

**AN APPRAISAL REPORT
OF THE WATERFRONT RETAIL PROPERTY
LOCATED AT 106 NORTH CAUSEWAY DRIVE
FORT PIERCE, FL 34949
(LITTLE JIM BAIT & TACKLE)**

**PREPARED FOR
CITY OF FORT PIERCE**

**AS OF
JUNE 22, 2018**

**PREPARED BY
COOPER OSTEEN, ST. CERT. GEN. REA RZ3707**

**AND
THOMAS A. OSTEEN, MAI, SRA**

OSTEEN APPRAISAL SERVICES INC.

**REAL ESTATE APPRAISERS AND CONSULTANTS
LICENSED REAL ESTATE BROKERS**

**THOMAS A. OSTEEN, MAI, SRA
ST. CERT. GEN. REA RZ0000174**

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

**112 ORANGE AVENUE
FT. PIERCE, FL 34950**

**FT. PIERCE (772) 461-3363
EMAIL OFFICE@OSTEENAPPRAISAL.COM**

July 5, 2018

Gelencia Carter
Purchasing Manager
City of Fort Pierce
PO Box 1480
Fort Pierce, FL 34954

RE: An appraisal report of the bait and tackle shop located at 106 North Causeway Drive, Fort Pierce, FL 34949.

Dear Ms. Carter:

As requested, we have prepared an appraisal report on the above referenced property. The report is being completed in order to estimate the Market Value to the Fee Simple Interest in the subject property as of the date of the appraisal, or June 22, 2018. The appraisal is being completed for the City of Fort Pierce. The City of Fort Pierce will utilize the appraisal in its decision making process regarding the city owned asset. We note that the subject property is currently leased with 7+ years remaining on the current lease agreement. However, the client has requested a Fee Simple Valuation based on the intended use of the appraisal and the current circumstances involving the existing lease / tenant. Thus, a Fee Simple valuation is completed that does not consider the in place

lease. The client and intended users should note that a Leased Fee Valuation could be significantly different than the Fee Simple results of the appraisal.

The subject consists of an older waterfront retail building that is currently leased and has operated for many years as Little Jim Bait & Tackle. The facility includes a retail building containing 860 square feet of enclosed area, a 616 square foot deck with canopy, and additional wood deck area of roughly 1,150 square feet, and dockage. The building and its site improvements are situated on a partially submerged site whose total site area is .89 acres according to the legal description recorded in tax records, which references the lease / lease sketch for size.

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 of 12 months has already taken place. We estimate that it should take approximately 12 months to market the property going forward.

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,



Cooper Osteen
St. Certified General Real Estate Appraiser RZ3707



Thomas A. Osteen, MAI, SRA
State Certified General Real Estate Appraiser RZ0000174

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LIMITING CONDITIONS AND UNDERLYING ASSUMPTIONS

1. The value given in this appraisal report represents the opinion of the signer as to the Value AS OF THE DATE SPECIFIED. Values of real estate are 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 appraisal report covers the premises herein described only. Neither the figures herein nor any analysis thereof, nor any unit values derived there from 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 value given in this appraisal report is gross, without consideration given to any encumbrance, restriction or question of title, unless so stated.
5. Information as to the description of the premises, restriction, improvements and income features of the property involved in this report 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 this report.
6. 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.
7. 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 one but the applicant without the previous written consent of the appraiser or the applicant, and in any event only in its entirety.
8. 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 and MAI designations.
9. 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.

10. The Contract for the appraisal of said premises is fulfilled by the signer hereto upon delivery of this report duly executed.
11. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and zoning laws unless noncompliance is stated, defined and considered in the appraisal report.
12. It is assumed that all licenses, certifications of occupancy, consents, or other legislative or administrative authority from local state or national government, or private entity or organization, have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
13. The appraisal expresses the opinion of the signers and is not contingent upon a predetermined value. Neither the employment to make the appraisal nor the compensation in any way determined the amount of the valuation reported.
14. 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 discovering them. The client is urged to retain an expert in this field, if desired.

EXTRAORDINARY ASSUMPTIONS

- The subject property is currently operating as a non-conforming use with regard to the zoning code. The property may have some capacity for more intense utilization, either through upgrades / additions to existing improvements or through redevelopment. The subject's utility as a vacant site is also important to the valuation since we are effectively completing a Cost Approach, which begins with a valuation of the site as though vacant. It is uncertain exactly what would be permissible (as a vacant site) because the current zoning code cannot be utilized to establish realistic parameters. There are many components that would require evaluation as part of a cohesive development plan along with a change to the zoning and land use. We have discussed the site at length from a planning standpoint and have formulated what are believed to be reasonable parameters as far as overall site utility / capacity. The current use of the subject property is utilized as a base guideline of what the subject property (as a vacant site) could support from a commercial development standpoint.

We assume that our evaluation of site utility is generally accurate to the extent that our conclusions regarding highest and best use and the site value parameters are not impacted. If our assessment of the site's utility were found to be significantly inaccurate, then the results of the assignment could be impacted and we reserve the right to amend the appraisal as necessary to reflect utility.

- The lessee reported there being multiple surveys that have been done on the property and that they are all conflicting. We were not provided with an actual survey of the leased area; we reviewed older surveys that include, but do not specifically depict the subject property. We are also in possession of a sketch that appears to have been developed by the engineering department using an old survey. This depicts the subject's land area at 1.9 acres. However, it is stated on the sketch that it is not a legal survey and the sketch looks to be in conflict with the sketch that is included in the lease. It is beyond the Scope of Our Assignment to go into great detail attempting to qualify the credibility of different surveys or site area sketches. The legal description found in SLC tax records indicates that the subject contains .89 acres per the lease. This numerical figure is not found in the lease; however, the tax record sketch, the lease exhibit depicting property boundaries, and the legal found in tax records all appear to be consistent with that figure. As a result, the subject's site area figure utilized in this appraisal is .89 acres. We assume this figure to be correct and accurate. If the subject's actual area is found to be something other than .89 acres, then the results of the assignment could be impacted since a key part of the appraisal is site valuation, which is based on a per unit land value parameter. We also note that a portion of this land area is submerged; the amount of submerged land varies with tides and there is also apparently some conflict regarding the mean high tide mark. This

appraisal also relies on our estimation of upland area, which is based on our observations of the normal shoreline and other typical upland area. We assume that this estimation is sufficiently accurate for the purpose of establishing market value. We reserve the right to amend the appraisal as necessary if a qualified survey should show a differing amount of upland area than we have calculated.

- We assume that the subject's land area and utility does not include DOT right of way.
- A perpetual easement for deposit of dredged material was granted to the United States of America in 1936 on or very close to the subject property. We are unaware of any recent utilization of the subject property for this purpose. It is beyond the Scope of our Assignment to determine any value impact of this easement if any. The valuation assumes that there is no material impact of this easement on the subject property.
- We were not provided with a full summary of property income and expenses or profit and loss statements. We were able to obtain certain financial information regarding dock income from the tenant verbally. We are assuming that the financial information that we obtained verbally is accurate.

EXECUTIVE SUMMARY

Type of Property	Waterfront Retail
Location	106 North Causeway Drive, Fort Pierce, FL 34949
Effective Date of the Appraisal	June 22, 2018
Date of Report Writing	July 5, 2018
Previous Appraisal / Advisory Services Involving the Subject	We have not performed any sort of valuation related services on the subject property in the three years prior to being hired by the client to complete the current assignment.
Property Rights Appraised	Fee Simple
Highest and Best Use As Vacant	Leave vacant in an interim use until market conditions warrant development to capacity.
Zoning / Land Use	OS-2, COS (Conservation)
Site Size	.89 Acres per tax recorded legal Estimated 10,300 SF upland area
Intended Use	The City of Fort Pierce will utilize the appraisal in its decision making process regarding the city owned asset.
Intended User(s)	The City of Fort Pierce
Exposure Period	12 to 18 Months
Market Value to the Fee Simple Title as of June 22, 2018	\$510,000

INTRODUCTORY COMMENTS

Intended User, Intended User

The appraisal is being completed for the use of the City of Fort Pierce. The City of Fort Pierce represents the client and intended user of the appraisal. The city will be utilizing the appraisal for internal decision making involving the subject property, which is a city owned asset.

Previous Appraisals / Advisory Services Involving the Subject

We have not been hired to perform any valuation or advisory services involving the subject property in the three years prior to engagement for the current assignment.

Market Value

The Appraisal of Real Estate (13th Edition 2008), by the Appraisal Institute, defines Market Value as follows on Page 23:

The most probable price, as of a specified date, in cash, or terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is acting under undue duress.

Interest Appraised

The interest appraised herein is the Fee Simple Estate of the Subject Property.

Definition of Fee Simple Title

The Dictionary of Real Estate Appraisal (Fifth Edition 2010), by the Appraisal Institute, defines Fee Simple Estate on page 78 as follows:

"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.

We note that the subject property is currently leased. However, the client requested a Fee Simple valuation that does not consider the lease because of the intended use of the appraisal and the circumstances at play involving the tenant and lease.

SUBJECT PHOTOS

BUILDING INTERIOR



BUILDING INTERIOR



SHALLOW WATER DOCK



DOCKAGE



SUBJECT PHOTOS

COVERED DECK



SITE EXTERIOR



ENTRANCE ROAD



BUILDING FRONT



IDENTIFICATION OF PROPERTY

The subject is a water front retail establishment that has functioned as a local staple for many years as Little Jim Bait & Tackle. The property is located at 106 North Causeway Drive in Fort Pierce, FL 34949.

SCOPE OF APPRAISAL

The appraisal is being completed in order to estimate the Market Value of the Fee Simple Interest as of June 22, 2018. The assignment scope / Interest Appraised was based on conversations with the client. A Fee Simple valuation is needed even though the property is leased. It noted that the Fee Simple value could be different from a Leased Fee Value that accounts for the lease.

In estimating value, we have utilized a hybrid Cost Approach. This approach allows us to initially value the subject's largest value component, which is vacant land, by the Sales Comparison Approach. Then the contributory value of other improvements is estimated through a cost / depreciation analysis and income analysis.

Information regarding the valuation was obtained from several sources, including public records of Saint Lucie County, governmental agencies of Saint Lucie County, the Regional Multiple Listing Service, LoopNet data service, and market participants. We met the tenant at the property on the date of the inspection, June 22, 2018. We discussed the property with the tenant including approximate property lines, mean high tide lines, and general property history. Data was obtained both in documented format as well as from personal interviews with individuals in the marketplace and/or associated with the government. Presentation, as well as discussion of this data, is included in the body of this report. Thomas A. Osteen MAI, SRA and Cooper Osteen inspected the subject property on the date of the appraisal.

The subject's size is based on the tax recorded legal description. As we outlined in the Extraordinary Assumptions, the subject has some capacity for redevelopment and / or intensification of use. The valuation also requires evaluation of vacant site utility since land value is estimated in the Cost Approach. The site is limited in use intensity by its size and other physical constraints. It is impossible to quantify the exact capacity that the subject has in a vacant scenario or if additions to the existing use were desired. In evaluating land value, we have relied on our conversations with planners and other market participants to formulate an overall qualitative assessment of the subject property within the context of the larger market in terms of its utility. We have also utilized the existing improvements / use as a baseline indicator of the subject's use capacity. We have completed the research necessary to formulate a credible assessment of utility within the Scope of the Appraisal. If proposed development plans or definitive judgements from administrative authorities were to show that the utility of the site were either under-classified or over-classified in the land valuation, then we reserve the right to amend the

appraisal accordingly. Again though, the existing improvements are relied upon as a guideline in determining utility since they are a definitive indicator of land utility at this point.

The effective date of the appraisal is June 22, 2018. The appraisal is being transmitted July 3, 2018.

EXPOSURE PERIOD

The Market Value estimate expressed in this report assumes that an exposure period of 12 to 18 months has already transpired.

LEGAL DESCRIPTION

The subject property's legal is taken from Saint Lucie County tax assessment records as follows:

35 34 40 FROM NW COR OF SEC RUN S 89 DEG 49 MIN 01 SEC E 1556.56FT, TH S 00 DEG 10 MIN 59 SEC W 1908.70 FT TO POB, TH N 58 DEG 59MIN 38 SEC E 166.32 FT, TH S 75 DEG 40 MIN 00 SEC E 200 FT, TH S 54 DEG 07 MIN 50 SEC W 159.37 FT TO HIGH WATER/VEG MARK, TH MEANDERING SD HW MARK SWLY 218.96 FT M/L, TH N 35 DEG 54 MIN 18 SEC W 72.65 FT, TH N 32 DEG 50MIN 14 SEC E 76.58 FT TO POB (0.86 AC) (CONTAINING 0.89 AC PER LEASE)

AERIAL SITE MAP



HISTORY OF OWNERSHIP

The subject property is currently owned as follows according to Saint Lucie County tax assessment records:

City of Fort Pierce
PO Box 1480
Fort Pierce, FL 34954

There have been no recent sales or transfers of the subject property according to public records. The subject has not been formally listed for sale that we know of recently. The current tenant has been in discussions regarding a possible partnership that would involved the expansion of the existing facility. That project is not moving forward currently to the best of our knowledge.

SUMMARY OF NEIGHBORHOOD DATA

The relationship of the subject property with surrounding properties forms the basis of neighborhood analysis. The 10th Edition of the Appraisal of Real Estate refers to forces which influence property value as, "Social, economic, governmental and environmental forces influence property values in the vicinity of a subject property, which in turn, directly affects the value of the subject property itself." Neighborhood analysis is thus a study of forces and factors which will tend to influence the value of the subject property in the future.

Neighborhood Boundaries & Access

The subject neighborhood is defined as the portion of North Hutchinson Island lying in Saint Lucie County. The physical boundaries of the subject neighborhood are the Fort Pierce Inlet to the South, the Atlantic Ocean to the East, the Indian River Lagoon to the West, and the Indian River County line to the North. The Fort Pierce Inlet is a man-made passage between the Indian River Lagoon and the Atlantic Ocean. The inlet is the means by which recreational and commercial vessels can reach the ocean from the Port of Fort Pierce and several marinas. The Fort Pierce Inlet is the only one in Saint Lucie County. The nearest inlets are at Sebastian (28 miles North) and Stuart (23 miles South). There is no bridge across Fort Pierce Inlet.

The subject neighborhood's southern, eastern, and western boundaries are all bodies of water and physical in nature. The northern boundary is chosen for the differences seen in the demographics of coastal Indian River County.

State Highway A1A runs the length of the barrier island. Traffic flows into the subject neighborhood from Indian River County from the north, or from the mainland across two bridges to the barrier island. The first bridge from mainland to island is known as the North Causeway Bridge and the second is a much smaller bridge known as Little Jim Bridge. There are currently plans to upgrade the main Causeway Bridge from a two lane drawbridge to a major fixed bridge at a height of over 80'. Construction has recently been delayed as the project is having to be re-worked to ensure proper access to businesses on the west side of the bridge. The bridge will not be complete until approximately 2025 but will significantly enhance access to the northern Fort Pierce barrier island.

Commercial development in the subject neighborhood is limited. There is a small Little Jim Bait & Tackle Shop at Little Jim Bridge. Additionally, there is a small strip center and gas station at the northeast corner of the Shorewinds Drive and Highway A1A intersection and a few scattered office buildings.

Neighborhood Land Use Factors

The three main land uses seen in the subject neighborhood are as follows:

- Residential subdivisions mostly located west of State Highway A1A
- High rise condominium apartment towers located east of State Highway A1A
- Conservation / Mosquito Control lands

Single Family Subdivisions

The oldest subdivision on the island is Fort Pierce Shores, where the oldest homes date back to the 1940's and 1950's when this area was opened up to private use after the military occupied it for much of World War II. Fort Pierce Shores is approximately 75% to 85% built out. There are no lots here that have frontage along the Indian River Lagoon and most of the land along the ocean is owned by the State of Florida for conservation. Other older subdivisions like Coral Cove and Queen's Cove are seen further to the north. The newest single family subdivision in the neighborhood is Tarpon Flats, an up-scale subdivision with private beach access and shallow water access being developed by the Heaton Companies.

High Rise Condominiums

A row of high rise condominium towers as tall as 14 stories begins just north of Fort Pierce Shores and extends for 3.5 miles north along the oceanfront. This section of North Hutchinson Island is home to the tallest building heights in Saint Lucie County. The towers vary in age from 35 years to less than three years. The level of density here has been allowed by Saint Lucie County as a trade-off to preserve as much of the mangrove wetlands west of Highway A1A as possible.

Conservation Lands

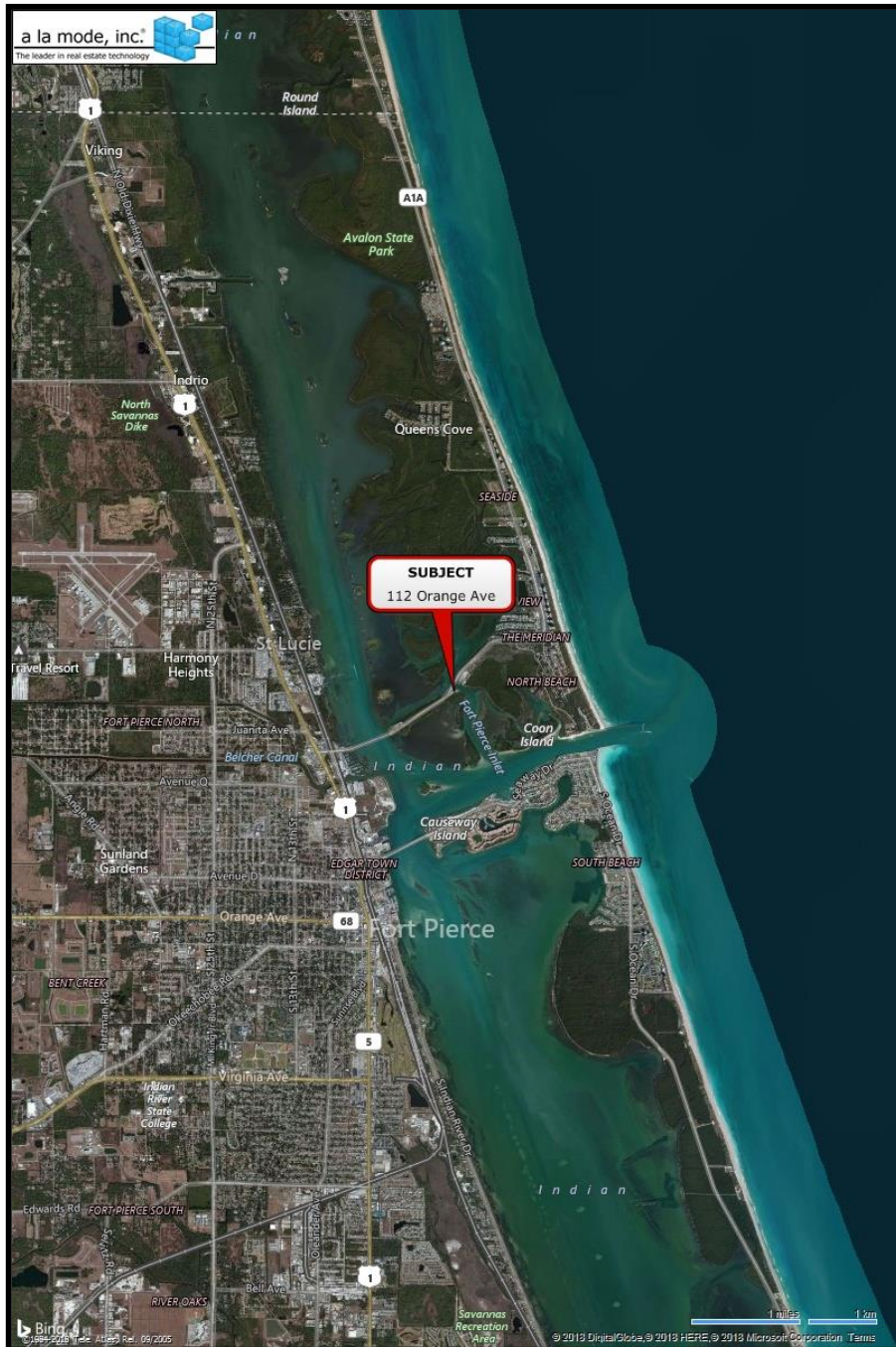
This is the largest land use seen in the subject neighborhood. This is due to the fact that there are several large islands in the Indian River Lagoon which have no access and are mostly un-buildable. Saint Lucie County and the State of Florida own most of the acres of remaining land on North Hutchinson Island. Most of this land is some form of wetlands which are home to several species of mangrove, fish, and wading birds. Most of the conservation lands lie west of Highway A1A.

The State of Florida is the largest land owner on North Hutchinson Island. In addition to owning the 250 acre Fort Pierce Inlet State Park at the south end of North Hutchinson Island, the state owns over 1,200 additional acres. This acreage includes the largest single parcels on the island; however, the vast majority of these lands are not useable uplands. Saint Lucie County and the South Florida Water Management District are also large landowners in the neighborhood.

Summary & Outlook

Northern Hutchinson Island is largely characterized by its condominium housing, older residential subdivisions, and large amount of public lands that includes many of the counties most desirable beaches. Commercial development is limited partially due to the limited populations self-contained within the island and also because of the lack of land for development. The area continues to see positive influence on real estate of all types due to generally favorable economic conditions and strong migratory trends to the area. Demographic makeup within the neighborhood is also above average.

NEIGHBORHOOD MAP



SUMMARY OF SITE DESCRIPTION

Site Size, Location, and Access

The subject is located on North Hutchinson Island at the base of Little Jim Bridge. The street address is 106 North Causeway Drive, Fort Pierce, FL 34949.

The subject's boundaries are based on what is recorded in tax records, which is basically consistent with a survey included in the lease. Per tax records and the lease exhibit, the subject contains a total of .89 acres between North Causeway Drive and state waterways. We have estimated a total of approximately 10,300 square feet of upland area. This is identified as the land that is typically west and north of the normal tideline along the eastern and southern property boundaries.

The site is accessed by crossing a parcel of land owned by the Florida Department of Transportation, which is adjacent to and directly accessible from North Causeway Drive. Access to the site is paved and then turns to dirt over paving once nearing the subject's building improvements.

Census Tract

The subject property lies within Census Tract 3812.04.

Zoning and Future Land Use Classification

The subject lies in the Conservation Open Space Zone (OS-2). This is outlined as follows by the City of Fort Pierce in municipal codes:

Purpose. This district is for areas containing important natural environmental features which pose severe limitations on their suitability for development. It is the intent of the zone to retain to open character of the zone wherever possible by limiting the uses primarily to conservation, low intensity recreation and other compatible uses. Due to the sensitive environmental character of areas in the district, many users are allowed as conditional uses.

Permitted uses in this zone are highly limited to low density residential, park and open space, game and wildlife preserves, etc. Based on the current zoning and land use, there are effectively no permitted commercial applications and there is likely no residential use capacity either given the size of the lot.

The subject is currently utilized in a commercial capacity. The current use is considered a legal non-conforming use according to the city.

We discussed the subject as a vacant site with the City of Fort Pierce. This was hypothetical since the subject is currently improved. The subject is also a unique case

since it is owned by the city which administers, interprets, and has the authority to change zoning if deemed appropriate. Based on discussions with the city, commercial applications or more intense residential applications (as vacant) are possible but would have to be accompanied by a proposal to show compatibility with surrounding uses or may require a zoning change, although many of the same physical constraints would apply regardless of zoning. The planning director indicated that there has been some discussion in the past regarding a re-zone to a waterfront commercial type classification. As a vacant site, the subject likely has the ability to accommodate a variety of smaller scale, relatively light intensity commercial or residential applications subject to the city's acceptance of a proposed plan.

The current future land use of the property is COS, Conservation and Open Space. This is consistent with the current zoning.

Topography

The subject property has upland area, along with varying degrees of submerged land. Apparently, there has been some contradictions among surveys depicting upland, wetland, boundaries, and mean high tide lines. Through our review of aerial photography, the property inspection, and measurement tools, we estimate the portion of the property that would typically be considered upland – the areas west and north of the normal shoreline – to contain approximately 10,300 square feet, or .236 acres. While portions of this area are submerged at times, there is a clear increase in elevation west and north of the shoreline and this portion of the site is typically associated with not being submerged. The balance of the site is regularly submerged with water depths varying depending on the tide. This is an estimate that is subject to verification by a survey. (SEE EXTRAORDINARY ASSUMPTIONS) We reserve the right to amend the appraisal as needed if our depiction of the subject site or upland area is inaccurate per a survey.

Bounding Properties

The subject is bounded by State Waterways to the east and a mix of Mangroves and State Waterways to the south. There is vacant land and Mangroves owned by DOT to the west of the subject property and a DOT owned parking lot to the north.

No hazardous waste was noted by the appraiser. However, please refer to item #14 of the Limiting Conditions and Underlying Assumptions of this report.

Easements

There are no easements known to us that impact the subject property.

FEMA Flood Zone

The subject is located within Flood Zone AE with 6’ Base Flood Elevations per FEMA online records. This is special flood hazard area requiring specialized building construction standards.

Deed Restrictions

There are no known adverse deed restrictions that hinder the development of the site.

Utilities

The subject utilizes municipal water systems of Fort Pierce Utilities Authority. Sewer infrastructure is located approximately 600’ east of the subject property on the barrier island, although this is Saint Lucie County infrastructure and the subject lies in Fort Pierce Utilities Authority service area. The nearest Fort Pierce Utilities infrastructure is on the mainland and it is certainly not feasible to tie into that system. The Saint Lucie County sewer system would likely require a sub-aqueous crossing under the waterway. Cost would depend on demands of the system, but the cost would not be an outright deterrent to connection in the event Fort Pierce Utilities Authority and Saint Lucie County Utilities could work out a service agreement.

Real Estate Taxes & Assessment

Tax data is taken from the Saint Lucie County tax roll for the 2017 assessment year:

Parcel ID Number	Assessed Value	Total Taxes Due
1434-100-0000-020-9	\$678,300	\$0

No taxes are currently levied against the subject property as a city owned asset. If the subject were sold to a non-tax exempt authority, the taxes could be expected to rise to the normal level.

IMPROVEMENTS

The subject's primary building contains approximately 860 square feet and was originally constructed in the 1940's as a military guard shack during World War 2. A portion of the main structure was added after the original construction of the building. The building is constructed on piers, has a concrete floor, and wood frame. The building has an asphalt shingle roof and a central air-conditioning system. The interior is basic retail space with concrete floors, a light duty kitchen, exposed wood roofing system and duct work, fluorescent strip lighting, and a restroom. The interior is in average condition.

There is a 616 square foot wood deck area that is covered by a canopy. There is an additional 1,150 square feet of uncovered wood decking that surround the main building.

The subject property has an approximately 250 linear feet of primary dockage. This include the main dock and three side docks that branch off of the main dock. This area can service approximately 22 boats depending on size. There is another approximate 300 linear footage of docks located along the south side of the property; however, these are very limited in rental capacity due to water depth. These areas may perform short term dockage at certain tides or can function for long term storage, but are not typically utilized as day to day rental dockage. There a total estimated linear footage of 550 feet of docks. The subject has the following licenses / approvals:

- 2COP license
- DEP marine fuel storage
- Department of Agriculture Food Permit
- FWC retail saltwater products
- Weighting and measuring (Dept. of Ag.)

HIGHEST AND BEST USE

The value of real property is of course directly related to the use to which it can be put. It follows that a particular parcel may have several different levels under alternative uses. Accordingly, the property appraised herein is appraised under its Highest and Best Use which is defined as:

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property - specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.

The source of this definition is the Dictionary of Real Estate Appraisal, Fifth Edition, Page 93.

In order to establish the highest and best use of the property, several factors must be considered. These elements pertain to features such as size, zoning, location, access, utilities, trend of surrounding development, and demand. Demand for the end product is the criteria judging whether or not it is feasible to construct at the present time. The highest and best use analysis follows on the next page.

Conclusion - As Vacant

Legally Permissible –

As outlined in the zoning section, as a vacant site, the subject is limited to a narrow variety of commercial or residential applications, subject to the city's acceptance and approval of a proposed plan. The current zoning is highly limited and the subject's practical utilization options are determined through a city approval process and possibly rezoning.

Physically Possible –

The subject's physical constraints are substantial. Initially, there is only an estimated 10,300 square feet of upland area. Even some of this area becomes submerged land at times or is subject to flooding during unusually high tides and severe tides. The subject will require specialized engineering and building tactics because of the flood zone and because of its relationship to the water. Additionally, environmentally sensitive Mangrove habitat borders the southern property boundary. Lastly, there is no sewer infrastructure in place at the subject site. The closest sewer lines are located approximately 600' to the east and would require a sub-aqueous crossing and a lift station to obtain sewer service. Sewer would be required for any form of full service food establishment according to the City of Fort Pierce Planning Department. Lastly, there is very limited on site parking for the subject property. While there is public parking close by, higher volume establishments could become underserved on parking, particularly during times of high heavy public parking loads in these public lots. The physical constraints of the site obviously limit the scale of the development. Partially sub-merged land does still hold utility for dockage and possible building area with pier / piling construction.

Financially Feasible / Maximally Productive –

As vacant, the subject site should be developed with a commercial use to the intensity permitted by the physical constraints of the site. The subject's waterfront location on a primary roadway makes it a good candidate for exposure driven marine related retail establishments including full service restaurants, bait and tackle, boating supplies, fish markets, light service restaurants, etc.

Full services restaurants are an obvious potentially good use of the property based on the waterfront location. However, larger, high volume facilities will be needed to justify development costs that include relatively long distance underwater sewer extension and enhanced building construction standards. Obtaining the scale necessary to justify these costs will be difficult because of the limited site area / building area. Still, the subject is a good candidate for this type of use depending on the scale of development it can support. Less intense uses become ideal candidates for the site if full service restaurant usage cannot be feasibly accomplished. This includes light service restaurants or other

small scale retail uses. We point to the existing use as a good indicator of less intense use types that are well situated on the site.

Conclusion - As Improved

Based on our analysis, the existing improvements are contributing value to the property above that of a vacant site and therefore are representative of the highest and best use. It is questionable whether or not existing improvements are maximally productive or if there are upgrades that could feasibly increase the intensity of the property.

The subject is a good candidate for upgrades in intensity based on characteristics including location, exposure & supply / demand factors. However, upgrading the current facility centers around the question of feasibility that is influenced by its physical constraints of size and water impact. Upgrades to a full service restaurant would require presence of sewer, costly kitchen upgrades and satisfying other building codes, possible addition of parking, etc. If the intensity of the subject can be increased to the scale necessary to justify costs, then the facility should be upgraded. If upgrading is not feasible, which would have to be determined by a specific proposal, then the site should continue to be operated in its current format.

THE APPRAISAL PROCESS

The valuation process is the orderly program in which the data used to estimate the value of the subject property are acquired, classified, analyzed, and presented. The first step in the process is to define the appraisal problem - i.e., identify the real estate, the effective date of the value estimate, the property rights being appraised, and the type of value sought. Once this has been accomplished, the appraiser collects and analyzes the factors that affect the market value of the subject property. These factors are addressed in the area and neighborhood analyses, the site and improvement analysis, and the Highest and Best Use analysis, and in the application of the three approaches to value. Appraisers generally use three approaches to value: The Cost Approach, the Sales Comparison Approach, and the Income Capitalization Approach.

The first approach is the Cost Approach to value. Accrued depreciation is deducted from the cost new of the improvements and this figure is added to the land value to indicate the value of the whole property. Generally, land value is obtained through sales comparison. The reproduction cost new of the improvements is estimated based on current prices for component parts of the building less depreciation, which is computed by analyzing the disadvantages or deficiencies of the existing building as compared to a new building. The Cost Approach is excluded from this assignment as outlined in the scope of work. A Cost Approach is completed in this assignment with additional income analysis utilized to supplement the estimate of contributory value of improvements.

The Sales Comparison Approach is used to estimate the value of the land as though vacant and/or the property as improved. The appraiser gathers data on sales of comparable properties and analyzes the nature and conditions of each sale, making logical adjustments for dissimilar characteristics. Typically, a common denominator is found. For land value, the unit of comparison is usually price per square foot or price per acre; for improved properties, it may be price per square foot, price per unit, or a gross rent multiplier. The Sales Comparison Approach produces a good indication of value when sales of similar properties are available. An improved Sales Comparison Approach is not completed in this assignment due to the lack of sufficient improved comparable sales.

The Income Approach is predicated on the assumption that a definite relationship exists between the amount of income a property can earn and its value. In other words, value is created by the expectation of income benefits to be derived in the future. In this approach, the anticipated annual net income is stabilized and then converted into a value estimate by division using a market derived overall. The Income Approach is also not applicable due to the lack of comparable rental data and the fact that owner occupants tend to control the market for properties in this class.

The final step in the valuation process is the reconciliation or correlation of the value indications. In the reconciliation, the appraiser considers the relative applicability of each of the approaches used, examines the range of the value indications, and gives most weight to the approach that appears to produce the most reliable solution to the appraisal

problem. The purpose of the appraisal, the type of property, and the adequacy and reliability of the data are analyzed; also considered in assessing the reliability of each approach to value. To apply the three approaches to value, information pertaining to the fair market value of the subject property must be derived from the market because the appraiser seeks to anticipate the actions of buyers and sellers in the market.

LAND VALUE BY SALES COMPARISON APPROACH

Preface

The Dictionary of Real Estate Appraisal (Third Edition), by the Appraisal Institute, defines Sales Comparison Approach on page 318 as follows:

"A set of procedures in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison, and making adjustments to the sale prices of the comparables based on the elements of comparison."

Overview of Comparable Sale Selection

Our search for comparables focused on small waterfront commercial sites with similar utility / highest and best use to the subject. Sales are very limited, particularly sales that align with the subject in all the desired categories. However, we do have sales that align with the subject on various levels of the highest and best use spectrum and that are ultimately reflective of the same influences that will drive value for the subject property. Sales are outlined on the following page and are followed by a discussion of adjustments and the value correlation.

Unit of Comparison

We believe that the market will tend to evaluate the subject property in terms of price per square foot of upland area. This requires the estimation of upland area, which we have previously detailed in the report. Since upland area holds the majority of value, it is more logical to start with the upland area parameter and make recognition to marginal utility that may arise from submerged land vs. including all submerged land and making deductions for enhanced utility of sales that contain all upland.

Notably, we have completed a separately land grid that contains a full set of adjustments using total land area. That is being retained in our files; however, the price per upland square foot analysis is most credible in this case and is presented on the following pages:

LAND SALES ADJUSTMENT GRID						
	SUBJECT PROPERTY	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
LOCATION	106 N Causeway Drive Fort Pierce, FL	1502 Seaway Drive Fort Pierce, FL	111 Boston Avenue Fort Pierce, FL	3805 NE Indian River Drive Jensen Beach, FL	306 South Ocean Drive Fort Pierce, FL	1920 Seaway Drive Fort Pierce, FL
OR BOOK & PAGE	-	3760, 810	3889, 195	2798, 2985	4102, 1557	3724, 472
SALES PRICE/LIST PRICE	-	\$ 1,450,000	\$287,000	\$ 400,000	\$ 275,000	\$ 1,700,000
CASH EQUIV. ADJUSTMENT	-	\$ -	-	\$ -	\$ -	\$ -
RESIDUAL LAND VALUE	-	\$ 1,450,000	\$287,000	\$ 400,000	\$ 275,000	\$ 1,700,000
ARM'S LENGTH SALE	Yes	Yes	Yes	Yes	Yes	Yes
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
SALE DATE	Active	Jun-15	Jun-16	Jul-15	Feb-18	Mar-15
SITE SIZE (ESTIMATED UPLAND)	10,300	40,824	12,436	12,632	14,844	48,504
SITE SIZE (ACRES)	0.24	0.94	0.29	0.29	0.34	1.11
ZONING	OS-2	C-5	C-1	C-5	R4A	C-5
VIEW	Water / Docks	Inlet View	River View	Inlet View	Ocean View	Inlet View
TOPOGRAPHY	Partially Sub-Merged	Similar	Elevated	Similar	Dunes	Typical
UTILITIES	Water Available	Available	Available	Available	Available	Available
OTHER	Waterfront	Waterfront	Non-Waterfront	Waterfront	Waterfront	Waterfront
SALE PRICE / SF	-	\$ 35.52	\$ 23.08	\$ 31.67	\$ 18.53	\$ 35.05
ADJUSTMENTS						
Conditions of Sale Adjustments	-	0%	0%	0%	0%	0%
Adjusted Sale Price / SF	-	\$ 35.52	\$ 23.08	\$ 31.67	\$ 18.53	\$ 35.05
Market Conditions	-	15%	10%	15%	0%	15%
Adjusted Price / SF	-	\$ 40.85	\$ 25.39	\$ 36.42	\$ 18.53	\$ 40.31
Location / View	-	-15%	25%	-10%	0%	-15%
Size	-	15%	0%	0%	0%	15%
Zoning	-	0%	0%	0%	0%	0%
Shape, Topo, Environmental	-	0%	10%	10%	10%	0%
Utilities	-	-15%	-15%	-15%	-15%	-15%
Net Adjustments	-	-15%	20%	-15%	-5%	-15%
Adjusted Price / SF	-	\$ 34.72	\$ 30.46	\$ 30.95	\$ 17.60	\$ 34.26

Discussion of Sales

Conditions of Sale: Sales were each confirmed with a party directly involved in the transaction. None of the prices were significantly impacted by atypical circumstances and no adjustments are made in this category.

Market Conditions: The local real estate market has experienced strengthening prices over the time period represented by sales. The rates of increases has tended to vary and periods of more rapid price appreciation have been mixed with period of relative stability over the past three years. Upward adjustments are made based on our review of paired sales within this market segment, through review of active listing, and through discussions with market participants.

Location: This adjustment considers the larger scale locational attributes of each site along with more site specific factors such as view:

- Sales 1 and 5 are located on the Fort Pierce inlet on South Hutchinson Island. This is considered a superior waterfront location due to more commercial anchors nearby and deep water. Sale 1 was designed to include dockage; while Sale 5 was not improved with dockage, it is located towards the east end of the inlet and has ocean views. Views of both sites are generally considered more favorable to the subject's more narrow internal waterway view. A downward adjustment of 15% is made to each of these sales.

Sale 3 is located in Jensen Beach at the downtown round-a-bout. This is also a more active area. Additionally, price premiums are seen for Martin County vs. Saint Lucie County all other factors equal. A downward adjustment of 10% is made.

Sale 2 is located in downtown Fort Pierce. This property is on a ridge and has potential water views, but no water access. An upward adjustment is made for the subject's water frontage / access.

Sale 4 is located in the South Hutchinson Island ocean and is not adjusted. This sale's ocean frontage and access is viewed as offsetting with the subject's dockage capacity.

Size:

- Smaller sites and those at lower gross price levels tend to sell at a premium on a per unit basis to those that are larger and at higher gross price levels. The subject is evaluated based on price per upland square feet. Using this parameter, upward adjustments are appropriate for the much larger sales, Sale 1 and Sale 5, which would see dilution in price per unit vs. the subject.

Zoning: The subject's current zoning is very restrictive. However, our conversations with the city and planners indicate that the subject has the ability to be used for applications outside of the current zoning. We have made assumptions regarding what is legally permissible on the subject site. Those assumptions indicate that, based on zoning and legal permissibility, the subject is not any more restrictive than other sites used as comparables. We also note that the subject has an existing retail use and the only way to fairly evaluate the contribution of that use to the site is through comparison to sales having similar use potential. The limiting factors for the subject property are physical in nature. No adjustments are made for zoning as a result.

Shape / Topo / Environmental: The subject is evaluated based on its upland land area. There are still factors that may inhibit or enhance its utility vs. other sites having similar physical characteristics. The following factors are considered negative influences to the property's utility:

- The site is atypically shaped
- There are environmentally sensitive areas along the southern perimeter of the site
- The property is in a flood zone and experiences varying levels of water submersion depending on tide; both factors may complicate structural requirements and cost
- The subject possessed additional land area that is submerged. This land is not included in the base upland area parameter, but adds a level of positive influence on site utility since it is included in the lease and is actually being utilized in support of a building at this time. Thus, this factors must be accounted for as a positive site influence.

Adjustments are made as follows:

Sales 1 and 5 are superior in shape and did not have upland area influenced by environmentally sensitive factors. This is offsetting with the subject's added utility of submerged land area. No adjustments are made.

Sales 2, 3, and 4 were all atypically shaped sites with varying degrees of environmental concerns and / or topographical drawbacks that added layers of complication and cost to development. Sale 4 was located on the ocean and had to contend with protected dune areas and also was situated in a flood zone and east of the coastal construction control line. These sales are all given upward adjustments for the subject having bonus utility in submerged land compared to these sales.

Utilities: The subject has no access to sewer, which limits its ability to be utilized as a full service restaurant. Higher sales volumes will likely be necessary to support more costly improvements. The lack of sewer may therefore serve to limit feasibility in more costly development styles. Without sewer, the subject can still function in a commercial capacity. That is limited vs. the sales, however. Downward adjustments of 15% are

made in this category. In making this adjustment, we have looked at the factors involved in extending sewer to the subject site in addition to comparing the typical prices differences seen in the marketplace between sites that have access to sewer and those that are limited in scale due to no access or costly access.

Value Correlation

The sales evaluated represent nice quality waterfront sites with overlap in highest and best use to the subject. That said, they are basically all superior to the subject due to the restrictive nature of the subject's lack of sewer and physical character. Ultimately, we believe that the adjustments made reasonably reflect the physical characteristics of the property. The sales ranged in adjusted price from \$17.60 to \$34.72 per square foot. The subject's value parameter is best placed within the range at \$32.00 per square foot. Land Value is now calculated as follows:

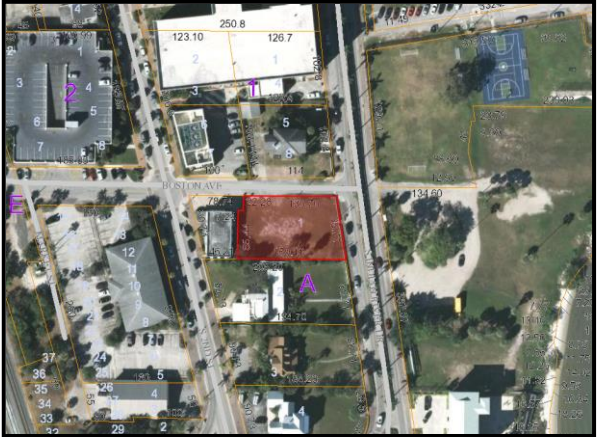
**10,300± Upland SF @ \$32.00 Per Square Foot
=\$329,600
Rounded to \$330,000**

LAND SALE AERIALS

SALE 1



SALE 2



SALE 3



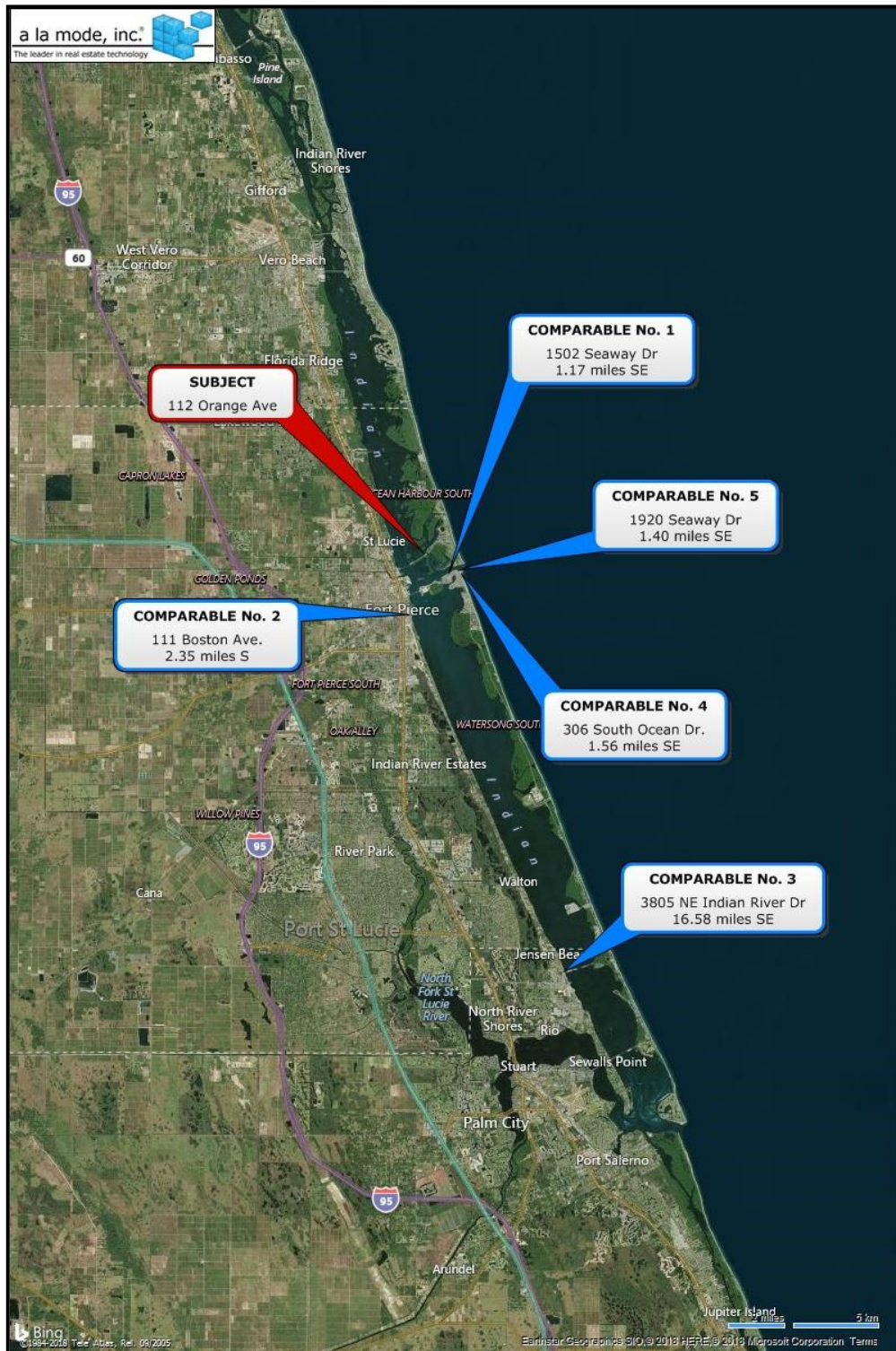
SALE 4



SALE 5



COMPARABLE SALES MAP



THE COST APPROACH

Replacement Cost New of Improvements

Main Building

Replacement cost new of the subject's improvements is best estimated using the Marshall & Swift Cost Estimating manual. Building improvements are classified as Class "D" Retail Store found in Section 13, Page 26. The subject is aligned with an Average quality rating, which produces a base cost new rate of \$80.00 per square foot. An adjustment to the base cost rate is made at \$5.00 per square foot for the presence of an approximate 200 square foot attached storage area. This results in an adjusted base cost new of \$85.00 per square foot. While the subject property will be requires to adhere to specialized building codes because of its location and flood zone, new construction would be more costly to complete. However, the subject was constructed in 1960 and the existing construction level does not reflect enhanced standards.

The overall multiplier applicable to the subject property is 1.17 for an adjusted base cost new rate of \$99.45 per square foot.

The subject's Replacement Cost New is calculated as follows:

$$\begin{aligned} & \mathbf{860\ SF\ X\ \$99.45\ Per\ Square\ Foot} \\ & \mathbf{=\$85,527} \end{aligned}$$

Canopy & Deck

The subject's canopy and deck area was estimated using Marshall & Swift, in addition to local sources involved in the construction of similar facilities on the waterfront. Based on our research, the subject's deck and canopy area is best estimated using a figure of \$35.00 per square foot. The replacement cost new for deck only areas is estimated at \$25.00 per square foot. Therefore, based on each area's total square footage, the replacement cost new of these two components is estimated as follows:

Canopy & Deck - 616 SF @ \$35 / SF:	\$21,560
Deck - 1,150 SF @ \$25 / SF:	\$28,750
Total:	\$50,310

Docks

Local sources are utilized in the replacement cost new of docks. The subject has roughly 550 linear feet of dockage with electric and water stations along the main dock area and one boat lift. Based on the width, construction quality, and type of dock, a figure of \$200 per linear foot is reasonable across the entire project. An additional

\$10,000 is added for the boat lift. The replacement cost new of docks & boat lift is now calculated as follows:

$$550 \text{ Linear Feet @ } \$200 / \text{Linear Foot} = \$110,000$$

$$+ \text{Lift @ } \$10,000 = \$120,000$$

Other / Site Improvements

The subject has other improvements in place including city water hookups, impact fee payment that is built into the operating facility, septic system, and very basic parking improvements. The value of these items is estimated on an "As Is" basis at \$10,000. This is based on extractions of value that have been completed on comparable commercial facilities. Note that this amount is not included in the tally of items whose contributory value is based on replacement cost new less depreciation. That tally is below:

Total Replacement Cost New

Replacement Cost Totals			
Component	Size	Rate	Cost New
Main Building	860	\$ 99.45	\$ 85,527
Canopy	616	\$ 35.00	\$ 21,560
Deck	1,150	\$ 25.00	\$ 28,750
Docks + Lift	550 (LF)	200.00	\$ 120,000
Total			255,837

Building Depreciation

External: Presence of external obsolescence is not seen in the market segment now due to economic conditions. New building and growth within the class of property is evidence of this.

Functional: Ideal building improvements would allow the building to fully capitalize on demand that is present in the marketplace. The subject is below ideal standards in terms of its size and ability to support higher volume retail utilization. There are difficulties in curing these issues because of feasibility. A reasonable functional depreciation estimate of 10% is made for the subject's improvements that do not allow for full capture of demand. This assessment is supported through review of the current rental rate.

Physical: Physical depreciation is based on an effective age of 20 years and a total economic life of 55 years. (36%) This is reasonable based on the subject's age, remodeling within the past 20 years and current condition level.

Other Depreciation

Canopy, decks, and docks are subject to differing depreciation levels than the subject's main building. These component are not recognized to have a presence of functional obsolescence; however, they have shorter economic lives typically and therefore depreciate at a higher rate. Depreciation for other components is estimated as follows:

Canopy / Decks: These areas are in average condition. The total economic life of each of these components on a blended, collective basis is 35 years. The estimated effective age is 12 years. Therefore, depreciation for these two components is estimated at 34%.

Docks: The estimated economic life of docks is 30 years. The estimated effective age of the subject's docks/lift is 8 years which includes consideration to physical and functional characteristics. We note that a higher estimate of depreciation is appropriate for the docks since a fairly large amount of the linear footage is in shallow water and not able to generate consistent revenue or the revenue is marginal vs. primary docking areas. Depreciation for docks is calculated at 26%.

Entrepreneurial Incentive

No entrepreneurial incentive is present in new development of projects like the subject. The motivating factor in the event of development centers around rewards associated with a business enterprise rather than profitability in development of real estate. No allowance is made for unique projects like this where there is functional obsolescence present.

Summary of the Cost Approach

The market value of the subject property via the Cost Approach is now presented completely below.

Summary of Cost Approach						
Component	Size	Rate	Cost New / Contributory Value	Depreciation Rate	Depreciation	Contributory Value
Building	860	\$ 99.45	\$ 85,527	46%	\$ 39,342	\$ 46,185
Canopy & Deck	616	\$ 35.00	\$ 21,560	34%	\$ 7,330	\$ 14,230
Deck	1,150	\$ 25.00	\$ 28,750	34%	\$ 9,775	\$ 18,975
Docks + Lift	550	\$200.00	\$ 120,000	26%	\$ 31,200	\$ 88,800
Developer's Profit			-			\$ -
Total Cost New / Contributory Value			\$ 255,837	\$ -	\$ -	\$ 168,189
As Is Value of Other Site Improvements			-			\$ 10,000
Add Site Value						\$ 330,000
Value by Cost Approach						\$ 508,189

The value estimated by the Cost Approach was \$508,189, rounded to \$510,000.

Contributory Value Crosscheck

Dockage / Income: We have also reviewed the income capacity of the docks as a method of crosschecking the cost based estimate of contributory value. This is the single largest value contribution in terms of improvements. Boat storage generates on average \$140 per boat per month. A reasonable estimate of stabilized occupancy for the 22 slips is 75% based on our research, or 16.5 slips. This equates to stabilized Effective Gross Income of \$2,310 per month, or \$27,720 annually. The docks require more than property management since there is regular assistance required with docking, scheduling, etc. Labor associated with dock income is expected to cost \$12 per hour with a 10 hour weekly workload including heavy weekend hours. This equates to \$6,240 per year. Other expenses associated with the dock that must be deducted to reach net operating income include pro-rata share of taxes, insurance, & electric and water. Together, these items are estimated at an additional \$7,500 annually. Thus, net income of the dock property component is calculated at \$13,980. Within the context of the larger market, this type of income stream is at the upper end of the rate spectrum since because the physical improvements are subject to natural disasters and occupancy can vary greatly depending on a variety of factors. Lower durability income streams of this type are typically capitalized in the 12%+ range. Using a capitalization rate of 13.5%, the implied value of the docks from an income standpoint is \$103,555. This is considered supportive of the cost based estimate of contributory value.

RECONCILIATION

The three approaches to value which were utilized produced the following value results for the property under each valuation scenario:

COST APPROACH	\$510,000
SALES COMPARISON APPROACH	Not Used
INCOME CAPITALIZATION APPROACH	Not Used

The Cost Approach is the only method that can be reliably employed for the subject property given the lack of improved sales involving similar property. The Cost Approach is completed by completion of a sufficiently supported Sales Comparison Approach for land value and then primarily using cost / depreciation analysis. The results of the cost / depreciation analysis were crosschecked using the land residual technique and an income based analysis for docks.

Therefore, it is our opinion that the Market Value to the Fee Simple Title to the subject property as of June 22, 2018 is as follows:

**FIVE HUNDRED TEN THOUSAND DOLLARS
\$510,000**

CERTIFICATION

- We certify that, to the best of our knowledge and belief,...
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
- 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.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting of predetermined results.
- Our compensation is not contingent upon the 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 subsequent event directly related to the use of this appraisal.
- 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 & Standards of Professional Appraisal Practice of the Appraisal Institute.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Thomas Osteen, MAI, SRA and Cooper Osteen have made a personal inspection of the property that is the subject of this report.
- No one provided significant professional assistance to the person signing this report.
- Our value conclusion, as well as other opinions expressed herein, is not based on a requested minimum value, or specific value, or approval of a loan.
- As of the date of this report, I Thomas Osteen, MAI, SRA have completed the requirements of the continuing education program of the Appraisal Institute.
- This report is subject to review by the State of Florida and by the Appraisal Institute.
- We have not provided any valuation services involving the subject property in the last three years.



Thomas A. Osteen, MAI, SRA
State Certified General Real Estate Appraiser, RZ0000174



Cooper Osteen
State Certified General Real Estate Appraiser RZ3707

QUALIFICATIONS OF THOMAS A. OSTEEN, MAI, SRA

Professional Memberships

- ◆ MAI - member, Appraisal Institute of Real Estate Appraisers.
- ◆ SRPA - Senior Real Property Appraiser - Society of Real Estate Appraisers.
- ◆ SRA - Senior Residential Appraiser - Society of Real Estate Appraisers.

Professional Experience

- ◆ State Certified General Appraiser - State of Florida Since June, 1990, #RZ0000174
- ◆ President - Osteen Appraisal Services, Inc. - 1984 - Present.
- ◆ Licensed Real Estate Broker - State of Florida since 1984.
- ◆ Broker - Salesman - State of Florida - 1981 - 1984.
- ◆ Real Estate Salesman - State of Florida - 1976 - 1981.

Professional Training

- ◆ Numerous courses and appraisal seminars between 2000 and 2011
- ◆ Bachelor of Science Degree, Real Estate Major, Florida State University, 1976.
- ◆ Associates of Arts Degree, Indian River Community College, 1974

Experience

Continuous appraisal of real property in the State of Florida since 1976. Appraisal practice encompasses a wide array of commercial, agricultural and residential properties including complex special purpose properties.

Continuing Education

As of the date of this report I, Thomas A. Osteen, MAI, SRA, SRPA has completed the requirements under the continuing education program of the Appraisal Institute.

QUALIFICATIONS OF COOPER OSTEEN

Licensure

COOPER OSTEEN, Registered Trainee Appraiser Florida License R122707

Education

John Carroll High School, Graduated May, 2001.

Indian River Community College, Graduated 2003, AA Degree.

University of Mississippi, Graduated May 2008, B.A. Degree.

Professional Memberships

Residential Associate Member, Appraisal Institute

State of Florida – Registered Trainee Real Estate Appraiser # R122707

Appraisal Courses and Seminars Completed

Appraisal Institute – “Basic Appraisal Principles” April, 2007 (30 Hours) Denver, CO

Appraisal Institute – “Basic Appraisal Procedures” April, 2007 (30 Hours) Denver, CO

Appraisal Institute – “15 Hour National USPAP Course” April, 2007 (15 Hours)
Denver, CO

Appraisal Institute – “Residential Market Analysis & Highest and Best Use” May, 2007
(15 Hours) Tampa, FL

Appraisal Institute – “Residential Site Valuation and Cost Approach” May, 2007 (15
Hours) Tampa, FL

Appraisal Institute – “Residential Sales Comparison & Income Approaches” July, 2007
(30 Hours) Miami, FL

Appraisal Institute – “General Appraiser Income Approach Part 1”
2008
(30 Hours) Tampa, FL

Types of Property Appraised

- Single Family Residences
- Condominium Units
- Small Income Producing Properties
- Vacant Residential Land
- Vacant Agricultural Land
- Mobile Homes
- Vacant Commercial Land
- Barrier Island Property
- Restaurants
- Small Professional / Medical Office
- Light Industrial
- Flex Warehouses
- Small Citrus Groves
- Special Use Properties
- Commercial Income Properties

ENGAGEMENT LETTER



NOTICE TO PROCEED

June 15, 2018

Date:

TO: Osteen Appraisal Services, Inc., 131 North Second Street, Fort Pierce, FL 34950 Attn: Tom Osteen, MAI, SRA, Contractor.

RE: Property Appraisals: 505 North 7th Street, PID: 2410-601-0134-000-8

PROJECT NO.: Informal Bid No. 2018-497

PROJECT NAME: Market Value Property Appraisal – Tax ID 1434-100-0000-020-9, Little Jim Bait and Tackle

COST OF PROJECT: \$1,700.00 (Seventeen Hundred Dollars and No Cents) Purchase Order No. 181185 Attached.

You are hereby notified to proceed with the Work on subject Project on or before June 15, 2018 and to complete the same no later than June 29, 2018 (two weeks). The completion date for this project shall be: No later than July 6, 2018.

Please sign in the space provided below and return to us via email: gcarter@city-ftpierce.com or fax: (772) 467-3848, as this will constitute your acceptance of this award.

OWNER:

BY:
CITY OF FT. PIERCE, FLORIDA
P.O. BOX 1480
FT. PIERCE, FL 34954-1480

Gelencia Carter, M.P.A.
Purchasing Manager