

## ENGAGEMENT LETTER AND AUTHORIZATION TO PROCEED

April 3rd, 2018

To:

L. Creed Howell  
Engineering Services, City of Key West,

### **Re: Frederick Douglass Gym – Parcel ID 00014720-000000**

Dear Mr. Howell.

In reference to the above property, I agree to carry out an appraisal report to determine the Current AS IS market value of the above property. The property is a community center / gym known as Frederick Douglass Gym. Due to the subject's special purpose the Cost Approach only will be developed as this is the most reliable indicator of value. The Sales and Income Approaches will not be developed as they do not give a reliable indicator of value as these properties are not marketed or rented often.

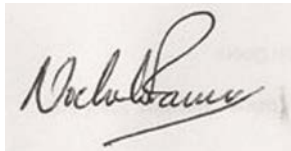
The report will be completed and delivered within 14 business days from inspection. The fee for the appraisal will be **\$3,000**.

If the fee and terms are acceptable, please sign this engagement, authorizing me to proceed with the report and guaranteeing payment upon delivery. If court testimony is needed, there is a \$750.00 minimum for ½ a day and \$250.00 per hour thereafter.

My analysis, opinions, and conclusions of this report will not be contingent upon any predetermined value and will be prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.

Please do not hesitate to contact us if you have any questions. I thank you for your business.

Sincerely,

A handwritten signature in black ink, appearing to read "Nicholas Farrar", is written over a light-colored rectangular background.

Nicholas Farrar, MRICS

State Certified General Real Estate Appraiser RZ3742  
Appraisers of The Keys, Inc.  
3208 Flagler Ave  
Key West, FL

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L. Creed Howell / City of Key West