

AN APPRAISAL OF
**THE TWO VACANT RIGHT-OF-WAY
PARCELS LOCATED AT
401 AND 411 SOUTH INDIAN RIVER DRIVE
IN FORT PIERCE, FLORIDA**

FILE #15-73985

PREPARED FOR
MR. MIKE ABINANTI

AS OF
JANUARY 4, 2016

BY
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January 5, 2016

Mr. Mike Abinanti
3602 Campbell Street
Rolling Meadows, IL 60008

Dear Mr. Abinanti:

We have made an investigation and analysis of the two vacant right-of-way parcels located at 401 and 411 South Indian River Drive in Fort Pierce, Florida. The Subject Properties will be further described both narratively and legally within the following Appraisal Report. The purpose of this investigation and analysis was to provide our opinion of the current Market Value of the Fee Simple Interest of the Subject Properties as of January 4, 2015.

The Subject Properties are considered to be the two road right-of-ways. The larger of the two contains 3,350 square feet and is located along the east side of South Indian River Drive. The smaller right-of-way is contains 367 square feet and is located on the western side of the lots along South 2nd Street. Both of these right-of-ways are owned by the City of Fort Pierce. Given the property type associated with the Subject Property, we have incorporated the across the fence methodology for valuing the Subject Property. We will value the two right-of-ways as one total value.

This report has been prepared for our client, Mr. Mike Abinanti. The intended use was to assist the client in evaluation for abandonment and possible purchase. The scope of work performed is specific to the needs of the intended user and the intended use. No other use is intended, and the scope of work may not be appropriate for other uses.

The scope of work performed included a complete analysis of the Subject Property with no omitted approaches to value. A detailed scope of work description can be found in the body of this report.

Mr. Mike Abinanti
January 5, 2016
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Based upon the scope of the assignment, our investigation and analysis of the information contained within this report, as well as our general knowledge of real estate valuation procedures and market conditions, it is our opinion that the Market Value of the Fee Simple of the Subject Property as of January 4, 2016 was:

\$53,000

A description of the property appraised, together with an explanation of the valuation procedures utilized, is contained in the body of the attached report. For your convenience, an Executive Summary follows this letter. Your attention is directed to the Limiting Conditions and underlying assumptions upon which the value conclusions are contingent.

Respectfully submitted,

CALLAWAY & PRICE, INC.

A handwritten signature in blue ink, appearing to read "S. Neill", with a long horizontal flourish extending to the right.

Stephen G. Neill, MAI
Cert Gen RZ2480

A handwritten signature in blue ink, reading "Anthony D. Vercillo", written in a cursive style.

Anthony D. Vercillo
Cert Gen RZ2956

SGN/ADV/clw:15-73985
Attachments



Executive Summary

PROPERTY TYPE	:	Road Right-of-Ways
LOCATION	:	The Subject Properties are located on the east side of Indian River Drive and along the east side of South 2 nd Street adjacent to 401 and 411 South Indian River Drive in Fort Pierce, Florida.
DATE OF VALUATION	:	January 4, 2016
PROPERTY DESCRIPTION:		
LAND	:	The Subject Properties contain 3,350 square feet and 367 square feet respectively. Combined the total is 3,717 square feet and will be valued as one total.
BUILDING	:	None
ZONING	:	C-1, Commercial by the City of Fort Pierce
LAND USE PLAN	:	OP, Office Professional by the City of Fort Pierce
HIGHEST AND BEST USE		
AS IF VACANT	:	Future Mixed Use Development
THE MARKET VALUE OF THE FEE SIMPLE ESTATE OF THE SUBJECT PROPERTY AS OF JANUARY 4, 2016	:	\$53,000



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Qualifications:	
Stephen G. Neill, MAI	
Anthony D. Vercillo	



CERTIFICATION

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
4. We have not performed services, as an appraiser or in any other capacity, regarding the specific right-of-way properties that are the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The analyses, opinions, and conclusion were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and The Interagency Appraisal and Evaluation Guidelines, December 10, 2010.
9. Stephen G. Neill, MAI and Anthony D. Vercillo have made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the persons signing this certification.
11. The use of this report is subject to the requirements of the State of Florida relating to review by the Florida Real Estate Appraisal Board.



Certification

12. The reported analyses, opinions and conclusion were developed, and this report was prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
13. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
14. As of the date of this report, Stephen G. Neill, MAI has completed the continuing education program of the Appraisal Institute.

Stephen G. Neill, MAI
Cert Gen RZ2480

Anthony D. Vercillo
Cert Gen RZ2956

SGN/ADV clw:15-73985



LIMITING CONDITIONS

1. Unless otherwise stated, the value appearing in this appraisal represents the opinion of the Market Value or the Value Defined AS OF THE DATE SPECIFIED. Market Value of real estate is affected by national and local economic conditions and consequently will vary with future changes in such conditions.
2. The value estimated in this appraisal report is gross, without consideration given to any encumbrance, restriction or question of title, unless specifically defined.
3. This appraisal report covers only the property described and any values or rates utilized are not to be construed as applicable to any other property, however similar the properties might be.
4. It is assumed that the title to the premises is good; that the legal description is correct; that the improvements are entirely and correctly located on the property described and that there are no encroachments on this property, but no investigation or survey has been made.
5. This appraisal expresses our opinion, and employment to make this appraisal was in no way contingent upon the reporting of predetermined value or conclusion.
6. No responsibility is assumed for matters legal in nature, nor is any opinion of title rendered. In the performance of our investigation and analysis leading to the conclusions reached herein, the statements of others were relied on. No liability is assumed for the correctness of these statements.
7. Neither all nor any part of the contents of this report (especially any conclusions, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or any of its designations) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without our prior written consent and approval.
8. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. The appraiser assumes no responsibility for such conditions or the engineering which might be required to discover these factors.



9. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation stachybotrys chartarum (mold), asbestos, polychlorinated biphenyls, petroleum leakage, "Chinese drywall", or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, was not called to the attention of, nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such proximity thereto that would cause a loss in value. We are unaware of very wet conditions that may have existed for days or weeks which are required to grow mold. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.
10. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraisers have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since the appraisers have no direct evidence relating to this issue, possible noncompliance with the requirements of ADA in estimating the value of the property has not been considered.
11. Our opinion of value was based on the assumption of competent marketing and management regarding the Subject Property. If there is no competent marketing and management, then the value contained herein may not apply.



VIEW OF SUBJECT PROPERTY RIGHT-OF-WAY ALONG SOUTH 2ND STREET



VIEW OF SUBJECT PROPERTY RIGHT-OF-WAY ALONG SOUTH INDIAN RIVER DRIVE



RIVER VIEW FROM SUBJECT PROPERTY



STREET SCENE ALONG SOUTH INDIAN RIVER DRIVE



STREET SCENE ALONG SOUTH 2ND STREET



VIEW OF INDIAN RIVER FROM SOUTH 2ND STREET



VIEW AT CORNER OF CITRUS BOULEVARD AND SOUTH INDIAN RIVER DRIVE



VIEW AT CORNER OF CITRUS BOULEVARD AND SOUTH 2ND STREET



AERIAL PHOTO
(Right-of-Way Parcels in Yellow/Boundaries are Approximate)



DEFINITION OF THE APPRAISAL PROBLEM

Purpose, Date of Value, and Interest Appraised

The purpose of this investigation and analysis was to provide our opinion of the Market Value of the Fee Simple Interest of the Subject Property as of January 4, 2016.

Intended Use and User of Appraisal

This report has been prepared for our client, Mr. Mike Abinanti. The intended use was to assist the client in evaluation for abandonment and possible purchase. The scope of work performed is specific to the needs of the intended user and the intended use. No other use is intended, and the scope of work may not be appropriate for other uses.

Legal Description

EXHIBIT "A"

Legal Description:
A PARCEL OF LAND BEING PART OF LOTS 1 AND 2, BLOCK D, ANDREWS AND RICHARDS RE-SUBDIVISION, AS PER THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 191, ST. LUCIE COUNTY, FLORIDA, PUBLIC RECORDS BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

COMMENCE AT THE NORTHWEST CORNER OF SAID LOT 1, BLOCK D, RUN SOUTH 89°54'45" EAST (BASIS OF BEARINGS) ALONG THE NORTH LINE OF SAID LOT 1, A DISTANCE OF 172.48 FEET; THENCE CONTINUE SOUTH 89°54'45" EAST, A DISTANCE OF 61.38 FEET TO THE POINT OF BEGINNING; THENCE RUN SOUTH 12°04'45"EAST A DISTANCE OF 178.64 FEET TO THE SOUTH LINE OF SAID LOT 2, BLOCK D; THENCE RUN ALONG SAID SOUTH LINE NORTH 89°51'32" WEST, A DISTANCE OF 29.76 FEET TO THE MONUMENTED EAST RIGHT OF WAY LINE OF INDIAN RIVER DRIVE (A VARIABLE WIDTH RIGHT OF WAY); THENCE RUN NORTH 11°43'16" WEST ALONG SAID EAST RIGHT OF WAY LINE, A DISTANCE OF 52.07 FEET; THENCE LEAVING SAID EAST RIGHT OF WAY LINE RUN NORTH 01°27'42" EAST, A DISTANCE OF 123.67 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINING 3349.7 SQUARE FEET (0.07 ACRES) MORE OR LESS.

Legal Description:
A PARCEL OF LAND BEING PART SECTION 10, TOWNSHIP 35 SOUTH, RANGE 40 EAST, ST. LUCIE COUNTY FLORIDA AND ABUTTING LOT 3, BLOCK D OF ANDREWS AND RICHARDS RE-SUBDIVISION, AS PER THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 191, ST. LUCIE COUNTY, FLORIDA, PUBLIC RECORDS BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGINNING AT THE NORTHWEST CORNER OF LOT 3, BLOCK D, ANDREWS AND RICHARDS RE-SUBDIVISION, AS PER THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 191, ST. LUCIE COUNTY, FLORIDA, RUN SOUTH 17°06'20" EAST (BASIS OF BEARINGS) ALONG THE WEST LINE OF SAID LOT 3, A DISTANCE OF 91.62 FEET; THENCE RUN NORTH 89°51'35" WEST, A DISTANCE OF 4.19 FEET; THENCE RUN NORTH 17°06'20" WEST, A DISTANCE OF 92.62 FEET; THENCE RUN SOUTH 89°51'35" EAST, A DISTANCE OF 4.19 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINING 366.6 SQUARE FEET (0.008 ACRES) MORE OR LESS.

Client Provided



Market Value

"As defined in the Agencies' appraisal regulations, the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- a. Buyer and seller are typically motivated;
- b. Both parties are well informed or well advised, and acting in what they consider their own best interests;
- c. A reasonable time is allowed for exposure in the open market;
- d. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

Source: The Interagency Appraisal and Evaluation Guidelines, Federal Register, Volume 75, No. 237, December 10, 2010, Pgs. 61-62.

Hypothetical Conditions or Extraordinary Assumptions

No Hypothetical Conditions or Extraordinary Assumptions were made for the valuation of the Subject Property.

Marketing Time

The Dictionary of Real Estate Appraisal, Sixth Edition 2015, by the Appraisal Institute, defines Marketing Time on page 140 as follows:

"An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal."

"Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time."



As in most markets, properties that are priced competitively and marketed professionally will sell before others which are not. Based on this, the Subject should have a marketing time of less than 12 months, provided adequate financing is available, the property is listed for sale at market value and is marketed by a competent brokerage firm.

Exposure Time

The Dictionary of Real Estate Appraisal, Sixth Edition 2015, by the Appraisal Institute, defines Exposure Time on page 83 as follows:

1. "The time a property remains on the market."
2. "The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market."

There is a requirement under Standard Two to report exposure time according to the latest USPAP publication. "Exposure Time" is different for various types of property under different market conditions.

We have reviewed the exposure time on the sales contained in the Sales Comparison Approach in this appraisal. Based on that data and the current market, it is our opinion that the Subject Property would have had an exposure time of approximately 12 months or less.

Across the Fence Method

The Dictionary of Real Estate Appraisal, Sixth Edition 2015, by the Appraisal Institute, defines Across the Fence Method on page 3 as follows:

"A land valuation method often used in the appraisal of corridors. The across the fence method is used to develop a value opinion based on comparison to abutting land."

Across the Fence Value

The Dictionary of Real Estate Appraisal, Sixth Edition 2015, by the Appraisal Institute, defines Across the Fence Value on page 3 as follows:

"In the valuation of real estate corridors, the value concluded based on a comparison with adjacent lands before the consideration of any other adjustment factors."



SCOPE OF WORK

According to the 14th Edition of The Appraisal of Real Estate, page 38, "Scope of work encompasses all aspects of the valuation process, including which approaches to value will be used; how much data is to be gathered, from what sources, from which geographic area, and over what time period; the extent of the data verification process; and the extent of property inspection, if any."

The scope of work decision is appropriate when it allows the appraiser to arrive at credible assignment results and is consistent with the expectations of similar clients and the work that would be performed by the appraiser's peers in a similar situation."

The first step in the appraisal process involved defining the appraisal problem which included the purpose and date of value, determining the interest being appraised, intended use and user of the appraisal, and identifying the real estate (legal description). This step also determined if the appraisal were subject to any extraordinary assumptions or hypothetical conditions. In this case of the Subject Property, there were none.

The next step involved the inspection of the Subject Property on January 4, 2016 by Stephen G. Neill, MAI and Anthony D. Vercillo. The inspection allowed us to understand the physical components of the Subject Property. In addition to the inspection of the Subject Property, we also began the data collection process and, subsequently, an analysis of the factors that affect the market value of the Subject Property, including a market area analysis, neighborhood analysis, and property data analysis. We gathered and reviewed information from the St. Lucie County Property Appraiser's Office and the City of Fort Pierce Planning Department. We also had conversations with the owner of the 1.83 acres located at 401 and 411 South Indian River Drive (Adjacent parcels to the right-of-ways).

The third step in the process was to determine the Highest and Best Use of the Subject Property as vacant and as improved. Through the Highest and Best Use analysis, we determined the issues that have an effect on the final opinion of value. To determine the Highest and Best Use, we relied on information obtained from the data collection process.

The fourth step was the application of the appropriate approaches to value. *No approaches were specifically omitted from this appraisal by the client.* However, for this assignment the Sales Comparison Approach was used to value raw land.

Since only one approach was used, no reconciliation of value was necessary.



NEIGHBORHOOD ANALYSIS

The relationship of the Subject Property with surrounding properties forms the basis of neighborhood analysis. The Appraisal of Real Estate, 14th Edition on page 165 states: "The boundaries of market areas, neighborhoods, and districts identify the areas that influence a subject property's value. These boundaries may coincide with observable changes in land use or demographic characteristics. Physical features such as structure types, street patterns, terrain, vegetation, and lot sizes help to identify land use districts. Transportation arteries (highways, major streets, and railroads), bodies of water (rivers, lakes, and streams), and changing elevation (hills, mountains, cliffs, and valleys) can also be significant boundaries."

Neighborhood Map



In the case of this appraisal assignment, neighborhood boundaries are identified by physical boundaries and surrounding land uses. The neighborhood boundaries are considered to be as follows:

- North - North Causeway
- South - Citrus Overpass
- East - Indian River
- West - U.S. Highway 1

The above neighborhood coincides with area delineated in the Redevelopment and Revitalization Plan for the City of Fort Pierce. The neighborhood contains office, retail and service businesses that support the business and government district.

Like many older downtown areas, Fort Pierce had become stagnant with no new growth occurring due to the lack of vacant land. Most of the buildings were constructed in the 1930s, 1940s, and 1950s. As a result, the downtown area was



in a downward period of decay. However, such neighborhoods are noted to experience stages of a life cycle. A typical neighborhood usually goes through four distinct periods in its life: growth, equilibrium (stability), decline, and revitalization. Over the past fifteen years, downtown Fort Pierce has been actively involved in a period of revitalization.

Projects that have been completed include an \$8,000,000 courthouse expansion and parking garage, and a new city hall. In addition, renovation of the old city hall located at the southeast corner of Avenue A and U.S. Highway 1 has been completed. The Renaissance on the River Project was also completed with retail and office units on the lower levels and residential units on the upper level. The Sunrise Theater underwent extensive renovations recently. The theater is currently finished with the renovations and is now open.

In addition to the major thoroughfares, many of the streets meeting the downtown area have been modified. Some of the modifications have been adding brick pavers and landscaping the center medians. This has created a more favorable appearance to the downtown district.

Access

Access to downtown Fort Pierce is provided by numerous east/west streets that intersect with U.S. Highway 1, the major north/south roadway providing access into the Subject neighborhood. The corridor from Sunrise Boulevard to Avenue F was improved into four and five lanes. Other north/south streets providing access within the Subject neighborhood include South 2nd Street and Indian River Drive. Both are paved two lane roadways. Orange Avenue and the Citrus Avenue Overpass are the major east/west arterials within the Subject neighborhood. Orange Avenue, also known as State Road 68 (SR 68), is a three lane, one way, paved road which interchanges with I-95 approximately four miles west of U.S. Highway 1. Orange Avenue becomes a two-way road at North 7th Street, approximately three blocks west of U.S. Highway 1. Orange Avenue ultimately leads to U.S. Highway 441 in Okeechobee County. Citrus Avenue is a four-lane paved roadway, which runs from Indian River Drive west to North 13th Street.

The Florida East Coast Railroad (FEC) serves the Subject Neighborhood directly. The FEC has two tracks within the boundaries of the City of Fort Pierce. One track runs across the southeast portion of the city and ties into the track running north/south along the Indian River. The FEC provides service between Jacksonville and Miami. Additionally, there have been serious discussions of Fort Pierce being a stop on the proposed Florida high-speed rail line between Tampa and Miami. This stop would facilitate passenger movements between the statewide populations' centers and Fort Pierce.



Surrounding Land Uses

The north portion of the Subject Neighborhood, from Fisherman's Wharf north to Taylor Creek, is the land area designated for the Port of Fort Pierce. The county has purchased 20 acres of this area, which is known as Harbour Pointe. The Indian River Terminal was sold by Egan Grove Company and the other portion of the Port of Fort Pierce is the Plant leased by Marconis Industries which is used to import aragonite.

Commodity trade data for the Port of Fort Pierce reflects that fresh citrus was the primary export commodity, although recent sales transactions have changed that. The aragonite plant is still running and is the primary import commodity.

Two marina facilities are located in this north area. They are Harbor Town Marina and Taylor Creek Marina. Harbor Town offers primarily "in water" boat storage, while Taylor Creek caters to smaller boats with their in/out storage facilities.

The primary uses along the east/west Orange Avenue and Avenue A corridor, as well as the north/south U.S. Highway 1 corridor, are commercial in nature. The areas located behind the commercial uses represent residential development.

New City Marina

The new city marina was recently completed. The Fort Pierce marina was created with several tiny man-made islands that will provide habitat for birds and other animals while protecting the marina docks in place.

City officials say the marina project should continue to attract more boaters and tourists to downtown Fort Pierce, leading to busier restaurants, increased theatre ticket sales and improved nature tours. "This is a local stimulus project we've been waiting on for a very long time," Mayor Bob Benton said in a statement. After hurricanes destroyed the Treasure Coast in 2004, the storms left the marina in shambles. Fort Pierce was unable to acquire funds from the Federal Emergency Management Agency for repairs until the city developed a way to protect the docks from future hurricanes.

City engineers managed to come with a protection plan involving buffer islands so as to help prevent massive waves from crashing into the docks. To help ease environmental fears, the city set aside underwater land near the proposed buffer islands for environmental protection. The city also tested models of the islands for the 21.75-acre site to see how the islands would affect the surroundings. These islands will not be open to the public. "The city feels it has developed an innovative idea for shoreline protection outside the typical methods for this type of protection," says City Engineering Project Coordinator Ed Seissiger. "The aim was to develop shoreline protection that would benefit its residents as well as the environment."



Followed by years of design tweaking to satisfy environmental impact questions, the city finally received a key permit from the U.S. Army Corps of Engineers in December 2013 after receiving a separate permit in 2009 from the Florida Department of Environmental Protection. The Fort Pierce marina stayed open throughout, although lost over 100 dock slips.

Now completed, the dock consists of 287 slips. The price tag for the marina project was stated to be nearly \$20 million for the islands and docks, Seissiger said. Seissiger said the money is coming from insurance and FEMA. If Fort Pierce officials agree on upgrades, there could be costs to the city. According to city officials, Fort Pierce lost \$1.5 million in annual taxes, and the county has lost \$8.5 million per year since the storm damage. City officials are hopeful that the new marina will bring back the lost money. Located below is a conceptual drawing of the new city marina.





Public Utilities

Electric and telephone service is available to all properties. The entire Subject neighborhood is served by a central water and sewer system.

Neighborhood Housing

Within the Subject neighborhood residential areas are located between North 2nd Street and U.S. Highway 1 from the former Fort Pierce Utilities Authority's Power Plant to the north to Avenue H (Fisherman's Wharf Road). This small residential area contains a few old single-family residences in poor condition with deferred maintenance evident. Similar single-family residential development is located between South 2nd Street and Indian River Drive south of the Citrus Avenue Overpass. Overall, residential development of the immediate Subject neighborhood has been slow over the last several years.

Recent and Future Developments

The new federal courthouse opened in late 2011. This site is one and half blocks at the southwest corner of U.S. Highway 1 and Orange Avenue (one block west of the Subject).

The City of Fort Pierce's new library on South Indian River Drive and Orange Avenue is completed. The library contains 20,000 square feet in a two-story structure. The idea of locating the new library on riverfront parcel originated during a "charrette", which is a community brainstorming session. At this public meeting, it was decided that a new library should be constructed on the waterfront, tied to the riverwalk with a riverview. This plan has also been subsequently drafted into the Redevelopment and Revitalization Plan adopted by the City of Fort Pierce. According to an article in the Fort Pierce Tribune, the new 20,000 square foot library cost an estimated \$2.65 million, which included \$750,000 in city funds, \$1,000,000 million from St. Lucie County, a \$500,000 state grant, plus an estimated \$400,000.

Additionally, a Manatee Observation Center containing approximately 1,375 square feet was completed on the northeast corner of Moore's Creek and Indian River Drive, just north of the Fort Pierce Yachting Center. The Manatee Observation Center features an exhibition building, an exhibition hall, lab/classroom, gift shop, office/storage area, restroom and covered terrace. The center will offer open-air classrooms.

Additionally, Renaissance on the River was completed in 2012. Renaissance on the River is a condominium project with 38 residential units and 27,500 square feet of retail/office space. One Marina Place was a proposed condominium project with 41 residential units and 8,750 square feet of retail space, however this project was cancelled due to the market conditions in 2012 and 2013. Another project that has



fallen through was the development of the 6.87-acre site of the old H.D. King Power Plant. This project "Atocha Village" was reported in the news as a \$90 million mix of retail, restaurants, homes, and a hotel. The reason this project fell apart was due to language in the deed which stipulates the property reverts back to state ownership if it's used for private development.

It is worth noting that during 2014 and 2015, leasing activity has increased downtown. Much of the vacant space has been absorbed and new tenants, such as a 7-11 store and a Subway, have moved in.

Conclusion

The Subject neighborhood is considered to be part of the continued Redevelopment and Revitalization Plan for the City of Fort Pierce. Much of the downtown area to the east of U.S. Highway 1 has been completed or is still in the process of being completed. Downtown areas on the west side of U.S. Highway 1 are also being revitalized and completed, and include several projects underway. In our opinion, property values within the Subject neighborhood will eventually increase proportionately as the Redevelopment and Revitalization Plan for the City of Fort Pierce are administered. This is especially true for the west side as the Federal Courthouse recently completed in November 2011. It is also worth noting that there are very active plans in place for road improvements in the downtown area, particularly they are leading into the Port of Fort Pierce. Furthermore, there are also future plans for a revitalization and redevelopment of the Port of Fort Pierce.



PROPERTY DATA

Location

The Subject Property is located along the east side of Indian River Drive and the east side of South 2ND Street adjacent to the properties at 401 and 411 South Indian River Drive in Fort Pierce, Florida. The Subject is considered to be located in the downtown Fort Pierce Market. This location is also near the Indian River. A location map is located below for the reader's convenience.

Location Map



Zoning

The surrounding parcels are zoned C-1, Office Commercial by the City of Fort Pierce.

The C-1 zoning is intended primarily for uses involving business and institutional uses which do not involve the direct sale or display of goods, the production of goods or the storage or shipment of bulk or large volume materials. Convenience commercial facilities, restaurants and certain other uses are allowed when appropriate conditions and safeguards are fulfilled. Uses in this district should have good access to arterial or collector streets. This district is sometimes suitable for use as a buffer separating other commercial zones from residential districts.



The following uses and their accessory uses are permitted in a C-1 Zone:

- Finance, insurance and real estate establishments
- Business service establishments
- Communication service establishments, except transmission towers
- Professional service establishments, except hospitals
- Administrative offices for businesses
- Home occupations
- Temporary uses

Lot Size and Dimensional Requirements

Lot size requirements for the C-1 District are shown below:

MINIMUM LOT SIZE (Sq Ft)	MINIMUM LOT WIDTH (Ft)	MINIMUM LOT DEPTH (Ft)	MINIMUM YARD (Ft)				MAXIMUM HEIGHT (Ft)	MAXIMUM LOT COVERAGE BY BLDGS
			FRONT	REAR	SIDE	SIDE @ CORNER		
10,000	70	90	25	15*	15*	15*	65	60%

*Minimum yard depth (if not the front yard) for portions of the property abutting a public right-of-way or residential district shall be fifteen (15) feet.

Land Use

The surrounding properties have a land-use classification of OP, Office Professional or CBD, Central Business District, by the City of Fort Pierce. This land-use classification conforms to the zoning classification.

Concurrency

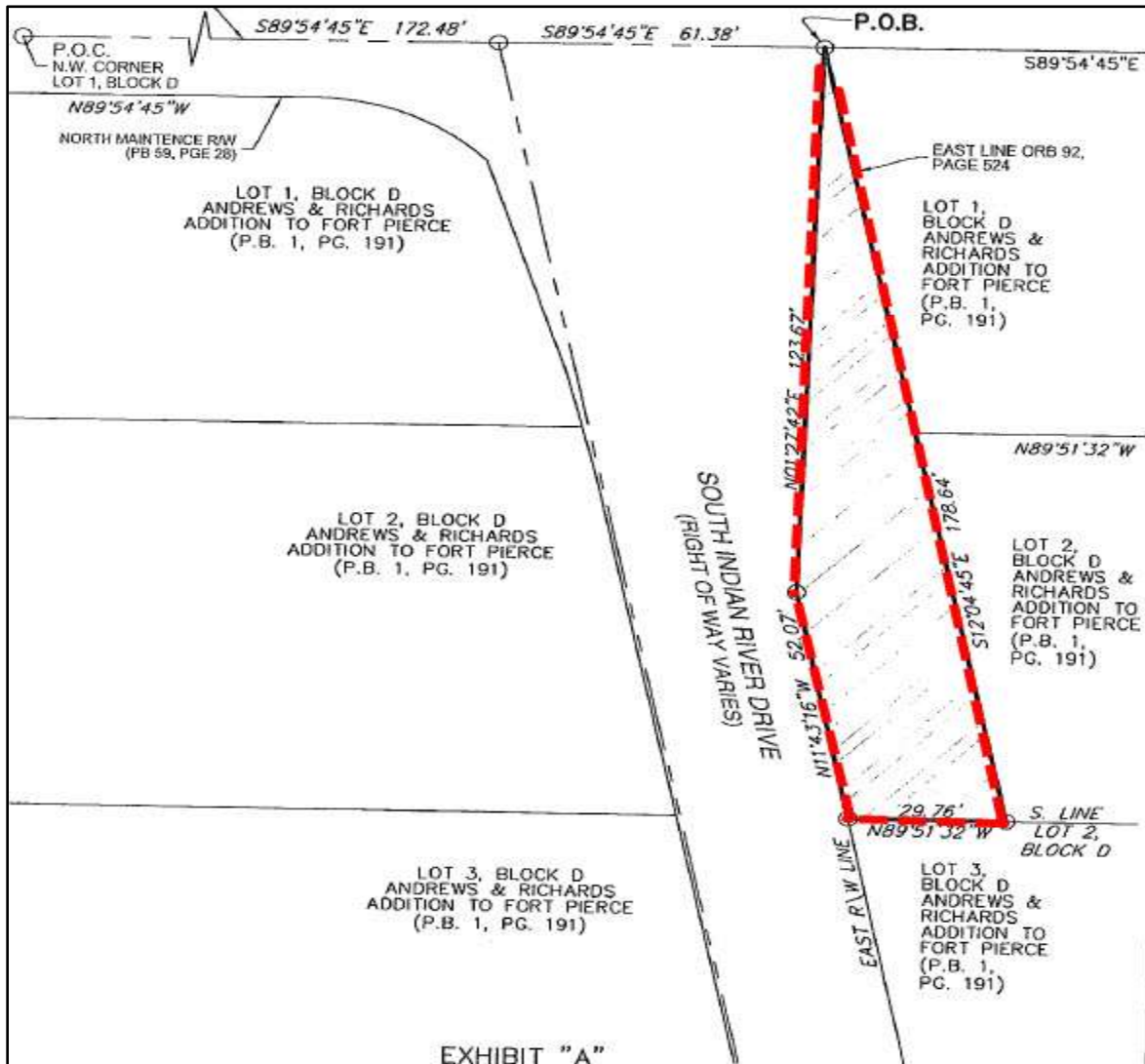
In 1985, the Florida Legislature enacted the Local Government Comprehensive Planning and Land Development Regional Act (Chapter 163, Part II, Florida Statutes), commonly referred to as "The Growth Management Act".

In 2011, the state legislature rescinded this law, and now each county can address almost all of these factors as they wish. Sanitary sewer, solid waste, drainage, and potable water are the only public facilities and services subject to the concurrency requirement on a statewide basis. If concurrency is applied to other public facilities, the local government comprehensive plan must provide the principles, guidelines, standards, and strategies, including adopted levels of service, to guide its application. In order for a local government to rescind any optional concurrency provisions, a comprehensive plan amendment is required. An amendment rescinding optional concurrency issues is not subject to state review. To the best of our knowledge, we are not aware of any concurrency issues with the Subject Property.



Site Size, Shape and Access

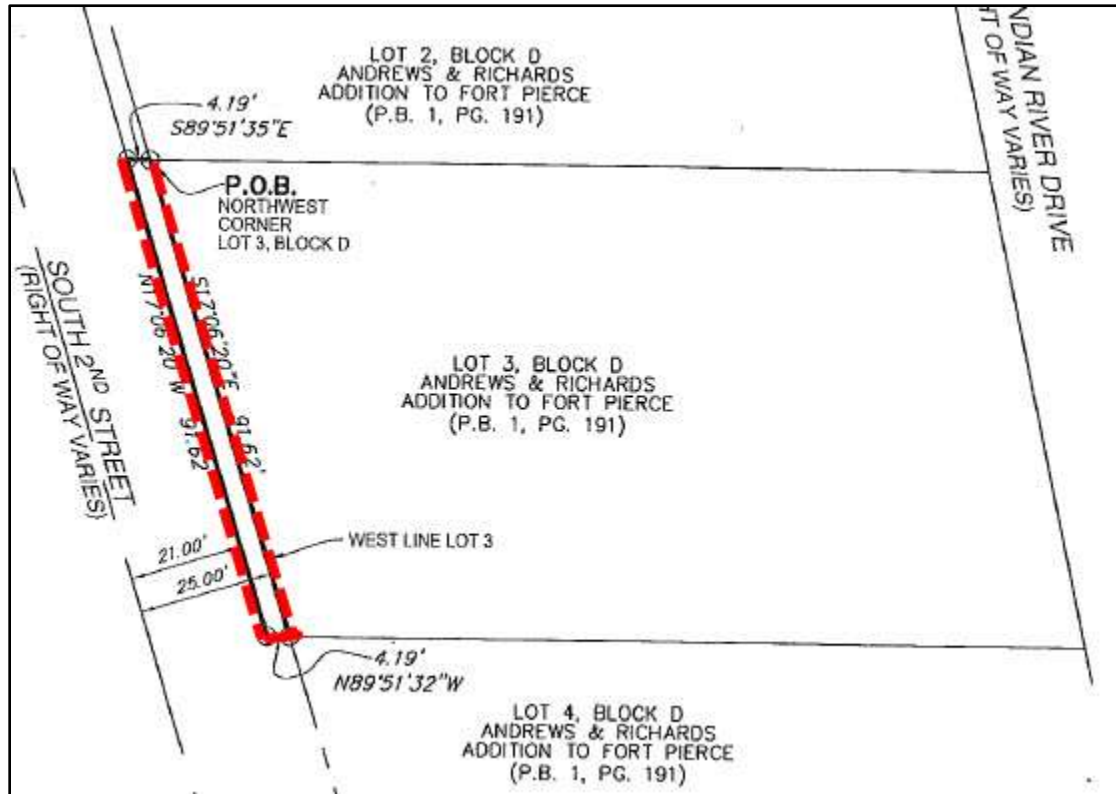
The Subject Property consists of two different right-of-way parcels. The first and larger parcel contains 3,350 square feet and is somewhat triangular in shape. Located below is a sketch of this portion of the Subject Property.





Property Data

The second and smaller right-of-way parcel contains 367 square feet and is rectangular in shape. Located below is a sketch of this portion of the Subject Property.



Utilities

Currently the public water, sewer and electricity are available to the Subject Property by the Fort Pierce Utilities Authority. AT&T provides telephone service.

Topography

The Subject Property appears to be at road grade.

Census Tract

The Subject Property lies within Census Tract 3801.00.

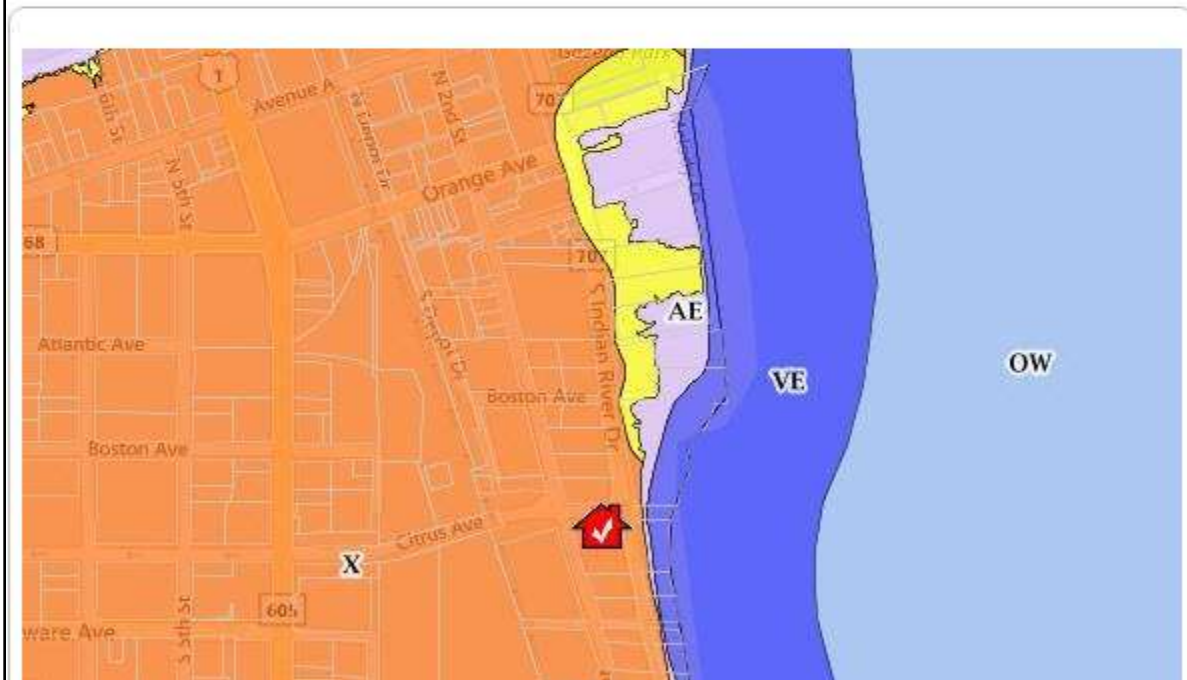


Flood Hazard Zone

Flood Zone Code	Flood Zone Panel	Panel Date
VE	120286 - 12111C0179J	02/16/2012
Special Flood Hazard Area (SFHA)	Within 250 ft. of multiple flood zones?	Community Name
In	Yes (AE,VE,X500,X)	

Flood Zone Description:

Zone VE-An area inundated by 100-year flooding with velocity hazard (wave action); BFEs have been determined.



Assessed Value and Taxes

No taxes apply to the Subject Property as it is a city-owned Right-of-Way.

Property History

The Subject Property is currently under the ownership of the City of Fort Pierce. The Subject is the unfinished road associated with Indian River Drive and South 2nd Street.



HIGHEST AND BEST USE

The Dictionary of Real Estate Appraisal, Sixth Edition 2015, by the Appraisal Institute defines Highest and Best Use on page 109 as follows:

1. "The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."
2. "The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)"
3. "The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)."

Conclusion

It is our opinion that the Highest and Best Use of the Subject Property is for future commercial/retail development in conjunction with neighboring parcels. The reasons for this conclusion are as follows:

1. The surrounding properties are zoned C-1, Office-Commercial with a Office Professional Future Land-Use Classification. Both of these classifications allow for commercial development as well as waterfront residential development up to 18 units per acre.
2. The Subject Property contains two right-of-way parcels containing 3,350 square feet and 367 square feet of land area. The site size and shape of the two parcels does not allow for any development as a standalone parcel. These two parcels are contiguous with a 1.83 acre site that has river frontage and frontage on three different road ways. If the right-of-way parcels are assembled together with the 1.83 acres, the site will then have 1.92 acres, and more importantly have full road frontage along South 2nd Street and Indian River Drive. The Subject Property along with surrounding properties would have multiple development schemes including commercial development, mixed use, and multifamily residential development.
3. From all indications commercial and residential developments are financially feasible. While more recent market conditions have indicated a large decline in demand for both commercial and residential properties,



the location of the Subject and its development potential provide desirable qualities. When demand for commercial, mixed use, and residential land begins to increase in the future, properties like the Subject with waterfront views and close proximity to the Indian River should become once again desirable. It is also worth mentioning that the sites have the potential to be assembled to adjacent parcels located along the waterfront. While current demand does not warrant any development at this time, it is important to the future potential of the Subject Property along with surrounding properties.

4. The Subject Property is currently surrounded by a more commercial/retail use as well as some various residential uses to the south. Given the Subject's current surrounding uses, it is our opinion that the maximally productive use of the Subject Property would be for future commercial/retail or mixed use development with an emphasis on waterfront amenities in conjunction with surrounding properties.



LAND-VALUE ANALYSIS

According to the 14th Edition of The Appraisal of Real Estate on page 44, the valuation of land begins by identifying the real estate and property rights valued, any encumbrances, use restrictions, and the land's physical characteristics. An appraiser can use several techniques to obtain an indication of land value:

- Sales Comparison
- Extraction
- Allocation
- Subdivision Development
- Land Residual
- Ground Rent Capitalization

Usually the most reliable way to estimate land value is by sales comparison. When few sales are available, however, or when the value indications produced through sales comparison need additional support, procedures like extraction or allocation may be applied. In the case of the Subject Property the only approach used was the sales comparison approach.

Discussion of Vacant Land Sales

In order to estimate the value of the Subject site, a search was made for sales with development potential similar to the Subject and located along the waterfront. A search was made for commercial or mixed use land sales with similar location features and/or similar development potential. Directly comparable sales, of waterfront commercial sites with similar development potential located within the downtown redevelopment area of Fort Pierce are limited.

With very limited available sales data, we have looked at the best available waterfront commercial sales. We analyzed the Subject Property based on price per square foot basis, as this is the most recognized unit of comparison in this market. All of the comparables were considered with regard to property rights appraised, financing, conditions of sale, time or market conditions, location, size, site quality, approvals, and zoning. The four comparable sales and one current Subject Contract indicated a non-adjusted range from \$8.66 to \$19.78 per square foot.

Details of each sale along with a location map are located on the following pages. A sales chart and discussion follow.



Pending Land Sale 1



Property Identification

Record ID	2971
Property Type	Commercial/Residential, Mixed Use
Address	401 & 411 South Indian River Drive, Fort Pierce, St. Lucie County, Florida
Location	East and west sides of South Indian River Drive on south corner of Citrus Blvd.
Tax ID	2410-808-0017-0007, 2410-808-0019-0001

Sale Data

Grantor	TMH LLC & TAI (IRD)LLC
Grantee	Confidential
Closing Date	Within 90 days
Property Rights	Fee
Conditions of Sale	Arm's Length Transaction
Financing	Cash to Seller
Contract Price	\$1,650,000
Cash Equivalent	\$1,650,000
Adjusted Price	\$1,650,000



Land Data

Zoning	C-1, Mixed Use/Commercial
Topography	Generally level and sloping downward towards the east
Utilities	All available
Shape	Mostly Rectangular

Land Size Information

Gross Land Size	1.915 Acres or 83,432 SF
------------------------	--------------------------

Indicators

Sale Price/Gross Acre	\$861,468 Actual or \$861,468 Adjusted
Sale Price/Gross SF	\$19.78 Actual or \$19.78 Adjusted

Remarks

This is the current contract for 1.92 acres of land located on the east and west sides of South Indian River Drive and near Citrus Boulevard. The property has frontage along the Indian River, South Indian River Drive, Citrus Boulevard, as well as South 2nd Street.

The purchase price was indicated at \$1,650,000 and is contingent on gaining full approvals for a mixed use residential and commercial retail project. Additionally, as part of the agreement and approvals, for the project to work, there are two right-of-ways under the ownership of City of Fort Pierce that must be purchased prior to closing. This contract is based on the properties located at 401 and 411 South Indian River Drive containing 1.83 acres and the additional two right-of-ways containing an additional 3,717 square feet or approximately 0.09 acres. The attached aerial shows both the land currently owned by the "Grantor" (red) and the additional right-of-ways owned by the City of Fort Pierce (yellow). Again, the contract includes the right-of-ways and is contingent on them being acquired prior to closing.



Land Sale 2



Property Identification

Record ID 2873
Property Type Commercial/Residential, Vacant Land
Address 500 South Indian River Drive, Fort Pierce, St. Lucie County, Florida
Location East and West side of Indian River Drive south of the Citrus Overpass in Fort Pierce
Tax ID 2410-809-0001-0005, multiple

Sale Data

Grantor A B Lowry LLC
Grantee Kraaz and Kraaz Finance LLC
Sale Date February 06, 2015
Deed Book/Page 3714/2415
Property Rights Fee
Conditions of Sale Arm's Length
Financing Cash to Seller
Sale Price \$400,000
Cash Equivalent \$400,000
Adjusted Price \$400,000

Land Data

Zoning C1, Central Commercial
Topography Generally level and slopes downward towards river
Utilities All available



Shape Mostly Rectangular

Land Size Information

Gross Land Size 1.050 Acres or 45,738 SF

Indicators

Sale Price/Gross Acre \$380,952

Sale Price/Gross SF \$8.75

Remarks

This is the sale of three contiguous river front parcels totaling 1.05 acres. The site is located along Indian River Drive in Fort Pierce, just south of the Citrus Overpass. The property was purchased as an investment. According to representatives from the City of Fort Pierce, an application has been submitted to rezone the site from C-1 Commercial to C-4 Central Commercial. This would allow for a mixed use development including office space with residential density on the upper floor levels at a density of 30 units per acre.



Land Sale 3



Property Identification

Record ID 2974
Property Type Commercial/Residential, Mixed Use
Property Name Former Jensen Beach Waterfront Inn
Address 3670 NE Indian River Drive, Jensen Beach, Martin County, Florida
Location East and west sides of Indian River Drive and just south of Jensen Beach Causeway
Tax ID 15-37-41-000-000-00330-5,00260-9

Sale Data

Grantor Larry and Maria Baum
Grantee Jensen Beach Waterfront Inn LLC
Sale Date October 15, 2014
Deed Book/Page 2747/362 & 364
Property Rights Fee
Conditions of Sale Arm's Length
Financing Cash to Seller
Sale Price \$750,000
Cash Equivalent \$750,000
Downward Adjustment \$100,000
Adjusted Price \$650,000

Land Data

Zoning CL, Commercial Limited
Topography Generally level gradually sloping toward the Indian River
Utilities All available
Shape Mostly Rectangular



Land Size Information

Gross Land Size 0.93 Acres or 40,511 SF

Indicators

Sale Price/Gross Acre \$806,452 actual or \$698,925 Adjusted

Sale Price/Gross SF \$18.51 Actual or \$16.04 Adjusted

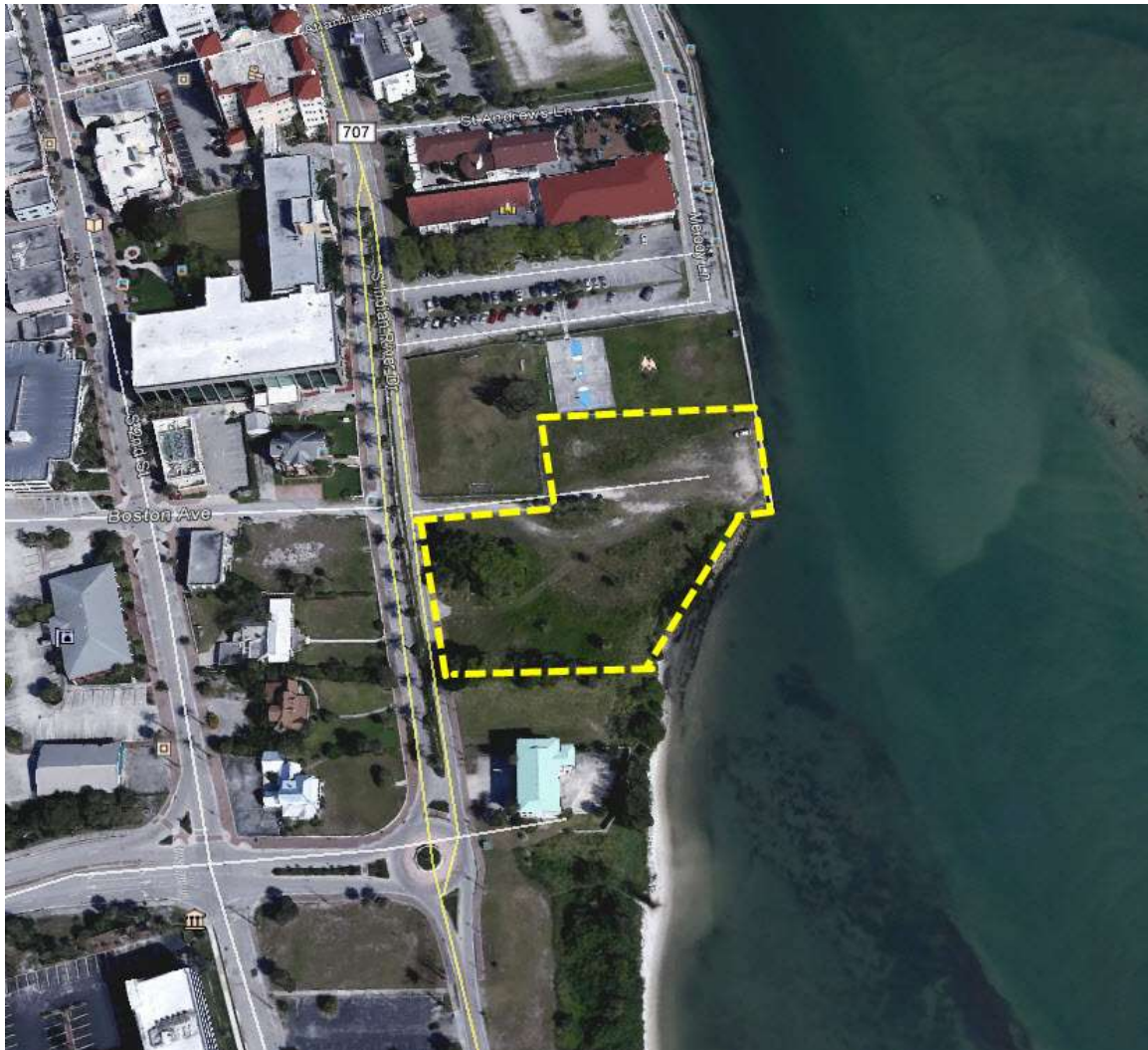
Remarks

This is the sale of two adjacent waterfront parcels containing a total of 40,511 square feet of land area. The transaction was recorded in two separate sales of \$375,000 each for an essential combined price of \$750,000. There was an old dilapidated motel and single-family residence on site at the time of sale. The improvements totaled 6,633 square feet and were not habitable at the time of sale. It was indicated that the buyer had planned to renovate the existing improvements, but acknowledged that the majority of the sale price was for the underlying land.

We are also aware of an offer of \$650,000 just prior to the sale, whereas the buyer wished to demolish the existing improvements and was willing to pay that for land only. Therefore we have made a downward adjustment of \$100,000 to recognize the minimal contributory value of the existing improvements.



Land Sale 4



Property Identification

Record ID	2973
Property Type	Commercial/Residential, Commercial Land
Address	Fort Pierce, St. Lucie County, Florida
Location	East side of South Indian River Drive on north and south sides of Boston Avenue R/W
Tax ID	2410-804-0004-0001

Sale Data

Grantor	SB Florida CRE Holdings LLC
Grantee	St. Andrews Episcopal Academy, Inc.
Sale Date	May 01, 2014
Deed Book/Page	3626/2190
Property Rights	Fee
Conditions of Sale	Arm's length



Financing Cash to Seller
Sale Price \$900,000
Cash Equivalent \$900,000
Adjusted Price \$900,000

Land Data

Zoning C4, Central Commercial
Topography Generally level and gradually sloping downward towards Indian River
Utilities All available
Shape Irregular

Land Size Information

Gross Land Size 1.768 Acres or 77,005 SF

Indicators

Sale Price/Gross Acre \$509,110 Actual or \$509,110 Adjusted
Sale Price/Gross SF \$11.69 Actual or \$11.69 Adjusted

Remarks

This was an REO sale that was listed for \$1,100,000 at the time of sale. The listing agent reported that it was motivated transaction, but did not any specific monetary discount. The buyer purchased the site for expansion of their school campus.



Land Sale 5



Property Identification

Record ID 2500
Property Type Commercial/Residential, Multifamily/Commercial
Address 4575 SE Dixie Highway
Location Manatee Pocket
Tax ID 52-38-41-010-00150-1, Multiple Parcels

Sale Data

Grantor OB Florida CRE Holdings LLC
Grantee Nolan Properties LLC
Sale Date December 12, 2012
Deed Book/Page 2619/942
Property Rights Fee
Conditions of Sale Arm's Length
Financing Cash to Seller
Sale Price \$525,000
Cash Equivalent \$525,000
Downward Adjustment \$25,000
Adjusted Price \$500,000

Land Data

Zoning WRC/R3-A, Commercial Waterfront/Residential
Topography Generally level
Utilities All available
Shape Irregular



Land Size Information

Gross Land Size 0.890 Acres or 38,768 SF

Indicators

Sale Price/Gross Acre \$589,894 Actual or \$561,804 Adjusted

Sale Price/Gross SF \$13.54 Actual or \$12.90 Adjusted

Remarks

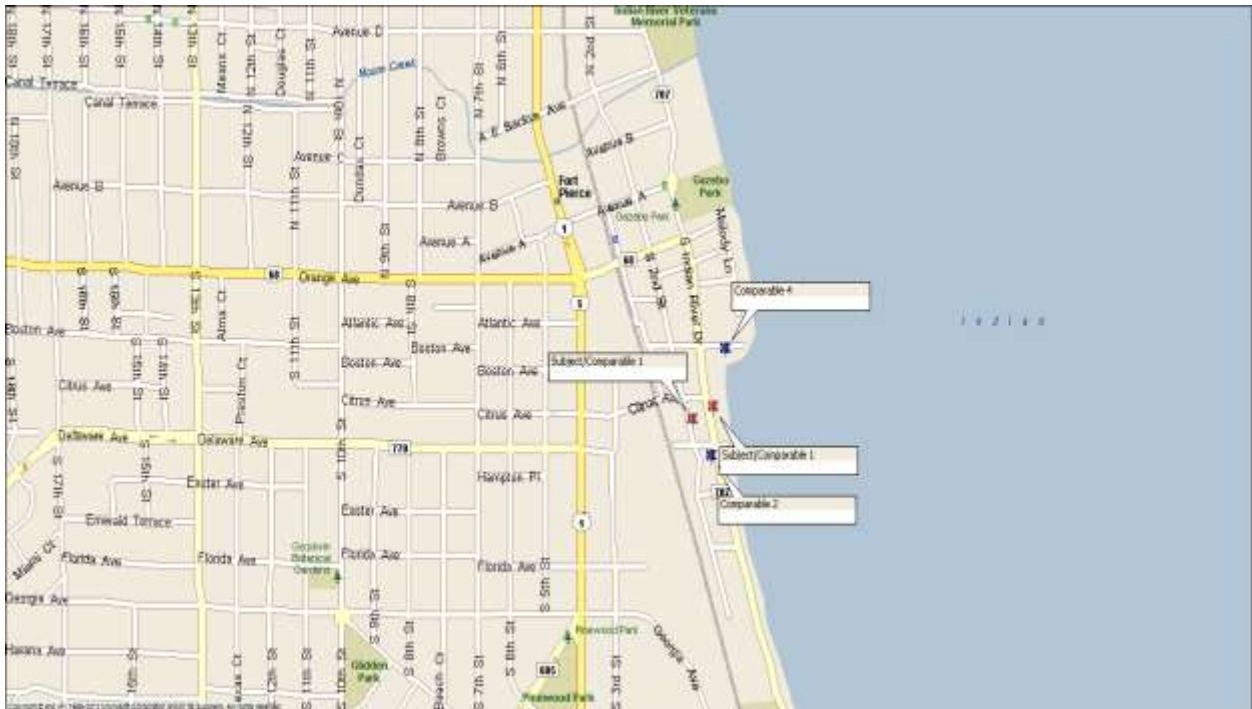
This is the December 2012 sale of a 0.89-acre waterfront site located along the Manatee Pocket in Port Salerno, Florida. The site has approximately 350 feet of water frontage which includes seawalls. Approximately 1/3 of the seawall was new and in good condition, while the remaining 2/3 was in need of some repair.

At the time of sale there was an existing 1,500 square foot building that was originally constructed in 1974. It was deemed to be in average condition at the time of sale. The building was located on the far western portion of the site. The buyer had plans to renovate the building and utilize it for a future small office use. We have recognized an adjustment of \$25,000 for the existing contributory value of this structure.

There is also a small asphalt paved parking lot associated with the building. In addition, he had plans to develop the eastern portion of the site with a multifamily residential use. Prior to the sale, the property at one time had approvals for an 8-unit town home project.

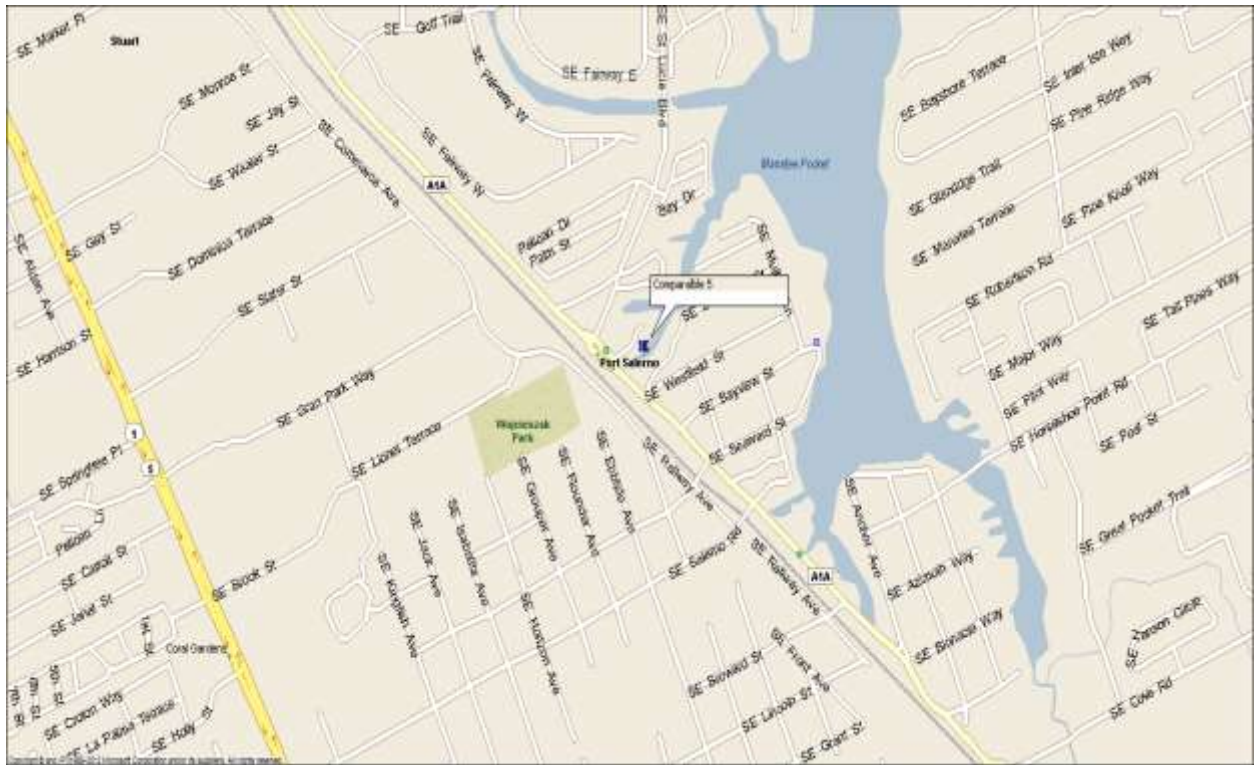


Comparable Location Maps





Land Value Analysis





Discussion of Adjustments

We analyzed the Subject Property based on price per square foot basis, as this is the most recognized unit of comparison in this market. All of the comparables were considered with regard to property rights appraised, financing, conditions of sale, time or market conditions, location, size, view/site quality, and zoning. The four comparable sales and current Subject Contract indicated a non-adjusted range from \$8.66 to \$19.78 per square foot.

SALES COMPARISON APPROACH Right-of-Way Parcels #15-73985						
Sale Number	Subject	1	2	3	4	5
Record ID	N/A	2971	2873	2974	2973	2500
ORBK/PG	-	Contract	3714/2415	2747/362 & 364	3626/2190	2619/942
Sale Price	-	\$1,650,000	\$400,000	\$750,000	\$900,000	\$525,000
Additional Consideration	-	\$0	\$0	(\$100,000)	\$0	(\$25,000)
Adjusted Sales Price	-	\$1,650,000	\$400,000	\$650,000	\$900,000	\$500,000
Size - Acres	0.09	1.92	1.05	0.93	1.77	0.89
Size - Square Foot	3,717*	83,432	45,738	40,511	77,014	38,768
Price/Square Foot	-	\$19.78	\$8.75	\$16.05	\$11.69	\$12.90
Location	East side of Indian River Drive and east side of South 2nd Street adjacent to 401 & 411 South Indian River Drive	East side of Indian River Drive and east side of South 2nd Street adjacent to 401 & 411 South Indian River Drive (includes R/W Parcels)	501-507 South Indian River Drive	3670 NE Indian River Drive	East Side of Indian River Drive, north and south side of Boston Ave.	4575 SE Dixie Highway
City	Fort Pierce	Fort Pierce	Fort Pierce	Jensen Beach	Fort Pierce	Port Salerno
Frontage	Indian River	Indian River	Indian River	Indian River	Indian River	Indian River
Arm's Length	Yes	Yes	Yes	Yes	Yes	Yes
Property Rights	Fee	Fee	Fee	Fee	Fee	Fee
Date of Sale	N/A	Current Pending	Feb-15	N/A	May-14	Dec-12
Date of Value	04-Jan-16					
Zoning	C-1, Commercial	C-1, Commercial	C-1, Commercial	Commercial Limited	Commercial	WRC/R3-A
Time Interval (Months)	N/A	-	-	N/A	-	-
Conditions of Sale	0%	0%	0%	0%	10%	0%
Market Conditions Adj.	0%	0%	0%	0%	0%	5%
Adjusted Price Per SF	-	\$19.78	\$8.75	\$16.05	\$12.85	\$13.54
Physical Adjustments						
Location (General)	-	Similar 0%	Similar 0%	Superior -10%	Similar 0%	Similar 0%
Size	-	0%	0%	0%	0%	0%
Site Quality	-	Similar 0%	Inferior 15%	Similar 0%	Inferior 10%	Similar 0%
Approvals	-	Contingent -25%	None 0%	None 0%	None 0%	None 0%
Zoning	-	Similar 0%	Similar 0%	Similar 0%	Similar 0%	Similar 0%
Total Physical Adjustment/SF	-	-25.00%	15.00%	-10.00%	10.00%	0.00%
Adj.Price Per Square Foot	-	\$14.83	\$10.06	\$14.44	\$14.14	\$13.54

*Size Adjustments will be based on the adjacent property that contains 1.92 acres

Average \$13.40
 Minimum \$10.06
 Maximum \$14.83
 Median \$14.14



Property Rights Conveyed

All the sales in this analysis were transferred on a Fee Simple Estate basis, with the buyers receiving full property rights ownership. We are also unaware of any adverse deed restrictions or any other property rights limitations which would have affected the sales. Therefore, no adjustment was considered necessary for property rights conveyed.

Terms of Financing (Cash Equivalency)

The transaction price of one property may differ from that of a similar property due to atypical financing arrangements. In a case where favorable financing is established, a cash equivalency adjustment is often necessary. However, all of the sales analyzed herein involved either market terms or cash to Grantor. Therefore, no adjustments were made, nor any cash equivalency performed.

Additional Consideration

The closed sales price of Comparable 3 included some minimal contributory value of the remaining improvements, however it was noted that the bulk of the purchase was for land value only. Based on a prior offer of \$650,000 for land only from another potential buyer in addition to other land sales we have determined that the contributory value of the improvements was near \$100,000. This has been deducted from the sales price in order to analyze the comparable based on land only.

Additionally, it was determined that the small office building contributed approximately \$25,000 to Comparable 5 and has been deducted to look at land value only for this comparable.

Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and seller at the time of conveyance. Within the confirmation process, detailed attention was made to ensure the conditions of each sale. Comparable 4 has been adjusted upward slightly to recognize that the sale was verified as a motivated sales, however no specific opinion was noted with regard to the exact amount of discount. Therefore, we have made an upward adjustment of 10% just to recognize that the sale was motivated.

Expenditures Made

A knowledgeable buyer considers expenditures that will have to be made upon purchase of the property because these costs affect the price a buyer will pay. Our sales did not require any adjustments for expenditures made after the sale.



Time or Changes in Market Conditions

Market conditions generally change over time and may be caused by inflation, deflation, fluctuations in supply and demand, or other factors. The comparables occurred from December 2012 to a current pending contract. Comparable 5 is the oldest comparable and general market trends show that property values have slowly increased since this time period. Therefore, we have adjusted Comparable 5 upward 5% to recognize market conditions.

Location

Comparable 3 located just south of the Jensen Beach Causeway and in the heart of downtown Jensen Beach is considered to be of superior location in comparison to the Subject. Therefore this sale has been adjusted downward. All of the remaining comparables are considered similar and no adjustments were noted.

Size

The Subject Property right-of-way parcels contain a total of 3,717 square feet. However, in order to compare to the available sales data, we have considered the attached adjacent parcel for a total of 1.92 acres. A majority of the surrounding parcels are near one to two acres in size and considered typical for the area. We will base our analysis on a typical site size given the across the fence methodology. The comparable sales indicate a range from 0.89 acres to 1.92 acres.

In our opinion, all of the sales are considered to be of similar size and no adjustments were necessary.

Site Quality

All of the comparables have good water frontage as well as water access. The Subject right-of-ways are adjacent to two land parcels (across fence to Comparable 1) that are located on the prime corner of the Citrus Boulevard Overpass and South Indian River Drive.

Comparables 2 and 4 are both considered inferior at varying levels based on a direct comparison to the Subject given that they are not located on prime corners that would receive additional exposure as the Subject.

The remaining comparables are considered similar and no adjustments were warranted.

Approvals

Comparable 1 is the pending contract that includes the 1.83 acres located at 401 and 411 South Indian River Drive. The contract is also contingent upon the additional Subject Right-Of-Way parcels containing 0.09 acres or 3,717 square feet having been purchased by the grantor and to be included in the transaction.



Additionally, the agreed purchase price of \$1,650,000 also includes some approvals for a mixed use residential and commercial development. It was clearly indicated that the agreed price is fully contingent upon these approvals and the right-of-way parcels included in order to move forward with the buyer's development plans.

Therefore, in our opinion this comparable needs to be adjusted downward based upon these approvals and conditions.

Zoning

The surrounding parcels are zoned Commercial, C-1 and C-4. All of the comparables have similar commercial type zonings that allow for much of the same development uses. Therefore, we have not made any adjustments with regard to zoning.

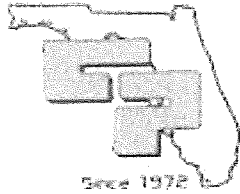
Conclusion – Land-Value Analysis

As can be seen on the comparable sales chart displayed earlier, the sales indicate an adjusted range from \$10.06 to \$14.83 per square foot, with an average indication of \$13.40 per square foot and median indication of \$14.14 per square foot. The best available data was analyzed and adjusted accordingly. After giving consideration to the adjusted values all of the comparable data and the current pending contract, it is our opinion the Market Value of the Subject site is best represented at \$14.00 and \$14.50 per square foot. This indicates that the land value of the Subject Property is \$53,000. This is calculated as follows:

3,717 square feet (Both R/W Parcels) X \$14.00 per square foot	=	\$52,038
3,717 square feet (Both R/W Parcels) X \$14.50 per square foot	=	\$53,897

Rounded, \$53,000

ADDENDA



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Please respond to Treasure Coast office
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Cert Gen RZ2085
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December 21, 2015

Mr. Mike Abinanti
VIA EMAIL: mabinanti@comcast.net

RE: Appraisal Fee Quote

Dear Mr. Abinanti:

We would be pleased to prepare an Appraisal of the two vacant right-of-way parcels owned by the City of Fort Pierce located adjacent to 401 & 411 South Indian River Drive in Fort Pierce, Florida. It is our understanding that the purpose of this appraisal is to estimate the current Market Value of the vacant right-of-way parcels for right-of-way abandonment purposes. For this analysis, we will use the across-the-fence method of valuation.

This report will be prepared for the addressee. The intended use is to assist the client in internal decision-making. The scope of work performed is specific to the needs of the intended user and the intended use. No other use is intended, and the scope of work may not be appropriate for other use.

The fee would be \$1,700. It is our policy to require a retainer and \$850 will suffice for this purpose. The balance of the fee will be due and payable upon delivery of the report. We will provide an electronic copy of the final report. Hard copies of the final report are available upon request.

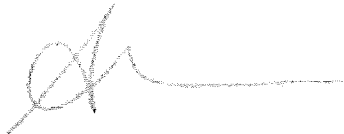
We will have the report completed by January 5, 2016 **be aware that delays in our receipt of information requested could postpone completion.**

Mr. Abinanti
December 21, 2015
Page 2

If the above is agreeable to you, please sign below as our authorization and return it together with the retainer and any information requested and we will begin work immediately. This agreement is subject to the Agreements and Conditions listed on the attached page, a copy of which should also be signed and returned to us. Our work will be done in accordance with the Appraisal Institute Code of Ethics and Standards of Professional Practice. Thank you for the opportunity to be of service.

Respectfully submitted,

CALLAWAY & PRICE, INC.



Stephen G. Neill, MAI
Cert Gen RZ2480

SGN:clw
Attachments

Client:

Accepted By\Date:

Eugene A. Jozwiak 12/22/15
Signature Date

Name and Title (Printed or Typed):

EUGENE A JOZWIAK

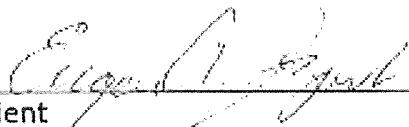
Client Fed ID# or SS#:

1117117662

Conditions of Agreement

1. Premise: The completed report shall comply with the professional and ethical standards of the Appraisal Institute. The report will be addressed to the Client, or as directed by the Client.
2. Compensation: The fee is due and payable as designated in the contract letter; the retainer is to be sent to the Appraiser along with the signed contract letter, which constitutes authorization to commence the assignment. The Appraiser's/Consultant's compensation is in no event contingent upon a predetermined value or conclusion.
3. Completion Date: Every effort will be made to deliver the report as per the specified date in the contract letter. If delays occur for reasons beyond the control of the Appraiser/Consultant, such as not receiving necessary data requested from the Client in a timely manner, changes in the scope of services of the assignment, acts of God, et cetera, the due date shall be extended.
4. Changes: The Appraiser/Consultant shall, to the best of his ability, complete the assignment in compliance with professional and ethical standards of the appraisal industry. Changes that are not in keeping with these standards will necessitate a new contract letter and renegotiation of the original fee, or billed on a time basis plus the original fee.
5. Cancellation: The Client may cancel this agreement by written notice, or telephone followed by written notice. Appraiser/Consultant shall submit a statement based on professional time and expenses accrued, if applicable, for all services expended to the date of cancellation.
6. Additional Report Copies: Additional copies will be furnished upon request, and prepayment of \$1.00 per page per report.
7. Collection: All fees and expenses are due upon delivery of the final report. A late charge of 1.5% per month shall be imposed on balances unpaid 30 days after the statement date. If collection efforts become necessary, all costs for same, including court costs and attorney's fees, will be added to the balance due. We are currently operating under an agreement with a collection agency, which charges us 53.8%. **If their collection services are required, Client's total balance due will be increased by 53.8%.**
8. Limiting Conditions: This agreement and the completed report shall be subject to the Limiting Conditions (included in said report).
9. Confidential Data: Data assembled for the assignment will remain the property of the Appraiser/Consultant. Data provided by the Client will be held in our file, unless otherwise instructed by the Client, and considered confidential. Appraiser/Consultant is authorized by the Client to disclose the report to appropriate representative of the Appraisal Institute to comply with the Bylaws and Regulations of this professional organization.

I hereby agree to the Conditions of Agreement outlined above.


Client

12/22/15
Date

QUALIFICATIONS



Professional Designations\Licenses\Certifications

Member, Appraisal Institute, MAI Designation #12248
Florida State-Certified General Real Estate Appraiser #RZ2480
Florida Licensed Real Estate Broker #BK-0660406
Associate Member, American Society of Farm Managers and Rural Appraisers
International Right of Way Association Certified Right of Way Appraiser R/W-A/C

Professional Experience

Principal, Callaway & Price, Inc. - Since January 2006
Appraisal Consultant, Callaway & Price, Inc. - 7/02 - 12/05
Appraisal Consultant, Diskin Property Research - 4/00 - 6/02
Appraisal Consultant, Callaway & Price, Inc. - 5/97 - 4/00

Education

Bachelor of Science Degree in Business/Real Estate, Florida State University
Associates of Arts Degree, Indian River Community College

Appraisal Institute Courses:

410 Standards of Professional Practice, Part A
420 Standards of Professional Practice, Part B
510 Advanced Income Capitalization
520 Highest and Best Use and Market Analysis
530 Advanced Sales and Cost Approaches
540 Report Writing
550 Advance Applications
Analyzing Operating Expenses
Appraisal from Blueprints and Specifications
FHA and the Appraisal Process
Real Estate Finance Statistics & Valuation Modeling
Analyzing Distressed Real Estate
Expert Witness
An Appraiser's Introduction & Overview of the U.S. Hotel Industry
Hotel Market Studies & Valuating - Using Hotel Valuation Software
Fundamentals of Separating Real Property, Personal Property,
and Intangible Business Assets

International Right of Way Courses:

103 Ethics and the Right of Way Profession
400 Principles of Real Estate Appraisal
401 The Appraisal of Partial Acquisitions

USPAP - Biennial

Florida State Law for Real Estate Appraisers
Florida Law Update
Roles and Rules of Supervisors & Trainees
Appraisal Institute - Leadership Conference Participant



Qualified Expert Witness

Miami-Dade
Broward County
Indian River
Martin County
St. Lucie County
Bay County
US Bankruptcy Court, Middle District of Florida
Indian River County Special Magistrate - 2010, 2011, 2012 & 2013
St. Lucie County Special Magistrate - 2007, 2008, 2009, 2010, 2011, 2012 & 2013
Martin County - 2012 & 2013

Appraising\Consulting Expertise

ACLFs	Mobile Home Parks
Agricultural	Multifamily Residential
Aircraft Hangers	Office Buildings
Apartment Complexes	Ranchland
Branch Banks	Restaurants
Car Dealership	Retail Buildings
Citrus Groves	Salvage Yards
Condominium Projects	Single-Family Residential
Eminent Domain	Sports Complexes
Golf Courses	Subdivisions
Luxury RV Parks	Truckstops/Gas Stations
Marinas	Warehouses
Mining Operations	Vacant Land
Mini-Warehouses	Special Purpose Properties

Organizations and Affiliations

Rotary Member - Past President/Board of Directors
John Carroll High School Advisory Board
Treasure Coast Seminole Booster Club



Qualifications - Stephen G. Neill, MAI



**STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

FLORIDA REAL ESTATE APPRAISAL BD
1940 N. MONROE ST.
TALLAHASSEE FL 32399-0783

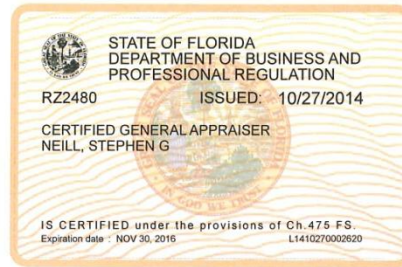
850-487-1395

NEILL, STEPHEN G
1803 S25TH STREET SUITE 1
FORT PIERCE FL 34947

Congratulations! With this license you become one of the nearly one million Floridians licensed by the Department of Business and Professional Regulation. Our professionals and businesses range from architects to yacht brokers, from boxers to barbeque restaurants, and they keep Florida's economy strong.

Every day we work to improve the way we do business in order to serve you better. For information about our services, please log onto www.myfloridalicense.com. There you can find more information about our divisions and the regulations that impact you, subscribe to department newsletters and learn more about the Department's initiatives.

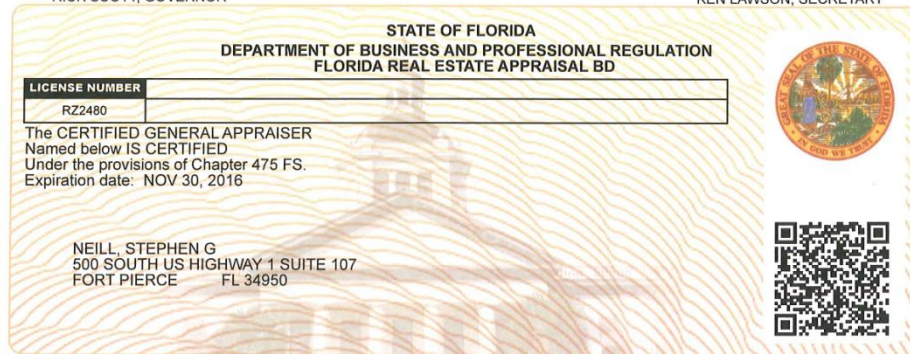
Our mission at the Department is: License Efficiently, Regulate Fairly. We constantly strive to serve you better so that you can serve your customers. Thank you for doing business in Florida, and congratulations on your new license!



DETACH HERE

RICK SCOTT, GOVERNOR

KEN LAWSON, SECRETARY



ISSUED: 10/27/2014

DISPLAY AS REQUIRED BY LAW

SEQ # L1410270002620



Professional Designations\Licenses\Certifications

Florida State-Certified General Real Estate Appraiser #RZ2956

Professional Experience

Assistant Appraiser, Callaway & Price, Inc. – June 2002 – Present

Education

Bachelor of Science Degree in Education, Florida State University
Associates of Arts Degree – Indian River Community College

Appraising\Consulting Expertise

Acreage
Airport Hangars
Apartment Complexes
Cemeteries
Day Care Centers
Eminent Domain
Mitigation Banks
Mobile Home Parks
Oceanfront Property
Rental Comparability Studies
Residential Properties
Retail Buildings
Subdivisions
Vacant Land
Warehouse/Industrial

Organizations and Affiliations

Florida State University Alumni
Fort Pierce Sportfishing Club
Ducks Unlimited



Qualifications - Anthony D. Vercillo



**STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

FLORIDA REAL ESTATE APPRAISAL BD
1940 N. MONROE ST.
TALLAHASSEE FL 32399-0783

850-487-1395

VERCILLO, ANTHONY D
1001 IBIS AVE
FORT PIERCE FL 34982

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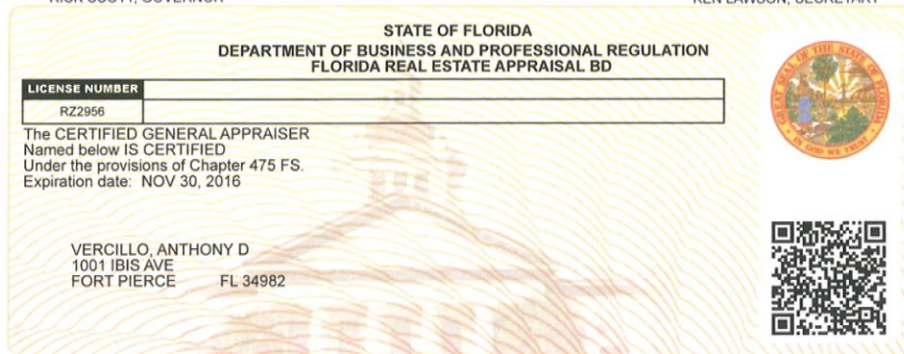
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RICK SCOTT, GOVERNOR

KEN LAWSON, SECRETARY



ISSUED: 11/16/2014

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SEQ # L1411160001777