14	Exec.	6	2012	N	IM	\$510
P31-P49	PaP	14	N/A	F	IM	\$228
		<u>151</u>				
Space Coast Reg'I (TIX)						
T2	T	10	1974	A	SM	\$274
T3	T	10	1974	A	SM	\$274
T4	T	10	1964	A	SM	\$274
T5	T	10	1964	A	SM	\$274
T7	T	11	1990	G	IM	\$274
T8	T	10	1990	G	IM	\$274
T9	T	10	1990	G	SM	\$274
T11	T	10	2012	N	IM	\$274
		<u>81</u>				

The subject individual storage hangars at X21, COI and TIX represent a range of building types, size, age, condition and utilities provided. The t-hangars at X21 are all newer buildings and electricity is individually metered to each unit. The current rent schedule for a typical t-hangar at X21 is \$274/month. In addition to the storage hangar rented by TCAA at X21, there are 38 t-hangar units that were developed at the airport by a third party developer. These t-hangar units are individually metered and rent for \$350 per month.

The individual storage hangars at TIX and COI include a combination of both new and older standard t-hangars, as well as executive type hangars and port-a-port hangar units. The buildings are in average to good condition, with some unit rentals inclusive of electricity and other units with electricity individually metered. The current rent for a typical t-hangars at TIX is about \$274/month for the older t-hangars and \$408/month for a newly constructed t-hangar building at the airport. In addition to the storage hangar rented by TCAA at TIX, there are 14 t-hangar units that were developed at the airport by a third party developer. These t-hangar units are individually metered and rent for \$310 per month. The current rent for typical t-hangars at COI is about \$287/month. It was noted that the end units in some of the t-hangar building have additional storage areas. Based on a review of the t-hangar rent roll, tenants typically pay about \$45/month to \$110/month for these additional storage areas. The difference in rent appears to be based on size.

In addition, at COI, the standard port-a-port units rent for \$228/month. There are nine older executive type hangars at COI that range in size from 1,488 square feet to 2,000 square feet and rent for an average of \$575/month. In addition, a new executive hangar building was constructed in 2012. The building includes six units that contain about 1,550 square feet each and the units currently rent for about \$510/month.

Our rental analysis included research of rental rates for both single engine and twin engine standard t-hangars and executive hangars, as well as port-a-ports. As noted, our rental research included confirmation of the rental information through discussion with airport managers, as well as FBO operators and is considered to be of good quality. The following is a summary of our research of individual storage hangar rental rates at area airports.

Rental 1 Deland Municipal is a general aviation airport in Volusia County. The airport has about 94 t-hangar units consisting of both standard and large units. The standard single engine t-hangar units rent for \$225/month. The twin engine t-hangar units rent for \$315/month. The rents include nominal electricity in each unit.

Rental 2 Flagler County is a general aviation airport in Flagler County. The airport has 36 standard t-hangar units. The single engine t-hangar units rent for \$280/month and the

twin engine t-hangar units rent for \$300/month. The rents include nominal electricity in each unit.

Rental 3 Kissimmee Municipal Airport is a general aviation airport located in Osceola County. An FBO at the airport has 68 standard t-hangar units. The single engine t-hangar units rent for \$350/month and the twin engine t-hangar units rent for \$850/month. The buildings are individually metered and the tenant is responsible for the utilities in addition to the rent.

Rental 4 Leesburg Municipal Airport is a general aviation airport located in Lake County. The airport has 20 t-hangar units and 3 executive hangars. The standard single engine t-hangar units rent for \$275/month and the twin engine t-hangar units rent for \$308/month. The executive hangars that contain 3,600 square feet and rent for \$1,000/month. The rents include nominal electricity.

Rental 5 New Smyrna Beach is a general aviation airport in Volusia County. The airport has 62 t-hangar units. The standard single engine t-hangar units rent for \$206/month and the twin engine t-hangar units rent for \$359/month. The rents include nominal electricity in each unit. According to the airport manager, the t-hangars are older buildings in fair condition. Several of the t-hangar buildings include storage units that rent for about \$6.00 per square foot or \$150/month.

Rental 6 Northeast Florida Regional is a general aviation airport in St. Johns County. The airport has 111 standard t-hangars and 20 port-a-port units. The standard single engine t-hangar units rent for \$300/month and the twin engine t-hangar units rent for \$350/month. The smaller port-a-ports rent for \$210/month. The rents include nominal electricity in each unit.

Rental 7 Valkaria is a general aviation airport in Brevard County. The airport has 71 standard t-hangars. The standard single engine t-hangar units rent for \$249/month and the twin engine t-hangar units rent for \$510/month. The rents include nominal electricity in each unit.

Rental 8 Bartow Municipal Airport is a general aviation airport located in Polk County. The airport has 5 port-a-port units. The smaller port-a-ports rent for \$157/month and the larger port-a-ports rent for \$323/month.

Rental 9 Palm Beach North County Airport is a general aviation airport located in Palm Beach County. The airport has several sizes of executive hangars. Executive hangars that contain 1,410 square feet rent for \$450/month, 1,742 square feet rent for \$610/month, 3,336 square feet rent for \$1,323/month and 3,600 square feet rent for \$1,875/month. The rent includes nominal electricity in each unit.

Rental 10 Venice Municipal is a general aviation airport located in Sarasota County. According to the airport manager, there are storage areas located on the ends of several nested t-hangar buildings. The airport is currently asking \$200/month for the units. The airport manager could not verify the size of the storage areas.

Rental 11 Melbourne International is a non-hub commercial service airport located in Brevard County. According to an FBO operator, there are storage areas located on the ends of several nested t-hangar buildings. The storage areas currently rent for \$4.00 per square foot or \$80/month. The FBO has executive hangars that contain 2,400 square feet and rent for \$800/month. The rent includes nominal electricity in each unit.

Rental 12 Pompano Beach Airpark is a general aviation airport located in Broward County. According to an FBO operator, there are storage areas located on the ends of several nested t-hangar buildings. The storage areas currently range in rent from \$6.00 to \$6.11 per square foot or \$135 to \$150/month. The FBO has executive hangars that contain 4,176 square feet and rent for \$4,100/month. The rent includes nominal electricity in each unit.

Rental 13 Boca Raton is a general aviation airport located in Palm Beach County. According to an FBO operator, there are storage areas located on the ends of several nested t-hangar buildings. The storage areas currently range in rent from \$6.61 to \$7.13 per square foot or \$300 to \$350/month.

Rental 14 Orlando Executive is a general aviation airport located in Orange County. According to the FBO operator there are executive hangars that contain 2,771 square feet and rent for \$1,100/month. The rent includes nominal electricity in each unit.

Rental 15 Gainesville Regional is a general aviation airport located in Alachua County. The airport has seven port-a-ports. The smaller port-a-ports rent for \$128/month and the medium port-a-ports rent for \$166/month.

Our research reviewed rental rates for over 500 t-hangars and executive hangars at 11 airports in the subject area. The t-hangar rentals were reported based on the monthly average rent for both standard and large t-hangar units, port-a-ports and executive hangars at the surveyed airports.

Based on our survey, rental rates for standard t-hangar units ranged from \$206 to \$350/month. The median rental rate for standard t-hangar units was \$275/month. The larger units or twin engine t-hangar units are renting from \$300 to \$850/month. The median rent rate for the larger t-hangar units was \$350/month. The executive type hangar units rent for \$450 to \$4,100/month, depending on the size of the units.

As noted, the end units in some of the t-hangar buildings at X21, COI and TIX have additional storage areas that represents typical construction of a nested t-hangar building. Based on our review of the rent roll and a visit to the airports, some of the storage areas appear to be open to the end t-hangar units, creating a larger hangar area or commonly known as a modified t-hangar. In addition, there are storage units that are demised from the t-hangar units, accessed from personnel or overhead rollup doors at the ends of the buildings and would be not be used for aircraft storage. The sizes of the storage spaces was not provided or reviewed and according to TCAA, the sizes of the storage areas varies widely. Based on the rental information provided, the rates range from about \$45 to \$110 per month for these individual storage areas at X21, COI and TIX. The end t-hangar units that include additional storage areas rent from about \$38 to \$166/month more than the other units, based on their size.

Our research indicated that several airports similarly receive a premium for additional storage areas located in t-hangar buildings. Based on our research of rental rates for storage areas associated with t-hangar rentals at five area airports, the rental rates for these storage areas range from \$80 to \$350 per month, depending on size and interior finishes. These storage areas ranged in size from about 168 to 635 square feet, reflecting prices per square foot ranging from \$5.71 to \$7.13 annually. It is recommended TCAA establish a policy to set the rental rate for these storage space based on an annual rental per square foot on a case by case basis, as the storage area sizes reportedly vary widely.

For purposes of our analysis of the storage areas, a comparison of t-hangar rates versus storage area rates, on a price per square foot basis was conducted. Our analysis indicated that storage areas rents are about 40% to 100% of t-hangar rents on a per square foot basis. As noted, the variation is primarily due to interior finishes within the storage areas (i.e. unfinished space, A/C, office build out etc.) and overall demand at each airport included in our analysis. Based on the above analysis, it is our opinion that the storage areas within the t-hangars at X21, COI and TIX would command a rent of about 50% of the price per square foot of the t-hangar units. We have further estimated the annual rental rates for the storage areas at X21 and COI at \$1.75 per square foot and TIX at \$2.00 per square foot.

The standard port-a-port units rent from \$128 to \$323/month. It was noted that there is a lack of port-a-port rental information, primarily due to their limited desirability by most airport managers.

Based on our analysis we have estimated the monthly rent for the various individual storage hangar units at X21, COI and TIX. Our analysis took into consideration the overall type, size, age, condition and utilities provided at the individual storage hangar units at X21, COI and TIX. We have estimated the market rent for the subject individual storage hangar units on a monthly basis located on the following page.

Individual Storage Hangar Rental Summary

Arthur Dunn Airport (X21)	<u>Rent/Unit/Mo.</u>
Buildings T1, T2, T3, T7, T8 & T9	\$280
	<u>Rent/Sq.Ft./Yr.</u>
Storage Units within T-hangars	\$1.75
Merritt Island Airport (COI)	
Building T1-A & E, T10-D	\$750
Building T1-B, C, F & G	\$560
Building T1-D & H	\$620
Buildings T2 & T10	\$285
Buildings T3	\$290
Buildings T4 & T5	\$315
Buildings T6 & T8	\$280
Buildings T7, T9, T11 & T12	\$295
Buildings T14	\$600
Buildings P31, P36, P38, P34, P32, P40, P42 & P33	\$230
	<u>Rent/Sq.Ft./Yr.</u>
Storage Units within T-hangars	\$1.75
Space Cost Regional Airport (TIX)	
Building T2, T3, T4 & T5	\$315
Buildings T7 & T8	\$330
Building T9	\$350
Building T11	\$400
	<u>Rent/Sq.Ft./Yr.</u>
Storage Units within T-hangars	\$2.00

Non-Aviation Building Rental Analysis

Our analysis included a review of the existing lease information for two non-aviation buildings located at X21 and TIX (X21 Building 23 and TIX Building 60). The review was based on the rent roll information provided by TCAA. X21 Building 23 is currently leased for \$7.72 per square foot to Pheonix Design and Integration, LLC. TIX Building 60 is currently leased for \$8.01 per square foot to Bristow Academy, Inc. Based on our visit to the property, the tenant has reportedly done tenant improvements to the building at the tenant's expense. It was noted, the tenant receives a rental abatement of about \$42,300 over two years for work completed by the tenant. It is our understanding, the leases are gross leases, with the tenants responsible for utilities and minor maintenance.

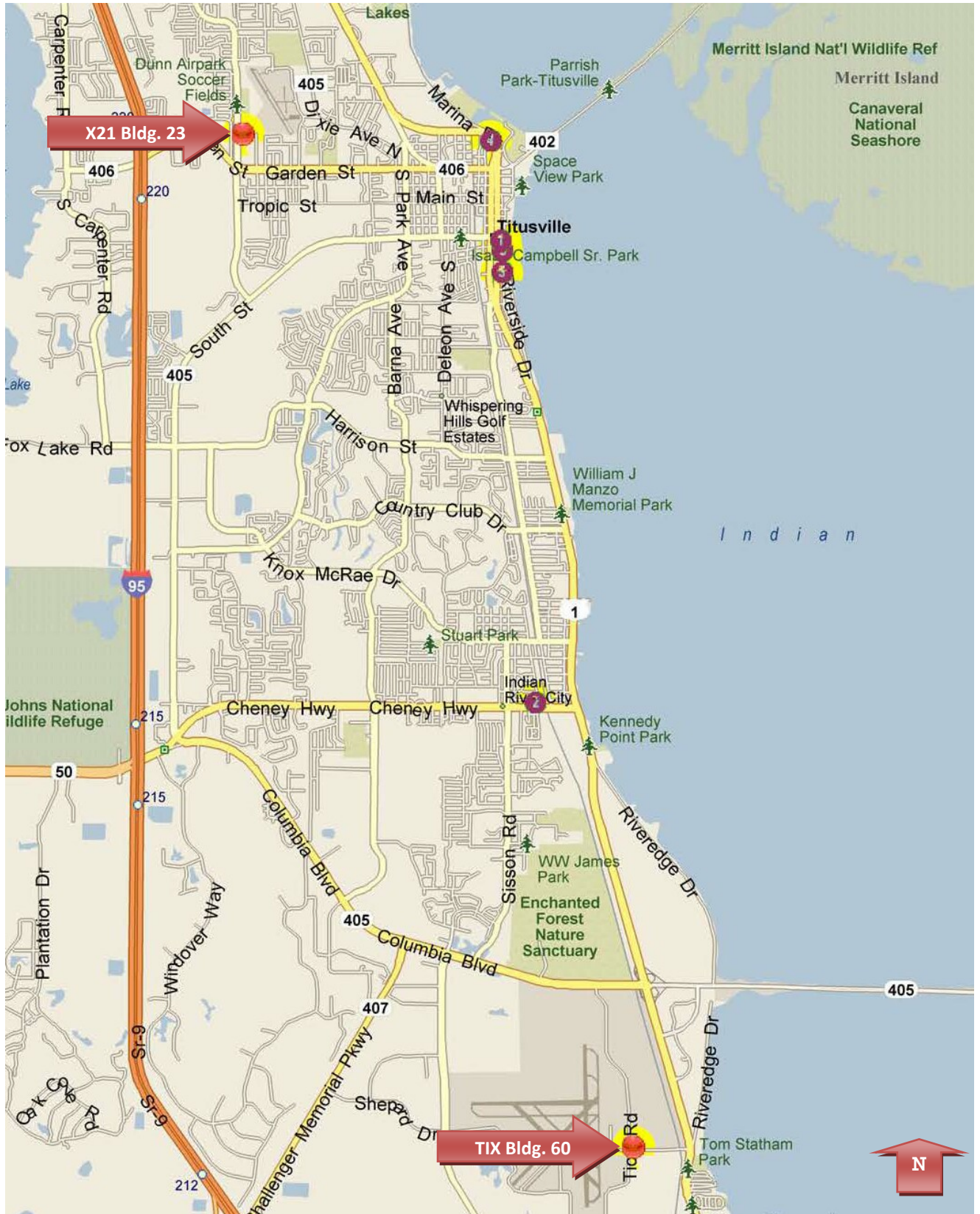
Non-Aviation Building Rent Analysis

Our analysis of the non-aviation buildings at X21 and TIX was based on the highest and best use of each property. The subject non-aviation buildings consist of single-tenant office type buildings which were the primary focus of our research for market rents.

The market for office rentals in the Titusville area is somewhat limited. The comparable office rentals researched included both single-tenant and multi-tenant office buildings in the vicinity of the airports. The rentals range in size from 1,203 to 10,260 square feet and range in rental rates from \$5.99 to \$9.52 per square foot. All of the rents, with exception to Rental 5, are on a gross basis. Rental 5 is on a triple net basis with the tenant responsible for all operating expenses. Based on our conversations with brokers in the area, estimated expenses (taxes, insurance and maintenance) for the office space is about \$3.00 per square foot and Rental 5 would be \$8.99 per square foot on a gross basis. A summary chart and location map of the comparable office rentals is located on the following pages.

Summary of Non-Aviation Office Building Rentals

No.	Location	Year Built	Size /Sq.Ft.	Rent /Sq.Ft.	Basis
1	751 S. Washington Ave.	1950	1,321	\$9.08	Gross
2	310 Cheney Hwy.	1951	2,250	\$6.40	Gross
3	805 S. Washington Ave.	1944	1,229	\$9.52	Gross
4	350 N. Washington Ave.	1968	10,260	\$8.00	Gross
5	1007 S. Washington Ave.	1939	1,203	\$5.99	NNN
X21 Building 23					
	385 N. Singleton Ave.	1967	3,400		
TIX Building 60					
	6955 Tico Rd.	1966	7,000		



With exception to Rental 4, all of the rentals are single-tenant buildings. The rentals are considered to be well located along main thoroughfares in the area, with surrounding commercial development. They represent buildings of similar construction to the subject non-aviation buildings and were built between 1939 and 1968. The rentals are considered to have adequate parking for their use. It was noted, our research included an office building adjacent to the north of TIX Building 60. The building is located at 6855 Tico Road and is under private ownership. It was constructed in 1967 and appears to have been renovated in 2005. According to the property owner, the building is about 75% occupied. The property owner indicated that the current leases were negotiated based a variety of tenant improvements, as well as premiums for tenants requiring rail service from the adjacent property that is also owned by the same property owners. It was indicated the spaces include more than typical office space (i.e. shop, warehouse, etc.). The property owners would not divulge any current rental rates for their existing tenants or asking rents for the vacant space that is reportedly in "shell" condition.

X21 Building 23 consists of a one-story CBS building with brick veneer and a hip roof with asphalt shingles. The building was formerly used as a church. Based on its current design and open layout the building functions as a single-tenant office building. The interior of the building includes carpet flooring, vinyl baseboards, 2' x 4' acoustical ceiling tiles with drop in fluorescent lighting, a combination of painted CBS and wallpaper, solid core doors and a central HVAC system. The layout of the building includes a foyer, one office, two storage rooms, two bathrooms, a kitchenette and a large open area. The building contains approximately 3,400 square feet and is situated on a 0.74-acre site reflecting a land-to-building ratio of 9.48:1. The building was constructed in 1967 and is considered to be in average condition. The property is considered to have limited access within a residential area. It has a interior location with one street frontage. The property is considered to have adequate parking associated with its use. We have estimated a market rent in the lower end of the range of the comparable rentals at \$7.00 per square foot on a gross basis including the supporting land.

TIX Building 60 is an office building of CBS construction with a flat roof. The layout of the building includes about six office, two conference rooms, two classroom, an open work area and two bathrooms. Interior finishes include a combination of tile and carpet flooring, wood baseboards and trim, 2' x 2' acoustical ceiling tiles with drop in fluorescent lighting, painted drywall, solid core doors and a central HVAC system. The building contains approximately 7,000 square feet and is situated on a 2.14-acre site reflecting a land-to-building ratio of 13.35:1. The building was constructed in 1966 and is considered to be in average condition. The property is considered to have good access along the entrance to the airport. It has a corner location with two street frontages. The property is considered to have adequate parking associated with its use. As discussed, the tenant of Building 60 has done improvements to the building at their expense. Our estimate of fair market rent for Building 60 is based on the hypothetical condition the building condition excluding the tenant improvements paid for by the current tenant. We

have estimated a market rent of \$9.00 per square foot on a gross basis including the supporting land.

RECONCILIATION

The process of reconciliation reviews and reexamines the scope of the appraisal assignments, as well as the approaches to value that were used. Our analysis began with defining the scope of the assignment. The scope of the assignment was limited to estimating the fair market annual rental for the subject properties at the Arthur Dunn Airpark (X21), Merritt Island Airport (COI) and Space Coast Regional Airport (TIX) as described herein.

In this analysis we have estimated the current annual fair market rental for the aeronautical properties and two non-aviation properties as described herein. Our analysis included a recent visit to the airports and the properties. For valuation purposes, we have analyzed rental information at the subject airports, as well as rental information for the various properties types at similar airports in central Florida. For the valuation of the non-aviation parcels, we analyzed rental information for similar properties in the vicinity of X21 and TIX. This rental analysis formed the basis for our annual fair market rental estimates for the subject properties. The information was obtained through research with airport managers and FBO operators and is considered the best available information as of the date of valuation.

ADDENDA

ADDENDUM A - TCAA Lease Summaries

10/16/2014

AERIAL SIGN NORTH

Matthew Applegate
1900 Cedar Bridge Ave.
Lakewood, NJ 08701

Lease Description

Lease Date: 12/1/08
Terms: Month to Month
Late Fee: 18% per annum

Leased Premises

This lease grants the Lessee the right & privilege to conduct the business of Aerial Advertising, including banner towing, on and from the Merritt Island Airport.

Insurance Requirements

Minimum of \$2,000,000 single limit airport liability coverage.

Rental History - \$137.40 per month per Airplane

Rental Rate: \$274.80 – 2 Airplanes

Rental Rate: \$276.22 – 12/1/09 – 4% CPI

Rental Rate: \$276.77 – 12/1/10 – .2% CPI

Rental Rate: \$288.52 – 12/1/11 – 2.1% CPI

Rental Rate: \$296.88 – 12/1/12 – 2.9% CPI

Rental Rate: \$302.82 – 12/1/13 – 2% CPI

Rental Rate: \$306.15 – 12/1/14 – 1.1% CPI

10/16/2014

Space Coast Aviation

Mark Issot
900 Airport Road
Merritt Island, FL 32952

Lease Description

Lease Date: 3/1/08
Term: 20 years
Option: 2 additional 5 year extensions
Late Fee: 18% per annum

Lease Premises

Building 25: 9920 SF
Office: 2976 SF
Hangar 80' x 124' with doors 18' x 76'. Two Story Concrete Block Structure 24' X 124'.
Fuel Farm: 1 – 10,000 gallon tank & 1 – 15,000 gallon tank.
Ramp: 254500 SF

Insurance: Property on Building and for all improvements, equipment and furnishings and other personal property for replacement value. Liability insurance in amount of \$1,000,000 per occurrence with no self-insured retention or deductible amount.

Maintenance: Lessee at sole cost and expense shall maintain the leased premises, all buildings and improvements including, but not limiting the same to clean septic tank, replenishment of oil and lubrication, repair or replace damaged or broken light fixtures broken window panes and mirrors, repair leaking toilets and basins and all plumbing fixtures, repair and maintain HVAC.

Annual Rental Rate

Annual rent increases based on CPI shall be applied annually throughout the term. Beginning March 1, 2021, the annual rent shall be adjusted by reappraisal to 10% Fair Market Value and shall be applied through the remainder of the term. The annual rent shall never be less than the annual rent applicable in the year prior to the scheduled increase.

Rental History

Rental Rate: \$2,741.60 – 3/1/08
Rental Rate: \$2,851.28 - 3/1/09 – 4% CPI
Rental Rate: \$2,856.97 - 3/1/10 – .2% CPI
Rental Rate: \$2,916.98 - 3/1/11 – 2.1% CPI
Rental Rate: \$2,978.22 - 3/1/12 – 2.1% CPI
Rental Rate: \$3,064.59 - 3/1/13 – 2.9% CPI
Rental Rate: \$3,125.90 – 3/1/14 – 2% CPI
Rental Rate: \$3,160.28 – 3/1/15 – 1.1% CPI

Space Use Permit

March 1, 2004 – February 28, 2005

Rental Rate: \$530.50 monthly
Rental Rate: \$532.01 - 3.6% CPI
Rental Rate: \$544.77 – 2.4% CPI
Rental Rate: \$566.56 – 4% CPI – 3/1/09
Rental Rate: \$567.21 – .2% CPI – 3/1/10

10/16/2014

Rental Rate: \$500.00 – New Lease – 7/14/10

Rental Rate: \$510.50 – 3/1/12 – 2.1% CPI

Rental Rate: \$525.30 – 3/1/13 – 2.9% CPI

Rental Rate: \$535.81 – 3/1/14 – 2% CPI

Rental Rate: \$541.70 – 3/1/15 – 1.1% CPI

10/16/2014

Brevard County Sheriff*

Mr. Tom Jenkins
Brevard County Sheriff's Office
700 S. Park Ave.
Titusville, FL 32780

Lease Description

Lease Date: 1/1/05

C.O. Date: 7/11/07

Terms: 25 year from C.O. Date

Expire: 7/11/2032

Late Fee: 18% per annum

Fuel Flowage: In the event that the BCSO contracts with a third party for fuel, a fuel flowage fee will be assessed.

Lease Premises

Building 21: 7227 SF

Maintenance

"During the entire term of this lease, Lessee shall, at its sole cost & expense, keep and maintain the Premises, including, without limitation, the roof, exterior walls and foundation of any buildings the electrical, HVAC, plumbing and security systems, fixtures, trade fixtures, machinery, furnishings, signage and all other portions of the Improvements in good repair and working order."

Insurance

Lessee – to provide Property Hazard Insurance, Automobile Liability Insurance \$100,000.00 per person, \$200,000.00 per accident, Commercial General Liability Insurance for not less than \$1,000,000.00 adding the Airport Authority as additional insured. Workers' Compensation Insurance with limits of not less than \$500,000.00 containing a waiver of any right of subrogation against the Airport Authority.

Annual Rental Rate

Annual rent increases based on CPI shall be applied annually after 2005 throughout the term. The parties acknowledge that the amount of Annual Rent paid by the Lessee was calculated taking into account the value of the airport security services provided by the Lessee as further discussed in "Exhibit I" to the lease and by this reference incorporated herein. The Authority acknowledges that it is receiving fair rental value from the Lessee under the terms of this Lease.

Rental History

Rental Rate: \$1,036.00 - 7/11/07

Rental Rate: \$1,060.86 - 7/11/08 - 2.4% CPI

Rental Rate: \$1,103.29 - 7/11/09 - 4% CPI

Rental Rate: \$1,105.50 - 7/11/10 - .2% CPI

Rental Rate: \$1,128.71 - 7/11/11 - 2.1% CPI

Rental Rate: \$1,152.42 - 7/11/12 - 2.1% CPI

Rental Rate: \$1,185.84 - 7/11/13 - 2.9% CPI

Rental Rate: \$1,209.56 - 7/11/13 - 2% CPI

Rental Rate: \$1,222.86 - 7/11/14 - 1.1% CPI

10/16/2014

Sebastian Communications*

Mr. Frank Campbell
473 Manor Drive
Merritt Island, FL 32952

Lease Description

Lease Date: 8/1/90

Term: 2 years

Option: 3 additional 1 year periods

Addendum A: 8/1/92 Extend Lease for one year & Adjust rental rate to \$650.00 per month

Addendum B: 9/1/97 Extend lease to 9/1/01 & Adjust rental rate to \$725.00 per month & establish annual CPI adjustments

Late fee - \$25.00

Description of Lease

Lessee will engage in the business of Aircraft Avionics, installation and repair, Aircraft Storage and Aircraft tie-down in designated ramp area on said property.

Lessee further commits to have constructed an 800 sf office and electronics lab addition on the Northside of the existing building within 365 days of lease.

Maintenance

Clean Septic Tank, repair or replace damaged or broken electric light fixtures, replace electric bulbs, broken windows & panes and mirrors. Repair leaking toilets, basins and plumbing fixtures, repair and maintain heating and cooling equipment.

Lease Premises

Building 2: 5000 SF

Ramp: 18000 SF

Insurance

Liability Insurance having a minimum of \$1,000,000 single limit on any one accident.

Annual Rental Rate

Beginning September 1, 1997, the rental rate shall be adjusted to \$725.00 per month plus tax. In addition, the rental rate is subject to an annual adjustment at a rate established by the Lessor, but not to exceed the annual variation in the CPI for the local area.

Rental History

Rental Rate: \$803.31 - 8/1/02

Rental Rate: \$812.15 - 8/1/03 - 1.1% CPI

Rental Rate: \$836.51 - 8/1/04 - 3% CPI

Rental Rate: \$850.73 - 8/1/05 - 1.7% CPI

Rental Rate: \$876.25 - 8/1/06 - 3% CPI

Rental Rate: \$907.80 - 8/1/07 - 3.6% CPI

Rental Rate: \$929.58 - 8/1/08 - 2.4% CPI

Rental Rate: \$966.76 - 8/1/09 - 4% CPI

Rental Rate: \$968.70 - 8/1/10 - .2% CPI

Rental Rate: \$989.04 - 8/1/11 - 2.1% CPI

Rental Rate: \$1,009.81 - 8/1/12 - 2.1% CPI

Rental Rate: \$1,039.09 - 8/1/13 - 2.9% CPI

Rental Rate: \$1,059.88 - 8/1/14 - 2% CPI

Rental Rate: **\$1,071.53 - 8/1/15 - 1.1% CPI**

10/16/2014

Servant Air Ministries*

Dr. Robert Lehton
3000 N. Atlantic Ave. #102
Cocoa Beach, FL 32931

Lease Description

Lease Date: 1/1/08

Term: 20 Years

Option: 2 five year subject to approval of Lessor

Insurance: \$1,000,000 Liability combined single limit approved by lessor, Fire & Extended coverage on the full insurable value of the premises of the Leasehold and any improvements on a replacement cost basis.

Lease Premises

Land Lease: 0.42 Acres (18295.27 SF)

Annual Rental Rate

Annual Rent increases based on CPI shall be applied annually. Every 5 years rent shall be adjusted by Fair Market Value appraisal. The amount of any increase from appraisal from one five year period to the next shall not exceed 25%, and in no event shall rent be decreased from the amount required to be paid during any previous 5 year period. Appraisal due 1/1/2013.

Rental History - \$3,467.10 Annual 1/1/08

Rental Rate: \$289.67 - 1/1/08

Rental Rate: \$301.26 - 1/1/09 - 4% CPI

Rental Rate: \$301.86 - 1/1/10 - .2% CPI

Rental Rate: \$308.20 - 1/1/11 - 2.1% CPI

Rental Rate: \$314.67 - 1/1/12 - 2.1% CPI

Rental Rate: \$323.80 - 1/1/13 - 2.9% CPI

Rental Rate: \$330.27 - 1/1/14 - 2% CPI

Rental Rate: \$333.90 - 1/1/15 - 1.1% CPI

10/16/2014

Voyager International*

Malcom Gosdin
475 Manor Drive
Merritt Island, FL 32952

Lease Description

Date of Lease: 9/1/07

Terms: 5years

Option: 2 separate 5 year renewal

Lease Amendment: 1/24/08

Maintenance: During the term of the lease the lessee must at its sole cost maintain the roof, exterior walls and foundation of any buildings, the electrical, HVAC, plumbing and security systems, fixtures, trade fixtures, machinery, furnishings, signage and all other Improvements in good repair.

Insurance: Lessee at its sole cost must hazard insurance for all improvements for replacement value. Commercial General Liability Insurance on permitted uses and conduct on the premises in the amount of \$1,000,000, auto liability in the amount of \$100,000 per person, \$200,000 per accident. Workers Compensation with liability of not less than \$500,000 for each accident.

Leased Premises

Building 4: 2000 SF

Roads/Parking: 1400 SF

Tie-Down: 16373 SF

Land: 8480 SF

Annual Rental Rate

The annual rent to be paid for the period beginning 9/1/07 shall be \$9790.47 for the premises. Annual rent increases based on the CPI shall be applied annually throughout the term.

Late Fee 18% per annum.

Amendment August 31, 2010

16,774 sf tie down space - \$6,000.00 annually - \$500.00 monthly

Rental History

Beginning 9/1/07: \$815.87 Monthly

Lease Amendment 1/24/08: \$104.83 Monthly for Mosquito Control building

Lease Amendment 8/31/10 – Tie Downs - \$500.00 monthly

Rent: \$920.70 monthly

Rental Rate: \$835.45 % & \$107.35 – 9/1/08 2.4% CPI

Rental Rate: \$868.68 & \$111.64 - 9/1/09 – 4% CPI

Rental Rate: \$870.42 & 111.86 - 9/1/10 – .2% CPI

Rental Rate: \$888.70 & 114.21 - 9/1/11 – 2.1% CPI

Rental Rate: \$907.36 & 116.61 - 9/1/12 – 2.1% CPI

Rental Rate: \$1,053.65 + \$525.30 – 9/1/13 – 2.9% CPI Total \$1,578.95

Rental Rate: \$1,074.72 + \$535.81 – 9/1/14 – 2% CPI Total \$1,610.53

Rental Rate: \$1,086.54 + \$541.70 – 9/1/15 – 1.1% CPI Total \$1,628.24

10/16/2014

Florida BiPlanes, Inc.

Mark Grainger
141 St. Croix Ave.
Cocoa Beach, FL 32931

Lease Description

Date of Lease: 5/1/11

Terms: 20 years

Maintenance: Lessee is solely responsible, at its own cost and expense, for performing or procuring the performance of all maintenance, repair & replacement of the Leasehold.

Insurance: Lessee at its sole cost must obtain \$1,000,000.00 combined single limits. Workers Compensation at statutory requirements. Employers liability insurance with limits no less than \$500,000.00 for each accident, disease policy limit and disease each employee coverage.

Leased Premises

Land: 12,414.6 SF .19 cents square foot

Annual Rental Rate

The annual rent to be paid for the period beginning 5/1/11 shall be \$2,358.78 for the premises. Annual rent increases based on the CPI shall be applied annually throughout the term. Evaluation every 5 years by appraisal.

Late Fee 18% per annum.

Rental History

Beginning: 5/1/11: \$2,358.78 – 196.57 Monthly

Rental Rate: 5/1/12 - \$200.70 - 2.1% CPI

Rental Rate: 5/1/13 - \$206.52 – 2.9% CPI

Rental Rate: 5/1/14 - \$210.65– 2% CPI

Rental Rate: 5/1/15 - \$212.96- 1.1% CPI

Air America Foundation
Mr. Ed Kindle
321-514-0096
Mailing Address: Mr. Cal Crocker
1807 Orange Tree Dr.
Edgewater, FL 32132

Space Use Permit

Date of Lease: August 1, 2011
Expiration Date: July 31, 2012
Pavement: 5750 sf - \$.23 sf
Land: 4600sf - \$.18 sf

Insurance: Automobile - \$1,000,000.00
Commercial Liability - \$1,000,000.00
Workers Comp – As required by Law
Employers Liability \$100,000.00 each accident

Rental Rate:
8/1/11 to 7/31/12 - \$2,150.50 Annually - \$179.21 Monthly
8/1/12 - \$2,195.66 Annually - \$182.97 Monthly – 2.1% CPI
8/1/13 - \$2,259.33 Annually - \$188.28 Monthly – 2.9% CPI
8/1/14 - \$2,304.48 Annually - \$192.04 Monthly – 2% CPI
8/1/15 - \$2,329.82 Annually - \$194.15 Monthly – 1.1% CPI

Building 43

North American Surveillance Systems, USA, Inc.
4603 Middle Country Road
Calverton, NY 11933

Lease Description

Lease Date: 10/22/13

Term: 20 years with 2 additional 5 years

Lease Expiration: 10/22/33 Plus Additional Term

Leased Premises

Building 43: 6449 SF

Land: 47,770 SF

Insurance Requirements

Property Insurance, Liability, Auto

Annual Rental Rate

Adjustments at renewal & CPI increases only.

Rental History

Rental Rate: \$67,380.00 annually with rent abatement of \$33,333.33 = \$34,046.67 annually for three year plus CPI.

Rent Abatement expires 10/22/16. Rent will change at that time.

Rental Rate: \$2,837.22 - 10/22/13

Rental Rate: \$2,868.42 – 10/23/14

Building 51

Air Scan*
Mr. Thomas Fotopulos
1885 Armstrong Dr.
Titusville, FL 32780

Lease Description

Lease Date: 2/1/14

Term: 6 Months with 2 additional 6 months and 1 period of 18 years and 6 months

Lease Expiration: 2/1/34 if all terms completed

Late Fee: 18% per annum

Leased Premises

Building 51 – 7030 Center Lane: 11200 SF

Ramp: 15221 SF

Ramp: 6112 SF

Parking: 8953 SF

Land: 63443 SF

Insurance Requirements

Liability with a Minimum of \$100,000 per seat in the largest aircraft, but no less than \$1,000,000 single limit on any one accident with TCAA as additional insured.

Annual Rental Rate

February 1 – July 1 2014 - \$1,000.00 Monthly

August 1 2014 – January 1 2015 - \$2,000.00 Monthly

February 1 2015 – July 2015 - \$3,000.00 Monthly

August 1 forward annual rent of \$88,494.49 payable monthly \$7,374.54 Plus CPI annually.

Rental History

Rental Rate: \$1,000.00 per month 2/1/14 – 7/1/14

Rental Rate: \$2,000.00 per month August 1, 2014– September 30, 2014

Rental Rate: \$2,022.00 per month October 14 2014 – January 1, 2015

Rental Rate: \$3,000.00 per month February 1, 2015 – July 31, 2015

Building 9

Comp Air

Mr. Ronald Lueck
7017 Challenger Ave. (275 Manor Drive-COI)
Titusville, FL 32780

Lease Description

Lease Date: 12/19/13

Terms: 20 years w/2 additional 5 Year terms

Lease Expiration: 12/19/43 total term

Leased Premises

Building 9: 9150 SF

Parking: 5554 SF

Ramp: 5260 SF

Other: 12549 SF

Insurance Requirements

Automobile Liability Insurance on all vehicles used in connection with its operation. Commercial General Liability protecting the Authority & Lessee against all liabilities arising out of Lessee's permitted uses of not less than \$1,000,000 per occurrence with no self insured retention or deductible amount. Workers Compensation liability of not less than \$500,000 for each accident.

Annual Rental Rate

Annual Rent increase based on CPI shall be applied annually throughout the term

Rental History

Rental Rate: \$4,999.22 (\$59,990.69) New 12/19/13

Rental Rate: \$5,054.21 per month 12/19/14

Administration Building

Rocket Crafters

355 Golden Knights Blvd. Suite 4
Titusville, FL 32780

Lease Description

Lease Date: 4/1/13

Terms: 2 years

Lease Expiration: 4/1/15

Leased Premises

North Wing: 1564 SF

Parking: 2200 SF

Apron: 5600 SF

CAM Fees: \$315.00 Monthly

Insurance Requirements

Hazard Insurance on all Property, Improvements, equipment furnishings & personal property.

Automobile Liability Insurance on all vehicles used in connection with its operation. Commercial General Liability protecting the Authority & Lessee against all liabilities arising out of Lessee's permitted uses of not less than \$5,000,000 per occurrence with no self-insured retention or deductible amount. Workers Compensation liability of not less than \$500,000 for each accident.

Annual Rental Rate

Annual Rent increase based on CPI shall be applied annually throughout the term

Annual Rent will be adjusted by Appraisal every Five years.

Late Fee

18% per annum

Rental History

Rental Rate: \$1798.12 + \$315.00 CAM Fees Monthly starting 2/1/14. Lease began 8/1/13 with 6 month's rent free.

Rental Rate: \$1,817.89 + \$315.00 CAM Fees Monthly starting 4/1/15.

Building 52

Space Coast Jet Center*

Mr. Thomas Fotopulos
1885 Armstrong Dr.
Titusville, FL 32780

Lease Description

Lease Date: 5/18/98

Terms: 20 years

Option: 1 additional 10 years

Expires: 5/18/18

Fuel: .05 cents per gallon delivered

Charters: 2% gross charter services – Cancelled 10/1/02

Late Fees: \$166.36

Addendum A: Dated May 18, 1998 – Add Building 52, Ramp & Land

Terms: 5 years

Option: 2 additional 5 years

Expires: 5/18/03

Addendum B: Dated May 18, 1998 – Add Building 27, Ramp & Land

Terms: 5 years

Option: 2 additional 5 years

Expires: 5/18/03

Addendum C: Dated June 21, 1999 – Add Building 1, Ramp & Land

Addendum C was Cancelled 11/30/03

Terms: 1 year

Option: 2 additional 1 year

Expires: June 21, 2001

Addendum D: Dated 10/16/00 – Sublease with Voyager Aviation

Addendum E: Dated 7/17/01 – sublease with Cadiz Aircraft Maintenance

Addendum F: Five year rate review on Addendum B & C. Rates increased by appraisal completed June 2002.

Amendment to Lease: Dated 10/1/07

Rent Credits in the amount of \$35,414.52 plus 5% interest to be applied to the monthly rents.

Lease Assignment

From Discovery Aviation to Space Coast Jet Center August **12, 2004.**

Space Use Permit

Tie Downs: 31686 SF - \$5,386.62 Annually

Leased Premises

Land Lease: \$19,621.70 Annually

Land: 116217 SF

Ramp: 66200 SF

Addendum A: \$11,742.50 Annually

Building 52: 6186 SF

Ramp: 4413 SF

Land: 88296 SF

Addendum B: \$6,459.00 Annually

Building 27: 3154 SF

Ramp: 69132 SF

Land: 127400 SF

Addendum C: \$28,235.00 Annually – Cancelled 11/3/03

Building 1: 2350 SF

Ramp & Parking: 78,000 SF

Unimproved Land: 25600 SF

Addendum E: Five year rate review on Addendum B & C. Rates increased by appraisal completed June 2002.

Annual Rental Rate

Lease Dated 5/18/98 & All Addendums – Rates and fees are subject to review every five years. In addition, the rates are subject to annual adjustment by the Lessor which shall not exceed the annual variation in CPI for the local area.

Amendment to Lease: Dated 10/1/07

Rent Credits in the amount of \$35,414.52 plus 5% interest to be applied to the monthly rents. Monthly credit \$668.32 for 60 months beginning 10/1/07 and ending 10/1/12.

Insurance Requirements

Commercial Liability Insurance no less than \$1,000,000.00 single limit on any one accident.

Rental History

Rental Rate: \$4,026.31 - 7/1/03 – 1.1% CPI

Rental Rate: \$4,147.10 - 5/1/04 – 3% CPI

Rental Rate: \$4,217.60 - 5/1/05 – 1.7% CPI

Rental Rate: \$4,344.13 - 5/1/06 – 3% CPI

Rental Rate: \$4,500.52 - 5/1/07 – 3.6% CPI

Rental Rate: \$4,608.53 - 5/1/08 – 2.4% CPI with rent credits – \$3,940.21

Rental Rate: \$4,792.87 – 5/1/09 – 4% CPI with rent credits - \$4,124.55

Rental Rate: \$4,802.45 – 5/1/10 - .2% CPI with rent credits - \$4,134.14

Rental Rate: \$4,903.30 – 5/1/11 - 2.1% CPI with rent credits - \$4,220.96

Rental Rate: \$5,006.27 – 5/1/12 - 2.1% CPI with rent credits - \$4,337.95

Rental Rate: \$5,151.45 – 5/1/13 – 2.9% CPI Rent Credits expired 10/1/12

New Rent Credit begins June 1, 2013 of \$500.00 monthly = \$4,651.45

Rental Rate: \$5,254.47 – 5/1/14 – 2% CPI Less \$500.00 Rent Credit of \$500.00 = \$4,754.47

Beginning June 1, 2013 Rent credit in the amount of \$16,000.00 - \$500.00 monthly ending January 31, 2016.

Rental Rate: \$5,312.26- 5/1/15 – 1.1% CPI less rent abatement of \$500.00 = \$4,812.26

Additional Ramp:

Current - \$492.12

Beginning 5/1/15 - \$497.53 – CPI 1.1%

Building 29

Bristow Academy, Inc.*

Todd A. Smith
1 Bristow Way
Titusville, FL 32780

Lease Description

Lease Date: 10/31/00
Term: 20 years
Options - 2 additional 5 year terms upon 180 notice to lessor.
Expires: 10/31/2020

Leased Premises

Building 29 Office: 3826 SF
Building 29 Hangar: 18720 SF
Improved Land Parking & Ramps: 229,007 SF
Unimproved Land: .063 acres (2744.28 SF)
Unimproved Land: 21,735 SF

Insurance Requirements

Exhibit B of lease not included in lease file.

Annual Rental Rate

October 31, 2000 thru December 31, 2001 rent shall be \$3787.95 plus tax.
January 1, 2002 new rates and fees apply.
Late fee 10% after the 10th day of the month.
CPI will be applied beginning November 1, 2001 and every year thereafter.
Fees: 2% gross receipts
0.052 per gallon of fuel delivered
1/10th of 1% aircraft sales – Cancelled 10/1/02
All fees are subject to review every five years as follows:

October 31, 2005
October 31, 2010
October 31, 2015
October 31, 2020 renewal

Security deposit to be reduced (2 months rent) after one full year of no demands. Security deposit was refunded 12/01.

Rental History

Rental Rate: \$8,358.23
Rental Rate: \$8,450.17 - 11/1/02 – 1.1% CPI
Rental Rate: \$8,703.68 - 11/1/03 – 3% CPI
Rental Rate: \$8,851.64 - 11/1/04 – 1.7% CPI
Rental Rate: \$9,117.19 - 11/1/05 – 3% CPI
Rental Rate: \$9,445.41 - 11/1/06 – 3.6% CPI
Rental Rate: \$9,672.10 - 11/1/07 – 2.4% CPI
Rental Rate: \$10,058.98 – 11/1/08 – 4% CPI
Rental Rate: \$10,079.10 – 11/1/09 – .2% CPI

Rental Rate: \$10,290.76 – 11/1/10 – 2.1% CPI
Rental Rate: \$10,506.87 – 11/1/11 – 2.1% CPI
Rental Rate: \$10,811.57 – 11/1/12 – 2.9% CPI
Rental Rate: \$11,027.80 – 11/1/13 – 2% CPI
Rental Rate: \$11,149.10- 11/1/14 – 1.1% CPI

Additional Ramp
Current – \$898.66
11/1/14 - \$908.54 – 1.1% CPI

Land Lease

Bristow Academy, Inc. *

Todd A. Smith
1 Bristow Way
Titusville, FL 32780

Lease Description

Lease Date: 10/5/2010
Term: 20 years from the Issuance of CO – Issued July 19, 2012
Expires: July 19, 2032

Leased Premises

Land: 435,601.74 SF@ \$.20 per sf

Late fee 18% per annum

Insurance Requirements:

Comprehensive General Liability - \$2,000,000.00
Fire & Extended Casualty on the full insurable value of premises.

Rental Rate: \$87,120.35 annually = \$7,260.03 monthly

Annual increases of 2% per annum

If Lessee fails to exercise option to lease additional premises annual rent increase will be 3% per annum.

Rental adjustment every 5 years by appraisal.

Rental Rate: \$7,405.23 - 2% annual increase per lease July 19, 2013

Rental Rate: \$7,553.34 – 2% CPI Increase 7/19/14

Rental Rate: \$7,704.40 – 2% CPI Increase 7/19/15

Building 1

Bristow Academy, Inc.*
Todd A. Smith
1 Bristow Way
Titusville, FL 32780

Lease Description

Lease Date: 12/1/2003
Term: 25 years
Expires: 12/1/2028

Leased Premises

Building 1 – Jet Center
Office: 2592 SF
Land: 16725 SF
Ramp & Parking: 50968 SF
Covered Area: 4865 SF
Late fee 18% per annum

Insurance Requirements:

Property Insurance on and for all improvements, equipment, furnishings and other personal property on a replacement cost basis. Automobile Liability on all vehicles used in connection with its operation and Commercial General Liability protecting the Authority and Lessee against all liabilities arising out of Lessee's permitted uses in the amount of not less than \$5,000,000. Workers Compensation in the amount of not less than \$500,000 for each accident.

Annual Rental Rate

Beginning May 1, 2007 and every five years thereafter through the end of the term, annual rent for leased premises shall be adjusted by reappraisal to 10% fair market value for the premises including improvements; however in no event shall an increase in annual rent exceed 25% of the annual rent for the premises applicable during the first year of the proceeding five year period nor shall the annual rent ever be less than the annual rent applicable in the year prior to the scheduled increase.

Rental Rate: \$2,539.90 (\$30,478.80)
Rental Rate: \$2,616.03 - 10/1/03 - 3% CPI
Rental Rate: \$2,660.50 - 10/1/04 - 1.7% CPI
Rental Rate: \$2,740.32 - 10/1/05 - 3% CPI
Rental Rate: \$2,838.97 - 10/1/06 - 3.6% CPI
Rental Rate: \$2,907.11 - 10/1/07 - 2.4% CPI
Rental Rate: \$3,174.88 - 10/1/08 - Appraised Rate 25% of 1st year rate.
Appraised Rates 3/21/08

SF	Rate	Annual
2592	\$11.00	\$28,512.00
16725	\$0.20	\$3,345.00
50968	\$0.20	\$10,193.60
4865	\$0.20	\$973.00
	Annual	\$43,023.60
	Month	\$3,585.30

Rate Per Lease

25% x \$30,478.80 = \$38,098.50

Month \$3,174.88

Rental Rate: \$3,181.23 – 10/1/9 – .2% CPI

Rental Rate: \$3,248.04 – 10/1/10 – 2.1% CPI

Rental Rate: \$3,316.25 – 10/1/11 – 2.1% CPI

Rental Rate: \$3,412.42 – 10/1/12 – 2.9% CPI

Rental Rate: \$3480.67 less rent credit \$844.10 - \$2636.57 – 10/1/13 – 2% CPI

Start November 1, 2012 a rent credit in the amount of \$844.10 per month for a 4 year period to end October 31, 2016.

Rental Rate: \$3,518.95 less rent credit \$844.10 = \$2,674.85

Building 53

Bristow Academy, Inc.*

Todd A. Smith
1 Bristow Way
Titusville, FL 32780

Lease Description

Lease Date: 5/1/05
Term: 10 Years
Option: 1 additional 5 year

Leased Premises

Building 53: 7171 SF
Site: 86244 SF
Late fee 18% per annum

Insurance Requirements

Property Insurance on and for all improvements, equipment, furnishings and other personal property on a replacement cost basis without deduction for depreciation. Automobile liability insurance on all vehicles used in connection with its operation. Commercial General Liability protecting the Authority and Lessee all liabilities arising out of the Lessee's permitted uses of not less than \$1,000,000.

Annual Rental Rate

Beginning May 1, 2015 through the end of the extension term, the annual rent shall be adjusted by reappraisal to 10% of the fair market value of the premises. The annual rent shall never be less than the annual rent applicable in the year prior of the scheduled increase.
CPI increases annually throughout the term & extension.

Rental History

Rental Rate: \$3,750.00
Rental Rate: \$3,862.50 - 5/1/06 - 3% CPI
Rental Rate: \$4,001.55 - 5/1/07 - 3.6% CPI
Rental Rate: \$4,097.59 - 5/1/08 - 2.4% CPI
Rental Rate: \$4,261.49 - 5/1/09 - 4% CPI
Rental Rate: \$4,270.02 - 5/1/10 - .2% CPI
Rental Rate: \$4,359.68 - 5/1/11 - 2.1% CPI
Rental Rate: \$4,451.24 - 5/1/12 - 2.1% CPI
Rental Rate: \$4,580.32 - 5/1/13 - 2.9% CPI
Rental Rate: \$4,671.93 - 5/1/14 - 2% CPI Rent Credit in the amount of \$1,732.50 monthly for 2 years ends 1/1/2015. Board approval not to exceed \$50,000.00.
Rental Rate: \$4,723.32 - 5/1/15 - 1.1% CPI less \$1,732.50 rent credit = \$2,990.82

Building 26

Bristow Academy, Inc.
Todd A. Smith
1 Bristow Way
Titusville, FL 32780

Lease Description

Date of Lease: 4/1/2010
Terms: 5 years w/3 additional 5 year options
Renewal: 4/1/2015
Expiration: 3/30/2030
Cash Deposit: 3 months of annual rent
Late Fee: 18% per annum

Lease Premises

Building 26: 3772 SF
Apron: 17,071 SF
Other: 3314 SF
Total: 28,658 SF lease area

Insurance Requirements

Property Insurance on and for all improvements, equipment & furnishings and other personal property on a replacement cost basis. Automobile Liability Insurance for all vehicles used in connection with its operation and Commercial General Liability Insurance protecting the Authority and Lessee on liabilities arising out of Lessee's permitted uses of not less than \$1,000,000.

Annual Rental Rate

Rental Rate: \$42,032.04 annually
CPI to be applied annually throughout the term. Beginning April 1, 2020 through the end of the extension term, the annual rent shall be adjusted by reappraisal to 10% of the fair market value of the premises.

Rental History

Rental Rate: \$3,502.67- 4/1/10
Rental Rate: \$3,576.23 – 4/1/11
Rental Rate: \$3,651.33 – 4/1/12
Rental Rate: \$3,757.22 – 4/1/13
Rental Rate: **\$3,832.36 – 4/1/14 – 2% CPI**
Rental Rate: **\$3,874.51 – 4/1/15 – 1.1% CPI**

Administration Building

Bristow Academy, Inc.
Todd A. Smith
1 Bristow Way
Titusville, FL 32780

Lease Description

Date of Lease: 10/1/2011
Terms: 5 years w/3 additional 5 year options
Renewal: 10/1/2016
Expiration: 10/1/2026
Late Fee: 18% per annum

Lease Premises

Building Wing: 1,509 SF
Apron: 28,636 SF
Parking: 1,755 SF
Total: 28,658 SF lease area

Insurance Requirements

Property Insurance on and for all improvements, equipment & furnishings and other personal property on a replacement cost basis. Automobile Liability Insurance for all vehicles used in connection with its operation and Commercial General Liability Insurance protecting the Authority and Lessee on liabilities arising out of Lessee's permitted uses of not less than \$1,000,000.

Annual Rental Rate

Rental Rate: \$26,617.00 annually
CPI to be applied annually throughout the term.

Rental History

Rental Rate: \$2,218.09 + CAM Fees \$300.00-9/1/11 Total - \$2,518.09
Rental Rate: \$2,264.67 + CAM Fees \$300.00 - 9/1/12 Total - \$2,546.67 - 2.1% CPI
Rental Rate: \$2,330.35 + CAM Fees \$300.00 - 9/1/13 Total - \$2,630.35 - 2.9% CPI
Rental Rate: \$2,376.95 + CAM Fees \$300.00 - 9/1/14 Total - \$2,676.96 - 2% CPI
Rental Rate: \$2,403.09 + CAM fees \$300.00 - 9/1/15 Total - \$2,703.09 - 1.1% CPI

Sheltair Space Coast, LLC*

Todd Anderson
14720 Kitlanselt Way
Orlando, FL 32828

Lease Description

Lease Date: January 1, 2002

Term: Beginning April 1, 2002 for a period of twenty years. Lessee has the right to terminate this lease at year 10 of the initial term with a 1-year notice.

Option: Extend for 4 consecutive 5 years with 1-year notice.

Parcel Option: \$1,500 annually to hold option for additional land. Cancelled.

Late Fee: 18% per annum (\$2.19 per day)

Leased Premises

Building 40 & 41: 12,950 SF

Apron: 32,165 SF

Parking: 5,690 SF

Other: 39,125 SF

Insurance Requirements

Property Insurance on and for all improvements, equipment, furnishings and other personal property on a replacement cost basis. Automobile Liability on all vehicles used in connection to the operation. Commercial General Liability protecting the Authority in the amount of not less than \$1,000,000 per occurrence. Workers Compensation in the amount of not less than \$500,000 per accident.

Annual Rental Rate

Rent: \$4,389.58 plus sales tax monthly for premises. A reduction from commencement date thru June 30, 2002, authority will grant 50% reduction in rent for the premises based on difference between full rent and actual rental revenue generated.

Beginning January 1, 2007 and every five years thereafter rent shall increase by reappraisal to 10% of fair market value not to exceed 20% of the annual rent for premises applicable during the year prior to the increase nor shall the rent ever be less than the annual rent applicable during such preceding year.

Rental History

Building 40 & 41 - \$52,675.00 (\$4,389.58 monthly) - As of 10/1/03 - No CPI Increase

Rental Rate - \$5,267.50 - 4/1/09

November 19, 2007 Appraisal

SF	Rate	Annual
2415	\$5.50	\$13,282.50
4935	\$5.50	\$27,142.50
5600	\$5.00	\$28,000.00
32165	\$0.20	\$6,433.00
5690	\$0.20	\$1,138.00
39125	\$0.20	\$7,825.00
Annual		\$83,821.00
Monthly		\$6,985.08
\$52,674.96 x 20% =		\$63,209.95
Monthly		\$5,267.50

Sheltair Space Coast, LLC*

Todd Anderson
14720 Kitlanselt Way
Orlando, FL 32828

Lease Description

Lease Date: 11/21/01

Land Lease: 1.12 Acres (48,787.2 SF) Adjusted to 1.088 acres

Term: 30 years with option of 1 additional ten-year period.

Insurance Requirements

Property Insurance on and for all improvements, equipment, furnishings and other personal property on a replacement cost basis. Automobile Liability on all vehicles used in connection to the operation. Commercial General Liability protecting the Authority in the amount of not less than \$1,000,000 per occurrence. Workers Compensation in the amount of not less than \$500,000 per accident.

Annual Rental Rate

CPI Increase Annually, not to exceed 4%.

Beginning January 1, 2008 and every 5 years thereafter through the end of the *initial term*, the annual rent shall be adjusted by reappraisal to 10% Fair Market Value of the premises including improvements made by the Authority; however, in no event shall an increase in annual rent exceed 20% of the annual rent for the premises applicable during the first year of the proceeding 5 year period nor shall the annual rent ever be less than the annual rent applicable in the year prior to the scheduled increase.

Beginning January 1, 2033 and every five years thereafter through the end of the *extension term*, the annual rent shall be increased by reappraisal to 10% Fair market Value; however, in no event shall an increase in annual rent exceed 20% of the annual rent for the premises applicable during the first year of the proceeding 5 year period nor shall the annual rent ever be less than the annual rent applicable in the year prior to the scheduled increase.

Rental History

Rent Begins: \$434.44 (5,213.28) – 10/1/03 reduced acres 10/20/03

Rental Rate: \$447.47 - 11/21/03 - 3% CPI

Rental Rate: \$455.07 - 11/21/04 – 1.7% CPI

Rental Rate: \$468.73 - 11/21/05 – 3% CPI

Rental Rate: \$485.60 - 11/21/06 – 3.6% CPI

Rental Rate: \$503.09 – 11/21/07 – 2.4% CPI

Rental Rate: \$521.33 – 11/21/08 – 20% 1st Year of proceeding 5 years.

SF	Rate	Annual
48787.2	\$0.15	\$7,318.08
	Monthly	\$609.84
5213.28 x 20%		\$6,255.94
	Monthly	\$521.33
Not to exceed 20%		

Rental Rate: \$522.37 – 11/21/09 – .2% CPI

Rental Rate: \$533.34 – 11/21/10 – 2.1% CPI

Rental Rate: \$544.54 – 11/21/11 – 2.1% CPI

Rental Rate: \$560.33 – 11/21/12 – 2.9% CPI

Rental Rate: \$571.54 – 11/21/13 – 2% CPI

Rental Rate: \$577.82 – 11/21/14 – 1.1% CPI

Professional Aircraft

Goldstein Management
150 Metro Park
Rochester, NY 14623

Lease Description

Lease Date: 2/11/03

Term: 30 years from rent commencement date of 2/11/03.

Option: Additional 10 yrs.

Deposit of \$7,500.00 – received 11/2002

Leased Premises

Land Lease: 3.55 acres (154638 SF) at \$.099 per SF

Insurance Requirements

Property Insurance on and for all improvements, equipment & furnishings and other personal property on a replacement cost basis. Automobile Liability Insurance for all vehicles used in connection with its operation and Commercial General Liability Insurance protecting the Authority and Lessee on liabilities arising out of Lessee's permitted uses of not less than \$1,000,000. Workers Compensation as required by statute.

Annual Rental Rate

On the fifth anniversary of the rent commencement date and on each fifth anniversary thereafter the annual rent shall be adjusted to 10% of the fair market value.

Tenant will notify landlord 180 days prior to rent adjustment date as to their opinion of said value.

Rental Rate: \$15,309.00 Annually - \$1,275.76 plus tax monthly

Rental Rate: \$23,195.70 annually - \$1,932.98 plus tax monthly 2/11/08.

No CPI Increase

SF	Rate	Annual
154638	\$0.15	\$23,195.70
	Monthly	\$1,932.98

**New Space Center. LLC
5535 Grand Blvd.
New Port Richey, FL 34652**

Lease Description

Lease Date: 12/1/08

Term: 20 years

Commencement date: 12/1/12 Rent Begins

Option: Additional 2 five yr extensions

Late Fee: 5% of outstanding balance

73.6 Acres

Grove Lease
Crisafulli Enterprises, Inc.
5525 North Courtenay Pkwy
Merritt Island, FL 32953

Lease Description

Date of Lease: 11/1/09

Term: 5 years w/1 additional five years

Expiration date: 11/1/14

Rent

Lessee shall market the citrus crop currently on site through the duration of the lease with income to be used as reimbursement for maintenance & related expenses on site. Any income that exceeds the expense will be shared 50/50 with the Lessor.

Insurance Requirements

Lessee agrees to carry Liability Insurance having a minimum of \$1,000,000. Single limit on any one accident with the Airport Authority listed as additional insured

This lease never started.

NEK

Lease Description

Lease Date: 9/1/12

Terms: 1 year

Lease Expiration: 9/1/13

Late Fee: 18% per annum

Leased Premises

East Wing Admin Building: 1150 SF @ \$12.35 SF

Parking: 900 SF @ \$0.28 SF

CAM FEES: \$275.00 month

Insurance Requirements

Automobile Liability Insurance on all vehicles used in connection with its operation. Commercial General Liability protecting the Authority & Lessee against all liabilities arising out of Lessee's permitted uses of not less than \$5,000,000 per occurrence with no self-insured retention or deductible amount. Workers Compensation liability of not less than \$500,000 for each accident.

Rental History

Rental Rate: \$1,205.29 + \$275.00 - 9/1/12

Rental Rate: \$1,240.24 + \$275.00 - 9/1/13 Cam Fees to be adjusted – 2.9% CPI

Rental Rate: \$1,364.28 + \$275.00 – 9/1/14 Renewal Rate

Valiant Air Command

Lease date: 10/1/88

Land Lease - 9.36 acres = 408418.56 sf

Terms - 20 years

Options - 4 additional 5 year terms upon written notice.

The cost of buildings will be considered prepayment of all rents for the initial 20 year term of the lease.

Each renewal shall be granted by lessor based on actual cost of additional improvements to the property prior to each renewal term of at least \$162,500. For each five year term.

The cost of buildings and improvements completed subsequent to the initial construction and prior to the expiration of the first term will be considered in the calculations for the five year renewal, if lessee elects to accept the option.

Lease Expires - 10/1/2008

First 5 Year Option – 10/1/2013

10/16/2014

Skydive Space Center, Inc.

Mr. Greg Nardi
476 N. Williams Ave.
Titusville, FL 32796

Lease Description

Lease Date: 9/1/02
Term: 10 years
Option: 2 additional 5 years
Renewal: 9/1/12
Expiration: 9/1/22

Leased Premises

Building 24: 6400 SF
Office: 1200 SF
Building 11: 1440 SF
Building 9: 6000 SF
Acc. Structures: 1740 SF
Fuel Farm: 960 SF
Apron: 88130 SF
Parking: 10660 SF
Land: 73630 SF
Percentages : .05 cents per gallon fuel delivered
Late Fee: 18% per annum.

Insurance Requirements

Automobile Liability Insurance, Commercial General Liability in the amount of not less than \$1,000,000.

Annual Rental Rate

Current Rate - \$4,133.03 – Beginning October 1, 2007 and every five years thereafter through the initial term, the annual rent shall be adjusted by reappraisal to 10% of fair market of the premises including improvements however in no event shall the increase in rent exceed 15% of the annual rent for the year prior to the scheduled increase.

Appraisal shall be done within 24 months before the date on which an adjustment to the annual rent is to become effective.

“There is no clause limiting a decrease in rent due to the appraisal.”

Rental History

Rental Rate: 9/1/03 – \$4,178.49 - 1.1% CPI Annual \$50,142.00
Rental Rate: 9/1/04 – \$4,303.84 - 3% CPI
Rental Rate: 9/1/05 – \$4,377.00 - 1.7% CPI
Rental Rate: 9/1/06 – \$4,508.32 - 3% CPI
Rental Rate: 9/1/07 – \$4,670.61 - 3.6% CPI
Rental Rate: 9/1/08 – \$4,782.71 - 2.4% CPI
Rental Rate: 9/1/09 - \$4,996.67 - Appraised Rate

November 19, 2007 – Appraisal

6400	\$4.50	\$28,800.00
1440	\$2.75	\$3,960.00
6000	\$1.00	\$6,000.00
1740	\$1.00	\$1,740.00
960	\$1.00	\$960.00
88130	\$0.15	\$13,219.50
10660	\$0.15	\$1,599.00
73630	\$0.05	\$3,681.50

Annual Rent \$59,960.00

Monthly Rent \$4,996.67

Rental Rate: 9/1/10 - \$5,006.66 – 0.2% CPI

Rental Rate: 9/1/11 - \$5,111.80 – 2.1% CPI

10/16/2014

Rental Rate: 9/1/12 - \$5,219.15 - 2.1% CPI

Rental Rate: 9/1/13 - \$5,370.50 - 2.9% CPI

Rental Rate: 9/1/14 - \$5,477.92 - 2% CPI

Rental Rate: 9/1/15 - \$5,538.17 - 1.1% CPI

10/16/2014

Brevard County Parks & Recreation

Mr. Terry Lane
475 N. Williams Ave.
Titusville, FL 32796

Lease Description

Lease Date: 5/5/83

Terms: 15 years beginning 4/1/83

Expiration: 3/31/98

Addendum A: Adjust rental rate to \$236.00 monthly beginning 10/1/93 and add five-year options.

Lease Amendment: 4/14/98 - Exercise 1st 5-year option to expire 3/31/03. Rental Rate to \$248.00 monthly. Add CPI adjustments annually on April 1.

Lease Amendment: 3/18/03 – Exercise 2nd 5-year option to expire 3/31/08. Rental Rate to \$507.00 monthly.

Leased Premises

Buildings A & B: 2,640 SF

Buildings P & S: 4,530 SF

Paved Area: 22,580 SF

Unpaved Area: 27,910 SF

Total SF: 57,660 or 1.324 acres

Insurance Requirements

Lessee agrees to keep all buildings on the demised premises fully covered with insurance against damage or loss from fire or other casualty in the minimum amount equal to the full insurable value.

Rental History

Rental Rate: 4/1/02 – 288.27 monthly

Rental Rate: 4/1/03 - \$507.00 – 1.1 % CPI

Rental Rate: 4/1/04 - \$522.21 – 3% CPI

Rental Rate: 4/1/05 - \$531.08 – 1.7% CPI

Rental Rate: 4/1/06 - \$547.01 – 3% CPI

Rental Rate: 4/1/07 - \$566.70 – 3.6% CPI

Rental Rate: 4/1/08 - \$580.30 – 2.4% CPI

Rental Rate: 4/1/09 - \$603.51 – 4% CPI

Rental Rate: 4/1/10 - \$604.72 – 0.2% CPI

Rental Rate: 4/1/11 - \$617.42 – 2.1% CPI

Rental Rate: 4/1/12 - \$630.38 – 2.1% CPI

Rental Rate: 4/1/13 - \$648.67 – 2.9% CPI

Rental Rate: 4/1/14 - \$661.64 – 2% CPI

Rental Rate: 4/1/15 - **\$668.91 – 1.1% CPI**

Lessee is responsible at its sole expense for re-shingling and exterior repairing and painting of Building A and exterior repairing and painting Building B.

10/16/2014

Airpark Golf Academy, Inc.

Mr. Joe Luthe
695 N. Singleton Ave.
Titusville, FL 32796

Lease Description

Lease Date: 8/30/02

Term: 5 years

Option: 1 consecutive 5 year period

Expires: 8/31/2012

Amendment: 11/20/06 Extend lease from 9/1/07 – 8/31/12 add two options to renew with Board approval. Extensions past 9/1/12 will require new appraisal.

Assignment of Lease: 12/20/06 Singleton Gold Range to Airpark Golf Academy

Leased Premises

Building: 860 SF

Shed: 110 SF

Overhangs/Canopies: 1980 SF

Trailer: 475 SF

Open Slab: 2220 SF

Parking: 8280 SF

Land: 341,785 SF

Optional Land: 37,679 SF

Insurance Requirements

Hazard Insurance on the property, all improvements, equipment, furnishings and other personal property, Automobile Liability, Commercial General Liability in the amount of not less than \$1,000,000. Workers Compensation with Liability limits of not less than \$500,000.

Annual Rent Rate

Beginning 9/1/07 the annual rent shall be adjusted by reappraisal to 10% of the fair market value of the premises including improvements. In no event shall an increase in annual rent exceed 25% of the annual rent for the premises applicable during the prior year to the scheduled increase.

CPI increases annually.

Late Fee: 18% Per Annum

"There is no clause limiting a decrease in rent due to the appraisal."

Rental History

Rental Rate: 9/1/02 to 8/31/03 - \$12,264.00 yr - \$1,022.00 monthly plus tax

Rental Rate: 9/1/03 to 8/31/07 - \$14,228.00 plus CPI 1.1% = \$1198.71 monthly

Rental Rate: 9/1/04 - \$1,234.67 - 3% CPI

Rental Rate: 9/1/05 - \$1,255.65 - 1.7% CPI

Rental Rate: 9/1/06 - \$1,293.33 - 3% CPI

Rental Rate: 9/1/07 - \$1,339.88 - 3.6% CPI

Rental Rate: 9/1/08 - \$1,372.05 - 2.4% CPI

Rental Rate: 9/1/09 - \$1,426.93 - 4% CPI Per M. Powell

November 19, 2007 - Appraisal

355710	\$0.10	\$35,571.00
Monthly		\$2,964.25

Not to exceed 25%		\$1,715.06
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Rental Rate: 9/1/10 - \$1,429.78 - .02% CPI

Rental Rate: 9/1/11 - \$1,459.81 - 2.1% CPI

Rental Rate: 9/1/12 - \$1,490.46 - 2.1% CPI

Rental Rate: 9/1/13 - \$1,533.69 - 2.9% CPI

Rental Rate: 9/1/14 - \$1,564.36 - 2% CPI

Rental Rate: 9/1/15 - \$1,581.56 - 1.1% CPI

10/16/2014

Patricia Patch
3129 Casper Place
Titusville, FL 32780

Land lease

Lease Description

Lease Date: 4/1/89

Terms: 20 years

Options: none

Expiration: 4/1/09 Property reverts to Lessor. Tenancy from month to month at end of lease.

Leased Premises

Building 13: constructed by Lessee

Land: 3840 SF – 60'X60' area, additional 12'x20' for access ramp.

Insurance Requirements

Comprehensive General Liability Insurance protecting, Lessee, Lessor and the members, officers, agents and employees of each of no less than \$300,000.combined single limit. Fire and extended coverage insurance on the full insurable value of the Leasehold.

Annual Rent

The annual rental for the Lease premises will, during the first 5 years, be calculated on the basis of 12% of the fair market value per annum. Initial annual rental rate \$2,688.00.

Rental adjustment every 5 years by reappraisal excluding improvements not to exceed 25% from one 5 year period to the next, and in no event shall said rent be decreased from the amount required to be paid during any previous five year period.

Rental History

Rental Rate - \$255.38 - 4/1/02 - monthly

Rental Rate - \$258.19 - 4/1/03 - 1.1% CPI

Rental Rate - \$265.94 - 4/1/04 - 3% CPI

Rental Rate - \$270.46 - 4/1/05 - 1.7% CPI

Rental Rate - \$278.57 - 4/1/06 - 3% CPI

Rental Rate - \$288.60 - 4/1/07 - 3.6% CPI

Rental Rate - \$295.52 - 4/1/08 - 2.4% CPI

Rental Rate - \$307.34 - 4/1/09 - 4% CPI

November 19, 2007 - Appraisal

SF	Rate	Annual
3840	\$0.10	\$384.00

CPI used for annual increase FY 0809.

Rental Rate: \$307.96 - 4/1/10 - 0.2% CPI

Rental Rate: \$314.42 - 4/1/11 - 2.1% CPI

Rental Rate: \$321.03 - 4/1/12 - 2.1% CPI

Rental Rate: \$330.33 - 4/1/13 - 2.9% CPI

Rental Rate: \$336.94 - 4/1/14 - 2% CPI

Rental Rate: \$340.64 - 4/1/15 - 1.1% CPI

10/16/2014

Sheltair Dunn, LLC

Todd Anderson
14720 Kitlanselt Way
Orlando, FL 32828

Land Lease

Lease Description

Lease Date: 11/21/01

Terms: 30 years with option of 1 additional 10-year period.

Expiration: 11/21/31

Leased Premises

Area 1: .68 acres = 29620.8 SF

Area 2: 1.04 acres = 45302.4 SF

Area 3: .71 acres = 30927.6 SF

Insurance Requirements

Property Insurance on the building and all improvements, equipment, furnishings and other personal property. Automobile Liability and Commercial General Liability in the amount of not less than \$1,000,000. Workers Compensation of not less than \$500,000 /each accident.

Annual Rent

Beginning 11/21/01 and ending 12/31/07 ground rent shall be \$11,644.00, CPI Increase Annually, not to exceed 4%.

Beginning 1/1/08 and every five years thereafter through the end of the term, the annual ground rent shall be adjusted by reappraisal to 10% fair market value of the premises including improvements. In no event shall an increase in ground rent exceed 20% of the annual ground rent during the first year of the proceeding five year period nor shall rent ever be less than the annual rent in the year prior to the scheduled increase.

Annual Investment fee of 7% on the \$432,000.00 grant used to construct hangars of \$30,240.00 for the life of the term.

Rental History

Rental Rate: \$970.33 – November 2003 - 3% CPI

Rental Rate: \$986.83 – November 2004 - 1.7% CPI

Rental Rate: \$1,016.43 - November 2005 - 3% CPI

Rental Rate: \$1,053.02 – November 2006 -3.6% CPI

Rental Rate: \$1078.29 – November 2007– 2.4% CPI

Rental Rate: \$1121.42 - November 2008 - 4% CPI

3/21/08 Appraised Rate calculation.

SF	Rate	Annual
29620.8	\$0.10	\$2,962.08
45302.4	\$0.10	\$4,530.24
30927.6	\$0.10	\$3,092.76
Annual		\$10,585.08
Monthly		\$882.09

Rent shall never be less than prior year.

Rental Rate: \$1,123.66 – November 21, 2009 – .2% CPI

Rental Rate: \$1,147.25 – November 21, 2010 – 2.1% CPI

Rental Rate: \$1,171.35 – November 21, 2011 – 2.1% CPI

Rental Rate: \$1,205.31 – November 21, 2012 – 2.9% CPI

Rental Rate: \$1,229.42 – November 21, 2013 – 2% CPI

Rental Rate: \$1,242.94 – November 21, 2014

– 1.1% CPI

10/16/2014

Phoenix Design & Integration, LLC.
Bob Schaller
3285 Westwood Dr.
Titusville, FL 32796

Lease Description
Lease Date: 9/1/2012
Terms: 3 years
Expiration: 9/1/15

Leased Premises
385 N. Singleton Ave.
Titusville, FL 32780

Insurance Requirements

Property Insurance on the building and all improvements, equipment, furnishings and other personal property. Automobile Liability and Commercial General Liability in the amount of not less than \$1,000,000. Workers Compensation of not less than \$500,000 /each accident.

Annual Rent

Annual Rent will begin at \$25,000.00 Annually with CPI increases upon the anniversary date each year.

Rental Rate: \$2,083.33 – 9/1/12
Rental Rate: \$2,143.75– 9/1/13 – 2.9% CPI
Rental Rate: \$2,186.62- 9/1/14 – 2% CPI
Rental Rate: \$2,210.67- 9/1/15 – 1.1% CPI

**ADDENDUM B - Slack, Johnston & Magenheimer General Aviation Airport
Survey**

General Aviation Airport Summary - Florida 2013-14

Prepared By: Slack, Johnston & Magenheimer, Inc.
7245 SW 87 Avenue, Suite 300
Miami, Florida 33173
305-670-2111
E-mail: SJMiami@aol.com

Slack, Johnston & Magenheimer's 2013-14 general aviation airport survey included 58 airports within Florida. The 2013-14 survey was our 19th state-wide survey and included a variety of general aviation, non-hub commercial and small hub commercial airports with greater than +/-30,000 annual operations. Large and medium hub commercial airports were excluded from the survey. The primary focus of our survey was rental rates and charges for airport properties, including both aviation and non-aviation uses. The airports have been classified based on location, physical size, annual operations, based aircraft and fuel flowage. The data collected includes statistical information, as well as rates and charges information, for various types of airport properties.

The rates and charges information included fuel flowage fees, ground, pavement and building rental rates, as well as a variety of aircraft storage rates including tie downs, T, shade, corporate and community hangars. The survey results have been summarized into selected categories and represent only a portion of the information gathered. Due to the limitations in the information described in this summary, care should be exercised in relying solely upon this summary for comparative purposes.

Slack, Johnston & Magenheimer's 2013-14 survey continues to indicate that, although there is a wide variation in geographic locations and non-aviation property values throughout the state, there is less of a variation in rental rates and charges for various components at general aviation airports. In our summary, the state was divided into four geographic regions. A list of the airports surveyed, as well as a state map delineating the geographic divisions is attached.

The scope of our survey included email questionnaires and personal telephone interviews with airport managers and fixed base operators (FBOs) conducted during mid-2014. In addition, our analysis included a review of several secondary general aviation data sources. These included the Florida Department of Transportation Florida Aviation System Plan and Federal Aviation Administration reports, as well as various third party data sources.

The latest airport activity information indicates general aviation activity in Florida continues to feel the impacts of overall economic conditions. While many sources report the economy is recovering at record pace, there remains little palpable evidence in Florida's general aviation industry. Many are concerned current activity levels could represent the "new normal", although there do appear to be blue skies ahead. There continues to be positive trends in fuel flowage in many areas and pilot training continues to grow in many regions. The more successful airports appear to be those who are receptive to innovation and change.

General aviation activity at the airports surveyed continues to indicate overall stability, with some modest growth in fuel flowage. It was noted the rate of decline has slowed in most categories, and overall general aviation activity has mostly stabilized over the past 5 years, albeit about 10%-15% less than the preceding 5 years. The price of av gas, the aging aircraft fleet and aging pilot population continue to impact general aviation activity.

The 2013-14 survey includes charts of regional airport activity including operations, based aircraft and fuel flowage. The southeast region showed stable operations, with decreases in based aircraft and fuel flowage. The southwest region showed increases in based aircraft, and declines in both fuel flowage and operations. The northeast region showed stable based aircraft, declines in fuel flowage and increases in operations. The northwest region showed declines in annual operations and fuel flowage and increases in based aircraft.

In our continued effort to monitor the condition of the general aviation industry in Florida, we have reviewed the general aviation activity levels over the past several years, including the historic activity levels of annual airport operations and civilian airmen population. In addition, we continue to monitor the commercial aviation industry in Florida, including enplaned passengers and cargo activity.

Our analysis of the annual operations at Florida airports (excluding large and medium hubs) with FAA control towers built prior to 2002 indicates in 2013, total operations and general aviation operations increased about 2%. It is important to note, this is the second straight year of increases. A review of general aviation itinerant and local operations showed itinerant operations increased over 2%, while local operations increased over 4%. The rate of change, illustrates the positive trend and the aforementioned apparent increase in training activity.

Our analysis of the national population of civilian airmen showed stability in student pilots, with declines in total and private pilots. In Florida, the population of student pilots increased slightly, while total pilots were stable and private pilots declined. It was interesting to note, over the past 5 years, the population of total pilots has increased about 4% and student pilot population increased about 44%, while private pilots declined about 10% as compared to the preceding 5 year period. One might conclude the student pilots are typically non-residents that relocate after receiving their certifications.

A review of the commercial aviation activity of enplaned passengers and enplaned cargo tonnage indicates that activity continues to be primarily centered at Florida's large and medium hub airports. The number of enplaned passengers remained stable, while cargo declined slightly in 2013 as compared to 2012.

The aviation professionals around Florida remain optimistic. Stability in many regions is a welcome sight from past declines and increases are expected as markets realign. The brightest spot on the revenue landscape remains non-aviation development. Many airports have seen significant increases, particularly in more urban markets, as the supply of land available for non-aviation development declines and demand persists and includes new and different development models; including land lease development. Realistic perspectives remain important in the short and long term planning. Challenges with vacancies have persisted in some markets and may take some time to reach equilibrium. Diligence is required to recapture occupancy without eroding current rate structures.

The general aviation rates and charges indicate stability in most categories. The following information summarizes our survey. We look forward to continuing to serve the rates and charges and general real estate appraisal consulting needs of the Florida aviation community. Let us know if we can further assist you.

\\SURVEY1314

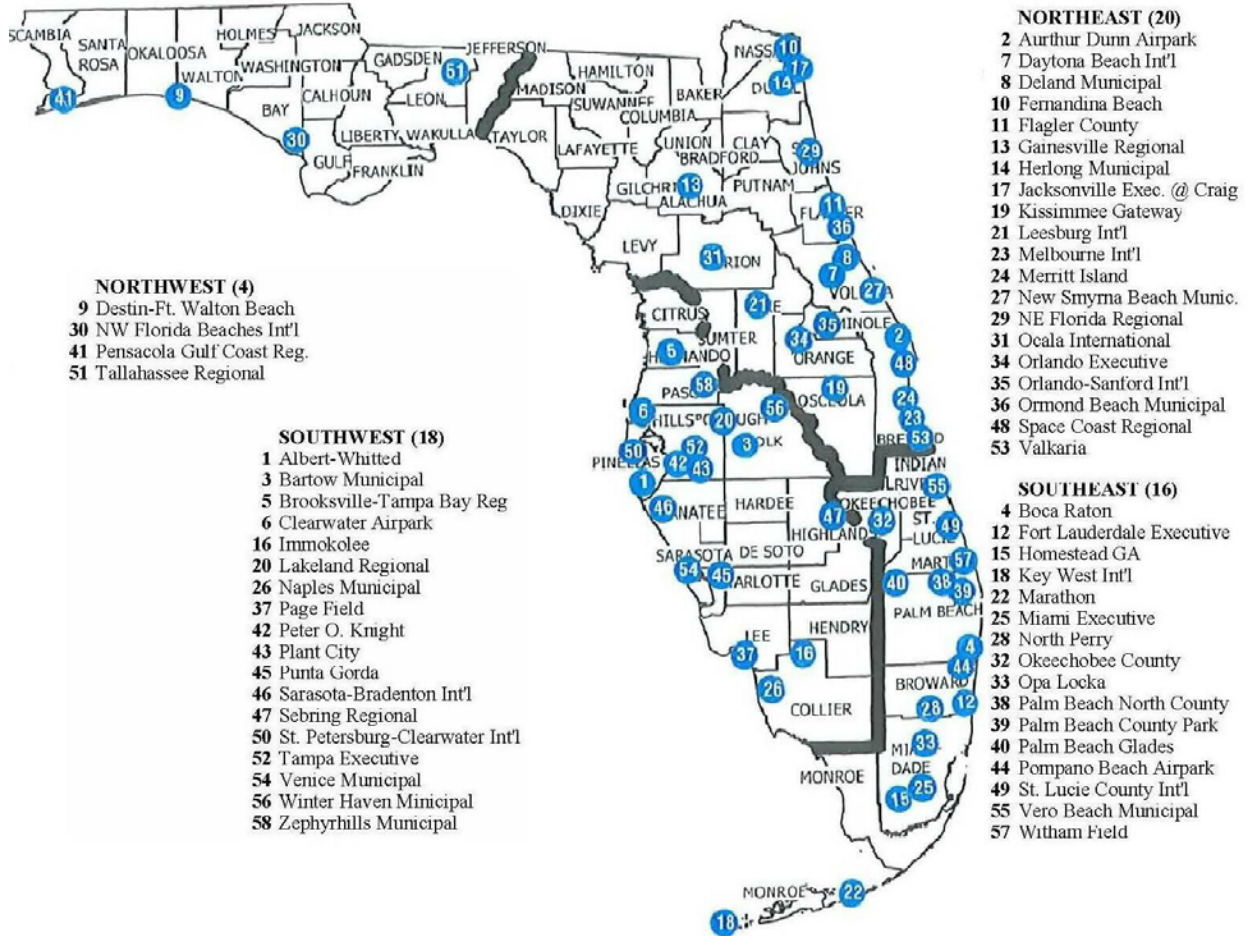
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General Aviation Airport Survey - Florida 2013-14

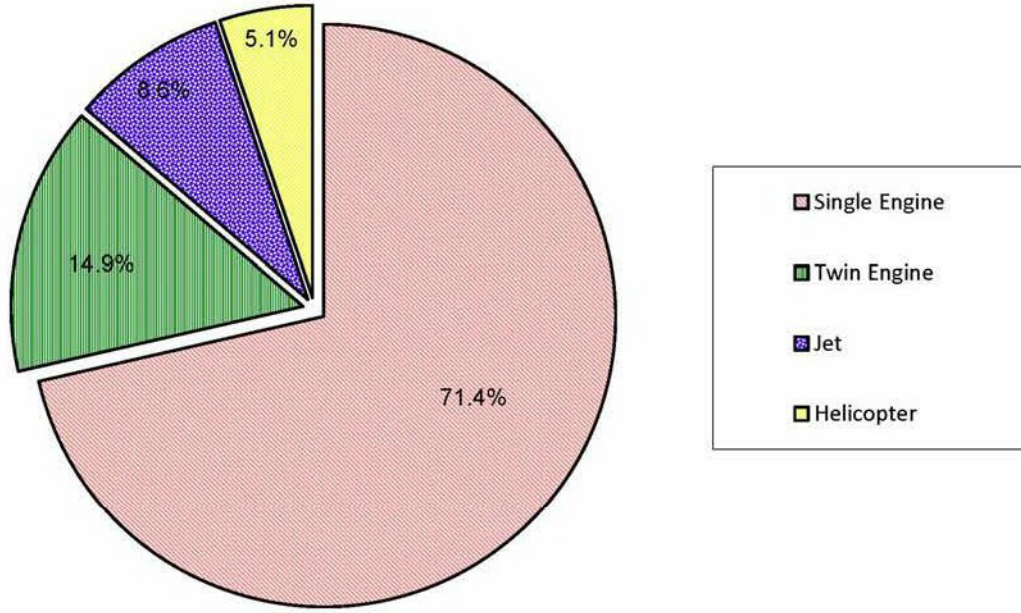
Prepared by: Slack, Johnston & Magenheimer, Inc.
7245 SW 87 Avenue, Suite 300, Miami, Florida
Phone: 305-670-2111 Email: SJMiami@aol.com

General Aviation, Non-Hub Commercial and Small-Hub Commercial Airports with > +/-30,000 Annual Op

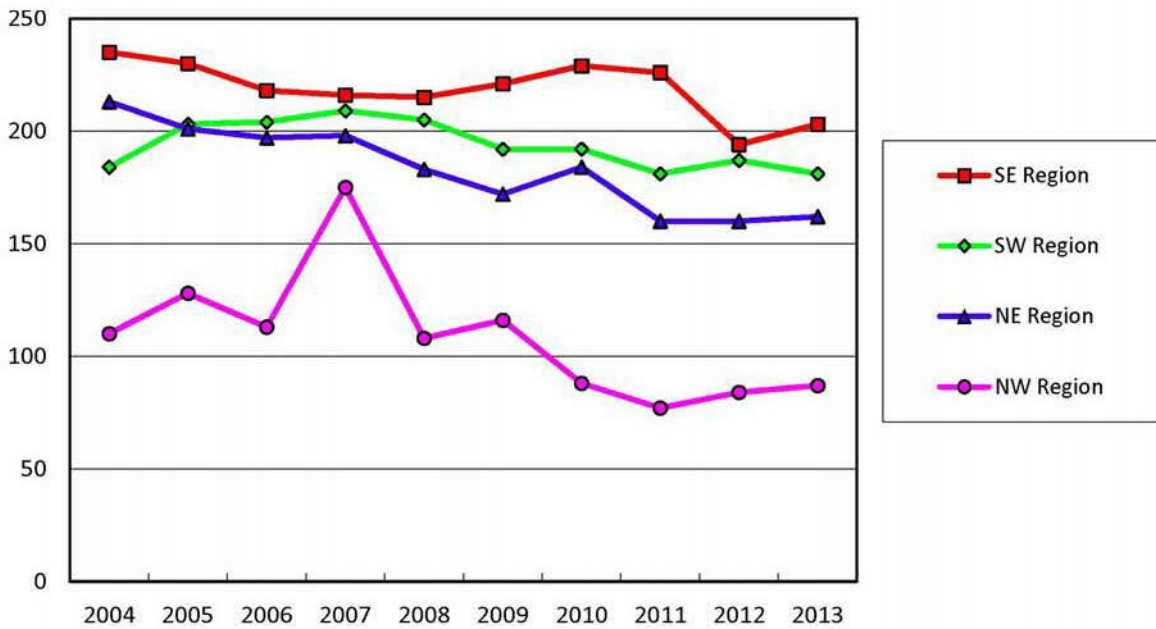
	Airports Surveyed	Airport Size (Acres)	Based Aircraft	Annual GA Operations	Annual GA Fuel Flowage	Fuel Flowage Fee (\$/gal.)	Annual Ground Rent (\$/Sq. Ft.)	Aircraft Storage				
								Tie-Down S.E. (\$/mo.)	T-Hangars S.E. (\$/mo.)	T.E. (\$/mo.)	Shade S.E. (\$/mo.)	
Total	58											
High		4,000	495	280,400	10,264,000	\$0.150	\$0.79	\$150.00	\$750	\$1,100	\$375	
Low		47	9	29,000	24,000	\$0.030	\$0.07	\$30.00	\$190	\$278	\$76	
Mean		1,152	174	88,500	1,266,800	\$0.067	\$0.24	\$77.50	\$357	\$495	\$185	
Southeast	16											
High		3,700	495	234,400	10,264,000	\$0.150	\$0.79	\$150.00	\$750	\$1,100	\$375	
Low		197	9	29,000	55,000	\$0.030	\$0.07	\$45.00	\$258	\$421	\$125	
Mean		1,045	203	99,300	2,338,800	\$0.073	\$0.24	\$103.30	\$511	\$708	\$211	
Southwest	18											
High		2,400	317	112,800	5,026,000	\$0.100	\$0.48	\$125.00	\$513	\$705	\$300	
Low		47	48	34,100	75,000	\$0.040	\$0.09	\$30.00	\$247	\$278	\$95	
Mean		989	181	64,800	862,900	\$0.063	\$0.25	\$68.60	\$326	\$430	\$181	
Northeast	20											
High		2,800	330	280,400	2,409,000	\$0.120	\$0.38	\$122.00	\$415	\$850	\$310	
Low		138	54	38,000	24,000	\$0.035	\$0.09	\$32.00	\$206	\$300	\$76	
Mean		1,210	162	110,000	738,600	\$0.063	\$0.22	\$65.50	\$296	\$444	\$162	
Northwest	4											
High		4,000	110	63,000	1,530,000	\$0.090	\$0.31	\$105.00	\$375	\$340	n/a	
Low		395	42	31,200	750,000	\$0.050	\$0.08	\$60.00	\$190	\$280	n/a	
Mean		2,024	87	45,500	1,172,500	\$0.067	\$0.25	\$77.50	\$265	\$310	n/a	

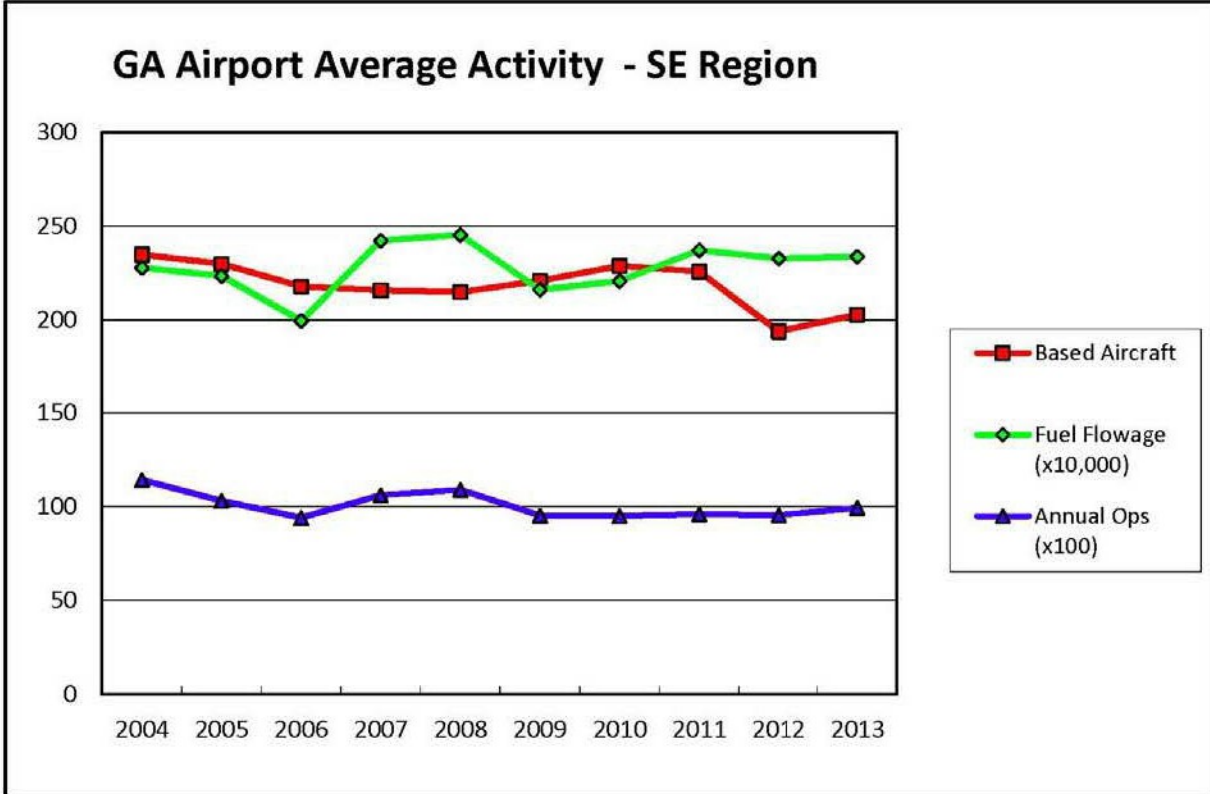
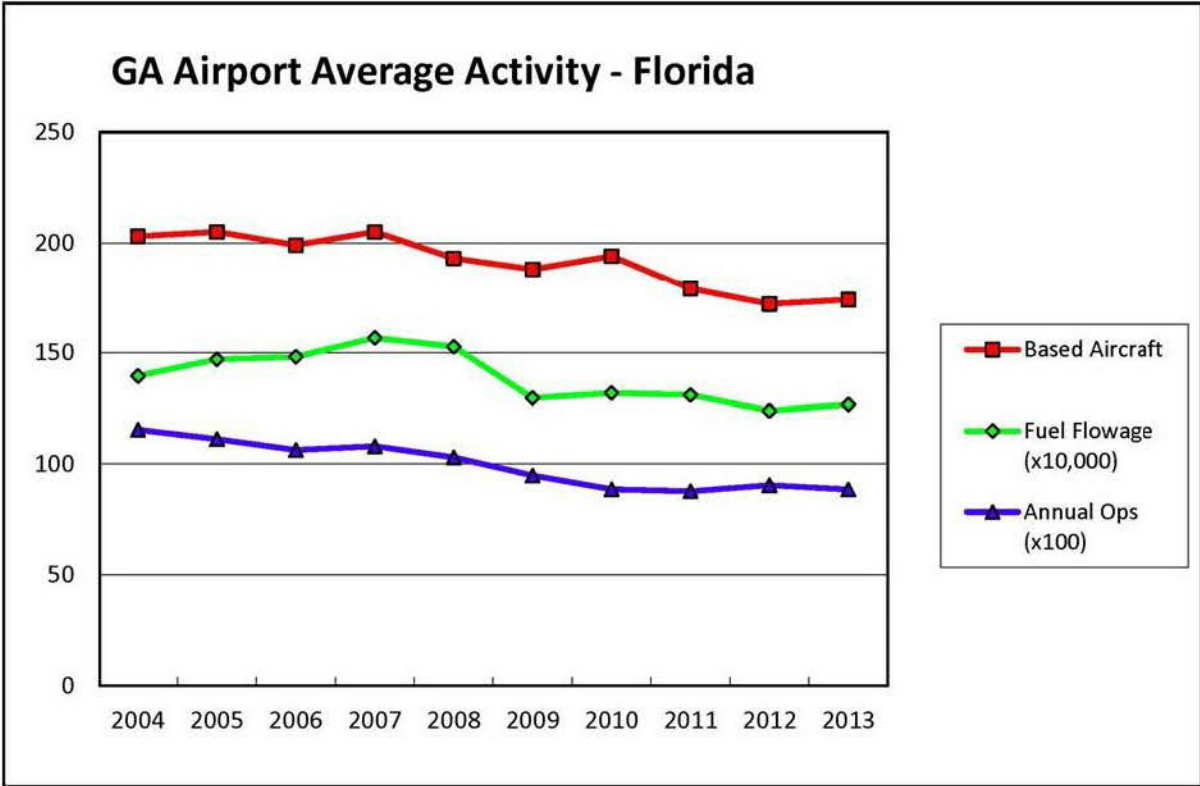


GA Airports Average Based Aircraft Distribution - 2013-14

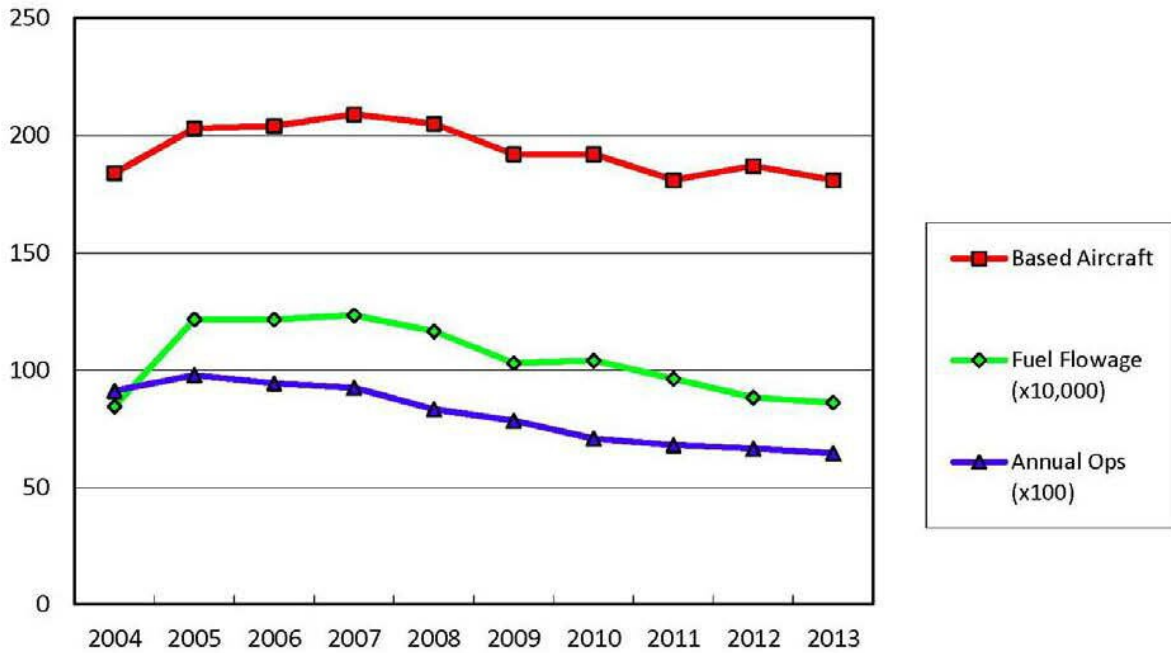


GA Airport Average Based Aircraft-By Region

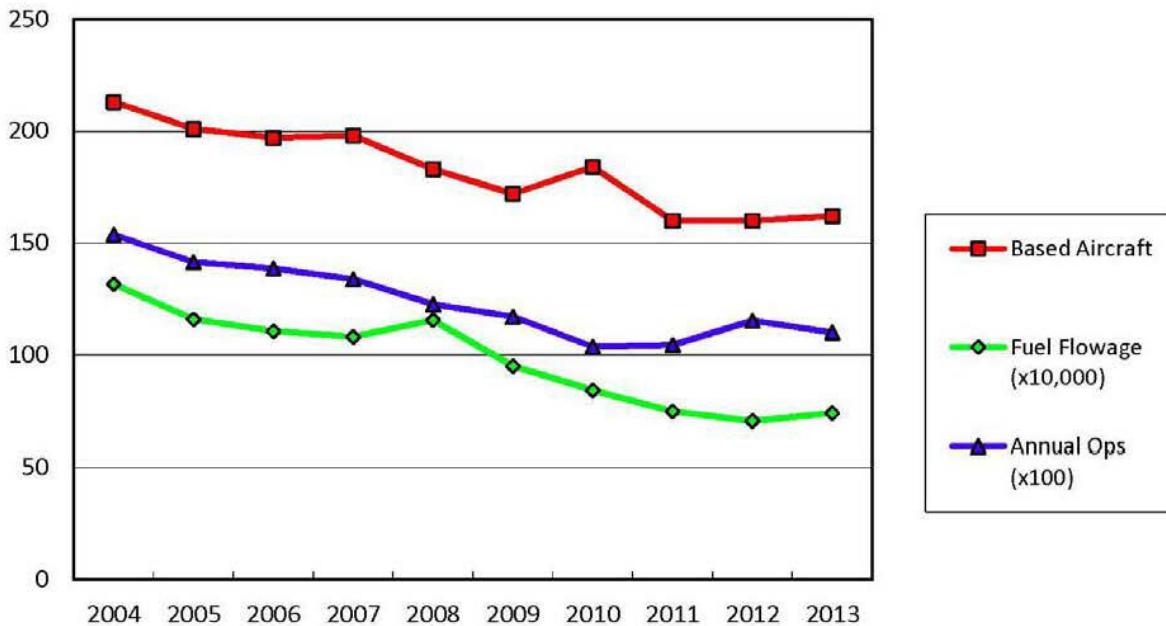




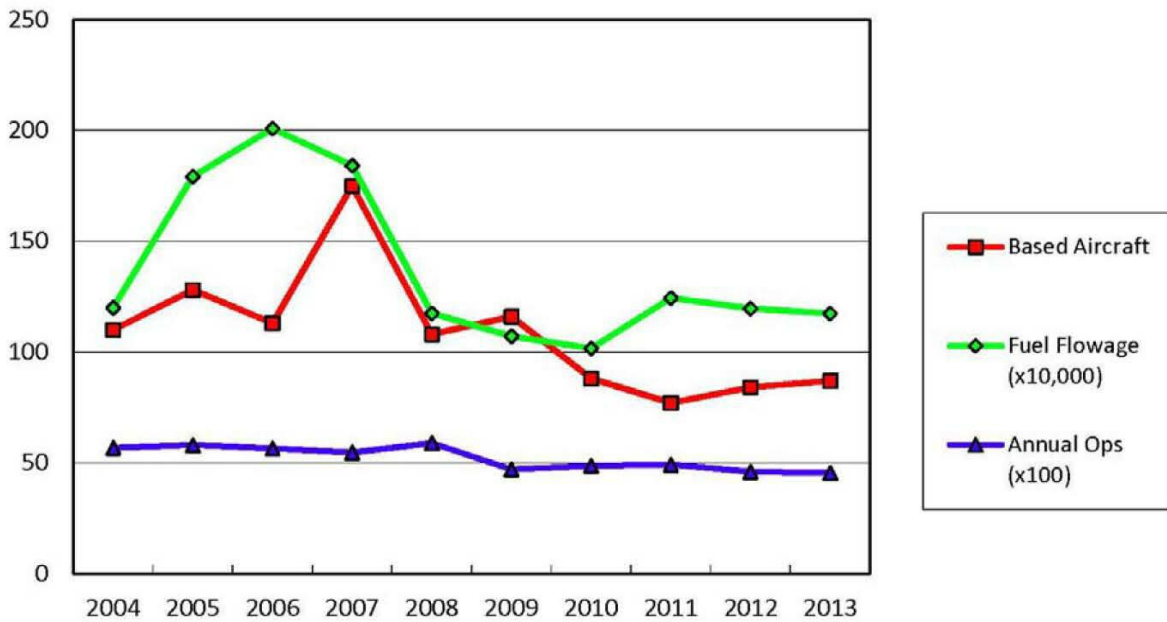
GA Airport Average Activity - SW Region



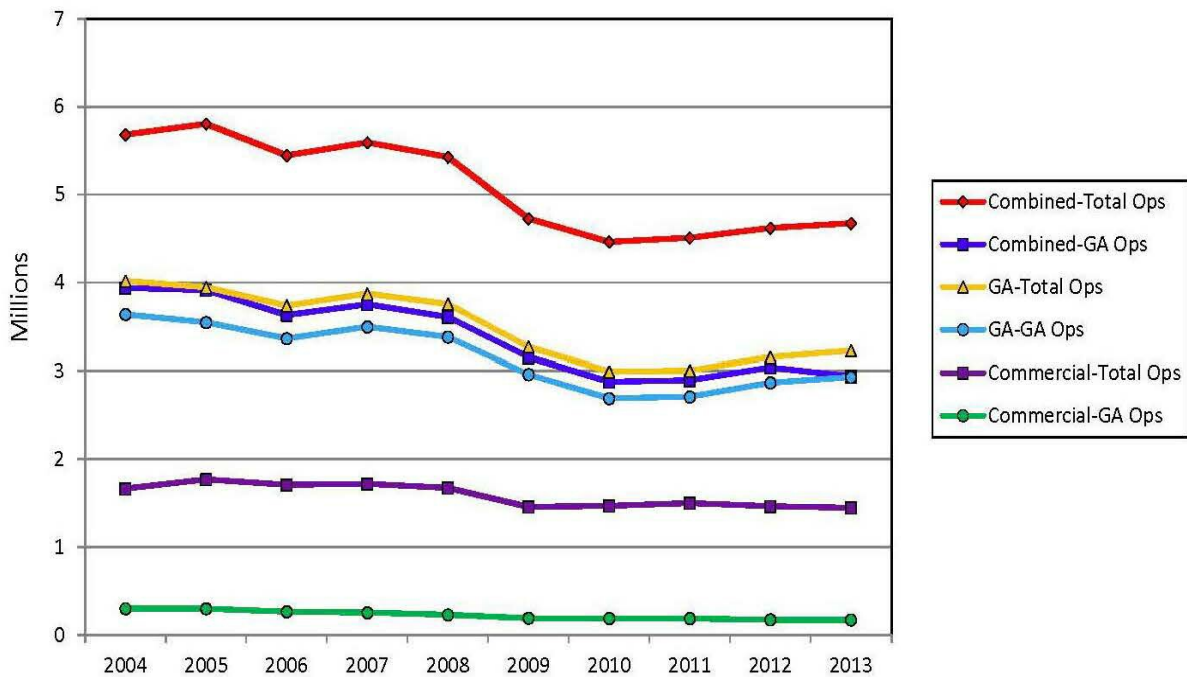
GA Airport Average Activity - NE Region



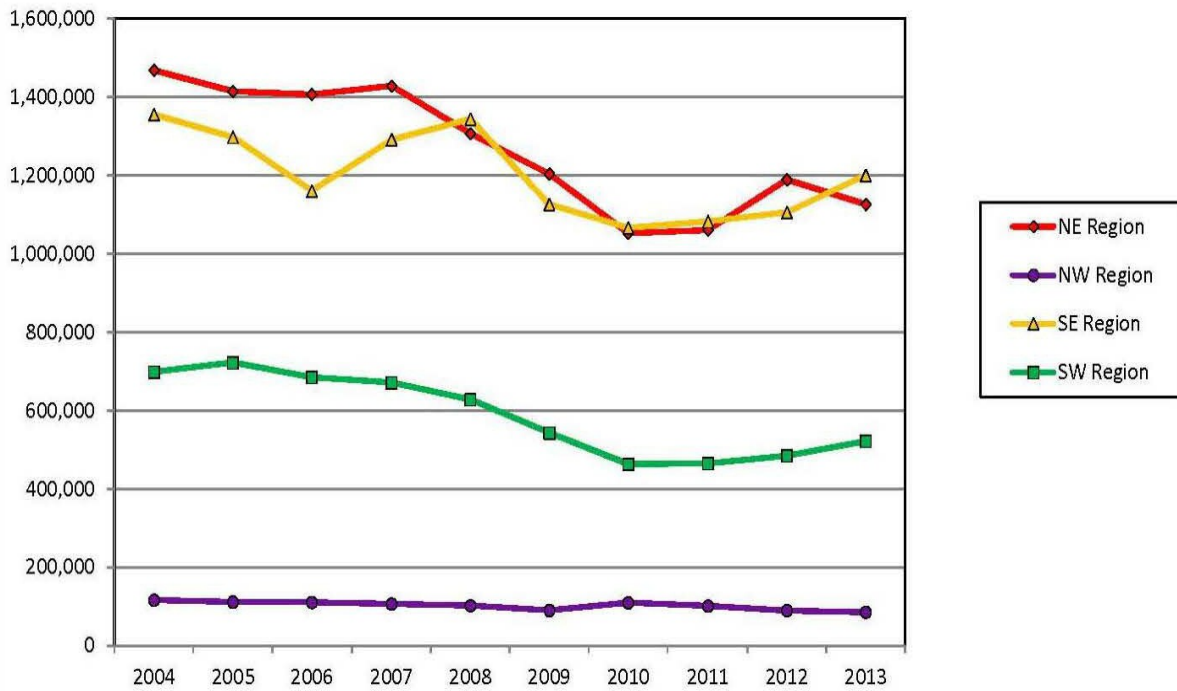
GA Airport Average Activity - NW Region



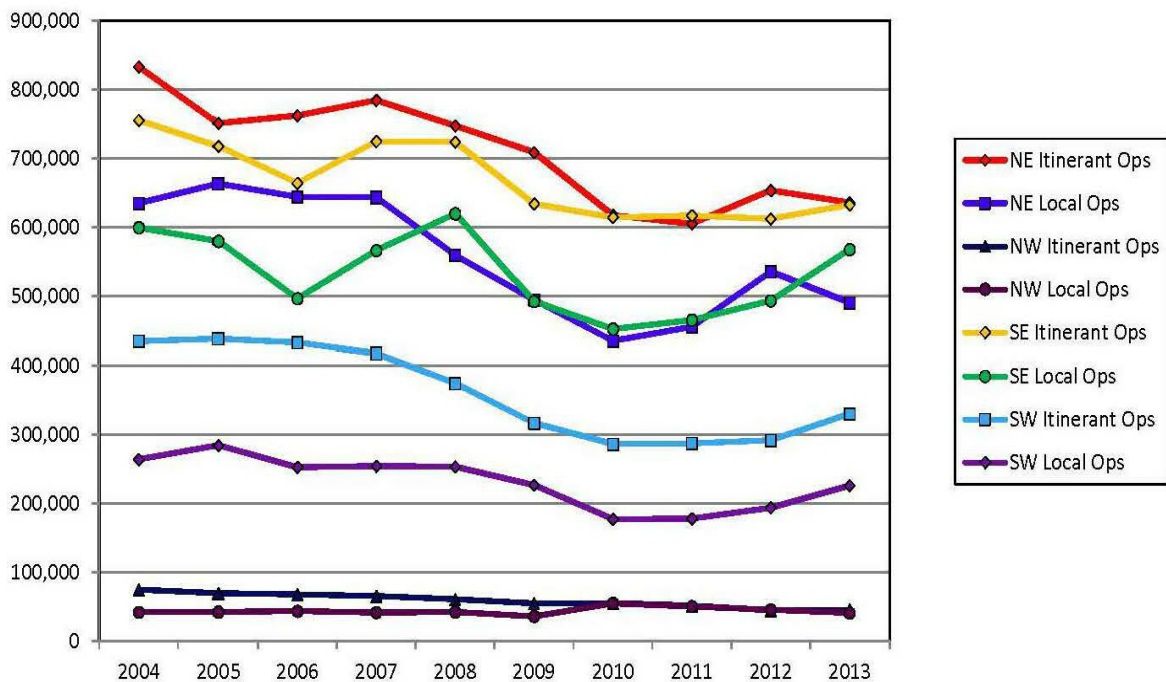
Annual Operations at Florida Airports

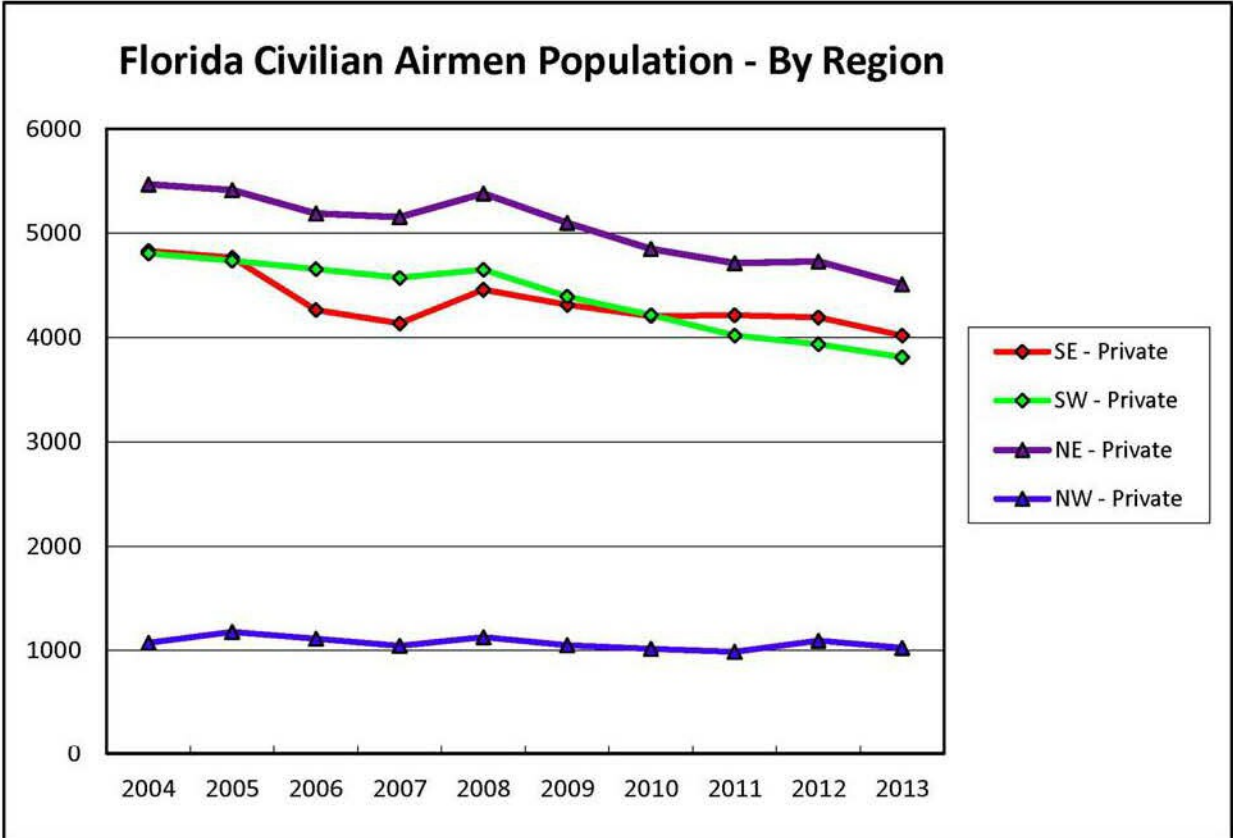
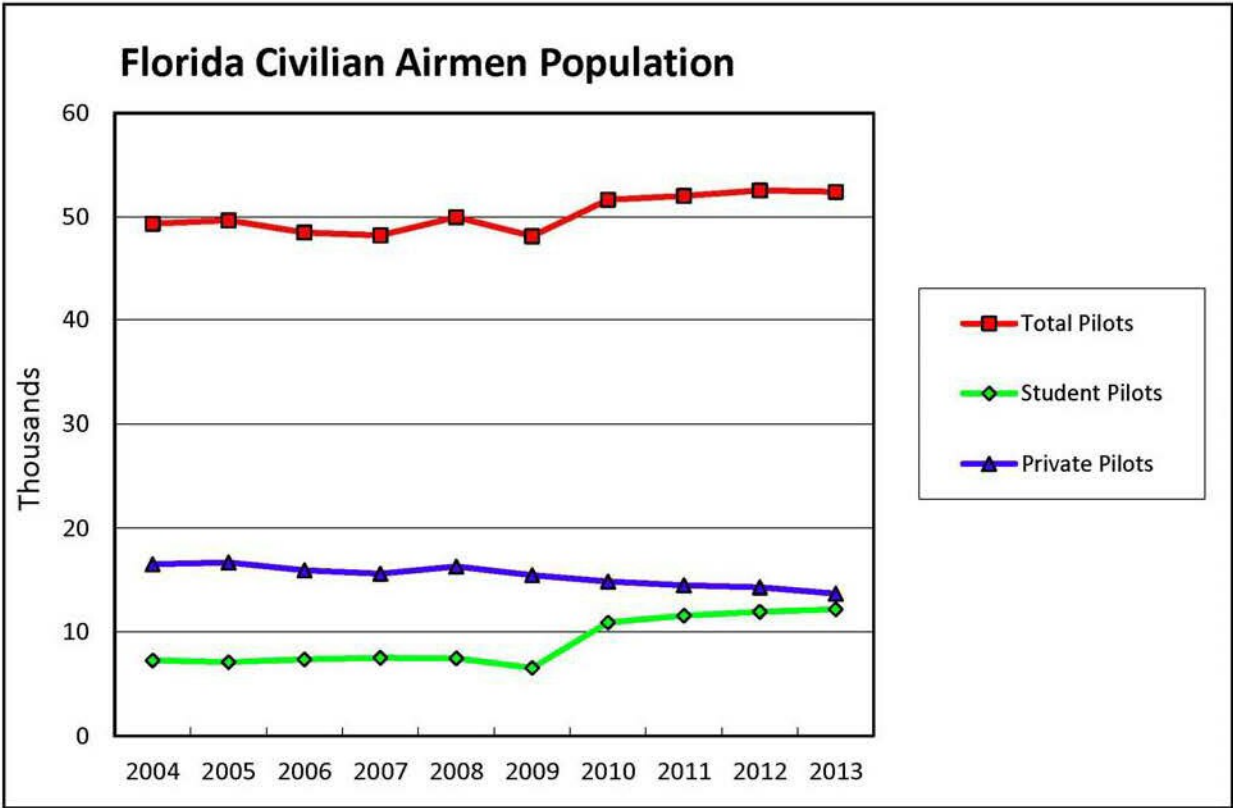


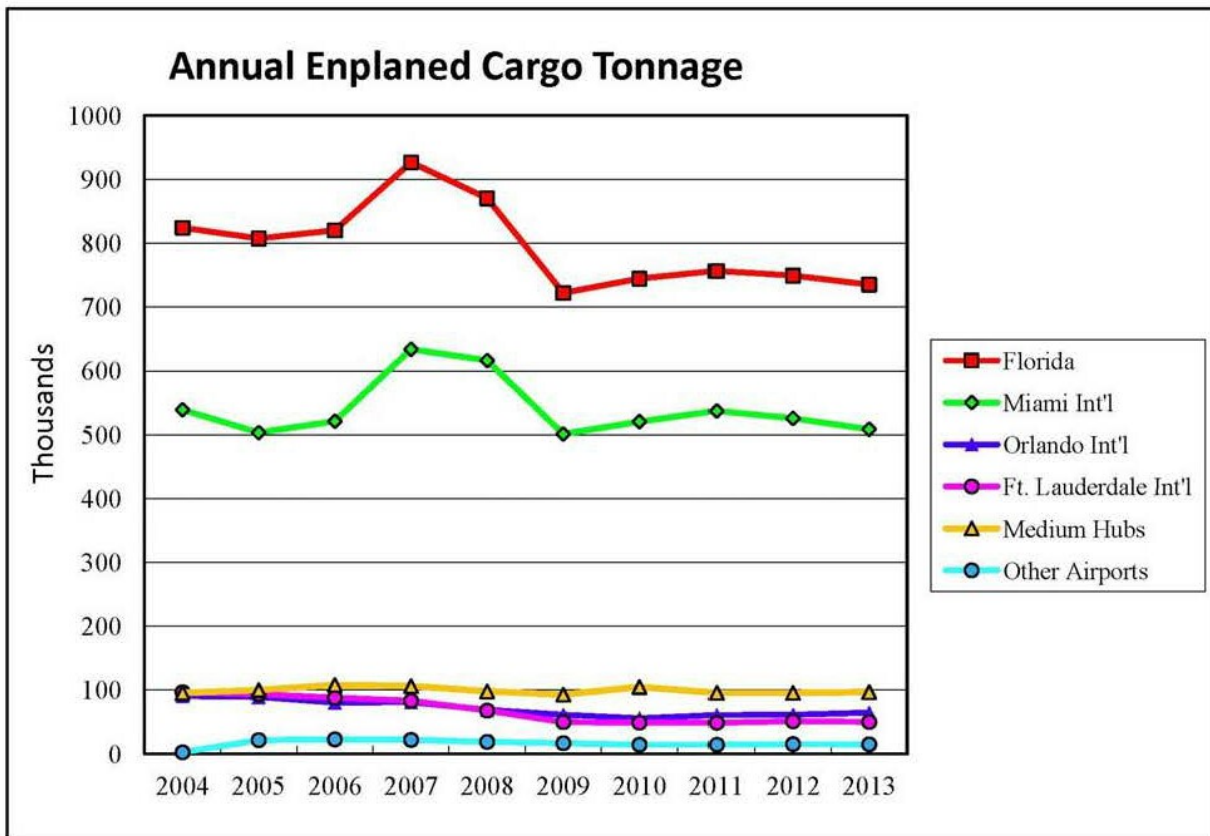
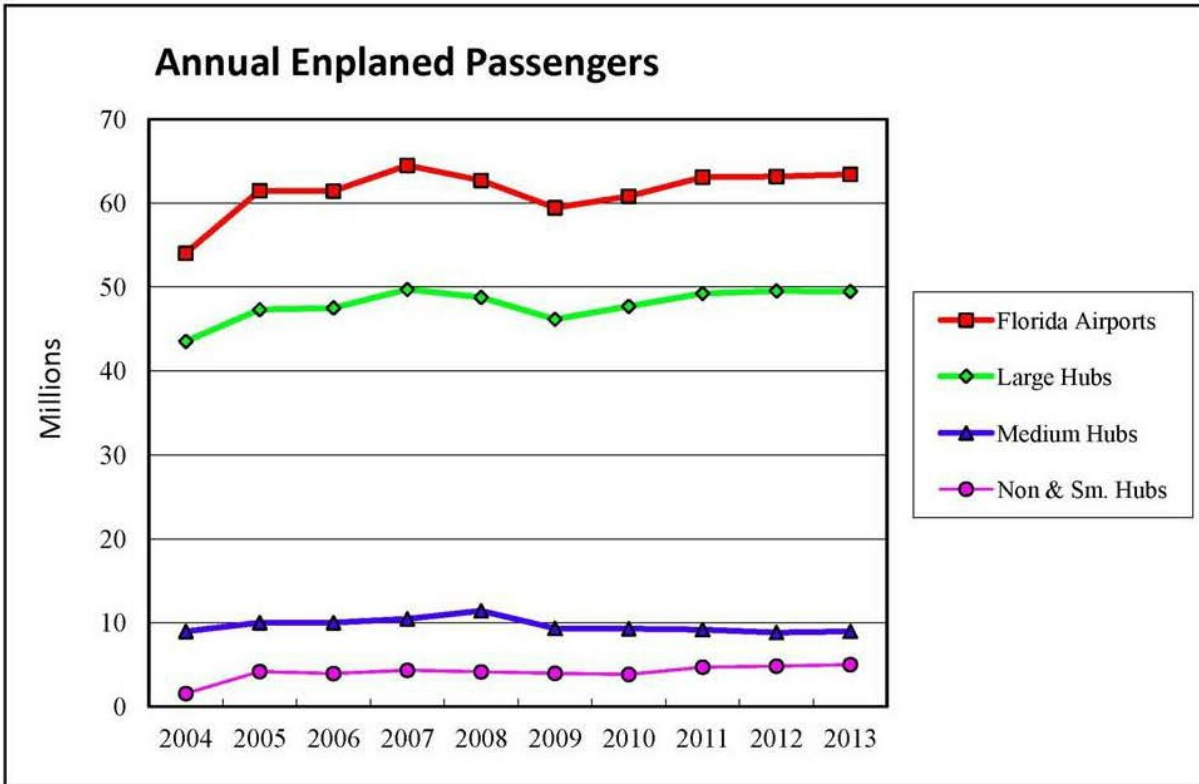
Annual Operations at GA Airports - By Region



GA Itinerant & Local Operations - By Region







ADDENDUM C - Airport Information

ARTHUR DUNN AIR PARK



TITUSVILLE
GENERAL AVIATION AIRPORT

AIRPORT LOCATION

Arthur Dunn Air Park is located roughly 40 miles east of Orlando and in Brevard County. The Airport is situated two miles northwest of Titusville and between Interstate 95 and US Route 1. The Airport is accessible from either Singleton Avenue or State Route 405, both of which connect to State Route 406, a primary east/west arterial through Titusville.



Existing Facilities

Arthur Dunn Airpark is served by two runways. These runways are Runway 04/22 (1,790 feet long by 100 feet wide) and Runway 15/33 (3,000 feet long by 70 feet wide). Runway 04/22 is turf and is in good condition and is served by a stub taxiway 50 feet wide. Runway 15/33 is asphalt and is also in good condition. Runway 15/33 is served by a full-length parallel taxiway 35 feet wide. Skydive Space Center serves as the airport's fixed based operator (FBO). There are 25 paved automobile parking spaces. There are currently 12 tie-downs for general aviation aircraft and there are 90 hangars (52 TCAA owned, 38 Holland-Sheltair owned) and 42 covered parking spaces for aircraft. The airport presently reports a list of approximately 42 aircraft waiting for hangers.

Current and Forecast Demand

GENERAL AVIATION

Arthur Dunn Airpark functions mostly as a recreational and sport/experimental general aviation airport. The largest plane that uses the airport on a regular basis is a King Air (Jump Plane). The current Airport Reference Code (ARC) as defined by the FAA Advisory Circular 150/5300-13 for the airport is B-II. FDOT records for 2008 show 80 aircraft based at this facility. Of this total, approximately 12 percent of the aircraft are stored on paved tie-downs and 88 percent are in T-hangars or conventional hangars. The airport presently reports a waiting list for hangars that shows 42 aircraft. The current FDOT work plan for Arthur Dunn Airpark shows plans to develop an additional 38 covered storage spaces.


The airport has no aviation training programs that are connected with any of the local colleges, universities, or technical schools. Historic and forecast FDOT aviation activity information on file for Arthur Dunn Airpark is as follows:

Arthur Dunn Airpark	2009	2014	2019	2029
Based Aircraft	80	92	105	138
General Aviation Operations	40,450	42,830	45,350	50,844
Commercial Operations	N/A	N/A	N/A	N/A
Enplanements	N/A	N/A	N/A	N/A

Source: FDOT Aviation Office.

COMMUNITY SERVICES

In its current role, the airport focuses primarily on recreational flying, sport/experimental aviation, and skydiving. The airport does not currently have commercial service, and it does not see itself trying to attract this activity in the future. The airport does accommodate flight training and hopes to increase this activity in the future. However, flight training activity is limited because existing facilities are not conducive to intermediate and advanced training (i.e., instrument approaches, etc.). The airport believes it could support the use of Very Light Jet (VLJ) aircraft, particularly with higher performance and quiet-engine aircraft. Factors limiting growth are residential encroachment, noise, and financial constraints. The revenue that is generated by the airpark comes from aviation services and skydiving. Revenue from the three regional airports is pooled and redistributed among all three airports according to need and management/authority discretion. The airpark sees itself experiencing modest growth in the



coming years. The airpark's vision for its future is to continue to grow as well as to maintain its current role as a primarily recreational airport.

Flight training is a component of this airport's general aviation activity. Roughly 30 percent the airport's annual operations are related to flight training from other airports. General aviation operations by corporate and business users are also common at the airpark. The airpark estimates that 30 percent of its annual general aviation operations are business related. Approximately 15 percent of the airport's based aircraft are owned by local businesses. Approximately 30 percent of annual operations are related to visiting general aviation aircraft. There is an industrial park located ten miles south of the airpark. While the airpark does not have any based military aircraft, it does accommodate transient military operations. The airpark reports that 5-10 percent of its total annual activity is attributable to military operations. The transient military aircraft are mostly King Airs.

OTHER AIRPORT CHARACTERISTICS

Arthur Dunn Airpark serves the residents of Titusville and the adjacent areas. Together with Space Coast Regional Airport and Merritt Island Airport, the airpark provides facilities and services for pilots and other users of the aviation system. However, it is the airpark's commitment to support the younger generation of new pilots, and its residential setting that distinguishes it from the area's other airports. The airpark's close ties to the community also distinguish it from other airports. Due to the airpark's role in meeting the water needs of the City of Titusville (the airpark contains 11 water wells), it is important that the airpark property continue to be used in a manner that is consistent with this important function.

CURRENT AND FUTURE SYSTEM SERVICE REQUIREMENTS / RECOMMENDATIONS

The airport provides Recreational/Sport (experimental, ultralights) and Business/Recreational (skydiving) services. The airport plans to increase its recreational operations, and believes it could serve Very Light Jet aircraft. However, the analysis indicates that the airport is best suited for Recreational/Sport service. Its low land use compatibility, financial, and short runway (3,000 feet) make it less viable for future Business/Recreational service.

COMMERCIAL SERVICE ROLE	Current Service	Future Service
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Tourism		
Business		
Air Cargo		
International		

GENERAL AVIATION AIRPORT ROLE	Current Service	Future Service
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Flight Training		
Corporate		
Tourism		
Recreational / Sport	X	X
Business / Recreational	X	

MERRITT ISLAND AIRPORT



AIRPORT LOCATION



Merritt Island Airport is located on Merritt Island in Brevard County, southeast of Titusville and situated between the Indian and Banana Rivers. Primary access to Merritt Island is provided by County Route 405 and State Road 3 from US Route 1 on the south side of Titusville. The Airport is located near the well known beaches of Melbourne and Cocoa Beach. In addition to the regional beaches, nearby Kennedy Space Center and Port Canaveral also attract a large tourist market to the Brevard County area. Port Canaveral is located within minutes of Merritt Island Airport and contains landing terminals for ships and various cruise lines.



MERRITT ISLAND
GENERAL AVIATION AIRPORT

Existing Facilities

Merritt Island is served by one runway, Runway 11/29, 3,601 feet in length and 75 feet in width and incorporates a full-length parallel taxiway. The runway's asphalt surface is in fair condition. The airport has a 3,500 square foot terminal to serve general aviation pilots and passengers. There are 50 on-airport auto parking spaces to serve the terminal building. There are currently over 100 tie-downs for the airport's general aviation aircraft and between the airport's T-hangars and conventional hangars, there are 139 covered parking spaces for aircraft. Airport management reports a hangar wait list of 106 aircraft, however, management does not have any additional covered storage programmed in the FDOT work program as of yet.

The airport has identified several initiatives as necessary to serve demand for general aviation in the near term, including the rehabilitation of the South Apron areas along with the improvement of Taxiway B. The airport had a master plan completed in 1996 and updated the plan in 2003.

Current and Forecast Demand

GENERAL AVIATION

Merritt Island Airport serves the needs of general aviation. The largest plane that uses the airport on a regular basis is the King Air 200. The current Airport Reference Code (ARC) as defined by the FAA Circular 150/5300-13 for the airport is B-II. The airport currently reports 225 based aircraft. Of this total, approximately 38 percent of the aircraft are stored on paved tie-downs and 62 percent are in T-hangars or conventional hangars. The airport presently reports a waiting list for hangars of 106 aircraft. The current FDOT work plan for Merritt Island Airport does not show any plans to develop additional covered storage spaces in the near term.

The airport has no aviation training programs that are connected with any of the local colleges, universities, or technical schools. Historic and forecast FDOT aviation activity information on file for Merritt Island Airport is as follows:

Merritt Island Airport	2009	2014	2019	2029
Based Aircraft	225	236	249	275
General Aviation Operations	113,500	121,072	129,149	146,955
Commercial Operations	N/A	N/A	N/A	N/A
Enplanements	N/A	N/A	N/A	N/A

Source: FDOT Aviation Office.



COMMUNITY SERVICES

Merritt Island Airport is a general aviation airport serving the local aviation needs of Merritt Island and Cocoa, Brevard County, Florida. In 2008, 225 general aviation airplanes were based at Merritt Island Airport. A total of 174 of the based aircraft are chiefly light, single-engine aircraft; however, the airport accommodates 45 larger, heavier multi-engine aircraft.

The airport property and facilities are owned, operated, and maintained by the Titusville-Cocoa Airport Authority under the administration of the Brevard County Board of County Commissioners. In addition, the Titusville-Cocoa Airport Authority also owns and operates Arthur Dunn Airpark and Space Coast Regional Airport, both in Brevard County.

In its current role, the airport focuses primarily on serving the general aviation community to include recreational flying and flight training. In the future, airport management sees the airport serving increased levels of flight training, sport flying, and business use of the airport. Additionally, the airport could support Very Light Jet (VLJ) related air taxi operations. The airport's future role is limited primarily by manmade, environmental, community relation's factors, as well as financial considerations. The airport sees itself experiencing modest growth in the coming years.

OTHER AIRPORT CHARACTERISTICS

Flight training is a component of this airport's general aviation activity. Roughly 60 percent of the airport's annual operations are related to flight training. There is two businesses located on the airport that provides flight training. General aviation operations by corporate and business users are also present at the airport. The airport estimates that less than 5 percent of its annual general aviation operations are business related and 2 percent of the traffic is helicopter. Also, approximately 5 percent of the aircraft based at the airport are business related. The airport attracts a number of transient or visiting general aviation aircraft. Transient aircraft account for approximately 40 percent of the airports annual activity. The airport does not experience any military activity. Merritt Island Airport is home to the Brevard County Sheriff's Aviation Department.

CURRENT AND FUTURE SYSTEM SERVICE REQUIREMENTS / RECOMMENDATIONS

The airport provides Flight Training, Recreational/Sport (experimental, ultralights), Business/Recreational (banner towing, sightseeing, fire fighting, charter, coastal patrol/rescue, medical flights), Corporate, and Tourism (CA) services. The airport plans to increase its flight training, recreational, and charter operations. The analysis indicates that the airport is best suited for providing Recreational/Sport, and Tourism (CA) services. It is suitable for Flight Training, and Business/Recreational services. It is not considered well suited for Corporate services because of its lack of an air traffic control tower and short runway (3,601 feet).

COMMERCIAL SERVICE ROLE	Current Service	Future Service
Tourism		
Business		
Air Cargo		
International		
GENERAL AVIATION AIRPORT ROLE		
Flight Training	X	X
Corporate	X	
Tourism	X	X
Recreational / Sport	X	X
Business / Recreational	X	X

SPACE COAST REGIONAL AIRPORT

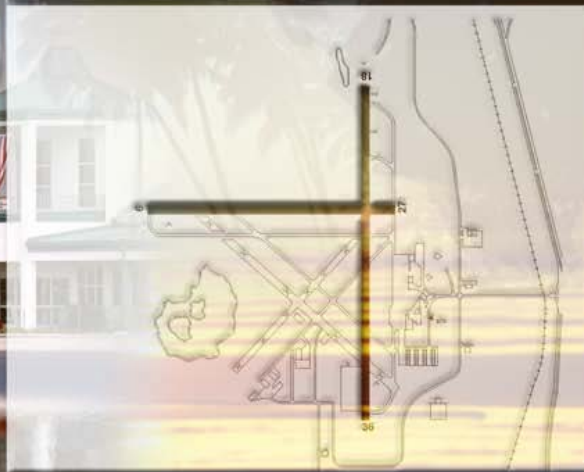
TITUSVILLE
GENERAL AVIATION AIRPORT



AIRPORT LOCATION



Space Coast Regional Airport is located in eastern Brevard County, just south of the Titusville central business district. The Airport is situated near the coast along US Route 1, south of State Route 405, and east of Grissom Parkway. Space Coast Regional Airport is accessible from the north and south via Interstate 95 and US Route 1, with access from the west available from East Colonial Drive and the Beachline Expressway.



Existing Facilities

Space Coast Regional Airport is served by two intersecting runways. These runways are Runway 09/27, which is 5,000 feet long by 100 feet wide and Runway 18/36, which is 7,319 feet long by 150 feet wide. These runways are both asphalt and are in good condition. Runway 09/27 is served by a full length parallel taxiway. The airport also has an 18,000 square foot terminal to serve general aviation pilots and passengers. There are approximately 100 automobile parking spaces to serve the general aviation terminal building. There are 82 tie-downs for airport's general aviation aircraft, and between the airport's T-hangars and conventional hangars, there are 167 covered parking spaces for aircraft.

The airport has identified several initiatives as necessary to serve demand in the near term, including the rehabilitation of Runway 18/36, rehabilitation of Taxiway E, and improvement of safety areas for Runway 09/27. The airport had its most recent master plan completed in 1996 and updated in 2003.

Current and Forecast Demand

GENERAL AVIATION

Space Coast Regional Airport serves the needs of all facets of general aviation. The largest plane that uses the airport on a regular basis is the Boeing 737. The current Airport Reference Code (ARC) as defined by the FAA Circular 150/5300-13 for the airport is C-III. General aviation constitutes a considerable portion of the airport's annual activity. The airport currently reports 150 based general aviation aircraft. Of this total, approximately 20 percent of the aircraft are stored on paved tie-downs and 80 percent are in T-hangars or conventional hangars. The airport presently reports a waiting list for hangars that shows 50 aircraft. The current FDOT work plan for Space Coast Regional Airport shows plans to develop an additional 50 covered storage spaces.

Historic and forecast FDOT aviation activity information on file for Space Coast Regional Airport is as follows:

Space Coast Regional Airport	2008	2013	2018	2028
Based Aircraft	138	152	168	205
General Aviation Operations	131,528	138,237	145,289	160,489
Commercial Operations	N/A	N/A	N/A	N/A
Enplanements	N/A	N/A	N/A	N/A

Source: Airport records and FASP 2004.



COMMUNITY SERVICES

In its current role, the airport is primarily a corporate/general aviation facility with extensive flight training operations. The airport does have a small amount of recreational activity but does not see itself trying to attract additional users in this category in the future. The airport does envision increasing its role as a provider of flight training services in the future. The airport could support Very Light Jet (VLJ) related air taxi operations, as it is currently a test station for SATS. There are several factors limiting the future growth of the airport. These include residential areas south of the airport; Enchanted Forest, a nature preserve, to the north; and the ability to obtain additional funds. The airport sees itself experiencing significant growth in the coming years. The airport's vision for its future is to serve the corporate needs of the Florida Space Coast, including KSC, Port Canaveral, Boeing, Lockheed Martin, and Sea Ray Boats.

Flight training is a major component of this airport's general aviation activity. Roughly 70 percent of the airport's annual operations are related to flight training. There are two different businesses located on the airport that provide flight training. These businesses employ 53 total flight instructors and have 47 aircraft that are based at the airport. General aviation operations by corporate and business users are also common at the airport. The airport estimates that 10 percent of its annual general aviation operations are business related. Approximately 7 percent of the airport's based aircraft are owned by local businesses. The airport also attracts a number of transient or visiting general aviation aircraft. Visiting businesses that fly into the airport include Loews, J.C. Penney, and Brunswick. Approximately, 30 percent of all visiting general aviation aircraft fall into the business jet category. The airport supports a large industrial park that is approximately one mile west. This industrial park is approximately 200 acres and it is completely occupied. While the airport does not have any based military aircraft, it does accommodate transient military operations. The airport reports that two percent of its total annual activity is attributable to military operations. These military operations are performed primarily with fixed wing aircraft such as the T-6.

OTHER AIRPORT CHARACTERISTICS

When the National Aeronautics and Space Administration (NASA) began development of the Missile Launch Complex on Merritt Island, the advantageous location of Space Coast Regional Airport allowed it to play an increasingly important role in the transportation of NASA personnel and equipment. The Titusville-Cocoa Airport Authority governs the operations of the airport, serving the local, commercial, and corporate aviation needs. The Authority is commissioned to oversee the affairs of the Airport District, which currently includes Space Coast Regional Airport, Arthur Dunn Airpark, and Merritt Island Airport.

Funding of Authority activities is made possible by an ad valorem tax on all taxable properties within the geographical bounds of the District, and the District is authorized to issue general obligation bonds and revenue bonds to finance the acquisition, construction, or development of airport property or facilities.

CURRENT AND FUTURE SYSTEM SERVICE REQUIREMENTS / RECOMMENDATIONS

The airport provides Flight Training, Corporate, Tourism (CA), and Business/Recreational (charter, agricultural spraying) services. The airport plans to increase its flight training, corporate, and charter operations. The analysis indicates the airport is best suited for providing Recreational/Sport, Business/Recreational, and Tourism (CA) services. It has marginal ability to serve Flight Training and Corporate services (some Land Use Compatibility, Airspace, Community Planning, and Financial issues causing low quotients). The airport's proximity to the Cape Canaveral Spaceport facilities offers unique opportunities for development in the Corporate service category.

COMMERCIAL SERVICE ROLE	Current Service	Future Service
Tourism		
Business		
Air Cargo		
International		
GENERAL AVIATION AIRPORT ROLE		
Flight Training	X	X
Corporate	X	X
Tourism	X	X
Recreational / Sport		X
Business / Recreational	X	X

ADDENDUM D - Qualifications of the Appraisers

QUALIFICATIONS OF APPRAISER

ANDREW H. MAGENHEIMER, MAI

EDUCATION:

Bachelor's Degree, The University of the South, Sewanee, Tennessee, 1986

EXPERIENCE:

Eighteen years in the field of real estate, involved in various forms of consultation, appraisal, economic research and market analysis.

June, 1997 to Present, Principal, Slack, Johnston & Magenheimer, Inc.

August, 1991 to May, 1997, Senior Appraiser, Slack & Johnston, Inc.

February, 1987 to July, 1991, Staff Appraiser, Dixon & Friedman, Inc.

GENERAL APPRAISAL EXPERIENCE:

Appraisals - Vacant land, aviation facilities, industrial facilities, shopping centers, office buildings, apartment buildings, residential developments and single-family residences.

Consulting - Economic research, market analysis, feasibility analysis and ad valorem real estate tax assessment appeals pertaining to industrial, commercial and residential properties.

AFFILIATIONS:

Licensed Florida Real Estate Broker

Florida State-Certified General Real Estate Appraiser, Certification No. RZ1073

Appraisal Institute Member, MAI, Certificate Number 10133, Continuing Education Completed

HUD MAP Training

2002 President of the South Florida Chapter of the Appraisal Institute

ZACHARY J. OLEN

EDUCATION:

Bachelor's Degree, Florida State University, Tallahassee, Florida, 2004

EXPERIENCE:

June, 2004 to Present, Slack, Johnston & Magenheimer, Inc.

Appraisal/consulting experience includes the following property types:

Aeronautical Property
Apartment
Automobile Dealership
Marketability/Feasibility Study
Office Building
Warehouse
Vacant Land (various zoning classifications)

GENERAL APPRAISAL EXPERIENCE:

Appraisals - Vacant land, aviation facilities, industrial facilities and office buildings.

Consulting - Economic research, market analysis, feasibility analysis, real estate tax appeals pertaining to residential and agricultural properties.

AFFILIATIONS:

Licensed Florida Real Estate Salesman

Florida State - Certified General Real Estate Appraiser, Certification No. RZ3124

Appraisal Institute Candidate