

AN APPRAISAL REPORT OF
A 0.19 Acre Public Right of Way
Located at
The West End of Frances Avenue
Hutchinson Island, St. Lucie County, Florida

PREPARED FOR
Mr. Chris Sante
P.O Box 3006
Key Largo, Florida 33037

"AS IS" ESTIMATE AS OF
September 18, 2017

PREPARED BY
THOMAS JOHNSON & ASSOCIATES, INC.
REAL ESTATE APPRAISAL & CONSULTANTS

THOMAS J. JOHNSON, MAI, SRA
STATE CERTIFIED GENERAL
REAL ESTATE APPRAISER-RZ798

NIKOLAUS M. SCHROTH, CCIM,
STATE CERTIFIED GENERAL
REAL ESTATE APPRAISER-RZ3704

17-103



September 25, 2017

Mr. Chris Sante
P.O Box 3006
Key Largo, Florida 33037

Dear Mr. Sante:

Re: **17-103** NMS

In accordance with your request, we have made an inspection, analysis, and appraisal of the following:

**A 0.19 Acre Public Right of Way
Located at
The West End of Frances Avenue
Hutchinson Island, St. Lucie County, Florida**

As a result of our investigation and analysis of the information outlined in this report, we hereby submit that the "As Is" Market Value of the Fee Simple Estate of the subject property as of September 18, 2017, is as follows:

FIFTY EIGHT THOUSAND DOLLARS

\$58,000

The subject is a 0.19 acre or 8,235 square foot parcel located on the west side of Hernando Street, at the end of Frances Avenue on Hutchinson Island, Florida. The property is level and vegetation is minimal. Zoning is R4A and is compatible with the Medium Density Residential Hutchinson Island designation.

The property is not known to have been inspected for environmental contamination, such as underground storage tanks, drums of known or unknown contents, evidence of waste disposal such as sludge, paints, chemical residues, oil spillage, asbestos, etc. No environmental contamination is known to exist by the appraiser. The appraiser was not provided with an environmental survey of the subject. A description of the property appraised together with an explanation of the valuation procedures utilized is contained within the body of the report. This letter is made part of this report and subject to the Limiting Conditions as set forth herein. This appraisal is intended to comply with Federal reporting standards and the standards and reporting requirements of the Uniform Standards of Professional Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation. This is a Commercial Appraisal Report of the subject property.



Sincerely,



Thomas J. Johnson, MAI, SRA
State Certified General Real Estate Appraiser RZ798



Nikolaus Martin Schroth, CCIM
State Certified General Real Estate Appraiser RZ3704

CERTIFICATION

The undersigned hereby certify that, except as otherwise noted in this appraisal report:

- 1) Nikolaus M. Schroth has personally inspected the property that is the subject of this appraisal report.
- 2) The statements of fact contained within this report are true and correct, and no pertinent facts affecting value have been knowingly withheld.
- 3) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions, and conclusions.
- 4) I/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.
- 5) I/We have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- 6) My/Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 7) My/Our compensation for completing this assignment is not contingent upon developing or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 8) The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- 9) As of the date of this report, Thomas J. Johnson, MAI, has completed the continuing education program of the Appraisal Institute.
- 10) The use of this report is subject to the requirements of the State of Florida relating to review by the Real Estate Appraisal Board.
- 11) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- 12) Thomas J. Johnson and Nikolaus M. Schroth currently hold the appropriate State certification allowing the performance of real estate appraisals in connection with federally related transactions in the state in which the subject property is located.

- 13) I/We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- 14) The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the prospective owners or occupants of the property appraised, or upon the race, color, or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.
- 15) 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, which include the Uniform Standards of Professional Appraisal Practice.
- 16) Cristen Crosby has contributed 20 hours of research to this assignment.



Thomas J. Johnson, MAI, SRA
State Certified General Real Estate Appraiser RZ798



Nikolaus Martin Schroth, CCIM
State Certified General Real Estate Appraiser RZ3704

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SUMMARY OF SALIENT FACTS

LOCATION:	The West End of Frances Avenue Hutchinson Island, St. Lucie County, FL
OWNER OF RECORD:	N/A, Public Right of Way
IMPROVEMENTS:	N/A, Vacant Land
SITE SIZE:	0.19 Acres, 8,235 Sf
ZONING & LAND USE:	R4A, Medium Density St. Lucie County
FLOOD ZONE:	"AE" Map #12111Co183J, dated 02/16/2012
CENSUS TRACT:	3913.00, City of Fort Pierce
HIGHEST AND BEST USE: (AS VACANT):	Develop with a medium density multi-family use
(AS IMPROVED):	N/A, Vacant Land
INTEREST APPRAISED:	Fee Simple Estate

VALUE INDICATIONS -

Value Reconciliation	
Cost Approach	N/A
Sales Comparison Approach	\$58,000
Income Approach	N/A
Value Conclusion	\$58,000

DATE OF APPRAISAL:	September 18, 2017
DATE OF REPORT:	September 25, 2017
ESTIMATED MARKETING TIME:	6-12 Months
HYPOTHETICAL CONDITIONS:	"A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to

exist on the date of the assignment results, but is used for the purpose of analysis". – None employed

**EXTRAORDINARY ASSUMPTIONS/
LIMITING CONDITIONS:**

"An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions". – None employed

COMPETENCY PROVISION:

Thomas Johnson & Associates, Inc. and the signatories hereto have experience in the appraisal of properties similar to the subject and are qualified due to education, training and experience in the preparation of such reports to comply with the competency provision of USPAP and the State of Florida. All signatories are state licensed through November 2018.

APPRAISER:

Thomas Johnson & Associates, Inc.

Thomas J. Johnson, MAI, SRA
State Certified General Real Estate Appraiser RZ798

Nikolaus M. Schroth, CCIM
State Certified General Real Estate Appraiser RZ3704

PHOTOGRAPH OF SUBJECT PROPERTY



IDENTIFICATION AND LOCATION OF SUBJECT PROPERTY

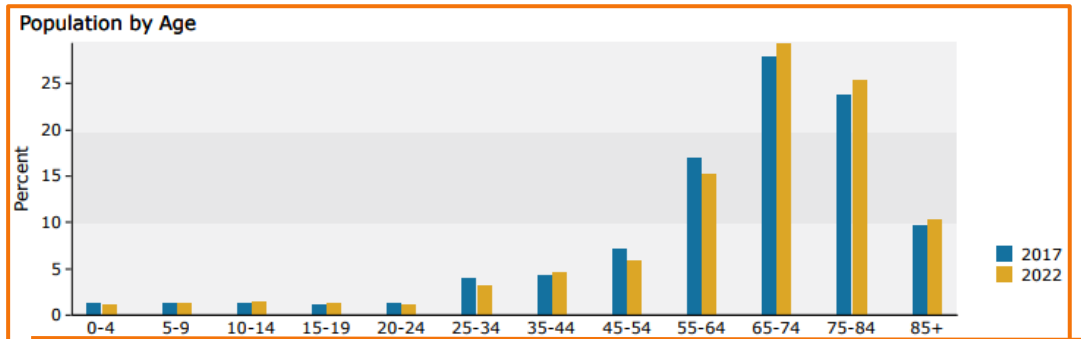
The subject is a 0.19 acre public right of way located at the west end of Frances Way on the west side of Hernando Street on Hutchinson Island. The parcel is situated on the northern section of South Hutchinson Island within the City of Fort Pierce. The subject's neighborhood is generally considered the South Beach neighborhood of Fort Pierce. In recent years, new development has started to occur in this area and has been well received by the market.

Hutchinson Island Neighborhood Analysis & Demographic Profile

Hutchinson Island is a 23-mile long barrier island on the East coast of Florida bounded on the east by the Atlantic Ocean, on the south by the St. Lucie Inlet, on the west by the Indian River and on the north by the Fort Pierce Inlet. The southern one-third of Hutchinson Island is part of unincorporated Martin County while the northern two-thirds is part of St. Lucie County. The island is connected to the mainland by three bridges, A1A connects at the northern end, in Fort Pierce, and southern end, in Stuart, and NE Causeway Boulevard connects in Jensen Beach.

Below is a chart that lists the past (2000;2010), present (2016) and future (2021) population, current households, current housing units, current median household income, current median home value, per capita income and median age for Sewall's Point, Martin County, Florida.

Hutchinson Island Demographic Profile	
Current Population	9,758
2000 Population	8,312
2010 Population	8,887
2017-2021 Projected Rate	1.40%
Current Households	5,641
Current Average Household Size	1.73%
% of Households with College Degree	47.1%
(2010) % Family Households	54.0%
(2010) % Non-Family Households	6.6%
% 65 Years and Over	61.3%
Current Housing Units	10,555
Current Median Household Income	51,882
Current Median Home Value	\$268,938
Per Capita Income	\$44,694
Median Age	69.2
Source: ESRI Economic & Social Research Institute	



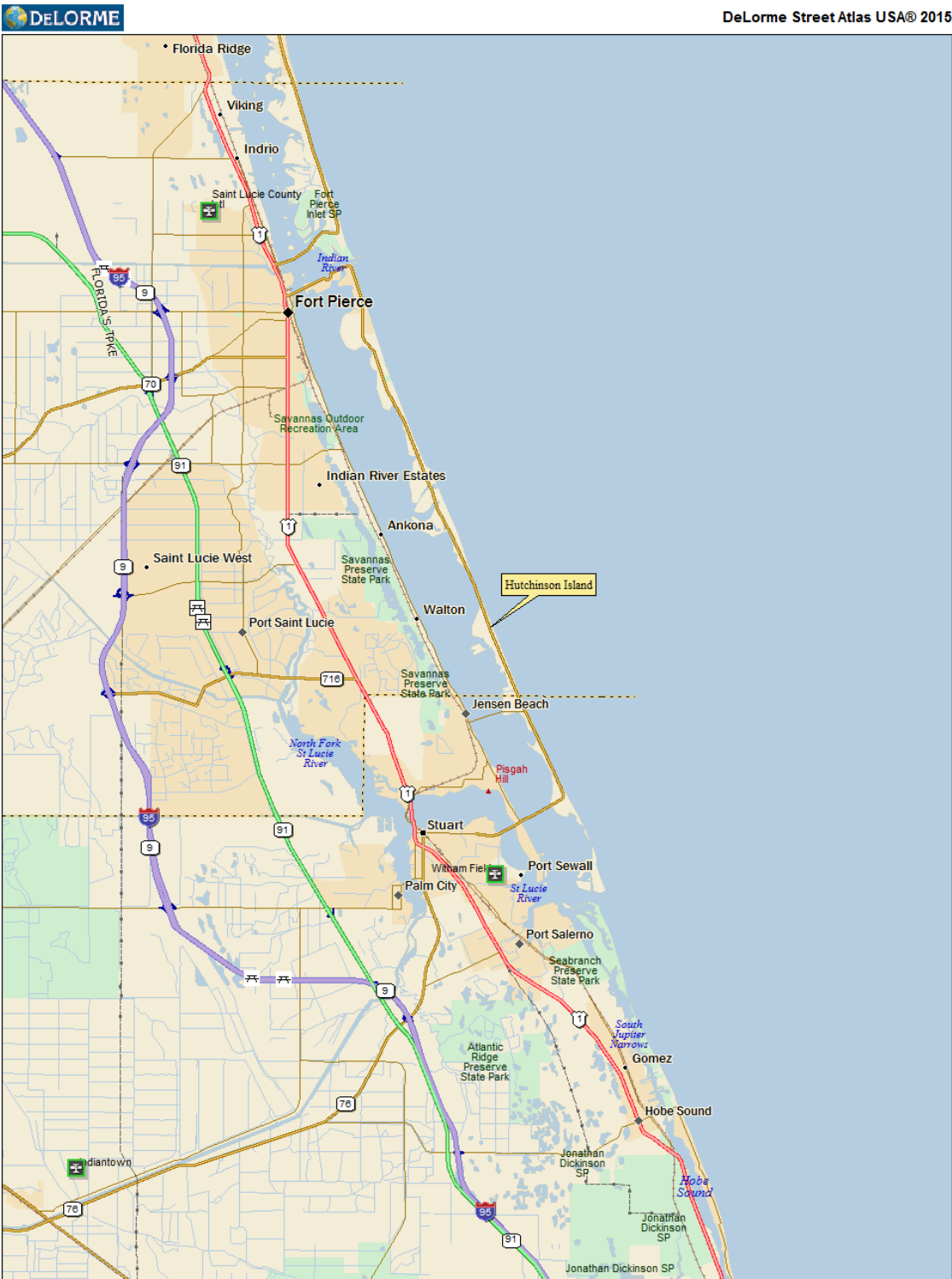
Neighborhood Access

The 23 mile long island is connected to the mainland by three bridges, A1A connects at the northern end, in Fort Pierce, and southern end, in Stuart, and NE Causeway Boulevard connects in Jensen Beach. A1A is the only primary road on the island, running north to south. Other main arterial roadways such as US 1, The Florida Turnpike and I-95 can be accessed off the island to the west.

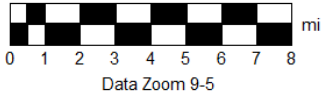
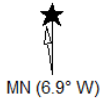
Airports, hospitals and school are all located on the mainland. Palm Beach International Airport (PBI) and Melbourne International Airport (MLB) are the closest major airports to the island. Several smaller airports such as Witham Field in Stuart, Vero Beach Municipal Airport and St. Lucie County International Airport are all located within 30 miles of the island.

The closest hospitals; Lawnwood Regional Medical Center in Fort Pierce, St. Lucie Medical Center in Port St. Lucie and Martin Medical Center in Stuart are all acute care hospitals with emergency centers and each containing over 200 beds. Lawnwood Regional has a Level II Trauma Center and in 2014 opened a Level III Neonatal Intensive Care Unit and a pediatric ER.

Schools for Hutchinson Island residents are also all located on the mainland with many schools in both Martin and St. Lucie County. As of 2017, both counties school districts received B rankings with St. Lucie County rising up from their C ranking in previous years.



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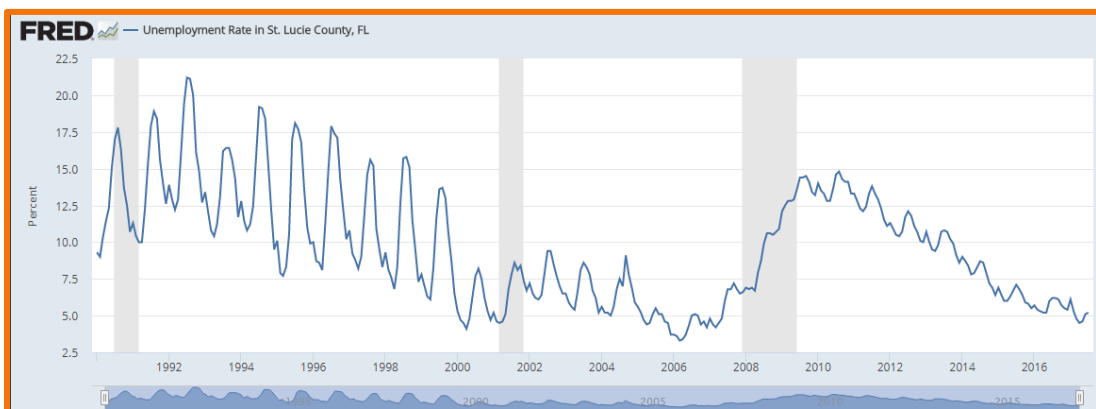


Employment & Growth Management

Employment opportunities often influence people to move, a city's unemployment rate is a major indicator of an economy's overall health and lower unemployment rates often mean a region is better able to attract and retain skilled workers, new industries and retailers. Martin County's current unemployment rate is 4.4% and St. Lucie County's current unemployment rate is 5.2%. Below is an Unemployment Rate History Chart.



Unemployment Rate Chart – Martin County



Unemployment Rate Chart – St. Lucie County

Below is a chart that shows the Martin County Top Employers and number of employees.

St. Lucie County Top Employers	
Employer	Employees
School Board of St. Lucie County	5,416
Indian River State College	2,400
Lawnwood Regional Medical Center	1,339
City of Port St. Lucie	1,086
Convey Health Solutions	950
Walmart Distribution Center	890
Martin Health System	850
St. Lucie Medical Center	850
Florida Power & Light	829
Teleperformance	800
St. Lucie County	658
St. Lucie County Fire District	434
Treasure Coast Hospice	425
Blue Goose Growers/Construction	400
New Horizons of the treasure Coast	360
City of Fort Pierce	335
Pursuit Boats	318
Tropicana Products Inc.	295
Maverick Boat Company	275
McKesson	275

Source: Business Development Board of Martin County Florida

Commercial & Industrial Market

The main commercial corridor, U. S. Highway No. 1, is located in Ft. Pierce, off the island and consists of a variety of commercial uses from big box retail, shopping center, regional and national tenants to mom and pop type retail/commercial. Other areas of commercial development throughout the area are concentrated mostly along the arterial streets such as Orange Avenue and Okeechobee Road. The commercial developments along Okeechobee Road includes a number of restaurants, an Outlet Center, big-box stores including Wal-Mart and Home Depot, and a variety of regional and national retail, restaurant, and service business that have developed around the larger national retailers. This area of Okeechobee Road also has very good access to Interstate 95 and Florida's Turnpike, with interchanges serving both of these highways within one mile of each other.

Orange Avenue is a commercial corridor, but inferior to that of Okeechobee Road. The commercial/retail tenants along Orange Avenue are predominately local business owners. The overall conditions of these buildings are inferior to that of buildings located along Okeechobee Road or U. S. Highway No. 1. The majority of their business comes from the residents who live within close proximity. Considering this, traffic counts are lower than

that of Okeechobee Road and U. S. Highway No. 1; therefore, the Orange Avenue market does not draw interest from national tenants.

Retail development within the Fort Pierce market area consist of two market areas, the eastern market located along U. S. Highway No. 1 and the western market centralized by the interchanges of Florida's Turnpike and Interstate 95 with Okeechobee Road. Development in the eastern area of the City consists of two Publix anchored centers, a K-Mart center and several older neighborhood strip centers. Publix and K-Mart both are located at the intersection of Virginia Avenue and U. S. Highway No. 1 with the second Publix location being north of Taylor Creek in a center originally developed as a Food Lion anchored plaza and primarily serves the North Hutchinson Island market. New development in this corridor consists of a Walgreens built in 2009 and a Save-A-Lot anchored center that was built in 2010 known as Coral Square Shoppes and West Marine. The Coral Square center was to be developed as an 182,000 square foot power center on the site of the former Jefferson Shoppes. However, only 42,801 square feet of the center has been developed with Save-A-Lot as the anchor tenant and 19,500 square feet of available inline space. A portion of the previous mall was formerly occupied by Riverside Bank as an operations center. The operations center occupied a former department store big box. When the FDIC shut down Riverside Bank, the site was auctioned and sold and has been remodeled to accommodate Virginia University.

To the west, Virginia Avenue merges with Okeechobee Road to form the primary corridor in this area. Having an interchange with both, Interstate 95 and Florida's Turnpike, Okeechobee Road is heavily traveled by tractor trailer trucks and has the associated commercial uses such as truck stops and several hotels. In 2008-2009 three new hotels were constructed at this intersection essentially doubling the number of rooms within the immediate market area. Existing retail development in the area consists of the Orange Blossom Mall which was built in 1984 and currently houses the Saint Lucie County School Board. Newer development consists of a Home Depot center built in 1997, a Wal-Mart Super Center that was built in 1998 and a Walgreens that was built in 2009. There are a few neighborhood strip centers primarily located in the area of the Wal-Mart Supercenter. Proposed development in the area consisted of a Lowe's, Target and the redevelopment of the old Furniture Mart located in the northwest corner of the intersection of Okeechobee Road and Interstate 95. None of this development ever came to fruition, although several developers contracted and closed on sites as if the developments were done deals, even sending press releases of future tenants and projects which never came to fruition.

Residential Market

Homes on the island typically start in the mid \$200's with prices rising into the \$1,000,000's.

Vacant Land Market

Land on Hutchinson Island is considered adequate, with vacant residential and commercial lots available for development throughout. However, several acres of land on the island are unbuildable as they are home to an abundance of Mangrove Trees and wetlands.

Conclusion

The subject's south beach location puts it within an area of Ft. Pierce that has shown strong appeal in the local market. Although development has been small in scale, increasing prices and renovations and redevelopment have been consistent themes in the area. It is expected that the South Beach area will continue to be an area of high demand for the Ft. Pierce market.

PURPOSE AND DATE OF APPRAISAL

The purpose of this appraisal is to estimate the "As Is" Market Value of the subject property, as of September 18, 2017 . The appropriate rights appraised are the Fee Simple Estate.

FUNCTION, INTENDED USE, AND USER OF APPRAISAL

According to the client and users, Chris Sante, the function of this appraisal is to provide an estimated market value of the subject for use in establishing a value to purchase the property. There are no other users known to this appraiser. This appraisal is intended to conform to all federal report writing requirements.

PROPERTY RIGHTS APPRAISED

The property rights appraised are the Fee Simple Estate of the subject property.

OWNER OF RECORD WITH 5-YEAR HISTORY

The owner of record of the subject property is The City of Ft. Pierce. As a Public Right of Way the subject is a part of the city's infrastructure and would require public hearings to be sold or abandoned. The subject property is not listed for sale or under any known agreement for sale. There are no known contracts on the subject property at this time. The property is not listed on the MLS or LoopNet.

LEGAL DESCRIPTION

The subject's legal description was taken from the most recent survey and is as follows:

A PORTION OF FRANCES AVENUE (A PLATTED 60 FOOT RIGHT OF WAY) AS SHOWN ON THE REVISED PLAT OF PALM HAVEN SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 8, PAGE 44 OF THE PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA, BOUNDED BY THE SOUTH LINE OF LOT 12, BLOCK 7 OF SAID REVISED PLAT OF PALM HAVEN SUBDIVISION TO THE NORTH; THE SOUTH RIGHT OF WAY LINE OF SAID 60 FOOT RIGHT OF WAY AND NORTH LINE OF SAID BLOCK 8 TO THE SOUTH; THE WEST RIGHT OF WAY LINE OF HERNANDO STREET (PLATTED NINTH STREET, A PLATTED 50' RIGHT OF WAY) TO THE EAST; AND THE NORTHERLY PROJECTION OF THE WEST LINE OF LOT 2, BLOCK 8 TO SAID SOUTH LINE OF SAID LOT 12, BLOCK 7 TO THE WEST.

SCOPE OF WORK

Our client has requested an appraisal of the subject for use in rendering a decision on financing.

In preparing this appraisal, the appraiser

- Inspected the subject site;
- Gathered information on comparable sales; and
- Confirmed and analyzed the data and applied the Sales Comparison Approach.

The Cost Approach was not developed as the subject is vacant land and the approach is not applicable.

The Sales Comparison Approach is considered the only indicator of value in the valuation of vacant land such as the subject. Therefore, it is the only approach developed herein.

The Income Approach is not developed herein due to the fact that the subject is vacant land and is not leased. Although land leases can be found within the subject market, it has been determined that the subject would not typically be leased or purchased for the income potential of the site for lease.

Sources of Information: St. Lucie County Property Appraiser, St. Lucie County Clerk of Court, St. Lucie County Tax Collector, De Lorme Street Maps, A La Mode Interflood, LoopNet.

Market Participant Interviews:

The legal description was taken from a survey by Steve Brown Inc.

This is an Appraisal Report that is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it presents discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated previously. The appraiser is not responsible for unauthorized use of this report.

Subject Zoning, Land Use, Development Standards					
Zoning & Land Use	R4A, Medium Density	Min Lot Size	5,000	Min Frontage	60'
Setback (F)	25'	Max Height	45'	Open Space	N/A
Setback (R)	15'	Max Bldg. Cover	40%	CRA (Y/N)	No
Setback (S)	6'	Max Density	8 UPA	Municipality	St. Lucie County

The subject is zoned R4A, Hutchinson Island Medium Density Residential District. The R-4A zone is compatible with the Medium Density Residential Hutchinson Island designation in the comprehensive plan. Permitted gross residential densities in this district may not generally exceed eight (8) units per acre. Bonus density of up to one additional unit per acre is available as provided for in this section. This district is established because Hutchinson Island is a sensitive barrier island which presents development considerations which are either unique to the area or are of added concern, such as environmental fragility, beach erosion, and hurricane evacuation.

Flood Zone: According to Flood Panel #12111C0183J, the subject is in Flood Zone "AE". The date of the map is 02/16/2012.



Census Tract: The subject is located in Census Tract 3913.00 in City of Fort Pierce.

Assessed Valuation and Taxes: The subject real estate taxes were indicated by the tax collector's website to be paid with a balance of \$0.00. Our value conclusion assumes that the subject taxes are paid to the date of the appraisal. Typical sale conditions in the subject market dictate that the real estate taxes and assessments would be pro-rated to the date of closing. The Parcel Control Number and taxes that pertain to the subject are presented below:

Parcel Control Number	Land Value	Improvement Value	Assessed Value	Ad-Valorem Taxes	Millage Rate (shown as %)	Market Assmt Rate (% of Value)	Non-Ad Valorem	Total Real Estate Tax
340150200830003	\$41,500	\$0	\$41,500	\$1,068	2.57%	85%	\$11	\$1,078
Totals			\$41,500	\$1,068	2.5725%	85%	\$11	\$1,078

HIGHEST AND BEST USE

Highest and Best Use as defined by the Appraisal Institute is as follows:

Highest and Best Use - The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value (Source: The Appraisal of Real Estate, Twelfth Edition).

A proper analysis of the Highest and Best Use of a site is to examine each segment of the definition. If a use is feasible when considering each segment, it will represent one of the Highest and Best Uses of the site.

As Vacant

The first segment of the definition calls for the use to be a reasonable, probable and a legal alternative use. The subject zoning allows for a variety of residential uses not exceeding (8) units per acre and taking into consideration the island's sensitive barrier when developing.

The next segment of the definition deals with the site being physically possible to develop and having that developed use being appropriately supported. The subject is a 0.19 acre parcel with a level topography and little vegetation and presents no obvious physical hurdles to development.

The last and possibly most important segment of the definition is that the use be financially feasible. The financial feasibility of the site is directly related to the demand for the development possibilities of that site. Demand for residential lots within the South Beach market of Ft. Pierce is strong. The subject could be developed with a single family home or assembled with adjacent lots to be developed as a Planned Development.

Conclusion as Vacant

Taking into consideration all of the above factors, which include location of the subject site, size of the subject site, the Highest and Best Use of the site "As Vacant", is concluded to be to develop with a single family home or to assemble with adjacent lots and develop as a Planned Development.

Highest and Best Use as Improved

The subject parcel is vacant undeveloped land and no analysis of Highest and Best Use as improved is therefore applied.

An analysis of the alternative uses of the subject site and the value of the subject as though vacant and available to be developed with those uses, resulted in no uses with a value in

excess of the subject as improved. Further the above analysis indicates an acceptable ROI and further supports continued use of the subject improvements.

Conclusion: After considering the potential uses for the subject site and the current use, it is concluded that the existing improvements make a significant value contribution to the land for the foreseeable future. These improvements "As Is" are considered to possess the necessary requirements for the Highest and Best Use conclusion "As Improved".

SWOT Analysis

A SWOT analysis is a comprehensive analysis of the Strengths, Weaknesses, Opportunities and Threats to a property. This analysis allows the appraiser to consider market activities that are presently occurring that may have an impact on the subject value, the effect of which may not be captured in comparable sales. Such actions include road improvement projects, shifts in government such as a change in commission, competitors entering the market or new developments. The SWOT analysis pertaining to the subject is shown below:

Strengths

- Located close to the water, desirable location
- Level ground, easy to build on as is

Weaknesses

- FEMA Special Flood Hazard Area
- Sensitive Island Barrier, caution required in development

Opportunities

- Develop with multi-family use not exceeding (8) units per acre

Threats

- T Lot, creates a less desirable location at the end of a street with the potential for additional noise and light from vehicle traffic.



COST APPROACH TO VALUE

Cost Approach: A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including entrepreneurial incentive, deducting depreciation from the total cost, and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised (Source: The Dictionary of Real Estate Appraisal, Fifth Edition).

The Cost Approach is not applicable to the subject as the subject property is vacant land. Although the Cost Approach will typically contain a Land Value Analysis, the analysis is based on the same methodology as the Sales Comparison Approach and therefore it is most appropriate for the Scope of Work in the subject assignment that the Land Value Analysis be included as part of the Sales Comparison Approach.



SALES COMPARISON APPROACH

The Sales Comparison Approach is based upon the principle of substitution that states that a prudent purchaser would pay no more for a property than the cost of acquiring a substitute property on the open market. Substitution may assume purchase of an existing property, with equal utility, or of acquiring an investment that will produce an income stream of similar size with similar risk, as the subject property.

The subject's competitive neighborhood is considered to be Hutchinson Island. Our search revealed several sales of properties that met the subject criteria but was narrowed to (6) properties located within St. Lucie County.

Adjustments are made to the sales to account for physical and economic differences as compared to the subject property. An adjusted sales price indication is derived from each comparable sale analyzed. These are then weighted according to their relative comparability and then applied to the subject property to indicate a value.

The comparables selected for use in this appraisal are summarized on the Sales Comparison and Adjustment Grid table and presented on the following pages along with a location map of the comparable properties.

SALES COMPARISON AND ADJUSTMENT CHART

Land Sales Comparables							
Sales	Subject	1	2	3	4	5	6
Address	West End of Frances Ave. West Side Hernando St.	5 Ocean (Parcel 5 & 24)	3 Ocean (Parcel 3 & 26)	4 Ocean (Parcel 4 & 25)	1801 Avalon Ave.	Hernando Street (Parcel 9)	Fernandina Street
City	Fort Pierce	Fort Pierce	Fort Pierce	Fort Pierce	Fort Pierce	Fort Pierce	Fort Pierce
County	St. Lucie	St. Lucie	St. Lucie	St. Lucie	St. Lucie	St. Lucie	St. Lucie
Site Size (Acre)	0.19	0.37	0.37	0.37	0.14	0.15	0.2
Site Size (SF)	8,235	16,117	16,117	16,117	6,098	6,534	8,712
Front Feet	63	60	60	60	53	53	70
Zoning	-	R1	R1	R1	R4A	R4A	R2
Units Per Proposed/Zoned	-	4 UPA	4 UPA	4 UPA	8 UPA	8 UPA	5 UPA
Date of Sale	-	Pending	Pending	Pending	May 2017	Apr 2017	Dec 2016
OR Book	-	-	-	-	3992	3985	3939
Page	-	-	-	-	896	2336	1094
Sales Price	-	\$65,000	\$65,000	\$65,000	\$50,000	\$51,000	\$78,000
Price Per Front Foot	-	\$1,083.33	\$1,083.33	\$1,083.33	\$952.38	\$971.43	\$1,114.29
Economic Adjustments							
Sale Conditions		0%	0%	0%	0%	0%	0%
Financing		0%	0%	0%	0%	0%	0%
Time		0%	0%	0%	0%	0%	0%
Gross Adjusted Price/FF		\$1,083.33	\$1,083.33	\$1,083.33	\$952.38	\$971.43	\$1,114.29
Physical Adjustments							
Location		-5%	-5%	-5%	-5%	-5%	-15%
Size		-10%	-10%	-10%	0%	0%	0%
Access/Frontage		0%	0%	0%	0%	0%	0%
Topography		0%	0%	0%	0%	0%	0%
Utilities		0%	0%	0%	0%	0%	0%
Zoning		0%	0%	0%	0%	0%	0%
Total Adjustment		-15%	-15%	-15%	-5%	-5%	-15%
Net Adjusted Price/FF		\$920.83	\$920.83	\$920.83	\$904.76	\$922.86	\$947.14

Range & Mean	
Min	\$904.76
Max	\$947.14
Mean	\$922.88

SALES COMPARISON APPROACH

On the previous page, the comparables are shown in the Sales Summary and Adjustment Chart and each comparable was considered and adjusted as shown. The comparable sales are broken down to an appropriate unit of comparison. For the subject property, the appropriate unit of comparison was determined to be a price per front foot.

All of the comparable sales were verified to the fullest extent possible. Where transfers of property were between related parties, involved additional parties or properties, were part of larger transactions, or for any other reason may not have represented a true Arm's Length Transaction, the transactions have been excluded from the comparable set or adjusted for and discussed as a condition of the sale. Financing involved in the sale was researched and is discussed and adjusted for where applicable.

The comparable sale dates range from pending transactions to sales in December, 2016. The recovery from the great recession began to be felt in the Treasure Coast market in 2012 with investors citing cautious optimism. However, at that time inventory continued to be out of balance with more bank owned inventory being added to the market than was being absorbed from the market. As 2013 began, this trend started to reverse and gains in absorption toward stability were noted. In 2014, most markets stabilized. Residential land and industrial properties led the gains, while office markets struggled and continue to struggle with an oversupply of inventory, although less bank owned inventory. As a vacant residential property, the subject has good visibility and access from Hernando Street and Frances Avenue.

Finally, the physical traits of the properties are compared and adjusted for. The breakdown of the traits is shown in the chart above and the adjustments for each comparable are discussed in the following pages. The resulting value indications are then reconciled and discussed in the Sales Comparison Conclusion.

PHYSICAL CHARACTERISTIC ADJUSTMENTS

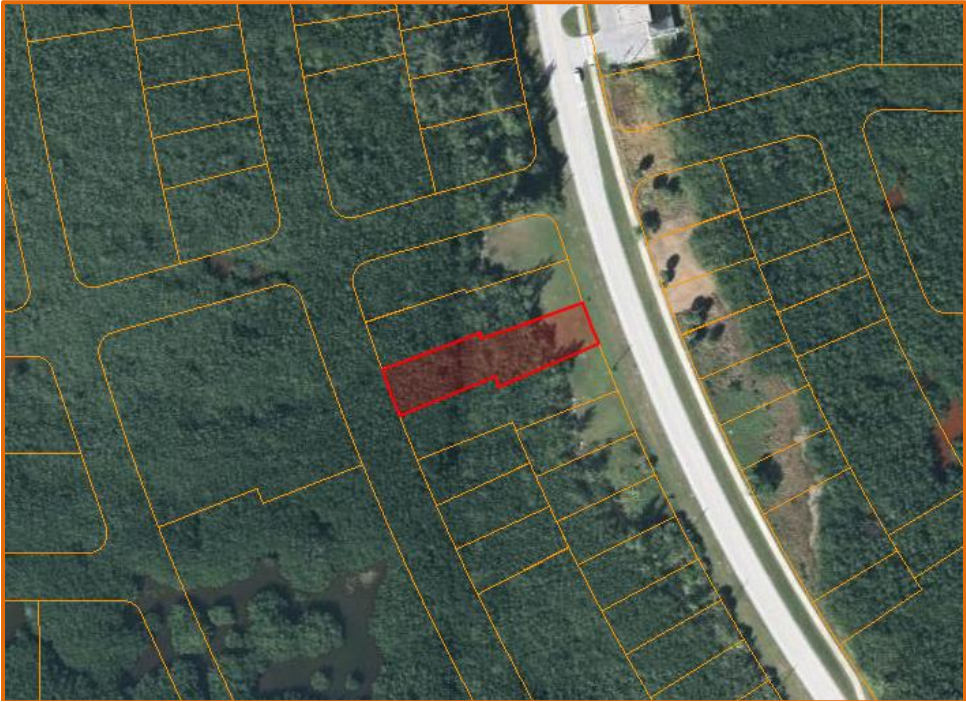
Location: The subject is a T Lot, meaning the lot is positioned at the end of a street and may have more external obsolescence due to traffic patterns than other lots. All of the comparables are adjusted for location due to this inferior characteristic of the subject. Comparable 6 receives additional location adjustments for its location within the Tropical Beach Subdivision.

Size: Comparables 1, 2 and 3 are large lots with a narrow and deep lot configuration. These comparables are adjusted for their larger size, which would put upward pressure on the price, not captured by the Per Front Foot unit of comparison.



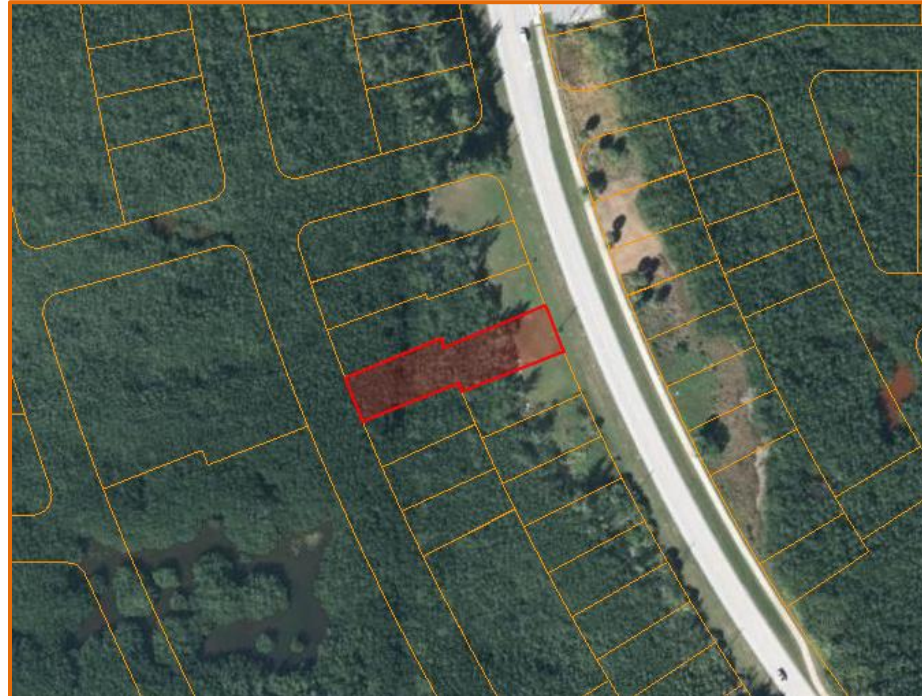
Comparable 1

Address	City	County	Sale Price	Sale Date	Book	Page	LTV
5 Ocean (Parcel 5 & 24)	Fort Pierce	St. Lucie	\$65,000	Pending	-	-	-
Grantor	Frank Messina						
Grantee	-						
Lender	-						
5-Year Sales History	None						
Site Size (Acre)	0.37	Partially Buildable					
Site Size (SF)	16,117						
Zoning / Land Use	R1						
Units Proposed/Zoned	4 UPA						
Parcel Control #(s)	241350101490008						



Comparable 2

Address	City	County	Sale Price	Sale Date	Book	Page	LTV
3 Ocean (Parcel 3 & 26)	Fort Pierce	St. Lucie	\$65,000	Pending	-	-	-
Grantor	Gary Sanner						
Grantee	-						
Lender	-						
5-Year Sales History	None						
Site Size (Acre)	0.37	Partially Buildable					
Site Size (SF)	16,117						
Zoning / Land Use	R1						
Units Proposed/Zoned	4 UPA						
Parcel Control #(s)	241350101470004						



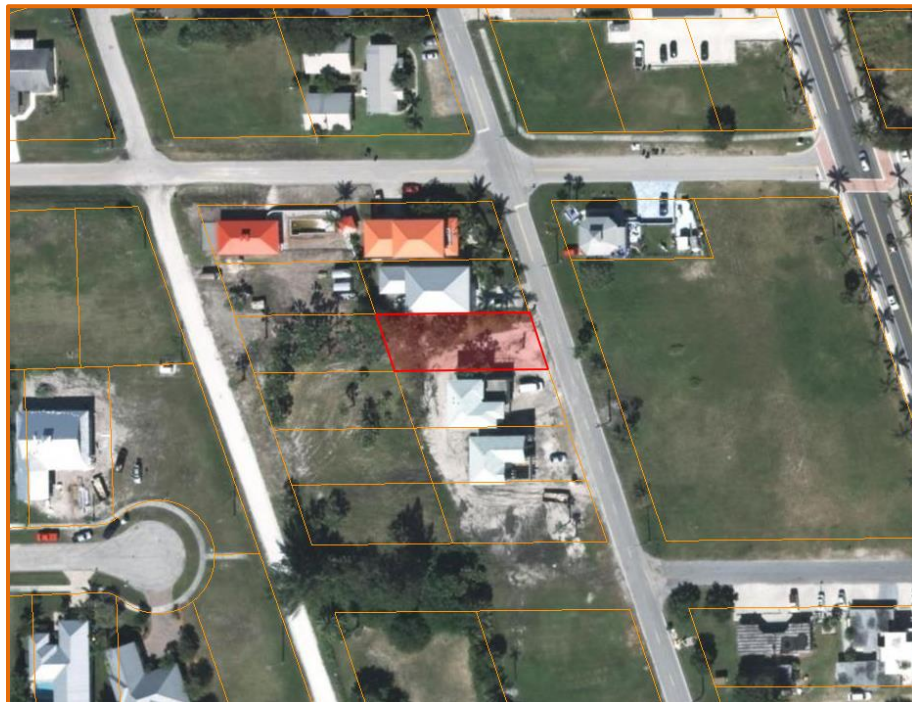
Comparable 3

Address	City	County	Sale Price	Sale Date	Book	Page	LTV
4 Ocean (Parcel 4 & 25)	Fort Pierce	St. Lucie	\$65,000	Pending	-	-	-
Grantor	Gary Sanner						
Grantee	-						
Lender	-						
5-Year Sales History	None						
Site Size (Acre)	0.37	Partially Buildable					
Site Size (SF)	16,117						
Zoning / Land Use	R1						
Units Proposed/Zoned	4 UPA						
Parcel Control #(s)	241350101480001						



Comparable 4

Address	City	County	Sale Price	Sale Date	Book	Page	LTV
1801 Avalon Ave.	Fort Pierce	St. Lucie	\$50,000	5/1/17	3992	896	0%
Grantor	Manhire, Lynn & Richard						
Grantee	Miller, David & Kim						
Lender	Enter						
5-Year Sales History	None						
Site Size (Acre)	0.14						
Site Size (SF)	6,098						
Zoning / Land Use	R4A						
Units Proposed/Zoned	8 UPA						
Parcel Control #(s)	240150200540001						



Comparable 5

Address	City	County	Sale Price	Sale Date	Book	Page	LTV
Hernando Street (Parcel 9)	Fort Pierce	St. Lucie	\$51,000	4/13/17	3985	2336	0%
Grantor	Danks, Keith Jr.						
Grantee	Fischer, Allyson & David						
Lender	Enter						
5-Year Sales History	Sold 08/05/2015 for \$42,900						
Site Size (Acre)	0.15						
Site Size (SF)	6,534						
Zoning / Land Use	R4A						
Units Proposed/Zoned	8 UPA						
Parcel Control #(s)	240150200800002						



Comparable 6

Address	City	County	Sale Price	Sale Date	Book	Page	LTV
Fernandina Street	Fort Pierce	St. Lucie	\$78,000	12/5/16	3939	1094	-
Grantor	Chris Humphreys						
Grantee	Charles & Denise Gordils						
Lender	-						
5-Year Sales History	None						
Site Size (Acre)	0.2						
Site Size (SF)	8,712						
Zoning / Land Use	R2						
Units Proposed/Zoned	5 UPA						
Parcel Control #(s)	240181100320000						

A sale researched; however, determined to be non-arm's length, is the sale of Palm Haven Subdivision Unit 1 Block 7 lot 12, adjacent to the north of the subject. The 6,970 square foot lot with 52.5 feet of frontage was purchased for \$100,000 in July 2017. This lot was purchased by Chris Sante, the client of this report and owner of the land to the south of the subject. The lot was purchased to be part of an assemblage and therefore is not considered an arm's length transaction.

SALES COMPARISON CONCLUSION

After making adjustments for transactional and physical conditions, the indicated range and mean are as shown in the chart below:

Range & Mean	
Min	\$904.76
Max	\$947.14
Mean	\$922.88

A market value indicator for the subject of \$925.00 per front foot has been selected as reasonable and market supported for the subject, as follows:

$$63 \text{ Front Feet} \times \$925.00/\text{Front Foot} = \$58,275$$

In conclusion, the "As Is" market value of the subject property via the Sales Comparison Approach, as of September 18, 2017, is:

FIFTY EIGHT THOUSAND DOLLARS

\$58,000



INCOME APPROACH

The Income Capitalization Approach to Value considers the relationship between income and value. This approach analyzes the anticipated future benefits that the property is expected to generate and what a prudent purchaser would pay to receive these benefits. The Income Approach is most pertinent to a purchaser who would seek to derive income from the property as an investor. An income approach was not applied as the subject is vacant land not subject to a land lease. Further, sites similar to the subject are not typically developed under a land lease agreement within the market area.

RECONCILIATION AND VALUE CONCLUSION

The estimates of value obtained are as follows:

Value Reconciliation	
Cost Approach	N/A
Sales Comparison Approach	\$58,000
Income Approach	N/A
Value Conclusion	\$58,000

The Cost Approach was not developed as the subject is vacant land and the approach is not applicable.

The Sales Comparison Approach is fully developed herein as the primary indicator of the value for the subject land. Without proposed plans, costs, etc. the only consideration given by land investors is substitution, the principal that states that an investor will pay no more for any property than a substitute property with equal utility and the underlying principal of the Sales Comparison Approach. As such the Sales Comparison Approach is developed as the primary indicator of value.

The Income Approach is not applicable to the valuation of the subject as vacant land without a land lease and in a market where land leases are not prevalent or too speculative to merit the application of the Income Approach.

Placing equal weight on both approaches, it is concluded that the "As Is" Market Value of the Fee Simple Estate of the subject as of September 18, 2017, is as follows:

Market Value of the Fee Simple Estate

FIFTY EIGHT THOUSAND DOLLARS

\$58,000



ADDENDUM

ASSUMPTIONS AND LIMITING CONDITIONS

The following assumptions and limiting conditions apply to the attached appraisal report:

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. Legal access to the site is available unless otherwise stated.
3. It is assumed that all licenses, certificates 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.
4. The appraisal has relied upon the size and dimensions data as stated herein. Should a survey prove these characteristics inaccurate, it may be necessary for the appraisal to be adjusted.
5. Any proposed improvements are assumed to have been completed unless otherwise stipulated; any construction is assumed to conform with building plans, if any, referenced in this report.
6. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct; however, no responsibility for accuracy of such items furnished to the appraiser can be assumed by the appraiser.
7. The property is appraised free and clear of any or all liens or encumbrances, unless otherwise stated.
8. Responsible ownership and competent property management are assumed.
9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the appraisal report.
10. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that would render it more or less valuable. The appraiser assumes no responsibility for such conditions, if any.
11. It is assumed that there is full compliance with all applicable Federal, state, and local environmental regulations and laws unless non-compliance is stated, defined, and considered in the appraisal report.

12. This analysis has been prepared by the appraisers during the normal course of their inspection of the property and resulting preparation of a real estate appraisal report. Only a visual observation of the property has been made. Any form of environmental audit is both beyond the scope of this assignment and the particular expertise of the appraisers, who have not searched title, interviewed the current or prior owners of the site, or researched the property beyond the scope normally associated with the appraisal process, unless otherwise stated herein. The appraiser is neither trained nor qualified to identify and/or quantify any existing or potential environmental problems. The presence of hazardous waste or materials on the site and/or in any improvements thereon may affect the value of the property. The value conclusions and other related opinions expressed in this report are based upon the assumption that the site and improvements, if any, are clean and free of any and all forms of contamination. Any statements made in this report relative to the existence of or potential for existence of contamination or any other environmental problems are made only to assist the users in their own determination as to whether the site requires further investigation by an appropriate environmental expert or professional. The appraisers cannot be held liable for lack of detection and/or identification of possible environmental problems.
13. Compliance with the *Americans with Disabilities Act (ADA)*, effective January 26, 1992, has not been verified by the appraiser. The appraiser is neither trained nor qualified to verify said compliance. The property is assumed to be in compliance with said act. Any non-compliance should be brought to the attention of the appraiser for further assessment of the possible impact on property value stated herein.
14. Where the values of the various components of the property are shown separately, the value of each is segregated only as an aid to better estimate the value of the whole; the independent value of the various components may, or may not, be the market value of the component. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
15. Any value estimates provided in the report apply to the entire property and any proration or division of the total into fractional interests will invalidate the value estimate, unless such proration or division of interests has been set forth in the report.
16. This appraisal report covers only the property described and any values or rates used are not to be construed as applicable to any other property however similar the properties may be. Further, it is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and that there is no encroachment or trespass, unless noted in the report.

17. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The appraiser has made no survey of the property.
18. The forecasts, projections, or operating estimates contained herein are based upon current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to change in future conditions.
19. Disclosure of the contents of the appraisal is governed by the By-laws and Regulations of the professional appraisal organizations with which the appraisers are affiliated.
20. The contents of this appraisal are for the **exclusive** use and reliance upon by the client for whom it has been prepared and to whom it has been certified. Neither all, nor any part, of the content of the report or copy thereof (including conclusions as to property value, the identity of the appraiser, professional designations, reference to any professional appraisal organizations or the firm with which the appraiser is connected) shall be used for any purpose by anyone but the client specified in the report, without written consent of the appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the prior written consent of the appraiser.
21. If the appraiser is required to give testimony of any nature whatsoever because of having made the appraisal with reference to the property in question, arrangements for payment of fees for the appraiser's services as an expert witness must be made in advance of such testimony.
22. 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.
23. The contract for this appraisal of the property legally described herein is fulfilled by the signer upon delivery of this appraisal and the total fee is payable.
24. If this appraisal concludes a Prospective Value, the value is contingent upon the market conditions described herein remaining the same until the effective date specified. We cannot be held responsible for unforeseeable events that alter market conditions prior to the effective date of the Prospective Value.

QUALIFICATIONS OF APPRAISER

THOMAS J. JOHNSON, MAI, SRA

State Certified General Real Estate Appraiser RZ798

Personal

Resident, Palm Beach County, Florida since 1951

Licensed Broker, Florida Real Estate Commission #135591

Professional Designation

Member - The Appraisal Institute. MAI Certificate No. 8851

SRPA - Senior Real Property Appraiser

Education

Graduate, University of South Florida, College of Business Administration, BSBA (Major: Finance)

Professional Courses

Developing A Suitable Work File	2016
Tightening the Appraisal	2016
7- Hour USPAP Update Course	2016
The Tough Ones – Mixed Use Properties	2016
Fundamentals of Separating Real Property, Personal & Tangible Business Assets	2016
Florida Appraisal Law	2012
7-Hour National USPAP Update	2012
Appraising the Appraisal	2012
Sales Contract Seminar	2012
7-Hour Appraisal Review-Residential	2012
7-Hour Appraisal Institute & Florida Real Estate Appraisal Board #08935	2012
AIREA- Mastering Unique & Complex Appraisals	2010
AIREA- Florida Supervisor/Trainee Roles & Relationships	2010
AIREA- Appraisal Institute's Course	2010
AIREA- Florida Law for R.E Appraisers	2010
AIREA- Business Practices & Ethics	2009
AIREA – Litigation Skills for the Appraiser	2008
AIREA – Florida Law for Real Estate Appraisers	2008
AIREA – Spotlight on USPAP: Hypothetical Conditions & Extraordinary	2008
AIREA - Supervisor Trainee Roles and Rules	2008
7-Hour National USPAP Update Course	2006
7-Hour National USPAP Update Course	2005
7-Hour National USPAP Update Course	2004
USPAP – Florida Law Update	2000
Standards of Professional Practice, Parts A & B, Appraisal Institute	1998
SREA 101 Introduction to Appraising Real Property	
SREA R2 Case Study of Single Family Residence	

SREA 201	Principles of Income Property Appraising
SREA 202	Case Study of Income Property Valuation
SREA	Income Property Demonstration Report
AIREA 1A-1	Real Estate Appraisal Principles
AIREA 1A-2	Basic Valuation Procedures
AIREA 8 -1	Real Estate Appraisal Principles
AIREA 2 -1	Case Studies in Real Estate Valuation
AIREA 1B-A	Capitalization Theory and Techniques
AIREA 1B-B	Capitalization Theory and Techniques
AIREA 2 -2	Case Studies
AIREA	Comprehensive Exam

Seminars Attended

Liability Management for Residential Appraisers, Appraisal Institute	2006
Professional's Guide to the Uniform Residential Appl. Report, Appraisal Institute	2005
Subdivision Valuation, Appraisal Institute	2005
Business Practices and Ethics, Appraisal Institute	2005
Florida Real Estate Appraisers, Appraisal Institute	2006
Scope of the Work: Expanding Your Range of Services, Appraisal Institute	2003
Florida State Law for Real Estate Appraisers, Appraisal Institute	2003
Condemnation Appraising: Advanced Topics and Applications, Appraisal Institute	2003
Houses to Hotels – The Income Approach, Appraisal Institute	2002
Florida State Law and USPAP Review for Real Estate Appraisers, Appraisal Institute	2002
Introduction to Appraising and Analysis of Proposed Subdivisions And Condominiums, Appraisal Institute	2002
FHA 4150.2 Seminar, Gold Coast	2000
Residential Cost Depreciation Seminar, Gold Coast	2000
Sales Comparison Valuation of Small, Mixed-Use Properties, Appraisal Institute	1998
Understanding & Using DCF Software: A Comparison of Argus, Project and Dynalease, Appraisal Institute	1998
Financial Analysis, CCIM	1997
Advanced Applications, Appraisal Institute	1995
Limited Appraisal/Evaluations, Appraisal Institute	1995
How to Prepare a Market Study for an Appraisal Practice, Appraisal Institute	1994
Understanding Limited Appraisals and Appraisal Reporting Options, Appraisal Institute	1994
Professional Standards USPAP Update Core Law for Appraisers, Appraisal Institute	1994
Appraising Complex Residential Properties, Appraisal Institute	1993
Mock Trial, Appraisal Institute	1993
Litigation Valuation, Appraisal Institute	1993

Appraising the Tough Ones, Appraisal Institute	1993
Appraisal Theory Update, Appraisal Institute	1992
Discounted Cash Flow Analysis, Appraisal Institute	1991
Comprehensive Appraisal Workshop	1990
Condemnation Seminar	1988
Rates, Ratios & Reasonableness	1988
Uniform Residential Appraisal Report Writing	1986
R4I-B & the Appraiser, FHLBB Appraiser Standards & Guidelines	SREA 1985
Advanced Appraisal Techniques	SREA 1983
Market Extraction	SREA 1981
Valuation of Leases and Leaseholds	SREA 1979

Types of Valuation/Consultation Services Performed

Appraisals, Appraisal Reviews, Condemnation, Court Testimony, Estate Valuations, Feasibility Studies, Highest and Best Use Studies, Market Studies, Leasehold & Leased Fee Valuations, Tax Assessment Appeals/Impact Studies, Reproduction/ Replacement Cost Estimates

Types of Property Appraised

Residences, Condominiums, Shopping Centers, Industrial Properties, Marinas, Vacant Lots, Acreage, Residential Projects, Mobile Home Parks, Motels, Office Buildings, Warehouses, Restaurants, Churches, Night Clubs, Special Purpose Properties, Apartment Projects, Environmentally Sensitive Properties/Wetlands

Professional Service

Member SREA Chapter 200 Experience Review Committee

Chairman SREA Chapter 200 Employee Opportunities Committee

Qualified Expert Witness: Palm Beach County, Martin County, St. Lucie

County, Okeechobee County Circuit Court, and Federal Bankruptcy Court

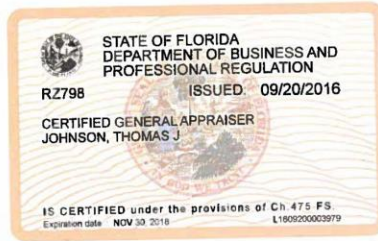
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Member Board of Directors Appraisal Institute Chapter 200

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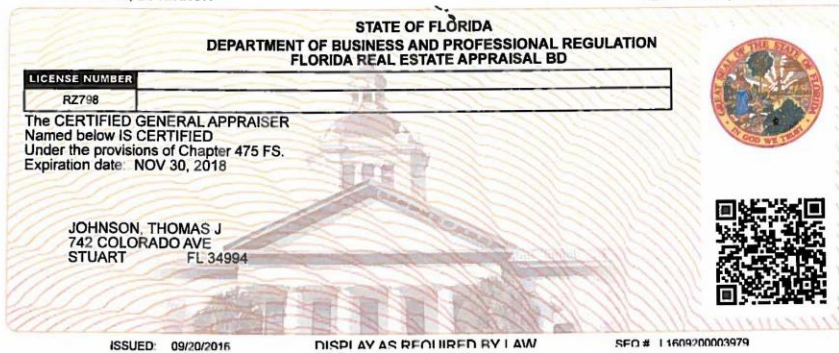
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RICK SCOTT, GOVERNOR

KEN LAWSON, SECRETARY



QUALIFICATIONS OF APPRAISER

Nikolaus M. Schroth, CCIM

4729 SE Rocky Point Way, Stuart, FL 34997 – 772-403-3752

Personal

Resident, Palm Beach County, Florida, since 2005- Florida Native
Licensed Real Estate Broker Associate, FREC BK3157525
Certified General Appraiser RZ3704

Professional Designations and Affiliations

Member – Martin County Board of Realtors - 2006
Associate Member of the Appraisal Institute – 2007
CCIM Candidate – 2007
CCIM Designee – 2013
Urban Land Institute- 2015
Stuart Main Street – Board Member

Education

Graduate, University of Central Florida, College of Business Administration, BSBA (Major: Finance)
2005

Professional Courses

7-Hour National USPAP Update Course – Appraisal Institute - 2016
3- Hour Florida Appraisal Law – Appraisal Institute – 2016
14- Hour Real Estate Finance Statistics & Valuation Modeling – Appraisal Institute – 2016
6- Methodology & Application of Sales Comparison – Bert Rodgers Schools – 2016
Tax Deferred 1031 Exchanges LANDU Course – National Association of Realtors – 2015
General Appraiser Report Writing and Case Studies – Appraisal Institute – 2014
CI 104 Investment Analysis for Commercial Real Estate – CCIM Institute – 2012
General Appraiser Sales Comparison Approach- Appraisal Institute – 2011
General Appraiser Site Valuation and Cost Approach – Appraisal Institute – 2011
General Appraiser Market Analysis and Highest & Best Use – Appraisal Institute – 2011
CI 102 Market Analysis for Commercial Real Estate – CCIM Institute – 2009
CI 103 User Decision Analysis for Investment Real Estate – CCIM Institute – 2009
Income Approach Part 2 – Appraisal Institute – 2008
7-Hour Business Law and Ethics – Appraisal Institute – 2007
CI 101 Financial Analysis for Commercial Real Estate– CCIM Institute- 2007
Real Estate Investment Analysis – University of Central Florida – 2005
Real Estate Finance – University of Central Florida - 2005
Appraisal Principals 110 - University of Central Florida - 2005
Appraisal Procedures 120 - University of Central Florida – 2005
Real Estate Law – University of Central Florida - 2005
15-Hour National USPAP Course – Appraisal Institute – 2005

Seminars Attended

Subdivision Valuation – Appraisal Institute – 2005
Retailer One on One – Orlando – 2012
NAI Florida Forum – Miami 2014
NAI Florida Forum – Miami 2015
International Council of Shopping Centers – Orlando 2015

Types of Valuation/Consultation Services Performed

Feasibility Studies, Market Studies, Leasehold & Leased Fee Valuations, Reproduction/Replacement Cost Estimates, expert witness testimony

Types of Property Appraised

Commercial Office, Retail and Industrial Buildings, Commercial Land, Residential Development Land, Pasture Land, Grove Land, Row Crop Land, Organic Farms, Gas Stations and Convenience Stores, Proposed Commercial Office and Retail Buildings, Mobile Home Parks, Restaurants, Proposed Residential Development

Brokerage Experience

Transaction volume totaling over \$50 million in sales and leasing since 2010 and over \$23 million in transactions in 2016. Properties sold or leased include Professional and Medical Offices, Retail Centers, Industrial Buildings, Marina's, Vehicle Sales Facilities, Residential Vacant Land, Commercial Vacant Land, Agricultural Land, Bowling Alley, Church facility among others.

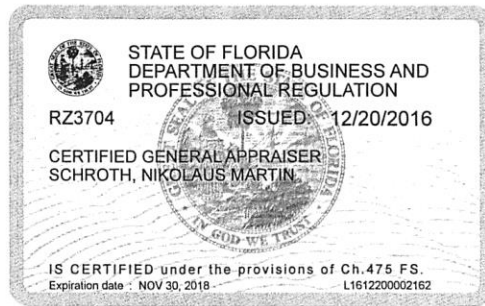
Work Experience

2005 to 2006- Researcher – Johnson & Parrish of the Treasure Coast
2006 to 2014 – Trainee Appraiser – Johnson & Parrish of the Treasure Coast
2006 to 2010 – Sales Associate – Southcoast Incorporated
2014 to 2015 – Certified Appraiser – Thomas Johnson and Associates
2015 to Present – Certified Appraiser & Managing Partner – Thomas Johnson and Associates
2010 to Present – Broker Associate/Vice President – NAI Southcoast Incorporated
2012 to Present – Information Officer – Erfolg Holdings, Inc.
2014 to Present – Founding Partner/Director Islamorada Beer Company

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**STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA REAL ESTATE APPRAISAL BD**

LICENSE NUMBER	
	RZ3704

The CERTIFIED GENERAL APPRAISER
Named below IS CERTIFIED
Under the provisions of Chapter 475 FS.
Expiration date: NOV 30, 2018

SCHROTH, NIKOLAUS MARTIN
742 COLORADO AVE
STUART FL 39994





ISSUED: 12/20/2016
DISPLAY AS REQUIRED BY LAW
SEQ # L1612200002162

DEFINITIONS

Cost Approach: A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including entrepreneurial incentive, deducting depreciation from the total cost, and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised (Source: The Dictionary of Real Estate Appraisal, Fifth Edition).

Easement: The right to use another's land for a stated purpose (Source: The Dictionary of Real Estate Appraisal, Fifth Edition).

Exposure Time: The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of appraisal. (Source: USPAP 2014-2015 Edition published by The Appraisal Foundation, Definitions)

Exposure time is always presumed to precede the effective date of appraisal. Exposure time is a function of price, time, and use – not an isolated opinion of time alone.

Fee Simple Estate: 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 (Source: The Dictionary of Real Estate Appraisal, Fifth Edition).

Going-Concern Value: 1) The market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern. 2) The value of an operating business enterprise. Goodwill may be separately measured but is an integral component of going-concern value (Source: The Dictionary of Real Estate Appraisal, Fifth Edition).

Highest and Best Use: The reasonably probable and legal use of vacant land or an improved property, which 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 legally 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 (Source: The Dictionary of Real Estate Appraisal, Fifth Edition).

Highest and Best Use of Land or a Site as Though Vacant: Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements (Source: The Dictionary of Real Estate Appraisal, Fifth Edition).

Highest and Best Use of Property as Improved: The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one (Source: The Dictionary of Real Estate Appraisal, Fifth Edition).

Income Capitalization Approach: A set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate (Source: The Dictionary of Real Estate Appraisal, Fifth Edition).

Leased Fee Interest: A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (Source: The Dictionary of Real Estate Appraisal, Fifth Edition).

Leasehold Interest: The tenant's possessory interest created by a lease (Source: The Dictionary of Real Estate Appraisal, Fifth Edition).

Liquidation Value: The most probable price that a specified interest in real property is likely to bring under all of the following conditions:

1. Consummation of a sale will occur within a severely limited future marketing period specified by the client.
2. The actual market conditions currently prevailing are those to which the appraised property interest is subject.
3. The buyer is acting prudently and knowledgeable.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. The buyer is acting in what he or she considers his or her best interest.
7. A limited marketing effort and time will be allowed for the completion of a sale.
8. Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associate with the sale.

(Source: The Dictionary of Real Estate Fifth Edition published by The Appraisal Institute).

Marketing Period: Marketing Time according to Advisory Opinion AO-7 is “the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal.” (Source: USPAP 2013-14 Edition published by The Appraisal Foundation)

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

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
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 the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: Department of the Treasury, Office of Comptroller of the Currency, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, Office of Thrift Supervision and National Credit Union Administration under 12 CFR Part 34, Real Estate Appraisals and Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (“FIRREA”); and the Interagency Appraisal and Evaluation Guidelines, Federal Register, Volume 75, No. 237, December 20, 2010.

Prospective Opinion of Value: A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy (Source: [The Dictionary of Real Estate Appraisal](#), Fifth Edition).

Sales Comparison Approach: 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 (Source: [The Dictionary of Real Estate Appraisal](#), Fifth Edition).

Value in Use: The value a property assuming a specific use, which may or may not be the property’s highest and best use on the effective date of the appraisal. Value in use may or

may not be equal to market value but is different conceptually (Source: The Dictionary of Real Estate Appraisal, Fifth Edition).