Highlands Regional Medical Center

Estimate of Fair Market Value of Real Property

Prepared for Jones Walker on behalf of Highlands County Hospital District

Valuation Date: December 31, 2025

Report Date: August 21, 2026

Letter of Transmittal

August 21, 2026

Dean W Gerber
Chairman
Highlands County Hospital District

Dear Mr. Gerber:

Pursuant to your request, we performed valuation services (the "Services") for Highlands County Hospital District (the "Client," "you," and "your") to determine the fair market value of certain real property owned by the District. Our services are intended to aid the Board in: (i) negotiations with the current or future tenant regarding a contemplated lease; (ii) planning for a possible future sale, and (iii) fulfilling the Hospital District's fiduciary and regulatory compliance duties. The effective date of the Services performed will be as of December 31, 2025 (the "Valuation Date"). The Subject Properties are described below:

Subject Property Summary								
Property Name	**Address**	**City**	**State**	**Property Type**	**Building Size**	**Occupancy**	**Year Built/Renovated**	**Land Area (AC)**
Highlands Regional Medical Center	3600 South Highlands Avenue	Sebring	FL	STAC Hospital	127,684	100%	1963-1994 / 2010	12.16
Medical Office Building	10 Medical Center Avenue	Sebring	FL	MOB	4,080	100%	1968/-	0.50

The objective of our engagement is to estimate the fair market value, as defined by the *Dictionary of Real Estate Appraisal, 7th Edition* 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:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto;
- 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."

We valued the Subject Properties in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation and in conformity with current Interagency Appraisal and Evaluation Guidelines dated 12/2/2010. The appraiser has presented the findings in the form of a restricted appraisal report as defined in Standard Rule 2-2(b) of USPAP. The methods and approaches utilized in our analysis consist of generally accepted valuation standards and include valuation tests and procedures considered necessary under the circumstances.

We accepted any information obtained from the Client as fairly reflecting the operating and financial characteristics of the Subject Properties as of the Valuation Date. We made limited investigations as to the accuracy and completeness of the information provided. Additionally, we did not perform an audit, a review, or a compilation of the Subject Properties in accordance with procedures specified by the AICPA and/or auditing standards generally accepted in the United States of America. Therefore, we express no opinion, or any other form of assurance, regarding the accuracy of the source data used in our Appraisal.

We are independent of the Client and have no current or prospective interest in the Subject Properties valued as part of this engagement. Our fee for this valuation service was in no way influenced by the results of our analysis. We consider the Assumptions and Limiting Conditions, set forth at the end of this report, to be an integral part of this letter, our report, and the analysis contained herein. Also, we have no responsibility to update this report for events and circumstances occurring subsequent to the date of this report.

This cover letter cannot be fully understood without considering the information contained in the report. The attached report describes our analysis of the Subject Properties. It includes a detailed description of the specific valuation methodologies and assumptions applied, and narrative supporting any discounts applied in deriving the value of the Subject Properties.

Based on the analysis contained herein, our opinion of the fair market value of the fee simple interest in the Subject Properties as of December 31, 2025 is:

Value Conclusion Summary				
Property	**Income Approach**	**Sales Comparison Approach**	**Cost Approach**	**Reconciled Value Conclusion**
Highlands Regional Medical Center	$42,800,000	$42,800,000	$42,800,000	$42,800,000
Medical Office Building	$500,000	$500,000	$500,000	$500,000
Total Value	**$43,300,000**	**$43,300,000**	**$43,300,000**	**$43,300,000**

Very truly yours,

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P

Appraiser's Certification

I certify, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. 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.
4. We have not performed services, as an appraiser or in any other capacity, regarding the properties that are the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the properties that are the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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.
8. Our reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Selina McUmber, MAI, CRE, MRICS completed a site inspection of the Subject Properties on February 4, 2026. Dorcey Abshier did not inspect the Subject Properties.
10. William Yetman and Hayden Harvey provided significant professional assistance to the person signing this certification by assisting with the analysis, research, and preparation of the report.
11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Selina McUmber, MAI, CRE, MRICS has completed the continuing education requirements for Members of the Appraisal Institute. Dorcey Abshier has completed the standards and ethics education requirements for Candidates of the Appraisal Institute.

Selina McUmber, MAI, CRE, MRICS
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Introduction

Property Identification

The Subject Properties are a hospital and a medical office building as summarized below.

Subject Property Summary								
Property Name	**Address**	**City**	**State**	**Property Type**	**Building Size**	**Occupancy**	**Year Built/Renovated**	**Land Area (AC)**
Highlands Regional Medical Center	3600 South Highlands Avenue	Sebring	FL	STAC Hospital	127,684	100%	1963-1994 / 2010	12.16
Medical Office Building	10 Medical Center Avenue	Sebring	FL	MOB	4,080	100%	1968/-	0.50

Highlands Regional Medical Center is a full-service acute care hospital licensed for 126 beds. Services offered include cardiovascular services with an interventional catheterization lab, orthopedic services with total joint replacement and specialized spine surgery, hemodialysis, 24/7 emergency services, advanced radiology, outpatient rehabilitation and wound care services, an ICU, and surgical procedures including vascular, general, and robotic surgery. The facility holds full accreditation from The Joint Commission. Highlands Regional Medical Center reported average daily census of 40 to 50 beds for fiscal years 2022-2025, indicating an occupancy rate of 32% to 40% during that period.

Ownership and Property History

Ownership of the Subject Properties are currently vested in Highlands County Hospital District and Board of Commissioners Highlands County Hospital District. Our research revealed no ownership transfers within the past three years. The Subject Properties are not currently listed for sale. The table on the following page summarizes the lease in place at the Subject Properties.

The current lease in-place expires in July 2027 with no renewal option. The current rent is well below the cost-feasible required rent level. Given the short-term nature of the existing lease, this analysis is made on a fee-simple basis.

Lease Abstract

Property Names	Highlands Regional Medical Center Medical Office Building
Addresss	3600 South Highlands Avenue, Sebring, FL 10 Medical Center Avenue, Sebring, FL
GBA	
Hospital	127,684 SF
MOB	4,080 SF
Total GBA	131,764 SF

Original Lease

Commencement Date	1/24/1985	
Lease Term	20 years	
Expense Basis	NNN	
Excalations	Flat	

Restated Lease

Lease Start Date	1/1/1995	Original lease would have expired 1/23/2005. Restated lease extended the term another 20-years and replaced original lease. Lease year commences August 1.
Lease Expiration Date	7/31/2025	

First Amendment

First Amendment Date	9/23/2011	Annual rent $320,000/year through expiration. In addition, Lessee makes 8 quarterly payments of $420,000 from July 2011 to June 2013.
Annual Rent	$320,000	
Annual Rent PSF	$2.43	

Second Amendment

Second Amendment Date	9/23/2013	Kept annual rent at $320,000/year through expiration. Extended $420,000 quarterly additional rent payments for 1 more year to June 2014.
Annual Rent	$320,000	
Annual Rent PSF	$2.43	

Third Amendment

Third Amendment Date	10/1/2014	Extended lease term 2 years. Lessee prepaid rent for the 2-year extension period.
Lease Expiration Date	7/31/2027	
Prepaid Rent	$2,129,540	
Annual Rent	$1,064,770	
Annual Rent PSF	$8.08	

Aerial Map of the Subject Properties

The hospital occupies the two southern parcels, with the southeastern parcel containing the helipad. The northeastern parcel contains the medical office building.

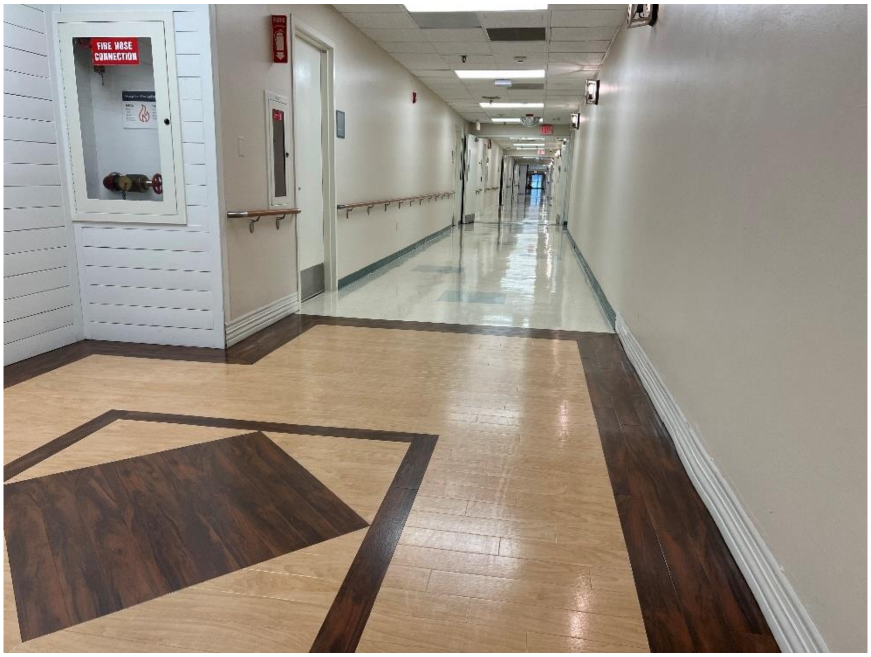
Photos of the Subject Properties

Hospital Front Exterior

Hospital Rear Exterior

Hospital Market

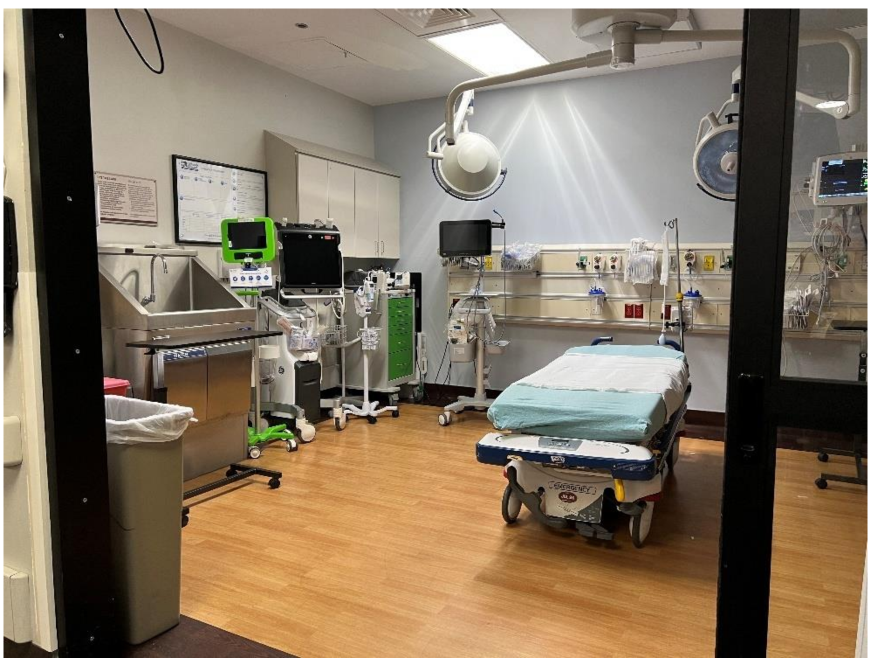
Hospital Hallway



Hospital Hallway

Pre-Surgery Area

Hospital Lab



Hospital Emergency Room

Hospital Private Room

Hospital CAT Scan

Hospital Imaging Room

Hospital Office

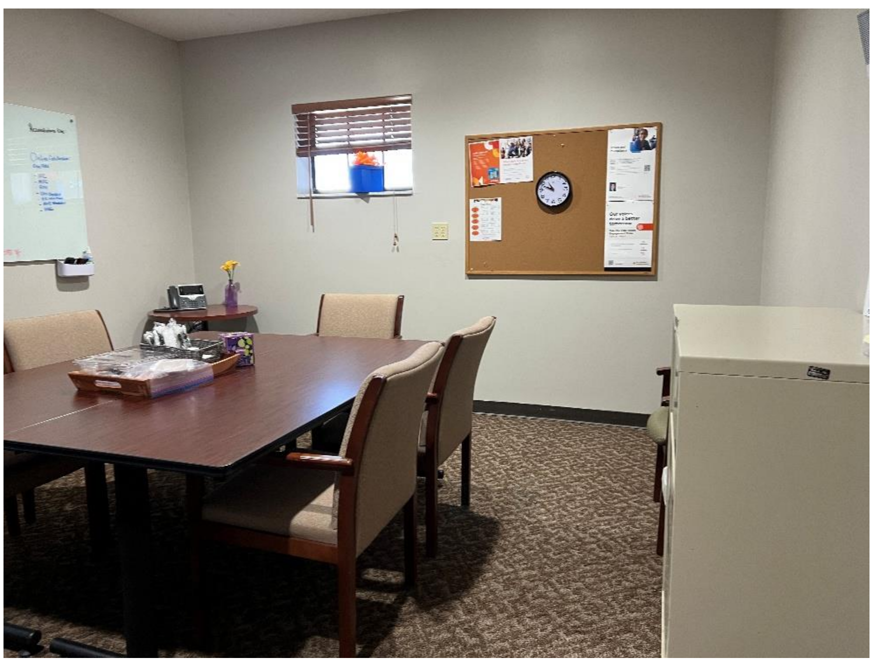
Aerial View of the Hospital Helipad

Hospital Roof

Hospital Electric Panels

Hospital Boilers

MOB Exterior



MOB Conference Room

MOB Breakroom

Parking

Intended Use and Intended User of the Report

The appraisal is to be used by Highlands County Hospital District and no other user may rely on our report unless it is specifically indicated in the report. The intended use is for internal decision-making purposes

Purpose of the Appraisal

The purpose of this appraisal is to estimate the fair market value of the fee simple interest in the Subject Properties.

Definition of Value

The standard of value for our analysis will be fair market value, as defined by the *Dictionary of Real Estate Appraisal, 7th Edition* 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:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto;
- 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."

Interest Appraised

The value estimated represents the fee simple interest as defined below:

- Fee Simple – 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.

Extent to which the property is Identified

The property is identified through the following sources:

- Postal address
- Assessor's records
- Legal description

Extent to which the property is Inspected

Selina McUmber, MAI, CRE, MRICS completed a site inspection of the Subject Properties on February 4, 2026. Dorcey Abshier did not inspect the subject property.

Scope of Work

Procedures

The following checklist summarizes the analysis performed for this appraisal assignment and deemed necessary in order to arrive at a credible value estimate for the appraised properties.

Procedure:	Yes	No	N/A
Researched regional, city, and market data	X		
Researched market trends for the Subject Properties types	X		
Considered relevant comparable improved sales, comparable improved building rental information, and comparable site sales	X		
Analyzed site data	X		
Reviewed data regarding taxes, zoning, utilities, easements, and city services that impact the Subject Properties	X		
Analyzed information pertaining to any physical improvements located on the Subject sites	X		
Physically inspected the Subject Properties and their surrounding market area	X		
Determined the highest and best use of the site as vacant and as currently improved	X		
Performed a Cost Approach	X		
Performed a Sales Comparison Approach	X		
Performed an Income Capitalization Approach	X		
Determined the approach or approaches to value that are most reliable and reconciled to a final value conclusion	X		
Determined reasonable marketing and exposure times associated with the concluded value	X		

This is an Appraisal Report that is intended to comply with the reporting requirements set forth under Standards Rule 2 of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it presents to the fullest extent practical, explanation of the data, reasoning, and analyses that were used to develop the opinion of value. The report also includes thorough descriptions of the Subject Properties and the market for the Subject Property types.

Executive Summary

General Information				
Property Name	Highlands Regional Medical Center		Medical Office Building	
Property Type	STAC Hospital		MOB	
Address	3600 South Highlands Avenue		10 Medical Center Avenue	
City, State	Sebring, FL		Sebring, FL	
County	Highlands County		Highlands County	
Market	Sebring		Sebring	
Number of Parcels	2		1	
Assessor Parcel	S-04-35-29-010-0000-0020, S-04-35-29-050-0010-0000		S-04-35-29-A00-0080-0000	
Total Taxable Value	$28,710,330		$272,084	
Site Information				
Land Area	*Square Feet*	*Acres*	*Square Feet*	*Acres*
Primary Site - Usable	529,690	12.16	21,780	0.50
Total Site Size	529,690	12.16	21,780	0.50
Shape	Irregular		Rectangular	
Frontage	Good		None	
Topography	Flat		Flat	
Zoning	C1		C1	
Flood Zone	X		X	
Improvement Information				
Gross Building Area (SF)	127,684		4,080	
Year Built/Renovated	1963-1994/2010		1968/-	
Construction Materials	Stucco		Concrete	
Number of Stories	3		1	
Highest and Best Use				
As Vacant	A commercial development as supported by local market conditions		A commercial development as supported by local market conditions	
As Improved	Hospital Building		Medical Office Building	
Exposure and Marketing Time				
Marketing and Exposure Time (months)	12 months or less		12 months or less	
Tenancy Information				
Tenancy	Single Tenant		Single Tenant	
Arms Length	Arms Length		Arms Length	
Number of Tenants in Occupancy	1		1	
Number of Vacant Spaces	0		0	
Occupancy	100.00%		100.00%	
Occupied SF	127,684		4,080	
Vacant SF	0		0	
Valuation Summary				
Standard of Value	Fair Market Value		Fair Market Value	
Interest Appraised	Fee Simple		Fee Simple	
Date of Value	December 31, 2025		December 31, 2025	
Income Capitalization Approach				
Direct Capitalization	**$42,800,000**		**$500,000**	
Direct Capitalization PSF	$335.20		$122.55	
Overall Capitalization Rate	8.50%		7.50%	
Sales Comparison Approach				
Sales Comparison Approach	**$42,800,000**		**$500,000**	
Conclusion PSF	$335.20		$122.55	
Cost Approach Conclusion				
Cost Approach	**$42,800,000**		**$500,000**	
Conclusion PSF	$335.20		$122.55	

Marketing and Exposure Time

Marketing Time

The Uniform Standards of Professional Appraisal Practice (USPAP) defines marketing time as "an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal." The key factor in marketing time is that it is presumed to occur after the effective valuation date.

Exposure Time

The Uniform Standards of Professional Appraisal Practice (USPAP) Defines exposure time as the "estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal." The key factor in exposure time is that it is presumed to occur before the effective valuation date.

Estimate of Marketing and Exposure Time

Respondents to the PwC Q4 2025 Investor Survey indicated that the typical marketing time for medical office buildings ranges 3 to 12 months with an average of 6.5 months. PwC does not identify a marketing time for hospitals. Weaver estimates the marketing and exposure time for the Subject Properties is 12 months or less.

Extraordinary Assumptions & Hypothetical Conditions

Extraordinary Assumptions

An extraordinary assumption is defined as "an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions."

Extraordinary Assumptions:

Though requested, the tenant did not provide a planned capital budget. The property indicated signs of on-going repairs and maintenance program. This analysis specifically assumes the tenant has addressed deferred maintenance items identified in the Facility Evaluation Report prepared by prepared by HDR and dated May 25, 2017, and since then, the property has experienced normal wear-and-tear. As such, the analysis includes no deferred maintenance costs. If found to be different, assignment results may change.

We assume that the condition of the subject property as of the date of inspection February 4, 2026, is the same as the condition of the subject property as of the December 31, 2025, effective date of value. If found to be different, assignment results may change.

Hypothetical Conditions

A hypothetical condition is defined as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purposes of the analysis."

Hypothetical Conditions: None

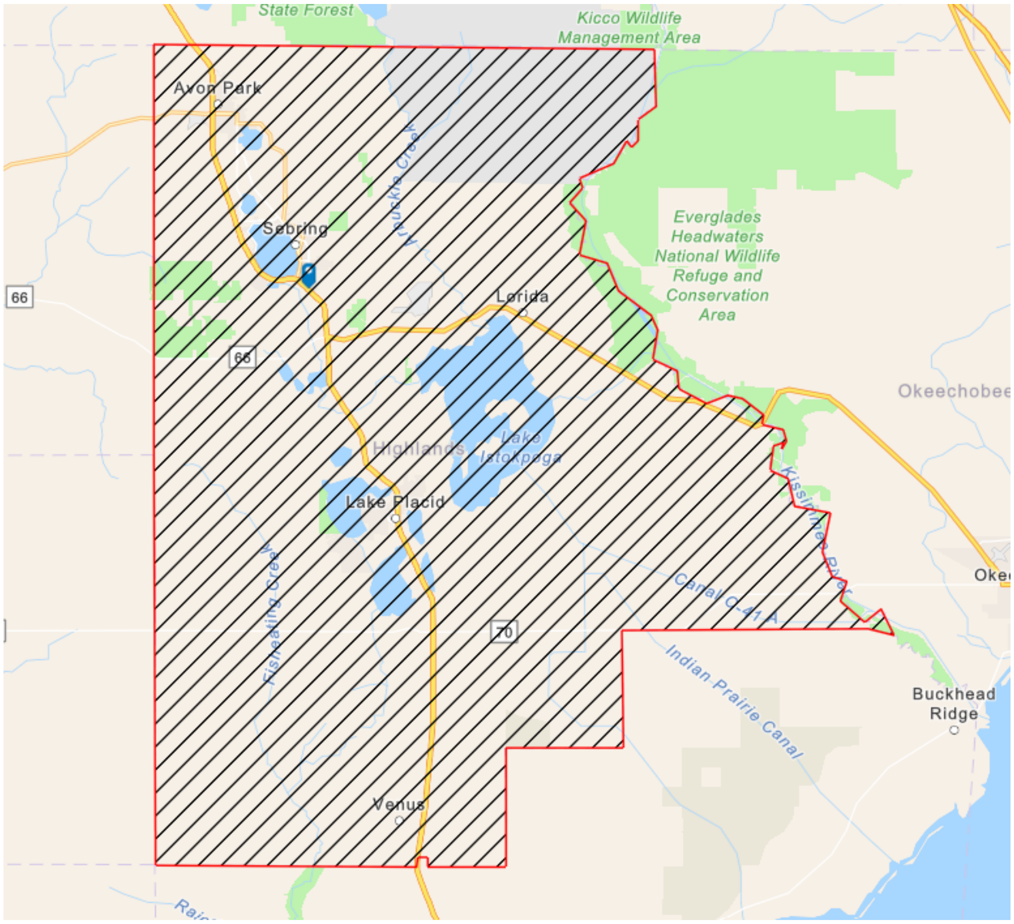
Sources of Information

The sources of information primarily relied upon in performing the real property valuation services include, but are not limited to the following:

- Current tax assessment and zoning data
- Client-provided data including, but not limited to, building size, land area, and occupancy
- Client-provided lease and amendments for the Subject Properties
- Client Provided Chain of Title
- Publicly available data regarding the location, shape, topography, frontage, size, and zoning of the land underlying the real property
- Publicly available and client-provided data regarding sale records, sale listings, rent records, or rent listings of properties comparable to the Subject Properties
- Publicly available zoning ordinances
- Aerial imagery from Google Earth and Google Maps
- Discussions with market participants who have expertise in the market where the Subject Properties are located
- Records of recent transfers of the Subject Properties
- Market reports and databases compiled by sources such as PwC, CompStak, CoStar, STDB, American Hospital Directory, IBISWorld, RevistaMed, and Marshall Valuation Service

Sebring MSA Regional Analysis

The Subject Properties are located within the Sebring, FL Metropolitan Statistical Area (MSA). The MSA is highlighted in the following map, with the hospital pinned.



Population and Demographics

The Sebring MSA has experienced modest population growth in recent years and is projected to grow at a faster rate than the national average over the coming years. 52% of the population is between the ages of 45 and 84, which the largest percentage of 16% between 65 and 74. Historical and forecast demographic trends are outlined in the following table:

SITE TO DO BUSINESS

Appraisal Specialty Report

Sebring, FL Metropolitan Statistical Area
Sebring, FL Metropolitan Statistical Area (42700)
Geography: CBSA

Prepared by Site To Do Business

SUMMARY DATA	2010	2025	2030
Population	98,786	103,847	109,727
Households	42,604	46,731	50,214
Families	13,032	29,496	31,633
Household Size	2.28	2.19	2.16
Owner Occupied Housing Units	32,830	36,546	40,579
Renter-occupied Housing Units	9,774	10,185	9,635
Median Age	51.5	54.8	55.3

TRENDS: 2025 -2030 ANNUAL RATE	AREA	STATE	NATIONAL
Population	1.11%		0.77%
Households	1.45%		0.75%
Families	1.41%		0.68%
Owner HHs	2.12%		0.92%
Median Household Income	2.34%		2.70%

HOUSEHOLD BY INCOME	NUMBER	PERCENT	NUMBER	PERCENT
less than $15,000	6,314	14%	6,157	12%
$15,000-$24,999	3,913	8%	3,404	7%
$25,000-$34,999	3,566	8%	3,343	7%
$35,000-$49,999	7,620	16%	7,468	15%
50,000-$74,999	10,167	22%	10,885	22%
75,000-$99,999	4,975	11%	5,575	11%
$75,000-$99,999	5,539	12%	6,863	14%
$150,000-$199,999	2,531	5%	3,514	7%
$200,000 or greater	2,106	5%	3,005	6%
Median Household Income	$54,812		$61,537	
Average Household Income	$73,097		$81,527	
Per Capita Income	$32,958		$37,370	

	2010		2025		2030	
POPULATION BY AGE	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
0-4	4,988	5%	4,268	4%	4,455	4%
5-9	4,858	5%	4,553	4%	4,556	4%
10-14	4,957	5%	5,048	5%	4,928	4%
15-19	5,211	5%	5,221	5%	4,909	4%
20-24	4,451	5%	4,394	4%	4,698	4%
25-34	8,612	9%	9,145	9%	9,744	9%
35-44	8,856	9%	9,703	9%	10,458	10%
45-54	11,709	12%	9,759	9%	10,736	10%
55-64	13,322	13%	13,666	13%	13,102	12%
65-74	15,760	16%	17,850	17%	18,836	17%
75-84	11,294	11%	15,220	15%	16,630	15%
85+	4,161	4%	5,020	5%	6,675	6%

Employment Industries

Employment in this MSA is primarily in the Services industry, followed by Retail Trade and Construction.

SITE TO DO BUSINESS

Appraisal Specialty Report

Sebring, FL Metropolitan Statistical Area
Sebring, FL Metropolitan Statistical Area (42700)
Geography: CBSA

Prepared by Site To Do Business

EMPLOYED POPULATION 16+ BY INDUSTRY	2025
Total	35,651
Agriculture/Mining	4.5%
Construction	9.9%
Manufacturing	4.4%
Wholesale Trade	1.2%
Retail Trade	12.5%
Transportation/Utilities	4.4%
Information	0.6%
Finance/Insurance/Real Estate	3.7%
Services	52.3%
Public Administration	6.3%

Unemployment Rates

The regional economy has underperformed both the state and the nation as demonstrated by unemployment rate trends over the past 10 years.

Annual Unemployment Rates [1]

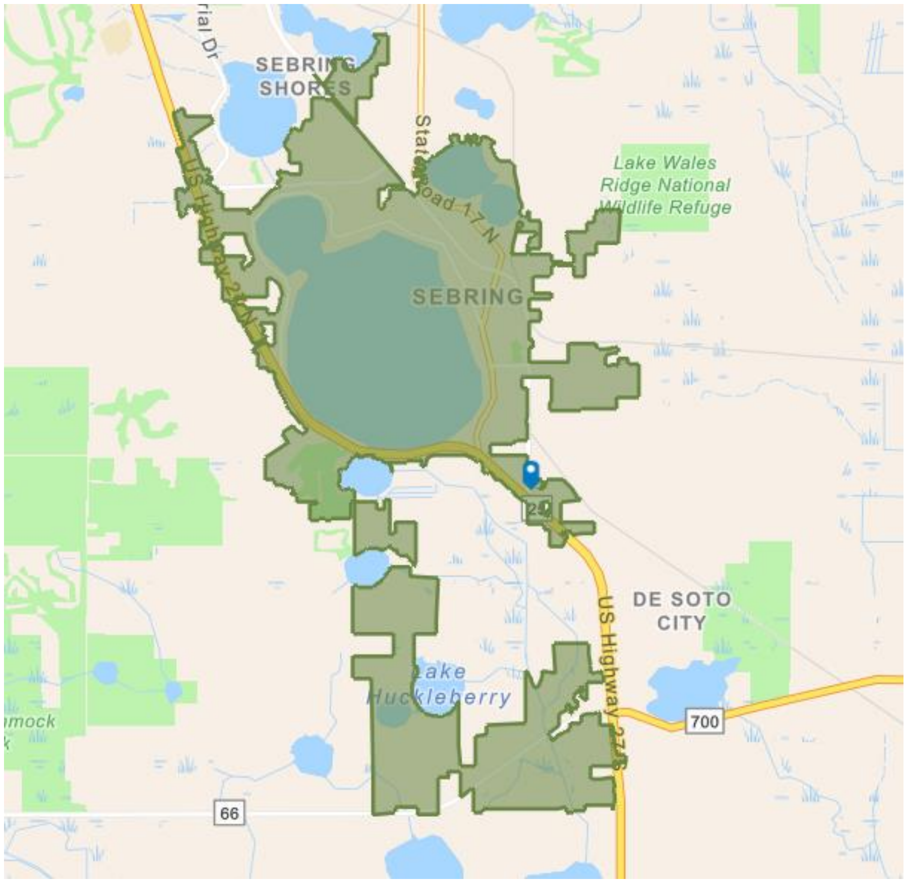
Year	MSA	State	Nation
2015	7.58	5.52	5.28
2016	6.74	4.89	4.88
2017	5.77	4.27	4.36
2018	4.91	3.65	3.89
2019	4.67	3.25	3.68
2020	8.15	8.08	8.10
2021	6.05	4.70	5.35
2022	4.31	3.03	3.65
2023	4.32	2.95	3.63
2024	4.86	3.36	4.03
2025	5.75	3.98	4.26

[1] MSA and State not-seasonally adjusted. Nation seasonally adjusted.

Source: Bureau of Labor Statistics

Sebring City Analysis

The Subject Properties are located in the city of Sebring, Florida. The city is highlighted in the following map, with the hospital pinned.



Population and Demographics

The city of Sebring has experienced minimal population growth in recent years and is projected to grow at a faster rate than the national average over the coming years. 46% of the population is between the ages of 45 and 84. Historical and forecast demographic trends are outlined in the following table:

Appraisal Specialty Report

Sebring City, FL
Sebring City, FL (1264875)
Geography: Place

Prepared by Site To Do Business

SUMMARY DATA	2010	2025	2030
Population	11,111	12,148	12,975
Households	4,782	5,247	5,668
Families	1,001	2,794	3,067
Household Size	2.14	2.18	2.17
Owner Occupied Housing Units	2,581	3,130	3,570
Renter-occupied Housing Units	2,201	2,117	2,098
Median Age	47.5	46.9	47.2

TRENDS: 2025 -2030 ANNUAL RATE	AREA	STATE	NATIONAL
Population	1.33%		0.77%
Households	1.56%		0.75%
Families	1.88%		0.68%
Owner HHs	2.67%		0.92%
Median Household Income	2.10%		2.70%

HOUSEHOLD BY INCOME	NUMBER	PERCENT	NUMBER	PERCENT
less than $15,000	942	18%	900	16%
$15,000-$24,999	598	11%	564	10%
$25,000-$34,999	415	8%	441	8%
$35,000-$49,999	773	15%	727	13%
50,000-$74,999	1,198	23%	1,328	23%
75,000-$99,999	386	7%	452	8%
$75,000-$99,999	547	10%	697	12%
$150,000-$199,999	148	3%	222	4%
$200,000 or greater	240	5%	337	6%
Median Household Income	$48,150		$53,433	
Average Household Income	$66,255		$73,900	
Per Capita Income	$28,945		$32,589	

	2010		2025		2030	
POPULATION BY AGE	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
0-4	615	6%	589	5%	636	5%
5-9	572	5%	558	5%	582	4%
10-14	574	5%	642	5%	605	5%
15-19	641	6%	743	6%	696	5%
20-24	650	6%	676	6%	798	6%
25-34	1,110	10%	1,363	11%	1,424	11%
35-44	1,050	9%	1,293	11%	1,435	11%
45-54	1,354	12%	1,185	10%	1,315	10%
55-64	1,299	12%	1,445	12%	1,387	11%
65-74	1,334	12%	1,740	14%	1,867	14%
75-84	1,138	10%	1,367	11%	1,564	12%
85+	750	7%	547	5%	666	5%

Employment Industries

Employment in this city is primarily in the Services industry, followed by Retail Trade and Construction.

SITE TO DO BUSINESS

Appraisal Specialty Report

Sebring City, FL
Sebring City, FL (1264875)
Geography: Place

Prepared by Site To Do Business

EMPLOYED POPULATION 16+ BY INDUSTRY	2025
Total	3,956
Agriculture/Mining	1.0%
Construction	13.4%
Manufacturing	3.1%
Wholesale Trade	1.0%
Retail Trade	16.5%
Transportation/Utilities	3.4%
Information	1.0%
Finance/Insurance/Real Estate	3.6%
Services	51.7%
Public Administration	5.2%

Hospital Market Analysis

The following excerpts and pictures are taken from the December 2025 Hospitals in the US report by IBISWorld:

Industry Definition

The industry includes establishments licensed as general medical and surgical hospitals that provide surgical and nonsurgical diagnostic and medical treatment to inpatients. Hospitals typically maintain inpatient beds and offer a range of services, including outpatient, operating room, and pharmacy services.

At a Glance

		'20-'25	'25-'30
Revenue	$1.5tr	↑ 1.7 %	↑ 2.3 %
Employees	6m	↑ 1.2 %	↑ 2.0 %
Businesses	2,525	↑ 0.6 %	↑ 1.5 %
Profit	$168.9bn	↓ 1.6 %	
Profit Margin	11.3%	↓ 2.0 pp	
Wages	$513.0bn	↑ 1.8 %	↑ 2.1 %

Five-year growth rates display historic and forecast CAGRs

Key Takeaways

Performance:

- Hospitals continue to contend with worker shortages and inflation. Complex workforce needs, supply chain and technology costs and increasing competition challenge revenue and profit.
- Healthcare delivery is rapidly evolving because of increasing operational pressures. Hospital are accelerating their shift from inpatient to outpatient care and actively engaging in mergers and acquisitions to streamline services and improve patient access.

Products and Markets:

- Public insurers are hospitals' most significant revenue source. Payor mix impacts revenue volatility as hospitals navigate policy changes and economic fluctuations in private insurance levels.
- Hospitals are increasingly moving from inpatient to outpatient care settings. This shift is driven by pressure from payers and changes in reimbursement that favor the cost-effectiveness of outpatient services.

Executive Summary

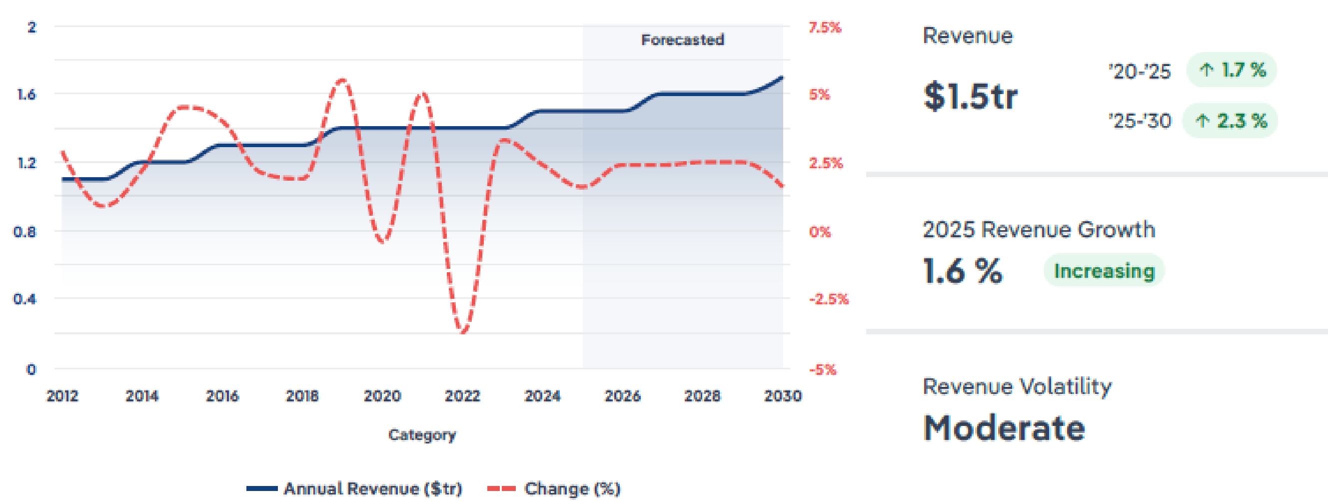
Hospitals play a critical role in healthcare, providing specialized treatments and emergency services that are essential for public health regardless of economic fluctuations or individuals' financial situations. Rising incomes have driven recent growth, expanding insurance access and strategic consolidation that strengthens market position. Consolidation has reduced the number of independent hospitals, allowing larger systems to leverage economies of scale, while smaller, independent hospitals continue to face wage inflation, staffing shortages and increased drug supply costs because of tariff impacts throughout the supply chain. Despite the cost challenges and competitive effects, federal stimulus, insurance expansion and hospital mergers, revenue is expected to climb at a CAGR of 1.7%, reaching $1.5 trillion by 2025, with a 1.6% gain in 2025 alone.

The industry confronts significant structural shifts as competition from non-hospital providers intensifies and payer models evolve. Smaller rural hospitals face steeper challenges in transitioning to value-based care and must navigate uncertain Medicare and Medicaid reimbursements, which fund nearly half of hospital care expenditures. Larger hospital systems benefit from scale but encounter mounting pressure from urgent care centers, which attract patients seeking convenience and lower costs. However, teaching hospitals in urban markets retain substantial pricing power. In 2025, state legislatures enacted stricter oversight of healthcare consolidation transactions, questioning whether mergers reduce costs or merely concentrate market power. Simultaneously, the growth of private insurance and rising per capita disposable income fuel demand from private payers and out-of-pocket spending, creating offsetting tailwinds for all hospital sizes.

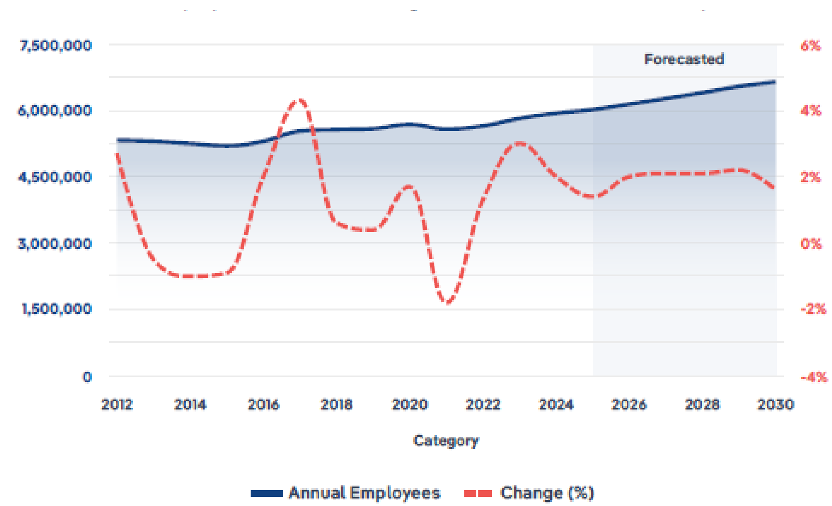
Hospitals will drive growth through technology adoption and strategic outpatient expansion to offset competitive threats and capitalize on aging demographics. Artificial intelligence, telemedicine and wearable devices enable hospitals to enhance service delivery, reduce operational costs and expand beyond traditional inpatient services, thereby competing with ambulatory surgery centers and capturing shifting care preferences. As technology-enabled consolidation advances and larger systems achieve deeper economies of scale, industry revenue is projected to strengthen at a compound annual growth rate of 2.3%, reaching $1.7 trillion by 2030 with stable profit sustained across the forecast period.

Performance Snapshot

Revenue: Total value ($) and annual change from 2012 - 2030. Includes a 5-year outlook.



Employees: Total number of employees and annual change from 2012 - 2030. Includes a 5-year outlook.



Employees

6m

'20-'25 ↑ 1.2 %

'25-'30 ↑ 2.0 %

Employees per Business

2,383

'20-'25 ↑ 0.5 %

'25-'30 ↑ 0.5 %

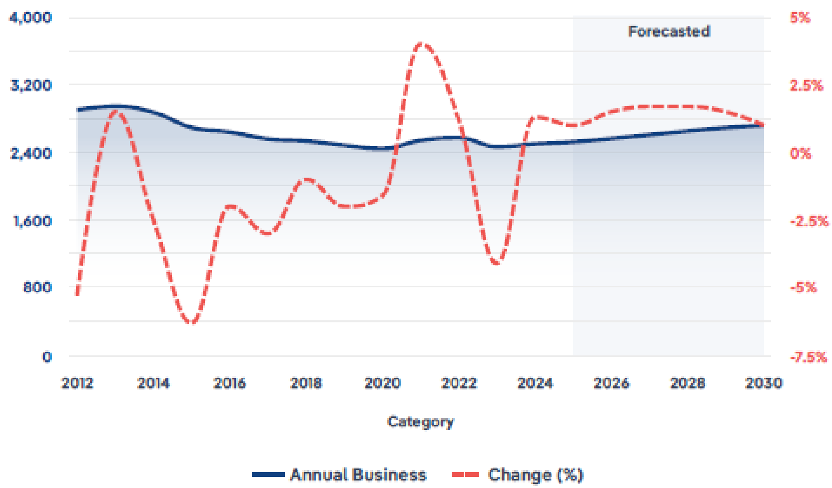
Revenue per Employee

$248k

'20-'25 ↑ 0.5 %

'25-'30 ↑ 0.3 %

Business: Total number of businesses and annual change from 2012 - 2030. Includes a 5-year outlook.



Businesses

2,525

'20-'25 ↑ 0.6 %

'25-'30 ↑ 1.5 %

Employees per Business

2,383

'20-'25 ↑ 0.5 %

'25-'30 ↑ 0.5 %

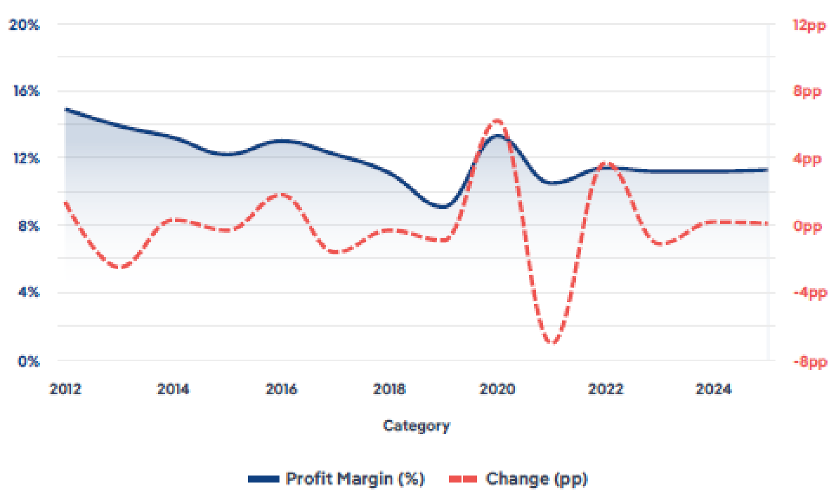
Revenue per Business

$592.0m

'20-'25 ↑ 1.0 %

'25-'30 ↑ 0.8 %

Profit Margin: Total profit margin (%) and annual change from 2012 – 2030.



Total Profit

$168.9bn '20-'25 ↓ 1.6 %

Profit Margin

11.3% '20-'25 ↓ 2.0 pp

Profit per Business

$66.9m

Florida Hospital Market Analysis

The following excerpts and pictures are taken from the 2026 Hospitals in Florida report by IBISWorld:

Establishments

The number of hospital establishments in Florida accounts for 4.9% of the 5,934 establishments within the national industry, ranking Florida 3rd for the number of industry establishments within the US.

Hospitals in Florida		#3 in Highest Establishments
292	0.8% ▲	1.7% ▲
Establishments (2026)	Annual Growth (2021-26)	Annual Growth (2026-31)

Hospitals in the US		
5,934	1.1% ▲	1.6% ▲
Establishments (2026)	Annual Growth (2020-25)	Annual Growth (2025-30)

Revenue

Hospitals in Florida contribute 6.1% to the total national industry's revenue of $1.5 trillion, raking Florida 4th in total industry revenue.

Hospitals in Florida	#4 in Highest Revenue	6.1% of state's GDP
$90.7bn	1.5% ▲	2.3% ▲
Revenue (2026)	Annual Growth (2021-26)	Annual Growth (2026-31)

Hospitals in the US		
$1.5tr	1.7% ▲	2.3% ▲
Revenue (2026)	Annual Growth (2020-25)	Annual Growth (2025-30)

Employment

Employment for hospitals in Florida totals an estimated 366,207 which increased an annualized 3.3% over the past five years. Florida employs the 4th most employees nationwide.

Hospitals in Florida		#4 in Most Employment
366k	3.3% ▲	2.8% ▲
Employment (2026)	Annual Growth (2021-26)	Annual Growth (2026-31)

Hospitals in the US		
6m	1.2% ▲	2.0% ▲
Employment (2026)	Annual Growth (2020-25)	Annual Growth (2025-30)

Wages

Total wages for hospitals in Florida amount to $27.8 billion, which increased an annualized 3.8% over the past five years. The average wage of hospital employees in Florida is $76,007, which is 10.9% lower than the industry's national average wage of $85,267.

Hospitals in Florida #4 in Highest Wages

$27.8bn	3.8% ▲	3.1% ▲
Wages (2026)	Annual Growth (2021-26)	Annual Growth (2026-31)

Hospitals in the US

$513.0bn	1.8% ▲	2.1% ▲
Wages (2026)	Annual Growth (2020-25)	Annual Growth (2025-30)

Current Performance and Outlook

The hospitals industry in Florida is expected to grow an annualized 1.5% to $90.7 billion over the five years to 2026, while the national industry will likely grow at 1.7% during the same period. Industry establishments increased an annualized 0.8% to 292 locations. Industry employment has increased an annualized 3.3% to 366,207 workers, while industry wages have increased an annualized 3.8% to $27.8 billion.

Over the five years to 2031, the industry is expected to grow an annualized 2.3% to $101.5 billion, while the national industry is expected to grow 2.3%. Industry establishments are forecast to grow 1.7% to 318 locations. Industry employment is expected to increase an annualized 2.8% to 420,003 workers, while industry wages are forecast to increase 3% to $32.8 billion.

Key External Drivers

Every industry encounters external factors that impact industry performance. In addition to the three most influential national key external drivers of an industry, we have identified key state level indicators that are likely to impact the local industry's performance.

Florida Economic Indicators

2.0% ▲	8.2% ▲	0.7% ▲
Population	Median Houshold Income	Per Capita Disposable Income

View more state economic information in the FL State Economic Profile.

US Key External Drivers

0.2% ▲	6.4% ▲	2.8% ▲
Number of people with private health insurance	Federal funding for Medicare and Medicaid	Number of adults aged 65 and older

Conclusion

While hospitals nationwide are facing increased pressures from urgent care centers and other forms of outpatient care, Highlands Regional Medical Center is well positioned in the market due to its central location and stable population base.

MOB Market Analysis

Sebring, Florida is a central city located approximately 85 miles south of Orlando, 90 miles southeast of Tampa, and 155 miles northwest of West Palm Beach. Situated in the Sebring market, this market consists of just over one million square feet of medical office space. Asking rents increased significantly in 2025 Q2 and 2025 Q3 and are on pace to do so again in Q1 2026.

Historical Trends and Forecasts

The following are market statistics published by Costar as of Q1 2026. Historical trends and baseline forecasts for key statistics within the Sebring medical office market are arrayed in the following table:

Sebring Market MOB Historical & Forecast Statistics - All							
Period	**# of Bldgs**	**Inventory SF**	**Asking Rent PSF**	**Vacant %**	**Net Absorption SF**	**Deliveries SF**	**Under Construction SF**
2026 Q1 QTD	131	1,074,593	$16.25	4.8%	-	0	0
2025 Q4	131	1,074,593	$15.06	5.0%	-7,238	0	0
2025 Q3	131	1,074,593	$15.70	4.2%	-2,698	0	0
2025 Q2	131	1,074,593	$14.63	4.4%	-10,643	0	0
2025 Q1	132	1,078,069	$13.87	2.9%	-8,498	0	0
2024 Q4	132	1,078,069	$12.94	2.1%	-9,500	0	0
2024 Q3	132	1,078,069	$13.28	2.1%	14,658	0	0
2024 Q2	132	1,078,069	$14.91	3.5%	-587	0	0
2024 Q1	132	1,078,069	$14.81	5.0%	6,034	0	0
2023 Q4	132	1,078,069	$14.54	5.5%	12,390	0	0
2023 Q3	132	1,078,069	$14.68	6.0%	20,269	0	0
2023 Q2	132	1,078,069	$15.20	6.4%	-5,472	0	0
Source: CoStar							

Conclusion

The combination of increasing asking rents, low vacancy, and limited supply increase in the market bodes well for the Subject Property.

Zoning and Deed Restrictions

The following table outlines information about the zoning of the Subject Properties:

Highlands Regional Medical Center & Medical Office Building Zoning Summary	
Current Zoning	C1
Zoning Description	Commercial 1
Legally Conforming	Yes
Zoning Change Likely	No
Uses Allowed by Current Zoning	Office, Medical Office, Lab, Retail, Hotel, Motel, Mini Storage, Education
Zoning Requirements	
Setbacks	Front: 0' Side: 0' Rear: 20'
Maximum Lot Coverage	70%
Minimum Lot Size	0
Minimum Lot Width	0
Maximum Height	50'
Hospital Parking Requirement	1 per 400 SF of GBA
MOB Parking Requirement	1 per 400 SF of GBA

Source: Sebring FL Zoning Ordinance

According to Weaver's count of parking spaces using Google Maps, the hospital has 271 parking spaces and the medical office building has 24 parking spaces. The current zoning requires 319 parking spaces for the hospital and 10 parking spaces for the medical office building. As such, the hospital does not meet the parking requirements for current zoning regulations. However, given the age of the improvements, the hospital's non-conformity to the parking requirements would likely be grandfathered. Thus, the Subject Properties represent a legal and non-conforming use under current zoning.

Deed Restrictions

Based on our review of the client-provided Chain of Title dated November 30, 2022, and prepared by Attorneys' Title Fund Services, LLC, the sites are encumbered by typical utility, drainage, and right of way easements. This appraisal specifically assumes that there are no deed restrictions that would have an adverse impact on value or marketability.

Real Estate Tax Analysis

The Subject Properties are located within the taxing jurisdiction of Highlands County. The following table summarizes the local assessor's estimate of the Subject Properties' 2025 assessments and taxes and does not include any personal property such as furniture, fixtures, or equipment. The assessments are based on information from the local property assessor's public database.

2025 Tax Assessment								
Property	**Owner Name**	**Parcel ID**	**CAD Market Value**	**Land Assessment**	**Improvements Assessment**	**Total Tax Assessed Value**	**Tax Rate**	**Property Taxes**
Highlands Regional Medical Center	HIGHLANDS COUNTY HOSPITAL DISTRICT	S-04-35-29-010-0000-0020	$28,490,097	$1,491,000	$26,999,097	$28,490,097	19.49	$555,132
Highlands Regional Medical Center	BOARD OF COMMISSIONERS HIGHLANDS COUNTY HOSPITAL DISTRICT	S-04-35-29-050-0010-0000	$312,711	$288,750	$23,961	$220,233	19.49	$4,291
Medical Office Building	HIGHLANDS COUNTY HOSPITAL DISTRICT	S-04-35-29-A00-0080-0000	$272,084	$76,230	$195,854	$272,084	19.49	$5,302
Total			**$28,490,097**			**$28,982,414**		**$564,725**

Site and Improvements Description

Site Description

Site Area	The hospital site area is 12.16 acres and the medical office building site area is 0.5 acres.
Site Shape	The hospital site shape is irregular and the medical office building site shape is rectangular.
Topography/Drainage	The sites are generally flat. There were no apparent drainage problems at the time of our inspection.
Access/Visibility	The hospital has direct access and excellent visibility from surrounding streets. The medical office building has limited visibility but remains easily accessible.
Soil Conditions	We did not receive a soil report as part of this assignment. At the time of our inspection, we did not notice any signs of settlement. However, Weaver is not qualified to assess the suitability of the site's soil conditions. This appraisal, therefore, specifically assumes that soil conditions are adequate to support any building improvements that would represent the highest and best use of the sites.
Environmental Issues	We did not receive a Phase I Environmental Site Assessment report as part of this assignment. According to the O&M Manual Inspection Asbestos Impact Report prepared by Gobbell Hays Partners, Inc. and dated September 18, 2025, the hospital has asbestos containing materials (ACM) in 21,150 square feet floor tile/mastic and 1,150 linear feet of black seam mastic on air handling unit/HVAC duct insulation. During our site visit, the hospital's facilities engineer confirmed the ACMs have not been removed. Given the age of the improvements and the reported good condition of the ACMs, the presence of ACMs is not deemed to materially impact value or marketability. We have no knowledge of any other environmental issues at the sites. There were no readily apparent signs of contamination at the time of our inspection. However, Weaver is not a qualified environmental expert. This appraisal specifically assumes that there are no recognized environmental conditions (RECs) at the Subject Properties that would materially impact their value or marketability.
Earthquake Risk	According to the US Geological Survey's National Seismic Hazard Model, the sites are located in an area of low earthquake risk. However, Weaver is not qualified to determine whether fault lines affect the Subject Properties. Weaver recommends that the client obtain an engineering study related to the geological stability of the Subject Properties and surrounding areas if additional information is required.
Flood Hazard	According to the Federal Emergency Management Agency (FEMA) Map Panel 12055C0233C effective November 18, 2015, the subject sites are within Zone X. This appraisal specifically assumes that the Subject

	Properties have adequate flood insurance to meet FEMA requirements for their zone.
Easements/Encroachments	Based on our review of the client-provided Chain of Title dated November 30, 2022 and prepared by Attorneys' Title Fund Services, LLC., the sites are encumbered by typical utility, drainage, and right of way easements. This appraisal specifically assumes that there are no easements, encroachments, or deed restrictions that would have an adverse impact on value or marketability
Utilities	All municipal utilities are connected to the site.
Development Limitations	The features of the sites are adequate to support numerous development uses.
Surrounding Land Uses	North: vacant land and commercial West: commercial East: vacant land and commercial South: commercial and residential

Improvements Description

The following information is based on information provided by property management, other third-party material, our physical inspection, and our knowledge of similar properties.

Building Features

Physical Depreciation - Hospital											
Building Section #	**Hospital - 1**	**Hospital - 2**	**Hospital - 3**	**Hospital - 4**	**Hospital - 5**	**Hospital - 6**	**Hospital - 7**	**Hospital - 8**	**Hospital - 9**	**Hospital - 10**	**MOB - 1**
Building Section Name	**Original Hospital**	**Addition ICU**	**Patient Tower/ER**	**Outpatient Surgery**	**Orthopedic Institutue**	**Pump House**	**Maintenance**	**Storage Northend**	**Storage Building**	**CT Bldg - East Beside Emergency**	**MOB**
Construction Type	C	C	C	C	C	D	D	D	S	C	C
Year of Construction	1965	1975	1984	1994	1996	1978	1965	2000	1979	1996	1968
Actual Age	60	50	41	31	29	47	60	25	46	29	57
Effective Age	36	34	27	22	20	24	38	25	34	30	38
Economic Life	45	45	45	45	45	25	40	40	35	45	40
Remaining Useful Life	9	11	18	23	25	1	2	15	1	15	2
Depreciation	61%	55%	37%	29%	23%	77%	77%	43%	77%	45%	77%

Construction Features

Construction Type	See table above
Structural System	Steel/wood frame
Exterior Walls	**Hospital:** the main hospital building is stucco-covered concrete masonry units and cast-in-place exterior painted/coated surfaces. According to the Facility Evaluation Report prepared by prepared by HDR and dated May 25, 2017, identified some deferred maintenance on the outbuildings, louver damage/water penetration around main building windows, and blistering elastomeric exterior coat. During the site visit, the facilities engineers reported the recently completed exterior paint project addressed water infiltration and sealant was applied to windows. This analysis specifically assumes the tenant

	has addressed any exterior deficiencies in order to maintain the standard required for on-going hospital operations. **MOB:** brick/masonry
Roof	**Hospital:** TPO membrane **MOB:** asphalt shingle

Mechanical Features

Heating/Ventilation/AC	Interior areas of the hospital are heated by boilers and cooled by chilled water systems. According to the Facility Evaluation Report prepared by prepared by HDR and dated May 25, 2017, "much of the mechanical system of the facility is past its functional life and needs to be replaced." The report further indicates a lack of redundancy in the chiller plant. This analysis specifically assumes the tenant has addressed any HVAC deficiencies in order to maintain the standard required for on-going hospital operations.
Electric	According to the Facility Evaluation Report prepared by prepared by HDR and dated May 25, 2017, the low voltage system within the hospital appeared to have been well maintained and without the presence of any code issues. However, the report cited an Infrared Thermographic Inspection Report dated November 4, 2016, which indicated multiple electrical connections at their temperature extremes. This analysis specifically assumes the tenant has addressed any electrical deficiencies in order to maintain the standard required for on-going hospital operations. The evaluation report indicated hospital lighting was primarily fluorescent. During the site visit, the facilities engineer reports that all hospital lighting was converted to LED within the past 2 years. Further, the facilities engineer reported the recent installation of 2 new generators and 4 transfer switches, though one generator was original from 1974 and some switches were original from 1965. During the on-site management interview, the tenant reported nearing completion of a $10 million electrical upgrade. This analysis specifically assumes the tenant has addressed any electrical deficiencies in order to maintain the standard required for on-going hospital operations. As such, Weaver concludes the electrical is adequate for current use.
Plumbing	According to the Facility Evaluation Report prepared by prepared by HDR and dated May 25, 2017, the hospital plumbing system meets the daily requirements throughout the building. According to the report, "it appears that the plumbing system has been updated and maintained at the highest level of all the systems in the hospital. No major updates, repairs or replacements are recommended at this time." Weaver is not aware of any material changes to the plumbing system since the evaluation report. Therefore, we conclude the plumbing is adequate for current use. This analysis specifically assumes the tenant has addressed any plumbing deficiencies in order to maintain the standard required for on-going hospital operations.

Fire Protection	The buildings have full fire sprinkler protection with a wet sprinkler system. This analysis specifically assumes that the property has adequate fire alarm systems, fire exits, fire extinguishers, and/or other protective measures to meet local Fire Marshall requirements.

Interior Features

Interior	Interior finishes include tile/laminate/wood flooring, painted interior walls, and drop tile ceilings with LED lighting. In the surgical suites, ceiling are hard (plaster). Interior finish level is on-par with full-service acute care hospital of similar vintage licensed for 126 beds. Services offered include cardiovascular services with an interventional catheterization lab, orthopedic services with total joint replacement and specialized spine surgery, hemodialysis, 24/7 emergency services, advanced radiology, outpatient rehabilitation and wound care services, an ICU, and surgical procedures including vascular, general, and robotic surgery. This analysis specifically assumes the tenant has addressed any interior deficiencies in order to maintain the standard required for on-going hospital operations.

Property Features

Parking	According to Weaver's count of parking spaces using Google Maps, the hospital has 271 parking spaces, and the medical office building has 24 parking spaces.
LEED	None

ADA Compliance

The Americans with Disabilities Act (ADA) became effective January 26, 1992. Weaver has not made a specific compliance survey and analysis of these properties to determine whether they are in conformance with the various requirements of the ADA. Since we are not qualified to determine compliance with ADA requirements, the concluded values do not consider the effect of possible non-compliance issues. Please refer to the specific limiting condition regarding ADA compliance.

Quality/Condition

The Subject Properties are comparable to their competitors in the local market. Construction quality is average to good and the properties are in average to good condition.

Deferred Maintenance/Planned Capital

The Facility Evaluation Report prepared by prepared by HDR and dated May 25, 2017, concluded that roofs, windows, doors associated frames and louvers had reached the end of their functional useful life. The report further cited numerous electrical components that required replacement. During the on-site management interview, the tenant reported nearing completion of a $10 million electrical upgrade, which this analysis specifically assumes is to address the electrical deficiencies in order to maintain the standard required for on-going hospital operations.

Though requested, the tenant did not provide a planned capital budget. The property indicated signs of on-going repairs and maintenance program. This analysis specifically assumes the tenant has addressed deferred maintenance items identified in the Facility Evaluation Report prepared by prepared by HDR and dated May 25, 2017 and since then, the property has experienced normal wear-and-tear. As such, the analysis includes no deferred maintenance costs. If found to be different, assignment results may change.

Functional Utility

The Subject Properties are similar to their competitors and substitutes in the relevant marketplace. The design of the buildings, property layout, and visibility are typical of other hospital properties in the competitive market area, thereby allowing them to compete adequately.

Highest and Best Use Analysis

The Highest and Best Use Analysis evaluates a site's highest and best use both "as if vacant" and "as improved." The highest and best use of a site must meet four criteria. The use must be:

- Physically possible: The first criterion considers the physical characteristics of the site such as size, shape, topography, utilities, and soil condition, which could impact the development potential of the site.
- Legally permissible: The second criterion considers zoning restrictions and private deed restrictions.
- Financially feasible: The third criterion analyzes which of the physically possible and legally permissible uses are likely to be profitable. A full feasibility study of all potential uses is beyond the scope of an appraisal; therefore, reliance is place upon market supply and demand indications, as well as evidence of new development.
- Maximally productive: The fourth criterion assesses which of the financially feasible uses generates the greatest net return to the land.

Physically Possible

The primary hospital site is 12.16 acres and the MOB site is 0.50 acres. The sites are on paved streets and are served by necessary utilities. Weaver is not aware of any adverse soil conditions. The shape of the parcels poses no specific development limitations. Topography is flat and poses no specific development limitations. From a physical standpoint, the sites are considered adequate for many types of development.

Legally Permissible

The Subject sites are zoned C1, which permit numerous commercial uses. Based on the character of the surrounding area, a zoning change is not likely.

Financially Feasible

Economic and competitive forces in the local market shape financial feasibility. Indicators of financial feasibility include an active land market and/or the presence of new construction in the area. There are numerous commercial sites for sale, indicating an active market for this property type. As shown in the Market Analysis section of this report, there is expected increased demand over the next few years in the Subject Properties' area. Therefore, commercial development is financially feasible.

Maximally Productive

Considering the location of the Subject Properties, allowable land uses, and current economic environment, the maximally productive use of the sites is for commercial development.

Highest and Best Use

The following table outlines the highest and best use of the sites as if vacant and as improved:

Highest and Best Use of the Site As If Vacant: The concluded highest and best use of the Subjects as if vacant would be for commercial development as supported by local market conditions,

Highest and Best Use of the Site As Improved: The Subject Properties are improved with a hospital and a medical office building. As demonstrated in the Income Capitalization Approach section of the report, the curent uses as improved are financially feasible because the positive net operating income generated by the properties indicate that the improvements contribute significantly to the value of the land. Given the economic viability of the Subject Properties, there would be no reason to demolish or substantially alter the existing structures. Therefore, it is our opinion that the highest and best use of the sites as improved is for their current commercial use.

Appraisal Methodology

There are three generally accepted approaches to estimating an opinion of value: the income approach, sales comparison approach, and cost approach. Weaver considered all three approaches in this appraisal to estimate the fair market value of the Subject Properties. In appraisal practice, an approach to value is included or omitted based on its applicability to the property being valued and the sufficiency of available data. The reliability of each approach depends on the availability of relevant market data. The appraisal process is concluded by evaluating each approach to value used in the appraisal. If more than one approach is used, each approach is evaluated based on its applicability and reliability. A final opinion of value is concluded, which corresponds to one of the approaches to value. A description of each approach is below:

Income Approach

The income approach reflects a property's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically, the approach estimates the amount the average market participant would be willing to pay to receive an income stream plus reversion value from a property over a holding period. As the income approach is based on projected cash flow streams, the income approach is the most appropriate valuation technique for an income-generating property.

The two common valuation techniques associated with the income approach are the direct capitalization method and discounted cash flow (DCF) method. Under the direct capitalization method, projected net operating income is divided by a market-derived overall capitalization rate. Under the discounted cash flow method, a property's future income stream, including annual cash flows and the future reversion of the property, are discounted to a net present value based on a market-derived discount rate. The direct capitalization method is typically most applicable for properties with relatively stable cash flows, whereas the discounted cash flow method is most applicable for properties with varying annual cash flows. Given that the Subject Properties are and would be leased to a single tenant, the direct capitalization method is deemed to be the most appropriate method via the Income Approach.

Sales Comparison Approach

The sales comparison approach involves the selection of sale transactions of comparable properties, adjusted for differences, to derive an indication of value for a property. This approach is most applicable when there are frequent sales of similar properties in a subject property's market.

Valuation under the sales comparison approach is typically accomplished using measurable units of comparison such as price per square foot, price per unit, price per floor, etc., or economic units of comparison such as gross rent multiplier. Adjustments are applied to the measurable units of comparison derived from the comparable transaction, based on factors related to property rights conveyed, financing, conditions of sale, market conditions, location, physical attributes, economic factors, property use, and non-realty components. The impact of these factors on the price of the comparable property in relation to a subject property is estimated and an adjustment quantifying the impact is applied to generate an adjusted sales price per measurable unit for each comparable. The comparable sale transactions provide a range of value per measurable unit, which is applied to a subject property's size to develop an indicated range of value. The appraiser provides an opinion of value under the sales comparison approach that is a point estimate within that range.

Cost Approach

The cost approach is based on the proposition that the informed purchaser would pay no more for a property than the cost to produce a substitute property with equivalent utility. This approach is most applicable when the appraised property includes relatively new improvements that represent the highest and best use of the land, or when the property is improved with relatively unique or specialized improvements for which few comparable sale transactions and/or lease transactions exist.

Valuation Methodology Selected

Weaver considered all three approaches to value. For the purposes of this appraisal, Weaver relied upon all three approaches to develop an opinion of value based on the applicability of the approach to the Subject Properties and the availability of relevant market data.

The following table outlines the valuation methodologies developed for the Subject Properties:

Valuation Methodology			
Property	**Income Approach**	**Sales Comparison Approach**	**Cost Approach**
Highlands Regional Medical Center	Yes	Yes	Yes
Medical Office Building	Yes	Yes	Yes

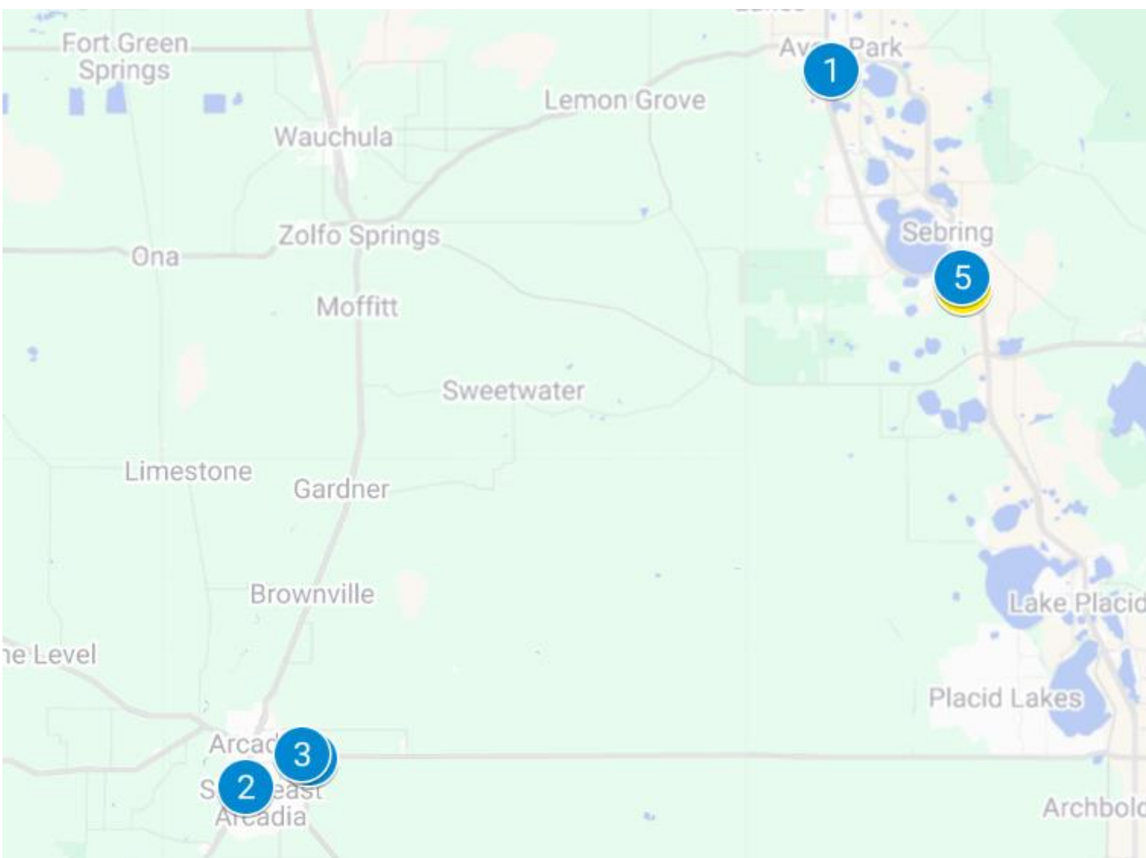
Cost Approach

The cost approach is performed in three steps:

1. Estimate the value of the land based on the conclusion of the property's highest and best use as vacant and ready for development.
2. Derive the current cost to reproduce or replace the improvements from actual construction costs, cost manuals, or discussions with builders and contractors.
3. Estimate the depreciation sustained by the improvements on the property based on the useful life and effective age, then subtract the estimated depreciation from the replacement or reproduction cost new.

Land Valuation

The land underlying the improvements is valued using the sales comparison approach, which relies on the principle of substitution – the informed purchaser would pay no more for a property than the cost to acquire a substitute property with equivalent utility. Weaver sourced comparable, vacant land sale transactions from the Subject Properties' local market in consideration of property characteristics such as location, access/exposure/frontage, land size, shape, topography, zoning/use, site infrastructure/utilities, and demolition costs. The sales prices of the comparable transactions were reduced to a common unit of comparison (price per acre), adjusted, and interpreted to draw a logical value conclusion. The following map illustrates the location of the land comparables (blue circles with numbers according to the position in the comparables grid) relative to the Subject Properties (yellow circle with a star).



Comparable 5 is located near the Subject Properties, and comparables 3 and 4 are located near each other.

Highlands Regional Medical Center

The following table outlines the comparable transactions, adjustments, and concluded land value.

Highlands Regional Medical Center Comparable Land Sales						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	3600 South Highlands Avenue	1101 US Hwy 27 N	2114 SW Hwy 17	2528 NE Hwy 70	2787-2837 SE Hwy 70	3201 Desoto Rd
City	Sebring	Avon Park	Arcadia	Arcadia	Arcadia	Sebring
State	FL	FL	FL	FL	FL	FL
Parcel Number	S-04-35-29-010-0000-0020, S-04-35-29-050-0010-0000	A-27-33-28-170-0000-0020, A-27-33-28-A00-0021-0000	12-38-24-0061-0000-0320, 12-38-24-0061-0000-0330	12-37-25-0000-0060-0000	05-38-25-0000-0180-000, 05-38-25-0000-0181-0000	S-05-35-29-A00-0010-0000
Land Size (AC)	12.16	5.52	5.32	10.00	8.42	5.20
Sale Date	-	1/7/2025	8/19/2024	5/31/2023	4/27/2023	Listing
Sale Price	-	$895,000	$800,000	$1,200,000	$900,000	$875,000
Sale Price Per AC	-	$162,138	$150,376	$120,000	$106,888	$168,269
Shape	Irregular	Irregular	Irregular	Rectangular	Rectangular	Rectangular
Frontage		500' on US Hwy 27 N	-	628' on NE Hwy 70	300' on SE Hwy 70	367' on Sebring Pkwy
Topography	Flat	Rolling	Level	-	Level	Level
Flood Zone	X	X	X	X/A	X	X
Zoning	C1	CR	CG	CG	CG	C1
Use		Commerical	Commerical	Commerical	Commerical	Commerical
Conditions of Sale		Typical	Typical	Typical	Typical	Typical
Conditions of Sale Adjustment		0%	0%	0%	0%	0%
Market Trends Through 12/31/25	3%	3%	4%	8%	8%	0%
Listing Adjustment		0%	0%	0%	0%	-10%
Adjusted Sale Price Per AC		$166,975	$156,629	$129,450	$115,609	$151,442
Adjustments Grid						
Location		0%	10%	10%	10%	0%
Access/Exposure/Frontage		-5%	5%	5%	5%	5%
Land Size		-5%	-5%	0%	0%	-5%
Shape		0%	0%	0%	10%	0%
Topography		10%	0%	0%	0%	0%
Zoning/Use		0%	0%	0%	0%	0%
Site Infrastructure/Utilities		0%	0%	0%	0%	0%
Demolition Costs		0%	0%	5%	0%	0%
Net Adjustment		0%	10%	20%	25%	0%
Gross Adjustment		20%	20%	20%	25%	10%
Adjusted Sale Price Per AC		$166,975	$172,292	$155,340	$144,511	$151,442

Summary	
Minimum	$144,511
Maximum	$172,292
Average	$158,112
Median	$155,340
Conclusion PAC	**$160,000**
Value Conclusion	**$1,945,600**

Discussion of Comparable Sales

Location:

Comparables 2, 3 and 4 are located in Arcadia, a city located approximately 45 miles southwest of Sebring. Arcadia is a more rural area with significantly less surrounding development, warranting upward adjustments.

Access/Exposure/Frontage:

Comparable 1 has water frontage on Lake Anoka, warranting a downward adjustment. Comparables 2, 3, and 4 have highway frontage, but they are not situated on the corner of a major throughfare off the highway, warranting upward adjustments. Comparable 5 is located on the corner of a major thoroughfare, but it lacks highway frontage, warranting an upward adjustment.

Land Size:

Comparables 1, 2, and 5 are significantly smaller than the Subject Property, warranting downward adjustments.

Shape:

Comparable 4 is a long, narrow parcel which limits development potential, therefore warranting an upward adjustment.

Topography:

Comparable 1 has rolling topography which limits development potential, therefore warranting an upward adjustment.

Zoning/Use:

As all of the comparables are zoned commercial, no adjustments were warranted.

Site Infrastructure/Utilities:

No adjustments were warranted.

Demolition Costs:

Comparable 3 has a small residential building on the property requiring demolition costs in order to improve the property, warranting an upward adjustment.

Conclusion:

Given the similarity in gross adjustments, all comparables received equal weight. Therefore, we concluded to $160,000 per acre.

Medical Office Building

Weaver applied the same value per acre of $160,000 for the medical office building as its smaller size is offset by its absence of highway or major thoroughfare frontage. The following table outlines the concluded land value for the medical office building.

Medical Office Building Land	
Land Size (AC)	0.50
Conclusion PAC	$160,000
Value Conclusion	**$80,000**

Combined Land Value

The combined value of both the hospital and the medical office building land, along with their respective values, is shown below:

Combined Land Value	
Hospital Land Value	$1,945,600
MOB Land Value	$80,000
Value Conclusion	**$2,025,600**

Replacement Cost New

The cost approach is typically completed utilizing the MVS cost guide for base construction costs, local and current cost multipliers, and economic lives. Weaver reviewed the MVS cost guide to develop the replacement cost new of the building improvements and site improvements for each Subject Property. Replacement cost new is calculated by multiplying the base cost (adjusted for items such as local cost, building height, floor area and perimeter, etc.) by the size or count of the improvements. Development costs, including indirect costs and entrepreneurial incentive, are factored into the calculation as well.

Depreciation

There are three primary forms of depreciation that affect the value of a property under the cost approach: physical deterioration, functional obsolescence, and economic obsolescence. Under the cost approach, depreciation is deducted from the replacement cost new of a property to derive a value conclusion.

Physical Deterioration

Physical deterioration is the decline in value caused by wear and tear, decay, deterioration, and loss not prevented by current maintenance. Physical deterioration can be curable or incurable. Curable physical deterioration, or deferred maintenance, can be resolved by completing improvements to the property structure that restore the loss incurred from the deterioration. Incurable physical deterioration is based on the inherent loss in economic value due to the use of a property over time. It is calculated based on the effective age and useful life of a property.

The effective age of a property is its actual age less the useful life restored due to structural renovations, removal of functional inadequacies, and other improvements to the building and site improvements. Effective age is a judgement call on the part of the appraiser, considering the current and anticipated near-term changes to a property. It can fluctuate from year to year in the absence of major renewals or excessive deterioration, and it may be more or less than the actual age due to major renewals or excessive deterioration.

Useful life is the estimated time an asset can be used for its intended purposes before becoming obsolete or no longer providing economic value. It is derived from market data, most commonly, the MVS cost guide, and is based on the class and use of the improvements. The remaining useful life is the market-data-derived useful life of a property less the effective age of the property estimated by the appraiser. It does not imply straight-line expiration, but rather, utilizes effective age as the sliding scale as recurring maintenance and renewal of structures contribute to an extended life expectancy.

Functional Obsolescence

Functional obsolescence is attributable to a decline in utility due to technological innovation in comparison to a more efficient or less costly replacement property considering current building standards and investor space requirements. Weaver did not identify any functional obsolescence impacting the Subject Properties.

External Obsolescence

External obsolescence is the loss in value attributable to adverse conditions external to the property such as poor market demand, availability of financing, loss of material or labor resources, passage of new legislation, industry economics, or unavailability of transportation. Highlands Regional Medical Center reported average daily census of 40 to 50 beds for fiscal years 2022-2025, indicating an occupancy rate of 32% to 40% during that period. This signals limited market demand. As such, the analysis includes a 25% factor for external obsolescence.

Highlands Regional Medical Center

The following table summarizes the estimated depreciation accumulated by the hospital.

Physical Depreciation - Hospital											
Building Section #	**Hospital - 1**	**Hospital - 2**	**Hospital - 3**	**Hospital - 4**	**Hospital - 5**	**Hospital - 6**	**Hospital - 7**	**Hospital - 8**	**Hospital - 9**	**Hospital - 10**	**MOB - 1**
Building Section Name	**Original Hospital**	**Addition ICU**	**Patient Tower/ER**	**Outpatient Surgery**	**Orthopedic Institutue**	**Pump House**	**Maintenance**	**Storage Northend**	**Storage Building**	**CT Bldg - East Beside Emergency**	**MOB**
Construction Type	C	C	C	C	C	D	D	D	S	C	C
Year of Construction	1965	1975	1984	1994	1996	1978	1965	2000	1979	1996	1968
Actual Age	60	50	41	31	29	47	60	25	46	29	57
Effective Age	36	34	27	22	20	24	38	25	34	30	38
Economic Life	45	45	45	45	45	25	40	40	35	45	40
Remaining Useful Life	9	11	18	23	25	1	2	15	1	15	2
Depreciation	61%	55%	37%	29%	23%	77%	77%	43%	77%	45%	77%

Cost Approach Conclusion

The following table summarizes the cost approach calculation utilized to derive the concluded value under the cost approach. Refer to the Appendix to this report for more detailed calculations on the replacement cost new for the hospital and associated site improvements. Soft costs are estimated at 20% to account for architectural fees, permits, legal fees, and financing interest. Minimal entrepreneurial profit is included in the analysis given the build-to-suit nature of hospital construction.

Physical deterioration for each building is shown in the Appendix within the Replacement Cost New Section. The percentage of physical deterioration shown in the table below is calculated on the total replacement cost new, inclusive of indirect costs and entrepreneurial profit.

Highlands Regional Medical Center Cost Approach			
Replacement Cost New			**PSF**
Base Cost, Class C		83,269,122	$652.15
Lump Sums for Site Improvements		956,744	$7.49
Total Hard Construction Costs		84,225,866	$659.64
Indirect Costs	*@20%*	16,845,173	$131.93
Subtotal		101,071,039	$791.57
Entrepreneurial Profit	*@5%*	5,053,552	$39.58
Replacement Cost New		**106,124,591**	**$831.15**
Depreciation			
Physical Deterioration	*@37%*	-38,755,552	-$303.53
Functional Obsolescence	*@0%*	0	$0.00
External Obsolescence	*@25%*	-26,531,148	-$207.79
Total Depreciation		**-65,286,700**	**-$511.31**
RCN Less Depreciation		40,837,892	$319.84
Land Value		1,945,600	$15.24
Value Indication		$42,783,492	$335.07
Value Conclusion		**$42,800,000**	**$335.20**

As a test of reasonability of the concluded replacement cost new, we compared the reported costs to build a hospital on a national basis and within Florida specifically.

Hospital Building Cost Support

			Price PSF			Price Per Bed		
Source	**Date Published**	**Typical Size (SF)**	**Low**	**High**	**Average**	**Low**	**High**	**Average**
RSMeans Data	*December 11, 2024*	2000,000 - 446,000	$440	$454	-	-	-	-
Digital Builder	*August 11, 2025*	-	-	-	$613	$500,000	$1,500,000	-
PointCore	*n/a*	-	$420	$1,100	-	-	-	-
Health Facilities Management	*October 15, 2025*	-	-	-	$435	-	-	-
Revizto	*September 3, 2025*	-	$800	$1,020	-	-	-	-

Florida Hospital Building Cost Support

Hospital	Address	City	Operator	Licensed Beds	SF	Cost	Cost PSF	Cost Per Bed
Durbin Park	120 Flagler Health Way	St. Johns	UF Health	99	283,000	$285,000,000	$1,007	$2,878,788
Freestanding ER	8100 Merril Road	Arlington	HCA Florida Healthcare	-	10,860	$8,300,000	$764	-
McGehee Family Tower	800 Prudential Drive	Jacksonville	Baptist Health	-	123,000	$190,000,000	$1,545	-
Northwest Florida Rehabilitiation Hospital	7775 Volunteer Way	Jacksonville	LifePoint Rehabilitation	50	60,500	$48,000,000	$793	$960,000
Holy Cross Hospital	200 E. Sunrise Boulevard	Ft. Lauderdale	Holy Cross	-	41,792	$31,000,000	$742	-
Braman Cancer Care Center	4300 Alton Road	Miami Beach	Mount Sinai Medical Center	-	220,000	$250,000,000	$1,136	-
AdventHealth Cancer Institute	2000 Fowler Grove Boulevard	Winter Garden	AdventHealth	-	60,000	$43,200,000	$720	-
Orlando Health St. Cloud Hospital	2906 17th Street	St. Cloud	Orlando Health	84	20,000	$10,000,000	$500	$119,048
AdventHealth Inovation Tower	265 E Rollins Street	Orlando	AdventHealth	-	300,000	$170,000,000	$567	-
AdventHealth Hospital	10999 Narcoossee Road	Lake Nona	AdventHealth	80	511,000	$259,000,000	$507	$3,237,500
AdventHealth Hospital	2000 Fowler Grove Boulevard	Winter Garden	AdventHealth	40	105,000	$145,000,000	$1,381	$3,625,000
AdventHealth Minneola	1800 N Hancock Road	Minneola	AdventHealth	80	204,000	$271,000,000	$1,328	$3,387,500
AdventHealth Daytona Beach	301 Memorial Parkway	Daytona Beach	AdventHealth	104	240,000	$220,000,000	$917	$2,115,385
Orlando Health Children's Pavilion	92 W Miller Street	Orlando	Orlando Health	-	189,000	$160,000,000	$847	-
South Florida Baptist Hospital	3202 North Park Road	Plant City	BayCare Health System	64	424,000	$326,000,000	$769	$5,093,750
-	-	Wesley Chapel	BayCare Health System	60	190,000	$245,000,000	$1,289	$4,083,333
St Joseph's Hospital South	6901 Simmons Loop	Riverview	BayCare Health System	-	350,000	$225,000,000	$643	-
			Average	73	196,009	$169,794,118	$909	$2,833,367

Medical Office Building

The following table summarizes the estimated depreciation accumulated by the medical office building.

Physical Depreciation - MOB	
Construction Type	C
Year of Construction	1968
Actual Age	57
Effective Age	34
Economic Life	40
Remaining Useful Life	6
Depreciation	68%

Cost Approach Conclusion

The following table summarizes the cost approach calculation utilized to derive the concluded value under the cost approach. Refer to the Appendix to this report for more detailed calculations on the replacement cost new for the medical office building and associated site improvements. Though medical office buildings are often built speculatively, the analysis considers a single tenant for the hospital and the medical office building. Therefore, the indirect costs and entrepreneurial profit used for the hospital are applied to the medical office building. In this instance, no external obsolescence is applied to the medical office building.

Medical Office Building Cost Approach			
Replacement Cost New			**PSF**
Base Cost, Class C		720,525	$176.60
Lump Sums for Site Improvements		69,999	$17.16
Total Hard Construction Costs		790,524	$193.76
Indirect Costs	*@20%*	158,105	$38.75
Subtotal		948,629	$232.51
Entrepreneurial Profit	*@5%*	47,431	$11.63
Replacement Cost New		**996,060**	**$244.13**
Depreciation			
Physical Deterioration	*@61%*	-610,803	-$149.71
Functional Obsolescence	*@0%*	0	$0.00
External Obsolescence	*@0%*	0	$0.00
Total Depreciation		**-610,803**	**-$149.71**
RCN Less Depreciation		385,257	$94.43
Land Value		80,000	$19.61
Value Indication		$465,257	$114.03
Value Conclusion		**$500,000**	**$122.55**

Combined Value under the Cost Approach

The combined value under the Cost Approach for both the hospital and the medical office building is shown below:

Value Conclusion	
Property	**Cost Approach**
Highlands Regional Medical Center	$42,800,000
Medical Office Building	$500,000
Total Value	**$43,300,000**

The allocation between land and building value is shown below:

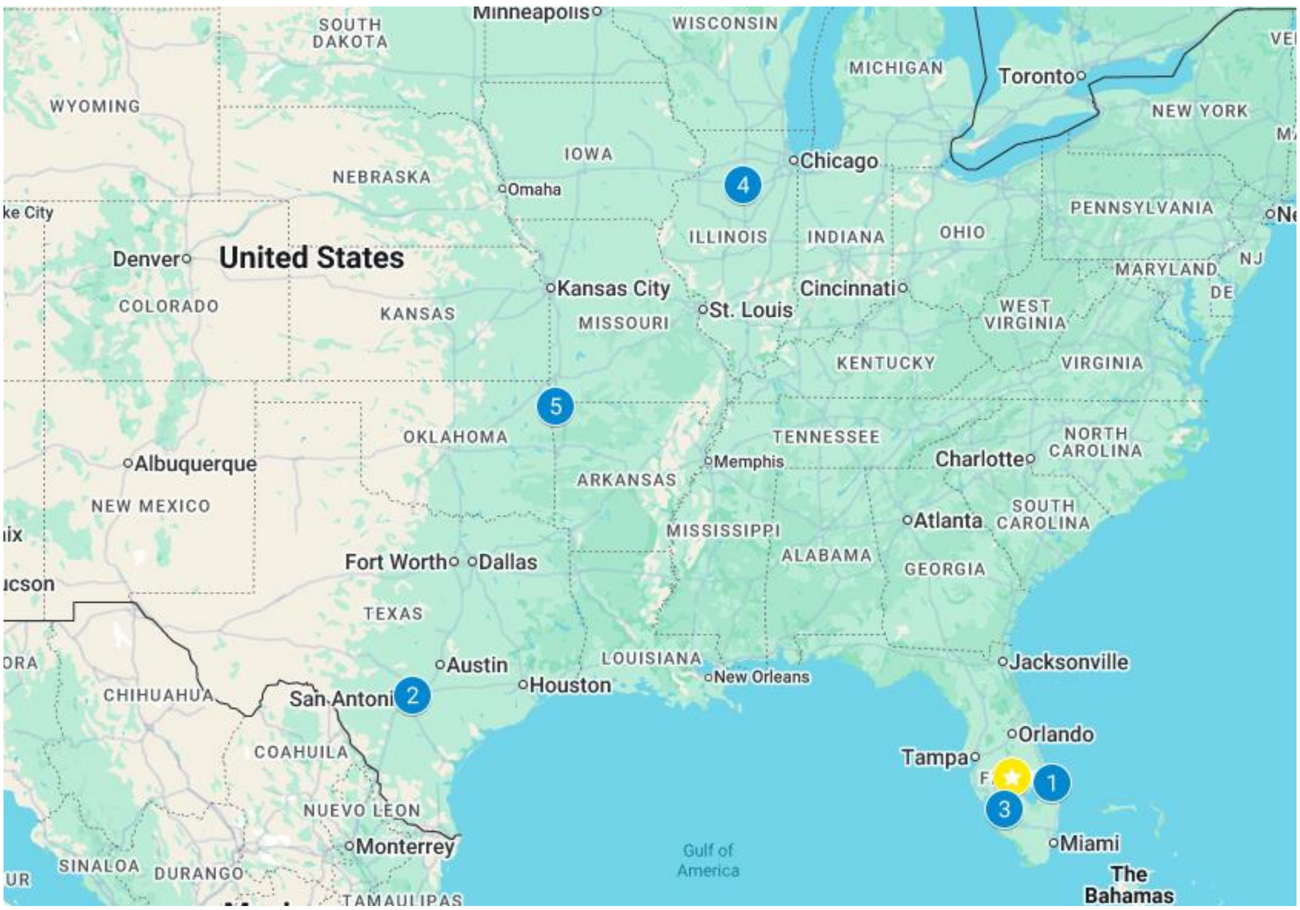
Value Conclusion	
Component	**Value**
Land	$2,000,000
Buildings	$41,300,000
Total Value	**$43,300,000**

Sales Comparison Approach

Highlands Regional Medical Center

The following comparable sales grid summarizes the comparable sales transactions sourced in the valuation of the Subject Properties under the Sales Comparison Approach. Weaver sourced comparable sales transactions in consideration of property characteristics such as location, building size, quality/age/condition, economic factors, and other factors relative to the Subject Properties. In this instance, a national comparable set was utilized.

Each comparable transaction was adjusted for differences in property characteristics relative to the Subject Properties. Based on the adjusted comparable transactions, Weaver concluded on a value per square foot and multiplied by the Subject Properties' sizes to arrive at value conclusions under the Sales Comparison Approach. The following map illustrates the location of the sale comparables (blue circles with numbers according to the position in the comparables grid) relative to the Subject Property (yellow circle with a star).



Comparable Sales and Adjustments Grid

Highlands Regional Medical Center Sales Comparison Approach						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
						
Name	Highlands Regional Medical Center	Port St. Lucie Hospital	Santa Rosa Medical Center	HCA Florida Lehigh Hospital	OSF Saint Elizabeth Medical Center - Peru	Ozarks Community Hospital of Gravette
Address	3600 South Highlands Avenue	2550 SE Walton Road	2827 Babcock Road	1500 Lee Boulevard	925 West St	1101 Jackson St SW
City	Sebring	Port St. Lucie	San Antonio	Lehigh Acres	Peru	Gravette
State	FL	FL	TX	FL	IL	AR
Property Type	STAC Hospital	STAC	STAC	STAC	STAC	STAC
Size (SF)	127,684	51,694	229,903	83,623	87,060	79,301
Sale Date		4/15/2026	10/29/2025	2/26/2025	11/16/2023	10/27/2023
Sale Price		$13,000,000	$71,000,000	$31,610,000	$28,910,000	$21,000,000
Sale Price PSF		$251.48	$308.83	$378.01	$332.07	$264.81
Occupancy	100%	-	100%	100%	-	100%
Year Built	1963-1994	1987	1986	1983	1990	2000
Year Renovated	2010	-	2021	-	-	-
HSPI - 3 Mile Radius	64	71	56	67	82	88
Cap Rate		-	-	-	-	-
Conditions of Sale		Typical	Typical	Typical	Typical	Typical
Conditions of Sale Adjustment		0%	0%	0%	0%	0%
Market Conditions Through 12/31/2025	3.0%	-1%	0%	2%	6%	6%
Listing Adjustment		0%	0%	0%	0%	0%
Adjusted Sale Price PSF		$248.97	$308.83	$385.57	$351.99	$280.70
Adjustments Grid						
Location		0%	0%	0%	-5%	-5%
Building Size		-10%	20%	-5%	-5%	-5%
Quality/Age/Condition		20%	-5%	5%	5%	0%
Economic		0%	0%	0%	0%	0%
Other		-5%	0%	0%	0%	0%
Net Adjustment		5%	15%	0%	-5%	-10%
Gross Adjustment		35%	25%	10%	15%	10%
Adjusted Sale Price PSF		$261.41	$355.15	$385.57	$334.39	$252.63

Summary	
Minimum	$252.63
Maximum	$385.57
Average	$317.83
Median	$334.39
Conclusion PSF	**$335.00**
Value Conclusion	**$42,800,000**

Discussion of Comparable Sales

Location:

Location adjustments were based on the Healthcare Spending Index (HSPI) in a 3-mile radius around each property. The HSPI provides insight into how much is being spent on healthcare in an area, with a larger number meaning higher healthcare expenditures. Comparables 4 and 5 have significantly higher HSPI numbers, warranting downward adjustments.

Building Size:

Comparables 1, 3, 4, and 5 are significantly smaller than the Subject Property, warranting downward adjustments. Comparables 2 is significantly larger than the Subject Property, warranting an upward adjustment.

Quality/Age/Condition:

Comparable 2 was recently renovated and is in superior condition compared to the Subject Property, warranting a downward adjustment. Comparables 1, 3, and 4 are older construction and had have not been recently renovated, warranting upward adjustments. Comparable 5 is generally similar in quality and condition, and no adjustment is required.

Economic:

All comparables were occupied. Therefore, no economic adjustments were warranted.

Other:

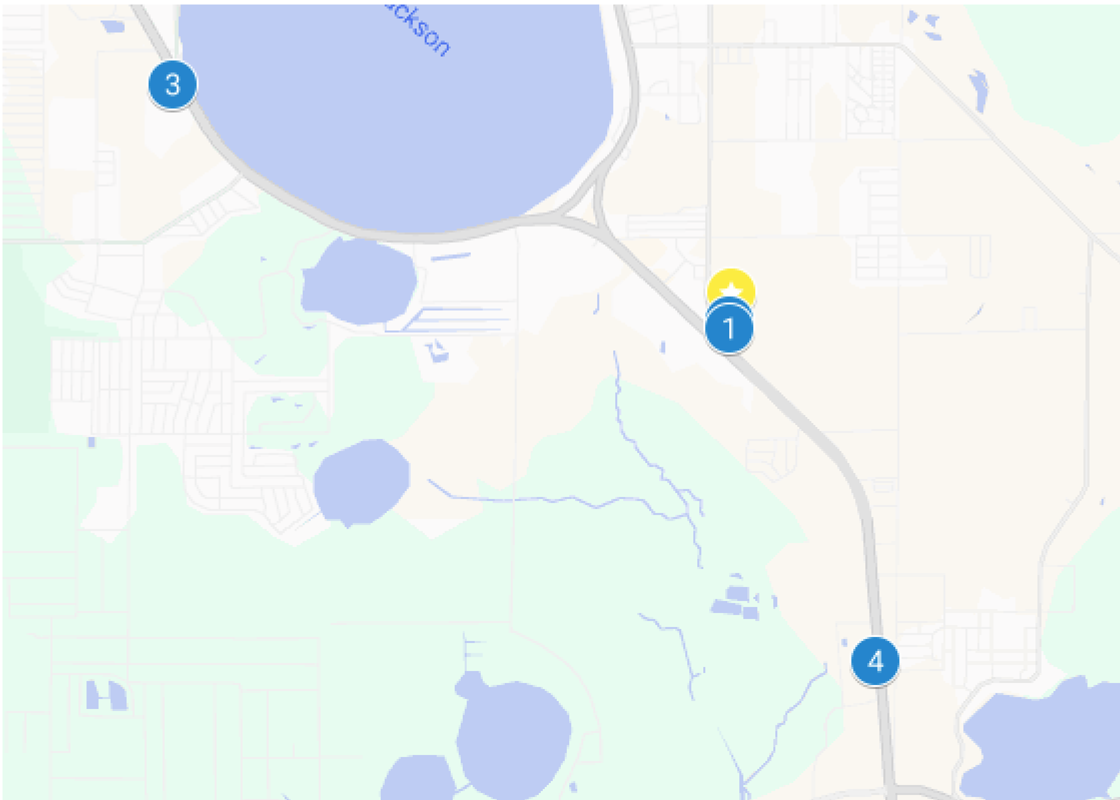
Comparable 1 sold with 5.04 acres of surplus land located on a separate landlocked parcel; downward adjustment is required. No other adjustments were warranted.

Conclusion:

Equal reliance was placed on all comparables. Therefore, we concluded to $335.00 per square foot.

Medical Office Building

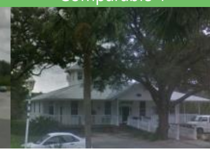
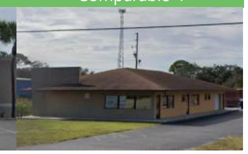
The following map illustrates the location of the sale comparables (blue circles with numbers according to the position in the comparables grid) relative to the Subject Property (yellow circle with a star). In this instance, the comparable set was within the city of Sebring. Though the current tenant is using the medical office building as administrative offices, the property is built-out as a standard medical office with reception area and exam rooms. Therefore, standard medical office buildings were considered in this analysis.



Comparables 1 and 2 are neighboring properties.

Comparable Sales and Adjustments Grid

Medical Office Building Sales Comparison Approach

	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
					
Address	10 Medical Center Avenue	3700 Emergency Lane	3650 Emergency Lane	113-133 US 27 North	6715-6721 US Highway 27 S
City	Sebring	Sebring	Sebring	Sebring	Sebring
State	FL	Fl	FL	FL	FL
Property Type	MOB	MOB	MOB	MOB - Condo	MOB
Size (SF)	4,080	4,951	6,837	3,312	3,300
Sale Date		6/12/2024	6/5/2024	1/26/2024	3/31/2023
Sale Price		$831,000	$675,000	$385,000	$310,000
Sale Price PSF		$167.84	$98.73	$116.24	$93.94
Building Class	C	B	B	B	C
Occupancy	100%	100%	100%	-	100%
Year Built	1968	1994	1985	1977	1984
Year Renovated	-	-	-	-	-
Cap Rate		5.92%	-	-	-
Conditions of Sale		Typical	Typical	Typical	Typical
Conditions of Sale Adjustment		0%	0%	0%	0%
Market Conditions Through 02/04/26	3.0%	5%	5%	6%	9%
Listing Adjustment		0%	0%	0%	0%
Adjusted Sale Price PSF		$176	$104	$123	$102
Adjustments Grid					
Location		0%	0%	5%	5%
Building Size		0%	10%	0%	0%
Quality/Age/Condition		-20%	-5%	0%	-5%
Economic		0%	0%	0%	0%
Other		0%	0%	0%	0%
Net Adjustment		-20%	5%	5%	0%
Gross Adjustment		20%	15%	5%	10%
Adjusted Sale Price PSF		$141	$109	$130	$102

Summary	
Minimum	$102.09
Maximum	$141.01
Average	$120.40
Median	$119.25
Conclusion PSF	**$120.00**
Value Conclusion	**$500,000**

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Discussion of Comparable Sales

Location:

Comparables 3 and 4 are not located on a hospital campus, warranting upward adjustments.

Building Size:

Comparable 2 is significantly larger than the Subject Property, warranting an upward adjustment.

Quality/Age/Condition:

Comparables 1, 2, and 4 warrant downward adjustments for newer construction.

Economic:

No economic adjustments were warranted.

Other:

No other adjustments were warranted.

Conclusion:

Primary reliance was placed on comparables 2, 3, and 4 as they received the lowest gross adjustments. Therefore, we concluded to $120.00 per square foot.

Combined Value under the Sales Comparison Approach

The combined value under the Sales Comparison Approach for both the hospital and the medical office building, along with their respective values, is shown below:

Value Conclusion	
Property	**Sales Comparison Approach**
Highlands Regional Medical Center	$42,800,000
Medical Office Building	$500,000
Total Value	**$43,300,000**

Income Capitalization Approach

Weaver performed the direct capitalization method of the income approach to develop an opinion of value.

Investment Parameters

Weaver sourced comparables sales with reported capitalization rates and consulted Revista to estimate the overall capitalization rate for hospitals.

The following table outlines the capitalization rate sourced for hospital transactions:

Overall Capitalization Rate

Market Transactions								
Address	**Size (Units)**	**Year Built/Renovated**	**Occupancy**	**Sale Price**	**Price PSF**	**Sale Date**	**Cap Rate**	**Lease Rate**
1092 US Highway 92 W, Auburndale, FL	37,151	2026/	100%	$28,500,000	$767	12/2/2025	8.77%	$67.28
215 S Power Rd, Mesa, AZ	48,000	1986/2012	-	$9,450,000	$197	11/4/2025	8.13%	$16.01
1820 E Silver Star Rd, Ocoee, FL	37,151	2025/	100%	$26,500,000	$713	7/9/2025	9.43%	$67.26
204 Energy Parkway, Lafayette, LA	53,290	1994/-	100%	$7,900,000	$148	2/14/2025	6.84%	$10.14
7171 N Military Trail, Riviera Beach, FL	70,660	2008/	100%, Sale Leaseback	$37,227,237	$527	9/16/2024	8.47%	$44.62
17400 Red Oak Dr, Houston, TX	33,016	2005/-	-	$6,700,000	$203	3/18/2024	9.50%	$19.28
Average							**8.52%**	

Market Reports						
Source	**Period**	**Location**	**Property Type**	**Low**	**High**	**Average**
Revista	1Q25	National	Hospital-General	-	-	7.40%
Weaver Comparable Sales	Past 2 Years	National	Hospital	6.84%	9.50%	8.52%

In addition the market transactions and reports presented above, we spoke with market participants who indicated a 50 to 200 basis spread above a medical office capitalization rate is reasonable for a hospital. The PWC Real Estate Investor Survey 4Q2025 indicates capitalization rates for the National Medical Office Buildings Market range from 5.50% to 10.00% and average 7.38%. Therefore, the implied average capitalization rate range for the subject's hospital based on broker input is 7.88% to 9.38%.

Based on the market transactions, market reports, and market participant interviews, Weaver concludes a capitalization rate of 8.50% for the hospital. It is important to note that this analysis considers a single tenant for the hospital and the medical office building given the current tenancy and the medical office's proximity to the hospital. Therefore, the capitalization rate derived for the hospital is also applied to the medical office building.

Concluded Rent

In this instance, the rental rate is determined as a return of cost to depreciated value of the improvements. The concluded capitalization rate is applied to derive the implied net operating income. Since the most likely occupant of the Subject Property will be a single tenant, all operating expenses would be paid by the tenant and no vacancy or credit loss is included in the analysis. Therefore, net operating income approximated the rental rate.

Value Conclusion Under the Cost Approach - Hospital	**$42,800,000**	**$335.20**
Capitalization Rate	8.50%	
Implied Net Operating Income	$3,638,000	$28.49
Rent Conclusion - Hospital	**$3,638,000**	**$28.49**

The concluded rental rate is supported by the hospital transactions shown above. Additional lease rates extracted from additional hospital sales are summarized in the following table.

Additional Hospital Lease Comps						
Property	Location	Sale Date	SF	Sale Price/SF	Cap Rate	Lease Rate
Hospital of SE Mass	New Bedford, MA	1/31/2024	70,657	$92	9.75%	$8.97
MercyOne Hospital	Centerville, IA	7/19/2020	15,748	$318	7.02%	$22.32
AMG Specialty Hospital	Zachary, LA	3/19/2019	12,424	$362	9.09%	$32.91
Great Bend Regional Hospital	Great Bend, KS	12/20/2018	58,000	$559	6.61%	$36.95
City Hospital of White Rock	Dallas, TX	3/1/2018	236,314	$97	9.70%	$9.41
Kindred Hospital Indianapolis North	Indianapolis, IN	6/23/2017	37,270	$400	9.07%	$36.28

The indicated market rental rate derived from the market capitalization rate and Cost Approach value indication falls within the reasonable range and is supported by the lease comparables presented above.

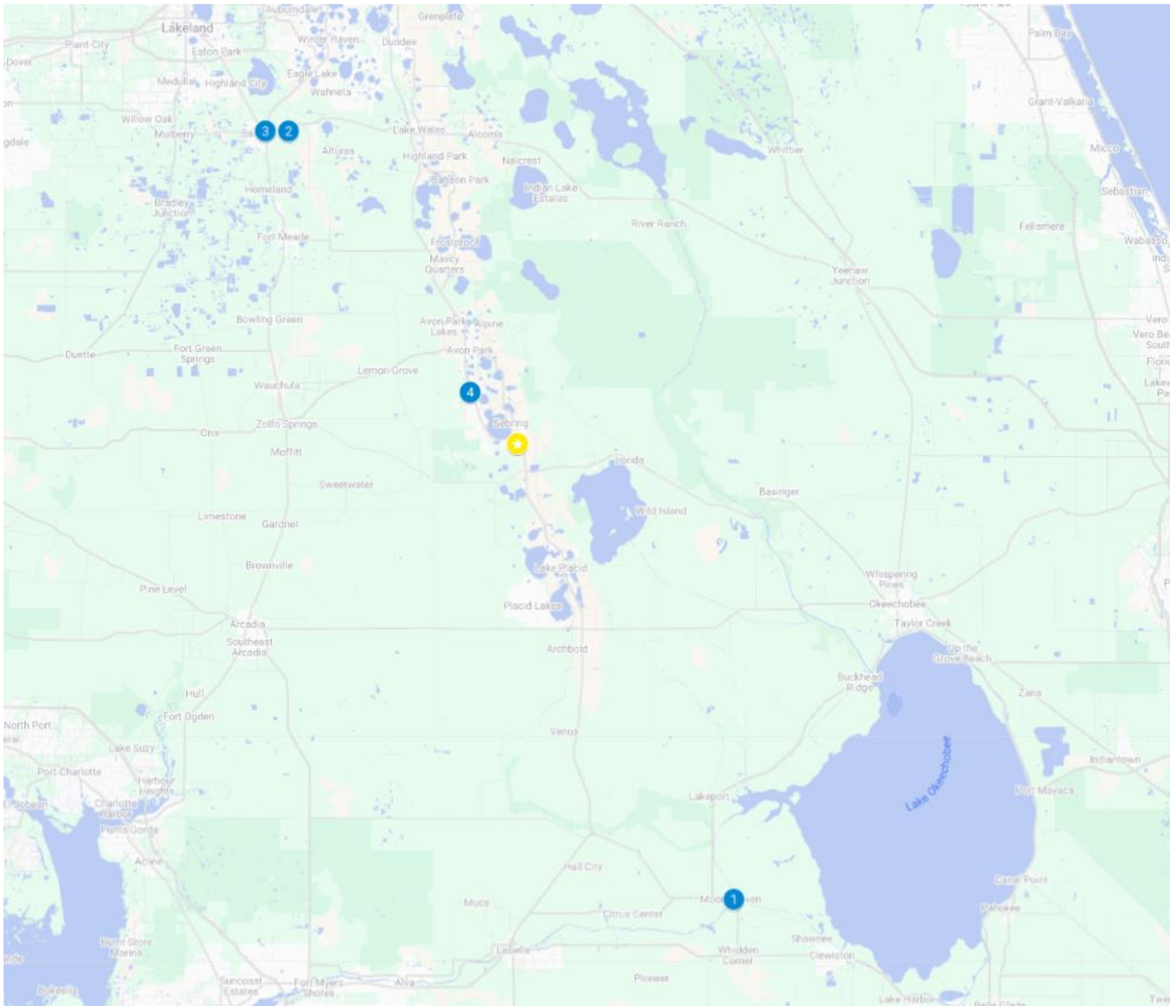
Income Capitalization Approach Conclusion - Hospital

Since the most likely occupant of the Subject Property will be a single tenant, all operating expenses would be paid by the tenant and no vacancy or credit loss is included in the analysis. The direct capitalization calculation for the hospital is presented below.

Highlands Regional Medical Center Direct Capitalization			
Revenue			**PSF**
Potential Base Rent		3,638,000	$28.49
Potential Gross Revenue		3,638,000	$28.49
Vacancy Loss	0.00%	0	$0.00
Credit Loss	0.00%	0	$0.00
Total Vacancy & Credit Loss		0	$0.00
Effective Gross Revenue		3,638,000	$28.49
Net Operating Income		3,638,000	$28.49
Cap Rate		8.50%	
Stabilized Value		**$42,800,000**	$335.20
Value Conclusion			**$42,800,000**

Comparable Leases – Medical Office Building

The concluded rent represents the amount a tenant would be willing to pay for similar properties in the same location, with consideration for factors including location, leased size, quality/age/condition, economic factors, and other factors. Weaver sourced asking and starting rents from comparables properties in central Florida. The following map illustrates the location of the lease comparables (blue circles with numbers according to the position in the comparables grid) relative to the Subject Property (yellow circle with a star).



Comparable Leases and Adjustments Grid

Medical Office Building Market Rent Comparables					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
					
Tenant		-	Advanced Care Pediatrics of Florida	-	-
Address	10 Medical Center Avenue	51 Avenue J	2020 Flamingo Drive	1190 East Church Street	4131-4151 Sun North Lake Boulevard
City, State	Sebring, FL	Moore Haven, FL	Bartow, FL	Bartow, FL	Sebring, FL
Property Type	MOB	MOB	MOB	MOB	MOB
Leased Area (SF)	4,080	1,400	6,381	4,400	2,067
GBA (SF)	4,080	1,400	6,381	4,400	18,644
Lease Start		8/16/2025	10/13/2024	5/3/2024	8/26/2022
Lease Expiration		8/16/2026	2/12/2032	5/2/2029	8/25/2032
Lease Term (Years)		1	7	5	9
Expense Basis	NNN	NNN	NNN	NNN	NNN
Rent PSF		$10.29	$15.00	$16.75	$12.00
Escalations		-	-	-	-
Build Out		Full	Full	Full	Full
Year Built/Renovated	1968/-	1994/-	1958/2001	1989/2001	2000/-
Tenant Improvement Allowance	-	-	-	-	-
Expenses		$0.00	$0.00	$0.00	$0.00
Market Conditions Through 12/31/25	3.00%	1%	4%	5%	10%
Listing Adjustment		0%	0%	0%	0%
Adjusted Rent PSF		$10.41	$15.56	$17.60	$13.22
Adjustments Grid					
Location		5%	-15%	-15%	0%
Leased Size		-10%	5%	0%	-5%
Quality/Age/Condition		-5%	-10%	-10%	-20%
Economic		0%	0%	0%	0%
Other		0%	0%	0%	0%
Net Adjustment		-10%	-20%	-25%	-25%
Gross Adjustment		20%	30%	25%	25%
Adjusted Rent PSF		$9.37	$12.44	$13.20	$9.92

Summary	
Minimum	$9.37
Maximum	$13.20
Average	$11.23
Median	$11.18
Rent Conclusion PSF	**$10.00**

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Discussion of Comparable Leases – Medical Office Building

Location:

Comparable 1 is located in a similar market as the Subject Property but is not located on a hospital campus, warranting an upward adjustment. Comparables 2 and 3 are located in markets that garner higher asking rates relative to the Subject Property, warranting downward adjustments.

Leased Size:

Comparables 1 and 4 have significantly smaller leased sizes than the Subject Property, warranting downward adjustments. Comparable 2 has a significantly larger leased size than the Subject Property, warranting an upward adjustment.

Quality/Age/Condition:

All comps were either constructed more recently than the Subject Property or have been renovated, warranting downward adjustments.

Economic:

No economic adjustments were warranted.

Other:

No other adjustments were warranted.

Conclusion:

Primary reliance was placed on Comparable 4 given its location in Sebring and is also located directly across from a hospital. Secondary reliance was placed on comparables 1 through 3. Therefore, we concluded to $10.00 per square foot.

Income Capitalization Approach Conclusion – Medical Office Building

The direct capitalization calculation for the medical office building is presented below. The analysis considers a single tenant for the hospital and the medical office building. Therefore, all the operating expenses would be paid by the tenant and no vacancy or credit loss is included in the analysis.

Medical Office Building Direct Capitalization			
Revenue			**PSF**
Potential Base Rent		40,800	$10.00
Potential Gross Revenue		40,800	$10.00
Vacancy Loss	0.00%	0	$0.00
Credit Loss	0.00%	0	$0.00
Total Vacancy & Credit Loss		0	$0.00
Effective Gross Revenue		40,800	$10.00
Net Operating Income		40,800	$10.00
Cap Rate		8.50%	
Stabilized Value		**$480,000**	$117.65
Value Conclusion			**$500,000**

Combined Value under Income Approach

The combined value under the Income Approach for both the hospital and the medical office building, along with their respective values, is shown below:

Value Conclusion	
Property	**Income Approach**
Highlands Regional Medical Center	$42,800,000
Medical Office Building	$500,000
Total Value	**$43,300,000**

Reconciliation of Value

Weaver considered all three approaches to value in developing an opinion of the fair market value of the Subject Properties. The following table outlines Weaver's concluded values for the Subject Properties:

Value Conclusion Summary				
Property	**Income Approach**	**Sales Comparison Approach**	**Cost Approach**	**Reconciled Value Conclusion**
Highlands Regional Medical Center	$42,800,000	$42,800,000	$42,800,000	$42,800,000
Medical Office Building	$500,000	$500,000	$500,000	$500,000
Total Value	**$43,300,000**	**$43,300,000**	**$43,300,000**	**$43,300,000**

Concluded Approach to Value

The Income Approach is predicated on the principle of anticipated economic benefits. The Sales Comparison Approach is predicate on the principle that an investor would pay no more for an existing property than for a comparable property with similar utility, location, etc. Both approaches are contingent on the reliability and comparable of the available data. In this instance, the data developed was considered sufficiently reliable to reach a value conclusion by the Income and Sales Comparison Approaches. However, the reliability of both approaches are hindered by the myriad of difference among complex properties of this type. Comparable sales and lease data in the market is scarce or lacks sufficient similarity to the Subject Properties. For these reasons, the Income and Sales Comparison Approaches were given secondary consideration in the reconciliation.

The Cost Approach is predicated on the principle that an investor would pay no more for an existing property than it would cost to acquire land and construct a building with similar utility. Given the specialized nature of the improvements, primary reliance was placed on the Cost Approach.

Fair Market Value Conclusion

$43,300,000

FORTY-THREE MILLION THREE HUNDRED THOUSAND DOLLARS

Terms and Conditions

This Report by Weaver and Tidwell, L.L.P. (the "Deliverable") are subject to and governed by the following terms and conditions.

Distribution and use of work product limited

The Client shall not disclose, orally or in writing, any Deliverable or portion, abstract or summary thereof, or make reference to Weaver in any registration statement, prospectus, offering memorandum, sales brochure, other appraisal, loan or other agreement or document for general circulation or publication nor given to any third parties without obtaining the prior written consent of Weaver. To the extent the Client is allowed to disclose any Deliverable as set forth herein, it shall disclose such Deliverable only in the original, complete and unaltered form provided by Weaver, with all restrictive legends and other agreements intact. As required by U.S. Treasury rules, you should be aware that, unless expressly stated otherwise, any U.S. federal tax advice contained in this Deliverable, including attachments, is not intended or written to be used, and cannot be used, by any recipient for the purpose of avoiding any penalties that may be imposed on the recipient by the Internal Revenue Service under the United States federal tax laws.

Deliverable and underlying analysis is not a fairness opinion

The Deliverable provides an expression of our determination of the fair market value defined in Revenue Ruling 5960, 1959-1 C.B. 237 as, "the price at which the property would change hands between a willing buyer and willing seller when the former is not under any compulsion to buy and the latter is not under any compulsion to sell, both parties having reasonable knowledge of the relevant facts." The Deliverable should not be construed in any way as providing our opinion of the fairness of an actual or proposed transaction, a solvency opinion, or an investment recommendation.

Not obligated to provide services after completion

There is no obligation to furnish services after completion of the original assignment. If additional services are required subsequent to the completion of our Deliverable, such as updates, conferences, testimony, preparation for testimony, document production, interrogatory response preparation, or reprint and copy services whether by request of the Client by subpoena or other legal process initiated by any party other than the Client, the Client agrees to compensate Weaver for its time at its current standard hourly rates plus all expenses incurred in the performance of the additional services required. It is within Weaver's right to make any necessary adjustments to the analysis, opinion and conclusion set forth in the Deliverable by consideration of additional or more reliable data that may become available.

No opinion is rendered as to legal fee or property title

No opinion is rendered as to legal fee or property title. No opinion is intended to be expressed for matters that require legal, engineering or other specialized expertise beyond that customarily employed by consultants/appraisers valuing businesses and/or assets.

Liens and encumbrances

We will give no consideration to liens or encumbrances except as specifically stated. We will assume that all required licenses and permits are in full force and effect, and we make no independent on-site tests to identify the presence of any potential environmental risks. We assume no responsibility for the acceptability of the valuation approaches used in our Deliverable as legal evidence in any particular court or jurisdiction.

Information relied upon

Information, estimates and opinions contained in the Deliverable are obtained from sources considered to be reliable; no responsibility, whether legal or otherwise, is assumed for its accuracy and cannot be guaranteed as being certain. All financial data, operating histories and other data relating to income and expenses attributed to the business have been provided by Management or its representatives and have not been independently verified except as specifically stated in the Deliverable.

Prospective financial information

The Deliverable may contain prospective financial information, estimates or opinions that represent reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as forecasts, prospective financial statements or opinions, predictions or as assurances that a particular level of income or profit will be achieved, that events will occur or that a particular price will be offered or accepted. The success or failure in achieving the prospective financial analysis described in our Deliverable depends on a variety of factors, some of which are beyond the Client and/or the Subject Properties as well as the Client's control, such as competition and an economic slowdown. Differences between prospective and actual financials results are often material. Any use of management’s projections or forecasts in our analysis will not constitute an examination, review or compilation of prospective financial statements in accordance with standards established by the American Institute of Certified Public Accountants (“AICPA”). We will not express an opinion or any other form of assurance on the reasonableness of the underlying assumptions or whether any of the prospective financial statements, if used, are presented in conformity with AICPA presentation guidelines.

Assumptions and Limiting Conditions

This Report by Weaver and Tidwell, L.L.P. (the "Deliverable") is subject to and governed by the following real estate specific assumptions and limiting conditions.

- Any legal description or plats reported herein are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings or other exhibits are included only to assist the intended user to better understand and visualize the Subject Properties, the environs, and the competitive data. We have made no survey of the Subject Properties and assume no responsibility in connection with such matters.
- The appraiser has not conducted any engineering or architectural surveys in connection with this appraisal assignment. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the appraiser or the appraiser's staff or was obtained or taken from referenced sources and is considered reliable. No responsibility is assumed for the costs of preparation or for arranging geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
- No responsibility is assumed for matters legal in nature. Title is assumed to be good and marketable and in fee simple unless discussed otherwise in the report. The Subject Properties are considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as noted.
- Unless otherwise noted herein, it is assumed there are no encroachments or violations of any zoning or other regulations affecting the Subject Properties and the utilization of the land and improvements are within the boundaries or property lines of the Subject Properties described.
- Weaver assumes there are no private deed restrictions affecting the Properties which would limit the use of the Subject Properties in any way.
- It is assumed the Subject Properties are not adversely affected by the potential of floods.
- It is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any proposed buildings.
- Unless otherwise noted within the report, the depiction of the physical condition of the improvements described herein is based on information from management and online readily available resources. No liability is assumed for the soundness of structural members since no engineering tests were conducted. No liability is assumed for the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made. No responsibility is assumed for hidden, unapparent, or masked property conditions or characteristics that were not clearly apparent during our research.
- If building improvements are present on the site, we are unaware of any significant evidence of termite damage or infestation during our research unless so noted in the report. No termite inspection report was available, unless so noted in the report. No responsibility is assumed for hidden damages or infestation.
- Any proposed or incomplete improvements included in this report are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.
- No responsibility is assumed for hidden defects or for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the appraisal report.
- The Properties are assumed to be under financially sound, competent and aggressive ownership.
- The appraisers assume no responsibility for any changes in economic or physical conditions which occur following the effective date of this report that would influence or potentially affect the analyses, opinions, or conclusions in the report. Any subsequent changes are beyond the scope of the report.

- The value estimates reported herein apply to the entire Subject Properties. Any proration or division of the total into fractional interests will invalidate the value estimates, unless such proration or division of interests is set forth in the report.
- Any division of the land and improvement values estimated herein is applicable only under the program of utilization shown. These separate valuations are invalidated by any other application.
- Unless otherwise noted in the report, only the real property is considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment.
- Unless otherwise stated, it is assumed ownership includes subsurface oil, gas, and other mineral rights. No opinion is expressed as to whether the Subject Properties are subject to surface entry for their exploration or removal. The contributing value, if any, of these rights has not been separately identified.
- Unless otherwise stated, it is assumed the rights of ownership exclude subsurface oil, gas, and/or mineral assets. For this reason, the contributing value, if any, of these rights or whether the Subject Properties are available for subsurface entry to facilitate their exploration and/or extraction have not been considered.
- Any projections of income and expenses, including the reversion at time of resale, are not predictions of the future. Rather, they are our best estimate of current market thinking of what future trends will be. No warranty or representation is made that these projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand.
- Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
- Weaver representatives are not experts in determining the presence or absence of hazardous substances, defined as all hazardous or toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the Properties. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. Appraisers are not qualified to detect such substances. The Client is urged to retain an expert in this field.
- We are not experts in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life (such as bald eagles, gophers, tortoises, etc.) that may be present on the Subject Properties. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species.
- No environmental impact studies were either requested or made in conjunction with this analysis. The appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research, and investigation.
- The appraisal is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.
- Although the appraiser has made, insofar as is practical, every effort to verify as factual and true all information and data set forth in this report, no responsibility is assumed for the accuracy of any information furnished the appraiser either by the Client or others. If for any reason, future investigations should prove

any data to be in substantial variance with that presented in this report, the appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or estimates of value.

- If this report has been prepared in a so-called "public non-disclosure" state, real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. If this is such a "non-disclosure" state, although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the appraiser may have relied on verification obtained and reported by appraisers outside of our office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. It is suggested the Client consider independent verification as a prerequisite to any transaction involving sale, lease, or other significant commitment of funds to the Subject Properties.
- This report is null and void if used in any connection with a real estate syndicate or syndication, defined as a general or limited partnership, joint venture, unincorporated association, or similar organization formed for or engaged in investment or gain from an interest in real property, including but not limited to a sale, exchange, trade, development, or lease of property on behalf of others or which is required to be registered with the U.S. Securities and Exchange Commission or any Federal or State Agency which regulates investments made as a public offering.
- The American Disabilities Act of 1990 (ADA) sets strict and specific standards for handicapped access to and within most commercial and industrial buildings. Determination of compliance with these standards is beyond appraisal expertise and, therefore, has not been attempted by the appraisers. For purposes of this appraisal, we are assuming the building is in compliance; however, we recommend an architectural inspection of the building to determine compliance or requirements for compliance. We assume no responsibility for the cost of such determination and our appraisal is subject to revision if the building is not in compliance.
- This appraisal report has been prepared for the exclusive benefit of the Client. It may not be used or relied upon by any other party. It may not be used or relied upon by any other party. Any party who uses or relies upon any information in this report, without the preparer's written consent, does so at their own risk.
- We are not environmental experts or structural engineering experts. Accordingly, Weaver reserves the right to amend the appraised value and appraisal conclusions if engineering reports or other evidence is found, which would materially impact the reported conclusions.
- Weaver assumes the Subject Properties are in the condition as represented by the Client. Accordingly, Weaver reserves the right to amend the appraised value and appraisal conclusions if evidence is found to the contrary and would materially impact the reported conclusions.
- The right is reserved by the appraiser to make adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional or more reliable data that may become available. No change of this report shall be made by anyone other than the appraiser or appraisers. The appraiser(s) shall have no responsibility for any unauthorized change(s) to the report.
- If the Client's instructions to the appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the Properties were observed from the street(s) as of the observation date of the appraisal. Physical characteristics of the Properties were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the Client and other knowledgeable persons. It is assumed that the interior of the Subject Properties is consistent with the exterior conditions as observed and that other information relied upon is accurate.
- Use of this appraisal report constitutes acknowledgment and acceptance of the general assumptions and limiting conditions, special assumptions (if any), extraordinary assumptions (if any), and hypothetical conditions (if any) on which this estimate of market value is based.

- If provided, the estimated insurable value is included at the request of the Client and has not been performed by a qualified insurance agent or risk management underwriter. This cost estimate should not be solely relied upon for insurable value purposes. The appraisers are not familiar with the definition of insurable value from the insurance provider, the local governmental underwriting regulations, or the types of insurance coverage available. These factors can impact cost estimates and are beyond the scope of the intended use of this appraisal. The appraisers are not cost experts in cost estimating for insurance purposes.

Special limiting conditions vary with each appraisal. They are classified as either extraordinary assumptions or hypothetical conditions. The extraordinary assumptions and/or hypothetical conditions imposed on this appraisal are as follows:

Extraordinary Assumptions

An extraordinary assumption is defined as "an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions."

Extraordinary Assumptions: Though requested, the tenant did not provide a planned capital budget. The property indicated signs of on-going repairs and maintenance program. This analysis specifically assumes the tenant has addressed deferred maintenance items identified in the Facility Evaluation Report prepared by prepared by HDR and dated May 25, 2017 and since then, the property has experienced normal wear-and-tear. As such, the analysis includes no deferred maintenance costs. If found to be different, assignment results may change.

Hypothetical Conditions

A hypothetical condition is defined as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purposes of analysis."

Hypothetical Conditions: None

Appendix A

MVS Calculations

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	Section 1	Ref #	Issue Date	Section 2	Ref #	Issue Date	Section 3	Ref #	Issue Date	Section 4	Ref #	Issue Date	Section 5	Ref #	Issue Date
Building Section	**Original Hospital**			**Addition ICU**			**Patient Tower/ER**			**Outpatient Surgery**			**Orthopedic Institute**		
Year of Construction	**1965**			**1975**			**1984**			**1994**			**1996**		
4. Occupancy	Hospital			Hospital			Hospital			Hospital			Hospital		
5. Building Class and Quality	C - Good			C - Good			C - Good			C - Good			C - Good		
6. Exterior Wall	Stucco			Stucco			Stucco			Tile/Frame Stucco			Stucco		
7. Number of Stories and Height per Story	2fls - 14ft			1fl - 17ft			3 fls - 14ft			1fl - 17ft			1fl - 16ft		
8. Average Floor Area	24,463			8,612			16,300			8,335			9,816		
9. Average Perimeter	963			446			516			381			552		
10. Age and Condition	60 - Good			50 - Good			41 - Good			31 - Good			29 - Good		
11. Region	Eastern			Eastern			Eastern			Eastern			Eastern		
12. Climate	Moderate			Moderate			Moderate			Moderate			Moderate		
	Section 1			**Section 2**			**Section 3**			**Section 4**			**Section 5**		
13. Base Square Foot Cost	**425.00**	S15 P24	Nov-25	**425.00**	S15 P24	Nov-25	**425.00**	S15 P24	Nov-25	**425.00**	S15 P24	Nov-25	**425.00**	S15 P24	Nov-25
Square Foot Refinements	**Section 1**			**Section 2**			**Section 3**			**Section 4**			**Section 5**		
14. HVAC	-														
15. Elevator Deduction	-			(9.10)	S15 P36		-			(9.10)	S15 P36		(9.10)	S15 P36	
16. Fire Sprinklers	5.07	S15 P37		6.70	S15 P37		5.07	S15 P37		6.70	S15 P37		6.70	S15 P37	
17. HVAC (Total Lines 13 thru 16)	**430.07**			**422.60**			**430.07**			**422.60**			**422.60**		
Height and Size Refinements	**Section 1**			**Section 2**			**Section 3**			**Section 4**			**Section 5**		
18. Number of Stories Multiplier	1			1			1			1			1		
19. Height per Story Multiplier (See Line 7)	1.046	S15 P38		1.115	S15 P38		1.046	S15 P38		1.115	S15 P38		1.092	S15 P38	
20. Floor Area/Perimeter Multiplier (See Lines 8 and 9)	0.948	S15 P38		0.975	S15 P38		0.926	S15 P38		0.975	S15 P38		1.007	S15 P38	
21. Combines Height and Size Multiplier (Lines 18x19x20)	**0.992**			**1.087**			**0.969**			**1.087**			**1.100**		
Final Calculations	**Section 1**			**Section 2**			**Section 3**			**Section 4**			**Section 5**		
22. Refined Square Foot Cost (Line 17x21)	426.46			459.42			416.56			459.42			464.71		
23. Current Cost Multiplier (Section 99, Page 3)	1.08	S99 P3		1.08	S99 P3		1.08	S99 P3		1.08	S99 P3		1.08	S99 P3	
24. Local Multiplier (Section 99, Page 5 thru 10)	0.98	S99 P7		0.98	S99 P7		0.98	S99 P7		0.98	S99 P7		0.98	S99 P7	
25. Final Square Foot Cost (Line 22x23x24)	451.37			486.25			440.89			486.25			491.85		
26. Area	48,926			8,612			48,899			8,335			9,816		
27. Line 25 x Line 26	22,083,541			4,187,577			21,559,150			4,052,886			4,827,986		
28. Lump Sums (Line 34)															
29. Replacement Cost (Line 27+Line 28)	22,083,541			4,187,577			21,559,150			4,052,886			4,827,986		
30. Depreciation % (Section 97)	72%	S97 P24	Dec-24	61%	S97 P24	Dec-24	40%	S97 P24	Dec-24	33%	S97 P24	Dec-24	23%	S97 P24	Dec-24
31. Depreciation Amount (Line 29xLine 30)	15,900,150			2,554,422			8,623,660			1,337,452			1,110,437		
32. Depreciated Cost (Line 29 - Line 31)	**6,183,391**			**1,633,155**			**12,935,490**			**2,715,434**			**3,717,549**		
LESS Sec 1245 Property in MVS Estimate	-			-			-			-			-		
TOTAL Depreciated Sec 1250 Cost	**6,183,391**			**1,633,155**			**12,935,490**			**2,715,434**			**3,717,549**		

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	Section 6	Ref #	Issue Date	Section 7	Ref #	Issue Date	Section 8	Ref #	Issue Date	Section 9	Ref #	Issue Date	Section 10	Ref #	Issue Date
Building Section	**Pump House**			**Maintenance**			**Storage Northend**			**Storage Bldg**			**CT Bldg - East Beside Emergency**		
Year of Construction	**1978**			**1965**			**2000**			**1979**			**1996**		
4. Occupancy													Hospital		
5. Building Class and Quality	D - Average			D - Good			D - Good			S -Average			C - Good		
6. Exterior Wall	Stucco			Stucco			Stucco			Prefinished Metal			Tile/Frame Stucco		
7. Number of Stories and Height per Story	1fl			1fl			1fl			1fl			1fl - 10ft		
8. Average Floor Area	168			751			929			576			672		
9. Average Perimeter	52			166			150			96			120		
10. Age and Condition	47 - Average			60 - Fair			25 - Fair			46 - Fair			46 - Average		
11. Region	Eastern			Eastern			Eastern			Eastern			Eastern		
12. Climate	Moderate			Moderate			Moderate			Moderate			Moderate		
	Section 6			**Section 7**			**Section 8**			**Section 9**			**Section 10**		
13. Base Square Foot Cost	**31.50**	S17 P11	May-25	**63.50**	S14 P 28	Feb-24	**63.50**	S14 P 28	Feb-24	**47.50**	S14 P 28	Feb-24	**425.00**	S15 P24	Nov-25
Square Foot Refinements	**Section 6**			**Section 7**			**Section 8**			**Section 9**			**Section 10**		
14. HVAC	-			-			-			-			-		
15. Elevator Deduction	-			-			-			-			(9.10)	S15 P36	Nov-25
16. Fire Sprinklers	-			-	S14 P 37	Feb-24	5.62	S14 P 37	Feb-24		S14 P 37	Feb-24	9.26	S15 P37	Nov-25
17. HVAC (Total Lines 13 thru 16)	**31.50**			**63.50**			**69.12**			**47.50**			**425.16**		
Height and Size Refinements	**Section 6**			**Section 7**			**Section 8**			**Section 9**			**Section 10**		
18. Number of Stories Multiplier	1			1			1			1			1		
19. Height per Story Multiplier (See Line 7)	1.000	S17 P 60	May-25	0.921	S14 P 39	Feb-24	0.921	S14 P 39	Feb-24	0.921	S14 P 39	Feb-24	0.953	S15 P38	Nov-25
20. Floor Area/Perimeter Multiplier (See Lines 8 and 9)	1.044	S17 P 60	May-25	1.576	S14 P 38	Feb-24	1.468	S14 P 38	Feb-24	1.252	S14 P 38	Feb-24	1.168	S15 P38	Nov-25
21. Combines Height and Size Multiplier (Lines 18x19x20)	**1.044**			**1.451**			**1.352**			**1.153**			**1.113**		
Final Calculations	**Section 6**			**Section 7**			**Section 8**			**Section 9**			**Section 10**		
22. Refined Square Foot Cost (Line 17x21)	32.89			92.17			93.45			54.77			473.25		
23. Current Cost Multiplier (Section 99, Page 3)	1.08	S99 P3		1.08	S99 P3		1.08	S99 P3		1.08	S99 P3		1.08	S99 P3	
24. Local Multiplier (Section 99, Page 5 thru 10)	0.98	S99 P7		0.98	S99 P7		0.98	S99 P7		0.98	S99 P7		0.98	S99 P7	
25. Final Square Foot Cost (Line 22x23x24)	34.81			97.55			98.91			57.97			500.88		
26. Area	168			751			929			576			672		
27. Line 25 x Line 26	5,847			73,262			91,887			33,391			336,595		
28. Lump Sums (Line 34)															
29. Replacement Cost (Line 27+Line 28)	5,847			73,262			91,887			33,391			336,595		
30. Depreciation % (Section 97)	77%	S97 P24	Dec-24	77%	S97 P24	Dec-24	43%	S97 P24	Dec-24	77%	S97 P24	Dec-24	45%	S97 P24	Dec-24
31. Depreciation Amount (Line 29xLine 30)	4,503			56,412			39,511			25,711			151,468		
32. Depreciated Cost (Line 29 - Line 31)	**1,345**			**16,850**			**52,376**			**7,680**			**185,127**		
LESS Sec 1245 Property in MVS Estimate	-			-			-			-			-		
TOTAL Depreciated Sec 1250 Cost	**1,345**			**16,850**			**52,376**			**7,680**			**185,127**		

Site Improvements - Hospital

Description	Asphalt	Concrete	Concrete Sidewalk	Aluminum Porch	Aluminum Roof	3-4 Ft Chain Link Fence	6 Ft Chain Link Fence with Barbed Wire	6 Ft Vinyl Fence
MVS Section	66	66	66	66	66	66	66	66
MVS Page	2	2	2	2	2	4	4	5
MVS Base Cost	$ 4.45	$ 8.39	$ 9.04	$ 19.40	$ 16.80	$ 14.70	$ 29.20	$ 51.00
Current Multiplier	0.990	0.990	0.990	0.990	0.990	0.990	0.990	0.990
Local Multiplier	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980
Indirects	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Entrepreneurial Profit	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050
Adjusted Cost	$ 4.53	$ 8.55	$ 9.21	$ 19.76	$ 17.11	$ 14.98	$ 29.75	$ 51.95
Units	167,060	6,307	2,500	400	3,972	980	270	460
Unit Type	SF	SF	SF	SF	SF	Ft	Ft	Ft
Replacement Cost New	$ 757,326	$ 53,906	$ 23,023	$ 7,905	$ 67,978	$ 14,676	$ 8,032	$ 23,899
Effective Age	6	8	6	12	7	12	12	5
Economic Life	11	17	11	15	20	15	15	14
Physical Depreciation %	-54.55%	-47.06%	-54.55%	-80.00%	-35.00%	-80.00%	-80.00%	-35.71%
Physical Depreciation $	$ (413,087)	$ (25,367)	$ (12,558)	$ (6,324)	$ (23,792)	$ (11,740)	$ (6,425)	$ (8,535)
External Obsolescence %	$ -	$ -	$ -	$ -		$ -	$ -	$ -
External Obsolescence $	$ -	$ -	$ -	$ -		$ -	$ -	$ -
Depreciated Value	$ 344,239	$ 28,538	$ 10,465	$ 1,581	$ 44,186	$ 2,935	$ 1,606	$ 15,364
Total	$ 448,914							
Rounded	**$ 450,000**							

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	Section 1	Ref #	Issue Date
Building Section	**Medical Office Building**		
Year of Construction	**1968**		
4. Occupancy	MOB		
5. Building Class and Quality	C - Low Cost		
6. Exterior Wall	Concrete/Masonry		
7. Number of Stories and Height per Story	1fl		
8. Average Floor Area	4,080		
9. Average Perimeter	330		
10. Age and Condition	57 - Good		
11. Region	Eastern		
12. Climate	Moderate		

	Section 1		
13. Base Square Foot Cost	**159.00**	S15 S22	Dec-25

Square Foot Refinements	Section 1		
14. HVAC	-		
15. Elevator Deduction	-		
16. Fire Sprinklers	7.86	S15 P37	
17. HVAC (Total Lines 13 thru 16)	**166.86**		

Height and Size Refinements	Section 1		
18. Number of Stories Multiplier	1		
19. Height per Story Multiplier (See Line 7)	1.000		
20. Floor Area/Perimeter Multiplier (See Lines 8 and 9)	1.000		
21. Combines Height and Size Multiplier (Lines 18x19x20)	**1.000**		

Final Calculations	Section 1		
22. Refined Square Foot Cost (Line 17x21)	166.86		
23. Current Cost Multiplier (Section 99, Page 3)	1.08	S99 P3	
24. Local Multiplier (Section 99, Page 5 thru 10)	0.98	S99 P7	
25. Final Square Foot Cost (Line 22x23x24)	176.60		
26. Area	4,080		
27. Line 25 x Line 26	720,525		
28. Lump Sums (Line 34)			
29. Replacement Cost (Line 27+Line 28)	720,525		
30. Depreciation % (Section 97)	77%	S97 P24	Dec-24
31. Depreciation Amount (Line 29xLine 30)	554,804		
32. Depreciated Cost (Line 29 - Line 31)	**165,721**		
LESS Sec 1245 Property in MVS Estimate	-		
TOTAL Depreciated Sec 1250 Cost	**165,721**		

Site Improvements - MOB				
Description		Asphalt		Concrete Sidewalk
MVS Section		66		66
MVS Page		2		2
MVS Base Cost	$	4.45	$	9.04
Current Multiplier		0.990		0.990
Local Multiplier		0.980		0.980
Indirects		1.000		1.000
Entrepreneurial Profit		1.050		1.050
Adjusted Cost	$	4.53	$	9.21
Units		14,850		291
Unit Type		SF		SF
Replacement Cost New	$	67,319	$	2,680
Effective Age		9		9
Economic Life		11		11
Physical Depreciation %		-80.00%		-80.00%
Physical Depreciation $	$	(53,855)	$	(2,144)
External Obsolescence %	$	-	$	-
External Obsolescence $	$	-	$	-
Depreciated Value	$	13,464	$	536
Total	$	14,000		
Rounded	**$**	**10,000**		

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Appendix B

Comparable Hospital Sales Sheets

2550 SE Walton Rd

Port Saint Lucie, FL 34952 (St Lucie County) - Port St Lucie Submarket

Health Care

Sale Summary

Sold	4/15/2026
Sale Price	$13,000,000 ($251.48/SF)
GBA	51,694 SF
Price Status	Confirmed
Built	1987
Land Area	871,200 SF/20.00 AC
Sale Comp Status	Research Complete
Sale Comp ID	7629168
Parcel Numbers	3414-501-3203-250-9 +1
Sale Conditions	Excess Land

Contacts

Type	Name	Location	Phone
Recorded Buyer	Everwell Propco PSL LLC	Fort Lauderdale, FL 33312	-
Recorded Buyer	Everwell PSL TIC I LLC	-	-
Recorded Buyer	Everwell PSL TIC II LLC	-	-
Recorded Buyer	Everwell PSL TIC III LLC	-	-
True Buyer	The Graph Group	Englewood Cliffs, NJ 07632	(212) 235-1231
Buyer Broker	None on the deal	-	-
Recorded Seller	Florida Properties of Port St Lucie LLC	Tampa, FL 33602	-
True Seller	Oglethorpe, Inc.	Tampa, FL 33647	(813) 559-9870
Listing Broker	None on the deal	-	-

Property Details

Location	Suburban	Elevators	None
Stories	1	Building Class	B
Typical Floor	51,694 SF	Building FAR	0.06

Transaction Details

Sale Date	4/15/2026	Recording Date	4/22/2026
Sale Price	$13,000,000 ($251.48/SF)	Transfer Tax	$91,000
Land Price	$15/SF ($650,000.00/SF)	Zoning	INSTITUTIO
Sale Type	Investment	% Improved	72.09%
Hold Period	20+ Years	Document Number	5463-0761
Sale Conditions	Excess Land		
Parcel Number	34-14-501-3203-2509, 34-14-501-3212-0008		

Loan

Unknown	Private Lender
Balance	$37,633,824

2827 Babcock Rd - Santa Rosa Medical Center

San Antonio, TX 78229 (Bexar County) - Northwest Submarket

Health Care

Sale Summary

Sold	10/29/2025
Sale Price	$71,000,000 ($308.83/SF)
GBA	229,903 SF
Price Status	Confirmed
Built/Renovated	1986/2021
Land Area	1,509,790 SF/34.66 AC
Sale Comp Status	Research Complete
Sale Comp ID	7403085
Parcel Numbers	13663-000-0086 +1
Sale Conditions	High Vacancy Property

Contacts

Type	Name	Location	Phone
Recorded Buyer	Bexar County Hospital District	-	-
True Buyer	University Health System	San Antonio, TX 78229	(210) 358-4000
Recorded Seller	Christus Santa Rosa Hospital-medical Cen	-	-
True Seller	CHRISTUS Health	Irving, TX 75039	(469) 282-2000
Listing Broker	CBRE	San Antonio, TX 78215	(210) 225-1000
Contacts	Scott Herbold (210) 842-1602		

Property Details

Location	Suburban	Elevators	None
Owner Occupied	No	Building Class	B
Stories	4	Building FAR	0.15
Typical Floor	57,476 SF		

Transaction Details

Sale Date	10/29/2025	Recording Date	10/30/2025
Sale Price	$71,000,000 ($308.83/SF)	Zoning	C-3 S
Land Price	$47/SF ($2,048,470.86/SF)	% Improved	60.99%
Sale Type	Owner User	Document Number	20250202176
Hold Period	20+ Years		
Sale Conditions	High Vacancy Property		
Parcel Number	13663-000-0086		

1500 Lee Blvd - HCA Florida Lehigh Hospital

Lehigh Acres, FL 33936 (Lee County) - Lehigh Submarket

Health Care

Sale Summary

Sold	2/26/2025
Sale Price	$31,610,000 ($321.22/SF)
GBA	98,405 SF
Price Status	Full Value
Built	1983
Land Area	15.53 AC/676,594 SF
Sale Comp Status	Research Complete
Sale Comp ID	7088937
Parcel Numbers	30-44-27-00-00001.0070

Contacts

Type	Name	Location	Phone
Recorded Buyer	Hope 97 Llc	-	-
True Buyer	HCA Healthcare, Inc.	Nashville, TN 37203	(615) 344-9551
Recorded Seller	Prime Healthcare Services-lehigh Acres L	-	-
True Seller	Prime Healthcare	Ontario, CA 91761	(909) 235-4400

Property Details

Center	Lehigh Regional Medical Center	Typical Floor	50,305 SF
Location	Suburban	Slab to Slab	10'
Tenancy	Multi	Building Class	B
Owner Occupied	No	Construction	Masonry
Stories	3	Building FAR	0.15
Parking Spaces	2.52/1,000 SF; 280 Surface Spaces		

Transaction Details

Sale Date	2/26/2025	Recording Date	2/27/2025
Sale Price	$31,610,000 ($321.22/SF)	Transfer Tax	$221,270
Land Price	$2,035,093/AC ($46.72/SF)	Zoning	CS-1
Sale Type	Owner User	Document Number	000000052217
Hold Period	108 Months		
Parcel Number	30-44-27-00-00001.0070		

Previous Sale

Sale Date	2/1/2016	Comp ID	3505644
Sale Price	$11,000,000 ($111.78/SF)	Comp Status	Research Complete
Sale Type	Investment	Sale Conditions	Business Value Included

LaSalle County
707 E. Etna Rd. Room 262
Ottawa, IL 61350
Phone: 1-815-434-8233
Fax: 1-815-434-8327

PIN 17-16-313-007 Map# 16-16-307-001

Parcel Information

Click to View Map

PERU TOWNSHIP

Billing Address:
124 SW ADAMS ST

PEORIA IL 61602

Street Address:
925 WEST ST
PERU IL 61354

Subdivision: SUB. OF E1/2 & N3/4 W1/2 SEC. 16-33-1

Legal Information

Property Class:	0090 Exempt Property
Use Code:	
Homesite Acres:	0.00
Farm Acres:	0.00
Total Acres:	2.18

2023 STREET VIEW

Parcel Legal: LT 8, S OF 6TH ST & N OF 5TH ST SW1/4 SEC 16-33-1

Sale Information

Sale Date	Sale Amount	Document Number
11/16/2023	28,910,000	2023-12226

Assessment Information

Year	Type	Land Unimproved/Farm	Land Improved	Building Other/Farm	Building	Total
2025	Normal	0	0	0	0	0
2024	Normal	0	0	0	0	0
2023	Normal	0	0	0	0	0

Building Information

Type of Use:		**Fireplace:**	
Sty Description:		**Central Air:**	
Model Name:	HOSPITAL	**Deck:**	
Year Built:	0	**Porch:**	
Classification:		**Garage:**	
Total Ground SF:	0		
Total Sq. Ft:	0		
Bathroom:			
Basement:			

Search Again Back Print

1101 Jackson St SW

Gravette, AR 72736 (Benton County) - Outlying Benton County Submarket

Health Care

Sale Summary

Sold	10/27/2023
Sale Price	$21,000,000 ($264.81/SF)
GBA	79,301 SF
Price Status	Confirmed
Built	2000
Land Area	21.03 AC/916,186 SF
Sale Comp Status	Research Complete
Sale Comp ID	6568830
Parcel Numbers	11-00186-001 +1

Contacts

Type	Name	Location	Phone
Recorded Buyer	Och Gravette Propco Llc	-	-
True Buyer	Craig Ari Loren	-	(914) 712-7470
Recorded Seller	Apple Healthcare Llc	-	-
True Seller	Apple Healthcare Llc	Springfield, MO 65803	(407) 673-1707

Property Details

Location	Suburban	Building Class	B
Stories	1	Building FAR	0.09
Typical Floor	79,301 SF		
Parking Spaces	1.46/1,000 SF; 116 Surface Spaces		

Transaction Details

Sale Date	10/27/2023	Hold Period	20+ Years
Sale Price	$21,000,000 ($264.81/SF)	Recording Date	11/2/2023
Land Price	$998,444/AC ($22.92/SF)	% Improved	98.10%
Sale Type	Investment	Document Number	000000056970
Parcel Number	11-00186-001, 11-00193-000		

Loan

1st Mortgage

Loan Type	Line of Credit	Balance	$7,600,000

Appendix C

Comparable MOB Sales Sheets

3700 Emergency Ln

Sebring, FL 33870 (Highlands County) - Florida Central South Area Submarket

Office

Sale Summary

Sold	6/12/2024
Sale Price	$831,000 ($167.84/SF)
RBA (% Leased)	4,951 SF (100%)
Price Status	Confirmed
Built	1994
Land Area	0.53 AC/23,087 SF
Actual Cap Rate	5.92%
Sale Comp Status	Research Complete
Sale Comp ID	6765922
Parcel Numbers	S-04-35-29-050-0070-0000

Contacts

Type	Name	Location	Phone
Recorded Buyer	D Epps 2018 Trust	-	-
Recorded Buyer	Skubal	-	-
True Buyer	Deanna Skubal	Sebring, FL 33875	(561) 496-5162
Contacts	Deanna Skubal		
Buyer Broker	Anita Zahn, Pa Cdpe-advantage Realty 1	Sebring, FL 33870	(863) 840-1420
Contacts	Benjamin Sommerville (863) 414-8045		
Recorded Seller	Skipper S Allen S	-	-
True Seller	Virginia L Skipper	Lake Placid, FL 33852	(863) 385-1900
Contacts	Virginia Skipper		
True Seller	Skipper S Allen	Avon Park, FL 33825	-
Contacts	S Skipper		
Listing Broker	Keller Williams Realty Fort Myers and the Islands	Fort Myers, FL 33907	(239) 236-4350
Contacts	Drew Bishop (863) 381-1870		

Property Details

Tenancy	Multi	Typical Floor	4,951 SF
Owner Occupied	No	Building Class	B
Stories	1	Building FAR	0.21
Parking Spaces	8.08/1,000 SF; 40 Surface Spaces		

Transaction Details

Sale Date	6/12/2024	Hold Period	20+ Years
Sale Price	$831,000 ($167.84/SF)	Recording Date	6/17/2024
Land Price	$1,567,925/AC ($35.99/SF)	Zoning	C1
Sale Type	Investment	Document Number	000002208791
Time On Market	9 Months 11 Days		

3650 Emergency Ln

Sebring, FL 33870 (Highlands County) - Florida Central South Area Submarket

Office

Sale Summary

Sold	6/5/2024
Sale Price	$675,000 ($98.73/SF)
RBA (% Leased)	6,837 SF (100%)
Built	1985
Land Area	0.91 AC/39,684 SF
Sale Comp Status	Public Record
Sale Comp ID	6967084
Parcel Numbers	S-04-35-29-050-0050-0000

Contacts

Type	Name	Location	Phone
Recorded Buyer	James H Martindale & Lynette Ann M Living Trust	Glendora, CA 91741	-
Recorded Buyer	Lynette Ann Martindale	-	-
Recorded Seller	Ch Amar Inalsingh	-	-
Recorded Seller	Pranab Ray	-	-

Property Details

Tenancy	Single	Typical Floor	6,837 SF
Owner Occupied	No	Building Class	B
Stories	1	Building FAR	0.17
Parking Spaces	5.85/1,000 SF; 40 Surface Spaces		

Transaction Details

Sale Date	6/5/2024	Recording Date	6/5/2024
Sale Price	$675,000 ($98.73/SF)	Zoning	C1
Land Price	$740,931/AC ($17.01/SF)	Document Number	2206562
Parcel Number	S-04-35-29-050-0050-0000		

Previous Sale

Sale Date	6/5/2024	Comp ID	6756194
Sale Price	Withheld	Comp Status	Research Complete
Sale Type	Investment		

113-133 Us-27 N - PROFESSIONAL PLAZA

Sebring, FL 33870 (Highlands County) - Florida Central South Area Submarket

Office Condo

Sale Summary

Sold	1/26/2024
Condo Size	3,312 SF
Built	1977
Sale Price	$385,000 ($116.24/SF)
Sale Comp Status	Public Record
Sale Comp ID	6647381
Parcel Numbers	S-23-34-28-020-00C0-0071

Contacts

Type	Name	Location	Phone
Recorded Buyer	123 Us 27 Llc	-	-
Recorded Seller	Highlands Occupational Therapy Inc	-	-

Property Details

Center	PROFESSIONAL PLAZA	Typical Floor	16,913 SF
Tenancy	Multi	Building Class	B
Owner Occupied	No	Building FAR	0.42
Stories	1		
Parking Spaces	2.96/1,000 SF; 50 Surface Spaces		

Transaction Details

Sale Date	1/26/2024	Zoning	C1
Sale Price	$385,000 ($116.24/SF)	% Improved	94.03%
Hold Period	50 Months	Document Number	000002187630
Recording Date	1/29/2024		

Loan

1st Mortgage

Loan Type	Conventional	Balance	$192,500

Previous Sale

Previous condo sale may not be same unit

Sale Date	11/18/2019	Comp ID	4962793
Sale Price	$274,500 ($44.84/SF)	Comp Status	Public Record
Sale Type	Investment	Sale Conditions	Building in Shell Condition

6715-6721 US Highway 27 S

Sebring, FL 33876 (Highlands County) - Florida Central South Area Submarket

★★☆☆☆

Office

Sale Summary

Sold	3/31/2023
Sale Price	$310,000 ($93.94/SF)
RBA (% Leased)	3,300 SF (100%)
Built	1984
Land Area	0.69 AC/30,056 SF
Sale Comp Status	Public Record
Sale Comp ID	6366219
Parcel Numbers	C-09-35-29-050-0000-0220

Contacts

Type	Name	Location	Phone
Recorded Buyer	Flash 6721 Us Llc	Lake Placid, FL 33852	-
Recorded Seller	Frank Irizarry Lopez	-	-

Property Details

Tenancy	Multi	Typical Floor	29,900 SF
Owner Occupied	No	Building Class	C
Stories	1	Building FAR	0.11
Parking Spaces	1.17/1,000 SF; 35 Surface Spaces		

Transaction Details

Sale Date	3/31/2023	Zoning	B3
Sale Price	$310,000 ($93.94/SF)	% Improved	71.90%
Land Price	$449,275/AC ($10.31/SF)	Document Number	2144253
Recording Date	4/3/2023		
Parcel Number	C-09-35-29-050-0000-0220		

Loan

1st Mortgage	First Southern Bank
Balance	$210,000

Previous Sale

Sale Date	3/31/2023	Comp ID	6359648
Sale Price	$310,000 ($93.94/SF)	Comp Status	Public Record

Appendix D

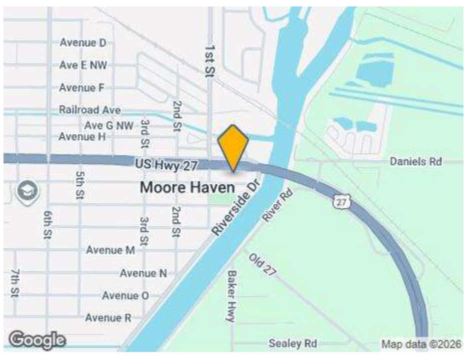
Comparable MOB Leases Sheets

Lease Comps Details

Lease Comps Report

51 Avenue J

Moore Haven, FL 33471 - Florida Central South Area Submarket



LEASE

SF Leased:	1,400 SF
Sign Date:	Jul 2025
Space Use:	Medical
Lease Type:	Direct
Floor:	1st Floor

RENTS

Asking Rent:	$10.29/NNN

CONCESSIONS AND BUILDOUT

Buildout Status:	Full Build-Out
Space Condition:	Renovated

LEASE TERM

Start Date:	Aug 2025
Expiration Date:	Aug 2026
Lease Term:	1 Year

TIME ON MARKET

Date On Market:	Aug 2024
Date Off Market:	Jul 2025
Months on Market:	11 Months

TIME VACANT

Date Vacated:	Sep 2024
Date Occupied:	Aug 2025
Months Vacant:	11 Months

LEASING REP

Rawls Real Estate
528-530 E Sugarland Hwy
Clewiston, FL 33440
Cheryl Eby Gutjahr (863) 983-8559

MARKET AT LEASE

Vacancy Rates	2025 Q3	YOY
Current Building	0.0%	-100.0%
Submarket 1-3 Star	2.8%	0.2%
Market Overall	0.6%	0.4%

Same Store Asking Rent/SF	2025 Q3	YOY
Current Building	$18.91	1.8%
Submarket 1-3 Star	$20.14	2.5%
Market Overall	$18.97	2.4%

Submarket Leasing Activity	2025 Q3	YOY
12 Mo. Leased SF	43,328	-24.8%
Months On Market	3.6	-0.5

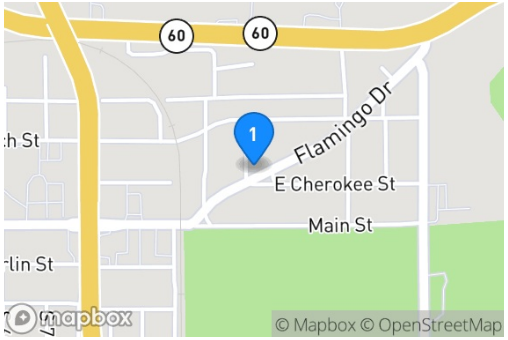
PROPERTY

Property Type:	Office	Rentable Area:	1,400 SF
Status:	Built 1994	Stories:	1
Tenancy:	Multi	Floor Size:	1,400 SF
Class:	C	Vacancy at Lease:	0.0%
Construction:	Masonry	Land Acres:	0.14
Parking:	Ratio of 0.00/1,000 SF		

Advanced Care Pediatrics of Florida
2020 Flamingo Drive | Bartow, FL 33830

2024 - Q2 • Office • Class C • 0-10K SF @ $15.00 (Annual) PSF

Building



Building Class	C
Building Name	—
Property Type	Office
Property Subtype	Medical/Healthcare
Submarket	Lakeland/Winter Haven
Building Size (SqFt)	6,381
Number of Floors	1
Year Built	1958
Year Renovated	2001
Single Tenant Net Lease	Yes
Country	United States of America
Lot Size (Acres)	0.95

Lease

Tenant Name	Advanced Care Pediatrics of Florida
Transaction Quarter	2024 - Q2
Transaction SqFt	6,381 SqFt
Transaction Type	New Lease
Starting Rent (PSF)	$15.00 (Annual)
Lease Type	NNN
Free Rent	—
Asking Rent (PSF)	$12.00
Net Effective Rent (PSF)	$15.00 (Annual)
Work Type	—
TI Value / Work Value (PSF)	—
Sublease	No
Current Rent (PSF)	$15.00

Dates

Execution Date	June 13, 2024
Commencement Date	Oct 13, 2024
Expiration Date	Feb 12, 2032
Lease Term	7y 4m

Space

Space Type	Office
Space Subtype	Medical
Floor(s) Occupied	Ground
Suite	—

Landlord

Current Landlord	—
Landlord Brokerage Firms	SVN | Saunders Ralston Dantzler
Landlord Brokers	—

Tenant

HQ Address	United States
Employees	5
Revenue (USD)	$500.0K
Website	https://www.advanced.enginee
Status	Operating
Ownership	Private
Primary NAICS / SIC (US)	2379 / 1611

Tenant Brokerage

Tenant Brokerage Firms	JLL
Tenant Brokers	—

4,400 SF Direct Lease • $16.75/SF NNN Starting Rent

Signed Apr 2024 • 1190 E Church St — Medical Space

Lease Summary

Size Leased (% of Building)	4,400 SF (100%)
Signed	April 3, 2024
Starting Rent (Annual)	$16.75/SF/Year ($73,700)
Asking Rent (Annual)	$16.75/SF/Year ($73,700)
Services	Triple Net
Lease Type	Direct, New Lease
Term	5 Years
Commencement	May 3, 2024
Floor/Suite	1
Landlord	John & Brittany Manos

Lease Details

Move In	May 3, 2024	Expiration	May 2, 2029
Space Use	Medical		

Listed Space Summary

Asking Rent	$16.75/SF/Year	Time On Market	4 Months 17 Days
Time Vacant	5 Months 16 Days	Build-Out	Full Standard Medical Build-Out
Layout	Mostly Open Plan		

Contacts

Type	Company	Location	Phone
Leasing Company	The Mahoney Group, Inc.	Lakeland, FL	(863) 619-6740
Contacts	Will Daniel (863) 683-3425		

Building Overview

Address	1190 Church St, Bartow, Florida 33830		
CoStar Rating	★★★☆☆	Type	Medical
Building Class	C	Built	1989
Size	4,400 SF	Tenancy	Single
Last Sale	Mar 2018 • $715,000 ($162.50/SF)	Market	Lakeland, FL
Submarket	Polk County	Location Type	Suburban

Lease Comps Details

4131-4151 Sun N Lake Blvd - Sun 'n Lake Professional Plaza

Sebring, FL 33872 - Florida Central South Area Submarket

LEASE

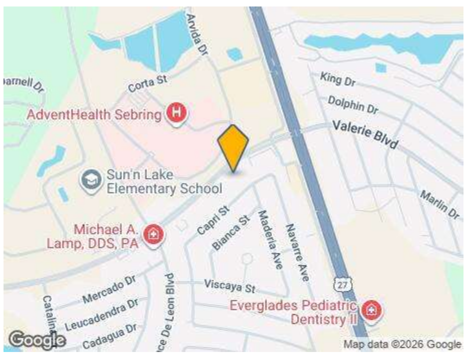
SF Leased:	2,067 SF
Sign Date:	Jul 2022
Space Use:	Medical
Lease Type:	Direct
Floor:	1st Floor
Suite:	4131

RENTS

Asking Rent:	$12.00/NNN
Starting Rent:	$8.70/NNN

CONCESSIONS AND BUILDOUT

Asking Discount:	27.50%



LEASE TERM

Start Date:	Aug 2022
Expiration Date:	Aug 2032
Lease Term:	10 Years

TIME ON MARKET

Date On Market:	Jun 2016
Date Off Market:	Jul 2022
Months on Market:	74 Months

TIME VACANT

Date Vacated:	Jun 2016
Date Occupied:	Aug 2022
Months Vacant:	74 Months

MARKET AT LEASE

Vacancy Rates	2022 Q3	YOY
Current Building	3.6%	-18.0%
Submarket 2-4 Star	3.5%	0.4%
Market Overall	3.4%	-1.0%

Same Store Asking Rent/SF	2022 Q3	YOY
Current Building	$16.32	4.7%
Submarket 2-4 Star	$17.81	7.0%
Market Overall	$17.37	7.4%

Submarket Leasing Activity	2022 Q3	YOY
12 Mo. Leased SF	33,724	27.3%
Months On Market	4.7	-21.4

LEASING REP

RE/MAX Realty Plus
801-817 US Highway 27 S
Sebring, FL 33870-2173
Chip Boring (863) 385-0077 X207

PROPERTY

Property Type:	Office	Rentable Area:	18,644 SF
Status:	Built 2000	Stories:	1
Tenancy:	Multi	Floor Size:	18,644 SF
Class:	B	Vacancy at Lease:	3.6%
Construction:	Wood Frame	Land Acres:	1.05
Parking:	50 Surface Spaces a...		

Appendix E

PwC Report

NATIONAL MEDICAL OFFICE BUILDINGS MARKET

Fourth Quarter 2025

	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO	5 YEARS AGO
DISCOUNT RATE (IRR)[a]					
Range	6.25% – 11.00%	5.50% – 11.00%	6.50% – 11.00%	5.50% – 11.00%	5.50% – 11.00%
Average	8.48%	8.00%	8.75%	7.78%	7.90%
Change (Basis Points)		+ 48	– 27	+ 70	+ 58
OVERALL CAP RATE (OAR)[a]					
Range	5.50% – 10.00%	5.50% – 10.00%	5.75% – 10.00%	5.00% – 10.00%	4.25% – 10.50%
Average	7.38%	7.20%	7.44%	6.85%	6.66%
Change (Basis Points)		+ 18	– 6	+ 53	+ 72
RESIDUAL CAP RATE					
Range	5.75% – 10.50%	5.75% – 10.50%	5.75% – 10.25%	5.00% – 10.25%	5.00% – 10.50%
Average	7.65%	7.42%	7.56%	7.04%	7.00%
Change (Basis Points)		+ 23	+ 9	+ 61	+ 65
MARKET RENT CHANGE[b]					
Range	0.00% – 5.00%	0.00% – 4.00%	0.00% – 4.00%	0.00% – 6.00%	0.00% – 3.00%
Average	2.17%	2.13%	2.50%	2.70%	1.63%
Change (Basis Points)		+ 4	– 33	– 53	+ 54
EXPENSE CHANGE[b]					
Range	2.00% – 5.00%	2.00% – 5.00%	2.00% – 5.00%	2.00% – 6.00%	1.00% – 4.00%
Average	2.83%	3.13%	3.38%	3.50%	2.50%
Change (Basis Points)		– 30	– 55	– 67	+ 33
MARKETING TIME[c]					
Range	3 – 12	3 – 12	1 – 12	1 – 12	1 – 12
Average	6.5	6.0	5.4	5.5	4.8
Change (▼, ▲, =)		▲	▲	▲	▲
FORECAST VALUE CHANGE[d]					
Range	(10.0%) – 10.0%	(10.0%) – 10.0%	(10.0%) – 5.0%	(20.0%) – 3.0%	(20.0%) – 10.0%
Average	(1.3%)	(1.9%)	(1.3%)	(5.3%)	(0.6%)
Change (▼, ▲, =)		▲	=	▲	▼

a. Rate on unleveraged, all-cash transactions; assumes stabilized occupancy

b. Year-one rate of change c. Months d. Over next 12 months

Source: PwC Investor Survey; survey conducted by PwC during October 2025