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

APPRAISAL OF REAL PROPERTY

FAIR MARKET ANNUAL RENT FOR THE AERONAUTICAL LAND AT THE DESTIN EXECUTIVE AIRPORT, DESTIN, OKALOOSA COUNTY, FLORIDA

APPRAISAL REPORT
APPRAISAL NO. 21871

PREPARED FOR

MR. TRACY STAGE, A.A.E.
AIRPORTS DIRECTOR – OKALOOSA COUNTY AIRPORTS
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EGLIN AFB, FLORIDA 32542

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June 15, 2021

Mr. Tracy State, A.A.E.
Airports Director - Okaloosa County Airports
1701 State Road 85 N
Eglin AFB, Florida 32542

RE: Appraisal of Real Property - Fair Market Annual Rental Estimate for Aeronautical Land at the Destin Executive Airport (DTS), Okaloosa County, Florida
SJM File: 21871

Dear Mr. Stage:

At your request, we have prepared an appraisal report of the fair market annual rent for aeronautical land at the Destin Executive Airport (DTS) as of May 13, 2021, the date of valuation. DTS is a general aviation airport that is owned and operated by Okaloosa County.

The scope of this analysis is limited to an estimate of the fair market land rental rate for aeronautical land at DTS, excluding any improvements. The intended user is Okaloosa County. The intended use of this analysis is to provide a basis for establishing a minimum land rental rate at DTS. The scope of our analysis included a visit to the airport, as well as market research concerning similar properties and comparison of land rental rates to the subject property. It was noted, Okaloosa County rents aeronautical land to users that represent building footprint sites (i.e. excluding supporting land) which has been taken into account in our analysis. This analysis includes an estimate of the fair market annual land rental rates (building footprint sites), based on a comparison with other rental rates for similar aeronautical properties within the competitive market area.

The appraisal report states our opinion of fair market land rent (building footprint sites), 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.

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Mr. Tracy Stage, A.A.E.
June 15, 2021

As of the date of this report, the world is in the midst of a pandemic associated with the virus COVID-19. The world economy is in a state of volatility based on the uncertainty of the outcome of the impact of the virus. In the United States, the federal, state, and local governments are taking steps to limit the spread of the virus that have negatively impacted several facets of the economy including travel, tourism, and hospitality. Based on the results of historic pandemics of the 20th century (Swine Flu, Asian Flu, Hong Kong Flu, SARS, MERS, EBOLA and HIV/AIDS) it is anticipated the current pandemic will pass in time; however, the extent of the economic damage remains to be seen. Based upon available information, this appraisal is premised upon the extraordinary assumption that the Corona virus will not have a measurable long-term value impact on the property that is the subject of this appraisal.

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, MAI
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SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property Appraised:	Aeronautical land located at the Destin Executive Airport (DTS), Destin, Okaloosa County, Florida
Property Type:	Aeronautical Land
Ownership:	Okaloosa County 101 E. James Lee Boulevard, Room 105 Crestview, Florida 32536
Interest Appraised:	Fair market annual land rent
Zoning:	A (Airport); Destin
Land Use:	General Aviation Development; Destin
Highest and Best Use:	Continued aeronautical use
Date of Valuation:	May 13, 2021
Date of Report:	June 15, 2021

Value Indications -

Fair Market Annual Aeronautical Land Rental	$2.00/Sq. Ft. (1)

Note (1): Rental Rate is applied to the building footprint area only.

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 consulting services regarding the subject property within the prior three years.
- as of the date of this report, Andrew H. Magenheimer and Zachary J. Olen, have completed the continuing education program for Designated Members of the Appraisal Institute.

SLACK, JOHNSTON & MAGENHEIMER, INC.

Andrew H. Magenheimer, MAI
CERT. GEN. RZ1073

Zachary J. Olen, MAI
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 inapparent 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.

Appraisal Assumptions

18. This appraisal assumed the subject property is free and clear of any environmental contamination associated with past and present airport use. The analysis of environmental contamination is beyond our expertise and Phase I and II environmental audits are recommended for the property. The existence of environmental contamination could have a significant affect on the value conclusions within this report.

19. Our estimate of the fair market land rent is for the building footprint only sites at DTS.

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

OWNERSHIP, LEGAL DESCRIPTION AND HISTORY OF THE PROPERTY

Ownership

The subject property is the aeronautical land at the Destin Executive Airport (DTS) in Okaloosa County, Florida. It was noted, Okaloosa County rents aeronautical land to users that represent building footprint sites (i.e. excluding supporting land) which has been taken into account in our analysis. The airport is owned by Okaloosa County, 101 E. James Lee Boulevard, Room 105, Crestview, Florida 32536. The airport is operated by Okaloosa County. All of the aeronautical land at DTS is owned by the County. There are no known transfers of ownership of the subject property within the past five years.

Legal Description

The complete legal description for DTS was not provided or reviewed. DTS is legally described as portions of Sections 2 and 3, Township 23 South, Range 3 North, Okaloosa County, Florida

Property History

Destin Executive Airport (DTS) is a general aviation airport that is owned and operated by Okaloosa County. It was originally opened in the 1960's. The airport property consists of 395 acres and is located just north of Destin's beautiful beaches. The airport continues to grow and build improvements to serve the flying public of Okaloosa County.

PURPOSE, INTENDED USE AND DATE OF THE APPRAISAL

The purpose of our analysis is to provide an estimate of the fair market land rental rate for aeronautical land at DTS, excluding any improvements. It was noted, Okaloosa County rents aeronautical land to users that represent building footprint sites (i.e. excluding supporting land) which has been taken into account in our analysis. The client and intended user is Okaloosa County. The intended use of this analysis is to provide a basis for establishing a minimum land rental rate for DTS. There are no other intended uses or intended users of this report. The date of valuation is May 13, 2021 and the date of this report is June 15, 2021.

SCOPE OF THE APPRAISAL

The scope of this appraisal report includes an analysis of the subject property and the surrounding environment in order to estimate the highest and best use and fair market annual land rental rate for the property. We have not made a recent visit to the property, but we are familiar with the airport. Our analysis included a review of factual data

concerning its condition. The data reviewed included the airport layout plan, lease information and activity information.

The analysis included in this report is limited in scope to an estimate of the fair market annual aeronautical land rental rate for the airport as of May 13, 2021, the date of valuation. This appraisal included an estimation of the highest and best use of the property. This analysis includes a visit to the property, gathering information concerning potential uses of the property, as well as a review of market conditions for the property. The aeronautical land is located within the AOA of DTS, with limited potential uses due to this designation.

After concluding the highest and best use, the valuation methods are considered. The estimate of the market rental rate for these aeronautical properties was primarily based on market research of rental rates for similar airport properties on a regional basis.

In this analysis, we have spoken with aviation consultants on a national basis, as well as reviewed local and national surveys of airport rates and charges. In addition, we periodically survey numerous airports within the State of Florida.

Our survey included a review of the method of establishing rental rates and charges. Generally, airport 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 generally acceptable methods of estimating rental rates: 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 not a reliable way of estimating market rents, especially when comparable airport rental information is available. Inherent in real estate is the "bundle of rights" 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 property, 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 properties of different use.

Furthermore, market rent is generally 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 cannot 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 rental for the subject property.

As stated, we periodically survey airports within Florida. The primary emphasis of our survey is general aviation rates and charges, including a variety of general aviation, as well as non hub and small hub commercial airports. For the purpose of this analysis, we have focused on general aviation and smaller commercial service airports in central and northern Florida. The airports have been compared based on location, size, annual operations and other activity statistics. The data collected includes statistical information described above, as well as rates and charges for various types of airport properties.

For the purpose of this analysis, annual aeronautical land rental rates at general aviation airports were the focus of our analysis. The valuation section of this report will further discuss the comparison of airport properties and the valuation conclusions.

DEFINITION OF VALUE AND INTEREST APPRAISED

The Uniform Standards of Professional Appraisal Practice (USPAP 2020-21) 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, Sixth 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, Sixth 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.

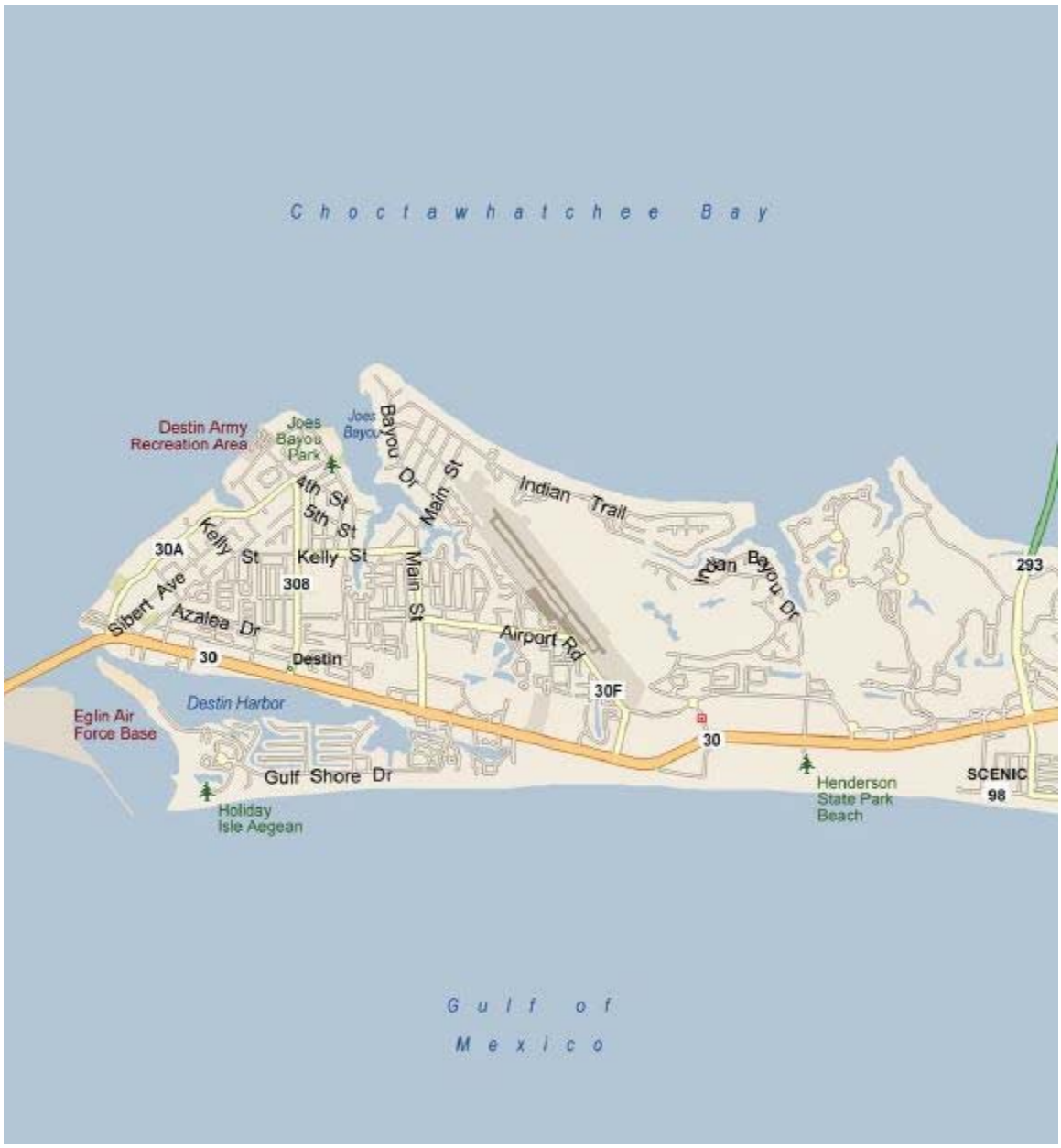
Leased Fee Interest is a freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease).

Leasehold Interest is the interest held by a lessee (tenant) through a lease transferring the rights of use and occupancy for a stated term under certain conditions.

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

AREA DISCUSSION

The Destin Executive Airport (DTS) is located in the City of Destin in Okaloosa County, Florida. The recipients of this report are familiar with the City of Destin and Okaloosa County area. For this reason, this area analysis is therefore limited.



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AVIATION OVERVIEW

The aviation industry in northwest Florida is characterized by numerous smaller general aviation airports with regional commercial airports located in the vicinity of areas of population concentration. The regional commercial airports in the area include Northwest Florida Beaches International, Pensacola International, Tallahassee International and Destin-Fort Walton Beach Airports. According to the different airport authority for each airport, CY20 the passenger enplanements and airport hub classifications for the area commercial service airports are as follows:

Airport	CY 2020 Enplanements	Hub Size
Pensacola Int'l	593,448	Small
Destin-Fort Walton Beach	473,579	Small
Northwest Florida Beaches Int'l	409,272	Small
Tallahassee Int'l	189,454	Non

A review of the "Florida Aviation System Plan 2025" (FASP) prepared by the Florida Department of Transportation (FDOT) and Federal Aviation Administration (FAA), indicates DTS is designated as a general aviation airport. The FASP 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. DTS is classified as a "general aviation" airport within the Northwest Florida Metropolitan region, which includes Okaloosa, Escambia, Santa Rosa, Walton, Holmes, Washington, Bay, Jackson, Calhoun, Gulf, Liberty, Franklin, Gadsden, Wakulla, Leon, and Jefferson Counties. The FASP identifies the public use airports in the region as follows:

Commercial Airports	Community Airports	Community Airports
Pensacola Int'l	Peter Prince Field	Calhoun County
Northwest FL Beaches Int'l	Ferguson	Costin
Tallahassee International	Fort Walton Beach	Apalachicola Reg'l
Destin-Fort Walton Beach	Bob Sikes	Marianna Munic.
	Destin Executive	Quincy Munic.
	DeFuniak Springs	St. George Island
	Tri-County	Wakulla Co.
	Carrabelle-Thompson	Tallahassee Comm.

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 which airports are similar in terms of geographic location and use. In our analysis we researched aeronautical rental rates at airports within Florida that can be compared to DTS. Please refer to the valuation section which follows.

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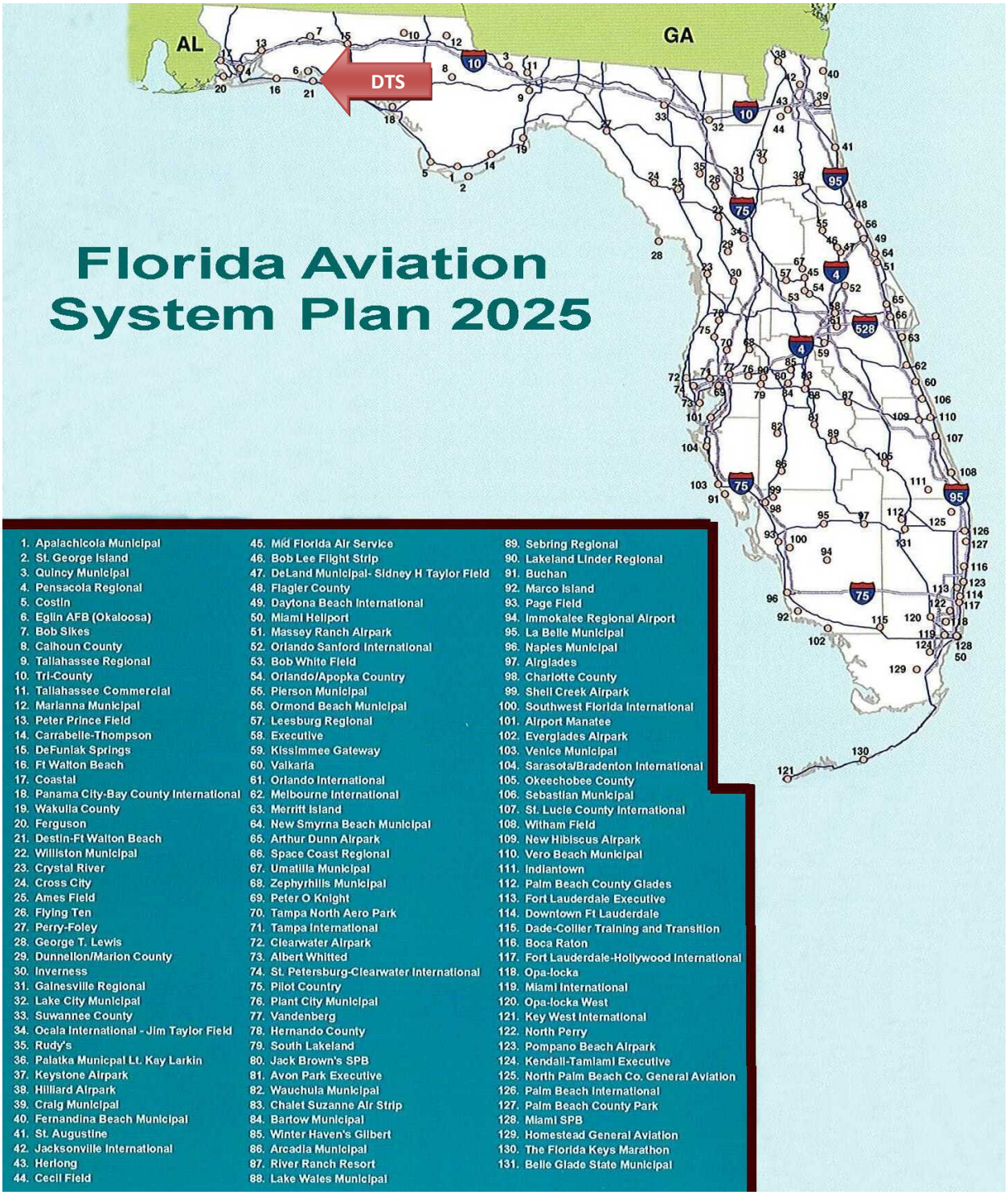

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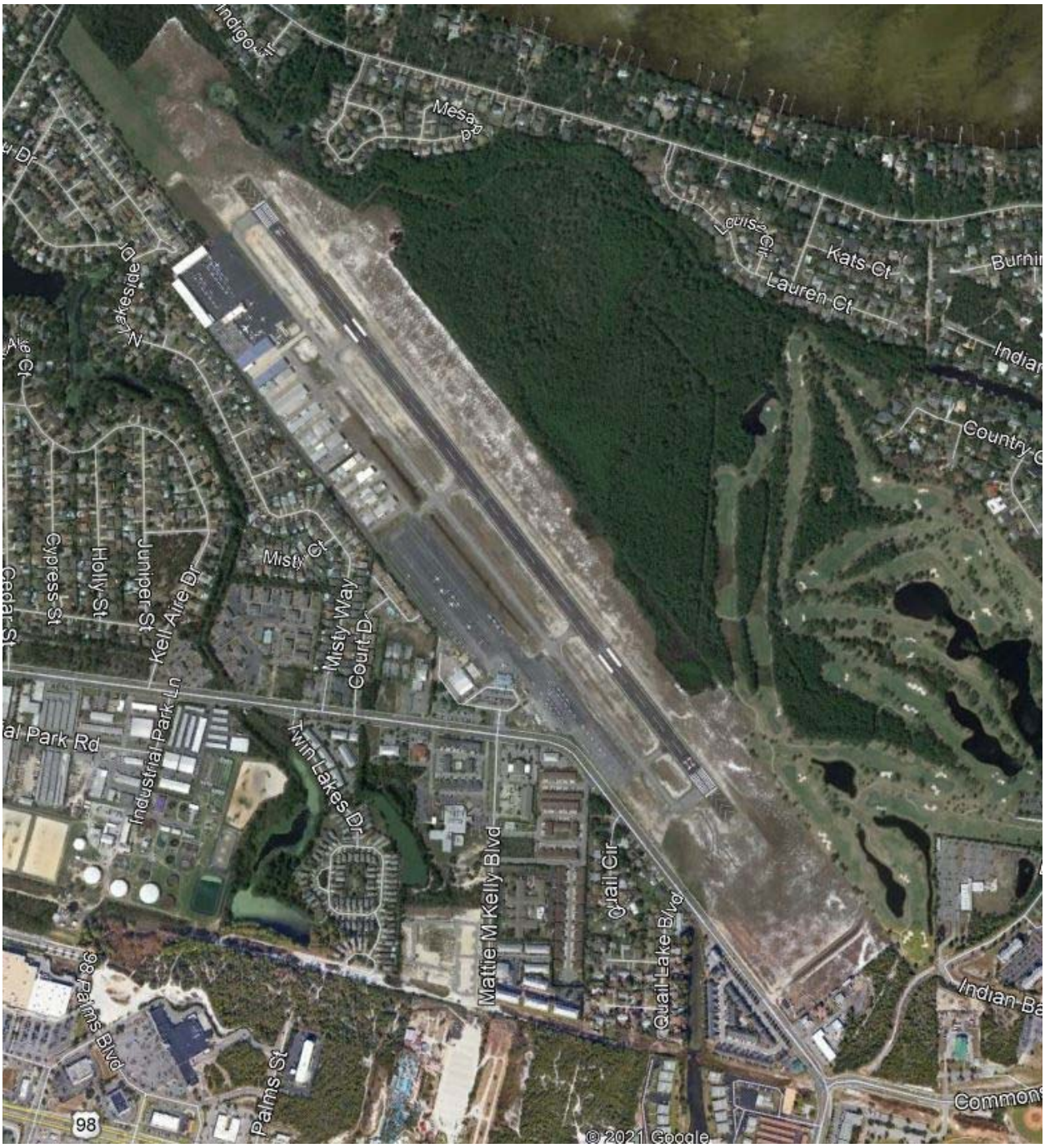
Destin Executive Airport (DTS)

As discussed, the Destin Executive Airport (DTS) is located in coastal Okaloosa County and is owned and operated by Okaloosa County.

DTS is a general aviation airport. The airport property contains 395 acres and includes aeronautical land. The aeronautical land is the property included in the Airport Operating Area (AOA). The AOA is generally referred to as the area around the airport "inside the fence" and includes the runways, ramp, general aviation and support areas. For purposes of this analysis, we have reviewed the Airport Layout Plan dated June, 2020. DTS has a single asphalt runway in a 14/32 configuration. The following is a summary of the DTS airport facilities:

<u>Location</u>	
Street Reference:	North of Emerald Coast Highway at Airport Road, Destin, Okaloosa County, Florida
Coordinates:	N 30°24.00' W 86°28.29'
Elevation:	22.6'
<u>Airport Facilities</u>	
Hours of Operation:	1200Z-0400Z
Control Tower:	Yes
U.S. Customs:	No
Fire/Rescue Station:	No
FAA Part 139 Certificated:	No
Runways:	14-32 5,001' x 100' Asphalt
Approaches:	GPS, VORTAC
Lighting:	Beacon Runway 14-32 - HIRL, PAPI

DME- UHF Standard Distance Measuring Equipment
GPS- Global Positioning System
MIRL- Medium Intensity Runway Lighting
ILS- Instrument Land System
MALSR- Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights
REIL- Runway End Identifier Lights
PAPI- Precision Approach Path Indicator
RNAV- Radio Navigation Aids
VASI- Visual Approach Slope Indicator



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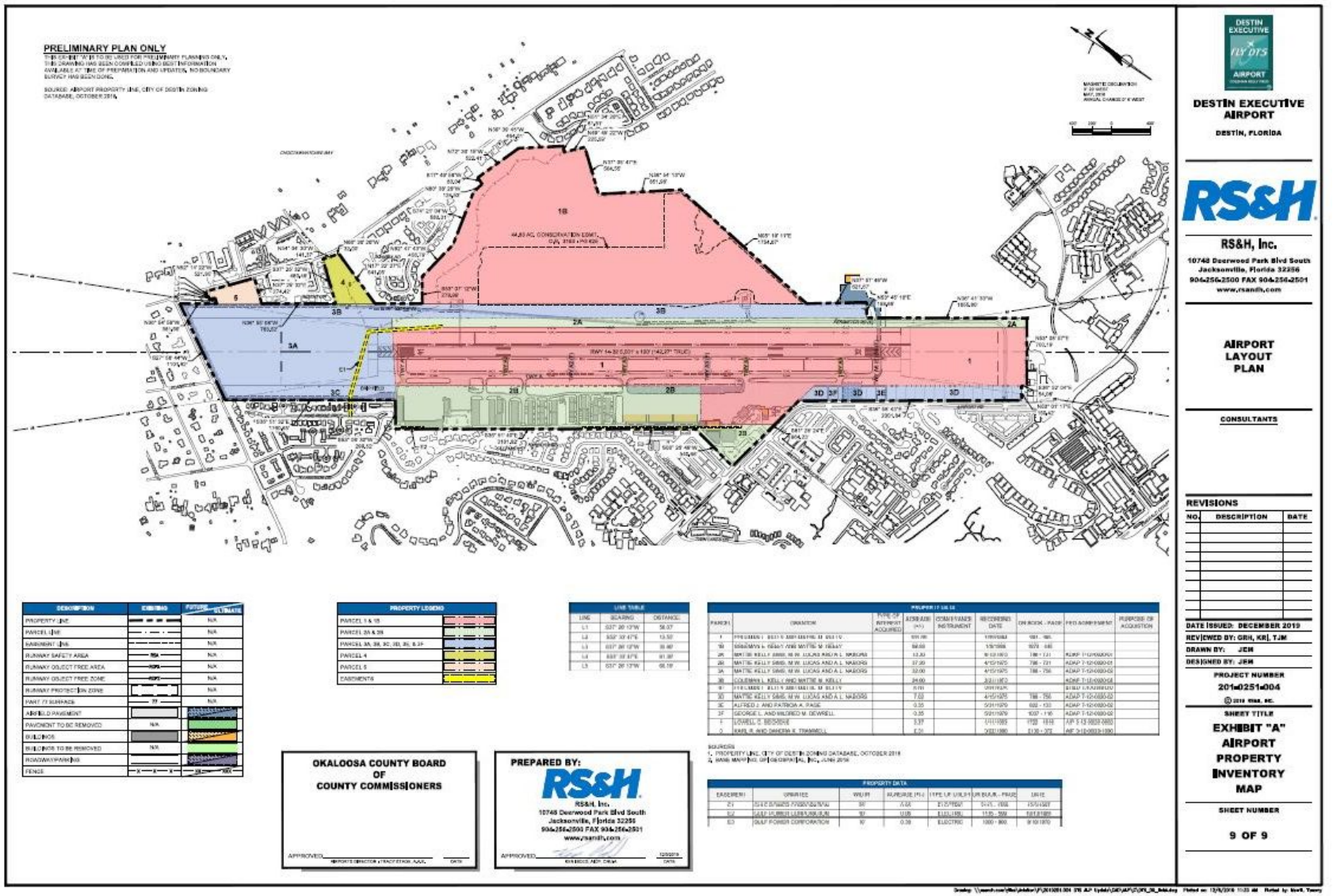

The following are operational statistics for DTS. The operation information for DTS and Florida was taken from the FAA's "Airport Operations at Airports with Control Towers".

DTS & Florida Airport Operations

	Total Operations				GA Operations			
Year	**DTS**	% change	**Florida**	% change	**DTS**	% change	**Florida**	% change
2017	na		5,935,888		n/a		3,919,436	
2018	53,969	n/a	6,400,951	7.8%	46,830	n/a	4,207,752	7.4%
2019	62,309	15.5%	6,776,734	5.9%	53,401	14.0%	4,465,894	6.1%
2020	64,518	3.5%	5,809,924	-14.3%	57,186	7.1%	4,024,719	-9.9%

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

DTS Operations

Year	Itinerant	Local	AirTaxi	AirCarrier	Military	Total
2017	n/a	n/a	n/a	n/a	n/a	n/a
2018	39,073	7,757	3,173	8	3,958	53,969
2019	45,301	8,100	3,974	16	4,918	62,309
2020	46,108	11,078	3,401	12	3,919	64,518

According to the airport manager, the based aircraft at DTS is as follows:

DTS Based Aircraft

Year	SE	ME	Jet	Helo	Based Aircraft	% Change
2017	43	18	13	5	79	
2018	36	15	11	3	65	-17.7%
2019	not avail.	not avail.	not avail.	not avail.	not avail.	not avail.
2020	31	14	11	5	61	n/a

According to the airport manager, the fuel volume at DTS is as follows:

DTS Fuel Flowage

Year	AvGas	JetA	Total	% Change
2017	533,499	100,093	633,592	
2018	1,081,806	370,282	1,452,088	129.2%
2019	1,113,080	203,563	1,316,643	-9.3%
2020	1,088,565	189,287	1,277,852	-2.9%

In addition, according to the FAA's U.S. Civilian Airmen Statistics, the licensed pilots in Okaloosa County and Florida are divided by category as follows:

Okaloosa County Airmen Population

Year	Total	Commercial	Airline Transport	Student	Private
2017	1,137	201	435	282	213
2018	1,206	201	465	317	216
2019	1,278	198	486	367	220

Florida Airmen Population

Year	Total	Commercial	Airline Transport	Student	Private
2017	59,568	10,507	18,862	16,184	13,445
2018	63,450	10,942	19,424	18,730	13,774
2019	68,914	11,691	20,223	22,225	14,186

Summary

The above statistics of airport activity at DTS were analyzed in terms of the business trends in the area, as well as for purposes of comparison with other airports. The level of operations at an airport is a general measure of airport activity. At airports with control towers, operations are measured by the FAA standards in terms of air carrier, air taxi, general aviation and military operations. The operations are further classified as "local" or "itinerant" operations. A review of the total and general aviation operations provides a basis of airport comparison, as well as trends in airport activity.

Based aircraft and fuel flowage are further measures of airport activity of particular importance to general aviation airports. Based on our airport research, the trend of based

aircraft and operations in Florida has seen some growth over the past few years. DTS has shown stability with mostly increases in all areas over the past several years.

As noted, the world is currently in the midst of a pandemic, with Florida in the process of reopening after a period of "stay-at-home" orders. Our research and analysis included discussion with airport managers and fixed base operators (FBO) concerning their thoughts concerning airport activity during this time. It was reported that activity was at some airports slowed from mid-March through April, 2020, followed by an increase in activity and some airports reported no changes in activity as compared to normal times. The market participants further indicated that they believe the market in general will return to normal by mid-2021. We have included our COVID general aviation fuel study in the addenda.

The population of civilian airmen is another measure of business climate for the general aviation industry. A review of the civilian airmen population within Okaloosa County indicates an increase in all categories, with exception to private pilots.

The overview of the airport activity requires the prioritization of the information. The general aviation operations, based aircraft and fuel flowage are considered the most important measures of airport activity for the purpose of this analysis. The trends in general aviation are considered to have followed general economic conditions over the past several years.

DESCRIPTION OF THE PROPERTY

The property that is the subject of this report is the aeronautical land at DTS. As discussed, the AOA of DTS represents all the land associated with the airfield and excludes the non-aviation areas. As stated, the airport property consists of 395 acres and includes the runways, ramp, general aviation and support areas.

Aeronautical uses within the AOA includes fixed base operations, private hangars and airport-owned development. According to the airport manager, there are many aeronautical land leases currently in effect at DTS. These leases are development leases where the tenants constructed facilities on the aeronautical land leased from the airport. It was noted, Okaloosa County rents aeronautical land to users that represent building footprint sites (i.e. excluding supporting land).

Location:	North of the Emerald Coast Highway at Airport Road, Destin, Okaloosa County, Florida
Access:	Access to the AOA is provided at controlled access points via the perimeter roads and is considered good.
Topography:	Generally level and near street grade
Soil Conditions:	No soil report has been reviewed of the subject parcel; however, it is assumed the soil is of sufficient load-bearing capacity to support the construction of permanent structures. No evidence to the contrary was observed upon my visit to the airport.
Land Use Restrictions:	Although an authoritative report of title was not provided or reviewed, there do not appear to be any easements, encroachments or restrictions that would adversely affect the utilization of the property.
Environmental Study:	An environmental risk study was not provided. This appraisal assumes that the site has no adverse soil conditions that affect the marketability of the property.

ZONING AND LAND USE

The subject property is located within City of Destin and per the airport layout plan (ALP) is AC (Airport Compatible), with a land use of "General Aviation Development". The land use and zoning would permit a wide variety of non-residential uses associated with the function of the airport.

As stated, development at DTS is governed by the airport through the use of minimum standards. The minimum standards provide for minimum requirements for commercial aeronautical operations. The minimum standards are considered to severely restrict the potential uses of the aeronautical property at DTS.

REAL ESTATE TAXES

The subject property is located in Okaloosa County within the AOA of DTS. As of the date of valuation, aeronautical property at DTS is not subject to ad valorem taxation. The ad valorem taxation of aeronautical properties in Florida continues to evolve. This analysis assumes that if the subject leasehold becomes subject to ad valorem taxation, the tenant would be responsible for all real estate taxes.

HIGHEST AND BEST USE

According to The Dictionary of Real Estate Appraisal (Sixth 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 use of property 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 productivity."

In estimating highest and best use, there are 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 property. In arriving at the estimate of highest and best use, based on the scope of this assignment, the subject property was analyzed as vacant.

As Vacant

The highest and best use, as vacant, considers 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.

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.

The subject property is located on the AOA of DTS. Based on our analysis of information concerning the zoning, master plan and development requirements of the subject property, it is our opinion that any development of the parcel would be limited to those aeronautical uses stipulated in the airport layout and land use plans. Due to the location of the aeronautical land within the DTS AOA, the highest and best use, as though vacant, is limited to the development of aeronautical facilities consistent with this designation.

SUMMARY OF ANALYSIS AND VALUATION

The Federal Aviation Administration mandates that airport operators, such as Okaloosa County, charge fair market rent for all airport property in an effort to make the facility as self-sustaining as possible. The scope of this analysis is to estimate the fair market annual rental rate for the aeronautical land at DTS. The aeronautical portion of DTS is classified as such due to the use restriction imposed by the airport development plan and location of the sites. As discussed in the airport overview section, DTS is classified as a general aviation, community airport based on the type of aeronautical activity at the airport and the lack of commercial air carrier service.

As discussed in the scope of the appraisal, consistent with the definition of "market rent" and based on the availability of comparable rental information, it is our opinion that market research produces the best method of estimating market rental rates for aeronautical property. This method serves as the basis for our estimation of the fair market annual rental for the aeronautical land at DTS as described herein. DTS is a general aviation airport in northwest Florida and is a destination location for vacationers. DTS is a relatively small airport and is considered to be land constrained with limited available remaining land for additional development. Our comparable rental analysis will focus on similar general aviation and smaller commercial service airports in the region, as well as similar general aviation airports with similar characteristics around Florida.

In our analysis, we considered the size, use and operation of DTS in the estimate of the fair market annual rent for the aeronautical land. It was noted, Okaloosa County rents aeronautical land to users that represent building footprint sites (i.e. excluding supporting land) which has been taken into account in our analysis. Aviation parcels are typically leased on a net basis, with the tenant responsible for expenses associated with the activity and operation of the parcel. The existing aeronautical land leases at DTS are net leases in this manner.

DTS Aeronautical Land Rent Information

Based on a review of the rent roll, there are many aeronautical parcels under lease at DTS. As noted, aeronautical land parcels at DTS are rented based on a building footprint area (i.e. excluding supporting land). The various building footprint areas range in size from about 1,250 to 54,592 square feet and the annual rental rates range from about $0.32 to $2.00 per square foot of building footprint only, with most in the range of about $1.60 per square foot.

Slack, Johnston & Magenheimer General Aviation Survey

The scope of our survey began by establishing the universe of airports to compare to DTS 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 1.61 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 also 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 the addenda.

This was a direct survey and the reliability of the information collected is considered good. For purposes of this analysis, the aeronautical land rental information is the most important portion of our survey. It was noted, the aeronautical land rent reported at the various airports typically represents self-contained sites and include sufficient land for improvements and supporting areas (i.e. parking, setbacks, etc.) within the confines of the parcel. The differential in rent is considered attributable to the comparison of self-contained site and building footprint sites. 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 rational 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.

As stated, DTS is a general aviation airport in northwest Florida. For purposes of this analysis, we reviewed current aeronautical land rental rates at other general aviation airports in the region and competitive regions. 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. As stated, aeronautical parcels typically lease on a net basis, with the tenant responsible for activity and operating expenses associated with the property. We have estimated that aeronautical land at DTS would be leased in this manner.

General Aviation Airport Survey - Florida 2019-20

Prepared by: Slack, Johnston & Magenheimer, Inc.
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Phone: 305-670-2111 Email: SJMiami@aol.com

General Aviation, Non-Hub Commercial and Small-Hub Commercial Airports with > +/-25,000 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-Hangars: T.E. ($/mo.)	Shade S.E. ($/mo.)
Total	59										
High-		4,000	579	289,600	17,403,000	$0.200	$0.56	$275.00	$750	$1,200	$425
Low-		47	12	32,400	17,000	$0.030	$0.08	$27.00	$200	$248	$118
Mean-		1,135	183	96,300	1,711,000	$0.074	$0.27	$84.90	$396	$586	$214
Southeast	16										
High-		3,700	579	289,600	17,403,000	$0.110	$0.55	$275.00	$750	$1,200	$425
Low-		197	12	32,400	17,000	$0.030	$0.08	$60.00	$275	$490	$225
Mean-		1,045	221	122,500	3,156,000	$0.070	$0.24	$127.10	$547	$827	$308
Southwest	19										
High-		2,400	394	109,700	8,338,000	$0.100	$0.56	$104.00	$535	$1,016	$315
Low-		47	33	37,700	50,000	$0.000	$0.10	$27.00	$245	$338	$128
Mean-		945	201	72,700	1,135,000	$0.071	$0.31	$64.60	$357	$558	$187
Northeast	20										
High-		2,800	326	211,000	3,662,000	$0.200	$0.40	$110.00	$450	$900	$118
Low-		138	19	40,500	40,000	$0.040	$0.12	$30.00	$200	$248	$118
Mean-		1,210	154	106,800	1,108,000	$0.078	$0.25	$66.10	$332	$474	$118
Northwest	4										
High-		4,000	98	75,800	1,729,000	$0.090	$0.35	$150.00	$473	$633	n/a
Low-		395	52	36,700	1,373,000	$0.040	$0.08	$72.00	$210	$400	n/a
Mean-		2,024	85	51,300	1,529,000	$0.065	$0.27	$107.30	$377	$536	n/a

NORTHWEST (4)
9 Destin Executive
31 NW Florida Beaches Int'l
42 Pensacola International
52 Tallahassee Regional

SOUTHWEST (19)
1 Albert-Whitted
3 Bartow Municipal
5 Brooksville- Tampa Bay Reg
6 Clearwater Airpark
16 Immokalee
20 Lakeland Linder Int'l
23 Marco Island
27 Naples Airport
38 Page Field
43 Peter O. Knight
44 Plant City
46 Punta Gorda
47 Sarasota-Bradenton Int'l
48 Sebring Regional
51 St. Petersburg-Clearwater Int'l
53 Tampa Executive
55 Venice Municipal
57 Winter Haven Municipal
59 Zephyrhills Municipal

NORTHEAST (20)
2 Aurthur Dunn Airpark
7 Daytona Beach Int'l
8 Deland Municipal
10 Fernandina Beach Munic.
11 Flagler Executive
13 Gainesville Regional
14 Herlong Municipal
17 Jacksonville Exec. @ Craig
19 Kissimmee Gateway
21 Leesburg Int'l
24 Melbourne Int'l
25 Merritt Island
28 New Smyrna Beach Munic.
30 NE Florida Regional
32 Ocala International
35 Orlando Executive
36 Orlando Sanford Int'l
37 Ormond Beach Municipal
49 Space Coast Regional
54 Valkaria

SOUTHEAST (16)
4 Boca Raton
12 Fort Lauderdale Executive
15 Miami-Homestead GA
18 Key West Int'l
22 Florida Keys - Marathon Int'l
26 Miami Executive
29 North Perry
33 Okeechobee County
34 Miami Opa-Locka Executive
39 Palm Beach North County
40 Palm Beach County Park
41 Palm Beach Glades
45 Pompano Beach Airpark
50 Treasure Coast Int'l
56 Vero Beach Municipal
58 Witham Field

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Unit of Comparison

As noted, Okaloosa County rents aeronautical land to users that represent building footprint sites (i.e. excluding supporting land) which has been taken into account in our analysis. Tenants are provided unencumbered access to the airport's infrastructure (i.e. green space, parking, apron, runways etc.). Based on our survey, airports with rental rates on a building footprint only basis were limited and only two other airports in Florida reported an aeronautical land rental rate in this manner. It was noted, the aeronautical land rent reported at the various airports typically represents self-contained sites and include sufficient land for improvements and supporting areas (i.e. parking, setbacks, etc.) within the confines of the parcel. For purposes of our analysis, we have analyzed typical land-to-building ratios for similar type hangar buildings in Florida in order to adjust the comparable rental rates to a building footprint only unit of comparison. The land-to-building ratios account for land required within the leasehold (i.e. including land under the building, green space, storm water retention areas, apron areas and parking areas). Our research included five hangar buildings with defined leasehold areas with land-to-building ratios of ranging from 4.6:1 to 6.7:1. For purposes of this analysis, we have estimated a land-to-building ratio of about 5.0:1 (i.e. five times the amount of land area as compared to building area) is typical for hangar buildings. A summary chart of several hangar buildings is as follows:

Summary of Hangar Land-to-Building Ratios

No.	Airport	Hub Size	Space Type	Land Area (Sq.Ft.)	Hangar Area (Sq.Ft.)	Land-to-Bldg. Ratio
1	Naples	GA	Hangar	69,559	12,666	5.5
2	Naples	GA	Hangar	71,671	15,640	4.6
3	Brooksville-Tampa Bay Reg'l	GA	Hangar	165,528	25,071	6.6
4	Sarasota-Bradenton Int'l	GA	Hangar	49,946	10,000	5.0
5	Fort Lauderdale Exec.	GA	Hangar	194,713	29,280	6.7

Aeronautical Land Rental Comparison

DTS classifies as a general aviation airport. The FAA classifies commercial airports in terms of "Hub Size" based on a percentage of total U.S. enplaned revenue passengers per year as follows:

Classification	Enplaned Passengers
Large Hub	Over 9,797,408
Medium Hub	2,375,868 to 9,797,408
Small Hub	468,888 to 2,375,868
Non-Hub	Less than 468,888
General Aviation	Not Applicable

As stated, our aeronautical land rental analysis included research of rental rates at similar airports in the area. Our research included several comparable general aviation airports located within Florida as identified by the FASP.

Our aeronautical land rental analysis has used the annual rent per square foot unit of comparison, as is typical for these property types within this market area for self-contained sites. Our analysis concentrated on current aeronautical land rental rates at the general aviation and smaller commercial service airports in northern Florida. The comparable rentals are presented on the following page.

Summary of Aeronautical Land Rental Rates

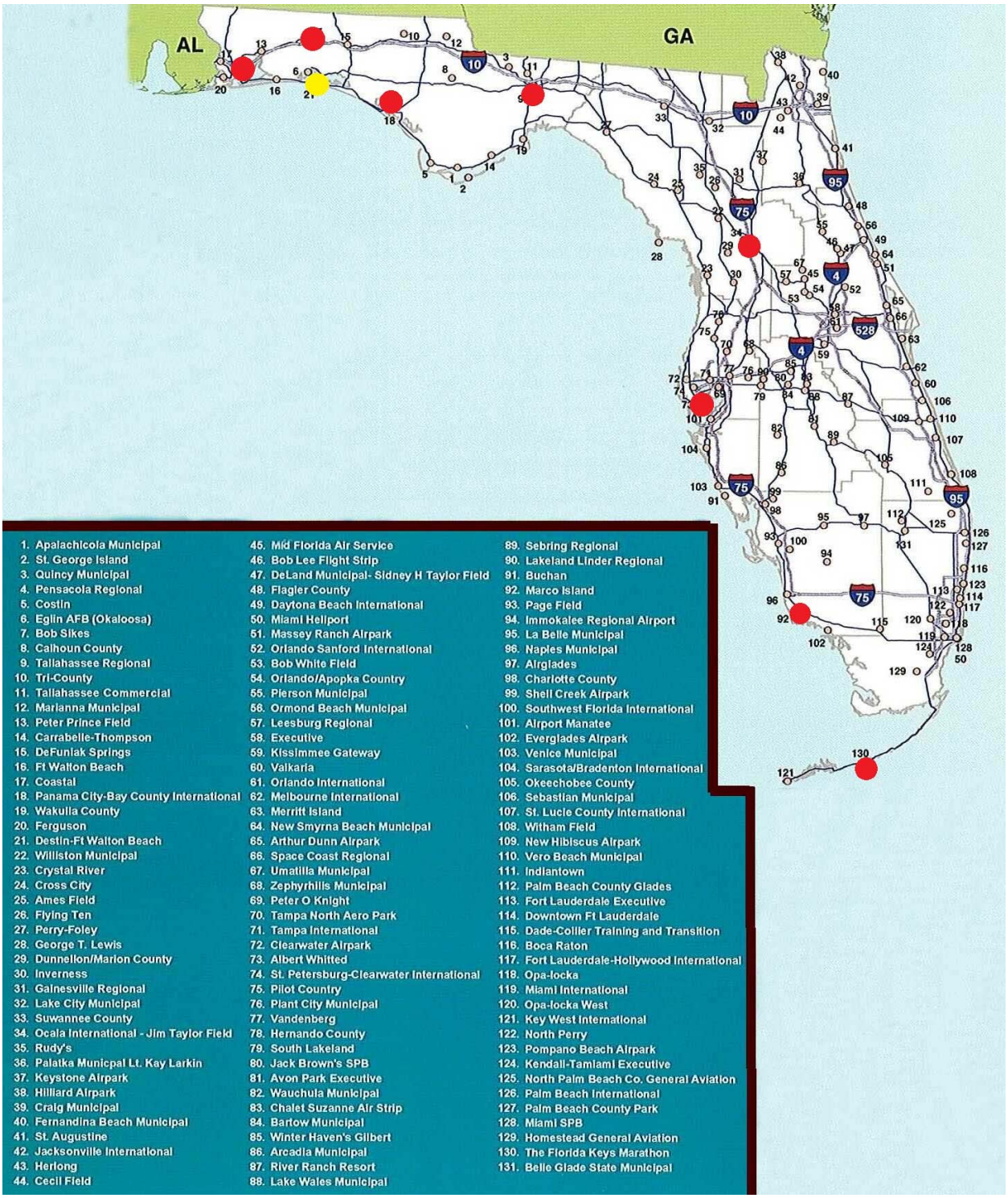
Airport Name	FASP	Hub Size	Aircraft Weight Limit <30K	Control Tower (Hrs.)	US Customs	Attended Hours	Nav. Aids/ Approaches	Based Aircraft	Fuel Flowage (K gal.)	GA Ops (K)	Annual Land Rent ($/Sq.Ft.)	Runway Configuration	Runway Pvmt. Weight Capacity	Runway Lighting
Bob Sikes	NW	GA	no	no	no	1200-0200 Z	GPS VORTAC ILS	24	430	54.0	$1.00	17-35 8,006 x 150 A	S-60,D-120, 2D-170	HIRL, VASI
Albert Whitted	WC	GA	no	yes	no	1200-0200 Z	GPS	183	368	86.9	$1.23	07-25 3,676 x 75 A 18-36 2,864 x 150 A	S-60,D-105,2D-190 S-60,D-105,2D-190	MIRL, REIL.PAPI MIRL, REIL.PAPI
Marco Island Executive	SW	GA	no	no	no	1300-2300 Z	GPS VORTAC	33	884	53.7	$0.50	05-23 6,669 x 100 CG 14-32 4,979 x 60 A 18-36 2,051 x 60 T	S-72, D-95, 2D-160	HIRL MIRL
The Florida Keys Marathon Int'l	SE	GA	no	no	yes LRA	n/a	GPS VORTAC	60	883	40.6	$0.55	07/25 5,008 x 100 A	S75,D129,2D191	MIRL, REIL, PAPI
Ocala Int'l	NC	GA	no	yes	no	1100-0200 Z	GPS VORTAC TACAN	156	772	61.0	$0.25	18-36 7,467 x 150 A 08-26 3,009 x 50 A	S-60,D-125, 2D-220 S-30	HIRL, PAPI, MALSR
Pensacola Int'l	NW	Sml	no	yes	no	24 hrs.	ILS/DME, VOR LOC/DME	152	N/A	61.7	$0.31	17-35 7,004 x 150 C 08-26 7,000 x 150 A	S-85, D-120, 2D-247, 2D/2D2-461 S-85, D-120, 2S-250, 2D/2D2-437	HIRL, REIL, MALSR, PAPI, TDZL HIRL, REIL, PAPI
Tallahassee Int'l	NW	Non	no	yes	no	24 hrs.	ILS/DME GPS, VORTAC	178	1,213	31.3	$0.33	09-27 8,000 x 150 A 18-36 7,000 x 150 A	S-115, D-170, 2S-175, 2D-330 S-115, D-170, 2S-175, 2D-330	HIRL,REIL,PAPI, ALSF2, TDZL HIRL, MALSR,REIL,PAPI
Northwest Florida Beaches Int'l	NW	Non	no	yes 1200-0400 Z	yes	24 hrs.	ILS/DME,GPS VORTAC	101	1,797	37.2	$0.36	16-34 10,000 x 150 C	S-100, D-155, 2D-400, 2D/2D2-750	HIRL, MALSR, PAPI, REIL, TDZL
Destin Executive	**NW**	**GA**	**no**	**no**	**no**	**1200-0400 Z**	**GPS VORTAC**	**61**	**1,278**	**57.2**		**14-32 5,001 x 100 A**	**S-38, D-67, 2D-113**	**HIRL, PAPI**

Legend:
T- turf runway
A - asphalt runway
S- single wheel landing gear
D - dual wheel landing gear
DT - dual tandem landing gear
T - tandem landing gear
PAPI - precision approach path indicator
VASI - visual approach slope indicator
REIL - runway end indicator lights
MALSR - medium intensity approach lighting system w/ rwy alighment indicator ligl
MALS - medium intensity approach lighting system
HIRL - high intensity runway lights
MIRL - medium intensity runway lights
ODALS - omnidirectional approach lighting system
ILS - instrument landing system
DME - UHF standard distance measuring equipment
VOR - VHF navigational facility - omnidirectional course only
NDB - non-directional beacon
GPS - global positioning system
VORTAC - Collocated VOR and TACAN navigational facilities
LRA - Landing Rights Airport

Summary of Aeronautical Land Rental Rates Snapshot

Airport Name	Based Aircraft	Fuel Flowage (K gal.)	GA Ops (K)	Annual Land Rent ($/Sq.Ft.)
Bob Sikes (1)	24	430	54.0	$1.00
Albert Whitted (1)	183	368	86.9	$1.23
Marco Island Executive	33	884	53.7	$0.50
The Florida Keys Marathon Int'l	60	883	40.6	$0.55
Ocala Int'l	156	772	61.0	$0.25
Pensacola Int'l	152	N/A	61.7	$0.31
Tallahassee Int'l	178	1,213	31.3	$0.33
Northwest Florida Beaches Int'l	101	1,797	37.2	$0.36
Destin Executive	**61**	**1,278**	**57.2**	

Note (1): Rental Rate is applied to the building footprint only.



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Based on our analysis, there are a limited number of airports that rent aeronautical land based on the building footprint area only. The only airports that reported an aeronautical land rental rates of building footprint only were Bob Sikes and Albert Whitted airports, with rental rates of $1.00 and $1.23 per square foot. The other comparable annual aeronautical land rental rates range from $0.25 to $0.55 per square foot, with an average of $0.38 per square foot for self-contained sites that include sufficient land for improvements and supporting areas (i.e. parking, setbacks, etc.) within the confines of the parcel. These comparable airports are considered a good representative sample of airports in the region. It was noted, Albert Whitted, Marco Island Executive and The Florida Keys Marathon International airports were considered similar to DTS in terms of being destination locations for vacationers and land constrained characteristics. As such, the land rental rates at these airports would be considered to be most comparable to DTS if the sites were leased on a self-contained parcel basis.

Based on this market rental information, there appears to be some correlation between the activity at the airport, their locations and sizes and the annual aeronautical land rental rates. Based on the level of aeronautical activity at DTS, it is our opinion that fair market annual land rental rate for the aeronautical land at DTS should be in the upper end of the range of these similar aeronautical land rentals on a self-contained parcel basis.

Based on our overall analysis, the current aeronautical land rental information at area airports, we have formed the opinion that the minimum annual aeronautical land rental rate for DTS is $0.40 per square foot on a self-contained parcel basis.

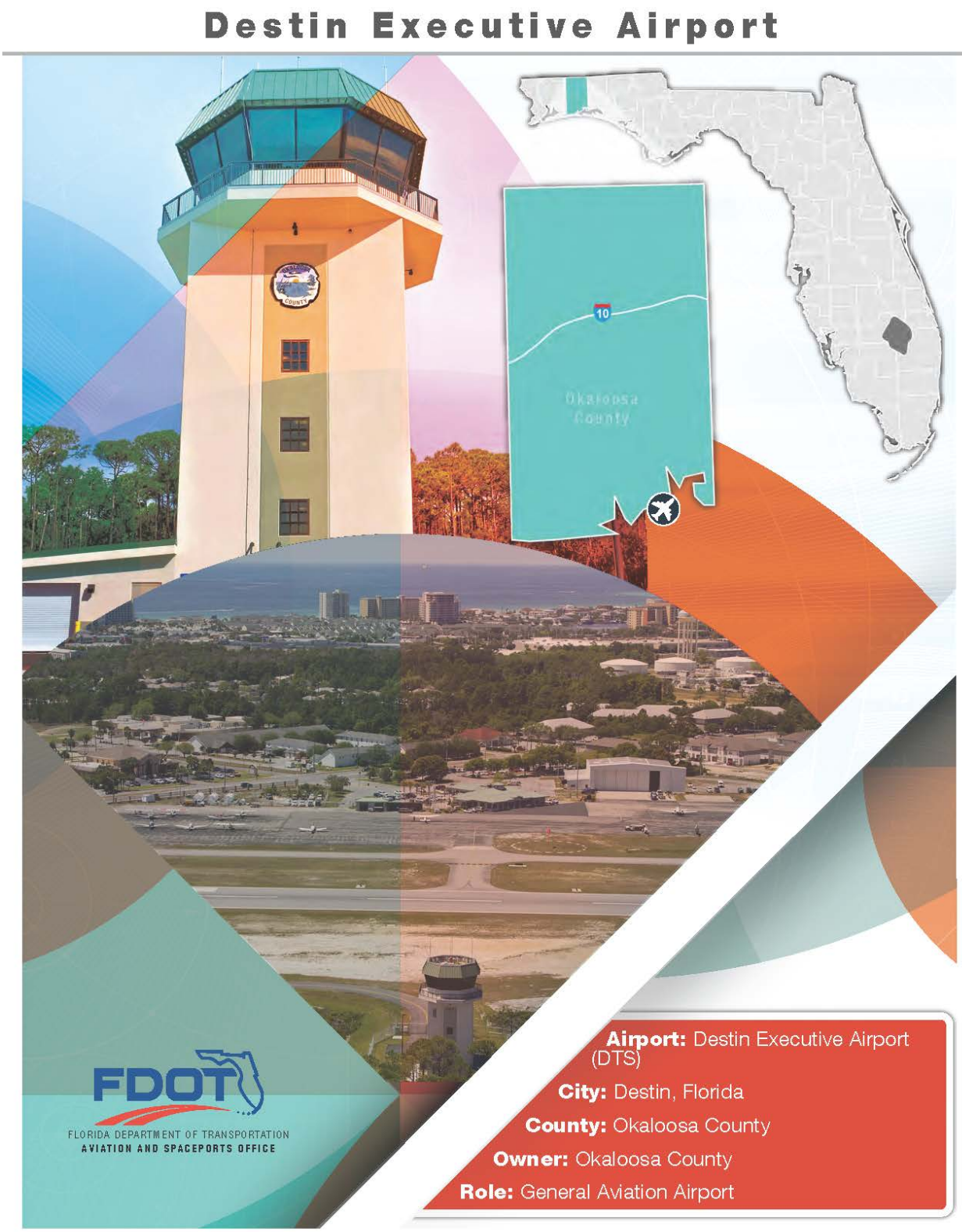
As discussed, Okaloosa County rents aeronautical land to users that represent building footprint sites (i.e. excluding supporting land) which has been taken into account in our analysis. Based on our survey, airports with rental rates on a building footprint only basis were limited and only two other airports in Florida reported an aeronautical land rental rate in this manner. Aeronautical land parcels are typically leased on an annual per square foot basis with this rate applied to a defined site area (i.e. including land under the building, green space, storm retention areas, apron areas and parking areas). Based on our analysis of typical land to building ratios for hangar buildings of about 5.0:1, we have estimated a fair market rent of $2.00 per square foot, per year (i.e. $0.40 per square foot x 5.0 typical land-to-building ratio).

RECONCILIATION

The process of reconciliation reviews and reexamines the scope of the appraisal assignment, 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 a fair market annual aeronautical land rental rate at the Destin Executive Airport (DTS) as described herein.

For valuation purposes, we have reviewed the current rental information concerning aeronautical land rentals at DTS, as well as similar general aviation airports in central Florida. The information was considered to be of good quality and indicative of current market conditions. Based on analysis of the information, we have formed the opinion that the minimum annual aeronautical land rental rate for DTS is $2.00 per square foot of building footprint only.

ADDENDUM A- Airport Information



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DESTIN EXECUTIVE AIRPORT

Located in Okaloosa County, approximately one mile east of downtown Destin, Destin Executive Airport serves several types of general aviation activities. The airport has one 5,001-foot runway which can accommodate multi-engine general aviation aircraft. The airport's terminals are ideal for serving local users as well as those visiting the area.

Existing **Facilities**

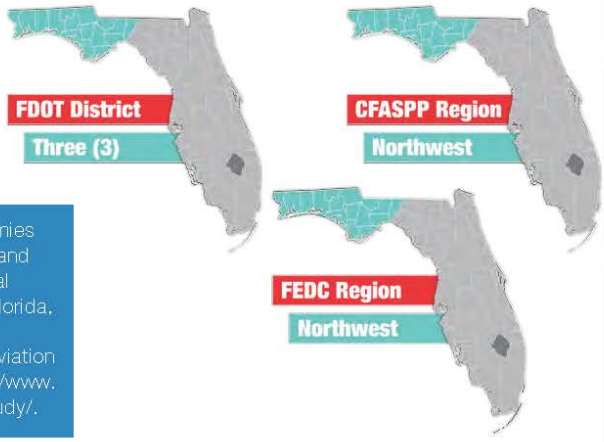
Destin Executive Airport has a single runway, runway 14/32, paved with asphalt and in good condition. Runway 14/32 measures 5,001 feet long by 100 feet wide. The runway is equipped with high intensity edge lights, precision approach path indicator lights, RNAV GPS instrument approaches, and a full-length paved parallel taxiway. Destin Executive also features a recently-opened air traffic control tower that is operational from 6:00am to 10:00pm.

Lynx FBO is the fixed base operator at Destin Executive Airport, offering a range of amenities including hangar space, full service fueling (including jet fuel), maintenance, repairs, and a 6,000-square foot modern terminal featuring conference rooms, flight planning space, and refreshments. Lynx FBO was recently rated one of the top FBOs in the United States by Aviation International News.

For more information, please visit DTS's website at:
https://www.flydts.com/

Airport **Classification**

REGIONAL ASSET GENERAL AVIATION AIRPORT



Regional airports support regional economies by connecting communities to statewide and interstate markets. There are 492 Regional Asset airports nationwide and 30 within Florida, including Destin Executive Airport. More information can be found in the Federal Aviation Administration's ASSET Studies at https://www.faa.gov/airports/planning_capacity/ga_study/.

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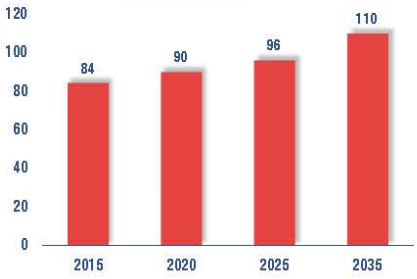
Community Service

Situated between a popular tourist destination and a large military base, Destin Executive Airport occupies a unique place among general aviation airports. In its current role, the airport serves as the base for general aviation operations in southern Okaloosa County. The primary type of aviation activity at the airport is recreational and business/corporate flying resulting from its proximity to the famous white-sand beaches of Northwest Florida. The tourism industry also means Destin Executive Airport supports an enormous proportion of itinerant aircraft operations as well as numerous jet aircraft operations. The airport also supports the needs of local businesses, from commercial construction contractors to tour helicopters. The airport's tower also helps manage the flight activity of banner towing outfits and parasails located off property that operate in nearby airspace. Because of the proximity of Eglin Air Force Base, Hurlburt Field, and numerous other military facilities, the airspace around Destin Executive Airport is considerably congested and heavily regulated. The recent construction of an air traffic control tower will help alleviate issues related to this congestion. There is also a fair amount of flight training activity at the airport.

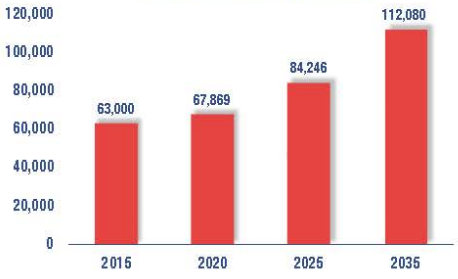
Current and Forecast Demand

According to Florida Aviation System Plan data, there were 24 aircraft based at Destin Executive Airport in 2014. For the 12-month period ending on October 31, 2018, air traffic controllers at the airport recorded 103,459 operations. The current Airport Reference Code at Destin Executive is B-II which includes aircraft such as the Beechcraft King Air, Cessna Citation X, and Dassault Falcon 2000.

Based Aircraft



General Aviation Operations



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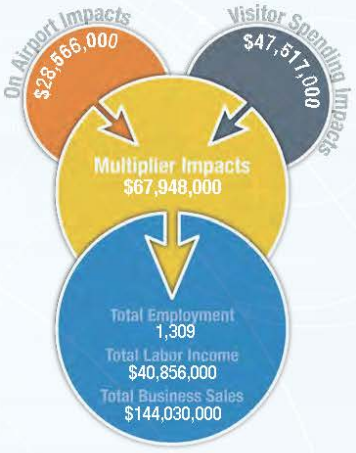
Economic **Impact**

Destin Executive Airport is in located in Okaloosa County approximately two miles east of downtown Destin. The airport has one runway that measures 5,001 feet. The airport accommodates multi-engine general aircraft along with some general aviation jet aircraft.

The airport is a high-end leisure airport and its two fixed based operators offer first-class facilities for its users. The airport primarily supports vacationers and corporate business travelers; for instance, there are multiple tourist fly-ins on the weekends and the airport also receives high-profile visitors. Tourists and snow birds that rely on the airport and whose local spending benefits the community contribute to the airport's indirect impacts. The airport also supports recreational flying activities such as helicopter aerial tours. Flight training is offered by flight schools at the airport and the Coast Guard uses the airport for emergency medical aviation. The airport is an important asset to aviation in the local region as it provides reliever space for general aviation aircraft operating in an area with a high amount of military aircraft activity.



Other **Airport Characteristics**

In the estimation of airport management, the main roles and services of Destin Executive Airport include corporate vacation and business travel; fly-ins from tourists, weekenders, and people visiting their second homes; flight training and emergency medical operations; and recreational flying and sightseeing tours. Management describes Destin Executive as a high-end leisure and executive airport.

Current and Future **System Service Requirements/Recommendations**

At the time of this review, airport management reports several current and future airside or landside improvement projects on the airport, the largest recent addition being the Air Traffic Control Tower. Future projects include: rehabilitation and realignment of several of the main parallel taxiways and ladder taxiways; rehabilitation of the south apron; rehabilitation of general aviation taxiways; and a runway preservation project to include updating all markings, signage, and pavement global maintenance.

General Aviation Airport Role

FDOT
FLORIDA DEPARTMENT OF TRANSPORTATION
AVIATION AND SPACEPORTS OFFICE
www.fdot.gov/aviation

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ADDENDUM B - Slack, Johnston & Magenheimer Airport Survey

General Aviation Airport Summary - Florida 2019-20

Prepared By: Slack, Johnston & Magenheimer, Inc.
7245 SW 87 Avenue, Suite 300
Miami, Florida 33173
305-670-2111
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Slack, Johnston & Magenheimer's 2019-20 general aviation airport survey included 59 airports within Florida. The 2019-20 survey was our 25th state-wide survey and included a variety of general aviation, non-hub commercial and small hub commercial airports with greater than +/-25,000 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. It should be noted this is a summary of our survey findings and this survey should not solely be relied upon to establish rates at any airport.

Slack, Johnston & Magenheimer's 2019-20 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-2020. 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.

For the period prior to the Covid pandemic, the survey indicates general aviation airport activity in Florida continued to be stable over the past year, with measured growth. Statewide, there has been an increase in average operations of about 3% and increases in average fuel flowage of about 5%, while average based aircraft declined about 2%. It was noted recent revisions to the definition of 'based aircraft' was considered to have impacted the data. Overall airport activity levels around the state vary by region, although positive trends continue in operations and fuel flowage in all regions. Over the past five years, general aviation activity at the airports surveyed continues to indicate growth in fuel flowage of about 23%, operations of about 8%, and based aircraft of about 2%.

The 2019-20 survey includes charts of regional airport activity including operations, based aircraft and fuel flowage. The southeast, northeast and northwest regions showed increases in operations and fuel flowage and a decline in based aircraft for 2019 as compared to 2018. The southwest region showed increases in based aircraft, operations and fuel flowage for 2019 as compared to 2018.

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 all Florida airports with FAA control towers built prior to 2009 indicates in 2019, total operations and general aviation operations increased about 5% compared to 2018. Last year, the level of operations at general aviation and smaller commercial airports showed increases in total operations of about 7% and general aviation operations of about 6% as compared to 2018. In 2019, general aviation itinerant and local operations over the past year showed itinerant operations increased about 2%, while local operations increased about 9%. Over the past five years, itinerant operations declined about 3%, while local operations increased about 23%.

Our analysis of the national population of civilian airmen over the past five years showed increases in total pilots (15%), student pilots (66%), as compared to a decline in private pilots (7%). In Florida the population of civilian airmen over the past five years showed increases in total pilots (27%), student pilots (69%) and private pilots (5%).

A review of the commercial aviation activity of enplaned passengers and landed cargo indicates that activity continues to be primarily centered at Florida's large and medium hub airports. The number of enplaned passengers increased about 5%, while landed cargo increased about 10% in 2019 as compared to 2018. In Florida over the past five years, total enplaned passengers have increased about 23%, with increases of about 20% at both large and medium hub airports and an increase of about 44% as small and non-hub commercial airports.

So what about the Covid pandemic? The pandemic has changed many things in our lives both professionally and personally. Who'd have ever thought it would be normal for everyone in a bank to be wearing a mask, professional sports would be fan-less, toilet paper would be a hoarded commodity or FAC's annual conference would be cancelled? The commercial aviation industry has suffered significant damage from the pandemic as a result of lockdowns and quarantines and, as of the end of the third quarter of 2020, only about 25% of pre-pandemic enplanements have recovered as compared to pre-pandemic levels. By all accounts, the recovery of commercial aviation will be prolonged and difficult. The general aviation industry has also been impacted by the pandemic. In June 2020, Slack, Johnston & Magenheimer undertook a study of general aviation fuel flowage at 23 airports in Florida to gauge the state of the industry. The fuel study indicated in April, 2020 most airports experienced severe decline in activity and corresponding fuel flowage of about 40% as compared to the preceding three year-over-year averages. Since April, general aviation activity appears to be rebounding with increases in activity and corresponding fuel flowage as compared to the preceding three year-over-year averages. We have attached the fuel study for the period January through May 2020 and are currently in the process of updating the study through August 2020. If you would like to receive a copy of the update fuel report, please contact us. We will continue to monitor the recovery moving forward.

The following information summarizes our survey. As always, we thank those who participated in the survey. We look forward to continuing to serve the rates and charges and general real estate valuation and consulting needs of the Florida aviation community. Let us know if we can further assist you.

General Aviation Airport Survey - Florida 2019-20

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 > +/-25,000 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-Hangars T.E. ($/mo.)	Shade S.E. ($/mo.)
Total	59										
High-		4,000	579	289,600	17,403,000	$0.200	$0.56	$275.00	$750	$1,200	$425
Low-		47	12	32,400	17,000	$0.030	$0.08	$27.00	$200	$248	$118
Mean-		1,135	183	96,300	1,711,000	$0.074	$0.27	$84.90	$396	$586	$214
Southeast	16										
High-		3,700	579	289,600	17,403,000	$0.110	$0.55	$275.00	$750	$1,200	$425
Low-		197	12	32,400	17,000	$0.030	$0.08	$60.00	$275	$490	$225
Mean-		1,045	221	122,500	3,156,000	$0.070	$0.24	$127.10	$547	$827	$308
Southwest	19										
High-		2,400	394	109,700	8,338,000	$0.100	$0.56	$104.00	$535	$1,016	$315
Low-		47	33	37,700	50,000	$0.000	$0.10	$27.00	$245	$338	$128
Mean-		945	201	72,700	1,135,000	$0.071	$0.31	$64.60	$357	$558	$187
Northeast	20										
High-		2,800	326	211,000	3,662,000	$0.200	$0.40	$110.00	$450	$900	$118
Low-		138	19	40,500	40,000	$0.040	$0.12	$30.00	$200	$248	$118
Mean-		1,210	154	106,800	1,108,000	$0.078	$0.25	$66.10	$332	$474	$118
Northwest	4										
High-		4,000	98	75,800	1,729,000	$0.090	$0.35	$150.00	$473	$633	n/a
Low-		395	52	36,700	1,373,000	$0.040	$0.08	$72.00	$210	$400	n/a
Mean-		2,024	85	51,300	1,529,000	$0.065	$0.27	$107.30	$377	$536	n/a

NORTHWEST (4)
9 Destin Executive
31 NW Florida Beaches Int'l
42 Pensacola International
52 Tallahassee Regional

SOUTHWEST (19)
1 Albert-Whitted
3 Bartow Municipal
5 Brooksville-Tampa Bay Reg
6 Clearwater Airpark
16 Immokalee
20 Lakeland Linder Int'l
23 Marco Island
27 Naples Airport
38 Page Field
43 Peter O. Knight
44 Plant City
46 Punta Gorda
47 Sarasota-Bradenton Int'l
48 Sebring Regional
51 St. Petersburg-Clearwater Int'l
53 Tampa Executive
55 Venice Municipal
57 Winter Haven Municipal
59 Zephyrhills Municipal

NORTHEAST (20)
2 Aurthur Dunn Airpark
7 Daytona Beach Int'l
8 Deland Municipal
10 Fernandina Beach Munic.
11 Flagler Executive
13 Gainesville Regional
14 Herlong Municipal
17 Jacksonville Exec. @ Craig
19 Kissimmee Gateway
21 Leesburg Int'l
24 Melbourne Int'l
25 Merritt Island
28 New Smyrna Beach Munic.
30 NE Florida Regional
32 Ocala International
35 Orlando Executive
36 Orlando Sanford Int'l
37 Ormond Beach Municipal
49 Space Coast Regional
54 Valkaria

SOUTHEAST (16)
4 Boca Raton
12 Fort Lauderdale Executive
15 Miami-Homestead GA
18 Key West Int'l
22 Florida Keys - Marathon Int'l
26 Miami Executive
29 North Perry
33 Okeechobee County
34 Miami Opa-Locka Executive
39 Palm Beach North County
40 Palm Beach County Park
41 Palm Beach Glades
45 Pompano Beach Airpark
50 Treasure Coast Int'l
56 Vero Beach Municipal
58 Witham Field

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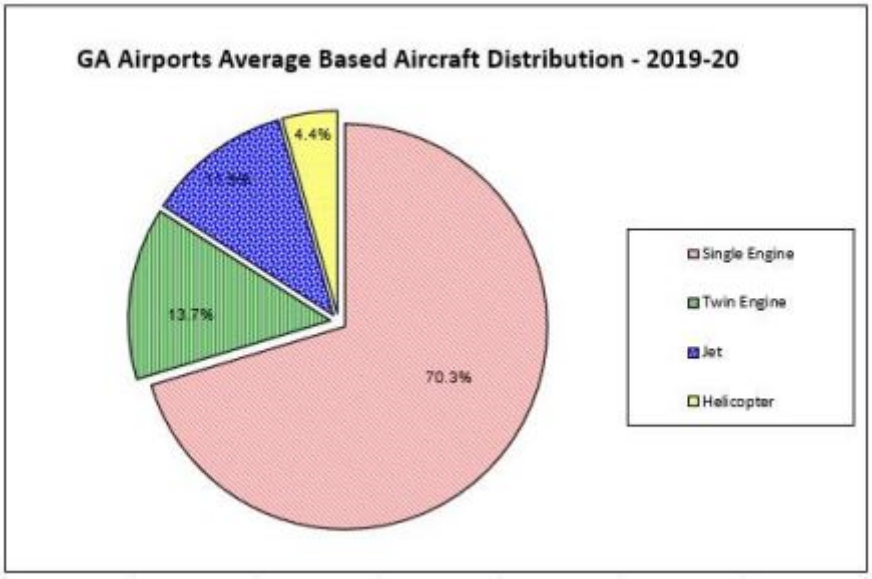

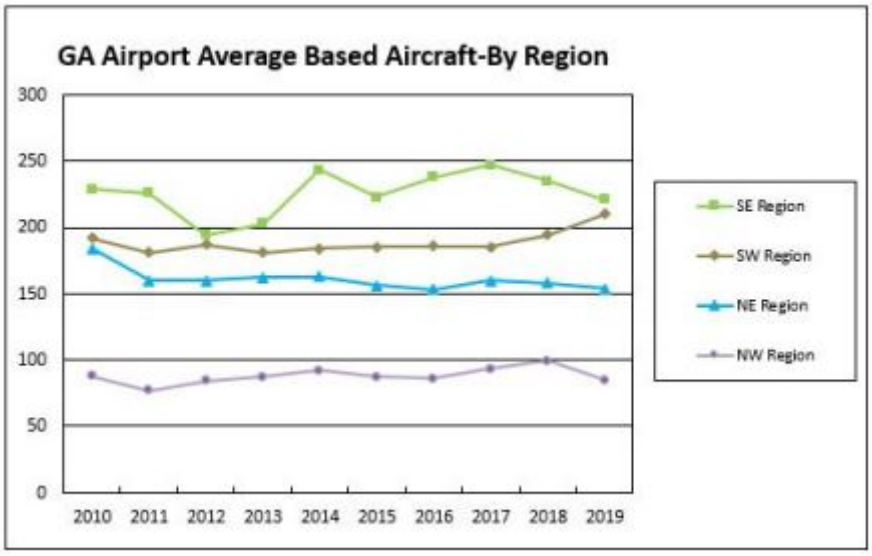

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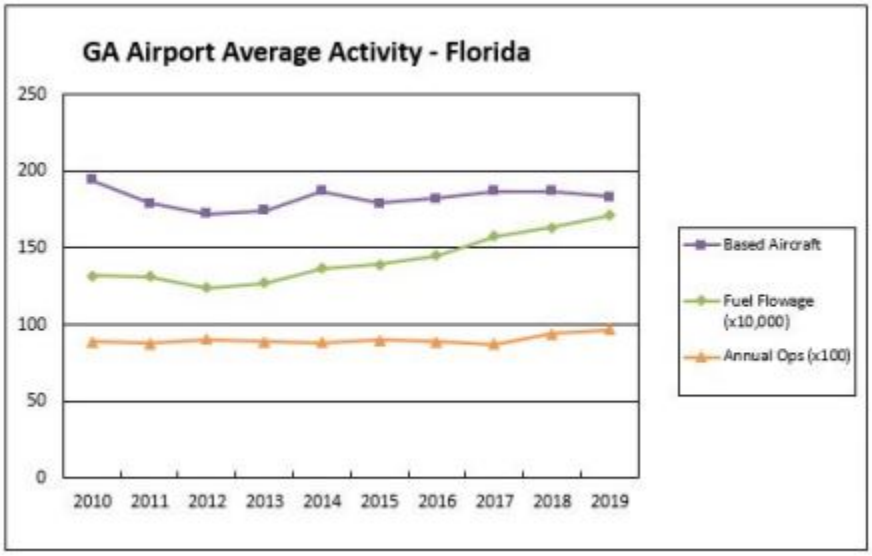

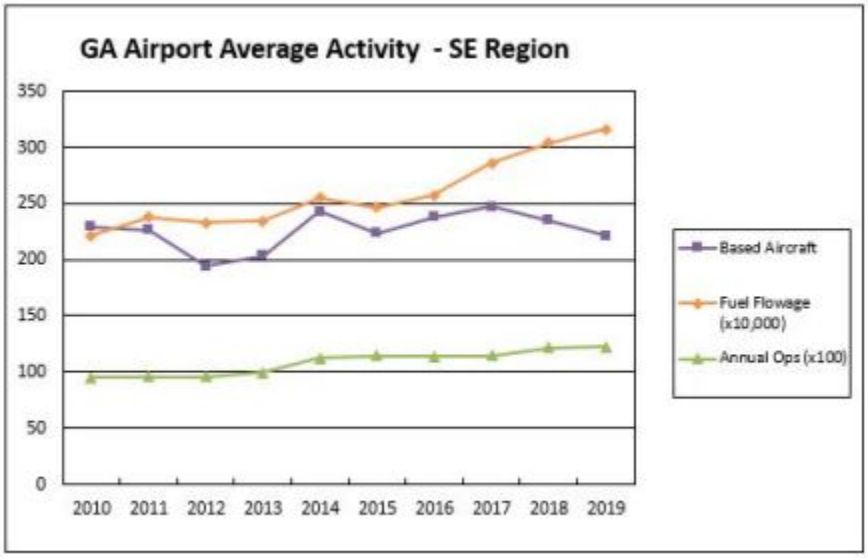

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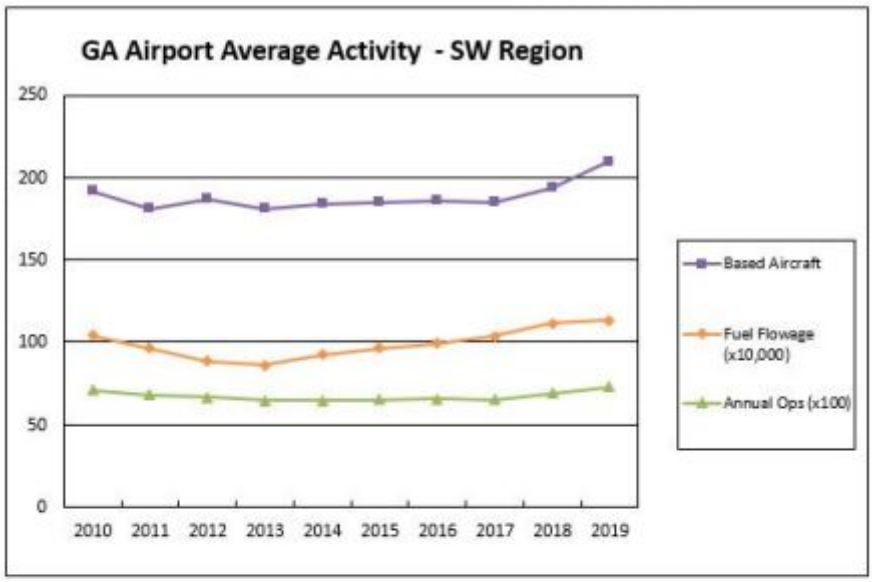
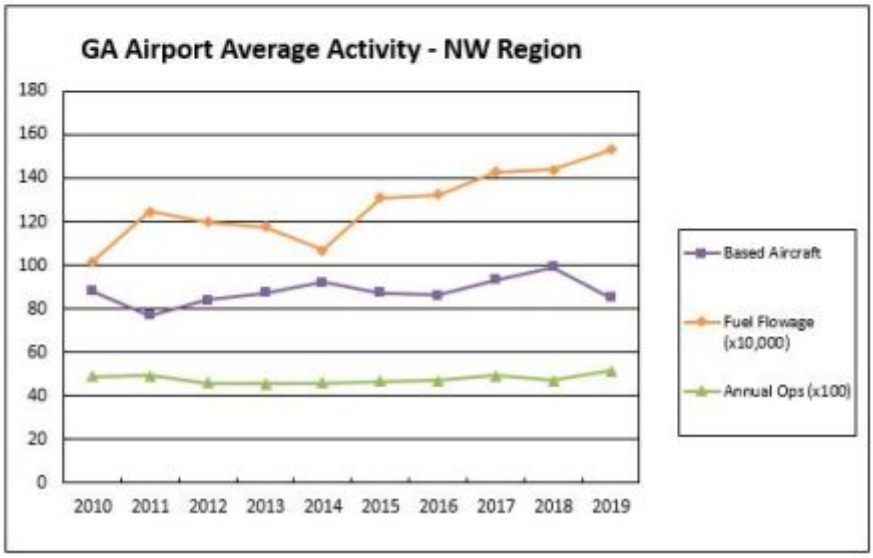
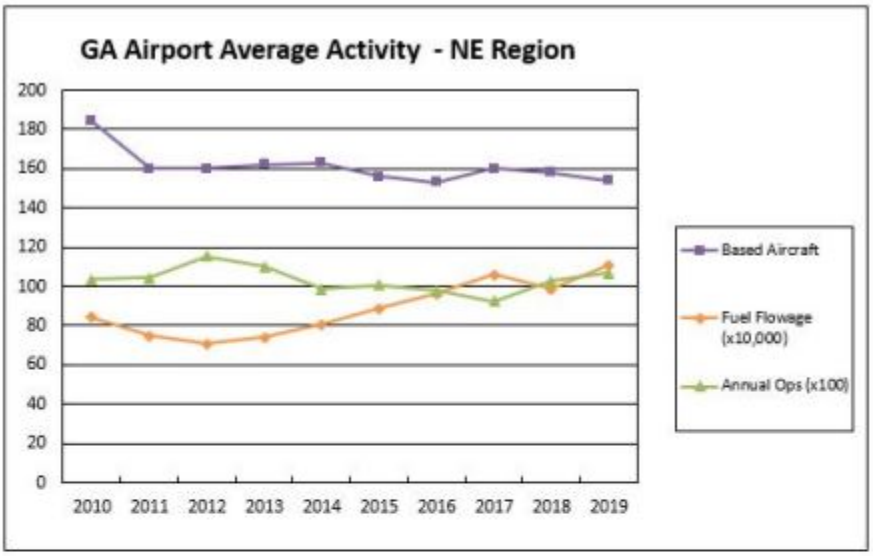
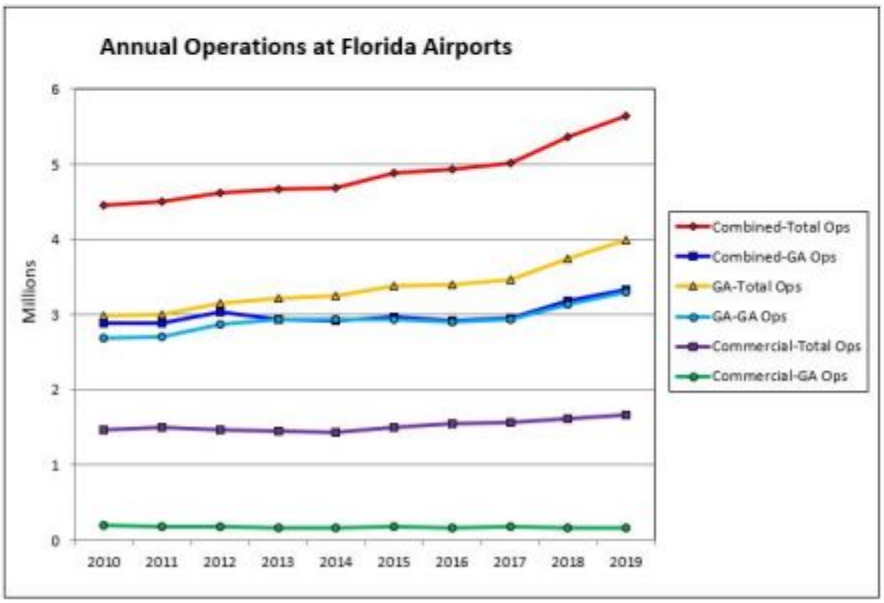
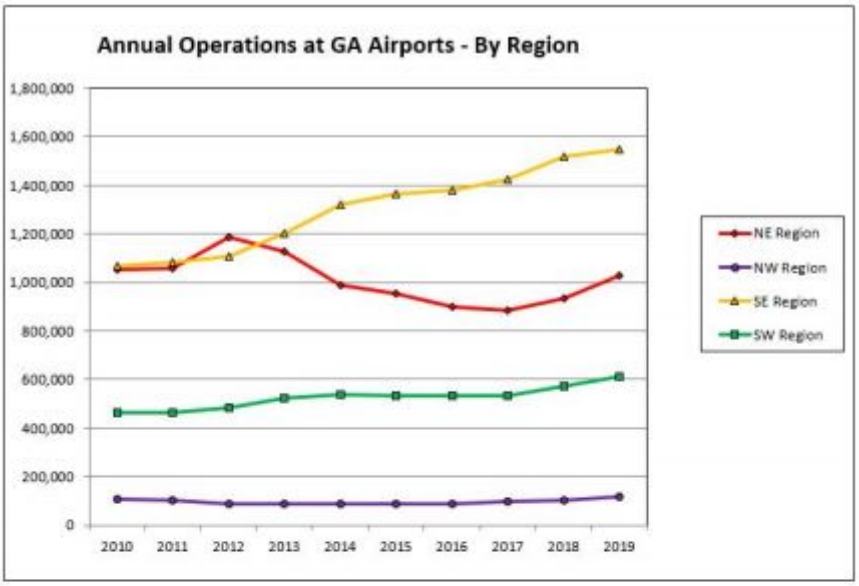
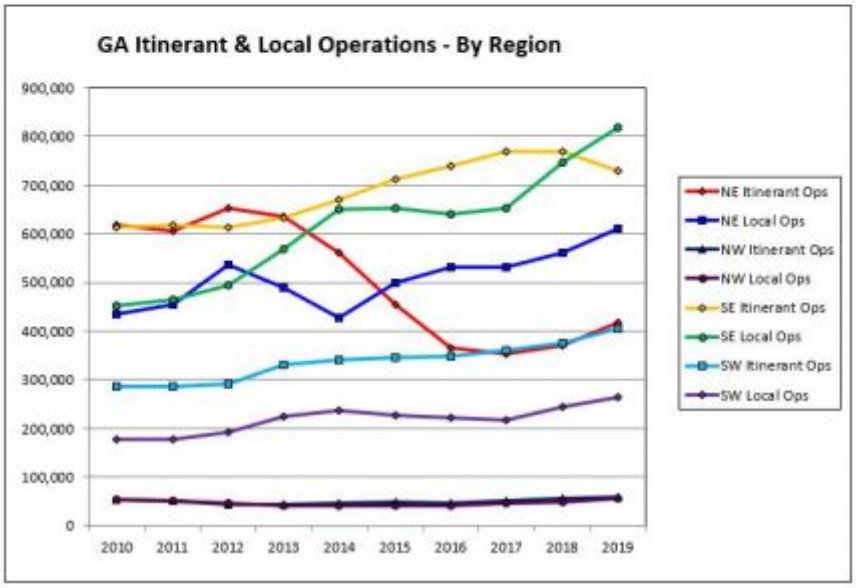


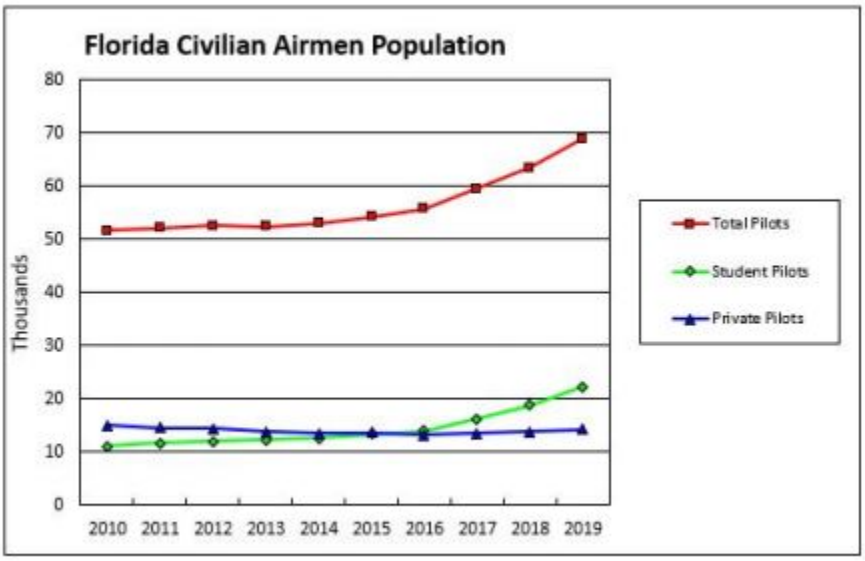


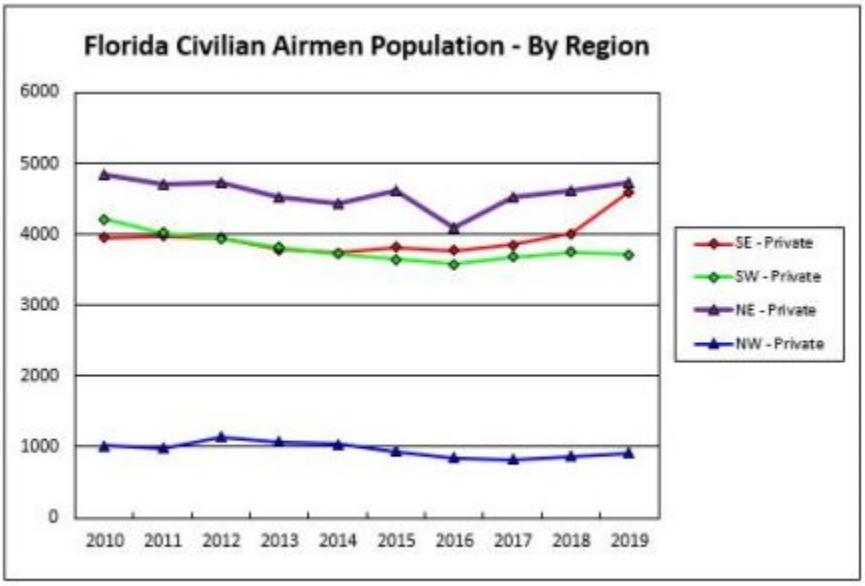

GA Airport Average Activity - NE Region
200
180
160
140
120
100
80
60
40
20
0
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
Based Aircraft
Fuel Flowage (x10,000)
Annual Ops (x100)


Annual Operations at Florida Airports
Millions
6
5
4
3
2
1
0
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
Combined-Total Ops
Combined-GA Ops
GA-Total Ops
GA-GA Ops
Commercial-Total Ops
Commercial-GA Ops


Annual Operations at GA Airports - By Region
1,800,000
1,600,000
1,400,000
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
NE Region
NW Region
SE Region
SW Region


GA Itinerant & Local Operations - By Region
900,000
800,000
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
NE Itinerant Ops
NE Local Ops
NW Itinerant Ops
NW Local Ops
SE Itinerant Ops
SE Local Ops
SW Itinerant Ops
SW Local Ops





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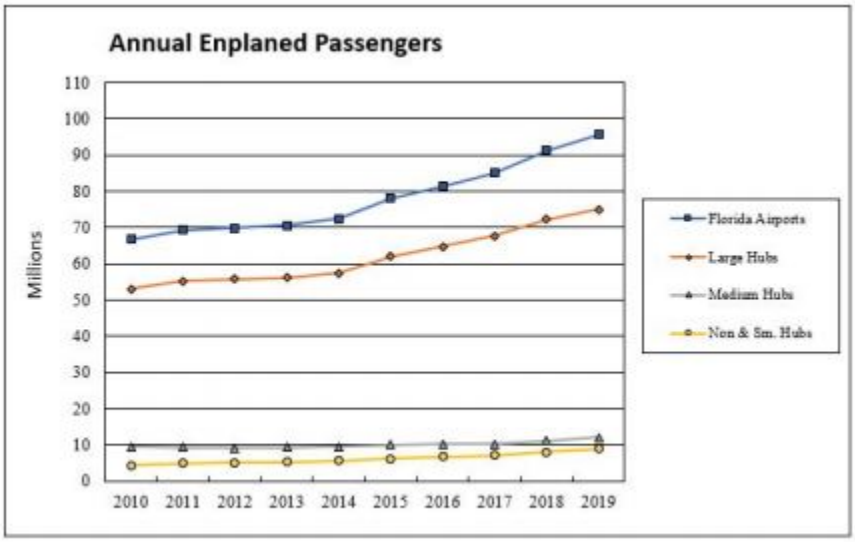

Annual Enplaned Passengers
Millions
110
100
90
80
70
60
50
40
30
20
10
0
2010 2011 2012 2013 2014 2015 2016 2017 2018 2019
Florida Airports
Large Hubs
Medium Hubs
Non & Sm. Hubs


Annual Cargo Landed Weight - Lbs.
Billions
14.0
12.0
10.0
8.0
6.0
4.0
2.0
0.0
2010 2011 2012 2013 2014 2015 2016 2017 2018 2019
Florida
Miami Int'l
Orlando Int'l
Ft. Lauderdale Int'l
Jacksonville Int'l
Southwest Florida Int'l

ADDENDUM C – COVID Fuel Study

Impact of COVID-19 on General Aviation in Florida – 2020 In Review

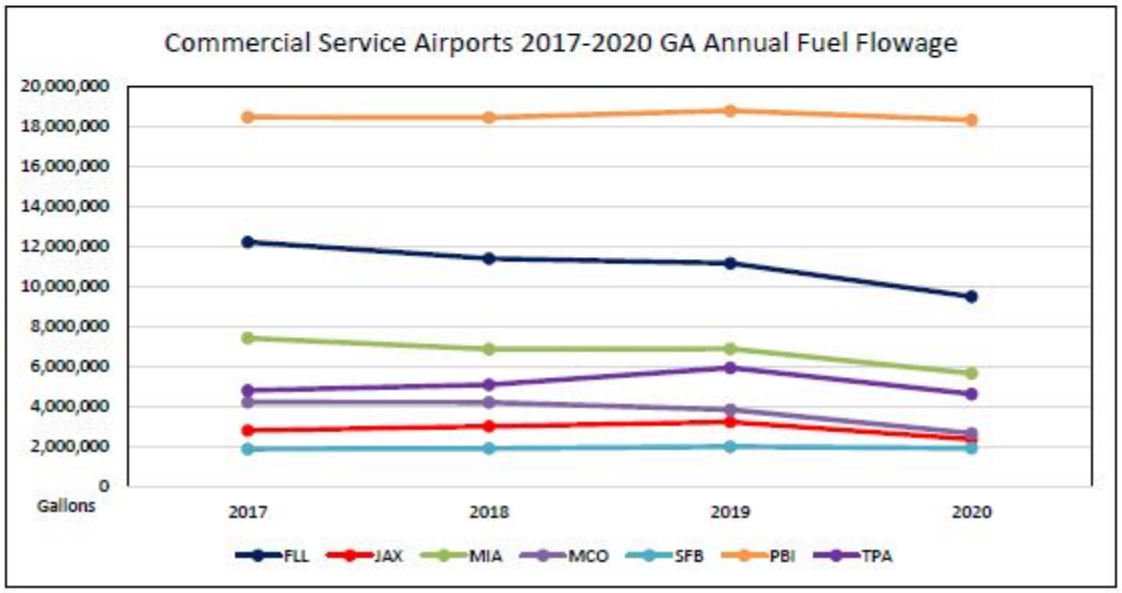
Prepared By: Slack, Johnston & Magenheimer, Inc., 7245 SW 87 Avenue, Suite 300, Miami, Florida 33173

Throughout 2020 Slack, Johnston & Magenheimer researched Florida's aviation industry to study the impact of the COVID-19 pandemic on general aviation. Based on the premise general aviation fuel flowage illustrates the best indication of aeronautical activity, SJM surveyed general aviation fuel flowage at 26 airports that represent a cross-section of airports ranging from small rural airports to large hub commercial service airports with significant general aviation activity. The airports under review included the following:

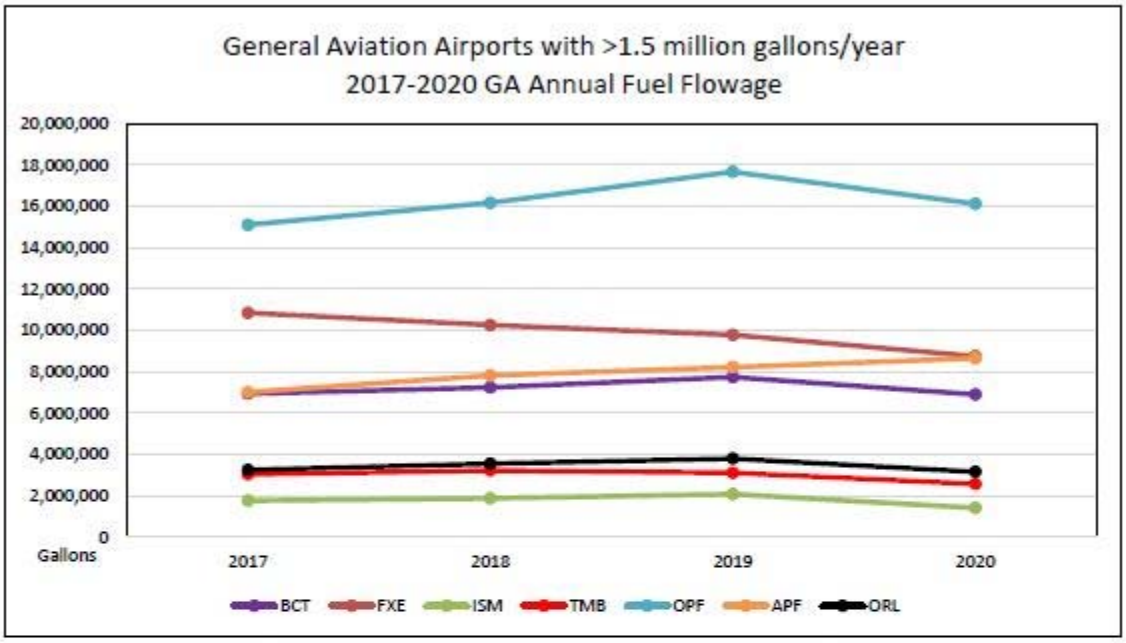
Code	Hub	Airport	Code	Hub	Airport
BCT	GA	Boca Raton	APF	GA	Naples
BKV	GA	Brooksville-Tampa Bay Reg.	HWO	GA	North Perry
VQQ	GA	Cecil	OCF	GA	Ocala Int'l
FHB	GA	Fernandina Beach	MCO	L	Orlando Int'l
FLL	L	Fort Lauderdale-Hollywood Int'l	ORL	GA	Orlando Exec.
FXE	GA	Fort Lauderdale Exec.	SFB	S	Orlando Sanford Int'l
HEG	GA	Herlong Recreational	PBI	M	Palm Beach Int'l
JAX	M	Jacksonville Int'l	F45	GA	Palm Beach North County
CRG	GA	Jacksonville Exec. @ Craig Field	LNA	GA	Palm Beach Lantana
ISM	GA	Kissimmee Gateway	PMP	GA	Pompano Beach Airpark
MIA	L	Miami Int'l	TPF	GA	Peter O. Knight
OPF	GA	Miami-Opa Locka Exec.	VDF	GA	Tampa Exec.
TMB	GA	Miami Exec.	TPA	L	Tampa Int'l

The survey reviewed airport-reported general aviation fuel flowage volume for CY2017-CY2020. As a point of reference, the general aviation fuel flowage at the airports surveyed ranged from about 150,000 to 18,800,000 gallons for 2019. For purposes of this analysis, we have divided the airports into four groups including 1) commercial service airports, 2) general aviation airports with greater than 1,500,000 gallons/year, 3) general aviation airports with between 500,000 and 1,500,000 gallons/year and 4) general aviation airports with less than 500,000 gallons/year.

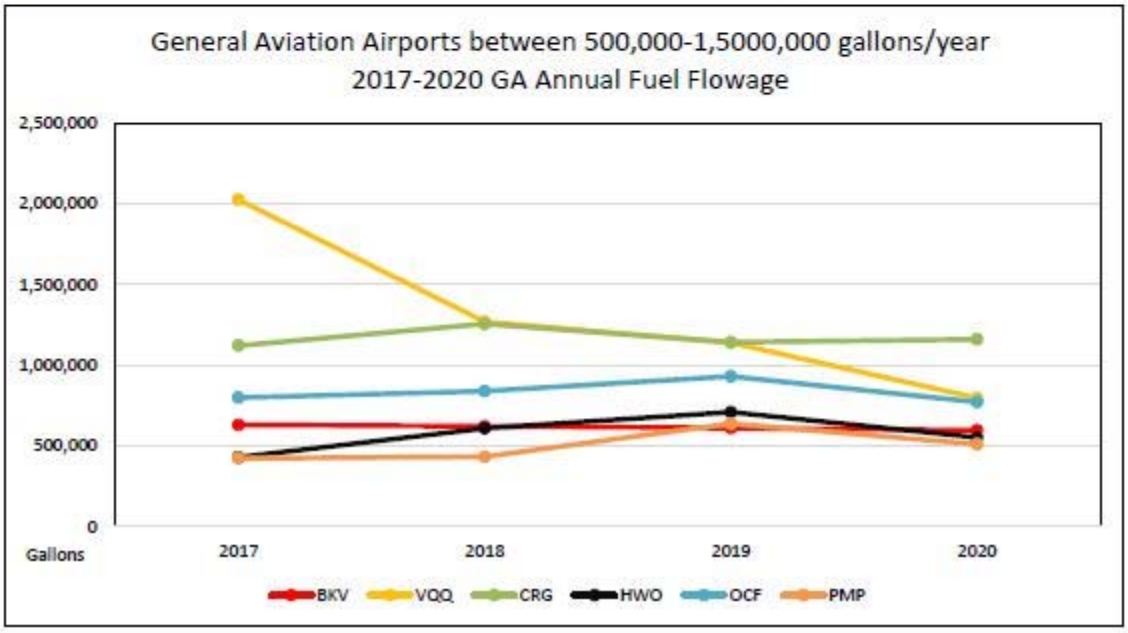
For 2020, general aviation fuel flowage at the commercial service airports surveyed indicated fuel volumes from -2% to -30%, with an average of -17% as compared to 2019.



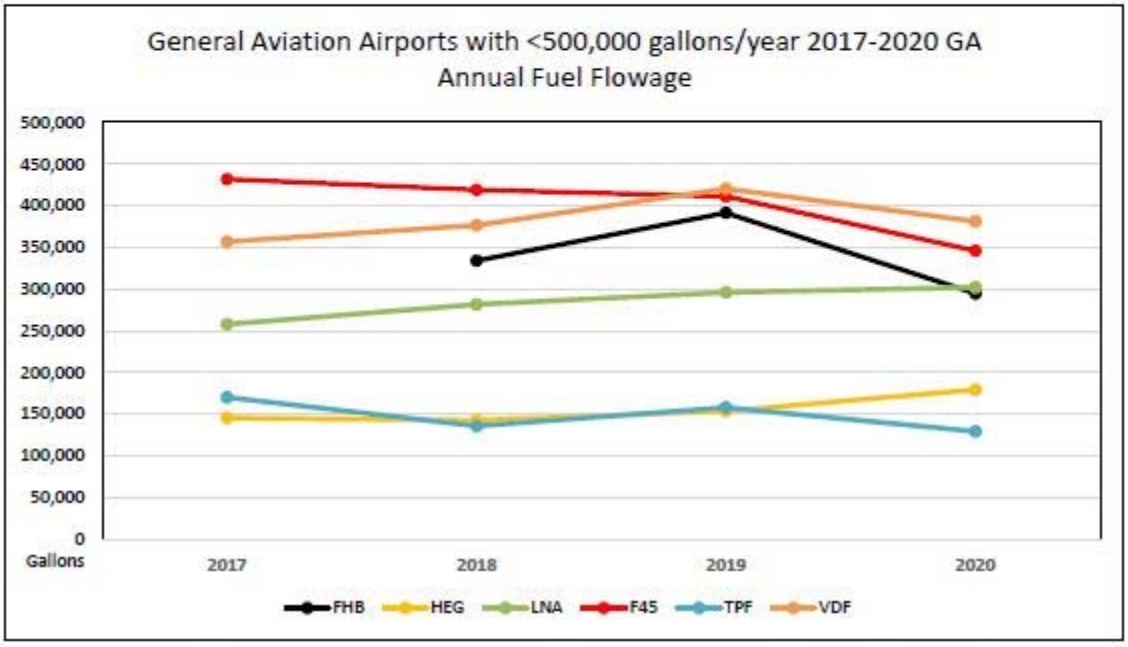
For 2020, general aviation fuel flowage at the general aviation airports surveyed with over 1,500,000 gallons annual fuel flowage indicated fuel volumes from -9% to -32%, with an average of -16% at six of the seven airports as compared to 2019. For 2020, APF saw a fuel volume of +5% as compared to 2019.



For 2020, general aviation fuel flowage at the general aviation airports surveyed with between 500,000 and 1,500,000 gallons annual fuel flowage indicated fuel volumes from -2% to -30%, with an average of -18% at five of the six airports as compared to 2019. For 2020, CRG saw a fuel volume of +2% as compared to 2019.



For 2020, general aviation fuel flowage at the general aviation airports surveyed with less than 500,000 gallons annual fuel flowage indicated fuel volumes from -9% to -25%, with an average of -17% at four of the six airports as compared to 2019. For 2020, LNA and HEG saw fuel volumes of +2% and +17%, respectively, as compared to 2019.



The aforementioned data provides perspective on pre-pandemic conditions and the overall state of general aviation fuel flowage at 26 airports surveyed. Our study included further analysis of the fuel flowage at the airports surveyed based on a comparison of the monthly general aviation fuel flowage for 2020 as compared to the same period averages from 2017-2019.

Based on our study, monthly general aviation fuel flowage volumes fluctuated considerably in 2020 as the United States and world came to grips with the pandemic. The monthly general aviation fuel volumes illustrate the impact of the pandemic on the industry. Before the scope of the pandemic was realized in the United States in March 2020, general aviation fuel volumes showed increases in January and February 2020 that averaged about +7% and +15%, respectively, as compared to the monthly averages during the same period for 2017-2019. In March 2020 the impact of the pandemic was realized everywhere, including the general aviation industry in Florida, and the impacts were illustrated by drastic declines in general aviation fuel volumes in March and April 2020 that averaged -11% and -60%, respectively, as compared to the monthly average during the same period for 2017-2019. Then, as spring turned to summer and Florida began to "reopen", the recovery commenced. Monthly general aviation fuel volumes increased beginning in May 2020, with average monthly fuel volumes down only -8% in Q3 and on average, with no change in Q4 as compared to the averages during the same period for 2017-2019.

Overall, the average monthly general aviation fuel volume for 2020 declined about -10% as compared to the same period for 2017-2019. Among the airports surveyed, CY2020 fuel volume as compared to the averages during the same period for 2017-2019 illustrates:

- 38% of airports reported fuel volumes -15% or more
- 19% of airports reported fuel volumes between -5% and -15%
- 43% of airports reported fuel volumes -5% or less (15% of airports reported increased fuel volume)

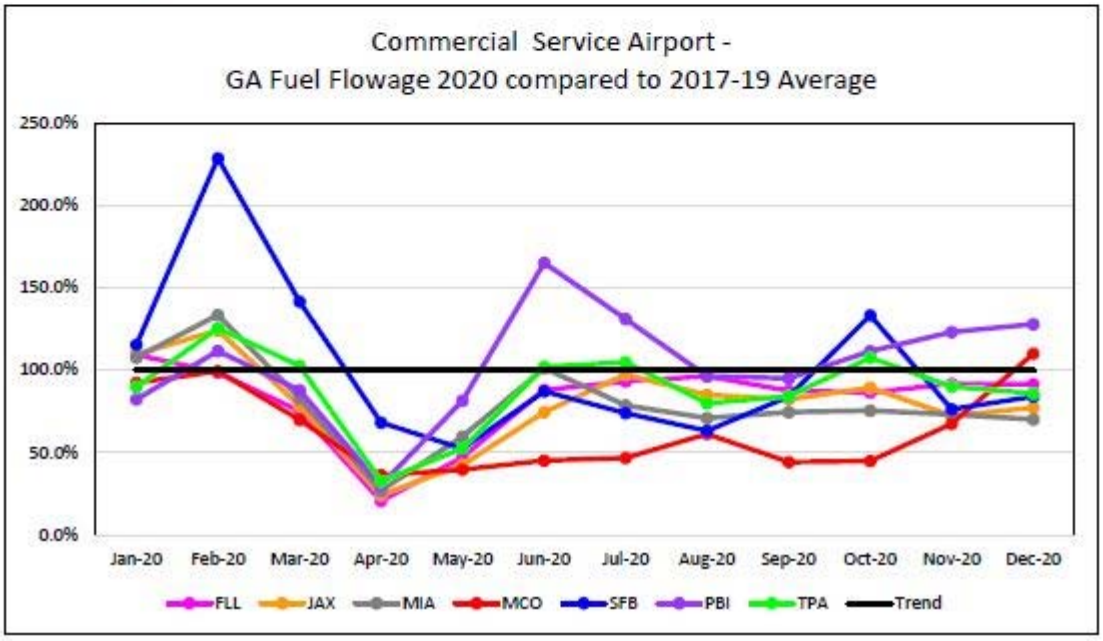
The following are the results of our study.

SUMMARY OF COVID GENERAL AVIATION FUEL FLOWAGE

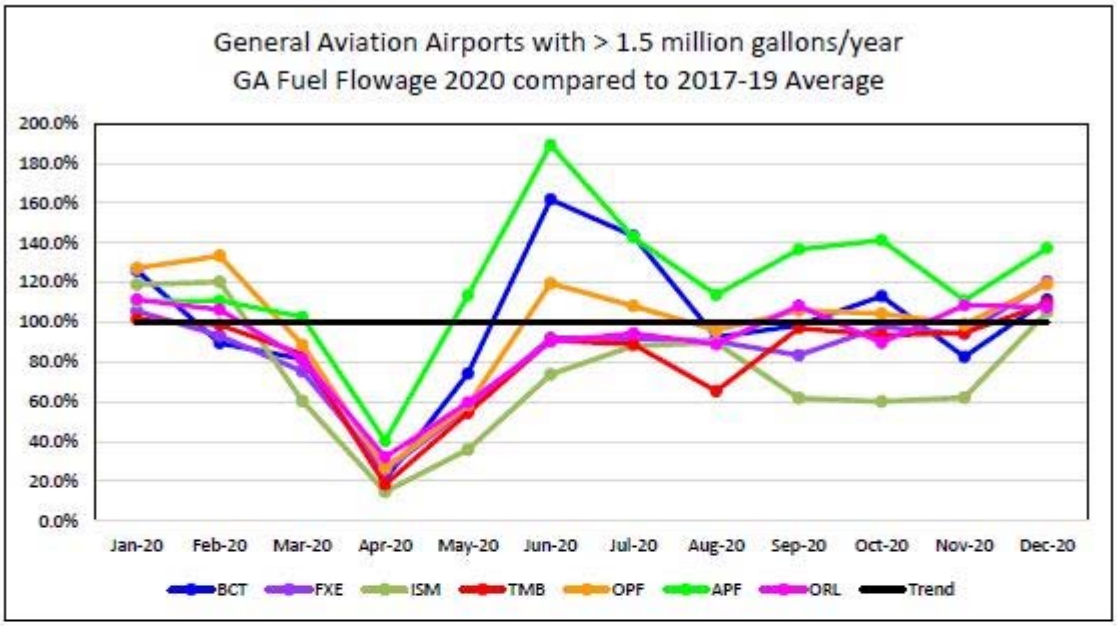
2020 Monthly Fuel Flowage Compared to 2017-2019 Average Fuel Flowage

Airport	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	CY20
FLL	109%	99%	75%	21%	47%	88%	93%	96%	87%	86%	92%	92%	82%
JAX	110%	124%	78%	24%	43%	70%	96%	89%	82%	93%	74%	80%	79%
MIA	108%	134%	83%	27%	60%	101%	79%	71%	75%	76%	73%	70%	80%
MCO	92%	99%	70%	36%	40%	45%	47%	61%	44%	45%	68%	110%	65%
SFB	115%	229%	142%	68%	52%	87%	74%	63%	84%	133%	76%	84%	99%
PBI	82%	112%	88%	30%	82%	165%	131%	96%	95%	111%	123%	128%	99%
TPA	90%	126%	103%	33%	53%	102%	105%	80%	84%	108%	90%	86%	88%
BCT	126%	90%	81%	21%	74%	162%	144%	93%	98%	113%	83%	111%	94%
FXE	106%	93%	75%	25%	57%	92%	92%	90%	83%	98%	94%	120%	85%
ISM	119%	120%	60%	15%	36%	74%	88%	90%	62%	60%	62%	105%	74%
TMB	102%	99%	84%	18%	54%	91%	89%	65%	97%	94%	95%	109%	82%
OPF	127%	133%	89%	27%	58%	120%	108%	96%	106%	104%	99%	119%	99%
APF	111%	111%	103%	40%	114%	189%	143%	114%	137%	141%	111%	137%	113%
ORL	111%	106%	81%	32%	60%	90%	94%	89%	108%	90%	109%	108%	89%
BKV	91%	115%	108%	74%	82%	95%	80%	132%	93%	96%	110%	82%	96%
VQQ	71%	90%	78%	48%	55%	65%	59%	73%	74%	30%	15%	102%	54%
CRG	109%	112%	100%	39%	86%	138%	106%	97%	111%	102%	95%	97%	99%
HWO	147%	118%	91%	31%	58%	111%	125%	81%	86%	110%	48%	153%	95%
OCF	100%	85%	62%	38%	77%	105%	105%	76%	86%	153%	108%	132%	90%
PMP	125%	108%	101%	62%	91%	100%	101%	90%	104%	113%	96%	146%	103%
FHB	75%	116%	72%	21%	92%	82%	112%	33%	108%	136%	79%	68%	81%
HEG	96%	83%	98%	102%	146%	133%	107%	95%	97%	312%	86%	127%	124%
LNA	114%	137%	120%	79%	94%	96%	111%	107%	108%	110%	118%	119%	109%
F45	126%	98%	85%	28%	67%	109%	87%	64%	77%	78%	67%	109%	82%
TPF	101%	134%	53%	54%	50%	91%	129%	28%	136%	41%	65%	149%	84%
VDF	115%	116%	135%	44%	100%	109%	93%	99%	121%	69%	110%	92%	99%

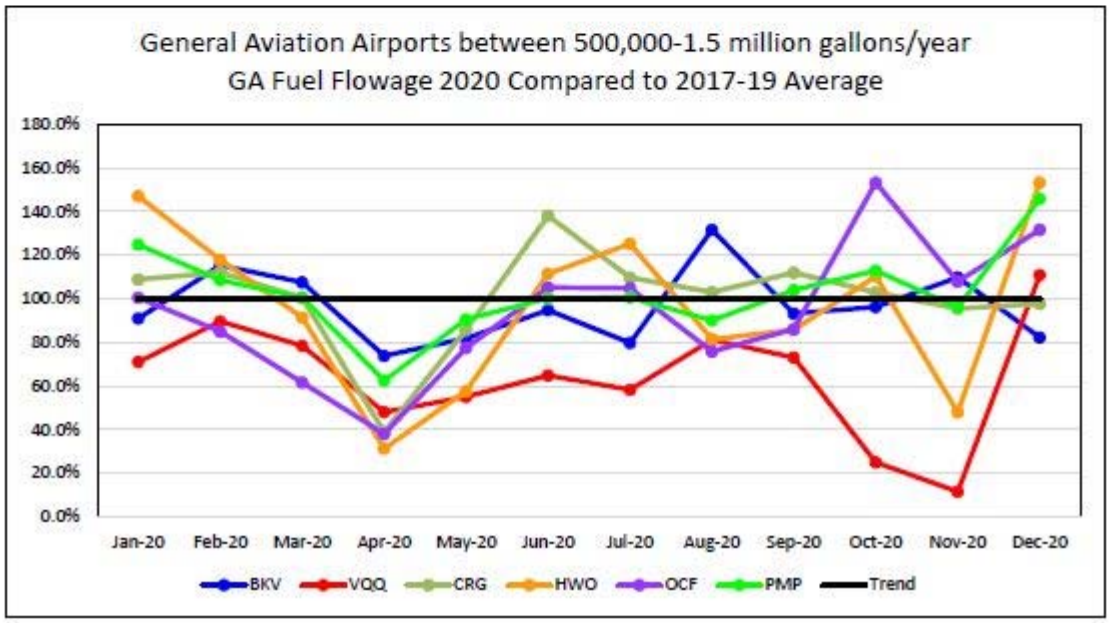
The following charts illustrate the 2020 monthly general aviation fuel volume at the four airport groups as previously discussed. The commercial service airports saw general aviation fuel volumes about -15% for CY2020 as compared to 2017-2019 averages.



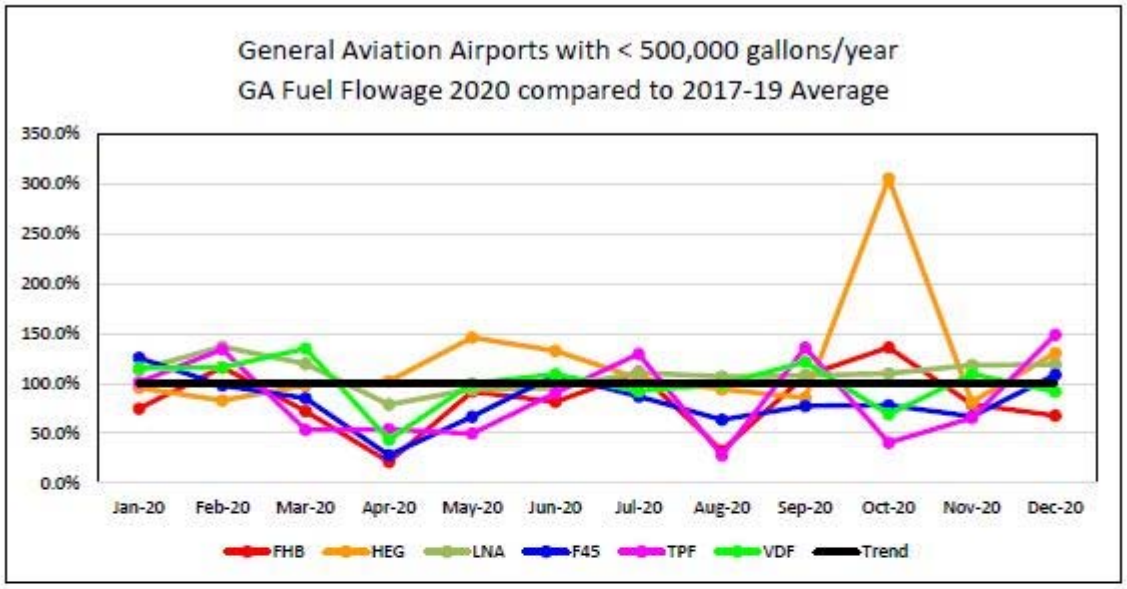
The general aviation airports surveyed with over 1,500,000 gallons annual fuel flowage volume 2020 indicated fuel volumes from -1% to -26%, with an average of -13% at six of the seven airports as compared to 2017-2019 averages. For 2020, APF saw an increase fuel volume of 13% as compared to 2017-2019 averages.



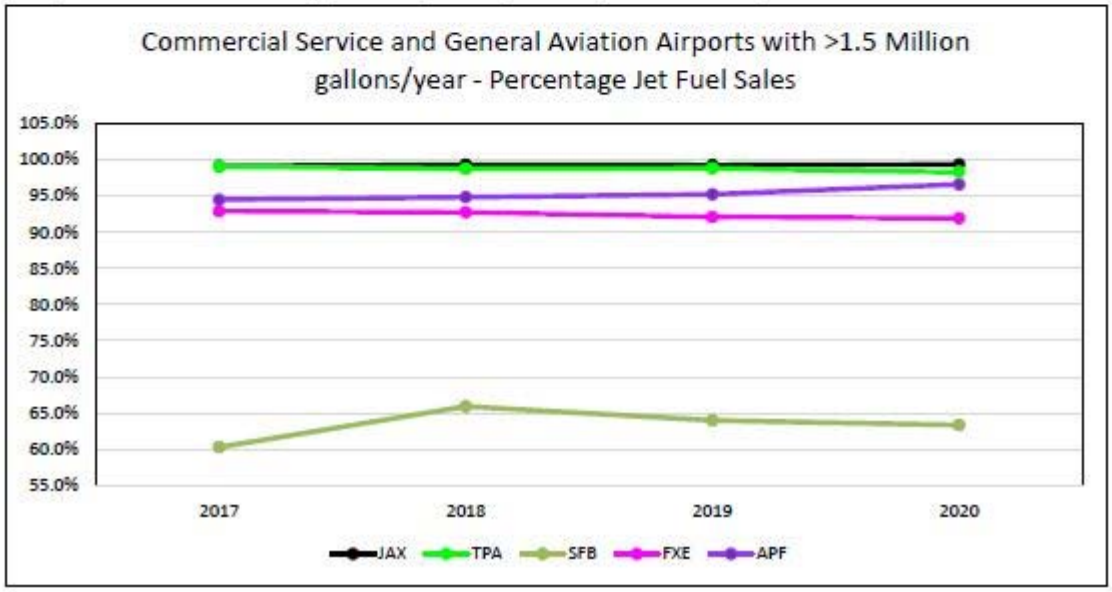
For 2020, general aviation fuel flowage at the general aviation airports surveyed with between 500,000 and 1,500,000 gallons annual fuel flowage indicated 2020 fuel volumes from -1% to -46%, with an average of -16% at five of the six airports as compared to 2017-2019 average. For 2020, PMP saw an increase of 3% as compared to 2017-2019 averages.

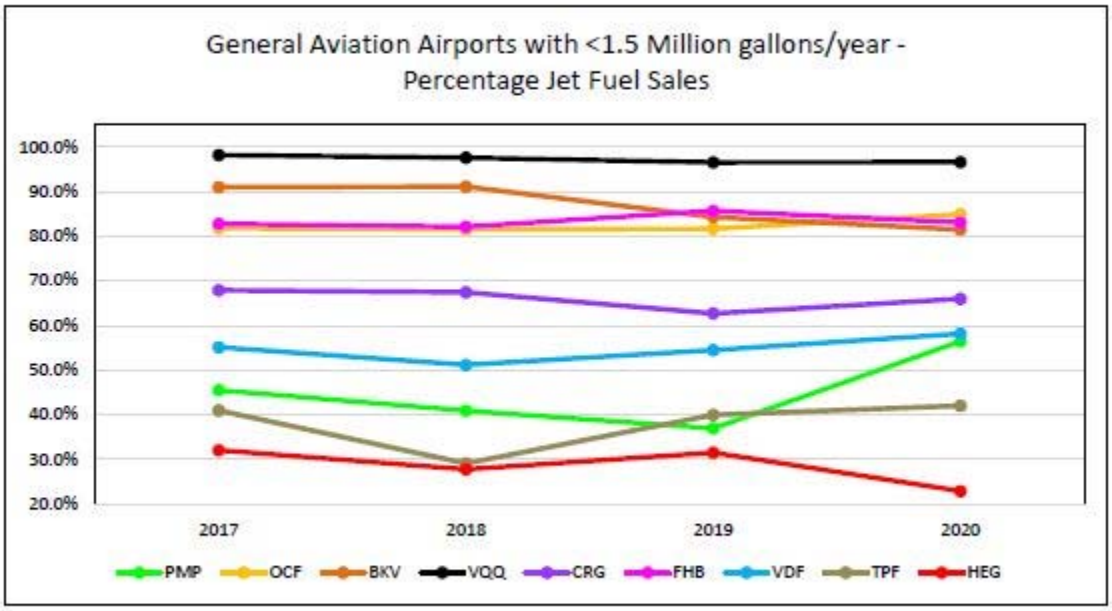


For 2020, general aviation fuel flowage at the general aviation airports surveyed with less than 500,000 gallons annual fuel flowage indicated fuel volumes from -1% to -19%, with an average of -13% at four of the six airports as compared to 2017-2019 averages. For 2020, LNA and HEG saw increased fuel volumes of 9% and 24%, respectively as compared to 2017-2019 averages.



Our study further reviewed the type of fuel volume at the airports that reported Jet and AvGas general aviation fuel volumes separately. These volumes are considered to illustrate the type of traffic at the airport, with the greater level of Jet fuel volume is considered indicative of greater corporate and charter traffic, while the greater level of AvGas fuel volume is considered indicative of greater training activity. For this portion of our study, we have separated the data into two groups consisting of 1) commercial service and general aviation airports with greater than 1,500,000 gallons/year and 2) general aviation airports with less than 1,500,000 gallons/year. It was noted the pandemic had little impact on the fuel volume type as compared to previous years at most airports.





There is no doubt everyone will remember the pandemic based on their personal journey. For the general aviation industry in Florida, the pandemic has shown the resilience of the industry and its ability to adapt to unforeseen conditions. While every airport has a different story, each airport has withstood the worst and is well on a path to recovery. The future remains bright and most airport professionals have a positive outlook.

Slack, Johnston & Magenheimer is a valuation firm based in Miami, Florida for over 50 years and has provided appraisal and consulting services to over 50 airports. For more information visit www.sjmiami.com or call us at 305-670-2111. We find solutions!

ADDENDUM D - Qualifications of the Appraisers

ANDREW H. MAGENHEIMER, MAI

EDUCATION:

Bachelor's Degree, The University of the South, Sewanee, Tennessee, 1986

EXPERIENCE:

Over thirty 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, environmentally sensitive 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.

Litigation Support – Appraisals and consulting, including expert testimony, concerning various property types.

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

2002 President of the South Florida Chapter of the Appraisal Institute

Member of the Miami Board of Realtors

Member of the Florida Keys Board of Realtors

Corporate Member of Florida Airport Council (FAC)

ZACHARY J. OLEN, MAI

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 Member, MAI