



Abandonment

Property address or Location That part of Delaware Avenue right of way lying east of south of South Indian River Drive, south of Lot 4, Block D, Andrews and Richards
 Parcel ID #(s) subdivision east of S. Indian River Drive and north of Lot 1, Andrews and Richards subdivision lying east of S. Indian River Drive.
 Project description Abandon this ROW

Crownman FL, WC
 Property Owner(s) 10380 SW Village Center Dr #310
 Street Address Port St Lucie FL 34987
 City on file State FL Zip 34987
 Phone Number on file
 Email Address KettleKat@aol.com

Kris Einstein
 Applicant/Representative, Title, Company 4532 W Kennedy Blvd #422
 Street Address Tampa FL 33609
 City on file State FL Zip 33609
 Phone Number on file
 On File
 Email Address

Property Owner(s) Acknowledgements: - This application will not be considered complete without the signature of all property owners of record, which shall serve as an acknowledgement of the submission of this application. The property owner's signature below shall also authorize the Applicant (if other than the property owner) and/or Representative to act in his/her behalf for the purposes of seeking approval for the application described herein.

Property Owner(s) Signature(s)

STATE OF FLORIDA -- COUNTY
 The foregoing instrument was acknowledged before me this 14 day of August, 2018, by Walter & Cheryl Brett who is personally known to me or has produced

[Signature]
 Signature of Notary

as identification.

(seal)



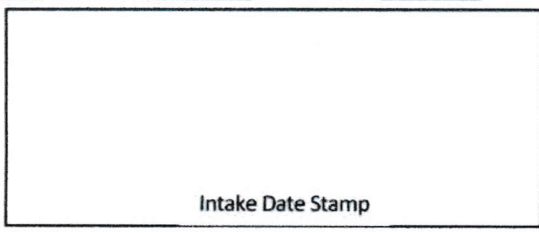
INTAKE MEETINGS ARE REQUIRED FOR ALL SUBMITTALS. CALL (772) 467-3729

TO BE COMPLETED BY STAFF

Zoning	Future Land Use	Total Acres	Historic District	Historic Designation	
				Contributing	Individual
				Non-Contributing	None

Pre-Application Meeting Date _____
 Intake Planner _____
 Planner Assigned _____
 Approved By _____ Date _____
 Comments _____

Fees _____ Control # _____ B. Permit # _____



ABANDONMENT

Submit eight (8) hard copies and one (1) CD of the following for initial submittal, subsequent submittals will be required:

- Current survey, including property size
- Current Appraisal, Sketch, Size (in sq. ft.) & Legal Description of property for proposed abandonment
- Encumbrance Title Search
- Complete, notarized application

Application Type: Right-of-Way Abandonment

Reason for Abandonment Request: _____

Adjacent owners would like to split the ROW 50/50. _____

List any utilities visible or known to exist in the right of way: _____

None Known _____

Is the right of way in use or unopened? In Use Unopened

Application Outlook





AUG 24 2018
CITY OF FORT PIERCE
PLANNING & ZONING

Abandonment

Property address or Location That part of Delaware Avenue right of way lying east of south of South Indian River Drive, south of Lot 4, Block D, Andrews and Richards

Parcel ID #(s) subdivision east of S. Indian River Drive and north of Lot 1, Andrews and Richards subdivision lying east of S. Indian River Drive.

Project description Abandon this ROW

Lisa Susnar, Susnar Realty
Property Owner(s)
420-426 S Indian River DR
Street Address
Fort Pierce FL
City State Zip
561 762 2870
Phone Number
Lisasusnar@gmail.com
Email Address

~~Applicant/Representative, Title, Company~~
~~Street Address~~
~~City State Zip~~
~~Phone Number~~
~~Email Address~~

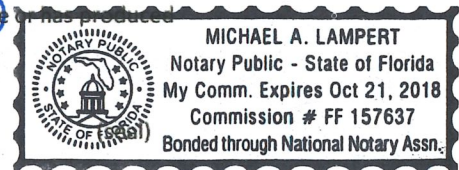
Property Owner(s) Acknowledgements: - This application will not be considered complete without the signature of all property owners of record, which shall serve as an acknowledgement of the submission of this application. The property owner's signature below shall also authorize the Applicant (if other than the property owner) and/or Representative to act in his/her behalf for the purposes of seeking approval for the application described herein.

[Signature]
Property Owner(s) Signature(s)

Michael A. Lampert, P.A.
Attorney at Law
1655 Palm Beach Lakes Blvd.
The Forum - Suite 900
West Palm Beach, FL 33401

STATE OF FLORIDA -- COUNTY
The foregoing instrument was acknowledged before me this 17th day of Aug., 20 18, by

Lisa Susnar who is personally known to me as identification.



Signature of Notary [Signature]

INTAKE MEETINGS ARE REQUIRED FOR ALL SUBMITTALS. CALL (772) 467-3729

TO BE COMPLETED BY STAFF

Zoning	Future Land Use	Total Acres	Historic District	Historic Designation	
				Contributing	Individual
				Non-Contributing	None

Pre-Application Meeting Date _____
Intake Planner _____
Planner Assigned _____
Approved By _____ Date _____
Comments _____

Fees _____ Control # _____ B. Permit # _____

Intake Date Stamp

ABANDONMENT

Submit eight (8) hard copies and one (1) CD of the following for initial submittal, subsequent submittals will be required:

- Current survey, including property size
- Current Appraisal, Sketch, Size (in sq. ft.) & Legal Description of property for proposed abandonment
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Application Type: Right-of-Way Abandonment

Reason for Abandonment Request: _____

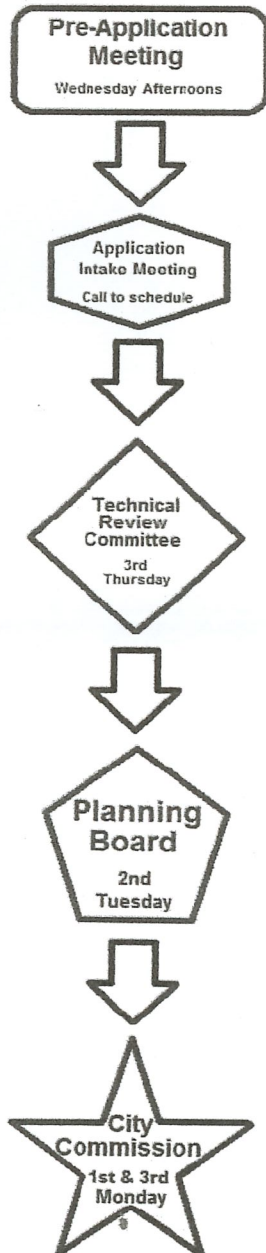
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List any utilities visible or known to exist in the right of way: _____

None Known _____

Is the right of way in use or unopened? In Use Unopened

Application Outlook

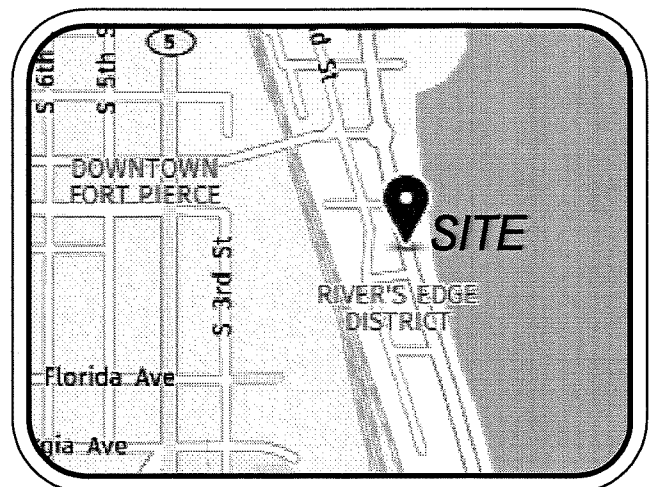




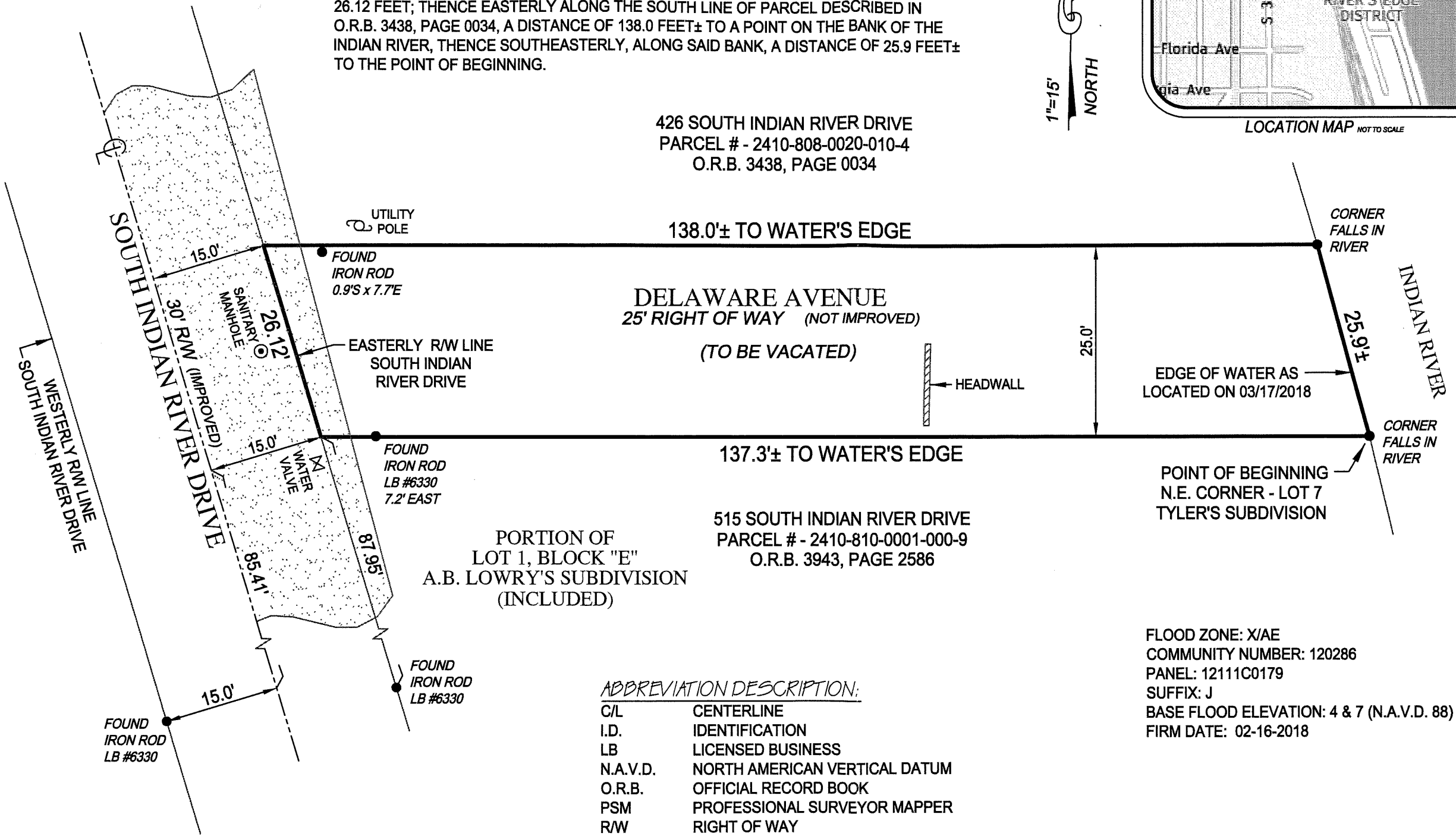
GRAPHIC SCALE (In Feet)
1 inch = 15 ft.

LEGAL DESCRIPTION:

BEGINNING ON THE BANK OF THE INDIAN RIVER AT THE N.E. CORNER OF LOT 7 OF THE SUBDIVISION OF LOT 4, OF SECTION 10, TOWNSHIP 35 SOUTH, RANGE 40 EAST, ACCORDING TO THE PLAT OF SAID LOT 4 ON FILE IN PLAT BOOK 1, AT PAGE 88, OF THE PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA; THENCE RUN WESTERLY ALONG THE NORTH LINE OF PARCEL DESCRIBED IN O.R.B. 3943, PAGE 2586, A DISTANCE OF 137.3 FEET±; THENCE NORTHWESTERLY ALONG THE EASTERLY R/W LINE OF SOUTH INDIAN RIVER DRIVE TO A POINT 25 FEET DUE NORTH OF EAST AND WEST LINE, A DISTANCE OF 26.12 FEET; THENCE EASTERLY ALONG THE SOUTH LINE OF PARCEL DESCRIBED IN O.R.B. 3438, PAGE 0034, A DISTANCE OF 138.0 FEET± TO A POINT ON THE BANK OF THE INDIAN RIVER, THENCE SOUTHEASTERLY, ALONG SAID BANK, A DISTANCE OF 25.9 FEET± TO THE POINT OF BEGINNING.



LOCATION MAP NOT TO SCALE



ABBREVIATION DESCRIPTION:

C/L	CENTERLINE
I.D.	IDENTIFICATION
LB	LICENSED BUSINESS
N.A.V.D.	NORTH AMERICAN VERTICAL DATUM
O.R.B.	OFFICIAL RECORD BOOK
PSM	PROFESSIONAL SURVEYOR MAPPER
R/W	RIGHT OF WAY

FLOOD ZONE: X/AE
COMMUNITY NUMBER: 120286
PANEL: 12111C0179
SUFFIX: J
BASE FLOOD ELEVATION: 4 & 7 (N.A.V.D. 88)
FIRM DATE: 02-16-2018

NOTES:

1. LEGAL DESCRIPTION PROVIDED BY CLIENT
2. NO SEARCH OF THE PUBLIC RECORD FOR THE PURPOSE OF ABSTRACTING TITLE WAS PERFORMED BY THIS OFFICE
3. NO SUBSURFACE IMPROVEMENTS WERE LOCATED AS PART OF THIS SURVEY
4. ALL ANGLES AND DISTANCES SHOWN HEREON ARE BOTH RECORD AND MEASURED UNLESS OTHERWISE NOTED

Kenneth J. Osborne PSM #6415
THIS SURVEY IS NOT VALID WITHOUT
THE SIGNATURE AND THE ORIGINAL RAISED SEAL
OF A FLORIDA LICENSED SURVEYOR AND MAPPER

BOUNDARY SURVEY OF
XXX SOUTH INDIAN RIVER DRIVE
FT. PIERCE, FL 34950
PREPARED FOR
KRIS EINSTEIN

Project C-15787 R/W	1
Date 08-08-2018	
Scale 1" = 15'	1 OF 1

6250 N. MILITARY TRAIL, SUITE 102
WEST PALM BEACH, FL 33407
www.compassurveying.net



PHONE: 561.640.4800 FAX: 561.640.0576
LB. 7463

**APPRAISAL OF THE EASTERLY EXTENSION OF
DELAWARE AVENUE RIGHT OF WAY
EAST OF SOUTH INDIAN RIVER DRIVE
FRONTING THE WEST BANK OF THE
INDIAN RIVER
FORT PIERCE, FLORIDA**

PREPARED FOR
Crownman, LLC
c/o Kris Einstein
10380 SW Village Center Drive #310
Port St. Lucie, FL 34987

DATE OF APPRAISAL: May 25, 2018 (Date of final inspection)

Prepared by:
Daniel D. Fuller, MAI
State-Certified General
Real Estate Appraisal RZ567
FULLER-ARMPFIELD-WAGNER
Appraisal & Research, Inc.
200 S. Indian River Dr., Suite 309
Fort Pierce, Florida 34950

Appraisal No. 20010

FULLER-ARMFIELD-WAGNER Appraisal & Research, Inc.

200 S. Indian River Dr., Suite 309, Fort Pierce, FL 34950

Daniel D. Fuller, MAI, SRA

State-Certified General Real Estate Appraiser RZ567

772-468-0787

Fax (772) 468-1103

FAW_app@bellsouth.net

May 25, 2018

Crownman, LLC

c/o Kris Einstein

10380 SW Village Center Drive #310

Port St. Lucie, FL 34987

RE: Delaware Avenue Right of Way east of S. Indian River Drive, fronting the west bank of the Indian River, Fort Pierce, FL

Dear Ms. Einstein:

As per our appraisal services contract, I completed my final inspection of the referenced property on May 25, 2018, and I have completed an analysis of the market influences affecting the subject property to provide an opinion of the market value of the fee simple interest in the property.

Because research did not provide sales of properties similar too subject, an “across the fence” appraisal method is applicable where adjacent property is appraised with the incremental unit of value of the adjacent property applied to the subject as an indication of market value.

ACROSS THE FENCE METHOD of VALUATION - Defined *Source, Appraisal Institute, Dictionary of Real Estate Appraisal, 5th ed.* A land valuation method often used in the appraisal of corridors. The across the fence method is used to develop a value opinion based on comparison to abutting land.

Your attention is directed to the Scope of Work, and introductory comments within the Sales Comparison Approach section of this report.

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

- The Intended Use of this appraisal is for purchase negotiations by representatives of Crownman, LLC and the appraisal is not intended for another use.
- The Intended User of this report are representatives of Crownman, LLC, and the Fort Pierce City Commission and/or Commission representatives.
- The appraisal and report are subject to the Ordinary Limiting Conditions, Extraordinary Assumptions, and Certification included within this report.

Ms. Einstein
May 25, 2018
Page Two

In summary, based upon the available data and analysis of the data as presented in this report, it is my opinion the Market Value of the Fee Simple Interest in the subject of this appraisal, "as is", as of May 25, 2018, is:

FIFTEEN THOUSAND DOLLARS -\$15,000-

I believe you will find the appraisal and report complete, but if there are questions, please contact me at your convenience.

Sincerely,



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

DDF/asf -20010 Crownman report

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SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Property Type: Platted, unopened Delaware Avenue right of way.
 Current Use: Vacant.
 Address/Location: East side of South Indian River Drive and west bank of Indian River, Ft. Pierce, FL.

Date of Appraisal: May 25, 2018
 Date of Inspection: May 25, 2018
 Date of Report: May 25, 2018
 Inspected by: Daniel D. Fuller, MAI

Purpose of the Appraisal: Estimate Market Value
 Property Rights Appraised: Fee Simple
 Report Prepared: May 2018
 Report Format: "Appraisal Report" as defined in USPAP.

Land: Area: *0.123 acres (5,375 square feet)
 Frontage: 50± feet (S. Indian River Dr. & west bank of Indian River)
 Depth: 107.5± feet (average depth)

*Note – subject's site size & dimensions were extracted from Plat Book 1, Pages 191 & 199 of the Public Records of St. Lucie County, and County Property Appraiser's Assessment Maps and assumed accurate.

Improvements: None.

Census Tract: 3805
 Flood Zone: Zone X – Area of Minimal Flood Hazard
 Zone AE (el 5') along Indian River shoreline
 (FEMA Map12111C0179J, Community Panel #120286 0179K, Preliminary 2/16/12)

Highest and Best Use "as is": Assemblage with adjacent properties.

Market value, Fee Simple Interest, "as is", as of May 25, 2018, is: -\$15,000-

PROPERTY TYPE / CURRENT USE

- Property Type: Platted, unopened Delaware Avenue right of way.
- Current Use: Vacant.

SCOPE OF WORK

Ms. Kris Einstein representing principals with Crownman, LLC engaged my services to provide an opinion of the Market Value of the Fee Simple Interest in the subject.

MARKET VALUE – Defined *Market Value, as defined in Chapter 12, Code of Federal Regulation, Part 34.42, is:*

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

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

FEE SIMPLE ESTATE - Defined *Source, Appraisal Institute, Dictionary of Real Estate Appraisal, 5th ed.*

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

Because research did not provide sales of properties similar too subject, an “across the fence” appraisal method is applicable where adjacent property is appraised with the incremental unit of value of the adjacent property applied to the subject as an indication of market value.

ACROSS THE FENCE METHOD of VALUATION - Defined *Source, Appraisal Institute, Dictionary of Real Estate Appraisal, 5th ed.* A land valuation method often used in the appraisal of corridors. The across the fence method is used to develop a value opinion based on comparison to abutting land.

The subject is a vacant tract of land, thus valued exclusively via the Sales Comparison Approach.

Valuation within the Sales Comparison Approach developed for this appraisal assignment requires research for sales and list data from physically similar properties with a highest and best use similar too subject of the appraisal.

The subject is a unique property being 50 feet wide x an average 107.5 feet deep, plus as will be further discussed, the subject’s topography consists of a steep downward

SCOPE OF WORK (continued)

slope from South Indian River Drive to the Indian River shoreline. Thus, per zoning the subject does not meet minimum size and area as an independent property, plus subject's topography creates significant development challenges. Therefore, valuation via the "across the fence" method considers the subject's functional utility as a part of the valuation of an adjacent property.

Research was conducted for sales and listings of functional/developable properties similar too functional;/developable properties within the subject's immediate location and although research found limited data, the most similar properties are located within the City of Fort Pierce, thus the data analyzed is limited to properties located within or immediately adjacent to the Fort Pierce CBD.

Data gathered was verified with a knowledgeable participant of a transaction, and then the data was analyzed to interpret market trends. The analyzed data was then applied to the subject for a value indication. The final step was reconciliation of the values derived in the approaches to a final estimate of value.

The Cost Approach is not applicable as the subject does not include improvements. Also, the Income Approach is not applicable as properties in subject's market segment are not typically purchased for rental income.

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

- The Intended Use of this appraisal is for purchase negotiations by representatives of Crownman, LLC and the appraisal is not intended for another use.
- The Intended User of this report are representatives of Crownman, LLC, and the Fort Pierce City Commission and/or Commission representatives.
- The appraisal and report are subject to the Ordinary Limiting Conditions, Extraordinary Assumptions, and Certification included within this report.

COMPETENCY

Per the Competency Rule of Uniform Standards of Professional Practice, due to experience in the subject's market segment and geographic area the appraiser is competent to complete this appraisal.

APPRAISAL REPORT FORMAT

Per *Uniform Standards of Appraisal Practice (USPAP 2016-2017) – Standards Rule 2-2*, each written real property appraisal report must be prepared under one of the following options and prominently state which options is used: Appraisal Report or Restricted Appraisal Report.

The following report format is as defined per USPAP as an “Appraisal Report”.

EXPOSURE

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

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

Exposure periods for the sale properties range from a few months to several years, with the extended periods caused by initial above market listing prices and market softening. However, it is expected that assuming the subject listed for sale at or near my opinion of value the subject would have sold within a 12-months period prior to the date of appraisal.

ORDINARY LIMITING CONDITIONS AND UNDERLYING ASSUMPTIONS

1. The opinions value given in this report represents the opinion of the signer as of the DATE SPECIFIED. Real estate is affected by an enormous variety of forces and conditions will vary with future conditions, sometimes sharply within a short time. Responsible ownership and competent management are assumed.
2. This report covers the premises herein described only. Neither the figures herein nor any analysis thereof, nor any unit values derived therefrom are to be construed as applicable to any other property, however, similar the same may be.
3. It is assumed that the title to said premises is good; that the legal description of the premises is correct; that the improvements are entirely and correctly located on the property; but no investigation or survey has been made, unless so stated.
4. The opinion(s) given in this appraisal report are gross, without consideration given to any encumbrance, restriction or question of title, unless so stated.
5. Easements on the subject parcel may be unknown. Easements may not be recorded or may exist by customary use or other legal means. The appraiser has not nor is the appraiser qualified to search legal records as to the existence of easements.
6. Information as to the description of the premises, restrictions, improvements and income features of the property involved in this report is as has been submitted by the applicant for this appraisal or has been obtained by the signer hereto. All such information is considered correct; however, no responsibility is assumed as to the correctness thereof unless so stated in the report.
7. The physical condition of the improvements described herein was based on visual inspection. No liability is assumed for the soundness of structural members since no engineering tests were made of the same. The property is assumed to be free of termites and other destructive pests.
8. Possession of any copy of this report does not carry with it the right of publication, nor may it be used for any purpose by any but the applicant without the previous written consent of the appraiser or the applicant, and in any event, only in its entirety.
9. Neither all nor part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent of the author; particularly as to the valuation conclusions, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute, or to the SRA or MAI designations.
10. The appraiser herein, by reason of this report is not required to give testimony in court or attend hearings, with reference to the property herein appraised, unless arrangements have been previously made therefore.
11. The Contract for the appraisal/consulting services is fulfilled by the signer hereto upon the delivery of this report duly executed.
12. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and zoning laws unless non-compliance is stated, defined and considered in the appraisal report.
13. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field, if desired.
14. The Americans with Disabilities Act (ADA) became effective January 26, 1992, we have not made a specific compliance survey and analysis of this property to determine whether it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

EXTRAORDINARY ASSUMPTIONS

(Note: extraordinary assumptions may have an effect on the appraiser's opinion of value)

EXTRAORDINARY ASSUMPTION – *Source, Appraisal Institute, Dictionary of Real Estate Appraisal, 5th ed.*

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

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

Subject's site size & dimensions were extracted from Plat Book 1, Pages 191 & 199 of the Public Records of St. Lucie County, and County Property Appraiser's Assessment Maps and assumed accurate, and survey compiled by Kenneth J. Osborne, PSM #6415 with the firm of Compass Surveying, 6250 N. Military Trail, Suite 102, West Palm Beach, FL, identified as Project C-15787, dated March 3, 2018 and my opinion of value assumes the cited data is accurate.

CERTIFICATE OF APPRAISAL

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

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



Daniel D. Fuller, MAI
State-Certified General Real Estate Appraiser RZ 567

OWNER OF RECORD AND SALES HISTORY

Owner of Record

The subject is owned by the City of Fort Pierce, dedicated as right of way within the plats of Andrews & Richards Addition to Fort Pierce, recorded in Plat Book 1, Page 191 and Plat of Andrews & Richards Re-subdivision of Tyler's Subdivision, recorded in Plat Book 1, Page 199 of the Public Records of St. Lucie County, Florida

Sales History

No sales of the subject have ever occurred:

Lease Data

The subject is not leased.

Listing / Contract Data

The subject is not offered for sale and is not under a sale/purchase agreement.

LEGAL DESCRIPTION

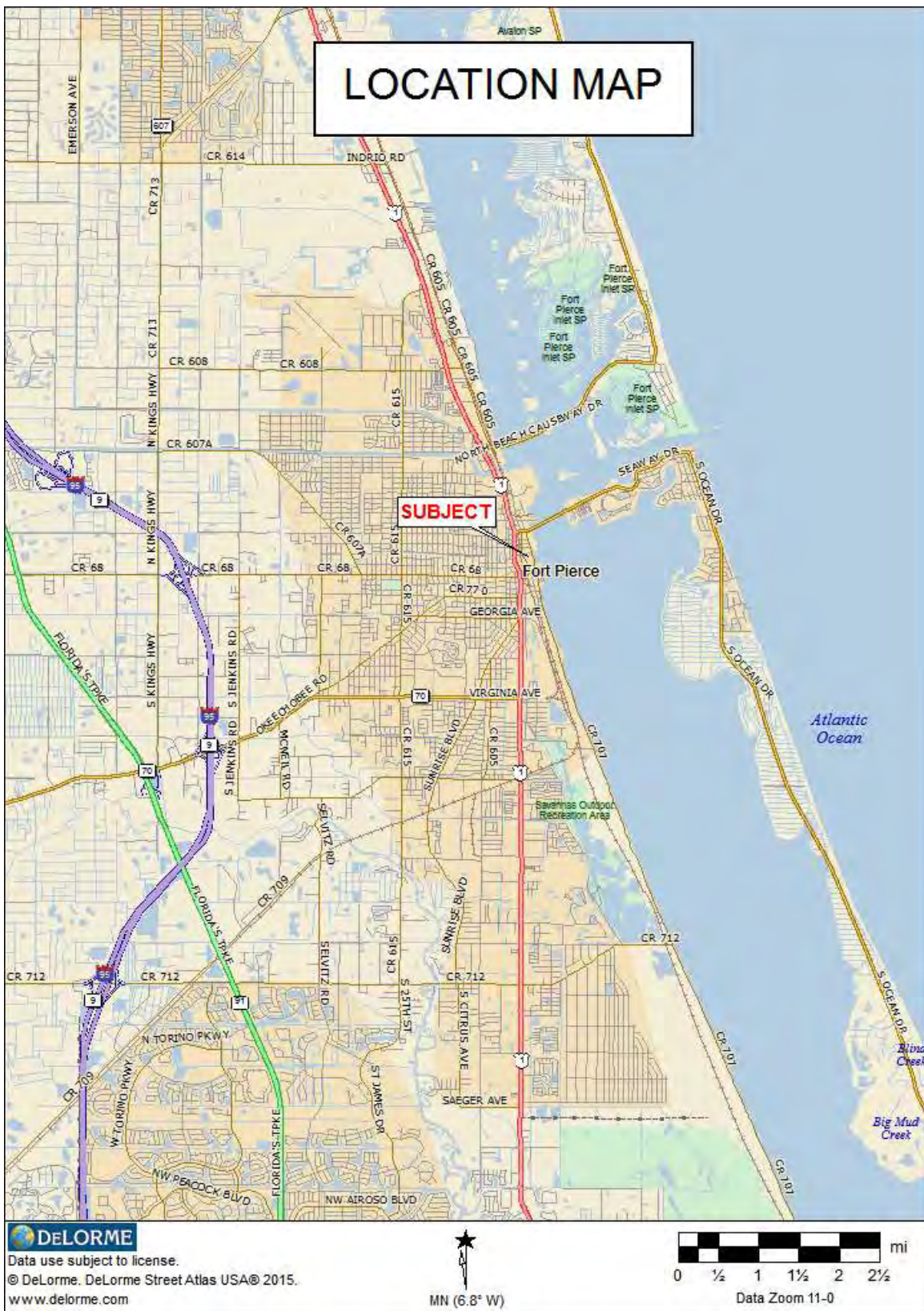
The following legal description was authored by the appraiser and is intended for only appraisal purposes.

Legal description – that part of Delaware Avenue right of way lying east of south of South Indian River Drive, south of Lot 4, Block D, Andrews and Richards subdivision east of S. Indian River Drive and north of Lot 1, Andrews and Richards subdivision lying east of S. Indian River Drive.

Easements

I am unaware of easements which may encumber the subject, but because easements may not be recorded or may exist by long term use or agreements, your attention is directed to Ordinary Limiting Conditions #5.

A map locating the subject and photographs of the subject comprise the following Exhibits.



Subject Photographed 5/25/18



Subject



View of subject's easterly slope area

AREA DATA

A summary of City of Ft. Pierce and St. Lucie County Area Data is found in Addendum A of this report.

- The subject is located within the southerly environs of the Fort Pierce CBD.
- There are three incorporated cities within St. Lucie County, Fort Pierce, Port St. Lucie and St. Lucie Village.
- Fort Pierce is the oldest city with a 2010 census population of 38,683 and the 2015 US Census Bureau estimate of total population is 44,484, an increase of approximately 14.9% for the fifteen-year period (1.0%/year).
- Port St. Lucie was incorporated in the early 1960's with population in 2000 of 85,751, and per census data the 2015 population is estimated to total 179,413, an increase of approximately 109% for the fifteen-year period (7.2% per year).
- St. Lucie Village is a mostly residential community with a population of some 600 persons, and historically very little change in the community thus the community has nominal impact on the County.
- The 2000 census placed the County's total population at 190,677 with the US census bureau reporting in 2015 an estimated total population of 298,563, an increase of approximately 57% for the fifteen-year period (3.8% per year).
- Over the past fifteen years, population growth within the City of Fort Pierce has been relatively nominal and expected to continue to grow at a relatively slow pace. A majority of the near-term growth in St. Lucie County is expected to occur in and surrounding the City of Port St. Lucie. To a great degree this occurs because the City of Ft. Pierce has little vacant land for new growth vs. the platted areas of the City of Port St. Lucie approximately 70% developed, plus large acreage tracts in the southwest environs of the City remain available for development.
- Demand in most market segments collapsed between late 2005 and early 2007 and demand remains inadequate to support new project development although within the City of Port St. Lucie housing construction is returning in developed residential projects, and uncertainty remains when adequate demand will return to support financially feasible new projects. As demand returns a majority of the County's near term growth is expected to return in and around the City of Port St. Lucie with near term growth in the City of Ft. Pierce and northerly St. Lucie County is expected to continue growth at its slow pace until strong demand is recognized regionally.

NEIGHBORHOOD DATA

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

Neighborhood Boundaries

- North: Fisherman’s Wharf, 11± blocks north of the subject.
- South: Easter Avenue, 1± block south of subject.
- East: Indian River, subject’s east property line.
- West: 7th Street, 5± blocks west.

A Neighborhood Map depicting approximate neighborhood boundaries comprises the following Exhibit.

Neighborhood Access

- North - South: U.S. 1, Second Street, Indian River Drive and Seventh Street.
- East – West: In the center of the CBD, Orange Avenue and Avenue A. At the north end of the neighborhood, Seaway Drive, and at the south end of the neighborhood, Citrus Avenue east of U.S. 1, and southerly east of the FEC railroad Easter Avenue, and Georgia Avenue west of the FEC railroad tracks, with Delaware Avenue in the middle of the south ½ of the neighborhood.

U.S. 1 is a primary high volume highway which in the past was the prominent north-south route along Florida’s east coast and U.S. 1 remains a heavily traveled route for inter and intra county and Treasure Coast connections.

The primary east – west route through the CBD is Orange Avenue (S.R. 68).

Delaware Avenue, west of the FEC right of way extends west to 17th Street, 13 blocks west. East of the FEC right of way Delaware Avenue extends east two block, then crossing Indian River Drive the right of way (subject) connects to the Indian River.

Second Street is the center north-south street through the central CBD. Throughout its length Second Street is accessed by the primary and secondary east-west routes such as Orange Avenue, Avenue “A”, Citrus Avenue, Delaware Avenue and Easter Avenue. Second Street remains the primary street through the CBD and provides direct access to the County Courthouse and access from the CBD to Seaway Drive and the Ft. Pierce Beach neighborhood. Within the area of the subject Second Street is secondary, primarily servicing immediate neighborhood development.

NEIGHBORHOOD DATA (continued)

Indian River Drive is also a primary north-south street running through the east portion of the neighborhood, accessing CBD properties, and providing inter and intra county access to south St. Lucie County and Martin County to the south. Indian River Drive lies one block east of the subject. The subject fronts the east side of Indian River Drive.

Streets such as Avenue "A", Citrus Avenue and Backus Avenue support Orange Avenue and Indian River Drive provided access from U.S. 1 to north and south portions of the neighborhood.

Seventh Street forms the approximate westerly CBD neighborhood boundary and provides a secondary north-south route from just north of the CBD neighborhood to residential neighborhoods lying south of the CBD.

Overall, access to the subject and all portions of the neighborhood is adequate and typical for a CBD neighborhood.

Percent Developed and Property Uses

The neighborhood is approximately 90% developed. While very limited new development has occurred in the neighborhood in recent years, in approximately 2006 an office project was constructed on a site on Citrus Avenue and South 7th Street, and a federal courthouse was completed in December 2012 on a site forming the southwest corner of US 1 and Orange Avenue. Plus, during the past high demand period of 2004 – 2007, The Renaissance, a relatively large mixed-use project was constructed within the CBD. Since construction of the mentioned projects, no new development has occurred within the CBD.

There are a limited number of developable vacant sites within the neighborhood, and most remaining vacant sites are larger, capable of supporting mixed-use projects, thus development interest has been tempered. Redevelopment via razing older improvements is not expected to occur until demand strengthens, but even in a high demand market because of historic designations of older improvements, legally some improvements may not be legally razed.

The neighborhood consists of a mix of commercial properties including retail, office, restaurants, plus the neighborhood is heavily weighted with governmental properties including the St. Lucie County and Federal court facilities, plus social services agencies and with residential properties located north, south and west of the neighborhood, plus as mentioned, The Renaissance mixed residential / commercial property was constructed in recent years, although there are a modest number of residential units in the project.

NEIGHBORHOOD DATA (continued)

The subject's neighborhood is the historical Central Business District (CBD) of the City of Ft. Pierce. Like most CBDs in older Florida cities the neighborhood flourished until the 1960's when modern suburban retail centers became vogue and the CBD could not compete with new modern large retail facilities with adequate convenient parking.

The subject's neighborhood experienced its economic bottom approximately thirty-five years ago and since then economic and property conditions have gradually improved. The City has invested heavily in refurbishing infrastructure within the CBD, the Main Street organization, and Community Redevelopment Agency (CRA) have also invested in the neighborhood, plus until about 2007 individual investor interest increased.

By early 2007 almost all of the properties in the core of the CBD, Avenue "A" to Citrus Avenue and U.S. 1 to the Indian River were restored. Some restorations were total and some to a much lesser degree but in most instances property conditions were vastly improved. Also, as mentioned, one or two new properties were developed. However, beginning in early 2007 the economy moved into a recession with demand in the real estate markets all but totally disappearing. While in recent years' demand in the City's residential markets has significantly strengthened, demand in the commercial markets has only slowly absorbed space with rental rates and sales prices slowly increasing. Within the CBD owners are again refurbishing properties, although a neighborhood 7-11 developed in 2014 closed in early 2018, but there remains a relatively new Subway sandwich shop and local tenants now occupy a once long term vacant building located on the NE corner of Orange Avenue and 2nd Street, and a former bank property at the SE corner of Orange Avenue and 2nd Street has been totally remodeled to a mixed use retail center with two restaurants as anchor tenants, one open in June 2018 the second restaurant is scheduled to open near term. The former "JC Penny" building at the SE corner of 2nd Street and Avenue "A" has been remodeled to accommodate a local brewery tenant. Plus, a local owner of a many commercial properties within the CBD is in the planning and pre-leasing stage of a proposed mixed-use improvement to be located on a one-acre site fronting North Indian River Drive and Avenue A. Also, city officials are working on attracting a developer for the former HD King power plant site. The site in total encompasses 7.2-acres fronting North Indian River Drive, North Second Street, and Backus Avenue. Because of the property's size, and potential magnitude of the development, interest in the project from private developers has been limited, perhaps requiring further market strengthening before a project on the property is financially feasible.

Finally, with the center of the CBD the City Commissioners recent approved redevelopment and release of a restaurant located on the City Marina property.

NEIGHBORHOOD DATA (continued)

There is a vacant site adjacent to the south of the subject with owners in development planning process, plus there are two vacant lots north of the subject permitted for development with a mid-rise condominium and a mixed-use improvement, although listing Realtors report interest in the properties has been nominal

Future Economic Conditions

The City Commission has spent a significant amount of monies and effort upgrading the CBD infrastructure, including rebuilding the City Marina, upgrade most waterfront areas, recently redeveloping Veteran's Park at the north end of the broad CBD neighborhood, development of round-a-bouts to improve traffic flow, and numerous other improvements, all positive to attract neighborhood development and business to the CBD, and attracting owners to follow with property refurbishments and upgrades. However, economic strengthening has followed very slowly. Real estate rental units have leased but rental rates remain modest and small businesses tend to financially struggle, especially during the summer season, absent winter tourism which is a historical trend that is not expected to change.

Certainly, the City government is attempting to attract new development and activity within the CBD, but there are other issues within the city which likely slow economic development, and at the current pace adequate demand to increase real estate values may not occur for an extended period.

Additionally, although the County and the region is generally experiencing an economic boom, the current strong economic pace needs to continue for several years to further strengthen the financial feasibility of remodeling existing properties and support financial feasibility of developing new projects with the City.

Within other City neighborhoods, several new "dollar stores" have opened, catering to the city's economic base, and in most instances throughout the Treasure Coast the "dollar stores" appear to be successful. Also, within other city neighborhoods niche market users are in the planning, approval or construction stage i.e. a "Chick Fil a" restaurant is under construction within the State Road 70/I-95/Florida Turnpike interchange neighborhood, as well as a Wawa store in the same neighborhood, and an Aldi Grocery store opened on a S. U.S. 1 site, south of the CBD neighborhood, however, new development remains soft with only the occasional new project which is a negative to absorbing vacant sites within the CBD.

Conclusion

For many years' the CBD neighborhood experienced relatively drastic swings in demand. In recent years' demand has moved in a positive direction but the economic recovery has been slow in all Fort Pierce commercial real estate markets, generally

NEIGHBORHOOD DATA (continued)

well behind the recovery curve as experienced within the City of Port St. Lucie and southerly coastal communities.

A currently unidentified niche market user may be found to absorb a vacant property within the CBD, but in the near-term demand is not expected to fully absorb a large size class vacant site and while it is unknown when economic strengthening will support the cost of all new construction, when strengthening occurs the subject's immediate neighborhood is expected to experience positive demand.

CENSUS TRACT
<p>A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tract boundaries normally follow visible features, but may follow governmental unit boundaries and other non-visible features in some instances; they always nest within counties. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time of establishment, census tracts average about 4,000 inhabitants. They may be split by any sub-county geographic entity. (U.S. Census Bureau)</p> <p>Source: Appraisal Institute, <i>The Dictionary of Real Estate Appraisal</i>, 5th ed. (Chicago: Appraisal Institute, 2010).</p> <p>Per St. Lucie County Census Map, subject is located within Census Tract 3801</p>

ZONING/LAND USE CLASSIFICATIONS

Authority - Fort Pierce City Commission

Administration - Ft. Pierce City Planning and Zoning Department.

Zoning Classification – Sec. 22-29. - Office Commercial Zone (C-1).

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

Basic use standards. Uses in a C-1 zone must meet the requirements of this section. More restrictive requirements, set forth in accordance with other provisions of this chapter, must be satisfied by some conditional uses.

Lot size. The minimum lot area shall be ten thousand (10,000) square feet. The minimum lot width shall be seventy (70) feet. The minimum lot depth shall be ninety (90) feet.

Yards. The minimum depth of the front yard will be twenty-five (25) feet. The minimum yard depth (if not the front yard) for portions of the property abutting a public right-of-way or residential district shall be fifteen (15) feet.

Lot coverage. Buildings shall not cover more than sixty (60) per cent of the lot area.

Building height. No building shall exceed a height of sixty-five (65) feet above grade.

Other applicable use standards. Site plan review shall be required for uses which have buildings with more than four thousand (4,000) square feet of floor area. Accessory buildings shall comply with all yard, lot coverage and building height requirements of this chapter. Every lot shall abut a street other than an alley for at least fifty (50) feet. Materials or objects which would detract from the open space character of an uncovered or unenclosed area will not be permitted in such an area.

All uses will comply with applicable access, parking and loading standards in sections 22-60 and 22-61.

Conditional uses will meet the requirements in sections 22-74 through 22-86.

Signs will comply with standards referred to in section 22-55.

All other applicable ordinance requirements will also be satisfied.

(Ord. No. H-186, § 30-29, 6-15-81; Ord. No. H-207, § 1, 5-3-82; Ord. No. I-147, § 3, 2-3-86; Ord. No. I-148, § 1, 2-3-86; Ord. No. I-308, § 1, 2-6-89; Ord. No. K-24, § 8, 8-21-00; Ord. No. K-122, § 1, 12-1701; Ord. No. L-295, § 11, 11-4-13)

ZONING AND LAND USE CLASSIFICATIONS (continued)

Land Use Classification –

Central Business District (CBD): The CBD designation mixed-use high-rise development and single-use or mixed-use development that includes ground floor office/retail beneath residential apartments and condominiums. The CBD is intended to provide higher density mixed-use development within downtown Fort Pierce. Uses within the CBD shall include residential (condominiums and apartments); office including artist work and sales space; retail including boutiques, cafes, and restaurants; fuel sales; hotels/motels; parks and recreation; governmental facilities; complementary parks and parking facilities. This land use designation allows a maximum density of 30 dwelling units per acre and a maximum FAR of 3.0. Key characteristics of CBD shall include:

- Compact and intensive development pattern on a pedestrian scale;
- Buildings oriented to the street and define the streetscape and civic spaces;
- Development design that encourages pedestrian-oriented activities with plazas, cafes, bookstores, and restaurants that draw a variety of people;
- Vertical and horizontal integration of residential and non-residential uses;
- Good connection to transit and pedestrian facilities;
- Public parks and open space areas within walking distance of development;
- Parking that is integrated into street design and buildings or placed in separate structures; and
- Wide sidewalks with appropriate pedestrian amenities.

The subject's C-1 zoning classification allows commercial development but with limits, generally low intensity, with the classification acting as a buffer between commercial and residential neighborhoods.

However, the subject's land use classification of CBD, allows a wide variety of commercial property types, including mixed use properties and residential density up to 30 units per acre. The land use classification essentially allows high density and high intensity land use types, primarily promoting mixed use projects. The zoning and land use classifications are appropriate for the subject's location, acting as a buffer between primarily high intense development commercial development within the center of the CBDF and low intensity development south along Indian River Drive.

CONCURRENCY

Concurrency is the comparison of any proposed development's impact on public facilities and the capacity of the public facilities that are, or will be, available to serve the proposed development. Compliance with Concurrency is required of all proposed new development in St. Lucie County. Concurrency is determined when a site plan is submitted to the County Commission for approvals.

The subject is vacant thus Concurrency review and approval will be addressed when a site plan is submitted for approval.

ASSESSED VALUE and TAXES

The primarily taxing authorities for the subject are the City of Fort Pierce and St. Lucie County governmental entities, plus the St. Lucie County School Board. Taxes are based on Just Values estimated by the St. Lucie County Property Appraiser and millage rates set by the Tax Collector using various taxing districts' approved budgets. Taxes are assessed in arrears based on valuations as of January 1st of the tax year. Tax bills are delivered in November and become payable in total March 31st of the following year.

Florida's Constitution requires all property to be appraised as "Just Value", a concept which is not adequately defined by the Florida statutes. While it is generally taken to mean "Full Value", in practice, assessments vary widely and do not provide a reliable indication of Market Value as defined herein.

- The subject is not titled on the County Property Appraiser's Assessment Roll thus taxes are not assessed on the subject.
- Since subject is considered a street right of way thus city property, the subject is not taxed.

Under private ownership the assessed value is expected to equate to an assessment ratio to market value in the range of 70% to 95%.

UTILITIES	
SERVICE	PROVIDER
Electric	Fort Pierce Utilities Authority
Water	Fort Pierce Utilities Authority
Sewer	Fort Pierce Utilities Authority
Gas	Fort Pierce Utilities Authority
Trash	City of Fort Pierce
Utilities are typical for the subject's market segment.	

FLOOD ZONE DESIGNATION		
FEMA MAP #	MAP DATE	FLOOD ZONE
12111 C 0179J Community Panel # 12111 0179 J	February 2, 2012	X & AE (el 5' at Indian River shoreline)
Flood Zone X – Areas determined to be outside the 2% annual chance floodplain. Along subject's Indian River Shoreline, the flood zone designation is AE with elevation of 5 feet.		

PROPERTY DESCRIPTION

Land: Area:	*0.08035 acres (3,500 square feet)
Frontage:	25± feet (S. Indian River Dr. & west bank of Indian River)
Depth:	140± feet (average depth)

The subject is a unique property being 25 feet wide x an average 140 feet of deep, plus as will be further discussed, the subject's topography consists of a steep downward slope from S. Indian River Drive to the Indian River shoreline. Thus, the subject has limited functional utility as an independent physical unit.

*Note –your attention is directed to Extraordinary Assumptions and the Property Description sections of this report concerning subject's size and property dimensions.

Also see the following Site Map Exhibit.

Improvements: None.

Topography - Drainage

- Topography: The subject begins at the street level of Indian River Drive with a gradual slope then approximately 50% east into the property the slope changes to a steep drop to the Indian River shoreline.
- Drainage: Drainage should good via natural easterly sheet flow.

Ingress/Egress – Exposure / Views

- Ingress / Egress: Average from east right of way of Indian River Drive.
- Exposure: The subject has average exposure from Indian River Drive.
- Views – Subject enjoys good view of the Indian River.

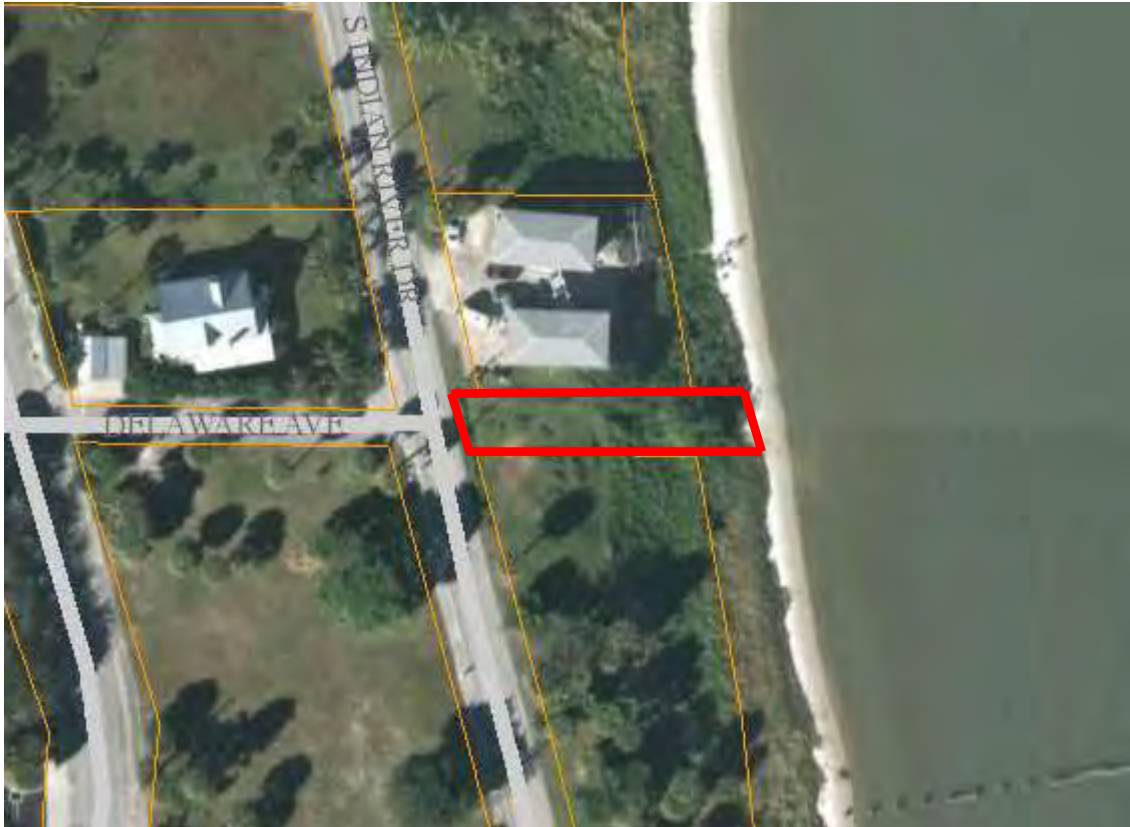
Overall Utility of the Site

- The site's overall utility is rated fair, as an independent physical unit.

Adjacent Land Uses

- North: Modest size apartment project.
- South: Vacant land.
- East: Indian River.
- West: West of Indian River Drive, vacant land and one site improved with an older residential structure.

Surrounding uses are typical to the neighborhood and do not adversely affect the subject.



Aerial Photo (subject in red)

HIGHEST AND BEST USE

The value of real property is directly related to the use to which it can be put. It follows that a particular parcel may have several different value 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, 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 legal permissibility, physical possibility, financial feasibility, and maximum profitability".

"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."

In each appraisal of improved property there are two considerations of Highest and Best Use: one for the land considered as though vacant and one for the property as improved.

Highest and Best Use of Land or a Site as though Vacant is:

"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".

Highest and Best Use of the 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: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (2010)

The subject is a vacant site thus only Highest and Best Use analysis "as vacant" or "as is" is required.

HIGHEST AND BEST USE (continued)

Site “as is”

Physically Possible Use

Physically, the subject is narrow, 25 feet wide x some 140 feet from Indian River Drive to the mean high-water line of the Indian River, calculating to approximately 3,500 square feet or 0.08 acres of area. Plus, the subject’s topography slope downward relatively significantly from Indian River Drive to the shoreline of the Indian River.

The subject’s shape, size and topography severely limit subject’s development potential.

The subject can be assembled with adjacent properties to improve subject’s functional utility, otherwise physically subject has very few development options other than possibly one residential unit.

Legally Permissible Use

The property’s use is affected by zoning and land use regulations. “As is” the subject’s zoning and land use classifications promote mixed use development including residential development to a density of 30 units per acre.

At 30 units per acre density, the subject can legally support 2 residential units, however, subject does not meet minimum site width and size for development within the current zoning and land use classifications. Thus, as an independent property, physically the subject has very limited development potential unless improvement is allowed under a conditional use, say one residential unit or a duplex residential structure, although subject’s size and legal requirements may result in a somewhat unusual shape residential building.

Financially Feasible / Maximally Productive Use

Financially Feasible and Maximally Productive development typically produces a positive net income and the highest return to the investment. A new financially feasible use typically is not negatively affected by obsolescence, in other words the cost of construction and a profit is earned through the income the property generates.

Quite often financially feasible uses are found in new construction occurring within a neighborhood. Within the subject’s neighborhood, no mixed-use construction in the subject’s potential size class has occurred since 2005. There is a current proposal to develop a retail/office improvement on a site within the central CBD neighborhood, but the ultimate financial feasibility of the project is unknown as of the date of this appraisal. Also, no new construction has occurred on sites in the subject’s size range and because of the subject’s size limits, a very modest size improvement on the subject may prove financially unfeasible, i.e. assuming permitted, a small residence

HIGHEST AND BEST USE (continued)

could be constructed on subject, but increased development costs caused by the subject's topography and adjacent river exposure will likely not be recovered in the residential market. Additionally, demand for a residential site in the subject's size range and within the location is expected to be very nominal.

However, subject can be assembled with adjacent properties providing adjacent properties land area for increased density or ancillary use within a development on an adjacent larger property, possibly providing higher contributory value to an adjacent site vs. development as an independent property.

Therefore, as of the date of appraisal it is my opinion the financially feasible and maximally productive use of the subject is to assemble subject with adjacent ownership(s).

Conclusion of Highest and Best Use "as is"

Physically, subject's very modest size width and topography severely limits subject's development potential. Legally the subject will require additional approvals such as a conditional use approval to develop the subject as an independent property. The financially feasible and maximally use is not expected to be development as an independent parcel, but assemblage with an adjacent property.

Therefore, it is my opinion, the highest and best use of the subject is assemblage with adjacent properties.

SALES COMPARISON APPROACH

SALES COMPARISON APPROACH – *Source, Appraisal Inst., Dictionary of Real Estate Appraisal, 5th ed.*

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

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

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

The Sales Comparison Approach is a form of comparison shopping. In the Sales Comparison Approach (often called the "Market Approach") the subject is compared to recently sold or listed properties most similar to subject in physical characteristics and with highest and best use similar to the subject.

Sales and listings of properties within the subject's market segment may require adjustments to the sales or listing prices to account for transaction and/or physical differences between the sales or listed properties and the subject. With a sufficient number of comparable sales and listings the approach often proves to be the best indication of value as market participant's tendencies can be readily measured and applied to the subject of the appraisal.

Comparable Selection

Research was conducted for sales and listings of functional/developable properties similar to functional/developable properties within the subject's immediate location and although research found limited data, the most similar properties are located within the City of Fort Pierce, thus the data analyzed is limited to properties located within or immediately adjacent to the Fort Pierce CBD.

Unit of Comparison

Sales are compared to the subject on sales price per square foot of land area.

Adjustments

As previously mentioned, sales and listed properties within the subject's market segment may require adjustments to the sales or listing prices to account for transaction and/or physical differences between the properties analyzed. Ideally, adjustments will be market derived but at times when data is minimal or erratic then adjustments can be based on an appraiser's knowledge and experience in the subject's market segment or as in this case of the following analysis, a qualitative analysis is performed where properties are compared to the subject utilizing Superior, Inferior or Similar comparisons based on observations of various physical features.

SALES COMPARISON APPROACH (continued)

The adjustment process begins with analysis of transaction conditions and/or physical differences. Transaction conditions analysis includes verification of cash equivalent financing, verification of conditions of sale (arm's length transactions, etc.), and addressing changing market conditions (time of sale), followed by required adjustments for physical differences

The first adjustments considered are for transaction conditions as follows:

Financing

Only sale 1, the December 2016 sale of the property adjacent to the subject closed within conventional lender financing, determined to equate to cash equivalent financing. The other closed sales analyzed were cash transactions. Thus, adjustments for non-cash equivalent financing were not required.

Conditions of Sale

Each sale was an arm's length transaction, closing with typical market conditions.

However, sale 5 was a lender sale, with market participants generally of the opinion lender sales close at under market prices. While this has been observed in the market, an adjustment applicable to sale 5 for potential below market sales prices is not obvious, plus the buyers were of the opinion the sales price represented market price levels. Thus, an adjustment is not applied for a potential below market sales price, but the lender as the seller is considered when weighting the sale as an indication of the subject's value.

Also, two listed properties are analyzed, and typically final sales prices are somewhat lower than asking prices, but the data provides erratic closed sales prices to listing price ratios, thus adjustments are not applied but when weighing each sale as an indication of value it is recognized listing prices have been analyzed, weakening the reliability of the data as a value indication for the subject.

Market Condition (Time)

At times adjustments are required to account for changes in market conditions in the period between the date a sale occurred and the date of the appraisal.

The sales closed in September 2017, May 2017, December 2015, and April 2014, with a sale of the adjacent 1.05 acres closing in December 2016.

While generally market conditions have strengthened over the period of the closed sales, within Fort Pierce demand for vacant tracts of land generally remains soft to stable with no significant value changes over the 2014 to 2017 time. Realtors

SALES COMPARISON APPROACH (continued)

report very soft interest in listed acreage tracts and when sales have occurred at times reductions from asking prices are relatively significant.

In part this occurs in properties within the CBD where the cost of development of mixed use properties remains relatively high, resulting in exerting downward pressure on land prices otherwise profit levels are inadequate to attract an investor/developer.

Therefore, adjustments for changing market conditions are not applied, but the date the sales closed is considered when weighing each sale as an indication of the value of vacant land within the subject's immediate neighborhood.

Adjustments for Physical Differences

Observed physical differences between the properties analyzed and the subject include neighborhood location within the neighborhood and exposure, street access, size, shape, topography, including waterfront access, zoning etc., and approvals/permitting.

Because there are several physical differences between the properties analyzed and the subject, adjustments may be required to sales and listing prices for the differences. However, with the limited data, extracting adjustments from the data for specific physical characteristics is greatly weakened, therefore, as previously discussed a qualitative analysis is performed.

Sales Analysis

The following Exhibits consist of the Summary of properties analyzed, and analysis of the properties, followed by a map locating the properties. Following the Exhibits there is a reconciliation and conclusion of the value of adjacent vacant acreage properties derived via the Sales Comparison Approach.

SALES SUMMARY

TRANSACTION DETAILS	Subject	Sale 1 - Adjacent to Subject	Sale 2	Sale 3	Sale 4	Sale 5	Listing 1	Listing 2
Location	East side S. Indian River Dr & end of Delaware Avenue Fort Pierce, FL	S. Indian River Dr / S. 2nd St-south of N. IRD, Backus Ave, N.2nd St, & Delaware Avenue Fort Pierce, FL	Ave "D" Fort Pierce, FL	N Indian River Dr. & Ave "A" Fort Pierce, FL	635 N. 2nd Street Fort Pierce, FL	S. Indian River Drive, north & south sides of Boston Ave. Fort Pierce, FL	Melody Lane south of Atlantic Ave. Fort Pierce, FL	800 Blk Seaway Drive Fort Pierce, FL
Grantor	OWNER: City of Ft. Pierce	Kraaz & Kraaz Finance, LLC	FP 2nd, C3, C4, D1, DW, & DX, LLC's	FP-100 LLC	635 N. 2nd Street	SB Florida CRE Holdings, LLC	Melody Place, LLC	Harbour Isle Development Co.
Grantee	n/a	Crownman FL, LLC	Fort Pierce Resorts, LLC	Kraaz & Kraaz Finance, LLC	AABAA International, Inc.	St. Andrew's Episcopal Academy, Inc.	n/a	n/a
Date of Sale	<i>Date of Appraisal:</i> May 25, 2018	12/16	9/17	5/17	12/15	4/14	Listed 15+ months	Listed
Recorded (O.R. Book/Page)	n/a	3943/2583	4050/103	4003/2123	3818/1826	3626/2190		
Months Since Sale	n/a	17	8	12	29	49	0	0
Financing	Cash Equivalent	Conv. Lender - 62.5% loan to PP Cash equivalent financing	Cash	Cash	Cash	Cash	Expected cash equivalent	Expected cash equivalent
Previous Sales	N/A	Adjacent 1.05 ac vacant sale 1/15 @ \$400K. 12/16 @ \$800K includes two remodeled office blds. Office portion of property 9/14 @ \$320K, plus \$100K cost to complete remodeling for \$420K investment. Office portion of property 7/13 @ \$200K -	No recent previous arm's length sales. Listed 23+ months.	No recent previous arm's length sales. Listed 19+ months. Previously approved site plans for 41 residential units plus 1st floor retail space. Buyer proposing retail / office development.	No recent previous arm's length sales. Very extended listing period.	No recent previous arm's length sales.	No recent previous arm's length sales. Initial asking price \$2.2M, with total 39% reduction to \$1.35M. Listing Realtor reports nominal interest in property.	No recent previous arm's length sales. Very extended listing period with initial higher asking prices. Price of \$1.0M as of 2/17. Property under contract w/ contract price confidential.
Verification		Listing / selling Realtor / owner	Listing / selling Realtor	Listing / selling Realtor	Listing Realtor data / Public records	Buyer representative	Listing Realtor	Listing Realtor / Owner
LEGAL / PHYSICAL CHARACTERISTICS								
Zoning	C1, Office Commercial	C1, Office Commercial	R5, Residential High Density	PUR, Planned Unit Redev.	PUR, Planned Unit Redev.	C4, Cent Comm & C1 - Off. Comm.	C4, Central Commercial	PD, Planned Development
Land Use Classification	CBD, Central Business District	CBD, Central Business District	RH, Residential High Density	CBD, Central Business District	GC, General Commercial	CBD, Central Business District	CBD, Central Business District	HIMU, Hut. Isl. Mixed Use
Urban Services Area	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Site Area (SF)	3,500	45,738	118,483	45,302	86,684	77,101	38,768	134,600
(acres)	0.08	1.05	2.72	1.04	1.99	1.77	0.89	3.09
Comments:	Site fronts east side of Indian River Dr. being the easterly extension of Delaware Avenue, between Indian River Drive & mean high water line of the Indian River. The right of way is unopened & from the Indian River Drive the right of way begins a gradual downward slope then approximately 50% of the distance from Indian River Drive the slope steepens to the shoreline of the Indian River. The area is overgrown with ground cover and brush along the shoreline.	Site fronts Indian River Dr., S. 2nd St. forming rear property line, & Delaware Ave. along north prop. line. Across IRD ownership extends to Indian River with riparian rights & dock permitted. Indian River frontage comprised of steep bank to river, likely severely limits development potential. But good river views from site. Property includes two older buildings providing lease income. Listing Realtor reported 30 residential units can be developed on site, allowed per CBD land use classification.	Site fronts west side N. IRD, between Backus Ave. (Ave "C") & Ave "D", with driveway frontage on N 2nd St. Site irregular shape but functional. Located NW of city marina, across from Manatee Observation Center, Backus Art Museum & C of C Welcome House. North of delineated CBD. Site is cleared & level. City leases portion of site for parking. Good exposure & access. Distant city marina & Indian River views but no water access.	Site fronts west side N. IRD, 100+ ft north of Ave "A" & west of city Marina. Site is "L" shape w/ 50 ft leg fronting Ave "A". 110+ ft fronting N IRD. Site has frontage on Ave "B". Site slopes up from IRD, mostly cleared. Average exposure & access. Across street views of city marina & distant Indian River. No water access.	Site fronts SW corner of Seaway Dr. & N. 2nd St. Rear line along FEC Rail R/W could be a negative to some potential improvement types. There is a narrow window south to neighborhood Ave. E. Property includes two older buildings providing lease income. Exposure to Seaway Drive is good. Access is average with only N. 2nd St. access. No waterfrontage.	Lender sale, post mortgage foreclosure. Site fronts Indian River, split by Boston Ave. R/W, abandoned subsequent to sale allowing purchaser to assemble sites & gain land area. Purchased by church operated school.	Site fronts west side Melody Lane, and south side of Atlantic Avenue, across from Indian River but site has riparian rights. Functional rectangle shape. Site is cleared & level. Previously approved for 27 unit res. condo, plus retail 1st floor. Deed requires developing 30 parking spaces in project's garage for west bld. at 200 S IRD which somewhat limits site's development potential. Good exposure & access. Good Indian River views.	Site fronts Seaway Dr., Ft. Pierce Beach neighborhood, within one mile of CBD. Approved within Harbour Isle PUD for 15,000 SF commercial improvement. Site includes drainage, filled.
SALES / LISTINGS PRICE ANALYSIS								
	Subject	Subject	Sale 2	Sale 3	Sale 4	Sale 5	Listing 1	Listing 2
Recorded Sale Price		\$400,000	\$650,000	\$400,000	\$475,000	\$900,000	(listing price) \$1,350,000	(listing price) \$900,000
Price per SF		\$8.75	\$5.49	\$8.83	\$5.48	\$11.67	\$34.82	\$6.69
Financing Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Sale Price		\$400,000	\$650,000	\$400,000	\$475,000	\$900,000	\$1,350,000	\$900,000
Conditions of Sale Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Sale Price		\$400,000	\$650,000	\$400,000	\$475,000	\$900,000	\$1,350,000	\$900,000
Market Conditions Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Sale Price		\$400,000	\$650,000	\$400,000	\$475,000	\$900,000	\$1,350,000	\$900,000
Adjusted Sale Price per SF		\$8.75	\$5.49	\$8.83	\$5.48	\$11.67	\$34.82	\$6.69

SALES ANALYSIS

	<u>Subject</u>	<u>Subject</u>	<u>Sale 2</u>	<u>Sale 3</u>	<u>Sale 4</u>	<u>Sale 5</u>	<u>Listing 1</u>	<u>Listing 2</u>
SALES / LISTINGS PRICE ANALYSIS								
Recorded Sale Price		\$400,000	\$650,000	\$400,000	\$475,000	\$900,000	(listing price) \$1,350,000	(listing price) \$900,000
Price per SF		\$8.75	\$5.49	\$8.83	\$5.48	\$11.67	\$34.82	\$6.69
Financing Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Sale Price		\$400,000	\$650,000	\$400,000	\$475,000	\$900,000	\$1,350,000	\$900,000
Conditions of Sale Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Sale Price		\$400,000	\$650,000	\$400,000	\$475,000	\$900,000	\$1,350,000	\$900,000
Market Conditions Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Sale Price		\$400,000	\$650,000	\$400,000	\$475,000	\$900,000	\$1,350,000	\$900,000
Adjusted Sale Price per SF		\$8.75	\$5.49	\$8.83	\$5.48	\$11.67	\$34.82	\$6.69
COMPARABILITY TO SUBJECT								
Location/Exposure	Two blks. south of CBD, although included in CBD land use class. / Average exposure.	South of & adjacent to the subject. two blks. south of CBD, although included in CBD land use class. / Good exposure.	North of but adjacent to delineated Ft. Pierce CBD. No waterfront / Good exposure.	Good Ft. Pierce CBD location, no water access. Average exposure	Three blks. north of CBD. Good commercial exposure property, but development potential likely inferior with lower density & adjacent railroad potentially a negative feature, plus no waterfront.	Within the Ft. Pierce CBD, but one+ blocks distant from mainstream traffic & commercial activity. Good accessible waterfront w/ riparian rights. / Average exposure - Overall superior	With Ft. Pierce CBD, but distant from mainstream traffic & commercial activity but superior to location within subject's immediate neighborhood. Across street waterfront w/ good water views & w/ riparian rights. / Good exposure. Overall somewhat superior	One mile east of CBD with beach commercial neighborhood. Extensive street frontage/exposure.
Access	Average	Good	Good	Average	Average	Average	Good	Good
Size - Acres	0.08	1.05	2.72	1.04	1.99	1.77	0.89	3.09
Shape	Rectangle but narrow and nominal size restricts functional utility.	Somewhat irregular rectangle with good functional utility.	Very irregular, but functional	"L" shape	One parcel, positive functional utility	Two parcels, similar functional utility	One parcel, positive functional utility	One parcel, positive functional utility
Topography	Overgrown with steep slope to shoreline	Main property cleared. - waterfront across Indian River Drive overgrown & w/ steep slope to shoreline	Superior topography, cleared, but no waterfront	Superior topography, cleared, but no waterfront	Superior topography, cleared, but no waterfront	Superior topography, cleared, plus superior waterfront	Cleared with superior waterfront	Superior built-up ready for vertical development - but no waterfront.
Zoning & Other Restrictions	C-1 zoning & CBD land use classification.	C-1 zoning & CBD land use classification.	High density residential, generally inferior to immediate neighborhood property's legal development potential	PUR zoning & CBS land use classification	Physically similar to adjacent property's within subject's immediate neighborhood, but located out of CBD which will limit density.	Similar to development potential of adjacent immediate neighborhood properties.	Similar to development potential within subject's immediate neighborhood.	Lower permitted density, inferior to development potential within subject's neighborhood.
Approvals Permitting	None	None	None, past approvals expired	None, past approvals expired	None, past approvals expired	None - Similar	None, past approvals expired	Approvals w/ PUD in-place 15K SF of comm. imp. -Superior
NET DIFFERENCE	Subject - adjacent properties appraised utilizing an "across the fence" analysis.	Property adjacent to subject.	Sale is inferior to properties within subject's immediate neighborhood.	Sale CBD location is superior to location of properties within subject's immediate neighborhood, but offset by no waterfront.	Sale is inferior to property adjacent to subject.	Property has somewhat superior location within edge of CBD, plus superior waterfront, but similar development potential.	Property has somewhat superior location within edge of CBD, superior waterfront, similar development potential. Appears asking price is above market.	Property's location features about offsetting compared to acreage properties within subject's immediate neighborhood. Approvals in-place for 15K SF comm. imp., but lower density than expected for sub. List price analyzed w/ negotiated sales price expected to provide lower value indication.
	Adjusted Sales Price / Square Foot	\$8.75	\$5.49	\$8.83	\$5.48	\$11.67	\$34.82	\$6.69



 SALES COMPARISON APPROACH (continued)

Reconciliation and Conclusion of Value

As per the previous data summary comparisons, the properties analyzed are rated as follows as value indications for vacant acreage properties adjacent to the subject.

<u>Sale / Listing</u>	<u>Price per Sq. Ft.</u>	<u>Comparability</u>
Sale 1 Adjacent 1.05 acres	\$8.75	Reasonable example of the value of vacant acreage property adjacent to the subject.
Sale 2	\$5.49	Inferior property.
Sale 3	\$8.83	With offsetting features, rated as similar.
Sale 4	\$5.48	Inferior property.
Sale 5	\$11.67	Superior property including superior waterfront, plus although this was a lender sale, the buyer was motivated to assemble ownerships for a church school which likely exerted upward pressure on the sales price, thus the sale is cautiously weighted as a value indication for acreage properties within the subject's neighborhood.
Listing 1	\$34.82	Superior property with analysis of an apparent above market asking price, thus the asking price as a value indication is given nominal weight as a value indication for the subject but included because of its proximity to the subject.
Listing 2	\$6.69	Larger site, located adjacent to the CBD, and poised for retail development vs. the expected primary mixed-use development within subject's immediate location, thus listing 2 is primarily included for additional support of the concentrated range of value indications.

In summary, the closed sales provide a relatively close range of value indicators for acreage properties located within the CBD, from \$5.48 to \$8.83 per square foot with sale 4 closing at \$11.67 per square foot somewhat of an outlier with buyer motivation likely upwardly influencing the sales price. Listing 1 is also located within the CBD but the asking price analyzed is indicated to be above market and for this reason listing 1 is provided only for information purposes. Listing 2 is located adjacent to but the CBD, thus the property's development density is lower than

SALES COMPARISON APPROACH (continued)

expected for properties within the CBD, plus because a listing price is analyzed thus listing 2 is primarily weighted for support of the concentrated range of value indicators.

Finally, I am aware of two properties listed within the subject's immediate neighborhood, but the listings include approved site plans with asking prices of \$66.96 and \$159.65 per square foot of land area with Realtors reporting very nominal interest in the properties and for this reason the listing prices are not considered applicable indicators of value thus not weighted when forming my opinion of subject's value.

Therefore, based on the available data and my analysis of the data, it is my opinion the most probable market value for acreage properties adjacent to the subject is within the range of say \$8.75 per square foot as indicated by the sale of the 1.05 acres tract of land adjacent to the subject's south property line.

Conclusion of Subject's Value

The subject is an estimated 3,500 square feet of area and applying \$8.75 per square foot to the subject's size calculates to a value indication of \$30,625, assuming the subject contributes full value to an adjacent property.

The subject's width is expected to add minimally to an adjacent property's street or river frontage, plus because of subject's topography conditions, primarily assembling the subject with adjacent properties will provide properties an increase in the number of units allowed to develop an adjacent property or alternatively provide additional ancillary land area.

The adjacent property to the north of the subject is improved and the addition of the subject will only provide a larger buffer along the property's south line.

The adjacent property to the south of the subject, some 1.05 total acres remains vacant, but topography for that part of the southerly adjacent 1.05 acres fronting the east side of Indian River Drives resembles the subject's topography with a steep downward slope to the river and thus financially impossible to develop in most markets as sales prices as of the date of appraisal are not expected to support the cost of developing the property. Therefore, assembling the subject with the adjacent property, again, primarily provides the adjacent property with 2 additional legal units development potential.

SALES COMPARISON APPROACH (continued)

However, it is noted that the adjacent 1.05 acres is about even split on each side of South Indian River Drive, thus with the east approximately 0.525 acres financially unbuildable, all development will need to occur on the property west of South Indian River Drive.

A 1.05-acres site x 30-units per acre can be developed with 31 residential units, and legal units on the east side generally can be transferred to the buildable area of a site, thus there is potential to develop the west side of the adjacent property with 31+ units, that is before assemblage with the subject. It is also noted that properties within the CBD previously permitted for residential developed were permitted in the 30 units per acre range and it appears from plans because of other physical constraints, i.e. height, required on-site parking, the maximum physical density for the adjacent property is approximate 31 units. Thus, addition of the subject, or assemblage of the subject with the southerly adjacent vacant acreage tract likely will not increase the development potential of the adjacent property, other than provide a larger buffer or increased green area, etc.

In other words, the subject does not significantly increase the functional utility of either adjacent property which is expected to have a negative effect on subject's value.

Therefore, for the reasons mentioned, it is my opinion an adjacent owner will not pay full value for the subject.

As previously analyzed, unpermitted vacant acreage properties with development potential within the subject's neighborhood are expected to command value levels in the range of \$8.75 per square foot and applying \$8.75 per square foot to subject's estimated 3,500 square feet of area calculates to a total value indication of \$30,625 but that would assume the subject contributes full functional utility to an adjacent property. However, as per previous analysis, it is my opinion the subject does not provide full functional utility to either of the adjacent ownerships but there is no direct market evidence of the contribution. It is noted, however, that historically properties with limited functional utility contribute lower value levels, as an example, properties accessed via easements sell for lower value levels than properties with public road frontage, and in a worst-case scenario, land locked properties can sell at extreme low-price levels with properties with negative functional utility, as mentioned, noted experiencing 25% to 75% reductions from price levels of similar properties with full functional utility. Therefore, it is my opinion the subject's value contribution under assemblage scenario with adjacent properties or as an independent economic unit is say 50% of full value as if the subject contributed full functional utility, for a value indication of say \$15,000 (\$30,625 at full value x 50%, rounded).

SALES COMPARISON APPROACH (continued)

In summary, based on the available data and my analysis of the data as presented in this report, it is my opinion the Market Value of the Fee Simple Interest in the subject of this appraisal, "as is" as of May 25, 2018 is:

FIFTEEN THOUSAND DOLLARS -\$15,000-

QUALIFICATIONS OF THE APPRAISER

DANIEL D. FULLER, MAI

Education

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

Professional Memberships

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

Work Experience

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

Real Estate Appraisals made for the following:

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

Types of Appraisals Completed

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

Qualified as Expert Witness

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

Accomplishments

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

ADDENDUM – ST. LUCIE COUNTY AREA DATA

St. Lucie County is located on the east coast of Florida some 120 miles north of the City of Miami and 220 miles south of the City of Jacksonville. St. Lucie County lies in the center of the region known as the Treasure Coast, with Indian River County to the north, Martin County to the south, Okeechobee County to the west, and the Atlantic Ocean to the east. St. Lucie County encompasses a land area of approximately 581 square miles.

St. Lucie County ranks 21st in the state in population. St. Lucie County, combined with Martin County is an U.S. Census Bureau Metropolitan Statistical Area (MSA).

With nearly 88% of the state's population within a 150 mile radius of St. Lucie County, Fort Pierce maintains a position as the transportation hub of the area with its easy accessibility to I-95, Florida's Turnpike, U.S. 1 and the St. Lucie County International Airport. Distance from Fort Pierce to other Florida cities are as follows:

Distance to Florida Cities

NORTH		SOUTH	
Vero Beach	15 miles	Port St. Lucie	6 miles
Melbourne	50 miles	Stuart	17 miles
Orlando	120 miles	West Palm Beach	55 miles
Daytona Beach	140 miles	Miami	123 miles
Jacksonville	220 miles	Key West	250 miles

St. Lucie County enjoys a central Florida east coast location which can be a long term positive for regional development as Martin County to the south has limited westward expansion as Lake Okeechobee forms the county's west boundary, and to the north, Indian River County's westerly expansion is blocked by the headwaters of the St. John's River. St. Lucie County, however, has the ability of almost unrestricted physical expansion to the west to Okeechobee County in Central Florida.

Fort Pierce, the oldest city in the county, is located on the eastern edge of the county adjacent to the Indian River - Intercoastal Waterway and the Atlantic Ocean. In addition to Fort Pierce there are two other incorporated communities within St. Lucie County; Port St. Lucie and St. Lucie Village. In addition to the cities, the county government oversees a large portion of unincorporated area, also providing support to the cities in the area court systems, criminal detention facilities, fire protection, etc., and along with the Treasure Coast Regional Planning Council, providing input on large scale growth / planning issues.

Population statistic is as follows:

County and City Populations

	1970*	1980*	1990*	2000	2010*
St. Lucie County **	50,836	87,182	150,171	190,677	277,789
Fort Pierce	29,721	33,802	36,830	38,683	41,590
Port St. Lucie	330	14,690	55,866	85,751	164,603
St. Lucie Village		593	584	638	527

* U.S. Census Bureau, 2010 census

**Total including all unincorporated areas.

ST. LUCIE COUNTY AREA DATA (continued)

The greatest population growth from 2000 census to 2010 estimates is in the City of Port St. Lucie with an average annual increase of some 15%. The City of Fort Pierce experienced little increase, an average annual increase of 0.7%, during the same period. The total average annual percentage population growth for the County for the same period was 4.5%. Per the U.S. Census Bureau the state's average annual growth for the same period was approximately 1.8%. Thus the County's overall growth has been well ahead of the state average.

A majority of the growth experienced between 2000 and 2010 occurred between 2003 and 2007. In 2008 growth slowed which is expected with softening demand in the real estate markets and a soft national economy.

However, the University of Florida Statistical Abstract for 2009 reports by 2015 St. Lucie County will have a population range from a low of 277,100 to a high of 352,700.

Long term growth is expected to follow past patterns with a majority of the County's growth occurring in the City of Port St. Lucie with the City of Fort Pierce and St. Lucie County overall achieving a lesser but steady growth. Limited growth can be predicted for the beachfront areas caused primarily by stringent development regulations imposed by county, state, and federal governments, plus environmental and concurrency regulations combining to create a general negative affect on development.

Population Age Groupings*

0-19	24.8%
20-34	16.0%
35-54	26.6%
55-64	12.7%
65 PLUS	20.0%

* U.S. Census Bureau, 2010 census

Population age distribution is about equal in all age groupings with a slightly higher level in the mid-year group. It is expected that these levels will remain relatively the same with a stronger increase in the over 65 group as people continue to move to the Sunbelt at retirement.

Along with the substantial population growth, St. Lucie County has experienced a rapid expansion in the number of households with a slight decline in the size of the households. The following summary indicates past trends.

Household Growth and Household Size*

YEAR	NUMBER OF HOUSEHOLDS	HOUSEHOLD SIZE
1980	32,506	2.65
1990	58,174	2.54
2000	76,933	2.47
2010	137,029	2.55

* U.S. Census Bureau, 2010 census

City of Fort Pierce

Fort Pierce, incorporated in 1901, is the oldest city in the County and covers approximately 19 square miles. Because the city is approximately 80%+ developed, new growth is expected to be minimal unless annexation and/or gentrification occurs. The City Commission is on an annexation track to bring developments adjacent to the city limits and serviced by city utilities into the city for an expanded tax base. Also, because of the age of the city, the City's Redevelopment Agency has been in a redevelopment phase including infrastructure and community service facilities such as restoration of

ST. LUCIE COUNTY AREA DATA (continued)

the historic Sunrise Theatre. However, recent 2008 budget constraints have curbed projects, but plans are proceeding for further redevelopment from the governmental sector. In the mid 2000 period private investment in refurbishing properties as well as developing new structures was very evident, but in the 2008 economic environment private investment has all but ceased. The effect of the government's rebuilding of infrastructure in the near term uncertain, but over the long term the rebuilt infrastructure should result in attracting new private investment.

Additionally, during the building boom of the mid 2000's several residential projects were proposed, permitted, and/or started development on tracts lying immediately west of the Ft. Pierce city limits. When complete, these projects will be annexed in to the City. However, with the slowdown in demand in the real estate markets in most instances project planning and development has ceased, thus annexation has not occurred. If in the future these projects are annexed the project's should improve average housing prices along with adding a more affluent population which should be a positive to the entire city.

Although the City of Ft. Pierce is the oldest community in the County, the City has many advantages such as one of the best Florida east coast inlets to the Atlantic Ocean providing access to some of the best boating waters along Florida's east coast.

The City of Fort Pierce also reigns as the area's commercial center with its transportation network including central access to Interstate 95, the Florida Turnpike, State Road 70, and the St. Lucie County International Airport and the Port of Fort Pierce.

However, because the city is older, the City of Ft. Pierce also has a large inventory of older residential and commercial properties and a lower income base, thus attracting name brand retailers, chain restaurants, etc. has proven unsuccessful. But as discussed, if the new residential and commercial projects located adjacent to the city are developed and annexed, then in the future the city's economy should improve, potentially attracting the name brand retailers, etc. not now represented.

City of Port St. Lucie

The City of Port St. Lucie, located at the southern end of St. Lucie County six miles south of Fort Pierce, has in the last several years surpassed Fort Pierce in population and is now the largest city in the county.

Port St. Lucie was incorporated in 1960, originally developed by Mackell Brothers and continued by General Development Corporation (now Atlantic Gulf Communities). Port St. Lucie encompasses approximately 114 square miles with development predominately in single family residences of moderate price ranges with areas of high priced homes concentrated around the community's golf courses and the North Fork of the St. Lucie River.

Within the original General Development plats of Port St. Lucie approximately 50% of the lots remain to be improved.

Although housing in the cities of Fort Pierce and Port St. Lucie, as well as St. Lucie County overall is generally considered to be very affordable compared to neighboring counties to the north and south, the south county area has attracted large upscale developments such as St. Lucie West, Tradition (Core Communities developer) and the Reserve (Kolter Homes).

The St. Lucie West development is a mixed-use community opening for sales in 1988 with another developer creating and permitting the overall plan. The St. Lucie West development lies west of the Florida State Turnpike, east of Interstate 95, and north and south of the original city limits of Port St. Lucie. The location, because of the major road boundaries, provides defined boundaries that maintain the integrity of the project.

ST. LUCIE COUNTY AREA DATA (continued)

The project is an approved Development of Regional Impact (DRI). Current development projections indicate at buildout, the community will include a residential population of 25,000 with a permanent job base of 35,000 workers. The community was proposed to include 500 acres of industrial development, 426 acres of commercial/retail/office development, along with 90 acres of college campuses and over 100 acres of public parks and recreational facilities including the Digital Domain Park (fka Tradition Stadium), the spring training facilities for the New York Mets. The development, however, has absorbed a majority of its DRI allotted retail space, but owners/developers have updated the DRI to achieve an increase in retail space.

Within the St. Lucie West development is a Jim Fazio-designed championship 18-hole golf course. The golf course was purchased in 1995 by the Professional Golfers Association (PGA).

West of Interstate 95 is a smaller luxury residential community, The Reserve. The Reserve is an upper price range; golf course oriented community on 2,700 acres of land approved for 4,100 residences. The central amenity of the development was originally a private 18-hole George Fazio designed championship golf course.

The PGA of America owns two Tom Fazio designed 18-hole PGA golf courses and a nine hole course designed by Pete Dye within the Reserve. The PGA courses are supported by a 12,000 square foot clubhouse with pro-shop, etc. Also a PGA complex includes a "Learning Center". The PGA's winter headquarters is presently in Palm Beach County, but in the future the Reserve facility may become the PGA's winter home.

In addition to the existing Reserve PUD, the Reserve developers completed permitting for a DRI covering a 3,000 acre tract of land lying immediately south of the existing Reserve. The DRI is permitted for 6,000 residential units, plus 50K square feet of specialty retail and a total of three golf courses to be developed by PGA, 100K square feet of golf course maintenance, etc. facilities, and 250K square feet of non-residential space associated with the golf courses, i.e. clubhouse. Also, located on the north parcel in the area of its southeast corner, the DRI will be permitted for 200K square feet of commercial use, plus a 350 room hotel.

Core Communities also developed another community lying west of Interstate 95, at the I-95 / Gatlin Boulevard interchange, Tradition. Tradition is a community created under a DRI process with plan approval in September 2003. Tradition covers some 3,000 acres, projected to be developed in four phases with a total 7,245 residential units with a projected build-out date of 2022.

Completed commercial development within Tradition includes the Town Square consisting of some 125,000 square feet of commercial space anchored by a Publix grocery store. Additional commercial space is located in the Landings at Tradition; a 500,000 square foot retail center anchored by a Target store, and including out parcel development, the center could total 600,000 square feet. At the Tradition Center for Innovation Research Park, the headquarters of the Torrey Pines Institute of Molecular Studies was completed in early 2009; this facility was the first of several similar research bio-medical facilities. At present there is also the Vaccine and Gene Therapy Institute of Florida (VGTI) research facility completed in 2012 plus the Mann Research Center, master planned for 410,000 SF mixed use project to contain research space, office, and retail areas. The first 44,000 SF building was completed in 2013 and is fully leased as primarily medical office.

In addition to Tradition, there are four other DRIs proposed to be located west of the subject's neighborhood, thus on a long term basis the area west of I-95 is poised for dramatic development over the next couple of decades. The proposed DRIs compass thousands of acres – Tradition is only the beginning of the growth. One of these, Verano DRI, has commenced by Kolter Homes, but is located further north and is somewhat outside of the subject neighborhood's influence.

ST LUCIE COUNTY AREA DATA (continued)

Long term, the eventual impact of St. Lucie West / Tradition and The Reserve on Port St. Lucie and St. Lucie County is expected to be substantial. The St. Lucie West / Tradition and The Reserve developments also spawned several smaller developments within the City of Port St. Lucie. These new

PUD's either feature golf course amenities or nature preserve amenities. New or proposed developments include River Place on the St. Lucie, St. James Golf Club, Waterville Golf and Country Club, and Sawgrass Lakes.

Within southeastern Port St. Lucie the Ginn Company purchased a 1,200± acre tract of land developed under the Tesoro PUD. Tesoro is an upscale golf course community home to a grand Italianate Clubhouse, and Arnold Palmer and Tom Watson signature golf courses for Tesoro owners. Tesoro initially experienced strong demand, even at its price levels, but since about 2005 demand significantly retracted following general real estate trends and in 2009 the project mortgage was foreclosed with assets purchased by a Palm Beach County developer, with future plans unknown.

Also, southeast of Tesoro another large tract of land is in the early planning stages with total project statistics unknown at this time but a development order exists allowing some 3,800 residential units plus support commercial development.

There are also several other properties located within the county with DRI approvals and or Planned Unit Developments (PUD) development orders in place, but in most instances as of 2008 development has been halted until economic conditions improve.

In recent years the Port St. Lucie City Commission recognized the need for industrial/commercial growth to prop up its tax base, thus the Commission is attempting to attract new corporate or industrial development. One of the first countywide successes was the location of home shopping giant QVC, locating in the St. Lucie West development of Port St. Lucie. While all of the governmental agencies within the county, along with private business leaders, shared in the success of locating QVC to St. Lucie County, the City of Port St. Lucie received the most benefit with QVC constructing their facility in St. Lucie West. The very recent success of recruiting Torrey Pines Institute for Molecular Studies to locate its headquarters in Port St. Lucie indicates that as the City continues its growth, it can be expected other similar corporate / industrial companies will locate in the City of Port St. Lucie, as well as throughout St. Lucie County.

St. Lucie Village

Adjacent to the northerly city limits of Fort Pierce is St. Lucie Village, the third incorporated community within St. Lucie County. St. Lucie Village has city officials with a mayor, etc., but maintains a steady population base in the range of 600 people and imposes only a minimal tax, offering minimal services to its residences. St. Lucie Village is primarily a residential community with residents having deep St. Lucie County roots, and the population does not desire further expansion of its community, thus St. Lucie Village is not expected to change, at least for the near term years.

St. Lucie County

St. Lucie County ranks in the mid to upper range of Florida counties in the State of Florida Office of Planning and Budgeting 2008 Florida Price Level Index. The local index is at 98.14 with the state average at 100. This index is computed from the price of an identical market basket of goods and services across the state. Most counties with higher indexes (higher costs of goods) are heavily populated metro areas.

The areas economic base has, in the past, been dominated by agriculture, primarily citrus and cattle production. While the agri-business still is the largest in terms of dollar business, the construction industry has gained as a steady economic mainstay.

ST LUCIE COUNTY AREA DATA (continued)

Tourism is also considered in the top three as a very important part of the local economy. Trends indicate that winter residents occupying long term rental or retirement homes eventually become full-time residents. This trend helps build a strong economic base, indicating that tourism is no longer only a transient, seasonal business.

A number of small to mid-size manufacturing businesses have been attracted to the area in the last ten years, ranging from boat builders to glass and mirror manufacturers, plastic water pipe production, metal parts production, and a Tropicana juice plant, etc. Additionally, in recent years the county has developed more aggressive recruitment methods in not only attracting the life sciences companies but all industries, in order to provide more stable employment for all county residents.

The County Commission also succeeded in receiving approval of the Central Florida Foreign-Trade Zone (CFFTZ) which exempts duties on some manufacturer's imports/exports, if the industry is located with the CFFTZ.

Fort Pierce/St. Lucie County has one of the few deep-water inlets on the east coast of Florida. The County Commission to some degree controls development of the port. The County Commission has made several attempts to purchase the lands which comprise the port, but at this point they have successfully purchased only 20 acres, approximately 67 acres of the prime deep water property remains in private ownership.

Also, the County Commission, in conjunction with the FAA, has been on track to expand the airport with visions the airport will be a regional facility of some significance. The first expansion was in the form of an extended runway, plus additional leasing of land within the airport to a variety of small fixed base operators. The longest runway is now 6,500 feet; however, there remains limitations on aircraft size as the runway surface does not have the capacity to carry the weight of large commercial carriers. In late 2008 a second runway is expected to be complete to support flight school and training traffic. The airport offers full time customs service, thus has international status. The customs service is heavily used by small planes traveling to the Caribbean region. Several commuter services have attempted operations from the airport but none have been financially successful because of being somewhat ahead of the demand curve. Expansion plans, however, have been controversial and as Commissioners change expansion plans also change, thus airport's ultimate development is uncertain at this time.

Service and professional fields also compose a large part of the area's economic base. Among the professional fields, real estate has played an important part in the area's growth with some 240 brokers in the county and over 900 MLS members.

Although the local economy is extensively supported by agriculture, construction, and tourism, other employment centers include manufacturing, retail trade, finance, insurance, real estate, services and governmental jobs. Total percentages listed below are based on the total non-agricultural labor force*.

Other Employment - Non-agricultural*

CONSTRUCTION	8.3%
MANUFACTURING	3.7%
TRADE, TRANSPORTATION AND PUBLIC UTILITIES	23.7%
FINANCE, REAL ESTATE AND INSURANCE	14.2%
SERVICES	23.5%
GOVERNMENT JOBS	19.4%

*Estimated by the Enterprise Florida/Florida County Profile (2011)

ST. LUCIE COUNTY AREA DATA (continued)

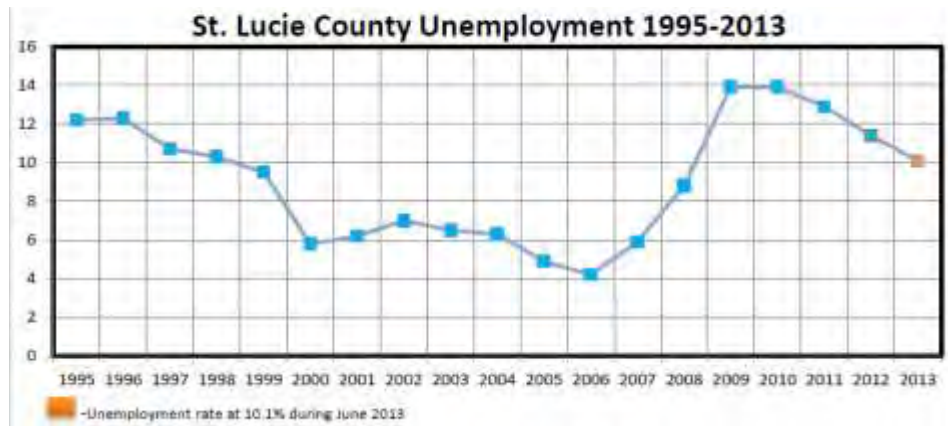
Largest Employers

LIBERTY MEDICAL	1,852
WAL-MART RETAIL STORES	1,720
INDIAN RIVER STATE COLLEGE	1,547
LAWNWOOD REGIONAL MEDICAL CENTER	1,082
PUBLIX SUPERMARKETS	1,163
QVC	1,137
WAL-MART DISTRIBUTION CENTER	1,070
ST. LUCIE COUNTY MEDICAL CENTER	747

*Estimated by the Enterprise Florida/Florida County Profile (2011)

Unemployment is generally higher in St. Lucie County than in neighboring counties and although St. Lucie County continues to rank in the top counties within the state for unemployment. Historically the main contributor to high employment was the large number of seasonal workers in agriculture, and seasonally oriented tourist businesses.

Below is a summary of unemployment rates for recent years.



In addition to the St. Lucie County International Airport and Port facilities, previously discussed, St. Lucie County is served by several other major forms of transportation.

St. Lucie County is served by Federal Highway U.S. 1, which is a four lane median divided highway that serves as a major inter and intra-county route. The area is also served by five primary state highways including the Florida Turnpike, plus Interstate 95. St. Lucie County has the distinction of being the only area where the Florida Turnpike and Interstate 95 have closely located interchanges, thus, the interchange neighborhood has been developing over the past ten year period.

Fort Pierce is also served by Florida East Coast Railway, (freight only) and is the terminal point for the railroad cut-off to the Lake Okeechobee area. Community delivery service is by Airborne Express, Federal Express, United Parcel Service, Greyhound, and several common carriers. There are several trucking terminals in St. Lucie County including AAA Cooper, Gator Freightways, and Yellow

Freight Systems. There are also several locally owned taxicab companies and Community Transit, a division of Council on Aging of St. Lucie, Inc., is the public transit provider for St. Lucie County through a contract with the Board of County Commissioners of St. Lucie County.

ST LUCIE COUNTY AREA DATA (continued)

St. Lucie County government operates as a five member commission with a professional county administrator as mandated by the state. The City of Fort Pierce operates as a five member commission and a city manager. Port St. Lucie operates as a five member commission presided over by a mayor/councilman. St. Lucie Village has a five member board of aldermen and a mayor, however, generally only limited city business is transacted by the group.

Each city provides its own law enforcement department along with a county Sheriff's Department for the unincorporated areas. Fire protection is provided by a county wide district.

The school system is operated under one county wide five member board. The system has twenty elementary schools (grades K-6), five elementary schools grades K-8, four middle schools, six high schools, and one exceptional student education center. Also, there are several private schools including the elementary St. Anastasia and John Carroll High Schools. Higher education facilities consist of Indian River State College, plus Barry University, and Florida State University, offer courses at the Indian River State College campus in Fort Pierce and St. Lucie West, plus Florida Atlantic University has a campus in St. Lucie West. The University of Florida Institute of Food and Agriculture Science offers bachelor's and master's degree programs at its UF Indian River Research and Education Center local campus.

There are two hospitals within the county. Lawnwood Regional Medical Center, located in Fort Pierce, and St. Lucie Medical Center located within the City of Port St. Lucie. Plus, Martin Memorial Health system has developed a hospital adjacent to the Torrey Pines research center in the Tradition / Southern Grove development. Additionally, there are two in-patient psychiatric hospitals, Lawnwood Pavilion located in Fort Pierce, and Savannas Hospital located in Port St. Lucie, plus a regional publicly funded mental health facility, New Horizons of the Treasure Coast. There are also several privately operated walk-in medical clinics, plus assisted living facilities and nursing homes spread throughout the county.

Summary

In the short term the County's economic base is soft with the downturn in the real estate industry and overall soft national economic conditions negatively affecting the area. But, long term the overall economic outlook for St. Lucie County is good. Projections show the most rapid expansion will be in the City of Port St. Lucie. However, all of the incorporated or unincorporated areas should, by all forecasts, show a steady growth rate.

With governing and private forces vigorously working toward industrial expansions, unemployment should in the future decline. New stable industries should add a great deal to the overall employment picture. Along with new industrial employment, growth will create many new jobs in the service and professional fields again adding to the overall economic outlook for the area. Thus, the area should continue to be attractive to new residents as well as continuing to offer existing residents an attractive place in which to live and work.

Of course, much of the economic growth will depend upon national trends. As in the past, economic highs and lows brought about by national economic policies affect the local economy thus real estate values.