
**AN APPRAISAL OF A
CITY OF FORT PIERCE ALLEY
LOCATED WITHIN THE
PLAT OF TOTTEN'S S/D, LYING BETWEEN
LOTS 1, 2, 3 & LOTS 8, 9, 10 & WEST OF LOT 10
(Within 700 Block between Orange & Atlantic Avenues)
FORT PIERCE, FLORIDA**

PREPARED FOR
Rast Properties, Inc.
C/o Steve Tarr
4521 PGA Blvd., #201
Palm Beach Gardens, FL 33419

DATE OF APPRAISAL – January 8, 2015 (last date of inspection)

Prepared by:
Daniel D. Fuller, MAI
State-Certified General Real Estate Appraiser RZ567
FULLER-ARMPFIELD-WAGNER
Appraisal & Research, Inc.
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Fort Pierce, Florida 33940

Appraisal No. 19767

FULLER-ARMPFIELD-WAGNER

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January 16, 2015

Rast Properties, Inc.
C/o Steve Tarr
4521 PGA Blvd., #201
Palm Beach Gardens, FL 33419

RE: City owned alley between Lots 1, 2, 3 & 8, 9, 10 & west of Lot 10, Plat of Totten's S/D, (within 700 block, between Orange Ave. & Atlantic Ave., Fort Pierce, FL.

Dear Mr. Tarr:

As per our contract for appraisal services, I have made an inspection of the referenced property and I have investigated the property's market segment to provide an opinion of the Market Value of the fee simple interest in the property, "as is", as of January 8, 2015, the date of my final inspection.

The scope of this appraisal consists of analyzing data to establish the Market Value of the Fee Simple interest via one traditional approach to value, the Sales Comparison Approach. Within the Sales Comparison Approach, an "Across the Fence" method of analysis was performed. Data analyzed in the Sales Comparison Approach was collected from public records, commercial data services, and MLS services, verified with parties involved in the transaction, and then the data was analyzed and applied to the subject.

Because the subject is a vacant tract of land, analysis via the Cost Approach is not applicable, thus not performed. Also, because properties like the subject are not purchased for income potential, analysis via the Income Capitalization Approach is also not applicable, thus not performed.

Also, because the subject is has an "L" shape and from 10 feet to 12.41 feet in width, the subject **generally lacks development potential as an independent unit**, thus almost no sales of similar properties are known to exist. Therefore, the applicable method of analysis is an "Across the Fence" analysis (See "Across the Fence" defined in the attached Definitions Addendum) which is applied in the following valuation.

The appraisal adheres to the Uniform Standards of Professional Appraisal Practice (USPAP), presented in USPAP defined "Appraisal Report" format.

- The Intended Use of this appraisal is for acquisition negotiations.
- The Intended User of this report is the representatives of Rast Properties, Inc. including Mr. Steve Tarr.
- The appraisal and report are subject to the Ordinary Limiting Conditions, Extraordinary Assumptions, and Certification included within this report.

Mr. Tarr
January 16, 2015
Page Two

Based on the available data, and my analysis as presented in this report, it is my opinion the market value of the fee simple interest in the subject alley, "as is", as of January 8, 2015, is:

THREE THOUSAND DOLLARS -\$3,000-

I believe this appraisal and report are complete, but if there are questions please contact me at your convenience.

Sincerely,



Daniel D. Fuller, MAI
State-Certified General Real Estate Appraiser RZ567

DDF/asf 19767

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

- Property Type: Vacant 0.055± acre (2,392 sf) city owned alley within a commercial zoning district.
- Property Use: Vacant
- Property Address: 700 block between Orange Avenue & Atlantic Avenue, Fort Pierce, FL

- Purpose of Appraisal: Estimate Market Value
- Property Rights Appraised: Fee Simple
- Date of Appraisal: January 8, 2015
- Date of Inspection: January 8, 2015
- Inspected by: Daniel D. Fuller, MAI
- Date of Appraisal Report: January 16, 2015
- Report Prepared: January 2015
- Report Format: USPAP defined "Appraisal Report" format.

Subject -

Site – 0.055x± acres (2,392 sf)
10 ft. x 148.14 ft. & 12.14 ft. x 75 ft.
Improvements: None.

- Zoning Classification: C-3, General Commercial
- Land Use Classification: GC, General Commercial
- Census Tract: 3805
- Flood Zone: Zone X - FEMA Map 12111C0179J - Feb. 16, 2012
- Highest and Best Use: Assemblage with adjacent ownership(s).

- In accordance with the Competency Rule of Uniform Standards of Professional Practice (USPAP), the appraiser is competent to complete this appraisal due to experience in the subject's market segment and geographic area.

My opinion of the Market Value of the Fee Simple Interest in the subject alley, "as is", as of January 8, 2015, is:

THREE THOUSAND DOLLARS -\$3,000-

Subject's Legal Description

Per data provided by the client:

The following Described land, situate, lying and being in Section 10, Township 35 South, Range 40 East, Totten's subdivision as recorded in clerk of courts, Plat Book 5, Page 53 in the county of St. Lucie, State of Florida, to wit:

Alleyway Easement:

Beginning at permanent reference monument & point of commencement (p.o.c.); northeast corner lot 5 and the intersection of the south right of way of Orange Avenue (50' wide right of way), State Road 68 along with the west right of way of 7th Street (old 40' wide right of way) as recorded in Plat Book 5, Page 53 of the Clerk of Courts in Saint Lucie County, Florida; thence S. 00 deg., 24 min., 54 sec. E a distance of 185.01 feet; thence N. 89 deg., 54 min., 54 sec. W a distance of 287.01 feet to the point of beginning (p.o.b.); thence N. 00 deg., 24 min., 54 sec. W a distance of 75 feet; thence S. 89 deg., 54 min., 34 sec. E a distance of 137.03 feet; thence N. 00 deg., 34 min., 04 sec. W. a distance of 10.01 feet; thence S. 89 deg., 54 min., 54 sec. W. a distance of 148.14 feet more or less; thence S. 00 deg., 15 min., 06 sec., W. a distance of 85 feet, thence S. 89 deg., 54 min., 54 sec. E a distance of 12.14 feet more or less to point of beginning (p.o.b.).

History of Subject's Ownership

Owner: City of Fort Pierce

No sales of the subject have occurred within the last five years.

The subject has been listed for sale.

The subject is not leased.

Area Data

The following is a summary of St. Lucie County area data:

- The subject lies within the westerly environs of the Fort Pierce central Business District (CBD).
- There are three incorporated cities within St. Lucie County, Fort Pierce, Port St. Lucie and St. Lucie Village.
- Fort Pierce is the oldest city with a 2000 census population of 38,683 and the 2012 US Census Bureau estimate of total population at 42,645, an increase of approximately 9.8% for the twelve-year period (0.8%/year).
- Port St. Lucie was incorporated in the early 1960's with population in 2000 of 85,751, and per census data the 2012 population is estimated to total 168,716, an increase of approximately 97% for the twelve-year period (8.0% per year).
- St. Lucie Village is a mostly residential community with a population of some 600 persons, and historically very little change in the community thus the community has nominal impact on the County.
- The 2000 census placed the County's total population at 190,677 with the US census bureau reporting in 2013 an estimated total population of 286,832, an increase of approximately 50% for the thirteen-year period (3.9% per year).
- University of Florida demographers previously estimated the County's 2015 median population up to 352,700, however because of the past economic recession, the population increase did not occur with growth only again beginning within the City of Port St. Lucie.
- Over the past twelve years, population growth within the City of Fort Pierce has been relatively nominal and expected to continue to grow at a relatively slow pace. A majority of the near term growth in St. Lucie County is expected to occur in and surrounding the City of Port St. Lucie. To a great degree this occurs because the City of Ft. Pierce has little vacant land for new growth while the platted areas of the City of Port St. Lucie are only approximately 70% developed plus large acreage tracts in the southwest environs of the City remains available to be development.
- Demand in most market segments collapsed between late 2005 and early 2007 and while in some locations within the County demand is increasing; demand generally remains inadequate to support most new project construction. There remains a level of uncertainty when adequate demand will return to support financially feasible new projects, but as demand returns a majority of the County's near term growth is expected to return in and around the City of Port St. Lucie with near term growth in the City of Ft. Pierce is expected to continue at its slow pace until strong demand is recognized regionally.

Neighborhood

Neighborhoods are defined as – “a group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises” - Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010)

Neighborhood access is primarily provided by Orange Avenue (SR 68), lying at the north line of the subject's block. Orange Avenue is the primary east-west arterial street within the City's Central Business District (CBD). The east line of the subject's block is formed by South 7th Street. 7th Street is a primary north-south connector forming the approximate west boundary of the CBD. 7th Street also acts a secondary north-south route. The south line of the subject's block is formed by Atlantic Avenue, an inter neighborhood street. Atlantic Avenue in the area of the subject runs west from 7th Street one block, but beginning several blocks west, Atlantic Avenue continues westerly through the city, and east three blocks within the CBD.

The subject has average neighborhood access but secondary exposure within Totten's Subdivision.

The subject's neighborhood consists of a mix of improved properties, but leans towards commercial types, mostly retail properties fronting Orange Avenue. Beginning approximately one block south of Orange Avenue, and west of 7th Street residential properties comprised the neighborhood's historic development trends. East of 7th street commercial development has been prominent. However, in recent years residential properties fronting 7th Street have been slowly remodeled for commercial use, i.e. offices and other low intensity use.

While commercial development within the neighborhood, especially properties fronting Orange Avenue, comprised one of the City's primary commercial districts, over the years new commercial development moved to other areas within the commercial properties fronting Orange Avenue transitioning to second and third round level occupants, both owner and tenants. As the transition occurred property deterioration has occurred with sporadic refurbishments occurring, but there remain properties in fair condition. Occupancy also remains somewhat sporadic with generally the fair conditions properties vacant, but as in the case of the retail building at the southeast corner of Orange Avenue and 7th Street, the long term tenant vacated the property several months ago and active marketing has not produced a new tenant, indicating demand remains relatively soft in the neighborhood.

With soft demand in the commercial market, rental rates and sales prices remain extremely modest. In the past high demand market of the mid 2000 period demand strengthened rental rates and sales prices, but the neighborhood only partially felt the real impact of the economic boom, however, with the economic and real estate collapse in

2008, the neighborhood shared in the negative economic conditions to the same level as the high demand neighborhoods, including a high volume of mortgage foreclosures in both the commercial and residential markets.

Since approximately 2011, prices seem to have stabilized and during 2012 and 2013 sales transactions increased but with some slowing in sales volume noted during 2014. The 2012 and 2013 periods found investors purchasing lender owned properties and in the case of vacant tracts, demand was primarily from neighboring property owners seeking site expansions for existing properties. West at approximately 30th Street a site was developed with a Dollar General Store and reportedly a dollar store is approved for the northwest corner of Orange Avenue and 17th Street. Also, within the subject's immediately Orange Avenue neighborhood, several property sales occurred and in some instances refurbishments have occurred and in some instances the properties remain unoccupied. Construction was completed on a Federal Courthouse at the southwest corner of US 1 and Orange Avenue, and although many expected the courthouse to bring demand for office and retail space, for various reasons generally demand has been unnoticeable.

The residential development adjacent to the Orange Avenue commercial district consists of older to very old improvements with conditions ranging from refurbished to fair, although the fair condition properties continue to be occupied, typically achieving very nominal rent levels. No new or redevelopment has occurred in the adjacent residential neighborhoods in many years, although sporadically owners refurbish the older improvements.

Again, while demand in the residential markets has generally strengthened, prices remain extremely modest within the neighborhood adjacent to the Orange Avenue commercial corridor. This is partially caused by the modest size and quality of improvements in the neighborhood and generally the economic strength of the market participants.

Looking forward in the neighborhood, unless demand from an as yet identified source occurs, demand in the neighborhood's commercial and residential markets, in my opinion, can be expected to remain relatively flat. Thus while it appears rental rates and prices have stabilized, demand is generally inadequate to witness an increase in rental rates or prices over the near term thus the cost of new construction remains unsupported and most properties continue to suffer relatively high levels of External Obsolescence (loss in value caused by the lack of demand).

CENSUS TRACT
Census tracts are defined as; A small, permanent subdivision of a county with homogeneous population characteristics, status, and living conditions. The U.S. Census Bureau divided cities and adjacent areas into relatively uniform census tract areas of approximately 4,000 residents. ¹
Per St. Lucie Co. Census Maps, subject is located in Census Tract 3805
¹ - Source - Appraisal Institute's, The Dictionary of Real Estate Appraisal, fourth edition, 2002.

Identification of Subject

Property Type: Vacant strip of land consisting of an alley created by the Plat of Totten's Subdivision, recorded October 1925 in PB 5, Pg. 53 of the Public Records of St. Lucie County.

Property Use "as is": Undeveloped right of way. Previously the alley served as rear access to adjacent improved properties, but "as is" the alley is unopened and no longer provides the intended use to the adjacent vacant property.

Location: Subject lies with the Totten's S/D block between Orange Avenue and Atlantic Avenue and west of 7th Street.

Site Size

Total land area: 0.055x± acres (2,392 sf)
10 ft. x 148.14 ft. & 12.14 ft. x 75 ft.

Subject is an "L" shape. See the attached Site Maps. The subject's size, shape, and location within a block of vacant properties **no longer functions as the intended alley.**

Topography is level and the subject is largely undeveloped.

Improvements: None.

Zoning / Land Use

Zoning – C-3, General Commercial / GC, General Commercial

Because of the subject's shape and size, the subject is unbuildable as an independent economic unit.

Concurrency

Concurrency is the comparison of any development's impact on public infrastructure including streets, utilities etc. that are, or will be, available to serve proposed development. Because the subject is an unbuildable site, per zoning, the subject likely does not comply with Concurrency.

UTILITIES	
SERVICE	PROVIDER
Electric	Fort Pierce Utilities Authority
Water	Fort Pierce Utilities Authority
Sewer	Fort Pierce Utilities Authority
Trash	City of Fort Pierce

1/1/2014 Assessment and Tax Information

The subject is a City owned alley, thus the subject is not assigned a tax parcel number and is not assessed for taxing purposes.

FLOOD ZONE DATA		
FEMA MAP #'s	MAP DATE	FLOOD ZONE
1211C0179J	February 16, 2012	X
Zone X is an area determined to be outside the 0.2% annual chance floodplain.		

Highest and Best Use

Physical Use: "As is" the subject has an "L" shape and is from 10 feet to 12.14 feet wide, thus the subject is physically undevelopable as an independent property.

Legal Use: Legally the subject lies within a General Commercial zoning classification, but again because of the subject's size and shape, zoning regulations will not allow the subject to be developed as an independent property.

Physically and legally the subject can be assembled with adjacent vacant land and developed in the commercial markets as an assembled site.

Financially Feasible/Maximally Productive Use: Properties like the subject are typically created by plats, dedicated to a governmental entity, in this case the City of Fort Pierce, providing adjacent owners and the City rear property access.

The subject "as is" is unbuildable and "as is", as an independent parcel, the subject has nominal functional utility and thus nominal value. Thus an alternative to developing utilizing the subject as an independent parcel needs to be identified. In this case, in my opinion, the maximally productive use (the use providing the highest value) is assemblage with the vacant sites surrounding the subject. While in the current market developing the assembled property is unlikely to be financially feasible, long term the assembled property improves the functional utility of not only the subject but the adjacent properties. Therefore, it is my opinion the financially feasible and maximally productive use of the subject is assemblage with the surrounding vacant properties.

Conclusion Highest and Best Use: In my opinion, "as is", the financially feasible and maximally productive use of the subject is assemblage with the surrounding vacant properties.

Valuation Process

As discussed, because the subject is has an "L" shape and from 10 feet to 12.41 feet in width, the subject generally lacks development potential as an independent unit, thus almost no sales of similar properties are known to exist. Therefore, the applicable method of analysis is an "Across the Fence" analysis (See "Across the Fence" defined in the attached Definitions Addendum) which is applied in the following valuation. Valuation via the "Across the Fence" method requires valuating adjacent vacant properties with the value conclusion, in this case price per square foot, applied to the subject.

Sales Comparison Approach

A Summary of the sales analyzed is included as an Exhibit with this report.

Research in the subject's market segment found an active market in 2012 and 2013, but sales volume diminished in 2014, somewhat caused by the clearing of the inventory of listed properties, particularly the lender owned listed properties which buyers generally view a selling at favorable prices.

The private party listings are generally at somewhat higher price levels but it does not appear buyers are yet interested in investing at higher price levels. An improving economy may support higher prices, but timing of new demand is uncertain.

The properties analyzed consist of the most recent comparable closed sales between private parties, no lender sales, of which I am aware. Because of the reduction in the inventory of similar listed properties, I am unaware of comparable listed properties thus a limited number of listed properties are analyzed.

Although prices are somewhat erratic, which is not unusual when demand is soft, the properties analyzed provide a reasonable indication of value.

The unit of comparison is sales price per square foot which is the typical unit of comparison within the subject's market segment.

Research found the sale of properties surrounding the subject. At the time of the purchase the property included two older buildings which have been razed. Plus three other sales of properties located within the Orange Avenue commercial corridor are analyzed. The properties analyzed are the most similar to vacant site surrounding the subject, in my opinion, Sales prices are erratic, again caused by soft and uncertain market demand but in my opinion the sales provide a reasonable indication of site values within the subject's immediate area.

Adjustment Process

Because sale properties generally are not identical to a subject property, at times adjustments to sale or listing prices may be required for the differences. Adjustments are market perceived, that is derived from the available market transactions and/or at times when minimal or erratic data is available, adjustments may be applied using the appraiser's judgment based on knowledge and experience in the subject's market segment.

The first adjustments considered are for atypical transactions including favorable financing, conditions of sale (favorable sales conditions), and market condition changes (time of sale), followed by comparison of physical characteristics consisting of location, size, topography, etc. and possibly adjustments for the differences.

Financing

The definition of Market Value assumes market transactions consider cash or cash equivalent transactions as typical. In the case of the properties analyzed, each sale was analyzed for possible favorable financing and research found all of the sales were cash transactions thus adjustments for atypical financing are not required.

Conditions of Sale

All of the sales were arm's length transactions and all of the sales were private party sellers, thus lender ownership and/or other financial duress did not affect sales prices. However, in the case of sale 1, the sale of properties surrounding the subject, the purchaser demolished two improvements on the property. The cost of demolition was reported to total \$8,000. the sales price is adjusted for the additional investment in the demolition.

Market Conditions/Time of Sale

In the case of a changing market, adjustments can be applied to account for changes in the market which may have occurred in the period between the sale date of the comparable and the date of the appraisal.

The sales in analyzed are generally recent, closing within the past 40 months with three of the sales closing within the last 13 months. The sales are the most recent sales of the comparable properties in the neighborhood.

Prices drastically declined to about mid 2011 when demand began to return and between 2012 and the date of appraisal prices appear to have stabilized, thus the price levels indicated by the properties analyzed are applicable to the subject.

Adjustments for Physical Conditions

After considering adjustments for transition characteristics, physical differences between the sale properties and the subject are analyzed. Some typical physical differences are location, exposure, access, site size, and topography.

Physical differences are ideally adjusted based on paired sales analysis, when available, but in the case of the subject's market segment, adjustment indications are unclear due to relatively modest number of sales and soft market conditions. For this reason, quantitative adjustments to the sale prices for different physical features are not applied; rather a qualitative adjustment process is performed.

Data Summary

There remains uncertainty in the subject's land market. Based on the properties analyzed, it appears the primary neighborhood market for typical sites are adjacent property owners. There are exceptions, as an example dollar stores are being or have been constructed in the neighborhood and these market participants tend to pay a

premium for a particular location but the vacant property adjacent to the subject is not a dollar store site, thus it appears vacant sites within the subject's block are most likely to primarily experience from an adjacent owner.

Sale 1 – consists of in total a 0.54 acre site which surrounds the subject alley. The site included two older building structures, demolished by the purchaser at a cost of \$8,000 for a total investment of \$73,000 or \$3.10 per square foot. In this case the purchaser owns the easterly adjacent property. The purchase and assemblage with the adjacent property allows the owner the ability to expand the adjacent property's development potential.

Sale 2 – is located six blocks west of the subject. The property forms the southeast corner of Orange Avenue and South 13th Street. There is a billboard on the property, previously reported to contribute nominal value to the property. The property has been listed for several years with an initial listing price significant higher than the December 2014 sales price. The property sold in July 2014 at \$20,000, then resold in December 2014 at \$30,000 or \$0.99 per square foot.

Sale 3 – is located at the northwest corner of Orange Avenue and North 19th Street, some 12 blocks west of the subject. The property was listed for a period of time with a Realtor but the Realtor could not consummate a sale. The adjacent property owner, a church, approached the seller and they completed the sale. Based on discussions with the purchaser's representative, it appears there was some lack of knowledge in the real estate markets, rather the purchasers may have highly desired the property thus little price negotiations occurred which likely upwardly affected the sales price.

Sale 4 - is the oldest sale analyzed, closing in September 2011 when demand in the markets was beginning to return. The property is located five blocks west of the subject. The property was listed via a local Realtor and sold to an adjacent owner. The combination of the purchaser's motivation and the small size of the site, 0.19 acres likely upwardly affected the sales price.

Value Conclusion

While the purchases by adjacent owners, sales 1, 3 and 4, produced the highest sales prices per square foot, sale 2 selling as an independent parcel to a non-adjacent owner sold at the lowest price per square foot. In most instances when a property can function as an independent economic unit the property will attract a wider range of potential investors, however, in the subject's neighborhood demand is very limited and in my opinion, although the property surrounding the subject recently sold to an adjacent owner at a price of \$3.10 per square foot, a sale of the property for an independent economic unit will not produce a \$3.10 per square foot sales price, as demonstrated in the case of sale 2.

Further, when reviewing the gross sales price range for the properties analyzed, in my opinion the adjacent property's adjacent property's gross sales price falls closer to the \$30,000 to \$40,000 range which calculates to \$1.27 to \$1.70 per square foot indicating the adjacent per square foot price falls towards the lower end of the range of the per square foot sales prices.

Additionally, in my opinion there is a gross price ceiling which the recent sale of the adjacent property seems to have broken but with continual weak demand in the neighborhood no other evidence exists in the neighborhood to suggest a new gross price level for say ½ acre lots will continue in the near term. Therefore, it is my opinion the market value of the adjacent property is no higher than within the range of \$1.50 per square foot and the possibility exists that the surrounding property could as in the case of sale 2 sell at low as \$0.99 per square foot.

Applying say \$0.99 to \$1.50 per square foot to the subject's 2,392 square feet of area the value indication calculates \$2,368 to \$3,588, or say \$3,000 for the subject alley.

Therefore, based on the available data and my analysis as previously presented, it is my opinion the market value of the fee simple interest in the subject, as of January 8, 2015, estimated via an "Across the Fence" analysis utilizing the Sales Comparison Approach, is:

THREE THOUSAND DOLLARS -\$3,000-

Exposure time: - *Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed.*

1. The time a property remains on the market.
2. The estimated length of time 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; a retrospective estimate based on an analysis of past events assuming a competitive and open market.

The closed sales analyzed required extended exposure periods. Extended exposure periods are typically caused by soft market conditions and in many instances initial above market listing prices. As prices seem to have stabilized and during 2012 and 2013 sales volume increased, exposure periods should have decreases or stabilized, however with softer demand in 2014 exposure periods may again lengthen, but it is my opinion that the past trends of extended exposure periods has past, rather as of the date of appraisal the exposure period for properties in the subject's neighborhood is most likely between 12 and 24 months.

ORDINARY LIMITING CONDITIONS AND UNDERLYING ASSUMPTIONS

1. The opinions value given in this report represents the opinion of the signer as of the DATE SPECIFIED. Real estate is affected by an enormous variety of forces and conditions will vary with future conditions, sometimes sharply within a short time. Responsible ownership and competent management are assumed.
2. This report covers the premises herein described only. Neither the figures herein nor any analysis thereof, nor any unit values derived therefrom are to be construed as applicable to any other property, however, similar the same may be.
3. It is assumed that the title to said premises is good; that the legal description of the premises is correct; that the improvements are entirely and correctly located on the property; but no investigation or survey has been made, unless so stated.
4. The opinion(s) given in this appraisal report is gross, without consideration given to any encumbrance, restriction or question of title, unless so stated.
5. Easements on the subject parcels are unknown. Easements may or may not be recorded or may exist by customary use or other legal means. The appraiser has not nor is he qualified to search legal records as to the existence of other easements.
6. Information as to the description of the premises, restrictions, improvements and income features of the property involved in this report is as has been submitted by the applicant for this appraisal, or has been obtained by the signer hereto. All such information is considered to be correct; however, no responsibility is assumed as to the correctness thereof unless so stated in the report.
7. The physical condition of the improvements described herein was based on visual inspection. No liability is assumed for the soundness of structural members since no engineering tests were made of the same. The property is assumed to be free of termites and other destructive pests.
8. Possession of any copy of this report does not carry with it the right of publication, nor may it be used for any purpose by any but the applicant without the previous written consent of the appraiser or the applicant, and in any event, only in its entirety.
9. Neither all nor part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent of the author; particularly as to the valuation conclusions, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute, or to the SRA or MAI designations.
10. The appraiser herein, by reason of this report is not required to give testimony in court or attend hearings, with reference to the property herein appraised, unless arrangements have been previously made therefore.
11. The Contract for the appraisal/consulting services is fulfilled by the signer hereto upon the delivery of this report duly executed.
12. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and zoning laws unless non-compliance is stated, defined and considered in the appraisal report.

ORDINARY LIMITING CONDITIONS (continued)

13. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field, if desired.

14. The Americans with Disabilities Act (ADA) became effective January 26, 1992, we 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 we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

EXTRAORDINARY ASSUMPTIONS

EXTRAORDINARY ASSUMPTION – *Uniform Standards of Professional Practice (USPAP), 2014-2015, ed.*

An assumption, directly related to a specific assignment, which, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.

1. The subject's site size and dimensions were taken from a sketch and legal description provided by my client, Mr. Steve Tarr and assumed to be accurate.

CERTIFICATE OF APPRAISAL

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

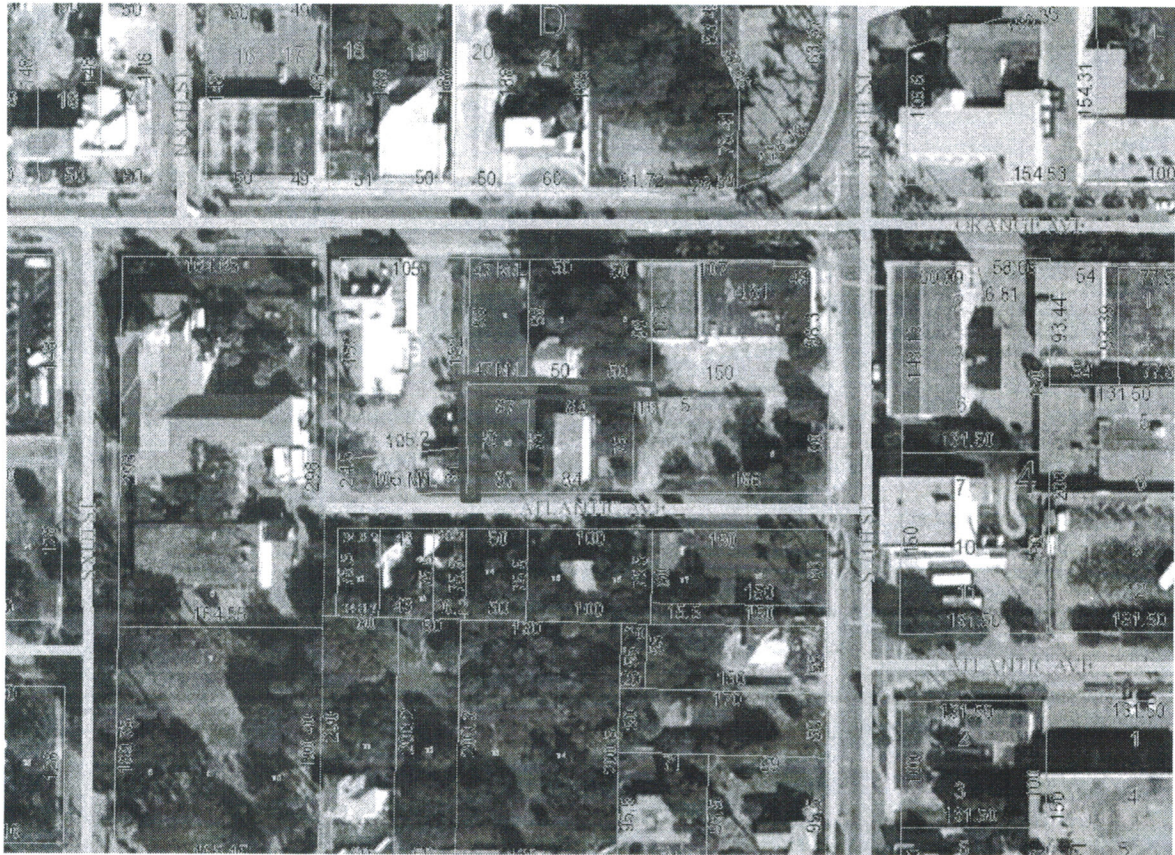
- a) The statements of fact contained in this report are true and correct.
- b) The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
- c) I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- d) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- e) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- f) My 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.
- g) My analysis, opinion, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- h) I have made a personal inspection of the property that is the subject of this report.
- i) No one provided significant real property appraisal assistance to the person signing this certification.
- j) The reported analyses, opinion, and conclusions were developed, and this report has been prepared, in conformity with the requirement of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute including the Uniform Standards of Professional Appraisal Practice.
- k) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- l) "As of the date of this report, I, Daniel D. Fuller, MAI, SRA, have completed the requirements under the continuing education program of the Appraisal Institute."
- m) This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- n) I have not previously appraised this property in the three years prior to this assignment nor have I performed any other services related to this property within the three years prior to being engaged for this assignment.



Daniel D. Fuller, MAI
State-Certified General Real Estate Appraiser RZ567

DATA SUMMARY & ANALYSIS

DESCRIPTION	Sales within Subject's Orange Ave. neighborhood			
	SALE 1	SALE 2	SALE 3	SALE 4
SUBJECT	700 block between Orange Ave. and Atlantic Ave. Ft. Pierce	SE corner Orange Ave. & S. 13th Street Ft. Pierce	1906 Orange Ave. - NW corner Orange Ave. & N. 19th St. Ft. Pierce	SW corner Orange Ave. & Alma Court Ft. Pierce
GRANTOR	Owner - City of Fort Pierce	M. Porro Inv., Wilson, Francis X.	Rammanian, Robit	Anona Swan
GRANTEE	N/A	RAST Properties, Inc.	Vega's Home Const., Inc.	Independent Haitian Assembly of God
DATE OF SALE RECORDED OR BK/P.G.	APPRaised 1/8/2015	10/14	12/14	9/11
SALE DATE TO APPRAISAL - MONTHS	3	3679/767	3660/467	3332/2037
FINANCING	Expected Cash Equivalent	Cash	Cash	Cash
PREVIOUS SALES	N/A	4/04 sale @ \$175K - prop. Included 3 residential structures Current sale - \$65K = 63% decline	3/03 sale - \$95K 7/14 sale - \$20K Price decline 78% followed by 50% increase	No recent previous sales
DATA VERIFICATION:	Inspection & property owner	Purchaser Steve Tarr (561) 622-3386 to D. Fuller 1/16/15	Public Records details	Pastor E. Lexvins (Purchaser) (770) 940-7591 to D. Fuller 3/14/14
ZONING / LAND USE	C-3 / CG	C-3 / CG	C-3 / CG	C-3 / CG
SITE AREA - SF ACRES	2,392 0.055	23,522 0.540	30,320 0.696	22,216 0.51
PUBLIC UTILITIES	Central	Central	Central	Central
Comments:	City alley, interior, unbuildable "as is"	Interior Orange Ave. & Atlantic Ave. exposure - improved with older blds., demolished Purchaser assembling properties	Corner/traffic light, good exposure Very soft demand neighborhood Property includes billboard	Average corner exposure Very soft demand neighborhood Adjacent owner purchaser
SALE ANALYSIS	N/A	\$65,000	\$30,000	\$21,000
RECORDED SALE PRICE:	N/A	\$2.76	\$0.99	\$1.80
SALE PRICE PER SQ. FT.	0	0	0	0
FINANCING ADJUSTMENT	\$0	\$65,000	\$30,000	\$21,000
ADJUSTED SALE PRICE	\$0	\$8,000	0	0
ADJUSTED SALE PRICE	0.0%	\$73,000	\$30,000	\$40,000
MARKET CONDITION ADJUSTMENT / MONTH	\$0	0.0%	0.0%	0.0%
GROSS SALE PRICE - market condition adjusted	\$0	\$73,000	\$30,000	\$40,000
SALE PRICE / SF - market condition adjusted	\$0.00	\$3.10	\$0.99	\$1.80



Aerial Site Map (subject in red)

Subject Photographed 1/8/15



Vacant land surrounding subject alley –
with subject alley located in area identified by arrow



Area of alley along west line of Lot 10, identified by arrow

DEFINITIONS

APPRAISAL REPORT FORMAT

Per *Uniform Standards of Appraisal Practice (USPAP 2014-2015) – Standards Rule 2-2*, each written real property appraisal report must be prepared under one of the following options and prominently state which options is used: Appraisal Report or Restricted Appraisal Report.

MARKET VALUE DEFINED

Market Value, as defined in Chapter 12, Code of Federal Regulation, Part 34.42, is:

The most probable price in terms of money 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, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated.
2. Both parties are well informed or well advised, and each acting in what he considers his own best interest.
3. A reasonable time is allowed for exposure in the open market.
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents a normal consideration for the property sold unaffected by special or created financing or sales concessions granted by anyone associated with the sale.

FEE SIMPLE ESTATE – *Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed.*

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

ARM'S LENGTH TRANSACTION – *Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed.*

A transaction between unrelated parties who are each acting in his or her own best interest.

SALES COMPARISON APPROACH – *Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed.*

The process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.

ACROSS THE FENCE METHOD – *Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed.*

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.

EXTRAORDINARY ASSUMPTION – *Uniform Standards of Professional Practice (USPAP), 2014-2015, ed.*

An assumption, directly related to a specific assignment, which, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.

QUALIFICATIONS OF THE APPRAISER

DANIEL D. FULLER, MAI

Education

Indian River Community College, Graduated 1967, A/S Degree

Professional Memberships

Member Appraisal Institute (MAI)#7876 - Appraisal Institute
 Senior Real Property Appraiser (SRPA) - Appraisal Institute
 Senior Residential Appraiser (SRA) - Appraisal Institute
 Florida - State Certified General Real Estate Appraiser RZ567
 Registered Florida Real Estate Broker

Work Experience

1992 - Pres. President, Fuller-Armfield-Wagner Appraisal & Research, Inc., Fort Pierce, FL
 1987 - 1992 Vice President & Partner, Armfield-Wagner Appraisal & Research, Inc., Fort Pierce, FL
 1983 - 1987 Staff Appraiser, Armfield-Wagner Appraisal & Research, Inc., Vero Beach, FL
 1981 - 1983 Salesman/Appraiser, Florida Licensed Realtor-Associate, Procino Realty, Ft Pierce, FL
 1979 - 1983 Staff Appraiser, Harbor Federal Savings and Loan Association, Fort Pierce, FL
 1974 - 1979 Staff Appraiser, St. Lucie County Property Appraiser's Office, Fort Pierce, FL

Real Estate Appraisals made for the following:

Accountants	PNC Bank
Attorneys	Port St. Lucie, City of
Dept. of Natural Resources	RBC Bank
Federal Deposit Ins. Corp.	Resolution Trust Corporation
Federal Home Loan Bank Board	Seacoast Bank
Federal National Mortgage Corp.	St. Lucie County
Florida Community Bank	South Florida Water Management District
Fort Pierce, City of	SunTrust Banks
Gulfstream Business Bank	TD Bank
Harbor Community Bank	TITF
IBERIA Bank	Vero Beach, City of
Indian River County	Wells Fargo
Martin County	

Types of Appraisals Completed

Airplane Hangars	Offices
Automobile Dealerships	Packing Houses
Car Washes	Ranches
Commercial	Recreational Vehicle Parks
Groves	Residential
Industrial	Restaurants
Insurable Value	Retail Shopping Centers
Land Locked Parcels	Service Stations
Mini-Warehouses	Subdivision
Motels	Warehouses
Multi-Family	Wetlands
	Vacant Lands

Qualified as Expert Witness

Circuit Court -
 St. Lucie County
 Martin County
 Indian River County
 Okeechobee County
 Palm Beach County
 U.S. Bankruptcy Court -
 West Palm Beach District

Accomplishments

Past President - Society of Real Estate Appraisers - Indian River Chapter 211 (1989 - 1990)
 Past Instructor - Indian River Community College - Appraising Income Producing Real Estate
 Past Board Member - East Florida Chapter of Appraisal Institute