



City of Daytona Beach Shores

"Life is Better Here"

"A Premier, Friendly Place to Be"

AGENDA CITY COMMISSION MEETING JUNE 18, 2026

**3:00 PM, Shores Community Center, 3000 Bellemead Drive
Daytona Beach Shores, FL 32118**

Upon being recognized, a member of the public shall proceed to the podium and give his or her name and address and may, thereafter, speak for a maximum of three minutes on any matter relevant to a specific agenda item. During "Audience Comments," a member of the public may speak on any matter relevant to City business which is not on the agenda, for a maximum of three minutes in accordance with Section 2-1.1(d) and 2-2 of the City Code. In accordance with Section 2-2, during periods set aside for public discussion any person desiring to speak shall secure a form located at the agenda table, complete the form and present it to the City Clerk so the speaker can be recognized by the presiding officer. The use of profanity, obscene language, threats or any violent or abusive conduct by any person shall constitute a violation of this section. It shall be the duty of the Director of Public Safety, upon the order of the presiding officer at any such meeting, to forcibly, if necessary, evict any person violating the provisions of this section from the Commission Chambers. Any such violation shall subject the offender, upon conviction thereof, to a fine and/or imprisonment as prescribed by Section 1-8.

- 1. CALL TO ORDER BY MAYOR**
- 2. ROLL CALL BY CITY CLERK**
- 3. NEW BUSINESS:**
 - A. Consideration of Purchase of 3046 South Atlantic Avenue
 - B. Resolution 2026-07 Budget Amendment for the purchase of the property at 3046 South Atlantic for \$1,800,000
- 4. ADJOURNMENT:**

ANY PERSON WHO DECIDES TO APPEAL ANY DECISION MADE BY THE CITY COMMISSION WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE HE OR SHE MAY NEED TO ENSURE AT HIS OR HER OWN EXPENSE FOR THE TAKING AND PREPARATION OF A VERBATIM RECORD OF ALL TESTIMONY AND EVIDENCE OF THE PROCEEDINGS UPON WHICH THE APPEAL IS TO BE BASED.

NOTE: IF YOU ARE A PERSON WITH A DISABILITY WHO NEEDS AN ACCOMMODATION IN ORDER TO PARTICIPATE IN THIS PROCEEDING, YOU ARE ENTITLED, AT NO COST TO YOU, TO THE PROVISION OF CERTAIN ASSISTANCE. PLEASE CONTACT THE CITY CLERK FOR THE CITY OF DAYTONA BEACH SHORES, 2990 S. ATLANTIC AVENUE, DAYTONA BEACH SHORES, FLORIDA 32118, TELEPHONE NUMBER 386-7635364, CSCHWAB@CITYOFDBS.ORG, AS FAR IN ADVANCE AS POSSIBLE, BUT PREFERABLY WITHIN 2 WORKING DAYS OF YOUR RECEIPT OF THIS NOTICE OR 5 DAYS PRIOR TO THE MEETING DATE. IF YOU ARE HEARING OR VOICE IMPAIRED, CONTACT THE RELAY OPERATOR AT 711 or 1 8009558771.

UPON REQUEST BY A QUALIFIED INDIVIDUAL WITH A DISABILITY, THIS DOCUMENT WILL BE MADE AVAILABLE IN AN ALTERNATE FORMAT. IF YOU NEED TO REQUEST THIS DOCUMENT IN AN ALTERNATE FORMAT, PLEASE CONTACT THE CITY CLERK WHOSE CONTACT INFORMATION IS PROVIDED ABOVE.



CITY COMMISSION AGENDA MEMORANDUM JUNE 18, 2026 AGENDA

TO: Honorable Mayor and Members of the City Commission
FROM: Michael Fowler, City Manager
PREPARED BY: Michael Fowler, City Manager
SUBJECT: Consideration of Purchase of 3046 South Atlantic Avenue

SYNOPSIS:

The city has negotiated a contract to purchase the property located at 3046 South Atlantic Avenue for \$1,800,000.00. The property formerly housed a Bank of America branch and is contiguous to McElroy Park and the Public Safety Complex.

FISCAL IMPACT STATEMENT:

Approval of the purchase of 3046 South Atlantic Ave. would warrant a budget amendment to the existing FY 2025-26 budget. Funding can be from reserves and reallocation of existing budgeted funds.

BACKGROUND:

The City has been evaluating the potential acquisition of the former Bank of America property located at 3046 South Atlantic Avenue. The property consists of a former bank branch building situated on approximately 1.03 acres along South Atlantic Avenue adjacent to the Publix Shopping Center.

As part of its due diligence efforts, the City commissioned an independent appraisal by Cooksey & Associates, Inc. The appraisal, with an effective valuation date of May 25, 2026, concluded an "as-is" market value of \$1,820,000 for the property. The appraisal determined that the highest and best use of the property as vacant would be retail or restaurant development. As improved, the appraisal concluded that the highest and best use would be conversion of the existing building to an alternative use or redevelopment of the site. The appraiser also noted significant expense would likely be required to repurpose the former bank facility.

The valuation was based primarily on a land value analysis that concluded a land value of approximately \$1,580,000, with an additional estimated \$240,000 contributory value attributed to the existing building and site improvements, resulting in the final value conclusion of \$1,820,000. The appraisal further noted that the property was under contract for \$1.8 million, consistent with the appraised market value.

In addition to the appraisal, the City completed a comprehensive due diligence review that included

building inspections, environmental reviews, and a mold evaluation. The building inspection identified several deferred maintenance and building condition concerns, including roof deterioration, damage to the drive-through canopy, corrosion of exterior components, drainage issues, electrical deficiencies, and evidence of water intrusion. The inspection also noted that the HVAC systems were not operational at the time of the inspection and required further evaluation. Subsequent to the inspection, the property owner advised the City that repairs to the air conditioning systems were being addressed. The inspection further noted that the water service was not active at the time of inspection and that portions of the septic system could not be fully evaluated.

The mold assessment documented mold contamination in multiple areas of the building and identified elevated indoor mold spore concentrations relative to outdoor levels. The report recommended remediation and corrective measures to address existing contamination and moisture intrusion before occupancy or reuse. Testing performed as part of the assessment did not identify pathogenic fungi, and sampled flooring materials tested negative for asbestos.

The due diligence process also identified building deficiencies, deferred maintenance items, and mold remediation requirements that would require investment before the building could be reused. These findings are generally consistent with the conclusions contained in the appraisal report regarding the anticipated costs associated with repurposing of the structure.

The appraisal findings, building assessments, mold evaluation, and other due diligence materials were reviewed by staff to evaluate the property's condition, value, and suitability for potential municipal use. The results of these evaluations are being presented to the City Commission for consideration as part of the proposed acquisition.

LEGAL REVIEW:

RECOMMENDATION:

SUGGESTED MOTION:

* "I move we approve the purchase of 3046 South Atlantic Avenue for the negotiated price."

* "I move we disapprove the purchase."

- ATTACHMENT:**
1. BoA Final Signed Initialed
 2. S Atlantic 3046 Inspection
 3. 26-10173 City DB - Former Bank of America Mold Baseline Evaluation Report (2)
 4. Memo-Bank of America Due Diligence-6-12-26

Commercial Contract

1. PARTIES AND PROPERTY: City of Daytona Beach Shores ("Buyer")

agrees to buy and RMS Properties LLC ("Seller")

agrees to sell the property as: Street Address: 3046 South Atlantic Avenue
Daytona Beach Shores, FL 32118

Legal Description: The property more particularly described as reflected in the Volusia County Property Appraiser records, including portions of Lots 15, 16, 17, and 18, Block C and Block F, McElroys Belleview, as more fully described therein.
and the following Personal Property: _____

(all collectively referred to as the "Property") on the terms and conditions set forth below.

2. PURCHASE PRICE: \$ 1,800,000.00

(a) Deposit held in escrow by Vose Law Firm LLP \$ 50,000.00
("Escrow Agent") (checks are subject to actual and final collection)

Escrow Agent's address: 324 W Morse Blvd. Phone: 407-645-3735
Winter Park, FL 32789

(b) Additional deposit to be made to Escrow Agent within _____ days after Effective Date \$ _____

(c) Additional deposit to be made to Escrow Agent within _____ days after Effective Date \$ _____

(d) Total financing (see Paragraph 5) \$ _____

(e) Other All cash no financing \$ _____

(f) All deposits will be credited to the purchase price at closing. Balance to close, subject to adjustments and prorations, to be paid with locally drawn cashier's or official bank check(s) or wire transfer. \$ 1,750,000.00

3. TIME FOR ACCEPTANCE; EFFECTIVE DATE; COMPUTATION OF TIME: Unless this offer is signed by Seller and Buyer and an executed copy delivered to all parties on or before May 25, 2026, this offer will be withdrawn and the Buyer's deposit, if any, will be returned. The time for acceptance of any counter offer will be 3 days from the date the counter offer is delivered. The "Effective Date" of this Contract is the date on which the last one of the Seller and Buyer has signed or initialed and delivered this offer or the final counter offer. Calendar days will be used when computing time periods, except time periods of 5 days or less. Time periods of 5 days or less will be computed without including Saturday, Sunday, or national legal holidays. Any time period ending on a Saturday, Sunday, or national legal holiday will extend until 5:00 p.m. of the next business day. Time is of the essence in this Contract.

4. CLOSING DATE AND LOCATION:

(a) Closing Date: This transaction will be closed on July 24, 2026 (Closing Date), unless specifically extended by other provisions of this Contract. The Closing Date will prevail over all other time periods including, but not limited to, Financing and Due Diligence periods. In the event insurance underwriting is suspended on Closing Date and Buyer is unable to obtain property insurance, Buyer may postpone closing up to 5 days after the insurance underwriting suspension is lifted.

Buyer (RS) and Seller () (RS) acknowledge receipt of a copy of this page, which is Page 1 of 6 Pages.

37' (b) Location: Closing will take place in _____ County, Florida. (If left blank, closing
38 will take place in the county where the property is located.) Closing may be conducted by mail or electronic means.

39 **5. THIRD PARTY FINANCING:**

40' **BUYER'S OBLIGATION:** Within _____ days (5 days if left blank) after Effective Date, Buyer will apply for third party
41' financing in an amount not to exceed _____ % of the purchase price or \$ _____, with a fixed interest rate
42' not to exceed _____ % per year with an initial variable interest rate not to exceed _____ %, with points or commitment
43' or loan fees not to exceed _____ % of the principal amount, for a term of _____ years, and amortized over _____
44' years, with additional terms as follows:

45' No financing

46' Buyer will timely provide any and all credit, employment, financial and other information reasonably required by any
47' lender. Buyer will use good faith and reasonable diligence to (i) obtain Loan Approval within _____ days (45 days if
48' left blank) from Effective Date (Loan Approval Date), (ii) satisfy terms and conditions of the Loan Approval, and
49' (iii) close the loan. Buyer will keep Seller and Broker fully informed about loan application status and authorizes the
50' mortgage broker and lender to disclose all such information to Seller and Broker. Buyer will notify Seller immediately
51' upon obtaining financing or being rejected by a lender. **CANCELLATION:** If Buyer, after using good faith and
52' reasonable diligence, fails to obtain Loan Approval by Loan Approval Date, Buyer may within _____ days (3 days if left
53' blank) deliver written notice to Seller stating Buyer either waives this financing contingency or cancels this Contract.
54' If Buyer does neither, then Seller may cancel this Contract by delivering written notice to Buyer at any time
55' thereafter. Unless this financing contingency has been waived, this Contract shall remain subject to the
56' satisfaction, by closing, of those conditions of Loan Approval related to the Property. **DEPOSIT(S)** (for purposes
57' of Paragraph 5 only): If Buyer has used good faith and reasonable diligence but does not obtain Loan
58' Approval by Loan Approval Date and thereafter either party elects to cancel this Contract as set forth above or the
59' lender fails or refuses to close on or before the Closing Date without fault on Buyer's part, the Deposit(s) shall be
60' returned to Buyer, whereupon both parties will be released from all further obligations under this Contract, except for
61' obligations stated herein as surviving the termination of this Contract. If neither party elects to terminate this Contract
62' as set forth above or Buyer fails to use good faith or reasonable diligence as set forth above, Seller will be entitled to
63' retain the Deposit(s) if the transaction does not close.

64' **6. TITLE:** Seller has the legal capacity to and will convey marketable title to the Property by statutory warranty
65' deed other _____, free of liens, easements and encumbrances of record or
66' known to Seller, but subject to property taxes for the year of closing; covenants, restrictions and public utility
67' easements of record; existing zoning and governmental regulations; and (list any other matters to which title will be
68' subject) None

69' _____
70' provided there exists at closing no violation of the foregoing and none of them prevents Buyer's intended use of the
71' Property as all legal uses

72' (a) **Evidence of Title:** The party who pays the premium for the title insurance policy will select the closing agent
73' and pay for the title search and closing services. Seller will, at (check one) Seller's Buyer's expense and
74' within 5 days after Effective Date or at least _____ days before Closing Date deliver to Buyer (check one)
75' (i.) a title insurance commitment by a Florida licensed title insurer setting forth those matters to be
76' discharged by Seller at or before Closing and, upon Buyer recording the deed, an owner's policy in the amount
77' of the purchase price for fee simple title subject only to exceptions stated above. If Buyer is paying for the
78' evidence of title and Seller has an owner's policy, Seller will deliver a copy to Buyer within 15 days after
79' Effective Date.
80' (ii.) an abstract of title, prepared or brought current by an existing abstract firm or certified as correct by an
81' existing firm. However, if such an abstract is not available to Seller, then a prior owner's title policy acceptable
82' to the proposed insurer as a base for reissuance of coverage may be used. The prior policy will include copies
83' of all policy exceptions and an update in a format acceptable to Buyer from the policy effective date and
84' certified to Buyer or Buyer's closing agent together with copies of all documents recited in the prior policy and
85' in the update. If such an abstract or prior policy is not available to Seller then (i.) above will be the evidence of
86' title.

87' (b) **Title Examination:** Buyer will, within 15 days from receipt of the evidence of title deliver written notice to Seller
88' of title defects. Title will be deemed acceptable to Buyer if (1) Buyer fails to deliver proper notice of defects or

89' Buyer (MP) and Seller (RS) acknowledge receipt of a copy of this page, which is Page 2 of 8 Pages.

90* (2) Buyer delivers proper written notice and Seller cures the defects within 10 days from receipt of the notice
91 ("Curative Period"). If the defects are cured within the Curative Period, closing will occur within 10 days from receipt
92 by Buyer of notice of such curing. Seller may elect not to cure defects if Seller reasonably believes any defect
93 cannot be cured within the Curative Period. If the defects are not cured within the Curative Period, Buyer will have
94 10 days from receipt of notice of Seller's inability to cure the defects to elect whether to terminate this Contract or
95 accept title subject to existing defects and close the transaction without reduction in purchase price.

96 (c) Survey: (check applicable provisions below)

97* (1.) Seller will, within 5 days from Effective Date, deliver to Buyer copies of prior surveys, plans,
98 specifications, and engineering documents, if any, and the following documents relevant to this transaction:

99* _____
100 prepared for Seller or in Seller's possession, which show all currently existing structures. In the event this
101 transaction does not close, all documents provided by Seller will be returned to Seller within 10 days from the
102 date this Contract is terminated.

103* Buyer will, at Seller's Buyer's expense and within the time period allowed to deliver and examine title
104 evidence, obtain a current certified survey of the Property from a registered surveyor. If the survey reveals
105* encroachments on the Property or that the improvements encroach on the lands of another, Buyer will
106* accept the Property with existing encroachments such encroachments will constitute a title defect to be
107 cured within the Curative Period.


108 (d) Ingress and Egress: Seller warrants that the Property presently has ingress and egress.

109 7. PROPERTY CONDITION: Seller will deliver the Property to Buyer at the time agreed in its present "as is"
110 condition, ordinary wear and tear excepted, and will maintain the landscaping and grounds in a comparable condition.
111 Seller makes no warranties other than marketability of title. In the event that the condition of the Property has
112 materially changed since the expiration of the Due Diligence Period, Buyer may elect to terminate the Contract and
113 receive a refund of any and all deposits paid, plus interest, if applicable. By accepting the Property "as is", Buyer
114 waives all claims against Seller for any defects in the Property. (Check (a) or (b))

115* (a) As is: Buyer has inspected the Property or waives any right to inspect and accepts the Property in its "as is"
116 condition.

117* (b) Due Diligence Period: Buyer will, at Buyer's expense and within 30 days from Effective Date ("Due
118 Diligence Period"), determine whether the Property is suitable, in Buyer's sole and absolute discretion, for Buyer's
119 intended use and development of the Property as specified in Paragraph 6. During the Due Diligence Period,
120 Buyer may conduct any tests, analyses, surveys and investigations ("Inspections") which Buyer deems necessary
121 to determine to Buyer's satisfaction the Property's engineering, architectural, environmental properties; zoning and
122 zoning restrictions; flood zone designation and restrictions; subdivision regulations; soil and grade; availability of
123 access to public roads, water, and other utilities; consistency with local, state and regional growth management and
124 comprehensive land use plans; availability of permits, government approvals and licenses; compliance with
125 American with Disabilities Act; absence of asbestos, soil and ground water contamination; and other inspections
126 that Buyer deems appropriate to determine the suitability of the Property for Buyer's intended use and
127 development. Buyer will deliver written notice to Seller prior to the expiration of the Due Diligence Period of
128 Buyer's determination of whether or not the Property is acceptable. Buyer's failure to comply with this notice
129 requirement will constitute acceptance of the Property in its present "as is" condition. Seller grants to Buyer, its
130 agents, contractors and assigns, the right to enter the Property at any time during the Due Diligence Period for the
131 purpose of conducting inspections; provided, however, that Buyer, its agents, contractors and assigns enter the
132 Property and conduct inspections at their own risk. Buyer will indemnify and hold Seller harmless from losses,
133 damages, costs, claims and expenses of any nature, including attorneys' fees at all levels, and from liability to any
134 person, arising from the conduct of any and all inspections or any work authorized by Buyer. Buyer will not engage
135 in any activity that could result in a mechanic's lien being filed against the Property without Seller's prior written
136 consent. In the event this transaction does not close, (1) Buyer will repair all damages to the Property resulting
137 from the inspections and return the Property to the condition it was in prior to conduct of the inspections, and
138 (2) Buyer will, at Buyer's expense release to Seller all reports and other work generated as a result of the
139 inspections. Should Buyer deliver timely notice that the Property is not acceptable, Seller agrees that Buyer's
140 deposit will be immediately returned to Buyer and the Contract terminated.

141 (c) Walk-through Inspection: Buyer may, on the day prior to closing or any other time mutually agreeable to the

142* Buyer  () and Seller () (RS) acknowledge receipt of a copy of this page, which is Page 3 of 6 Pages.

143 parties, conduct a final "walk-through" inspection of the Property to determine compliance with this paragraph and
144 to ensure that all Property is on the premises.

145 **8. OPERATION OF PROPERTY DURING CONTRACT PERIOD:** Seller will continue to operate the Property and any
146 business conducted on the Property in the manner operated prior to Contract and will take no action that would
147 adversely impact the Property, tenants, lenders or business, if any. Any changes, such as renting vacant space, that
148 materially affect the Property or Buyer's intended use of the Property will be permitted only with Buyer's consent
149 without Buyer's consent.

150 **9. CLOSING PROCEDURE:** Unless otherwise agreed or stated herein, closing procedure shall be in accordance with
151 the norms where the Property is located.

152 **(a) Possession and Occupancy:** Seller will deliver possession and occupancy of the Property to Buyer at
153 closing. Seller will provide keys, remote controls, and any security/access codes necessary to operate all locks,
154 mailboxes, and security systems.

155 **(b) Costs:** Buyer will pay Buyer's attorneys' fees, taxes and recording fees on notes, mortgages and financing
156 statements and recording fees for the deed. Seller will pay Seller's attorneys' fees, taxes on the deed and
157 recording fees for documents needed to cure title defects. If Seller is obligated to discharge any encumbrance at or
158 prior to closing and fails to do so, Buyer may use purchase proceeds to satisfy the encumbrances.

159 **(c) Documents:** Seller will provide the deed; bill of sale; mechanic's lien affidavit; originals of those assignable
160 service and maintenance contracts that will be assumed by Buyer after the Closing Date and letters to each
161 service contractor from Seller advising each of them of the sale of the Property and, if applicable, the transfer of its
162 contract, and any assignable warranties or guarantees received or held by Seller from any manufacturer,
163 contractor, subcontractor, or material supplier in connection with the Property; current copies of the condominium
164 documents, if applicable; assignments of leases, updated rent roll; tenant and lender estoppels letters; tenant
165 subordination, non-disturbance and attornment agreements (SNDAs) required by the Buyer or Buyer's lender;
166 assignments of permits and licenses; corrective instruments; and letters notifying tenants of the change in
167 ownership/rental agent. If any tenant refuses to execute an estoppels letter, Seller will certify that information
168 regarding the tenant's lease is correct. If Seller is an entity, Seller will deliver a resolution of its Board of Directors
169 authorizing the sale and delivery of the deed and certification by the appropriate party certifying the resolution and
170 setting forth facts showing the conveyance conforms to the requirements of local law. Seller will transfer security
171 deposits to Buyer. Buyer will provide the closing statement, mortgages and notes, security agreements, and
172 financing statements.

173 **(d) Taxes and Prorations:** Real estate taxes, personal property taxes on any tangible personal property, bond
174 payments assumed by Buyer, interest, rents (based on actual collected rents), association dues, insurance
175 premiums acceptable to Buyer, and operating expenses will be prorated through the day before closing. If the
176 amount of taxes for the current year cannot be ascertained, rates for the previous year will be used with due
177 allowance being made for improvements and exemptions. Any tax proration based on an estimate will, at request
178 of either party, be readjusted upon receipt of current year's tax bill; this provision will survive closing.

179 **(e) Special Assessment Liens:** Certified, confirmed, and ratified special assessment liens as of the Closing Date
180 will be paid by Seller. If a certified, confirmed, and ratified special assessment is payable in installments, Seller will
181 pay all installments due and payable on or before the Closing Date, with any installment for any period extending
182 beyond the Closing Date prorated, and Buyer will assume all installments that become due and payable after the
183 Closing Date. Buyer will be responsible for all assessments of any kind which become due and owing after Closing
184 Date, unless an improvement is substantially completed as of Closing Date. If an improvement is substantially
185 completed as of the Closing Date but has not resulted in a lien before closing, Seller will pay the amount of the last
186 estimate of the assessment. This subsection applies to special assessment liens imposed by a public body and
187 does not apply to condominium association special assessments.

188 **(f) Foreign Investment in Real Property Tax Act (FIRPTA):** If Seller is a "foreign person" as defined by FIRPTA,
189 Seller and Buyer agree to comply with Section 1445 of the Internal Revenue Code. Seller and Buyer will
190 complete, execute, and deliver as directed any instrument, affidavit, or statement reasonably necessary to comply
191 with the FIRPTA requirements, including delivery of their respective federal taxpayer identification numbers or

192 Buyer and Seller acknowledge receipt of a copy of this page, which is Page 4 of 8 Pages.

193 Social Security Numbers to the closing agent. If Buyer does not pay sufficient cash at closing to meet the
194 withholding requirement, Seller will deliver to Buyer at closing the additional cash necessary to satisfy the
195 requirement.

196 **10. ESCROW AGENT:** Seller and Buyer authorize Escrow Agent or Closing Agent (collectively "Agent") to
197 receive, deposit, and hold funds and other property in escrow and, subject to collection, disburse them in accordance
198 with the terms of this Contract. The parties agree that Agent will not be liable to any person for misdelivery of
199 escrowed items to Seller or Buyer, unless the misdelivery is due to Agent's willful breach of this Contract or gross
200 negligence. If Agent has doubt as to Agent's duties or obligations under this Contract, Agent may, at Agent's option,
201 (a) hold the escrowed items until the parties mutually agree to its disbursement or until a court of competent
202 jurisdiction or arbitrator determines the rights of the parties or (b) deposit the escrowed items with the clerk of
203 the court having jurisdiction over the matter and file an action in interpleader. Upon notifying the parties of such action,
204 Agent will be released from all liability except for the duty to account for items previously delivered out of escrow. If
205 Agent is a licensed real estate broker, Agent will comply with Chapter 475, Florida Statutes. In any suit in which Agent
206 interpleads the escrowed items or is made a party because of acting as Agent hereunder, Agent will recover
207 reasonable attorney's fees and costs incurred, with these amounts to be paid from and out of the escrowed items and
208 charged and awarded as court costs in favor of the prevailing party.

209 **11. CURE PERIOD:** Prior to any claim for default being made, a party will have an opportunity to cure any alleged
210 default. If a party fails to comply with any provision of this Contract, the other party will deliver written notice to the non-
211 complying party specifying the non-compliance. The non-complying party will have ___ days (5 days if left blank) after
212 delivery of such notice to cure the non-compliance. Notice and cure shall not apply to failure to close.

213 **12. RETURN OF DEPOSIT:** Unless otherwise specified in the Contract, in the event any condition of this Contract is
214 not met and Buyer has timely given any required notice regarding the condition having not been met, Buyer's deposit
215 will be returned in accordance with applicable Florida Laws and regulations.

216 **13. DEFAULT:**

217 (a) In the event the sale is not closed due to any default or failure on the part of Seller other than failure to make
218 the title marketable after diligent effort, Buyer may either (1) receive a refund of Buyer's deposit(s) or (2) seek
219 specific performance. If Buyer elects a deposit refund, Seller will be liable to Broker for the full amount of the
220 brokerage fee.

221 (b) In the event the sale is not closed due to any default or failure on the part of Buyer, Seller may either (1) retain
222 all deposit(s) paid or agreed to be paid by Buyer as agreed upon liquidated damages, consideration for the
223 execution of this Contract, and in full settlement of any claims, upon which this Contract will terminate or (2) seek
224 specific performance. If Seller retains the deposit, Seller will pay the Brokers named in Paragraph 20 fifty percent
225 of all forfeited deposits retained by Seller (to be split equally among the Brokers) up to the full amount of the
226 brokerage fee. If Buyer fails to timely place a deposit as required by this Contract, Seller may either (1) terminate
227 the Contract and seek the remedy outlined in this subparagraph or (2) proceed with the Contract without waiving
228 any remedy for Buyer's default.

229 **14. ATTORNEY'S FEES AND COSTS:** In any claim or controversy arising out of or relating to this Contract, the
230 prevailing party, which for purposes of this provision will include Buyer, Seller and Broker, will be awarded reasonable
231 attorneys' fees, costs, and expenses.

232 **15. NOTICES:** All notices will be in writing and may be delivered by mail, overnight courier, personal delivery, or
233 electronic means. Parties agree to send all notices to addresses specified on the signature page(s). Any notice,
234 document, or item given by or delivered to an attorney or real estate licensee (including a transaction broker)
235 representing a party will be as effective as if given by or delivered to that party.

236 **16. DISCLOSURES:**

237 (a) **Commercial Real Estate Sales Commission Lien Act:** The Florida Commercial Real Estate Sales
238 Commission Lien Act provides that a broker has a lien upon the owner's net proceeds from the sale of commercial
239 real estate for any commission earned by the broker under a brokerage agreement. The lien upon the owner's net

240 Buyer (TP) () and Seller () (RS) acknowledge receipt of a copy of this page, which is Page 6 of 8 Pages.

241 proceeds is a lien upon personal property which attaches to the owner's net proceeds and does not attach to any
242 interest in real property. This lien right cannot be waived before the commission is earned.

243 (b) **Special Assessment Liens Imposed by Public Body:** The Property may be subject to unpaid special
244 assessment lien(s) imposed by a public body. (A public body includes a Community Development District.) Such
245 liens, if any, shall be paid as set forth in Paragraph 9(e).

246 (c) **Radon Gas:** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in
247 sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that
248 exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon
249 and radon testing may be obtained from your county public health unit.

250 (d) **Energy-Efficiency Rating Information:** Buyer acknowledges receipt of the information brochure required by
251 Section 653.996, Florida Statutes.

252 **17. RISK OF LOSS:**

253 (a) If, after the Effective Date and before closing, the Property is damaged by fire or other casualty, Seller will bear
254 the risk of loss and Buyer may cancel this Contract without liability and the deposit(s) will be returned to Buyer.
255 Alternatively, Buyer will have the option of purchasing the Property at the agreed upon purchase price and Seller
256 will credit the deductible, if any and transfer to Buyer at closing any insurance proceeds, or Seller's claim to any
257 insurance proceeds payable for the damage. Seller will cooperate with and assist Buyer in collecting any such
258 proceeds. Seller shall not settle any insurance claim for damage caused by casualty without the consent of the
259 Buyer.

260 (b) If, after the Effective Date and before closing, any part of the Property is taken in condemnation or under the
261 right of eminent domain, or proceedings for such taking will be pending or threatened, Buyer may cancel this
262 Contract without liability and the deposit(s) will be returned to Buyer. Alternatively, Buyer will have the option of
263 purchasing what is left of the Property at the agreed upon purchase price and Seller will transfer to the Buyer at
264 closing the proceeds of any award, or Seller's claim to any award payable for the taking. Seller will cooperate with
265 and assist Buyer in collecting any such award.

266 **18. ASSIGNABILITY; PERSONS BOUND:** This Contract may be assigned to a related entity, and otherwise is
267 not assignable is assignable. If this Contract may be assigned, Buyer shall deliver a copy of the assignment
268 agreement to the Seller at least 5 days prior to Closing. The terms "Buyer," "Seller" and "Broker" may be singular or
269 plural. This Contract is binding upon Buyer, Seller and their heirs, personal representatives, successors and assigns
270 (if assignment is permitted).

271 **19. MISCELLANEOUS:** The terms of this Contract constitute the entire agreement between Buyer and Seller.
272 Modifications of this Contract will not be binding unless in writing, signed and delivered by the party to be bound.
273 Signatures, initials, documents referenced in this Contract, counterparts and written modifications communicated
274 electronically or on paper will be acceptable for all purposes, including delivery, and will be binding. Handwritten or
275 typewritten terms inserted in or attached to this Contract prevail over preprinted terms. If any provision of this Contract
276 is or becomes invalid or unenforceable, all remaining provisions will continue to be fully effective. This Contract will be
277 construed under Florida law and will not be recorded in any public records.

278 **20. BROKERS:** Neither Seller nor Buyer has used the services of, or for any other reason owes compensation to,
279 a licensed real estate Broker other than:

280 (a) **Seller's Broker:** One Investment Group
281 (Company Name) (License)
282 (Address, Telephone, Fax, E-mail)
283

284 who is a single agent is a transaction broker has no brokerage relationship and who will be compensated
285 by Seller Buyer both parties pursuant to a listing agreement other (specify) _____
286 2.5% of the purchase price

287 Buyer  and Seller  (RS) acknowledge receipt of a copy of this page, which is Page 6 of 8 Pages.

288* (b) Buyer's Broker: None
289 (Company Name) (Licensee)

290* _____
291 (Address, Telephone, Fax, E-mail)

292* who is a single agent is a transaction broker has no brokerage relationship and who will be compensated
293* by Seller's Broker Seller Buyer both parties pursuant to an MLS offer of compensation other (specify)

294* _____
295 (collectively referred to as "Broker") in connection with any act relating to the Property, including but not limited to
296 inquiries, introductions, consultations, and negotiations resulting in this transaction. Seller and Buyer agree to
297 indemnify and hold Broker harmless from and against losses, damages, costs and expenses of any kind, including
298 reasonable attorneys' fees at all levels, and from liability to any person, arising from (1) compensation claimed which is
299 inconsistent with the representation in this Paragraph, (2) enforcement action to collect a brokerage fee pursuant to
300 Paragraph 10, (3) any duty accepted by Broker at the request of Seller or Buyer, which is beyond the scope of
301 services regulated by Chapter 476, Florida Statutes, as amended, or (4) recommendations of or services provided and
302 expenses incurred by any third party whom Broker refers, recommends, or retains for or on behalf of Seller or Buyer.

303 21. OPTIONAL CLAUSES: (Check if any of the following clauses are applicable and are attached as an addendum to
304 this Contract):


- | | | |
|--|--|---|
| 305* <input type="checkbox"/> Arbitration | <input type="checkbox"/> Seller Warranty | <input type="checkbox"/> Existing Mortgage |
| 306* <input type="checkbox"/> Section 1031 Exchange | <input type="checkbox"/> Coastal Construction Control Line | <input type="checkbox"/> Buyer's Attorney Approval |
| 307* <input type="checkbox"/> Property Inspection and Repair | <input type="checkbox"/> Flood Area Hazard Zone | <input type="checkbox"/> Seller's Attorney Approval |
| 308* <input type="checkbox"/> Seller Representations | <input type="checkbox"/> Seller Financing | <input type="checkbox"/> Other _____ |

309 22. ADDITIONAL TERMS:


310* upon Acceptance. Subject to Clear, Marketable, and Insurable Title.

311*
312*

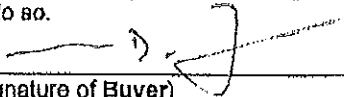
313* Notwithstanding anything in this Agreement to the contrary, Buyer and Seller agree that
314* Seller has elected to use, and Buyer agrees that,
315* William Karney
316* Moraitis, Karney, Moraitis & Quailey
317* 915 Middle River Drive, Suite 506
318* Fort Lauderdale, FL 33304
319* (954)-563-4163 phone
320* (954)-563-5913 fax
321* shall be the Closing Agent and Title Agent for this Agreement.

 **RS**

321 THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, SEEK THE
322 ADVICE OF AN ATTORNEY PRIOR TO SIGNING. BROKER ADVISES BUYER AND SELLER TO VERIFY ALL
323 FACTS AND REPRESENTATIONS THAT ARE IMPORTANT TO THEM AND TO CONSULT AN APPROPRIATE
324 PROFESSIONAL FOR LEGAL ADVICE (FOR EXAMPLE, INTERPRETING CONTRACTS, DETERMINING THE
325 EFFECT OF LAWS ON THE PROPERTY AND TRANSACTION, STATUS OF TITLE, FOREIGN INVESTOR
326 REPORTING REQUIREMENTS, ETC.) AND FOR TAX, PROPERTY CONDITION, ENVIRONMENTAL AND OTHER
327 ADVICE. BUYER ACKNOWLEDGES THAT BROKER DOES NOT OCCUPY THE PROPERTY AND THAT ALL
328 REPRESENTATIONS (ORAL, WRITTEN OR OTHERWISE) BY BROKER ARE BASED ON SELLER
329 REPRESENTATIONS OR PUBLIC RECORDS UNLESS BROKER INDICATES PERSONAL VERIFICATION OF
330 THE REPRESENTATION. BUYER AGREES TO RELY SOLELY ON SELLER, PROFESSIONAL INSPECTORS
331 AND GOVERNMENTAL AGENCIES FOR VERIFICATION OF THE PROPERTY CONDITION, SQUARE FOOTAGE
332 AND FACTS THAT MATERIALLY AFFECT PROPERTY VALUE.

333* Buyer  () and Seller () **(RS)** acknowledge receipt of a copy of this page, which is Page 7 of 8 Pages.

334 Each person signing this Contract on behalf of a party that is a business entity represents and warrants to the other
335 party that such signatory has full power and authority to enter into and perform this Contract in accordance with its
336 terms and each person executing this Contract and other documents on behalf of such party has been duly authorized
337 to do so.

338*  _____ Date: _____
339 (Signature of Buyer)

340* Michael D. Fowler Tax ID No: 596044103
341 (Typed or Printed Name of Buyer)

342* Title: City Manager Telephone: 386-763-7586


343* X: _____ Date: 05-20-26
344 (Signature of Buyer)

346* _____ Tax ID No: _____
348 (Typed or Printed Name of Buyer)

347* Title: _____ Telephone: _____

349* Buyer's Address for purpose of notice: _____

349* Facsimile: _____ Email: _____

350*  _____ Date: 5/22/2026
351 (Signature of Seller)

352* RMS Properties LLC Tax ID No: _____
353 (Typed or Printed Name of Seller)

354* Title: President of Manager Telephone: _____

355* _____ Date: _____
356 (Signature of Seller)

357* _____ Tax ID No: _____
358 (Typed or Printed Name of Seller)

359* Title: _____ Telephone: _____

360* Seller's Address for purpose of notice: C/O Premium Asset Management Inc., 1111 North Plaza Drive, Suite 200, Schaumburg, IL 60173

361* Facsimile: _____ Email: _____

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382* Buyer () () and Seller () () acknowledge receipt of a copy of this page, which is Page 8 of 8 Pages.

The Home Exam, Inc.

Property Inspection Report



3046 S. Atlantic Avenue, Daytona Beach Shores, FL 32118
Inspection prepared for: City of Daytona Beach Shores
Real Estate Agent: -

Date of Inspection: 5/21/2026 Time: 10:00 AM
Age of Home: 1983 Size: 3613 sf

Inspector: Michael Chevalier
HI 150
6050 Sanctuary Garden Blvd, Port Orange, FL 32128
Phone: (386) 322-4408
Email: mchev16@aol.com



THE SCOPE OF THE INSPECTION

The report contained herein is CONFIDENTIAL, and is given solely for the use and benefit of the client, and is not intended to be for the benefit of or relied upon by any other buyer, lender, title insurance company, or other third party.

Terms and conditions crucial to interpretation of the report are contained in a separate Pre-Inspection Agreement. **Do not use this report without consulting the Pre-Inspection Agreement.**

The report conforms to the standards of the American Society of Home Inspectors®. Components are identified and their apparent condition is reported. The client should consult the terms of the sales contract to determine whether any of the items contained within must be repaired by the seller prior to closing. At times, conditions may exist and may not display any visible signs to indicate their existence. Such items must be disclosed by the seller of the property.

This is a visual inspection only. A representative sample of building components are examined in areas that are accessible at the time of the inspection. The inspector cannot report on obscured or concealed defects and may not move furniture, lift any carpeting, remove panels other than the main electrical panel cover and those provided for normal homeowner maintenance or dismantle any items or equipment. If a system is shut down (drained, main supply valves or switches off, pilot lights not lit, etc.) we will not operate it. We do not light pilot lights for safety reasons. Fences and outbuildings are not inspected unless noted in the report. Reporting on other issues such as cosmetic damage and suggestions for improvements is included only for your information, and should not be relied upon as items that may or may not be repaired under the terms of your Sales Contract. If in doubt, consult your Sales Contract and/or an attorney to explain your rights and obligations under your Sales Contract. The inspector offers no warranties or representations as to your rights or obligations under any Sales Contract.

A home inspection will not reveal every concern that exists or could ever exist, but only those material defects observed on the day of the inspection.

Depending upon the age of the property, some items like ground fault circuit interrupter (GFCI) outlets may not be installed; **this report will focus on safety and function, not current code.** This report identifies specific non-code, non-cosmetic concerns that the inspector feels may need further investigation or repair.

The fact that a system or component is near, at or beyond the end of the 'normal useful life' of such a system or component is not a material defect. Any mention of this information in the report is given solely for the knowledge and benefit of the client.

For your safety and liability purposes, we recommend that licensed contractors evaluate and repair any concerns or defects noted in this report.

We recommend that you check for permits on all additional construction performed on the property after the original construction.

Please note that this report is a 'snapshot in time'. It only speaks to the condition of the property and systems on the day of inspection. **We strongly recommend that you or your representative carry out a final walk-through inspection immediately before closing to check the condition of the property, using this report as a guide.**

Please refer to the Pre-Inspection Agreement for a full explanation of the scope of the inspection.

While we make an effort to identify existing or potential problems, it is not possible for a home inspector to predict the future or conditions that may arise later. For this reason, it would be advisable to budget \$1000 to \$1500 per year for unforeseen repairs and maintenance. This would hold true for any house you were considering.

All components designated for inspection in the ASHI® Standards of Practice are inspected, except as may be noted in the "Limitations of Inspection" sections within this report.

It is the goal of the inspection to put a home buyer in a better position to make a buying decision. Not all improvements will be identified during this inspection. Unexpected repairs should still be anticipated. The inspection should not be considered a guarantee or warranty of any kind.

Please feel free to call at any time if you have any questions.

Acceptance of this report and/or relying on the information within constitutes acceptance of the Pre-Inspection Agreement at the end of this report, regardless of whether or not this agreement is signed.

Summary of Recommendations

Roof Repairs

| | | |
|----------------|--------------|--|
| Page 8 Item: 1 | Roof Repairs | <p>1.1. All palm fronds that are hanging over or dragging the roof coverings should be trimmed.</p> <p>1.2. The roof coverings are old and are likely near the end of their useful life.</p> <p>1.3. Several large areas of gravel migration were noted on the roof surface. These are areas where the gravel has been moved (likely by rainwater) and exposed the tar and/or underlayment. This is a significant issue because it exposes the tar and underlayment to the sun, which will deteriorate the material. Although no evidence of active leakage was observed in the building on the day of inspection, the inspector strongly recommends contacting a licensed roofing specialist to review and repair these areas as needed, prior to closing.</p> <p>1.4. The metal cap on the parapet wall that surrounds the perimeter of the building was found to be significantly rusted/deteriorated in many areas. This cap is important as it keeps water from entering the building at the seams of the roof flashing. It is likely that replacement of the entire cap will be needed around the perimeter of the roof. Contact a licensed roofing contractor to review and repair as needed, prior to closing.</p> |
|----------------|--------------|--|

Exterior Repairs

Page 12 Item: 1

Exterior Repairs

1.1. Most of the metal components around the exterior of the building show evidence of rust and corrosion. This is a very typical issue of a building in close proximity to the ocean. You should be aware that additional maintenance and repairs of these items will be needed continuously.

1.2. Damage was noted to some of the framing and the exterior siding on the west side of the drive-through overhang. It appears that a tall truck ran into this area of the building, causing the damage. Repairs are needed. Contact a licensed contractor to review and repair as necessary.

1.3. Several areas of the exterior window trim and seals were noted to be damaged/failing. Evidence of apparent water penetration was noted at the base of the east window in one of the east offices. Also, peeling/damaged sealant was noted around many of the exterior window frames. Contact a licensed window specialist for additional review and repair prior to closing.

1.4. The parking lot and driveway areas around the building were found to be in generally good condition. However, several areas of the driveway were noted to have typical wear and deterioration. The parking lot consists of 13 parking spaces on the east side of the building, along with one designated handicapped parking space. An additional six parking spaces are marked at the rear of the building. The parking areas themselves are in good condition. The Inspector recommends additional evaluation by a paving specialist to determine whether coating or resurfacing of the driveway area areas will be needed.

1.5. Two storm drain grates were noted in the driveway areas around the exterior of the building (one on the north side and one on the south side). Both of these grates were found to be completely full with water. This suggests a significant drainage issue on the property. However, the inspector was unable to determine where these storm drains empty. The small grass retention area on the east side of the building did not show evidence of any culverts or drains. Also, no water was observed in the retention area on the day of the inspection. Further investigation and repairs will be needed by a licensed contractor for this issue prior to closing.

Electrical Repairs

| | | |
|-----------------|--------------------|--|
| Page 20 Item: 1 | Electrical Repairs | <p>1.1. One outlet in the bathroom was noted to be very loose. This outlet should be better secured to the wall to ensure that the wires are not pulled from the receptacle. Contact a licensed electrician to review and repair as needed. An orange dot was placed on the affected outlet for identification purposes.</p> <p>1.2. Several light fixtures in the building did not respond to their switches on the day of inspection. This is likely the result of burned out bulbs. However, if new bulbs do not remedy this issue, a licensed electrician should review and repair the circuit as needed.</p> <p>1.3. The weatherproof cover was noted to be missing from the west exterior electrical outlet. A proper cover should be added to this outlet to prevent water penetration.</p> <p>1.4. Several of the exterior and parking light fixtures were found to be damaged or missing. It should be noted that the inspector was unable to test these lights for functionality. Repairs or replacement are needed. Contact a licensed electrician for additional review of these fixtures.</p> |
|-----------------|--------------------|--|

Heating & Cooling Repairs

| | | |
|-----------------|---------------------------|---|
| Page 24 Item: 1 | Heating & Cooling Repairs | <p>1.1. The air conditioner's compressor (outdoor) systems are located on the exterior of the building. It should be noted that a compressor in close proximity to the ocean may have a reduced life expectancy (due to the salt air). Moderate two significant rusting was noted on most of the compressor units.</p> <p>1.2. The inspector was unable to get any of the air conditioning systems in the building to function on the day of the inspection. Fresh batteries were added to all of the interior thermostats. While this restored power to the thermostat units, it did not allow the systems to operate. Further investigation is needed. Contact a licensed air conditioning contractor for further review.</p> <p>1.3. The mini-split air conditioning system in the utility room displayed an error code and would not operate when tested. Further investigation will be needed to determine the exact cause and proper course of repair. Contact a licensed air conditioning contractor to review and repair as needed.</p> |
|-----------------|---------------------------|---|

Plumbing Repairs

| | | |
|-----------------|------------------|---|
| Page 28 Item: 1 | Plumbing Repairs | <p>1.1. It is important to note that the septic tank WAS NOT inspected. The inspector strongly recommends having the septic system inspected by a licensed septic specialist prior to closing.</p> <p>1.2. No water was supplied to the building at the time of the inspection. Therefore, the plumbing fixtures could not be tested.</p> |
|-----------------|------------------|---|

Inspection Details

1. Attendance

Client's representatives present

2. Occupancy

Vacant

3. Home Orientation

For the purpose of this report, it is assumed that the home faces East.

4. Weather

Hot & Humid

5. Recent Weather

Occasional Rain

Structure Materials & Comments

1. Foundation

Poured Concrete • Slab on Grade

2. Floor Structure

Poured Concrete

3. Wall Structure

Concrete Block

4. Ceiling Structure

Metal Trusses

5. Attic Access

Materials:

- The attic was entered from the access in the N/W 'break room'.
- The attic was examined by observing at the attic access. Low overhead prevented entry.
- Much of the attic was not accessible, and therefore, could not be inspected.

6. Roof Structure

Metal Trusses • Corrugated Metal Roof Deck

7. Comments

- The construction of the building appears to be of good quality. The materials and workmanship, where visible, are good.
- Exterior wall construction is solid masonry.
- The inspection did not discover evidence of substantial structural movement.

Roof Materials & Comments

1. Roof Covering

Tar & Gravel

2. Roof Age

Materials:

- Based on visible wear, the roof covering is estimated to be approximately 20+ years old.

3. Typical Roof Life Expectancy

Materials:

- This type of roof covering typically lasts 20 to 25 years in Florida, with maintenance.

4. Roof Flashing

Metal • Roll Roofing

5. Roof Drainage

Roof drains • Downspouts Dishcharge Above Grade

6. Method of Inspection

Walked on Roof • Viewed from Ladder at Eaves

7. Comments

- It should be noted that flat roofs have a higher potential for leaks. Leaks can be difficult to repair, as the source of the leakage can be far removed from the water stain that shows up on the interior. Some roofers will insist on re-roofing rather than patching flat roofs.

Roof Repairs

1. Roof Repairs

1.1. All palm fronds that are hanging over or dragging the roof coverings should be trimmed.

1.2. The roof coverings are old and are likely near the end of their useful life.

1.3. Several large areas of gravel migration were noted on the roof surface. These are areas where the gravel has been moved (likely by rainwater) and exposed the tar and/or underlayment. This is a significant issue because it exposes the tar and underlayment to the sun, which will deteriorate the material. Although no evidence of active leakage was observed in the building on the day of inspection, the inspector strongly recommends contacting a licensed roofing specialist to review and repair these areas as needed, prior to closing.

1.4. The metal cap on the parapet wall that surrounds the perimeter of the building was found to be significantly rusted/deteriorated in many areas. This cap is important as it keeps water from entering the building at the seams of the roof flashing. It is likely that replacement of the entire cap will be needed around the perimeter of the roof. Contact a licensed roofing contractor to review and repair as needed, prior to closing.



Palm fronds need to be trimmed back



Roof covering



Large area of missing gravel on the roof



Large area of missing gravel on the roof



Damage to parapet wall cap



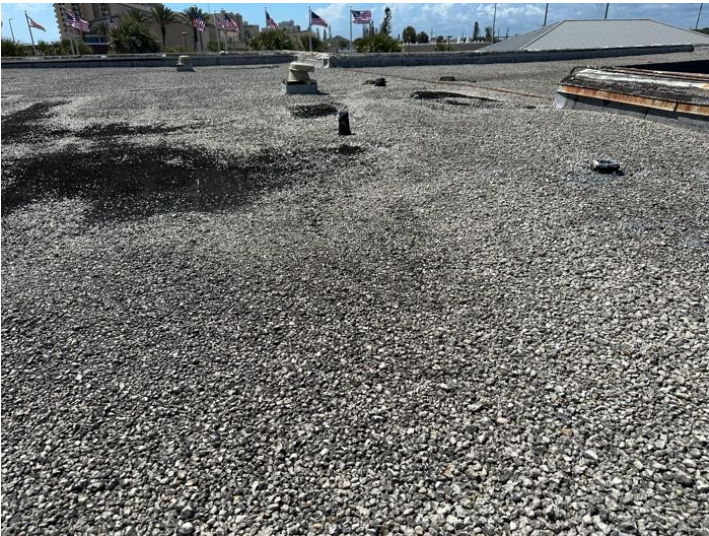
Large area of missing gravel on the roof



Roof covering



Roof covering



Roof covering



Roof covering



Damage to parapet wall cap



Roof covering



Roof covering



Roof covering



Roof covering

Exterior Materials & Comments

1. Wall Covering

Stucco over Foam

2. Exterior Doors

Metal • Metal & Glass

3. Window/Door Frames & Trim

Metal-Covered

4. Entry Driveway

Asphalt

5. Entry Walkway & Patio

Concrete

6. Surface Drainage

Level Grade

7. Comments

- The exterior siding that has been installed on the building is relatively low maintenance.
- The exterior of the building is generally in good condition.
- There is no significant wood/soil contact around the perimeter of the building, thereby reducing the risk of insect infestation or rot.

Exterior Repairs

1. Exterior Repairs

1.1. Most of the metal components around the exterior of the building show evidence of rust and corrosion. This is a very typical issue of a building in close proximity to the ocean. You should be aware that additional maintenance and repairs of these items will be needed continuously.

1.2. Damage was noted to some of the framing and the exterior siding on the west side of the drive-through overhang. It appears that a tall truck ran into this area of the building, causing the damage. Repairs are needed. Contact a licensed contractor to review and repair as necessary.

1.3. Several areas of the exterior window trim and seals were noted to be damaged/failing. Evidence of apparent water penetration was noted at the base of the east window in one of the east offices. Also, peeling/damaged sealant was noted around many of the exterior window frames. Contact a licensed window specialist for additional review and repair prior to closing.

1.4. The parking lot and driveway areas around the building were found to be in generally good condition. However, several areas of the driveway were noted to have typical wear and deterioration. The parking lot consists of 13 parking spaces on the east side of the building, along with one designated handicapped parking space. An additional six parking spaces are marked at the rear of the building. The parking areas themselves are in good condition. The Inspector recommends additional evaluation by a paving specialist to determine whether coating or resurfacing of the driveway area areas will be needed.

1.5. Two storm drain grates were noted in the driveway areas around the exterior of the building (one on the north side and one on the south side). Both of these grates were found to be completely full with water. This suggests a significant drainage issue on the property. However, the inspector was unable to determine where these storm drains empty. The small grass retention area on the east side of the building did not show evidence of any culverts or drains. Also, no water was observed in the retention area on the day of the inspection. Further investigation and repairs will be needed by a licensed contractor for this issue prior to closing.



Window seal appears to be failing



Parking lot



Parking lot



Weathered/worn area of parking lot



Drive-through area



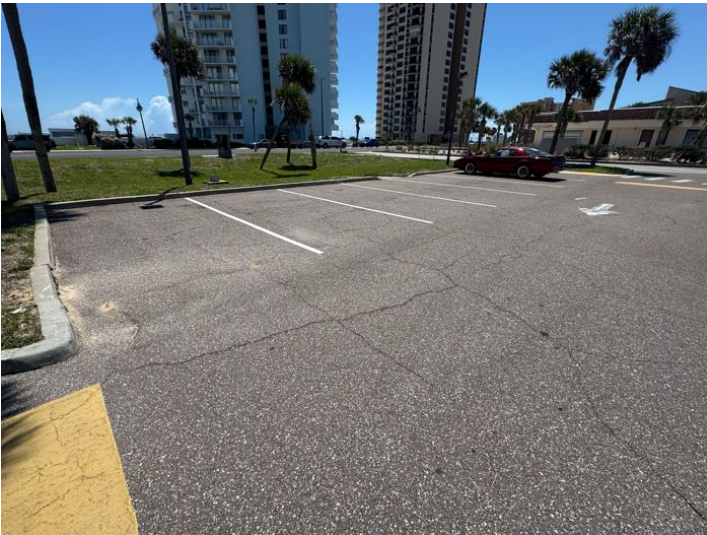
Worn area of parking lot



Parking lot



Parking lot



Parking lot



Parking lot



Worn area of the parking lot



Parking lot



Parking lot



Worn area of parking lot



Parking lot



Window seal appears to be failing



Worn area of the parking lot



Drive-through area



Side of the building



Front of the building



Side of the building



Rear of the building



Drainage grate filled with water



Drainage grate filled with water



Retention area in front of the building



Window seal appears to be failing



Window seal appears to be failing



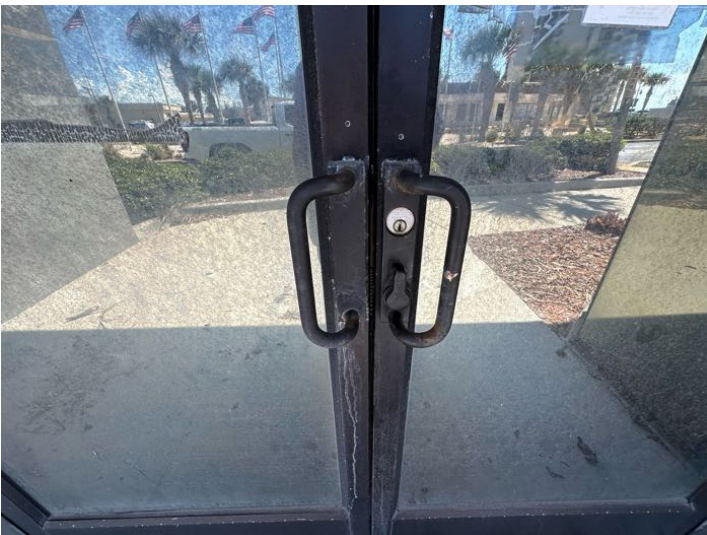
Damage to exterior siding at the drive-through



Rear of the building



Damage to exterior siding at the drive-through



Rust on metal components



Apparent damage on window seals



Apparent damage on window seals



Apparent damage on window seals



Apparent damage on window seals



Rust on exterior metal component



Rust on exterior metal component



Rust on exterior metal component

Electrical Materials & Comments

1. Service Drop

Underground

2. Service Disconnect

Circuit Breakers

3. Service Grounding

Not Visible

4. Main Panel

Materials:

- The main service panels located in the utility room.

5. Distribution Wiring

Copper

6. Wiring Method

Plastic- Sheathed Romex

7. Switches/Receptacles

Grounded

8. Ground Fault Circuit Interrupters

Bathroom(s)

9. Comments

- The size of the electrical service is sufficient for typical light commercial needs.
- The ground rod was not observed. Ground rods are often buried.
- Generally speaking, the electrical system is in good order.
- Most outlets and light fixtures that were tested operated satisfactorily.
- All 3-prong outlets that were tested were appropriately grounded.

Electrical Repairs

1. Electrical Repairs

1.1. One outlet in the bathroom was noted to be very loose. This outlet should be better secured to the wall to ensure that the wires are not pulled from the receptacle. Contact a licensed electrician to review and repair as needed. An orange dot was placed on the affected outlet for identification purposes.

1.2. Several light fixtures in the building did not respond to their switches on the day of inspection. This is likely the result of burned out bulbs. However, if new bulbs do not remedy this issue, a licensed electrician should review and repair the circuit as needed.

1.3. The weatherproof cover was noted to be missing from the west exterior electrical outlet. A proper cover should be added to this outlet to prevent water penetration.

1.4. Several of the exterior and parking light fixtures were found to be damaged or missing. It should be noted that the inspector was unable to test these lights for functionality. Repairs or replacement are needed. Contact a licensed electrician for additional review of these fixtures.



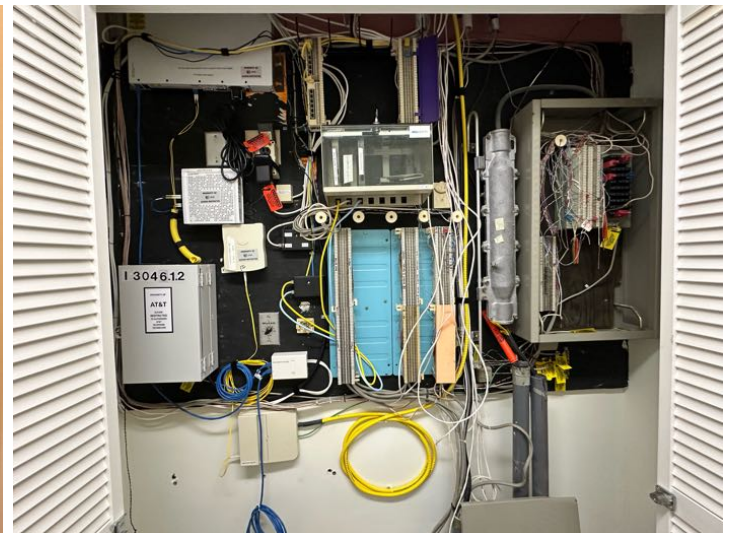
Light bulb did not operate



Loose outlet



Electrical panel



Low-voltage wiring components (not tested)



Electrical panel



Electrical panel



Electrical panel



Missing cover on exterior electrical outlet



Missing light fixture



Missing light fixture



Damaged parking lot light fixture

Heating & Cooling Materials & Comments

1. Energy Source

Electricity

2. Central System Type

Four (4) Air Cooled Central Air Conditioners

3. System Information

Materials:

- The size of the North system is approximately 1 1/2 tons.
- The size of two of the systems is approximately 3 tons.
- The size of one system is approximately 5 tons.
- The approximate age of all of the compressor (outdoor) systems is 6 years.

4. Typical A/C Life Expectancy

Materials:

- Normal service life of this type of system is 10 to 12 years.

5. Comments

- Visible ductwork appears to be in satisfactory condition.
- The capacity and configuration of the systems should be sufficient for the building.
- A 'mini-split' air conditioning unit has been installed in the utility room. This unit is separate from the other building air conditioning systems. It has its own 'slim' air condensing unit on the exterior of the building. This is an excellent upgrade.

Heating & Cooling Repairs

1. Heating & Cooling Repairs

1.1. The air conditioner's compressor (outdoor) systems are located on the exterior of the building. It should be noted that a compressor in close proximity to the ocean may have a reduced life expectancy (due to the salt air). Moderate to significant rusting was noted on most of the compressor units.

1.2. The inspector was unable to get any of the air conditioning systems in the building to function on the day of the inspection. Fresh batteries were added to all of the interior thermostats. While this restored power to the thermostat units, it did not allow the systems to operate. Further investigation is needed. Contact a licensed air conditioning contractor for further review.

1.3. The mini-split air conditioning system in the utility room displayed an error code and would not operate when tested. Further investigation will be needed to determine the exact cause and proper course of repair. Contact a licensed air conditioning contractor to review and repair as needed.



Air handler unit



Air handler unit



Error code displayed on the mini-split air conditioner unit



Mini-split air conditioner compressor unit



Rusted air-conditioning compressor unit



Rusted air-conditioning compressor unit



Rusted air-conditioning compressor unit



Rusted air conditioning compressor unit



Rusted air conditioning compressor unit

Insulation/Ventilation Materials & Comments

1. Attic Insulation

None

2. Exterior Wall Insulation

Unknown (Not Visible)

3. Roof Ventilation

Roof Vents

Plumbing Materials & Comments

1. Water Supply Source

Public Water Supply

2. Main Water Valve Location

Not Found

3. Interior Supply Piping

Copper

4. Waste System

Private Sewer System (Septic Tank - Per the City Building Maintenance Technicians)

5. Drain/Waste/Vent Piping

PVC Plastic • Cast Iron

6. Water Heater

None

7. Comments

- The plumbing system is in generally good condition.
- The piping system within the building, for both supply and waste, is a good quality system.

Plumbing Repairs

1. Plumbing Repairs

1.1. It is important to note that the septic tank WAS NOT inspected. The inspector strongly recommends having the septic system inspected by a licensed septic specialist prior to closing.

1.2. No water was supplied to the building at the time of the inspection. Therefore, the plumbing fixtures could not be tested.



Toilet not tested (no water)

Interior Materials & Comments

1. Wall & Ceiling Materials

Drywall

2. Floor Surfaces

Carpet • Tile • Vinyl

3. Window Types & Glazing

Aluminum • Fixed Pane • Single Pane

4. Doors

Wood - Hollow Core • Metal & Glass

5. Comments

- On the whole, the interior finishes of the building are in average condition.
- The floors of the building are relatively level and walls are relatively plumb.

Photos



Attic structure



Attic structure



Attic structure



Attic structure

Glossary

| <i>Term</i> | <i>Definition</i> |
|--------------------|---|
| PVC | Polyvinyl chloride, which is used in the manufacture of white plastic pipe typically used for water supply lines. |



AIR ANALYTICS

City of Daytona Beach Shores – Former Bank of America Baseline Bioaerosols Testing Report. Air Analytics Project No. 26-10173.



To: **City of Daytona Beach Shores**
2990 S. Atlantic Avenue
Daytona Beach Shores, FL 32118

June 8, 2026

Attn: **Tom Brown**
Deputy Director of Public Works

*207 W. State Road 434, Suite B, Winter Springs, Florida, 32708
Tel. (407) 359-1974 www.airanalyticsllc.com*



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AIR ANALYTICS

To: City of Daytona Beach Shores
2990 S. Atlantic Avenue
Daytona Beach Shores, FL 32118

June 8, 2026

Attn: Tom Brown
Deputy Director of Public Works

Re: City of Daytona Beach Shores – Former Bank of America Baseline Bioaerosols Testing Report.
Air Analytics Project No. 26-10173.

Dear Mr. Brown:

Air Analytics (AA) is pleased to submit this report for the baseline biological testing conducted at the Former Bank of America facility, located at 3046 S. Atlantic Ave., Daytona Beach, FL 32118.

Our evaluation work was performed on June 4, 2026, in accordance with currently established industrial hygiene procedures.

Executive Summary

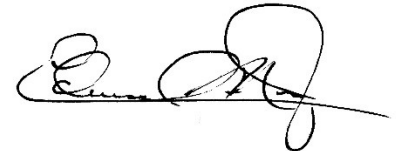
- ***The City of Daytona Beach Shores engaged Air Analytics for a mold evaluation of the former Bank of America facility, as part of their due diligence assessment for a possible purchase of the property.***
- ***Although subjective, a mild musty odor was present in the facility upon arrival.***
- ***The entire facility was scanned with a FLIR E53 thermal imaging camera and a FLIR MR77 moisture meter for the determination of water damage and dampness.***
- ***Surface moisture measurements on walls and ceiling were below actionable levels. However, moisture measurements of wood desks, doors and panels were found to be well above actionable levels. These damp surfaces were found to be colonized by molds (Refer to Appendix B, Photographic Documentation).***
- ***Mold was readily visible in the main lobby, tellers' area, private rooms, office, break room and mechanical room (Refer to Appendix B, Photographic Documentation).***
- ***Some HVAC Supply and Return diffusers and registers were found to be covered with dust, and to a lesser degree, mold.***
- ***Overall housekeeping was average for a vacant building, with light dust collected on flat surfaces.***

- ***In addition, three bulk samples were collected from vinyl flooring materials suspected of possibly containing asbestos. These samples were found to be asbestos free (Refer to Appendix A, Laboratory Results and Appendix B, Photographic Documentation).***

Bioaerosols spore trap samples were collected as indicators of possible microbial presence in the facility. Baseline laboratory analysis for mold spores yielded much higher fungal spore presence in the facility than outdoors, yielding eight to twenty-four times outdoor levels and low correlation between the species found due to infiltration. Surface mold colonization was readily visible. Tape-lifts sample analysis identified high levels of common allergenic fungi throughout the facility. Likewise, moisture damage was observed and detected in some surfaces. Therefore, corrective steps must be taken to clean and eliminate the contaminated areas/surfaces and reduce the potential amplification of any and all fungi. Please refer to this report for specific recommendations.

Air Analytics appreciates the opportunity to be of service to you on this project and looks forward to our continued relationship. If you should have any questions concerning the content of this report, please do not hesitate to contact us.

Very truly yours,
AIR ANALYTICS

A handwritten signature in black ink, appearing to read 'Edward A. Nuñez', written over a horizontal line.

Edward A. Nuñez, CIH, LAC
Florida Licensed Mold Assessor MRSA111



1.0 INTRODUCTION & BACKGROUND

A mold baseline evaluation was conducted at the Former Bank of America facility, located at 3046 S. Atlantic Ave., Daytona Beach, FL 32118. The evaluation was performed on June 4, 2026. Air Analytics' Edward A. Nuñez, a Florida Licensed Mold Assessor, Certified Industrial Hygienist, and thermographer, conducted the subject evaluation.

Briefly, the services included:

- Visual Inspection of Affected Areas for Mold Growth & Water Damage
- Infrared Thermal Imaging Inspection for Hidden Moisture Areas
- Temperature, Relative Humidity & Dew Point Measurements
- Bioaerosols Spore Trap Sample Collection and Analysis
- Surface Moisture Measurements
- Carbon Dioxide, Carbon Monoxide, Formaldehyde & VOCs Measurements
- Data Evaluation and Interpretation
- Final Report

2.0 SITE WALKTHROUGH FINDINGS

This study was designed to evaluate baseline bioaerosol levels for fungi and the extent of moisture damage, if any, which may affect the Former Bank of America's indoor air quality. During a walkthrough of the facility, an examination of the ceilings, walls, floor and contents surfaces was conducted.

- ***The City of Daytona Beach Shores engaged Air Analytics for a mold evaluation of the former Bank of America facility, as part of their due diligence assessment for a possible purchase of the property.***
- ***Although subjective, a mild musty odor was present in the facility upon arrival.***
- ***The entire facility was scanned with a FLIR E53 thermal imaging camera and a FLIR MR77 moisture meter for the determination of water damage and dampness.***
- ***Surface moisture measurements on walls and ceiling were below actionable levels. However, moisture measurements of wood desks, doors and panels were found to be***



well above actionable levels. These damp surfaces were found to be colonized by molds (Refer to Appendix B, Photographic Documentation).

- *Mold was readily visible in the main lobby, tellers' area, private rooms, office, break room and mechanical room (Refer to Appendix B, Photographic Documentation).*
- *Some HVAC Supply and Return diffusers and registers were found to be covered with dust, and to a lesser degree, mold.*
- *Overall housekeeping was average for a vacant building, with light dust collected on flat surfaces.*
- *In addition, three bulk samples were collected from vinyl flooring materials suspected of possibly containing asbestos. These samples were found to be asbestos free (Refer to Appendix A, Laboratory Results and Appendix B, Photographic Documentation).*

3.0 MEASUREMENTS & RESULTS

The testing parameters listed earlier were particularly selected to determine and assess the presence (if any) of conditions that may amplify mold growth or affect air quality.

3.1 *Biological Testing Results*

Bioaerosols samples were collected as a quantitative measure of microbial presence in the affected areas of the facility. A sample was collected outside the facility (background sample) to serve as a baseline indicator of microbial presence in fresh air, for comparison to the indoor air samples. EMSL Laboratories, Inc., a third-party independent and AIHA-accredited laboratory, was selected to analyze the bioaerosols samples. Samples were transported to their Orlando microbiological laboratory where they were prepared. Samples were subsequently analyzed by EMSL's mycologist. Sample spores were identified, characterized and quantified for reporting.

Non-Viable Spore Traps Sampling Results:

Non-viable sampling refers to the collection of all available airborne fungal spores in the ambient air, without regard to their capacity to germinate (live). Bioaerosols spore trap sampling consisted of impacting a known volume of air onto the surface of an adhesive coated microscope slide cassette (Air-O-Cell). Analysis was performed by optical microscopy at 600X magnification. This sampling is intended for the genus-identification and enumeration of all mold spores present in the air. However, conclusive identification of mold species is sometimes difficult. The following table presents a summary of results for the three most prevalent fungal spore species per sample, in decreasing order of concentration (spores per cubic meter of air, spores/m³). The percentage content refers to the ratio of total indoor-to-outdoors fungal concentration.



June 4, 2026 Baseline Sample Results

| Former Bank of America Biological Testing Results EMSL Laboratories Results Dated June 5, 2026 Airborne Mold Spores by Spore Trap Technique | | | | |
|---|---|---|--------|--|
| Sample No. | Location | Fungal Concentration Results (spores/m ³) & Prevalent Species* | | |
| Air-O-Cell Spore Trap 4187 3437 | Mid Lobby Area Baseline Sample Collected at Breathing Level | 12,830 | 1,688% | Aspergillus/Penicillium Cladosporium Ascospores |
| Air-O-Cell Spore Trap 4187 3444 | Teller Area Baseline Sample Collected at Breathing Level | 8,250 | 1,085% | Aspergillus/Penicillium Basidiospores Cladosporium |
| Air-O-Cell Spore Trap 4187 3695 | Large Office Area Baseline Sample Collected at Breathing Level | 18,250 | 2,401% | Aspergillus/Penicillium Basidiospores Cladosporium |
| Air-O-Cell Spore Trap 4187 3426 | Break Room Area Baseline Sample Collected at Breathing Level | 5,870 | 772% | Aspergillus/Penicillium Ascospores Basidiospores |
| Air-O-Cell Spore Trap 4187 3427 | Outdoors, Rear Of Bank Background Sample Collected at Breathing Level | 760 | | Basidiospores Ascospores Cladosporium |
| * Three Most Prevalent Fungal Species Reported In Order Of Frequency. Red Captions = Pathogenic Fungi Present Percentages refer to ratio of indoors spores to average outdoors spores, for comparison purposes. Refer to Appendix A, Bioaerosols Results for the Complete Airborne Microbial Sampling Laboratory Report. | | | | |

Total baseline spore counts were much higher indoors than outdoors, with a range from 772% (eight times) to 2,401% (twenty-four times) of the outdoors fungal concentration and low correlation (agreement) between the species found due to infiltration (Refer to Appendix B, Photographic Documentation). This indicates that there are mold point sources indoors, which are unrelated to outdoor levels. Given the lack of regulatory acceptable fungal levels, the scientific community has accepted/adopted the comparison of indoor-to-outdoor fungal levels as a good measure and indicator of cleanliness and/or problems indoorsⁱ. Similar and/or lower spore counts indoors are considered to be acceptable, when no pathogenic (i.e., disease causing) fungi are identified. In addition, along with an airborne fungal spore assessment, mold evaluations must also verify the presence or absence of any visible mold or growth in the affected areas of the facility, and conditions that may be conducive to mold amplification.

During our study, no pathogenic fungi were identified or detected. However, results are reflective of an abnormal, highly elevated mold spore’s environment dominated by allergenic fungi. Mold growth surface colonization and water-damage was evident and visible throughout the facility.

ⁱ “Microorganisms, Mold and Indoor Air Quality”, American Society for Microbiology, December 2004.



Furthermore, physical and environmental conditions remain very conducive to further mold growth and amplification.

In addition, tape-lift surface samples were collected directly from visibly contaminated surfaces in the main lobby area (refer to Appendix B, Photographic Documentation). Results were as follows:

| Former Bank of America Baseline Biological Sampling Results EMSL Laboratories Results Dated June 5, 2026 Mold Spores by Tape Lift Technique | | | |
|--|------------------------|--|---|
| Sample No. | Location | Results Colonies per plate & Organism | |
| Tape 1 | Lobby Area, Moldy Desk | High | Aspergillus |
| Tape 2 | HVAC Closet Door | High Rare Rare | Aspergillus/Penicillium Basidiospores Myxomycetes |
| * Three Most Prevalent Fungal Species Reported In Order Of Frequency. Red Captions = Pathogenic Fungi Present Refer to Appendix A, Bioaerosols Results for the Complete Airborne Microbial Sampling Laboratory Report. | | | |

These samples yielded rare to high levels of common allergenic and moisture-related fungi. These are the result of high ambient moisture (i.e. relative humidity). Keep in mind that all fungal spores are potentially allergenic in nature. Individual susceptibility and genetic predisposition may affect people differently. Hypersensitive individuals may be affected by some species more than others. Therefore, corrective action is recommended. Please refer to Section 4 “Conclusions & Recommendations” for specific abatement recommendations.

The laboratory results are included in Appendix A. Please refer to Appendix A for an in-depth description of each fungi’s characteristics and pathogenicity. Photographic documentation of bioaerosols sampling is included in Appendix B.

3.2 Physical & Chemical Testing Results

Temperature in the facility’s rooms ranged from 79.2°F to 82.9°F, above ASHRAE’s recommended range of 72.5°F – 78.5°F for the cooling seasonⁱⁱ. This was the result of the lack of air conditioning in the vacant building. Indoor relative humidity levels ranged from 59.5% (the exterior door was open during the evaluation) to 67.7%, which were elevated and above ASHRAE's recommended occupant comfort range of 30% to 60%ⁱ. At the same time, higher relative humidity indoors tends

ⁱⁱ ASHRAE Standard 55-2004, Thermal Environmental Conditions for Human Occupancy.



to promote microbial amplification, if and when mold is already present (along with moist substrate surfaces), both of which were present during our evaluation.

Surface moisture exceeding 17% wood-moisture-equivalent (WME) is deemed water-damaged and is the trigger threshold for action/remediation. Surface moisture and condensation potential in the facility were low to moderate, with wood moisture equivalent (WME) readings ranging from 14% to over 22%. Infrared thermal imaging scanning of all surfaces revealed various surfaces with active water damage and mold growth (refer to Appendix B, Photographic Documentation). Each thermal image has a color scale bar on the right side of the image. The lower-bar area (black and blue areas) corresponds to lower temperatures, usually reflective of water presence in the scanned substrate (e.g., drywall). The higher-bar area (white and red areas) corresponds to higher temperatures. Confirmatory testing with a surface moisture meter is then performed to verify or rule out moisture presence.

Carbon dioxide levels outdoors were recorded at 410 parts per million (ppm) (CO₂ levels typically range from 300 to 500 ppm). Carbon dioxide levels indoors were normal, ranging from 453 to 464 ppm, and below ASHRAE's maximum recommended indoor CO₂ level (ASHRAE recommends an indoor to outdoor differential CO₂ concentration of not more than 700 ppmⁱⁱⁱ). This reflects good ventilation, and a fair amount of fresh air in the facility.

All measurements were documented in the "Indoor Air Quality Field Survey Form" found in Appendix A of this report. Photographic documentation is included in Appendix B.

4.0 CONCLUSIONS

Our limited survey was focused on establishing the presence of mold, if any, and the establishment of baseline physical, chemical and biological measurements and samples to evaluate the facility's indoor air quality. Keep in mind that the sampling conducted for this project was limited in scope and is representative of the conditions only as they existed during the monitored period.

Some consensus standards recommend limits on physical^{iv,v} and chemical stressors/parameters such as ventilation rates, temperature, relative humidity, carbon dioxide, carbon monoxide, etc.

During our study, both temperature and relative humidity were found to be above acceptable standards and recommendations. These parameters are both influencing the potential for mold growth and amplification of mold in the building.

ⁱⁱⁱ ASHRAE 62.1-2004, Ventilation for Acceptable Indoor Air Quality

^{iv} ASHRAE 55-2004 Standard

^v ASHRAE 62.1-2004, Ventilation for Acceptable Indoor Air Quality



A thorough visual inspection of the entire building was conducted to identify sources of past or present mold and/or moisture intrusion. Both mold and water damaged drywall and cabinet surfaces were identified. Surface moisture measurements of the affected members were found to be elevated and above acceptable standards. Further scanning with a thermal imaging camera revealed some moisture affected surfaces and possible water infiltration across perimeter glass windows.

There are currently no published standards of risk associated with exposure to bioaerosols. To date, neither NIOSH nor OSHA has developed recommendations or standards for microbial contamination. In the absence of these standards then, researchers recommend that indoor bioaerosol levels should be less than outdoor levels, where outdoor air is the only source of air for the building and the taxa should be similar or below. A comparison was made of microbial taxa (fungi) recovered indoors and the taxa present outdoors to detect whether the airborne levels indoors exceeded that of outdoor levels and whether certain species (particularly those which are known to cause adverse health effects) were dominant indoors. A situation can be considered unusual when overall levels of bioaerosols are at least an order of magnitude higher than those that commonly occur indoors, or if the bioaerosols differ between outdoors and the environment being sampled^{vi}.

Laboratory analysis for total spore counts in the facility yielded a range from 772% to 2,401% the outdoors fungal concentration. Overall spore levels were very high indoors, although with no pathogenic or toxigenic fungi identified anywhere. This is reflective of one or more sources of fungal amplification in the facility, requiring remediation. Fortunately, physical and environmental conditions encountered in the facility are not conducive to mold growth or amplification. Corrective steps must be taken to sanitize/decontaminate the affected areas/surfaces and reduce any future amplification potential of this and any other fungi.

Recommendations

It must be pointed out that the determination of past water/moisture intrusion sources and paths was beyond our scope of work. We could not ascertain the nature and cause of any structural or mechanical problems that may have led to water infiltration or damage, in the past. Therefore, any interior mold abatement prior to the completion of any necessary structural/mechanical repairs runs the risk of water/moisture intrusion and possible microbial growth and amplification. **In all such situations, the underlying cause of water accumulation must be rectified, or fungal growth will occur/re-occur.**

^{vi} ACGIH, "Guidelines for the Assessment of Bioaerosols in the Indoor Environment", American Conference of Governmental Industrial Hygienists, 1989, Cincinnati, Ohio



General Mold-Abatement Guidelines

Area air conditioners and affected central HVAC systems (if more than one) should be turned off, (lock-out or tagged-out) or be isolated from the affected areas during any gross removal or demolition phase of the remediation. All HVAC supply diffusers and return registers should be sealed with two layers of 6-mil polyethylene sheeting prior to any work. Any formal evaluation of the HVAC system, other than visible fungal inspection, must be performed by a Florida-licensed mechanical contractor. Any HVAC cleanup should be in accordance with National Air Duct Cleaners Association (NADCA) recommendations and guidelines.

All electrical circuits in the enclosure(s) should be de-energized and locked out to prevent accidental re-activation. Temporary power should be installed as a part of work area preparation. All power, including that for lighting should come from a panel outside of the work area and must be protected with ground fault circuit interrupters (GFI/GFCI).

The use of personal protective equipment like coveralls, gloves, safety glasses and HEPA grade respirators is highly recommended (e.g., N-100, R-100 or P-100). Any such required use must be in compliance with OSHA occupational standards for each hazard encountered.

Use 6-mills polyethylene sheeting to create barrier doors, walls and/or critical seals, to isolate the affected areas (i.e., enclosures) from the rest of the facility. Lay additional polyethylene on the affected areas floor, to serve as a drop cloth to prevent floor surface contamination.

The use of engineering controls such as HEPA-filtered air scrubbers & vacuum cleaners as well as dehumidifiers will help reduce contamination and ambient moisture during the abatement. Use of negative-pressure area enclosures is highly desirable and recommended during any demolition or partial demolition phase, when feasible. However, air-scrubbing mode must be used once all demolition activities are complete, to prevent the infiltration of fungal spores.

Clean and disinfect all mold-contaminated and surrounding surfaces. All visibly contaminated surfaces must be cleaned, wiped, vacuumed, brushed, scrubbed and/or disinfected, as needed. HEPA-vacuum visible microbial material off of a contaminated surface, wipe the surface with a cloth or sponge dampened (not soaked) with anti-microbial solution, and allow surface to dry.

Removal of all water-damaged or mold-contaminated surfaces uncovered by the abatement contractor during the course of conducting the area-specific mold-abatement is required.

Clean the HVAC supply air diffusers with an EPA Registered anti-microbial cleaning solution. Use disposable rags/towels, using each rag/towel only once. Discard all contaminated rags in a sealed bag. Prevent the drying and/or release of the rags and spores, respectively.

All surfaces should be HEPA vacuumed and/or wet wiped with an anti-microbial solution, ensuring no remaining mold, dust or debris is left behind.



Dispose of all contaminated debris, wipes, sponges, etc., in disposal bags. Seal bags prior to removing from polyethylene enclosure. Ensure all barriers and drop cloths are dust and mold free. Roll or fold polyethylene sheets carefully. Place in disposal bags, seal and discard appropriately.

Area-Specific Mold-Abatement

The purpose of this remediation protocol is to provide guidelines for the protection of the homeowner and the remediation crew during the abatement of mold contaminated materials and prevent cross-contamination of unaffected areas. The abatement may be carried out all at once, or in phases, as allowed by the remediator’s manpower & equipment. In any such case, it is imperative that the residents do not access the abatement areas, to prevent potential exposures to bioaerosols that may be present in the floor, wall and ceiling cavities. Demolition and construction dust is expected during most phases of the work. Isolation of the HVAC system in each abatement enclosure is required. All work must conform with the best work practices of IICRC, NYC-DOH, ACGIH & NADCA, when applicable. Assessment and remediation activities must be in compliance with F.S. 468 & the Florida Department of Business and Professional Regulation. Furthermore, materials identified and scheduled for removal may have to be tested in accordance with F.S. 469, for asbestos-content, by polarized light microscopy, and for lead-based paint, in accordance with 40 CFR 745 Subpart E.

- **Facility and Affected Rooms**

Due to any ongoing leaks, water infiltration and high relative humidity, mold may develop in areas not showing mold during our inspection. Any such area developing mold must be addressed utilizing the same recommendations listed below.

Mold Abatement Protocol

Project: Daytona Beach Shores - Former bank of America Mold Remediation





1. Observed Conditions & Pre-Remediation Requirements

- Main Lobby: Visible microbial growth on all four desks (moldy throughout), consistent with prolonged high ambient moisture.
- Control ambient humidity by use of air conditioner and/or area dehumidifiers.
- Measure moisture content (MC) of:
 - Ceiling tiles
- If drywall MC > 16% → considered affected
- Inspect air plenum for:
 - Damp or moldy ceiling tiles (likely removal required)
 - Mold on roof framing/sheathing

2. Applicable Standards

- IICRC S520 (Standard for Professional Mold Remediation)
- EPA Mold Remediation Guidelines
- OSHA respiratory and containment requirements

3. Work Area Classification

- Category: Condition 3 (Heavy mold contamination)
- Scope: Full containment required (not limited or spot remediation)

4. Engineering Controls

Containment Setup

- Establish full containment in:
 - Lobby area, tellers' area, large and small offices/rooms, mechanical room, break room.
 - bathrooms
- Seal doorway to:
 - Main Lobby Area
 - Break room area (exterior door)
- Create decontamination chamber if space allows
- Install full critical containment using 6-mil poly:
 - Lobby area, tellers' area, large and small offices/rooms, mechanical room, break room
 - Include zipper access door at:
 - Main Lobby Area
 - Break room area (exterior door)
 - Sealed HVAC vents



- Establish negative air pressure
 - Minimum:
 - 4–6 air changes per hour
 - -0.02 inches water column
 - Use HEPA air scrubber vented outside if possible

HVAC Control

- Shut down HVAC serving area
- Seal all supply/return vents with poly

5. Personal Protective Equipment (PPE)

- Minimum:
 - Respirator: Full-face or half-mask with P100 filters
 - Suit: Disposable Tyvek suits
 - Gloves: Nitrile
 - Eye protection (if half-mask used)

6. Demolition & Removal Protocol

A. Ceiling Materials (optional; due to porous nature, may be contaminated with fungal spores and active growth)

- 1. Mist ceiling tiles lightly (to suppress spores)
- 2. Remove:
 - All visibly impacted or damp ceiling tiles
- 3. Bag immediately in 6-mil clear bags
- 4. HEPA vacuum ceiling tiles grid surfaces after removal

7. Cleaning & Decontamination

Wood, Metal & Synthetic Surfaces (desks, cabinets, counters, doors, vault door, etc)

- 1. HEPA vacuum all surfaces
- 2. Apply antimicrobial solution (EPA-registered)
- 3. Allow proper dwell time per manufacturer
- 4. Wipe all surfaces thoroughly
- 5. HEPA vacuum residue



8. Drying Protocol

- Maintain:
 - RH < 60% (ideally 40–50%)
 - Temperature: 70–90°F
- Use:
 - Dehumidifier (LGR preferred)
 - Air movers (directed airflow across affected surfaces)
- Dry until:
 - Wood moisture content ≤ 12–15%

9. Air Conditioning System Remediation

- Since the facility contains elevated levels of mold spores, the air conditioning system should be cleaned in accordance with the National Air Duct Cleaners Association’s (NADCA) ACR-2021 protocol.

10. Post-Remediation Verification (PRV)

- Final bioaerosols samples must be collected at the conclusion of the remediation, to ascertain and document the successful completion of the abatement work. Post abatement (clearance) bioaerosols (i.e., post remediation verification, PRV) samples are to be collected at the conclusion of the remediation, by a Florida-Licensed Mold Assessor. Sampling to be conducted after:
 - Visual inspection (no visible dust/debris/mold)
 - Moisture readings within normal range
 - Engineering controls including HEPA air scrubbers, dehumidifiers, enclosures, critical seals etc. must remain in place and engaged before, during and after the PRV sample collection, until sampling results verify the completion of the remediation.
 - Both indoor (within the bedroom enclosure) and outdoors samples should be collected.
 - The laboratory must be accredited by the American Industrial Hygiene Association’s EMPAT program for microbiological analysis.
 - Physical and environmental conditions must not be conducive to mold growth.

11. Clearance Criteria

Area is considered complete when:

- No visible mold or dust remains
- Materials are dry
- No musty odor present
- The indoor flora should be lower than outdoors, and have no pathogenic fungi present.



I METHODOLOGY

When considering the risk for mold growth indoors, four general conditions must be met:

- Fungal Spores: a source of mold or the presence of fungal spores in the area.
- Moisture: a moisture source (surface [substrate] moisture or ambient/relative humidity).
- Temperature: a warm environment.
- Nutrients: a food source (fungi are saprophytic organisms which feed on natural organic matter).

The most critical factor above is moisture^{vii}. The control of microbial growth in indoor environments depends on controlling indoor moisture. Moisture and molds are usually known to produce objectionable odors in the indoor environment. Therefore, the establishment of available indoor moisture was critical to our study.

Temperature, relative humidity & dew point measurements were obtained with a direct reading thermo-hygrometer. These levels were compared to ASHRAE's recommended thermal comfort levels: *ANSI/ASHRAE Standard 55-2017*. 2017. American Society of Heating, Refrigeration, and Air Conditioning Engineers (ASHRAE).

Carbon dioxide (CO₂) measurements were obtained with the use of a TSI IAQ-Calc Model highly stable two-channel infrared sensor Carbon Dioxide Monitor capable of displaying real-time concentrations on a digital readout, at levels from 0 to 9,999 ppm (parts of CO₂ per million parts of air). CO₂ levels were also used as the surrogate ventilation index. *ANSI/ASHRAE Standard 62.1-2016*. 2016. American Society of Heating, Refrigeration, and Air Conditioning Engineers (ASHRAE).

Surface moisture measurements on the walls, studs, furring strips, ceilings and flooring were taken with a direct reading moisture meter, to identify moisture damaged areas, and any microbial-growth potential environment that may enhance mold growth indoors. In addition, suspected areas were scanned with a FLIR Infrared Thermal Imaging Camera, to look for hidden moisture, usually missed by the sole use of a surface moisture meter.

^{vii} Guidance for Clinicians on the Recognition and Management of Health Effects Related to Mold Exposure and Moisture Indoors, University of Connecticut Health Center, Division of Occupational and Environmental Medicine, Center for Indoor Environments and Health, Farmington, CT, September 30, 2004



Nuisance dust levels were obtained with a particle counter. These real-time aerosol dust monitors are designed to measure dust, at 0.3 μm , 1.0 μm and 5.0 μm , based on laser diode light scattering.

Biological aerosols samples (fungal spore traps) for microorganisms were collected from within selected areas of the building. Non-Viable sampling was performed by means of a Buck Bioaire spore trap air sampler. Air was drawn at fifteen liters per minute through an Air-O-Cell spore trap cassette, for a five minutes sampling period (total volume of 75 liters). These samples are used as presence indicators of fungal spores in the air, which in turn point to possible mold presence in and around the facility. The analytical technique establishes *Total Spore Counts* on the sampled areas. All samplers were calibrated with a primary standard prior to sample collection.

Volatile Organic Compounds (VOC's) were recorded during this evaluation with an E-Instruments AQ VOC direct reading monitor. The monitor has an active internal sampling pump along with a photo ionization detector (PID) and electrochemical sampling cell for formaldehyde detection.



These results are to be used by the client, City of Daytona Beach Shores, its representatives, and Air Analytics. All other use without prior consent by City of Daytona Beach Shores is strictly prohibited. These results may not be copied, except in full, without the written consent of City of Daytona Beach Shores and Air Analytics.

These results present the conditions of the subject study at the time of the study and are not reflective of conditions present prior to or after the study. No representations are made, except for those specifically addressed by this report.

The Client is hereby notified that due to the subjective nature of fungal analysis and the mold growth process, laboratory samples can and do change over time relative to the originally sampled material. There are currently no Federal regulations for the evaluation of fungal contamination and remediation. Air Analytics follows currently established industrial hygiene & industry guidelines for the interpretation of microbial sampling, analysis, and remediation.

Air Analytics follows and abides by the Code of Ethics of the American Industrial Hygiene Association.

- Practice their profession following recognized scientific principles with the realization that the lives, health and well-being of people may depend upon their professional judgment and that they are obligated to protect the health and well-being of people.*
- Counsel affected parties factually regarding potential health risks and precautions necessary to avoid adverse health effects.*
- Keep confidential personal and business information obtained during the exercise of industrial hygiene activities, except when required by law or overriding health and safety considerations.*
- Avoid circumstances where a compromise of professional judgment or conflict of interest may arise.*
- Perform services only in the areas of their competence.*
- Act responsibly to uphold the integrity of the profession.*



APPENDIX A

INDOOR AIR QUALITY FIELD SURVEY FORMS LABORATORY RESULTS CHAIN OF CUSTODY



EMSL Analytical, Inc.

3303 PARKWAY CENTER COURT Orlando, FL 32808

Tel/Fax: (407) 599-5887 / (407) 599-9063

<http://www.EMSL.com> / orlandolab@emsl.com

EMSL Order: 342610732

Customer ID: AIRA52

Customer PO:

Project ID:

Attention: Edward Nuñez
Air Analytics, LLC, Winter Springs
207 West State Road 434
Winter Springs, FL 32708

Phone: (407) 760-3058
Fax: (407) 366-9895
Collected Date: 06/04/2026
Received Date: 06/04/2026 02:56 PM
Analyzed Date: 06/05/2026

Project: 26 - 10173 Former Bank Of America Mold Baseline Evaluation 3046 S Atlantic Ave, Daytona Beach, FL 32118

Test Report: Air-O-Cell(™) Analysis of Fungal Spores & Particulates by Optical Microscopy (Methods MICRO-SOP-201, ASTM D7391)

| Lab Sample Number: Client Sample ID: Volume (L): Sample Location: | 342610732-0001 4187 3437 75 | | | 342610732-0002 4187 3444 75 | | | 342610732-0003 4187 3695 75 | | |
|--|-----------------------------------|--------------|------------|-----------------------------------|-------------|------------|-----------------------------------|--------------|------------|
| | Mid Lobby Baseline | | | Teller Area Baseline | | | Large Office Baseline | | |
| Spore Types | Raw Count† | Count/m³ | % of Total | Raw Count† | Count/m³ | % of Total | Raw Count† | Count/m³ | % of Total |
| Alternaria (Ulocladium) | - | - | - | - | - | - | - | - | - |
| Ascospores | 2 | 90 | 0.7 | - | - | - | 1 | 40 | 0.2 |
| Aspergillus/Penicillium++ | 101(278) | 12100 | 94.3 | 101(185) | 8070 | 97.8 | 112(411) | 17900 | 98.1 |
| Basidiospores | 1 | 40 | 0.3 | 2 | 90 | 1.1 | 4 | 200 | 1.1 |
| Bipolaris++ | - | - | - | - | - | - | - | - | - |
| Chaetomium++ | - | - | - | - | - | - | - | - | - |
| Cladosporium | 9 | 400 | 3.1 | 1 | 40 | 0.5 | 2 | 90 | 0.5 |
| Curvularia | - | - | - | 1 | 10* | 0.1 | - | - | - |
| Epicoccum | - | - | - | - | - | - | - | - | - |
| Fusarium++ | - | - | - | - | - | - | - | - | - |
| Ganoderma | - | - | - | - | - | - | 1 | 10* | 0.1 |
| Myxomycetes++ | - | - | - | 1 | 40 | 0.5 | 1 | 10* | 0.1 |
| Pithomyces++ | - | - | - | - | - | - | - | - | - |
| Rust | - | - | - | - | - | - | - | - | - |
| Scopulariopsis/Microascus | - | - | - | - | - | - | - | - | - |
| Stachybotrys/Memnoniella | - | - | - | - | - | - | - | - | - |
| Unidentifiable Spores | - | - | - | - | - | - | - | - | - |
| Zygomycetes | - | - | - | - | - | - | - | - | - |
| Yeast-like | 4 | 200 | 1.6 | - | - | - | - | - | - |
| Total Fungi | 294 | 12830 | 100 | 190 | 8250 | 100 | 420 | 18250 | 100 |
| Hyphal Fragment | 4 | 200 | - | - | - | - | 2 | 90 | - |
| Insect Fragment | 4 | 200 | - | 2 | 90 | - | 4 | 200 | - |
| Pollen | - | - | - | - | - | - | - | - | - |
| Analyt. Sensitivity 600x | - | 44 | - | - | 44 | - | - | 44 | - |
| Analyt. Sensitivity 300x | - | 13* | - | - | 13* | - | - | 13* | - |
| Skin Fragments (1-4) | - | 1 | - | - | 1 | - | - | 1 | - |
| Fibrous Particulate (1-4) | - | 2 | - | - | 1 | - | - | 1 | - |
| Background (1-5) | - | 2 | - | - | 2 | - | - | 1 | - |

† Due to method stopping rules, extrapolated raw counts are reported in parenthesis.

++ Includes other spores with similar morphology; see EMSL's fungal glossary for each specific category.

Yessica Martinez Seeman, Florida Microbiology Regional Manager
or other Approved Signatory

No discernable field blank was submitted with this group of samples.

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Samples analyzed by EMSL Analytical, Inc. Orlando, FL AIHA LAP, LLC-EMLAP Accredited #163563

Initial report from: 06/05/2026 02:12 PM

For information on the fungi listed in this report, please visit the Resources section at www.emsl.com



EMSL Analytical, Inc.

3303 PARKWAY CENTER COURT Orlando, FL 32808

Tel/Fax: (407) 599-5887 / (407) 599-9063

<http://www.EMSL.com> / orlandolab@emsl.com

EMSL Order: 342610732

Customer ID: AIRA52

Customer PO:

Project ID:

Attention: Edward Nuñez
Air Analytics, LLC, Winter Springs
207 West State Road 434
Winter Springs, FL 32708

Phone: (407) 760-3058

Fax: (407) 366-9895

Collected Date: 06/04/2026

Received Date: 06/04/2026 02:56 PM

Analyzed Date: 06/05/2026

Project: 26 - 10173 Former Bank Of America Mold Baseline Evaluation 3046 S Atlantic Ave, Daytona Beach, FL 32118

Test Report: Air-O-Cell(™) Analysis of Fungal Spores & Particulates by Optical Microscopy (Methods MICRO-SOP-201, ASTM D7391)

| Lab Sample Number: Client Sample ID: Volume (L): Sample Location: | 342610732-0004 4187 3426 75 | | | 342610732-0005 4187 3427 75 | | | | | |
|--|-----------------------------------|-------------|------------|-----------------------------------|------------|------------|---|---|---|
| | Break Room Baseline | | | Outdoors, Rear Of Bank | | | | | |
| Spore Types | Raw Count† | Count/m³ | % of Total | Raw Count† | Count/m³ | % of Total | | | |
| Alternaria (Ulocladium) | - | - | - | - | - | - | - | - | - |
| Ascospores | 7 | 300 | 5.1 | 5 | 200 | 26.3 | - | - | - |
| Aspergillus/Penicillium++ | 105(116) | 5060 | 86.2 | - | - | - | - | - | - |
| Basidiospores | 7 | 300 | 5.1 | 12 | 520 | 68.4 | - | - | - |
| Bipolaris++ | - | - | - | - | - | - | - | - | - |
| Chaetomium++ | - | - | - | - | - | - | - | - | - |
| Cladosporium | 4 | 200 | 3.4 | 1 | 40 | 5.3 | - | - | - |
| Curvularia | - | - | - | - | - | - | - | - | - |
| Epicoccum | - | - | - | - | - | - | - | - | - |
| Fusarium++ | - | - | - | - | - | - | - | - | - |
| Ganoderma | - | - | - | - | - | - | - | - | - |
| Myxomycetes++ | - | - | - | - | - | - | - | - | - |
| Pithomyces++ | 1 | 10* | 0.2 | - | - | - | - | - | - |
| Rust | - | - | - | - | - | - | - | - | - |
| Scopulariopsis/Microascus | - | - | - | - | - | - | - | - | - |
| Stachybotrys/Memnoniella | - | - | - | - | - | - | - | - | - |
| Unidentifiable Spores | - | - | - | - | - | - | - | - | - |
| Zygomycetes | - | - | - | - | - | - | - | - | - |
| Yeast-like | - | - | - | - | - | - | - | - | - |
| Total Fungi | 135 | 5870 | 100 | 18 | 760 | 100 | - | - | - |
| Hyphal Fragment | 1 | 40 | - | 1 | 40 | - | - | - | - |
| Insect Fragment | 2 | 90 | - | - | - | - | - | - | - |
| Pollen | - | - | - | - | - | - | - | - | - |
| Analyt. Sensitivity 600x | - | 44 | - | - | 44 | - | - | - | - |
| Analyt. Sensitivity 300x | - | 13* | - | - | 13* | - | - | - | - |
| Skin Fragments (1-4) | - | 2 | - | - | 1 | - | - | - | - |
| Fibrous Particulate (1-4) | - | 1 | - | - | 1 | - | - | - | - |
| Background (1-5) | - | 2 | - | - | 1 | - | - | - | - |

† Due to method stopping rules, extrapolated raw counts are reported in parenthesis.

++ Includes other spores with similar morphology; see EMSL's fungal glossary for each specific category.

Yessica Martinez Seeman, Florida Microbiology Regional Manager
or other Approved Signatory

No discernable field blank was submitted with this group of samples.

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Samples analyzed by EMSL Analytical, Inc. Orlando, FL AIHA LAP, LLC-EMLAP Accredited #163563

Initial report from: 06/05/2026 02:12 PM

For information on the fungi listed in this report, please visit the Resources section at www.emsl.com



EMSL Analytical, Inc.

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Tel/Fax: (407) 599-5887 / (407) 599-9063

http://www.EMSL.com / orlandolab@emsl.com

EMSL Order: 342610732

Customer ID: AIRA52

Customer PO:

Project ID:

Attention: Edward Nuñez
Air Analytics, LLC, Winter Springs
207 West State Road 434
Winter Springs, FL 32708

Phone: (407) 359-1974

Fax: (407) 366-9895

Collected Date: 06/04/2026

Received Date: 06/04/2026

Analyzed Date: 06/05/2026

Project: 26 - 10173 Former Bank Of America Mold Baseline Evaluation 3046 S Atlantic Ave, Daytona Beach, FL 32118

Test Report: Microscopic Examination of Fungal Spores, Fungal Structures, Hyphae, and Other Particulates from Tape Samples (EMSL Method MICRO-SOP-200)

| Lab Sample Number: Client Sample ID: Sample Location: | 342610732-0006 Tape - 1 Lobby Area, Moldy Desk | 342610732-0007 Tape - 2 HVAC Closet Door | | | |
|---|--|--|--|--|--|
| Spore Types | Category | Category | | | |
| Alternaria (Ulocladium) | - | - | | | |
| Ascospores | - | - | | | |
| Aspergillus/Penicillium++ | - | High | | | |
| Basidiospores | - | Rare | | | |
| Bipolaris++ | - | - | | | |
| Chaetomium++ | - | - | | | |
| Cladosporium | - | - | | | |
| Curvularia | - | - | | | |
| Epicoccum | - | - | | | |
| Fusarium++ | - | - | | | |
| Ganoderma | - | - | | | |
| Myxomycetes++ | - | Rare | | | |
| Pithomyces++ | - | - | | | |
| Rust | - | - | | | |
| Scopulariopsis/Microascus | - | - | | | |
| Stachybotrys/Memnoniella | - | - | | | |
| Unidentifiable Spores | - | - | | | |
| Zygomycetes | - | - | | | |
| Aspergillus | *High* | - | | | |
| Hyphal Fragment | - | Low | | | |
| Insect Fragment | - | Rare | | | |
| Pollen | - | - | | | |
| Fibrous Particulate | - | - | | | |

Category: Count/per area analyzed - Rare: 1 to 10 Low: 11 to 100 Medium: 101 to 1000 High: >1000

- Denotes Not Detected.

++ Includes other spores with similar morphology; see EMSL's fungal glossary for each specific category.

* = Sample contains fruiting structures and/or hyphae associated with the spores.

Jessica Martinez Seeman, Florida Microbiology
Regional Manager
or other Approved Signatory

No discernable field blank was submitted with this group of samples.

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Samples analyzed by EMSL Analytical, Inc. Orlando, FL AIHA LAP, LLC-EMLAP Accredited #163563

Initial report from: 06/05/2026 02:12 PM

For information on the fungi listed in this report, please visit the Resources section at www.emsl.com

Test Report DEVER1-2.9.0 Printed 06/05/2026 02:12 PM

#342610732

Air Sampling Data Sheet & Chain Of Custody Form

AIR ANALYTICS



| | | |
|--|-------------------------|--|
| Date June 4, 2026 | Project No. 26-10173 | I.H. Edward A. Nuñez, CIH, MRSA111 |
| Project Name Former Bank of America Mold Baseline Evaluation | | Client City of Daytona Beach Shores |
| Project Location 3046 S Atlantic Ave, Daytona Beach, FL 32118 | | Contact Edward A. Nuñez, CIH, MRSA111 |
| | | Contact Phone 407-760-3058 |

Sampling Data

| Sample No. | Location / EE Name | Volume | Analysis Type/Parameters/ |
|------------|------------------------------|----------|---------------------------|
| Lab No. | | (Liters) | |
| 4187 3437 | Mid Lobby Baseline | 75 | Fungi |
| Air-O-Cell | Collected at Breathing Level | | |
| 4187 3444 | Teller Area Baseline | 75 | |
| Air-O-Cell | Collected at Breathing Level | | |
| 4187 3695 | Large Office Baseline | 75 | |
| Air-O-Cell | Collected at Breathing Level | | |
| 4187 3426 | Break Room Baseline | 75 | |
| Air-O-Cell | Collected at Breathing Level | | |
| 4187 3427 | Outdoors, Rear of Bank | 75 | |

Notes

Turn Around Time = 24 Hours

Edward A. Nuñez

Edward A. Nuñez, CIH, MRSA111

| | | | | | |
|-----------------------------|-----------------------------|-------------------------|------------------------------|---------------|---------------|
| Samples Relinquished by | Date Relinquished 6/4/26 | Samples Received by | Date Received JUN 04 2026 | Sample Log-In | Sample Prep |
| Samples Relinquished by | Date Relinquished | Samples Received by | Date Received | Analyst | Analysis Date |

207 W. State Road 434, Suite B, Winter Springs, Florida, 32708 Tel. (407) 359-1974 www.airanalyticsllc.com

OrderID: 342610732

#342610732

Air Sampling Data Sheet & Chain Of Custody Form

AIR ANALYTICS



| | | |
|--|-------------------------|--|
| Date June 4, 2026 | Project No. 26-10173 | I.H. Edward A. Nuñez, CIH, MRSA111 |
| Project Name Former Bank of America Mold Baseline Evaluation | | Client City of Daytona Beach Shores |
| Project Location 3046 S Atlantic Ave, Daytona Beach, FL 32118 | | Contact Edward A. Nuñez, CIH, MRSA111 |
| | | Contact Phone 407-760-3058 |

Sampling Data

| Sample No. | Location / EE Name | Volume (Liters) | Analysis Type/Parameters/ |
|---------------|------------------------------|--------------------|---------------------------|
| Lab No. | | | |
| <i>Tape-1</i> | <i>Lobby Area Moldy Desk</i> | <i>75</i> | <i>Fungi</i> |
| Air-O-Cell | Collected at Breathing Level | | |
| <i>Tape-2</i> | <i>HVAC Closet Door</i> | <i>75</i> | <i>Fungi</i> |
| Air-O-Cell | Collected at Breathing Level | | |
| | | <i>75</i> | |
| Air-O-Cell | Collected at Breathing Level | | |
| | | <i>75</i> | |
| Air-O-Cell | Collected at Breathing Level | | |
| | | | |
| | | | |

Notes

Turn Around Time = 24 Hours

Edward A. Nuñez

Edward A. Nuñez, CIH, MRSA111

| | | | | | |
|---|------------------------------------|--------------------------------------|-------------------------------------|---------------|---------------|
| Samples Relinquished by <i>[Signature]</i> | Date Relinquished <i>6/4/26</i> | Samples Received by <i>U 1454</i> | Date Received JUN 04 2026 | Sample Log-In | Sample Prep |
| Samples Relinquished by | Date Relinquished | Samples Received by | Date Received | Analyst | Analysis Date |

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OrderID: 342610732



EMSL Analytical, Inc.

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| |
|------------------------------|
| EMSL Order: 342610699 |
| Customer ID: AIRA52 |
| Customer PO: |
| Project ID: |

| | |
|---|--|
| Attention: Edward Nuñez Air Analytics, LLC, Winter Springs 207 West State Road 434 Winter Springs, FL 32708 | Phone: (407) 760-3058 Fax: (407) 366-9895 Received Date: 06/04/2026 2:56 PM Analysis Date: 06/04/2026 - 06/05/2026 Collected Date: 06/04/2026 |
| Project: 26-10173, Former Bank of America Limited Asbestos Testing, 3046 S Atlantic Ave, Daytona Beach, FL 32118 | |

**Test Report: Asbestos Analysis of Bulk Materials via AHERA Method 40CFR 763 Subpart E
Appendix E supplemented with EPA 600/R-93/116 using Polarized Light Microscopy**

| Sample | Description | Appearance | Non-Asbestos | | Asbestos |
|--|-----------------------------------|-------------------------------------|--------------|--|---------------|
| | | | % Fibrous | % Non-Fibrous | % Type |
| BLK-1-Floor Tile <small>342610699-0001</small> | Break Room - 12"x12" VAT Brown | Brown Non-Fibrous Homogeneous | HA: A | 100% Non-fibrous (Other) | None Detected |
| BLK-1-Mastic <small>342610699-0001A</small> | Break Room - 12"x12" VAT Brown | Clear Non-Fibrous Homogeneous | HA: A | 100% Non-fibrous (Other) | None Detected |
| BLK-1-Leveler <small>342610699-0001B</small> | Break Room - 12"x12" VAT Brown | White Non-Fibrous Homogeneous | HA: A | 100% Non-fibrous (Other) | None Detected |
| BLK-2-Floor Tile <small>342610699-0002</small> | Mech Room - 12"x12" VAT beige | Beige Non-Fibrous Homogeneous | HA: B | 100% Non-fibrous (Other) | None Detected |
| BLK-2-Mastic <small>342610699-0002A</small> | Mech Room - 12"x12" VAT beige | Black Non-Fibrous Homogeneous | HA: B | 2% Cellulose 98% Non-fibrous (Other) | None Detected |
| BLK-3-Vinyl Sheet Flooring <small>342610699-0003</small> | Tan Linoleum | Tan Non-Fibrous Homogeneous | HA: C | 20% Cellulose 80% Non-fibrous (Other) | None Detected |
| BLK-3-Mastic <small>342610699-0003A</small> | Tan Linoleum | Tan Non-Fibrous Homogeneous | HA: C | 100% Non-fibrous (Other) | None Detected |

Analyst(s)

Jason Stuhr (7)



Laura Vera, Asbestos Supervisor
or Other Approved Signatory

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Samples analyzed by EMSL Analytical, Inc. Orlando, FL NVLAP Lab Code 101151-0

Initial report from: 06/05/2026 12:21:15

Asbestos Building Survey Form

1 AT 24 hrs. 342610699
Air Analytics



OrderID: 342610699

| | | |
|---|---|----------------------------------|
| Project Name Former Bank of America Limited Asbestos Testing | | Date June 4, 2026 |
| Project Location 3046 S Atlantic Ave, Daytona Beach, FL 32118 | | AA Project No. 26-10173 |
| Client City of Daytona Beach Shores | | IH Surveyor Edward A. Núñez, LAC |
| Contact Tom Brown | Contact Phone Cell Number: 386-527-2704 | Fax No. |

Building Data

| Building Name: | | | | Building Use | | No. of Floors | Floor Area | Total Bldg. Area | Date Built/Age |
|---------------------|------------------|--------------------|--------------------|--------------------|------------------|--------------------|--------------|------------------|----------------|
| Structural: | Fireproofing | Steel Columns | Concrete-poured | Block | Preformed | Wrapped with: | Wood | Gypsum Board | Concrete |
| HVAC System: | Rooftop | Central Chiller | Boiler | Cooling Tower | Gas | Electric heat | Metal Duct | FG Flexduct | Insulation |
| Ceilings: | Textured/Popcorn | 1'x1' Ceiling Tile | 2'x2' Ceiling Tile | 2'x4' Ceiling Tile | Fissured | Hard Plaster | Gypsum Board | Other | |
| Walls: | Gypsum Board | Plaster | Concrete/Block | Wood | Metal stud | Partition Panel | Transite | Other | |
| Floors: | Concrete Slab | Crawlspace | Plywood | Carpet | 9'x9" Floor Tile | 12'x12" Floor Tile | Sheet Vynil | Other | |

Survey Data

| Sample# | Sample Description & Location | HSA | Quantity | Condition | Friable | Pot.Dist. |
|---------|--------------------------------|-----|----------|-----------|---------|-----------|
| BLK-1 | 12"x12" VAT Brown - Break Room | A | | Good | N | High |
| BLK-2 | 12"x12" VAT Beige - Mech Room | B | | Good | N | High |
| BLK-3 | Tan Linoleum | C | | Good | N | High |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

| | | | | | |
|-------------------------|--------------------------|----------------------------|---------------------------|---------------|---------------|
| Samples Relinquished By | Date Relinquished 6/4/26 | Samples Received By N 1456 | Date Received JUN 04 2026 | Sample Log-In | Sample Prep |
| Samples Relinquished By | Date Relinquished | Samples Received By | Date Received | Analyst | Analysis Date |

Page 1 OF 1

Indoor Air Quality Field Survey Form

Air Analytics, LLC



| | | |
|---|---------------------------------|-------------------------------|
| Project Name Former Bank of America Mold Baseline Evaluation | | Date June 4, 2026 |
| Project Location 3046 S Atlantic Ave, Daytona Beach, FL 32118 | | AA Project No. 26-10173 |
| Client City of Daytona Beach Shores | | I.H. Edward A. Nuñez, MRSA111 |
| Contact Tom Brown | Contact Phone Cell 386-527-2704 | Contact Ed 407-760-3058 |

Building Data

| | | | | | |
|---------------|--------------|---------------|------------|------------------|------------------|
| Building Name | Building Use | No. of Floors | Floor Area | Total Bldg. Area | Date Built / Age |
|---------------|--------------|---------------|------------|------------------|------------------|

Background Data

| Outside/Background Parameters | Temp. (°F) | RH. (%) | DP (°F) | VOCs | CH ₂ O | CO ₂ | CO (ppm) | Dust | Bioaerosols |
|-------------------------------|------------|---------|---------|------|-------------------|-----------------|----------|------|-------------|
| Former Bank | 82.2 | 56.1 | 65.5 | 0.18 | 0.00 | 410 | 2 | — | 4187 3427 |
| Comments: | | | | | | | | | |

Survey Data

| Inside Parameters | Temp. (°F) | Rel. Hum. (%) | Dew Point (°F) | Water Damage/Condensation | Surface Moisture | CO ₂ (ppm) | Mold | Bioaerosols |
|--------------------|------------|---------------|----------------|---------------------------|------------------|-----------------------|--------------------|-------------|
| Mid Lobby | 79.2 | 67.7 | 67.6 | yes | >22% | 464 | Over most surfaces | 4187 3437 |
| Moldy Mesas | | | | | | | | Tape-1 |
| Teller Area | 81.3 | 65.3 | 68.5 | yes | >22% | 453 | Teller Mesas | 4187 3444 |
| HVAC Close to Door | | | | | | | | Tape-2 |
| Large Office | 81.6 | 65.5 | 68.6 | No | | | | 4187 3675 |
| Break Room | 82.9 | 59.5 | 67.5 | yes | | 456 | Mold on cabinets | 4187 3426 |



APPENDIX B

PHOTOGRAPHIC DOCUMENTATION INFRARED THERMOGRAMS



Photo #1; Former Bank of America Front View - 2990 S. Atlantic Avenue, Daytona Beach Shores, FL

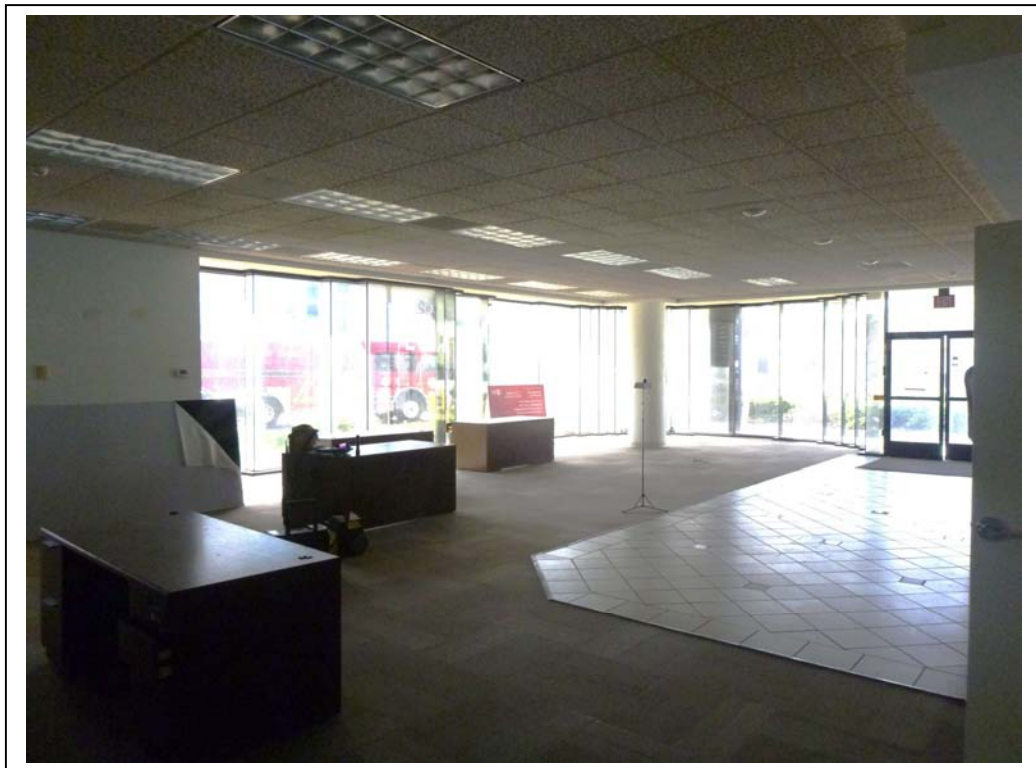


Photo #2; Former Bank of America Main Lobby View
207 W. State Road 434, Suite B, Winter Springs, Florida, 32708
Tel. (407) 359-1974 www.airanalyticsllc.com



Photo #3; Former Bank of America Main Lobby - Bioaerosols Sampling View



Photo #4; Former Bank of America Main Lobby - Physical Measurements View

207 W. State Road 434, Suite B, Winter Springs, Florida, 32708
Tel. (407) 359-1974 www.airanalyticsllc.com



Photo #5; Tellers Area - Bioaerosols Sampling View



Photo #6; Tellers Area - Physical Measurements View

207 W. State Road 434, Suite B, Winter Springs, Florida, 32708
Tel. (407) 359-1974 www.airanalyticsllc.com



Photo #7; Representative Moldy Desk In Main Lobby View



Photo #8; Private Room #1 - Lower Desk Panel (Wet) Surface Moisture Measurement View



Photo #9; Representative Moldy Desk In Main Lobby View



Photo #10; Moldy Vault Door View



Photo #11; Large Office - Bioaerosols Sampling View



Photo #12; Tellers Desk Side Panel - Moldy Surface View



Photo #13; Dusty/Moldy Supply Air Diffuser View



Photo #14; Moldy Desk – Tape Lift Surface Sampling View



Photo #15; Break Room – Moldy Counter Area View



Photo #16; Break Room – Moldy Cabinets View



Photo #19; Break Room - Physical Measurements View



Photo #20; Sample BLK-1 - 12"x12" VAT Brown Floor Tile View



Photo #21; Sample BLK-2 - 12"x12" VAT Beige Floor Tile View (HVAC Mechanical Room)

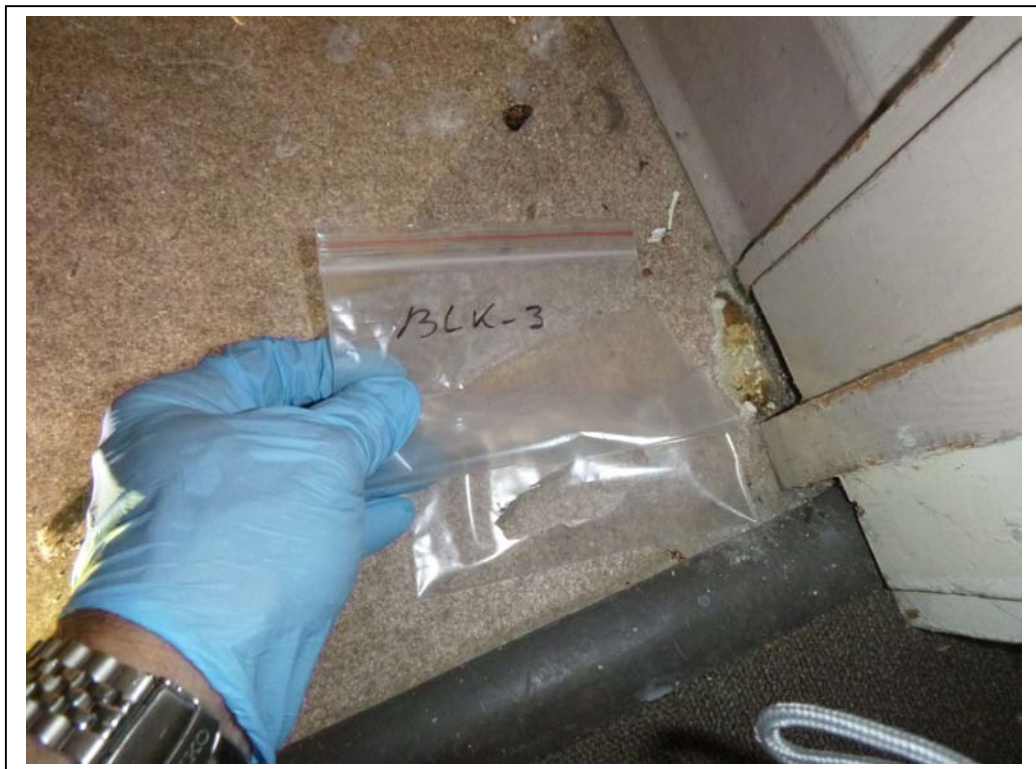


Photo #22; Sample BLK-3 - Tan Linoleum Flooring View (Sink Closet)



Photo #23; Outdoors, Rear of Facility - Bioaerosols Sampling View

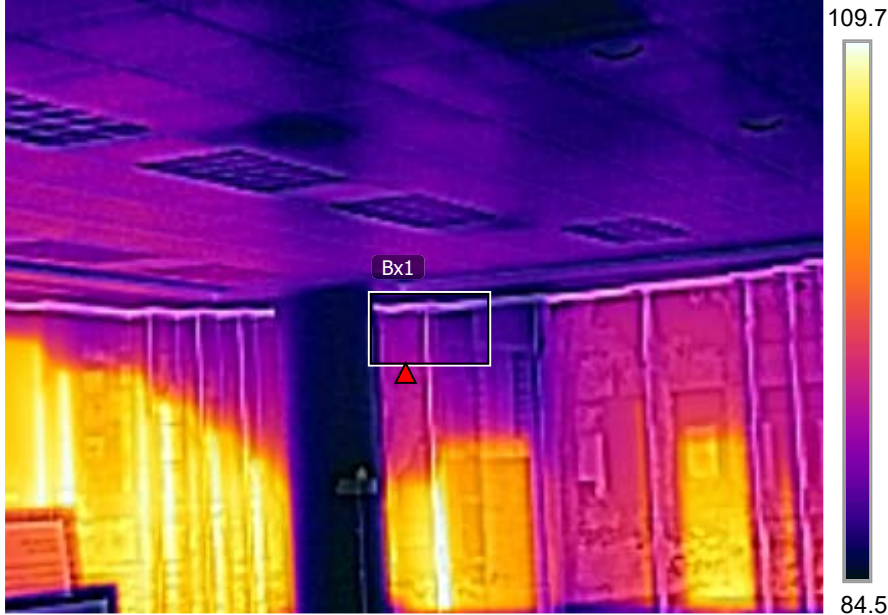


Photo #24; Outdoors, Rear of Facility - Physical Measurements View

207 W. State Road 434, Suite B, Winter Springs, Florida, 32708
Tel. (407) 359-1974 www.airanalyticsllc.com



6/4/2026 11:20:44 AM



Measurements

| | | |
|-----|-----|---------|
| Bx1 | Max | 88.3 °F |
|-----|-----|---------|

Parameters

| | |
|-------------|-------|
| Emissivity | 0.95 |
| Refl. temp. | 68 °F |

Note

Lobby

Infrared thermogram of the ceiling and glass walls in the main lobby area, showing no current damp areas, water infiltration, leaks, condensation or anomalies.

FLIR9228.jpg

FLIR E53

84504672

6/4/2026 11:20:44 AM



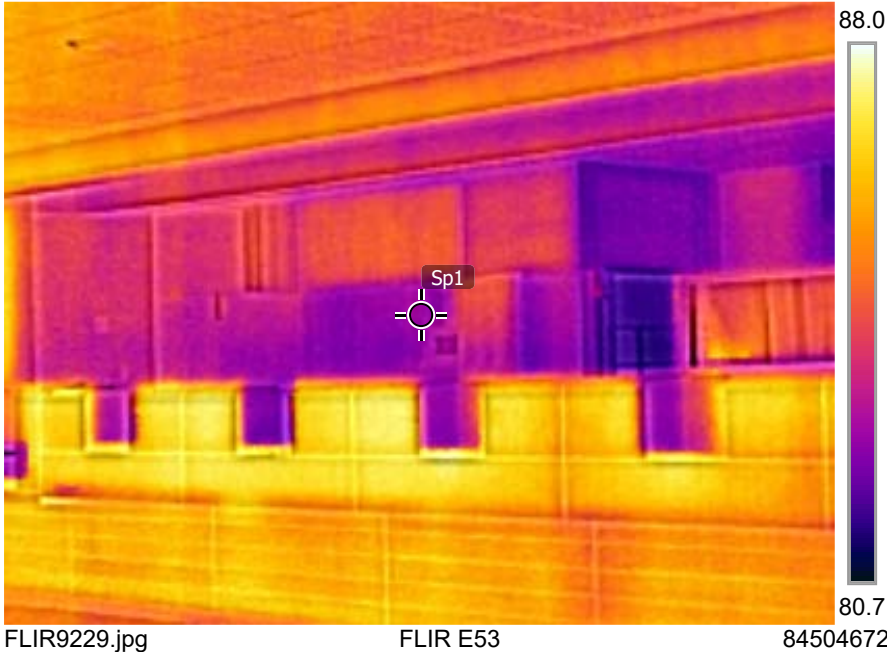
FLIR9228.jpg

FLIR E53

84504672



6/4/2026 11:23:18 AM



Measurements

| | |
|-----|---------|
| Sp1 | 84.0 °F |
|-----|---------|

Parameters

| | |
|-------------|-------|
| Emissivity | 0.95 |
| Refl. temp. | 68 °F |

Note

Teller area.

Infrared thermogram of the ceiling and walls in the tellers' area, showing no current damp areas, water infiltration, leaks, condensation or anomalies.

Moisture measurements were well below any actionable level.

FLIR9229.jpg

FLIR E53

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6/4/2026 11:23:18 AM



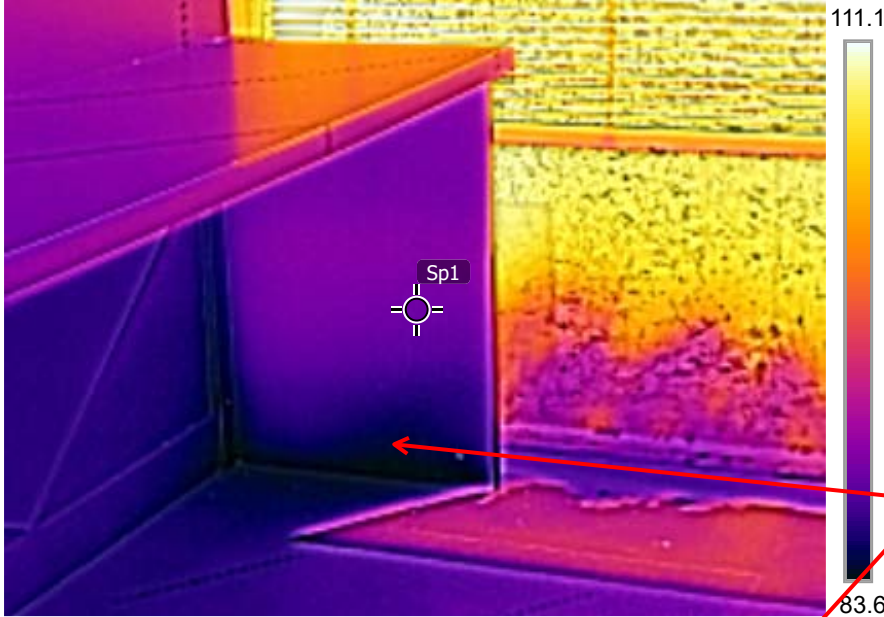
FLIR9229.jpg

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6/4/2026 11:25:55 AM



FLIR9230.jpg

FLIR E53

84504672

Measurements

| | |
|-----|---------|
| Sp1 | 87.1 °F |
|-----|---------|

Parameters

| | |
|-------------|-------|
| Emissivity | 0.95 |
| Refl. temp. | 68 °F |

Note

Private Room #1 damp desk.

Infrared thermogram of the damp lower desk panel in the private room #1, showing the extent of the water damage.

The dark area at the bottom of the desk is the result of the cool damp surface seen on the photo on the left. The carpet was also found to be damp.

The affected surfaces must be cut, removed, disposed. The surface underneath must be thoroughly decontaminated with an antimicrobial solution.

The underlying source of water infiltration must be corrected to prevent any further and future damage.

6/4/2026 11:25:55 AM



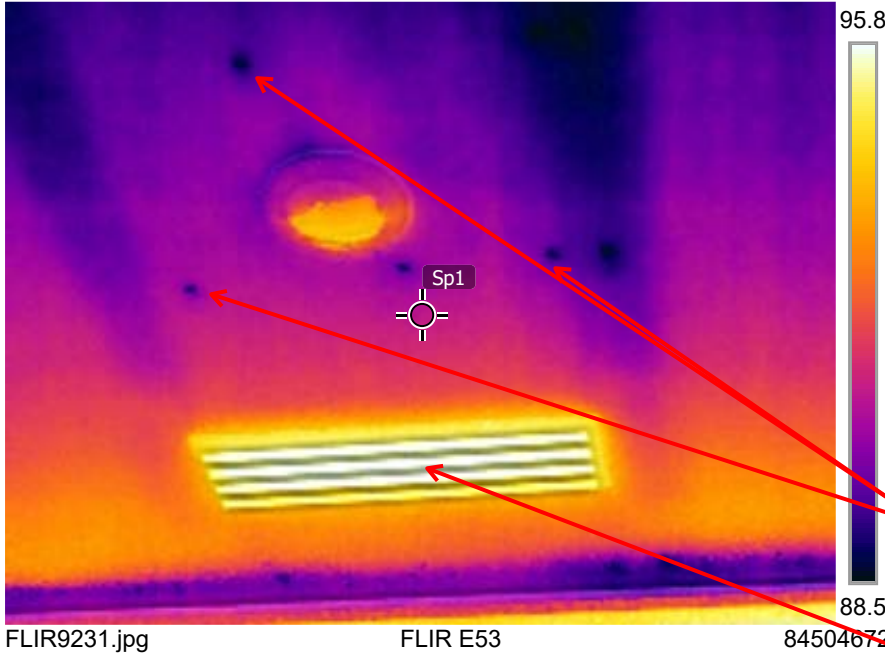
FLIR9230.jpg

FLIR E53

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6/4/2026 11:26:26 AM



FLIR9231.jpg

FLIR E53

84504672

Measurements

| | |
|-----|---------|
| Sp1 | 90.2 °F |
|-----|---------|

Parameters

| | |
|-------------|-------|
| Emissivity | 0.95 |
| Refl. temp. | 68 °F |

Note

Private room #1 ceiling.

Infrared thermogram of the ceiling in the Private room #1, showing no current damp areas, water infiltration, leaks, condensation or anomalies.

The dark dots on the ceiling are due to the drywall nails, which are cooler than the drywall surface.

The bright yellow ceiling area is due to the hot supply air diffuser, which is hot from the radiant roof heat in the air plenum.

Moisture measurements were well below any actionable level.

6/4/2026 11:26:26 AM



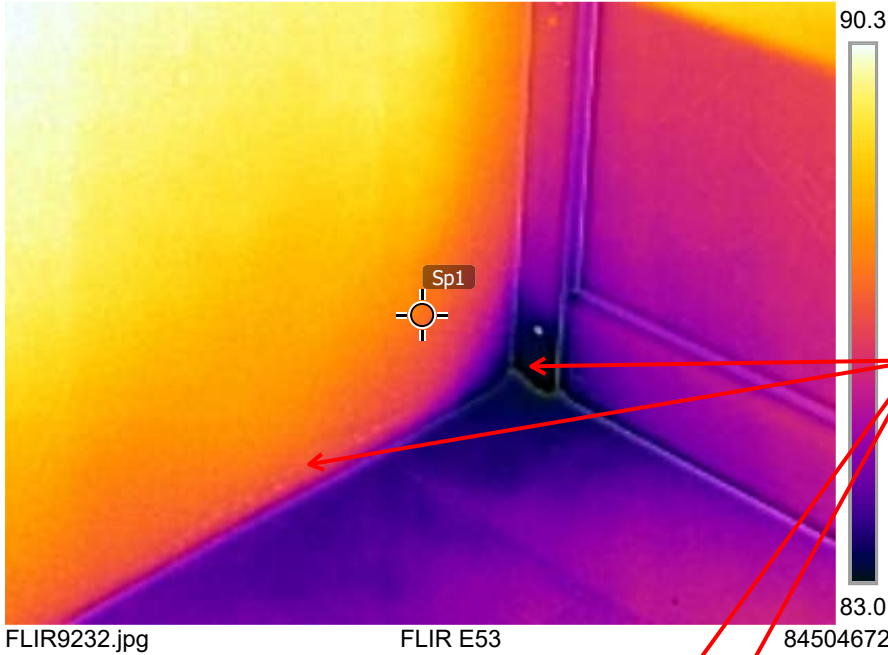
FLIR9231.jpg

FLIR E53

84504672



6/4/2026 11:27:04 AM



FLIR9232.jpg

FLIR E53

84504672

Measurements

| | |
|-----|---------|
| Sp1 | 87.4 °F |
|-----|---------|

Parameters

| | |
|-------------|-------|
| Emissivity | 0.95 |
| Refl. temp. | 68 °F |

Note

Private room 2 water-damaged desk.

Infrared thermogram of the damp lower desk panel in the private room #2, showing the extent of the water damaged desk.

The dark area at the bottom of the desk is the result of the cool damp surface seen on the photo on the left. The carpet was also found to be damp.

The affected surfaces must be cut, removed, disposed. The surface underneath must be thoroughly decontaminated with an antimicrobial solution.

The underlying source of water infiltration must be corrected to prevent any further and future damage.

6/4/2026 11:27:04 AM



FLIR9232.jpg

FLIR E53

84504672



6/4/2026 11:27:56 AM



Measurements

| | |
|-----|---------|
| Sp1 | 86.3 °F |
|-----|---------|

Parameters

| | |
|-------------|-------|
| Emissivity | 0.95 |
| Refl. temp. | 68 °F |

Note

Lobby vault.

Infrared thermogram of the ceiling and walls in the main lobby vault area, showing no current damp areas, water infiltration, leaks, condensation or anomalies.

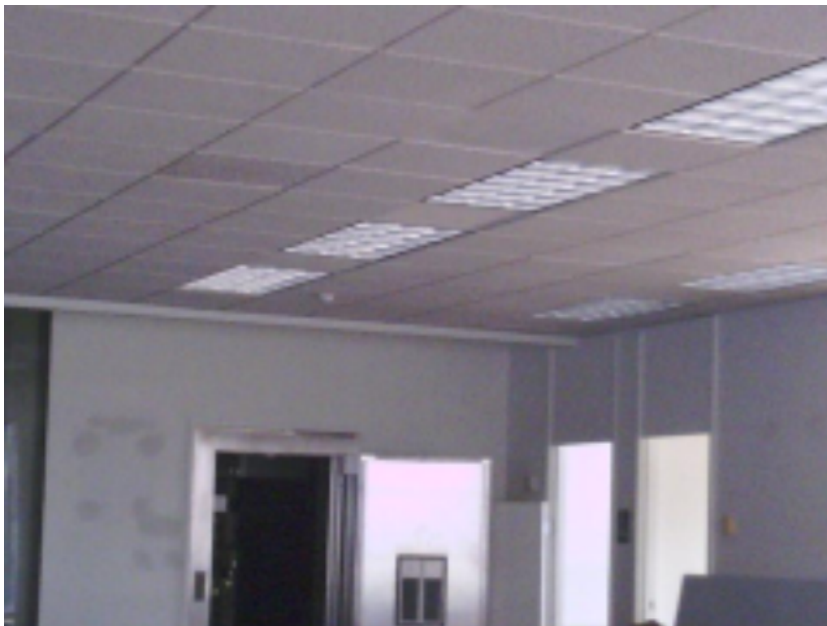
Nevertheless, the vault door was colonized with mold, even though is an inorganic surface. This is due to the high ambient moisture in the area.

FLIR9233.jpg

FLIR E53

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6/4/2026 11:27:56 AM



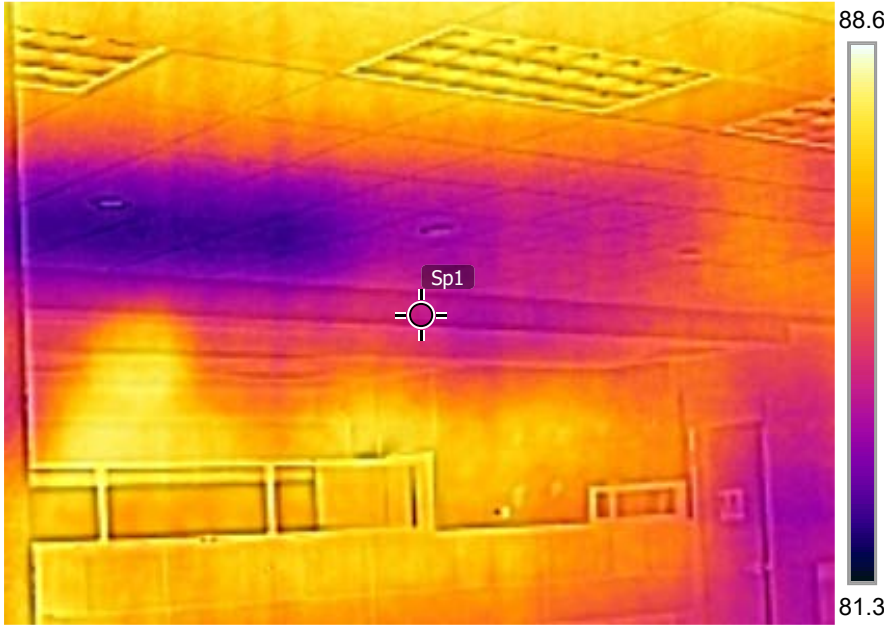
FLIR9233.jpg

FLIR E53

84504672



6/4/2026 11:29:30 AM



Measurements

| | |
|-----|---------|
| Sp1 | 85.0 °F |
|-----|---------|

Parameters

| | |
|-------------|-------|
| Emissivity | 0.95 |
| Refl. temp. | 68 °F |

Note

Lobby teller area.

Infrared thermogram of the ceiling and walls in the lobby tellers area, showing no current damp areas, water infiltration, leaks, condensation or anomalies.

FLIR9234.jpg

FLIR E53

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6/4/2026 11:29:30 AM



FLIR9234.jpg

FLIR E53

84504672



6/4/2026 11:34:16 AM



FLIR9235.jpg

FLIR E53

84504672

Measurements

| | |
|-----|---------|
| Sp1 | 84.5 °F |
|-----|---------|

Parameters

| | |
|-------------|-------|
| Emissivity | 0.95 |
| Refl. temp. | 68 °F |

Note

Moldy desk.

Infrared thermogram of the moldy desk in the main lobby area. Moisture measurements of the desk exceeded 20% WME. This excessive moisture, most likely from high ambient humidity, has diffused into the desks, leading to surface mold colonization.

Decontamination will be necessary. However, the cost may exceed replacement value. Owner should evaluate cost difference.

6/4/2026 11:34:16 AM



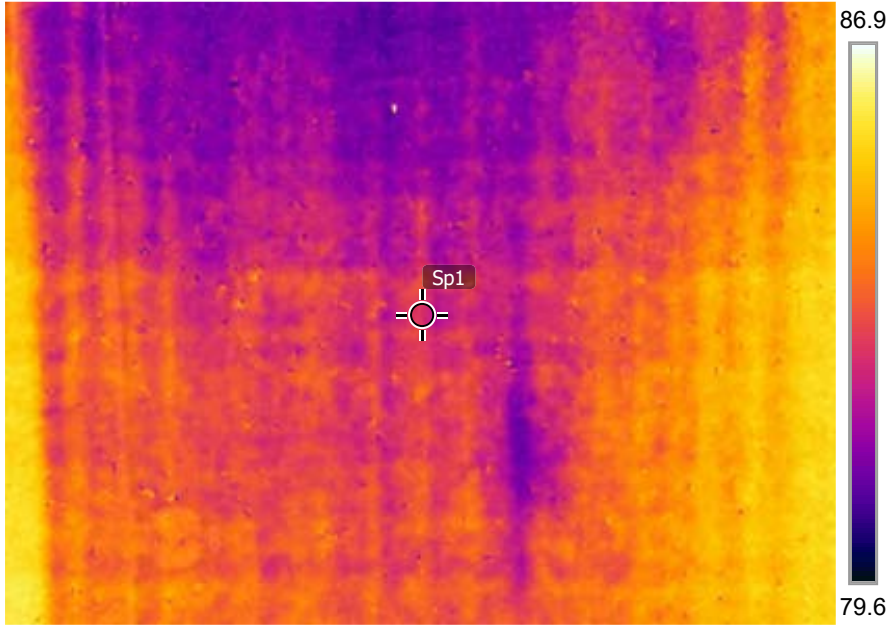
FLIR9235.jpg

FLIR E53

84504672



6/4/2026 11:46:59 AM



Measurements

| | |
|-----|---------|
| Sp1 | 83.2 °F |
|-----|---------|

Parameters

| | |
|-------------|-------|
| Emissivity | 0.95 |
| Refl. temp. | 68 °F |

Note

Lobby large office.

Infrared thermogram of the back wall in the Lobby large office, showing no current damp areas, water infiltration, leaks, or condensation.

Moisture measurements were well below any actionable level.

FLIR9236.jpg

FLIR E53

84504672

6/4/2026 11:46:59 AM



FLIR9236.jpg

FLIR E53

84504672



6/4/2026 11:50:16 AM



Measurements

| | |
|-----|---------|
| Sp1 | 83.9 °F |
|-----|---------|

Parameters

| | |
|-------------|-------|
| Emissivity | 0.95 |
| Refl. temp. | 68 °F |

Note

Bathroom #1

Infrared thermogram of the back walls in the bathroom #1, showing no current damp areas, water infiltration, leaks, condensation or anomalies.

Moisture measurements were well below any actionable level.

FLIR9238.jpg

FLIR E53

84504672

6/4/2026 11:50:16 AM



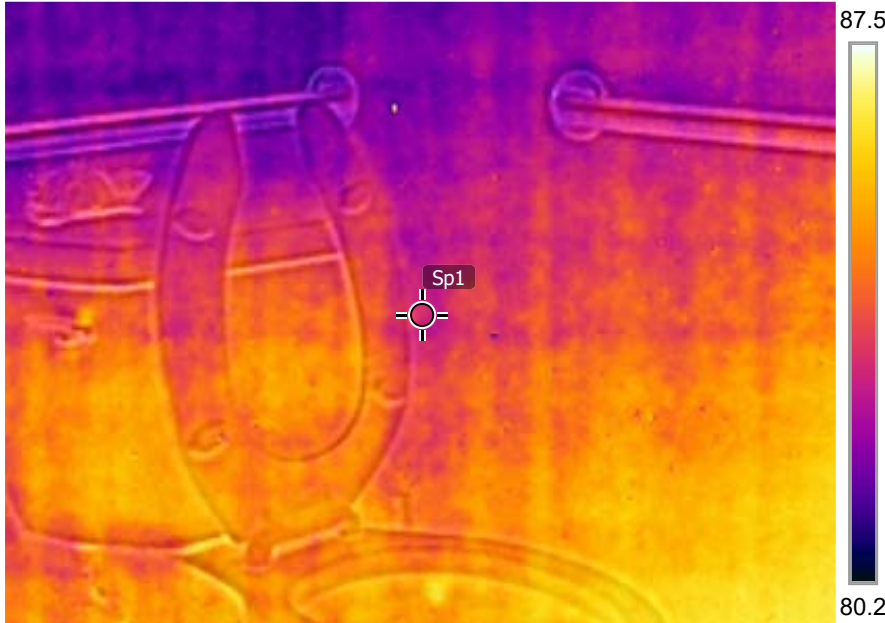
FLIR9238.jpg

FLIR E53

84504672



6/4/2026 11:48:01 AM



Measurements

| | |
|-----|---------|
| Sp1 | 83.6 °F |
|-----|---------|

Parameters

| | |
|-------------|-------|
| Emissivity | 0.95 |
| Refl. temp. | 68 °F |

Note

Bathroom #2

Infrared thermogram of the back walls in the bathroom #2, showing no current damp areas, water infiltration, leaks, condensation or anomalies.

Moisture measurements were well below any actionable level.

FLIR9237.jpg

FLIR E53

84504672

6/4/2026 11:48:01 AM



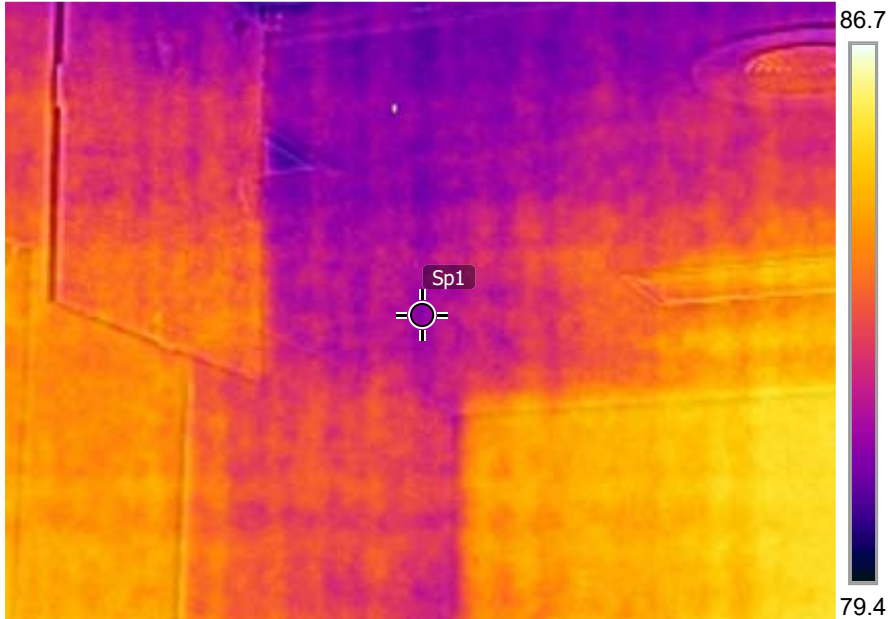
FLIR9237.jpg

FLIR E53

84504672



6/4/2026 11:53:09 AM



Measurements

| | |
|-----|---------|
| Sp1 | 82.8 °F |
|-----|---------|

Parameters

| | |
|-------------|-------|
| Emissivity | 0.95 |
| Refl. temp. | 68 °F |

Note

Break room.

Infrared thermogram of the ceiling and walls in the break room, showing no current damp areas, water infiltration, leaks, condensation or anomalies.

Moisture measurements were well below any actionable level.

FLIR9239.jpg

FLIR E53

84504672

6/4/2026 11:53:09 AM



FLIR9239.jpg

FLIR E53

84504672



City of Daytona Beach Shores
Community Services Department
2990 South Atlantic Avenue
Daytona Beach Shores, FL 32118
Telephone (386) 763-5377

TO: Michael Fowler, City Manager

FROM: Stewart Cruz, Community Services Director

CC: Lory Irwin, Finance Director

DATE: June 12, 2026

SUBJECT: Physical, Environmental & Land Use Real Estate Due Diligence Summary
3046 S. Atlantic Avenue, Formerly Bank of America

A. BACKGROUND

On May 18, 2026, the City Manager directed the Community Services Director to initiate a Physical, Environmental and Land Use Due Diligence for the potential purchase of the real property located at 3046 S. Atlantic Avenue.

Methodology

The due diligence reports were generated by experts in their respective fields utilizing accepted industry standards.

Physical, Environmental & Land Use Reports

The general categories evaluated as part of the subject due diligence process include the following:

1. ADA & Accessibility
2. Building Code & Life Safety
3. Environmental
4. FEMA & Floodplain
5. Structural & Building
6. Utilities & Infrastructure
7. Zoning & Land Use

B. SUMMARY RESULTS

Exhibit A provides a due diligence summary table of results. The complete due diligence reports are available at the City's SharePoint Director's Drive under "3046 S. Atlantic Avenue Due Diligence" folder. The results of the due diligence performed indicate concerns in the Building Code & Life Safety, Structural & Building, Environmental and Utilities and Infrastructure categories as follows:

1. Building Inspection A (Third Party):

- a. **Canopy:** The drive-through canopy framing is damaged. Ceiling work was performed without a permit.
- b. **Electrical:** Several light fixtures did not respond. Loose outlets, missing weatherproof covers and damage to exterior parking light fixtures observed. Unable to determine if parking lights were operable.
- c. **Heating & Cooling:** Unable to get any of the air systems to activate. Exterior condensing unit significantly rusted.
- d. **Plumbing:** Water was not available to the building at the time of inspection.
- e. **Roof:** Coverings are old and likely near the end of their useful life. Parapet wall metal cap significantly rusted/deteriorated which may lead to water intrusion.
- f. **Stormwater/Drainage:** Storm drains filled with water, suggesting blockage and potential for localized flooding.
- g. **Windows:** Exterior window trim and seals damaged/failing, which may lead to water intrusion.
- h. **Recommendation:** Further exploration by trade experts.

2. Building Inspection:

- a. **Building:** Water closets will need service or replacement.
- b. **Electrical:** Exposed wiring and rusted electrical pipes observed.
- c. **HVAC:** Not operable.
- d. **Potable water:** Water was not available to the building. Backflow preventer requires recertification.
- e. **Roof:** System has exceed its useful life expectancy.
- f. **Roof vents:** Vents are only two inches above roof deck and do not meet code.
- g. **Safety:** Multiple building/life safety elements not functioning or absent.
- h. **Sewer/Septic:** Building is on septic, which could not be inspected.

3. Fire Safety Inspection:

- a. No internal emergency lighting present.
- b. One missing exit sign and others are not functional.
- c. Exposed/open wiring inside building, on roof top and parking lot light poles.

d. Lack of proper panic hardware for means of egress, etc.

4. HVAC Inspection:

- a. Unable to get any of the air systems to activate therefore the status of the overall system is unknown.
- b. Exterior condensing unit significantly rusted and will need replacement.
- c. Recommendation: Reevaluation after system is up and running.

5. Mold Inspection:

- a. Allergenic mold and water damaged drywall and cabinet surfaces were identified.
- b. Surface moisture measurements of the affected members were found to be elevated and above acceptable standards.
- c. Thermal imaging identified some moisture affected surfaces and possible water infiltration across perimeter glass windows.
- d. Recommendation: (1) Corrective steps must be taken to sanitize/decontaminate the affected areas/surfaces and reduce any future amplification potential of this and any other fungi. (2) The underlying cause of water accumulation must be rectified, or fungal growth will occur/re-occur.

6. Septic Inspection: Septic contractors were unable to perform an inspection during the timeframe allotted. However, city sewer staff were able to TV the sewer line from the building to the septic system and expose the septic tank. The lids from the septic tank could not be removed for inspection without potentially damaging the structure.

7. Stormwater Inspection: Stormwater inlets filled with debris and water on a dry day, hence, this could cause localized flooding and result in roof runoff being transported to septic system and cause failure.

C. Due Diligence Costs

Excluding city staff time and materials, the following costs associated with the subject due diligence, plus an appraisal update, are summarized in the table below.

| DUE DILIGENCE COSTS | |
|----------------------------------|-----------------|
| Appraisal | \$2,500 |
| Asbestos Inspection | \$3,900 |
| Building Inspection | \$967 |
| Mold Inspection | \$2,500 |
| Phase 1 Environmental Assessment | \$2,500 |
| Total | \$12,367 |

D. ESTIMATED MAJOR REPAIR COSTS

With the information available currently, and as seen below, estimated repair costs of the major systems of concerns could range from \$200,000 to \$300,000.

- Drive-thru canopy stucco repair: \$26,600
- HVAC Repair: Minimum \$7,000 – Maximum \$100,000 (subject to variables)
- Roof Repair: \$175,000

The above estimation does not include the repair of other components of concern nor the buildout of a future use.

E. BUILDING DEMOLITION COST

A building only demolition by Samsula Demolition was quoted at \$25,745 on June 5, 2026. This includes the demolition of building, vault and slab removal, leveling the existing ground and hydroseeding footprint of the removed building.

F. CONCLUSION

Considering the vision of the Daytona Beach Shores Parks Master Plan and the natural adjacency and centralized location of the 3046 S. Atlantic Avenue property, the acquisition of the subject property is critical to the future strategic development of the City. If acquired, consideration should be given the issues revealed during the due diligence period and the estimated repair costs.

EXHIBIT A

| BOA DUE DILIGENCE SUMMARY OF RESULTS | | | |
|---|-----------|--------|--|
| TITLE & OWNERSHIP | STATUS | RESULT | NOTE |
| Survey | Pending | ? | Owner will provide at closing. Unsigned and unsealed provided digitally. |
| Verify Boundaries & Setbacks | Completed | OK | See building official and zoning verification letters. |
| Verify Parking and ADA Compliance | Completed | X | Remodel or change in use will require ADA upgrades. See building official ADA assessment letter. |
| Identify Encroachments | Completed | X | Minor city walkway paver encroachment on south side of the property adjacent to Court of Flags |
| Cross Access Easement | Pending | ? | To be addressed via title search. |
| ENVIRONMENTAL DUE DILIGENCE | | | |
| Order Phase 1 ESA | Completed | OK | See ESA report. |
| Review Historical Site Uses | Completed | OK | See ESA report. |
| Check for underground storage tanks | NA | NA | ESA report did not recommend further investigation. |
| Complete asbestos survey | Completed | OK | See Asbestos report. |
| Complete mold assessment | Completed | X | Allergenic mold present. See Mold report. |
| Complete lead-based paint assessment | NA | NA | Building constructed in 1983 whilst lead based paint was outlawed in 1978. |
| STRUCTURAL & BUILDING CONDITION | | | |
| Inspect Roof | Completed | X | Canopy damaged and contains unpermitted work. Roof system exceeded useful life. See building inspection reports. |
| Inspect HVAC | Completed | X | System not operable. See the following reports: building inspection, building official and HVAC reports |
| Inspect Electrical Systems | Completed | OK | Minor issues. See building inspection, building official and city electrician reports. |
| Inspect Structural Systems | Completed | OK | See building inspection and building official reports. |
| Inspect Fire Suppression Systems | Completed | X | Several Issues. See building inspection and Public Safety reports. |
| Inspect Parking Lot | Completed | X | Parking lot holds water in some areas. See building inspection and building official reports. |
| Assess coastal construction exposure | Completed | X | Several rusted building components exist. See building inspection and building official reports. |
| Assess water intrusion risks | Completed | X | Evidence of water intrusion and future water intrusion exist. See mold, building inspection and building official reports. |
| ZONING & LAND USE | | | |
| Confirm zoning classification | Completed | OK | See zoning verification letter. |
| Confirm municipal use permitted | Completed | OK | See zoning verification letter. |
| Verify parking compliance | Completed | OK | See zoning verification letter. |
| Review Future Land Use Designation | Completed | OK | See zoning verification letter. |
| FEMA & FLOODPLAIN REVIEW | | | |
| Obtain FEMA flood zone determination | Completed | OK | See FEMA Flood Zone Determination Letter. |
| Obtain elevation certificate | NA | NA | NA. Property is not located in a SFHA |
| Review Flood Claim History | NA | NA | Request from owner, if available. |
| Evaluate sea level rise exposure | Completed | OK | In the year 2100, the property may be impacted by a Category 4 hurricane storm surge when sea level rise is applied per the NOAA 2100 Intermediate High Model. Currently, the same model predicts potential storm surge impact solely by a Category 5 storm surge. |
| Evaluate substantial improvement thresholds | NA | NA | NA. Property is not located in a SFHA |
| ADA & ACCESSIBILITY | | | |
| Review ADA parking compliance | Completed | X | Improvements required. See building official ADA assessment. |
| Review accessible routes | Completed | OK | See building official ADA assessment. |
| Review restroom compliance | Completed | X | Improvements required. See building official ADA assessment. |
| Review signage compliance | Completed | X | Improvements required. See building official ADA assessment. |
| BUILDING CODE & LIFE SAFETY | | | |
| Stop work order Issued | | X | Unpermitted canopy work conducted. Stop work order issued and owner contacted. See building official inspection report. |
| Inspect fire alarm system | | | |
| Inspect sprinkler system | NA | NA | No sprinkler system exists. |
| Review open permits | NA | NA | No open permits on record. |
| Identify code violations | Completed | X | Several life safety and building safety components are deficient/absent. See Fire Safety and building official inspection report. |
| UTILITIES & INFRASTRUCTURE | | | |
| Verify water service capacity | Completed | X | Water was not available to the building. See Fire Safety and building official inspection report. |
| Verify sewer service capacity | Completed | OK | Sewer connection does not exist, however, service is available if connection is desired. |
| Verify electrical service | Completed | X | Electrical service connection exists. However, several exposed electrical wires were observed. System not functioning. Catchments were filled with water and debris on a dry day. See building inspection report. |
| Review stormwater drainage | Completed | X | Inspection report. |
| Septic Inspection | Completed | X | Septic could not be inspected. |



**CITY COMMISSION AGENDA MEMORANDUM
JUNE 18, 2026 AGENDA**

TO: Honorable Mayor and Members of the City Commission

FROM: Lory Irwin, Finance Director

PREPARED BY: Lory Irwin, Finance Director

SUBJECT: Resolution 2026-07 Budget Amendment for the purchase of the property at 3046 South Atlantic for \$1,800,000

SYNOPSIS:

The city has desired the property at 3046 S. Atlantic Ave., Daytona Beach Shores, the old Bank of America, for many years. The property is located between Publix on the north, and current city property on the west and south side. McElroy park is located on the west side and Halifax Health, lessee to the city, on the south side.

The city has the ability to purchase the property for \$1.8 million.

If the commission approves the purchase of the property a budget amendment will need to be approved for the funding. The current budget appropriated funds for the improvement of the park at 2853 South Atlantic Ave. and the engineering costs for an EOC. These projects were withdrawn by commission at the February 3, 2026 and May 5, 2026 commission meetings. Staff would like to reallocate \$800,000 of this funding for the purchase of the Bank of America property along with \$1 million in reserves.

FISCAL IMPACT STATEMENT:

BACKGROUND:

LEGAL REVIEW:

RECOMMENDATION:

If commission approves the purchase of the property at 3046 South Atlantic Ave., Daytona Beach Shores, staff recommends the budget amendment as presented.

SUGGESTED MOTION:

Approved as presented.

ATTACHMENT: 1. Resolution 2026_07 Budget Amendment #5 FY 25_26

RESOLUTION 2026-07

A RESOLUTION OF THE CITY OF DAYTONA BEACH SHORES, VOLUSIA COUNTY, FLORIDA, AMENDING THE GENERAL FUND FY 2025-2026 BUDGET, APPROPRIATING \$1,000,000 FROM RESERVES AND REALLOCATING \$800,000 FROM APPROPRIATIONS FOR THE EMERGENCY OPERATIONS CENTER (EOC) AND THE PARK AT 2853 SOUTH ATLANTIC FOR THE PURCHASE OF THE BANK OF AMERICA PROPERTY AT 3046 SOUTH ATLANTIC AVE, PARCEL ID#532706030160 FOR \$1,800,000, PROVIDING FOR APPROPRIATIONS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Daytona Beach Shores, by Resolution 2025-17, adopted an operating budget for Fiscal Year 2025-26; and

WHEREAS, the City has found it desirable to amend the FY 2025-26 budget to include the purchase of the property at 3046 South Atlantic Ave., Daytona Beach Shores for \$1,800,000; and

WHEREAS, the City would like to reallocate funds from the current capital fund budget of \$448,650 for the improvements at 2853 South Atlantic that were tabled by commission at the May 5, 2026 meeting pending further resident and staff discussions, and

WHEREAS, the City would like to reallocate funds from the current capital fund budget of \$351,350 for the Emergency Operations Center (EOC) project that was withdrawn due to cost at the February 3, 2026 commission meeting, and

WHEREAS, a budget amendment is required to include the purchase of the property at 3046 South Atlantic Ave, parcel id#532706030160. for \$1,800,000.

WHEREAS, the City Commission desires to appropriate the necessary reserve funds, \$1,000,000 for the purchase of the property at 3046 South Atlantic Ave, parcel id#532706030160.; and

NOW, THEREFORE, BE IT ENACTED BY THE CITY COMMISSION OF THE CITY OF DAYTONA BEACH SHORES, FLORIDA:

SECTION ONE: The Fiscal Year 2025-26 General Fund Budget shall be amended to a total of \$25,518,950 and the general fund capital fund budget shall be amended to a total of \$6,691,700.

SECTION TWO: This Resolution shall be effective immediately upon its adoption.

CITY OF DAYTONA BEACH SHORES, FL

NANCY MILLER, MAYOR

MICHAEL FOWLER, CITY MANAGER

CHERYL SCHWAB, CITY CLERK

Approved as to form and legality:

VOSE LAW FIRM, CITY ATTORNEY

Adopted on first reading this _____ day of _____, 2026.