

**AN APPRAISAL REPORT OF
THE MIXED USE SITE AND INTERIM IMPROVEMENTS**

**LOCATED AT 301 OCEAN DRIVE
FORT PIERCE, FLORIDA**

PREPARED FOR

THE CITY OF FORT PIERCE

AS OF

AUGUST 18, 2016

PREPARED BY

THOMAS A. OSTEEN, MAI, SRA

&

**COOPER OSTEEN
ST. CERT. GEN. RZ3707**

OSTEEN APPRAISAL SERVICES INC.

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August 23, 2016

Rebecca Grohall
Planning Director, City of Fort Pierce
Fort Pierce, FL 34950

RE: An appraisal report of two adjoining parcels located between South Ocean Drive and Hernando Street on South Hutchinson Island, Fort Pierce, FL. The improved parcel is located at 301 South Ocean Drive and is adjoined to the south by the vacant parcel also being appraised.

Dear Ms. Grohall:

As requested on behalf of the City of Fort Pierce, we have completed an appraisal report of the above referenced properties. The appraisal is being completed in order to estimate the market value to the Fee Simple Title to the property as of August 18, 2016, which corresponds with the date of the property inspection. The client and intended user of the report is the City of Fort Pierce. The client will be utilizing the appraisal report to evaluate the subject property as a possible acquisition target.

For naming purposes in the report, the improved parcel that contains approximately 20,975 square feet is termed Parcel 1 while the second non-improved parcel that adjoins the improved parcel and contains 7,500 square feet is termed Parcel 2. Parcel 1 is under-improved and building improvements represent an interim use. It is our opinion that joint utilization of Parcels 1 and 2 will ultimately lead to the most productive use of both parcels. Since they are adjoining, owned by the same entity, and have a joint highest and best use, the parcels are basically evaluated and appraised together as a joint entity.

Parcel 1 improvements are currently leased on a short term basis and there is a 60 day termination provision. The lease is not of significant enough duration to impede Fee Simple Title conveyance. The 60 day termination provision would basically cover a contract period and allow the seller to convey Fee Simple Title. In light of the intended use of the appraisal, the Fee Simple Interest is being appraised. The valuation of the Fee Simple Interest is made subject to the 60 day termination period.

As a result of our investigation and analysis, as well as a general knowledge of real estate valuation procedures, it is our opinion that the market value of the Fee Simple Interest in the subject property as of August 18, 2016 is as follows:

SEVEN HUNDRED THOUSAND DOLLARS

\$700,000

We certify that, to the best of our knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

This appraisal assignment was not made, nor was the appraisal rendered on the basis of a requested minimum valuation, specific valuation, or an amount that would result in approval of a loan.

Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the State of Florida for State Certified Appraisers and the current Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Foundation.

The following appraisal report complies with all regulations issued by the appropriate regulatory entities, regarding the enactment of Title XI of the Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA). The Market Value estimate is predicated on the assumption that the normal marketing period has already taken place. The market value estimate rendered herein is based on an implied exposure period of 12 months.

A description of the property appraised, together with an explanation of the appraisal procedures utilized, is contained in the body of this report.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Cooper Osteen".

Cooper Osteen
St. Cert. Gen. RZ3707

A handwritten signature in blue ink that reads "Thomas A. Osteen".

Thomas A. Osteen, MAI, SRA
State Certified General Real Estate Appraiser, RZ174