



Entreken Associates, Inc.

Real Estate Appraisal & Advisory Services

Appraisal Report

**Right-of-Way
South Garden Ave
Clearwater, Pinellas County, Florida**



Prepared By:

**Entreken Associates, Inc.
6740 Crosswinds Dr N, Suite H
Saint Petersburg, Florida 33710**

EAI File #: 20240335

Prepared For:

**City of Clearwater
600 Cleveland Street
Clearwater, FL, 33755**

December 20, 2024

City of Clearwater
600 Cleveland Street
Clearwater, FL 33755

Re: Appraisal Report
South Garden Ave
Clearwater, FL, 33756

Dear Mr. Margolis:

As requested, Entreken Associates, Inc. has prepared an Appraisal Report of the above-referenced property for the purpose of estimating the value of the Fee Simple interest of the property, as is, as of the effective date of value.

The subject property is a right-of-way located between Franklin St and Court St, one block east of S Ft Harrison Ave in Clearwater. The subject property is currently improved as S Garden Ave. The subject site contains 0.65± acres of land area. The subject property is a platted right-of-way and no tax identification number has been assigned by the Pinellas County Property Appraiser. The subject property is more fully described in the body of this report.

To the best of our knowledge and belief, our analyses, opinions, and conclusions were developed, and this report has been prepared in conformance with the standards and reporting requirements set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), as promulgated by the Appraisal Standards Board of the Appraisal Foundation; the FDIC Market Value Definition; the Appraisal Institute's Code of Ethics and Standards of Professional Practice; Title XI of the Federal Financial Institution Reform, Recovery, and Enforcement Act of 1989 (FIRREA); as well as our understanding of the appraisal guidelines of City of Clearwater.

The client of this report is City of Clearwater. The intended user of this report is the City of Clearwater. The intended use of this report is to value the subject property to its Highest and Best Use and the market value without regard to potential assemblage. No other use or users are intended or authorized by Entreken Associates, Inc. The scope of this assignment is restricted to the specific identified intended use and user noted above. Under no circumstances, shall any of the following parties be entitled to use or rely on the appraisal or this appraisal report: (i) the borrower(s) on any loans or financing relating to or secured by the subject property, (ii) any guarantor(s) of such loans or financing, or (iii) principals, shareholders, investors, members or partners of such borrower(s) or guarantor(s).

This letter is not an appraisal report, hence, it must not be removed from the attached appraisal report. If this letter is disjoined from the attached appraisal, then the value opinions set forth in this letter are invalid and the analyses, opinions, and conclusions developed herein cannot be properly understood.

We certify that we have no present or contemplated future interest in the property beyond this estimate of value. The appraiser has not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.

Your attention is directed to the Limiting Conditions and Assumptions section of this report (page 30). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, we note the following:

Hypothetical Conditions

The value of the subject is estimated using the Hypothetical Condition that South Garden Ave has been vacated by the City of Clearwater and there are no extraordinary restrictions or encumbrances in regards to development.

We have developed a second opinion of value based on the Hypothetical Condition that the property was marketed for sale as an independent stand-alone parcel, not purchased by an adjacent parcel owner, which is noted in the Value Conclusion table as an Open Market Buyer scenario. As described further in the report, this would result in an estimated net useable parcel size of approximately 18,692 square feet. There are no other Hypothetical Conditions.

Extraordinary Assumptions

There are no Extraordinary Assumptions for this appraisal.

Based on the appraisal described in the accompanying report, subject to the Assumptions and Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions (if any), we have made the following value conclusions as of the following date(s):

Value Conclusions

Premise	Interest Appraised	Probable Buyer	Effective Date	Value Conclusion	Estimated Marketing
Current Market Value	Fee Simple	Adjacent Parcel Owner	12/4/2024	\$1,700,000	5-7 months
Current Market Value	Fee Simple	Open Market Buyer	12/4/2024	\$935,000	5-7 months

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analyses, or if Entreken Associates, Inc. can be of additional service, please contact us.

Respectfully submitted,

Entreken Associates, Inc.



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Summary of Salient Facts and Conclusions

Report Dates

Report Date	12/20/2024
Inspection Date	12/4/2024
As Is Date of Value	12/4/2024

Subject Summary

Property Name	Right-of-Way
Property Major Type	Land
Address	S Garden Ave
City	Clearwater
County	Pinellas
State	FL
Zip	33756
Tax ID	N/A
Owner	City of Clearwater
Land SF	28,314
Acres	0.65
Zoning	D

Highest and Best Use

Highest and Best Use as Vacant	Mixed-Use Development
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Extraordinary Assumptions

There are no Extraordinary Assumptions for this appraisal.

Hypothetical Conditions

The value of the subject is estimated using the Hypothetical Condition that South Garden Ave has been vacated by the City of Clearwater and there are no extraordinary restrictions or encumbrances in regards to development.

We have developed a second opinion of value based on the Hypothetical Condition that the property was marketed for sale as an independent stand-alone parcel, not purchased by an adjacent parcel owner, which is noted in the Value Conclusion table as an Open Market Buyer scenario. As described further in the report, this would result in an estimated net useable parcel size of approximately 18,692 square feet. There are no other Hypothetical Conditions.

Value Conclusions

Premise	Interest Appraised	Probable Buyer	Effective Date	Value Conclusion	Estimated Marketing
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Current Market Value	Fee Simple	Open Market Buyer	12/4/2024	\$935,000	5-7 months

Projected Exposure and Marketing Time

Exposure time is estimated at 5-7 months for the subject property. Marketing time is estimated at 5-7 months for the subject.

Scope of Work

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s). Therefore, the appraiser must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

Intended Use and Users

Intended Use	The intended use of this report is to value the subject property to its Highest and Best Use and the market value without regard to potential assemblage
Intended Users	The intended user of this report is the City of Clearwater

No other use is intended or authorized by Entreken Associates, Inc. The scope of this assignment is restricted to the specific identified intended use and user noted above. Under no circumstances, shall any of the following parties be entitled to use or rely on the appraisal or this appraisal report: (i) the borrower(s) on any loans or financing relating to or secured by the subject property, (ii) any guarantor(s) of such loans or financing, or (iii) principals, shareholders, investors, members or partners of such borrower(s) or guarantor(s).

Scope

Problem

To estimate the fee simple market value of the subject property to its Highest and Best Use. The industry standard for the valuation of a parcel such as the subject is the use the Across-the-Fence valuation method. This method of valuation considers the Highest and Best Use, and based on all factors, if it is to assemble with an adjacent parcel, to value the whole and allocate a price to the portion that is the subject.

Intended Use

The intended use of this report is to value the subject property to its Highest and Best Use and the market value without regard to potential assemblage

Intended User(s)

The intended user of this report is the City of Clearwater

Appraisal Report

Based on the intended users understanding of the subject's physical, economic and legal characteristics, and the intended use of this appraisal, an appraisal report format was used.

This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a summary or description of the appraisal process, subject and market data and valuation analyses.

Definition of Market Value

In this appraisal, we have first estimated the across-the-fence (ATF) value of the subject as a basis for reconciling to a market value conclusion for Scenario 1.

According to The Dictionary of Real Estate Appraisal, 7th Edition, across-the-fence (ATF) value is defined as “In the valuation of real estate corridors, the value concluded based on a comparison with adjacent lands before the consideration of any other adjustment factors”.

After our determination of the ATF market value, we have then considered the value of the subject as an independent development site in Scenario 2, where a different definition of market value would apply. Market value in this scenario means the most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition 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 acting in what they consider to be their own best interests;
3. A reasonable time is allowed for exposure to 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 creative financing or sales concessions granted by anyone associated with the sale.

Source: 12 CFR 34.42(g).

Effective Date of Value

The effective date of the appraisal is December 4, 2024.

Report Format

Although the current USPAP does not discern between appraisal report formatting, Entreken Associates, Inc., has adapted the following descriptions and comparisons to previous editions of USPAP.

Entreken Associates, Inc. Report format descriptions:

Comprehensive Format - Similar to the former Self-Contained Appraisal Report requirements and provides the greatest depth and detail of analysis in an appraisal.

Summary Format - Similar to the former Summary Appraisal Report requirements and provides a summary of the analysis, property type overviews, and area analysis.

Abbreviated Summary Format - Meets the minimum requirements of the former Summary Appraisal Report and provides a brief summary of data and analysis, as well as summary overviews.

Concise Format: Meets the minimum requirements of USPAP for an Appraisal Report and provides a concise summary of data and analysis. This format also resembles a form report for some sections and has minimal overviews.

The current USPAP Restricted Appraisal Report is equivalent to the former Restricted-Use Appraisal Report and states the valuation conclusions.

This analysis was prepared in a Summary Format.

Additional supporting documentation is retained in our workfile. The significant elements of scope included the following: Inspection of the subject property. Collection, verification, and analysis of market data through searches of our in-house sales database, and multiple subscription-based sales databases. It is our opinion that the scope of research and analysis associated with this Appraisal Report is adequate to produce a credible value conclusion that will serve the needs of the client.

Market Area and Analysis of Market Conditions

A complete analysis of market conditions has been made. We maintain and have access to comprehensive databases for this market area and have reviewed the market for sales and listings relevant to this analysis. The market overview is retained in our files and database.

Highest and Best Use

A highest and best use analysis for the subject has been conducted. Physically possible, legally permissible and financially feasible uses were considered, and the maximally productive use was concluded.

Property Identification

The subject has been identified by the legal description and the assessors' parcel number.

Property Rights Appraised

We have appraised the Fee Simple property rights.

Subject Inspection

A visual exterior inspection of the subject property has been made, and photographs taken.

Property Inspection and Report Compilation Assistance

Role	Name	Inspected	Extent	Date of Inspection
Appraiser	Wesley R. Sanders, MAI, AI-GRS, CCIM	has	Exterior	12/4/2024

Use of Real Estate as of Effective Date of Value

As of the as is effective date of the appraisal, the subject was a Right-of-Way property.

Appraisal Process

Typically, the cost, sales comparison, and income approaches are used in determining the value of a property. The indicated value developed by these various approaches is weighed by the Appraiser based on the reliability of market data in determining the final value estimate.

Income Capitalization Approach

The income approach measures the present worth of anticipated future benefits (net income) derived from a property. The approach develops the subject property's estimated net income during the remaining economic life of the improvements. It consists of estimated vacancy, gross income, expenses and other charges. The net income is capitalized to arrive at an indication of value. In the case of multi-tenanted properties, or where a property is not fully leased, a discounted cash flow (DCF) analysis may also be appropriate.

Sales Comparison Approach

The sales comparison approach produces a value estimate by comparing the subject property to recent sales of similar properties in the same or competing market areas. Inherent in this approach is the principle of substitution. The comparative process involves judgment as to the similarity of the subject and the comparable sale with respect value factors such as the time of sale, land size, building size and quality of construction. The estimated value through this approach represents the probable price at which the subject property would be sold as of the date of value.

Cost Approach

The cost approach considers the current cost of reproducing a property, less depreciation. The value of the land, as if vacant and available for development, is added to the depreciated cost in arriving at a value conclusion by the cost approach. This approach is based on the assumption that a purchaser is not warranted in paying more for a property than the cost of the land and duplicating the improvements.

Applicable Appraisal Methods

Methods Utilized

Cost Approach	<input type="checkbox"/>	the subject is vacant land.
Sales Comparison Approach	<input checked="" type="checkbox"/>	there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.
Income Approach	<input type="checkbox"/>	the subject is not an income producing property and this approach does not reflect market behavior for this property type.

Conformity

We developed our analyses, opinions and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA); and the requirements of our client as we understand them.

Sources of Information

We obtained information from public records, the client, property contact, and a variety of sources as noted throughout the report.

Data Sources

Category	Sources
Market Data	MLS, CoStar, Public Records, Third-party sources including paid subscription services and our internal database
Ownership & Transaction History	Pinellas County Public Records
Assessment & Tax Data	Pinellas County Public Records
Site Data	Pinellas County Public Records and Provided Survey
Zoning Data	City of Clearwater Public Records
Sale Comparables	MLS, CoStar, Public Records, Third-party sources including paid subscription services and our internal database

General

Property Identification

The subject property is currently improved as S Garden Ave.

The subject property is located at South Garden Ave within Clearwater, Pinellas County, Florida. The subject property is a platted right-of-way and no tax identification number has been assigned by the Pinellas County Property Appraiser.

Legal Description: All of the right-of-way of Garden Avenue abutting lots 6-11 together with that portion abutting the vacated 15 foot alley lying between lots 10 and 11 of Court Square Subdivision as recorded in Plat Book 5, Page 53 of the Public Records of Pinellas County. Containing 0.65 Acres \pm , Pinellas County, Florida

Inspection Date: December 4, 2024

Date of Report: December 18, 2024

Ownership History: Current ownership of the parcel is the City of Clearwater.

We are not aware of any other transactions that have involved the subject property in the past three years.

Personal Property/

Non-Realty Items: None, personal property owned by the occupant.

Real Estate Taxes: Assessing Authority: Pinellas County
Assessment Year: 2024

Property taxes are not assessed on municipally owned roadways.

Site Summary

	Parcel 1
Parcel ID	N/A
Location	between Franklin St and Court St, one block east of S Ft Harrison Ave in Clearwater
Current Use	Right-of-Way
Map Latitude	27.96253
Map Longitude	-82.79913
Site Analysis & Comments	The site has average and typical utility.

Site Size Attributes

	Parcel 1
Gross Land Area (Sq Ft)	28,314
Gross Land Area (Acres)	0.65
Usable Land Area (Sq Ft)	28,314
Usable Land Area (Acres)	0.65
Land Area Source	Survey

Hazardous Material

No hazardous materials were observed on the subject site. However, we are not experts in the matters of the presence or effects of hazardous materials; therefore, we assume hazardous material is not present on the site.

Site Characteristics

	Parcel 1
Primary Frontage Street Name	Franklin St
Secondary Frontage Street Name	Court St
Frontage - Primary Street (Feet)	96
Frontage - Secondary Street (Feet)	100
View	Average
Access	Average
Site Visibility	Average
Street Lighting	No
Sidewalks	Yes
Curb and Gutter	Yes
Topography	Moderate slope
Shape	Roughly rectangular
Soil Conditions	Adequate for development

Site Utilities

	Parcel 1
Adequacy of Utilities	Public utility lines are available to the site.
Public Electricity	The site is served by public electricity.
Water Supply Type	City water
Sewer Type	City sewer

Site Improvements

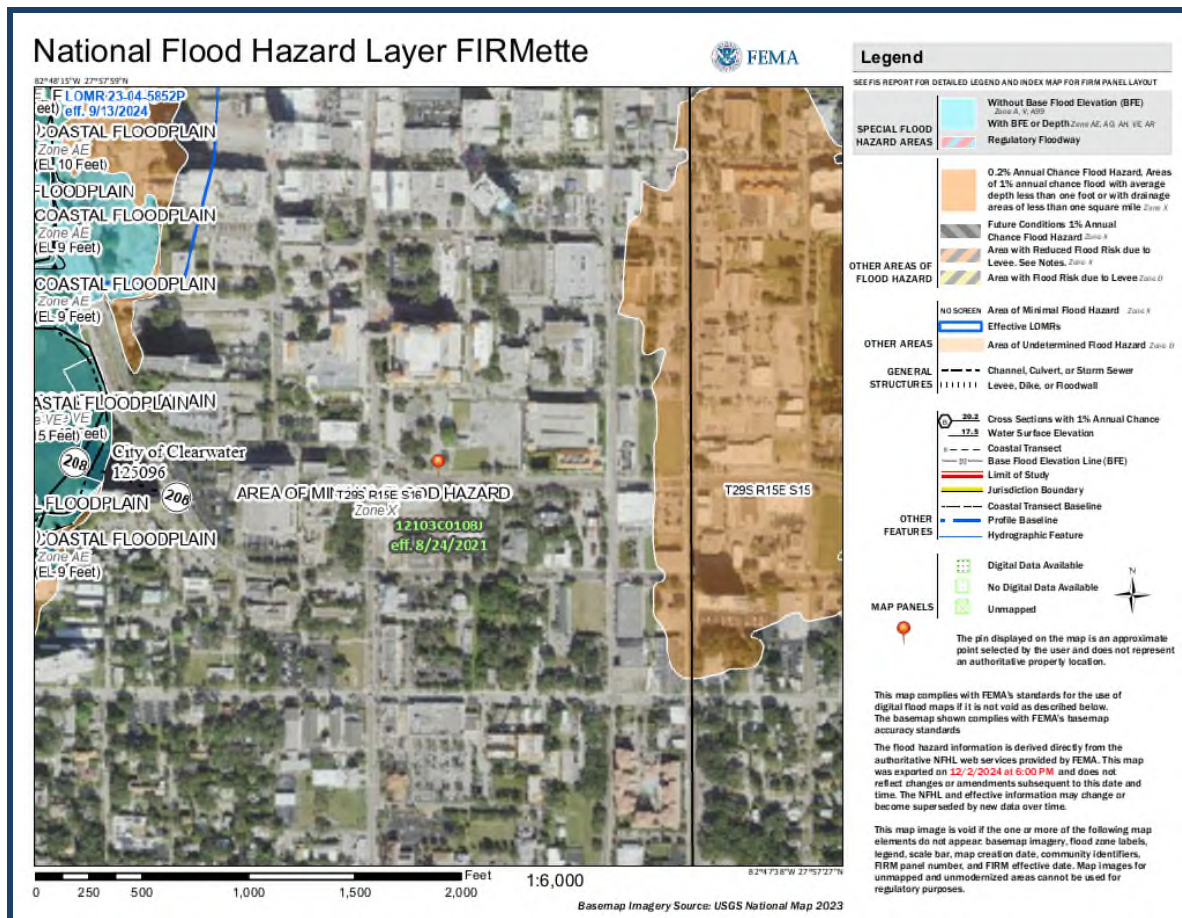
The subject is currently improved with South Garden Ave, being a two-lane roadway with street parking and sidewalks.

Site Hazards

	Parcel 1
FEMA Map #	12103C0108J
FEMA Map Date	8/24/2021
Flood Zone	Zone X
Flood Zone Comments	The subject improvements do not appear to be in a flood prone area. The Zone X classification is in an area located outside the 100-year designated flood hazard area.
Encumbrance / Easement Description	There are no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.
Environmental Issues	There are no known adverse environmental conditions on the subject site. Please reference Limiting Conditions and Assumptions.
Wetlands and Watershed Comments	No wetlands were observed during our site inspection.

Site Comments

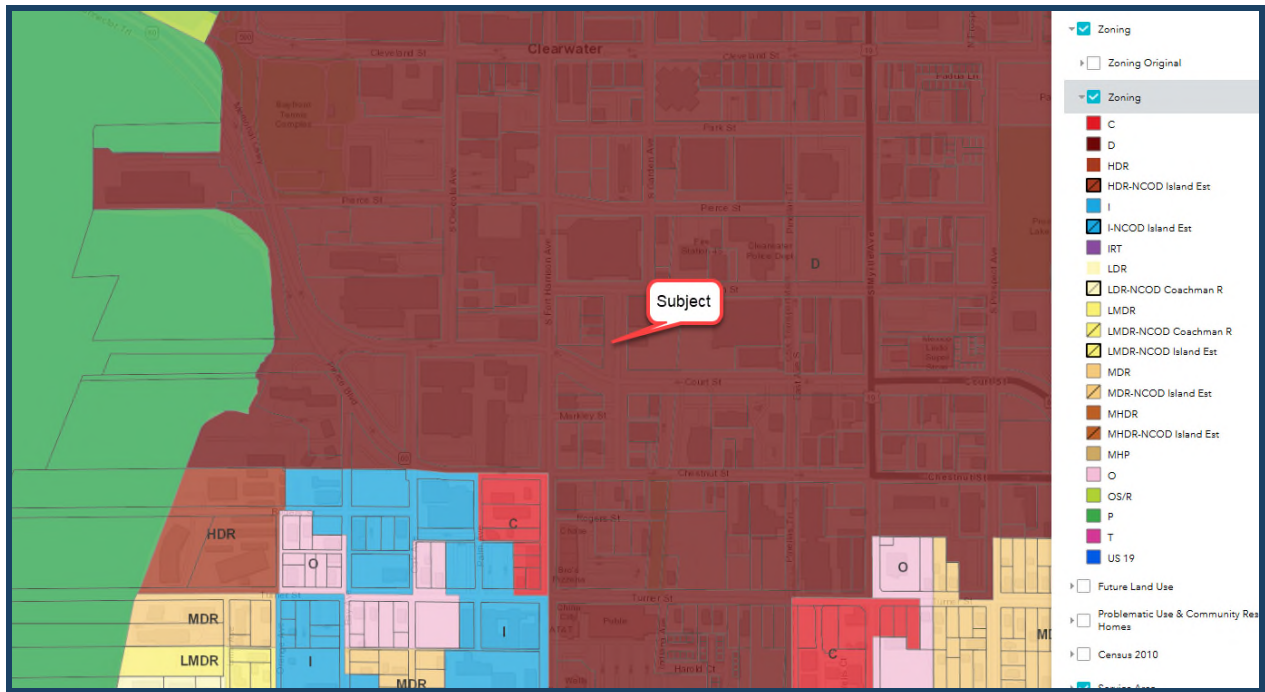
The site has average and typical utility.



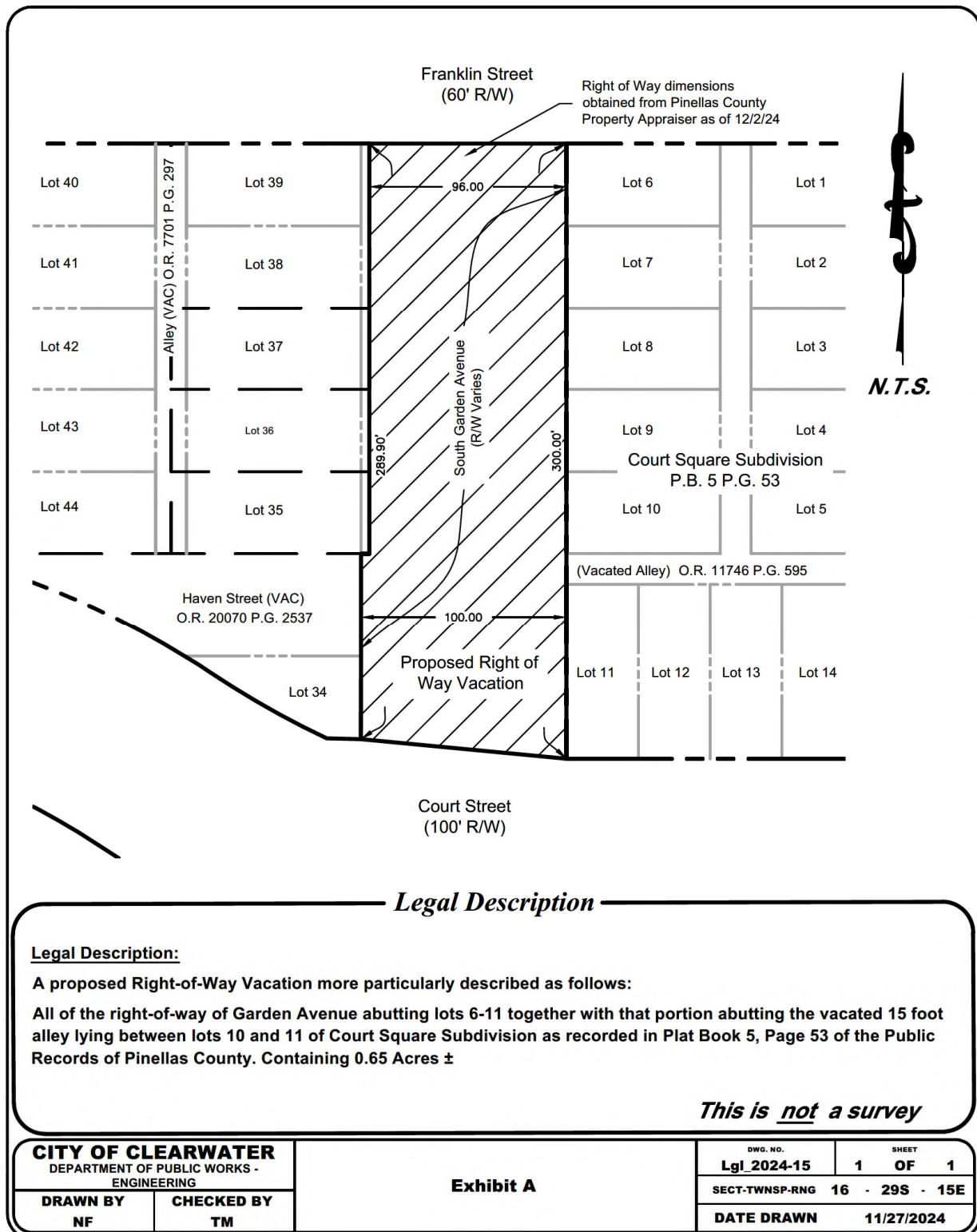
Flood Map

Zoning Summary

Zoning		1
Zoning Authority	City of Clearwater	
Zoning District	City of Clearwater	
Zoning Code	D	
Zoning Type/Description	Downtown/Downtown Core Character District	
Zoning Intent/Summary	The Downtown Core Character District is intended for high intensity mixed-use, office, and residential development in buildings with active ground floor uses opening onto pedestrian-friendly streetscapes. Standards are designed to support a dense urban pattern of development with buildings façades aligned along public sidewalks and parking primarily located within buildings behind active uses and behind buildings. Properties adjacent to the Pinellas Trail are designed to provide pedestrian and bicycle connections to the trail. There is no height restriction and the maximum density is 75 multi-family units per acre, with a maximum FAR of 4.0. There is also a Public Amenities Incentive Pool and the Pool allocation process is established in the Clearwater Downtown Redevelopment Plan. The Pool allows for density and/or intensity increases in excess of the allowable maximum development potential established for a parcel for projects that meet the goals, objectives, and policies of the Redevelopment Plan and are consistent with the vision established for the character district in which the projects are located.	
Permitted Uses	The Downtown designation has a wide variety of permitted uses. These include multi-family, bars, brewpubs, congregate care facilities, medical clinics, museums, offices, hotels, places of worship, research and technology facilities, restaurants, retail, schools, and community centers to name a few.	
Future Land Use	CBD	
Future Land Use Description	Central Business District	
Zoning Consistent with FLU	Yes	
Development Standards		
Max FAR	4	
Front Set Back Distance	Varies by use	
Side Yard Distance	Varies by use or as required by fire code	
Back Yard Distance	10'	
Maximum Building Height	Unlimited	
Zoning Parking Requirements	1 space per unit	
Site Conforms to current standards	Yes	
Zoning Data Source	City of Clearwater Code of Ordinances	
Zoning Comments	The D zoning district has a max floor area ratio (FAR) of 4.0, a max density of 75 units per acre, and no maximum height.	



Zoning Map



Sketch/Survey

Highest and Best Use

Highest and best use may be defined as the reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

1. **Legally Permissible:** What uses are permitted by zoning and other legal restrictions?
2. **Physically Possible:** To what use is the site physically adaptable?
3. **Financially Feasible:** Which possible and permissible use will produce any net return to the owner of the site?
4. **Maximally Productive.** Among the feasible uses which use will produce the highest net return, (i.e., the highest present worth)?

Highest and Best Use as Vacant (ATF)

Legally Permissible	
Zoning Code, District	D, City of Clearwater
Permitted Uses	The Downtown designation has a wide variety of permitted uses. These include multi-family, bars, brewpubs, congregate care facilities, medical clinics, museums, offices, hotels, places of worship, research and technology facilities, restaurants, retail, schools, and community centers to name a few.
Future Land Use	CBD
Legally Permissible Comments	Given the legally permissible uses under the zoning and future land use, a mixed-use is given further consideration in determining highest and best use of the site, as vacant.
Physically Possible	
Land Size	.65 acres, 28,314 square feet, but considered as ATF to 47,780 SF or 1.097 acre adjacent site to the west bound by S. Ft Harrison Ave, Court St and Franklin St.
Shape	Roughly rectangular
Topography	Moderate slope
Utilities	Public utility lines are available to the site.: The site is served by public electricity, City water, City sewer
Access	Average
Visibility	Average
Functional Utility	Average
Physically Possible Comments	Based on an analysis of the physical characteristics of the site, there does not appear to be any adverse conditions or lack of utility. Thus, there are no apparent physical or functional problems with the site, which would hinder development.
Financially Feasible	
Of the legally permissible uses that are physically possible, we have analyzed the market for sales and rental rates versus the cost to construct for the uses that are financially feasible. This includes mixed use development.	
Maximally Productive	
There does not appear to be any reasonably probable use of the subject site that would generate a higher residual land value than mixed use. Accordingly, we have concluded that mixed use, developed to the normal market density permitted by current zoning and development standards, is the maximally productive use of the property.	
<hr/>	
Highest and Best Use as Vacant	Mixed-Use Development

Method of Valuation

Across-the-Fence

For Scenario 1, our analysis will include an across-the-fence (ATF) valuation of the subject. The subject would have some independent development potential, however continued roadway use or assemblage with adjoining property owner(s) would represent its Highest and Best Use. In the valuation of linear real estate, the ATF method is recognized as an appropriate method for estimating value. In this regard, we have considered the adjoining parcel to the west surrounded by S Ft. Harrison Rd, Court St and Franklin St, being a total of 47,780 square feet, in our ATF value.

According to The Dictionary of Real Estate Appraisal, 7th Edition, across-the-fence value is defined as “In the valuation of real estate corridors, the value concluded based on a comparison with adjacent lands before the consideration of any other adjustment factors”.

The ATF is a variation of the Direct Sales Comparison Approach to value and is based on the premise that the value of the land within a corridor is a reflection of the land through which it passes. The ATF value is not the contributory value of the corridor strip to the adjacent land, but rather the ATF value essentially reflects the unit rate of value applicable to the adjacent land. Therefore, the subject property is appraised at the unit rate of value that would apply to the ATF property based on the appraiser's highest and best use consideration.

The premise behind the ATF value is that when a corridor is created, market participants (buyers and sellers of the corridor) expect to pay, and be paid, based upon the unit value of their total property that adjoins the corridor. This unit value is then applied to the portion being acquired for the corridor to estimate compensation. In estimating the value of an existing corridor, the same premise holds true. The ATF value of corridor real estate is similar to the value of those properties that adjoin the corridor. ATF value may or may not be the same as market value.

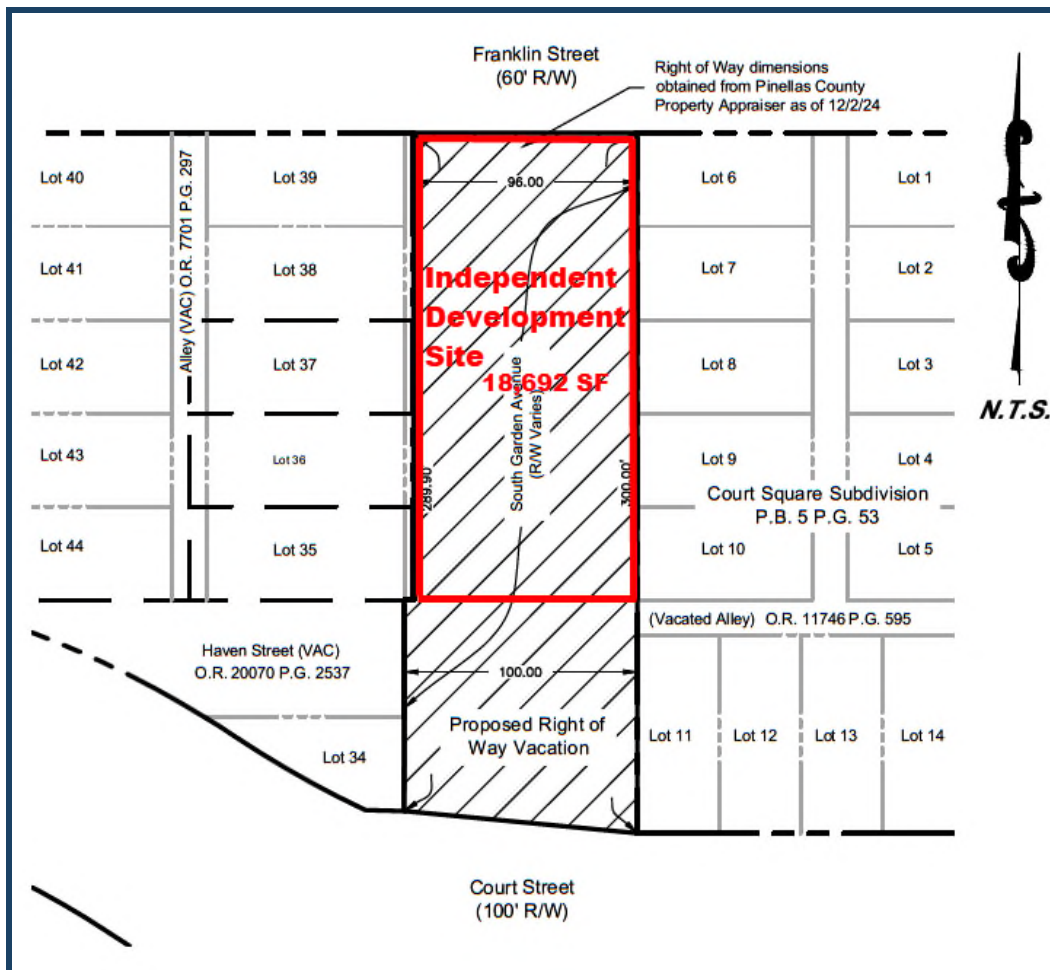
A thorough search has therefore been performed for comparable sales to estimate the value of the property (as vacant) adjacent to or “across-the-fence” from the subject. These unit prices are then applied to the subject. Land sales were researched up to four years in the immediate market area. Sources of research included MLS, Costar, and Public Records of Pinellas County, inspection from subject right of way, and discussions with market participants. The data has been analyzed to interpret market trends and expectations of market participants and apply the information to the subject to arrive at a reasonable and supported value conclusion. Sufficient data was available to adequately support an opinion of value on an “across-the-fence basis”.

Independent Stand-Alone Parcel Market Value

In Scenario 2, we have also been asked to provide a value of the subject as an independent stand-alone parcel. In order to be able to develop the subject property independently and given that the subject provides access to the adjacent properties, the southern portion of the subject would need to be maintained as an access road for the subject and adjacent parcel that currently use this point of access. The land area has been estimated using aerial measurements at approximately 9,622 square feet, as shown on the following page. This would leave a remnant development area of 18,692 square feet, being roughly 96' x 200'. This site would be an interior site, having frontage to both Franklin St and S Garden Ave. The site could be developed on its own; however; given its smaller size, shape, and limited frontage, the density at which it would likely be developed would be much less than if it were assembled with adjacent lands. The long and narrow shape could lead to some development challenges. A likely development scenario would be for parking along both roadways and a 1 or 2 story, office or mixed-use building, incorporating the required side yard setbacks to the adjacent properties and maintaining the existing sidewalks for pedestrian access.



Aerial Estimate of S Garden Ave to Remain



Scenario 2 - Independent Development Site

Sales Comparison Approach - ATF

Scenario 1

Land Analysis

To estimate the land value, we have utilized the Sales Comparison Approach. In this approach we develop an opinion of value by analyzing similar properties and comparing these properties with the subject property. Application of the sales comparison approach requires the comparing and rating of other comparable properties to the property appraised. The aim of this approach is to develop indications of what the comparable sales would have sold for if they had possessed all of the basic and pertinent physical, functional and external characteristics of the subject property.

The steps involved in the Sales Comparison Approach are summarized as follows:

1. Comparable land sales data in the competitive market is obtained and verified, whenever possible;
2. Market-oriented unit(s) of comparison is determined and applied to each of the comparable sales;
3. The elements of comparison that affect the value of the property being appraised are identified and applied to each comparable sale;
4. A net adjustment is applied to each comparable unit sale price to arrive at a range of adjusted sale or unit prices for the subject property; and
5. The adjusted prices are reconciled to an indication of an appropriate value of the subject property.

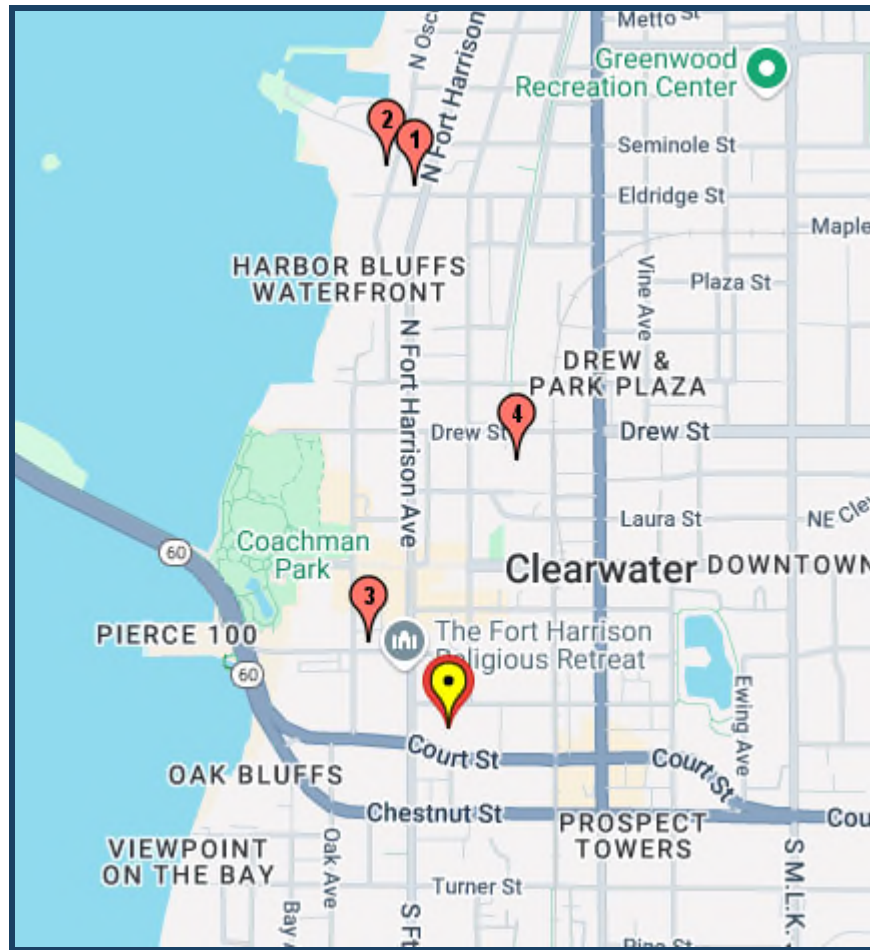
Comparable Sales Data

The subject is located in Clearwater. We have identified recent sales of vacant commercial sites.

The comparable land sales selected represent the best available for this analysis. The most widely used unit of comparison in this market for the subject property type is the sale price per square foot of land area. As a result, we have analyzed the comparable sales on a price per land square foot basis.

The comparable land sales included in this appraisal report are summarized in the table below. The following page includes a location map for the comparable land sales and reflects proximity to the subject property. The Addenda contains comparable land sales data sheets. Given the characteristics of the subject site, as well as the information obtained for the comparable data, the comparables were analyzed through the application of a traditional adjustment grid using percentage adjustments.

Comp	Address	Date	Price	Land SF	Price Per Land SF
Subject	S Garden Ave		--	47,780	--
1	701-714 N Fort Harrison Ave	12/16/2021	\$1,600,000	33,423	\$47.87
2	708 N Osceola Ave	10/25/2022	\$2,000,000	40,101	\$49.87
3	107 S Osceola Ave	12/11/2022	\$1,850,000	35,994	\$51.40
4	633 Drew St	5/10/2023	\$5,750,000	54,990	\$104.56



Land Sales Map

The Adjustment Process

The main points of comparison for this analysis include the transactional elements such as property rights conveyed, financial terms, the conditions and/or motivations surrounding the sale, and changes in market conditions since the sale date. Property level adjustments account for differences in the locational, physical and economics elements of the sales as compared to the subject property. The comparable sales utilized herein were analyzed relative to the subject property for the following factors:

Transactional Components

Property Rights Conveyed

Adjustments were made when applicable for conveyance of property rights other than those being appraised herein. No transactional components adjustments were warranted for the comparable land sales.

Financing Terms

Adjustments were made when applicable for extraordinary, special or non-market financing or credits provided by the seller or others which may have influenced the sale price. No adjustment is required.

Conditions of Sale

Adjustments were made when applicable for non-arm's length sale transactions and/or atypical conditions. Each of the sales (or pending sales) was an arm's length transaction. Sale 4 was purchased by an adjacent owner with pricing that appeared to be above market motivation, requiring a downward adjustment. No other conditions of sale adjustments are required.

Expenditures After Sale

Adjustments were made when applicable for any reported anticipated expenditures that were incurred after the comparable was purchased. No adjustments are required.

Market Conditions

The sales used represent reasonably similar land parcels compared to the subject's underlying land, which sold since December 2021. While general market conditions appear to have improved through 2024, brokers and market participants report that prices have been stable recently due to the increases in interest rates. Therefore, Sales 1, 2, and 3 are given upward adjustments.

Property Level Characteristics

Location

The subject property is valued across the fence of a larger property bound by Franklin St, Court St and S Ft Harrison Ave in Clearwater. Each of the sales was adjusted, if required, for locational characteristics differing from those of the subject property. Sale 1 is located near Clearwater Harbor, but lacks significant water views. Overall, the location would be considered slightly superior to the subject, requiring a downward adjustment. Sale 2 is located just north of Downtown Clearwater, directly on Clearwater Bay overlooking a marina, requiring a downward adjustment for location. Sale 3 is located in the heart of Downtown Clearwater, requiring a downward adjustment. Sale 4 is located at the periphery of the downtown area, requiring an upward adjustment.

Size

The subject site is 47,780 SF in size. Differences in land size were also considered. Significantly larger properties oftentimes have a smaller pool of potential buyers, which can result in lower pricing per unit of comparison relative to much smaller properties offering similar utility, based on the economies of scale. In the downtown area, it appears that developer's highest preference is to utilize lots that are approximately 22,000 SF (half acre) to 55,000 SF (1.25 acres) for development. Typically, sales were assemblages or were being marketed with additional sites available to entice larger national developers, as well as smaller, local developers. Therefore, sites between 22,000 SF to 55,000 SF appear to be more desirable than those that are smaller or larger in size, on a price per square foot of land basis. The subject is within that size range at 47,780 SF, as well as all of the comparable properties.

Topography

The subject site has a generally level topography. Each of the land sales has a similar topography; therefore, no adjustments were warranted.

Shape

The subject site is generally rectangular. Each of the comparable land sales is also rectangular or nearly rectangular and conducive to development with no adjustments warranted.

Utilities

The subject and comparables have access to all public utilities with no adjustments warranted.

Zoning/Density

The subject property is located in the D zoning district with a maximum density per acre of 75 units per acre. The comparables properties range from between 35 and 75 unit per acre. There is generally an inverse size and rate relationship where lands producing a higher yield (units per acre) typically trade at a higher rate per acre and vice versa. With respect to density, those developments which have significantly higher density per acre generate much lower sale prices per unit due to the impact of economies of scale. Conversely lower density sites tend to generate higher rates per unit. Inherent within this theory, a typical purchaser will consider the total unit inventory and its risks associated with higher or lower unit count (density) and pay accordingly based on current market indices.

The subject property is located in the Downtown Core zoning district offering up to 75 units per acre. Comparables 1 and 2 would allow for less density, requiring an upward adjustment.

Flood Zone

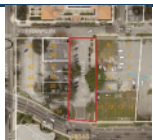
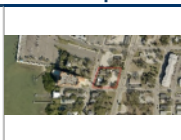

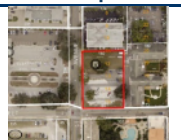
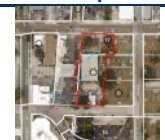
The subject and all the comparables are located in a flood zone X with no adjustments required.

Other Amenities

Comparable 4 has improvements for possible interim use prior to development; therefore, a downward adjustment is required.

Summary of Adjustments

The following table presents a summary of the adjustments for the underlying site.

Land Analysis Grid		Comp 1		Comp 2		Comp 3		Comp 4	
									
Address	S Garden Ave	701-714 N Fort		708 N Osceola Ave		107 S Osceola Ave		633 Drew St	
City	Clearwater	Clearwater		Clearwater		Clearwater		Clearwater	
State	FL	FL		FL		FL		FL	
Date		12/16/2021		10/25/2022		12/11/2022		5/10/2023	
Actual Price		\$1,600,000		\$2,000,000		\$1,850,000		\$5,750,000	
Price Adjustment		\$0		\$0		\$0		\$0	
Adjusted Price		\$1,600,000		\$2,000,000		\$1,850,000		\$5,750,000	
Land SF	47,780	33,423		40,101		35,994		54,990	
Land SF Unit Price		\$47.87		\$49.87		\$51.40		\$104.56	
Transaction Adjustments									
Property Rights	Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing		Conventional	0.0%	Conventional	0.0%	Conventional	0.0%	Conventional	0.0%
Conditions of Sale		Arm's Length	0.0%	Arm's Length	0.0%	Arm's Length	0.0%	Motivation	-20.0%
Expend. After Sale		\$0		\$0		\$0		\$0	
Adjusted Land SF Unit Price		\$47.87		\$49.87		\$51.40		\$83.65	
Market Trends		20.0%		15.0%		15.0%		0.0%	
Adjusted Land SF Unit Price		\$57.45		\$57.36		\$59.11		\$83.65	
Characteristics Adjustments									
Location	Corner	Superior		Superior		Superior		Inferior	
Water Views	None	Yes		Water Views		None		None	
Frontage	Three Sides	Three Sides		One Side		Two Sides		Two Sides	
% Adjustment		-5%		-20%		-5%		5%	
Qualitative		Superior		Superior		Superior		Inferior	
\$ Adjustment		-\$2.87		-\$11.47		-\$2.96		\$4.18	
Land SF	47,780 (ATF)	33,423		40,101		35,994		54,990	
% Adjustment		0%		0%		0%		0%	
Qualitative		Similar		Similar		Similar		Similar	
\$ Adjustment		\$0.00		\$0.00		\$0.00		\$0.00	
Topography	Moderate slope	Gently Sloping		Gently Sloping		Gently Sloping		Gently Sloping	
% Adjustment		0%		0%		0%		0%	
Qualitative		Similar		Similar		Similar		Similar	
\$ Adjustment		\$0.00		\$0.00		\$0.00		\$0.00	
Shape	Roughly rectangular	Rectangular		Roughly Rectangular		Rectangular		Irregular	
% Adjustment		0%		0%		0%		0%	
Qualitative		Similar		Similar		Similar		Similar	
\$ Adjustment		\$0.00		\$0.00		\$0.00		\$0.00	
Utilities	Available to Site	Available to Site		Available to Site		Available to Site		Available to Site	
% Adjustment		0%		0%		0%		0%	
Qualitative		Similar		Similar		Similar		Similar	
\$ Adjustment		\$0.00		\$0.00		\$0.00		\$0.00	
Zoning	D - Downtown	D - Downtown		D - Downtown		D - Downtown		D - Downtown	
Zoning Description	Downtown Core	Old Bay		Old Bay		Downtown Core		Downtown Core	
Density (Units Per Acre)	75	35		35		75		75	
% Adjustment		25%		25%		0%		0%	
Qualitative		Inferior		Inferior		Similar		Similar	
\$ Adjustment		\$14.36		\$14.34		\$0.00		\$0.00	
Flood Zone	Zone X	Zone X		Zone X		Zone X		Zone X	
% Adjustment		0%		0%		0%		0%	
Qualitative		Similar		Similar		Similar		Similar	
\$ Adjustment		\$0.00		\$0.00		\$0.00		\$0.00	
Other Amenities	None	None		None		None		Ind. Bldg	
% Adjustment		0%		0%		0%		-5%	
Qualitative		Similar		Similar		Similar		Superior	
\$ Adjustment		\$0.00		\$0.00		\$0.00		-\$4.18	
Adjusted Land SF Unit Price		\$68.93		\$60.22		\$56.15		\$83.65	
Net Adjustments		20.0%		5.0%		-5.0%		0.0%	

Land Sale Value Metrics – Fee Simple Market Value - ATF

The following table presents the metrics for the unadjusted and adjusted land sales. The table also presents the concluded market value per square foot for the subject property. Most weight is given to Sales 1, 2, and 3 in arriving at our reconciled value of \$60 per square foot.

Land Value Ranges & As Is Reconciled Value

Number of Comparables:	4	Unadjusted	Adjusted	% Δ
Low:		\$47.87	\$56.15	17%
High:		\$104.56	\$83.65	-20%
Average:		\$63.43	\$67.24	6%
Median:		\$50.64	\$64.58	28%
Reconciled Value/Unit Value:			\$60.00	land sf
Subject Size:			28,314	
Indicated Value:			\$1,698,840	
Reconciled Final As Is Value:			\$1,700,000	
One Million Seven Hundred Thousand Dollars				

Sales Comparison Approach – Independent Stand-alone Parcel

Scenario 2

In Scenario 2, we have also been asked to provide a value of the subject as an independent stand-alone parcel. In order to be able to develop the subject property independently and given that the subject provides access to the adjacent properties, the southern portion of the subject would need to be maintained as an access road for the subject and adjacent parcel that currently use this point of access. The land area has been estimated using aerial measurements at approximately 9,622 square feet, as shown on the following page. This would leave a remnant development area of 18,692 square feet, being roughly 96' x 200'. This site would be an interior site, having frontage to both Franklin St and S Garden Ave. The site could be developed on its own; however; given its smaller size, shape, and limited frontage, the density at which it would likely be developed would be much less than if it were assembled with adjacent lands. The long and narrow shape could lead to some development challenges. A likely development scenario would be for parking along both roadways and a 1 or 2 story, office or mixed-use building, incorporating the required side yard setbacks to the adjacent properties and maintaining the existing sidewalks for pedestrian access.

Land Analysis

To estimate the land value, we have utilized the Sales Comparison Approach. In this approach the appraiser develops an opinion of value by analyzing similar properties and comparing these properties with the subject property. Application of the sales comparison approach requires the comparing and rating of other comparable properties to the property appraised. The aim of this approach is to develop indications of what the comparable sales would have sold for if they had possessed all of the basic and pertinent physical, functional and external characteristics of the subject property.

The steps involved in the Sales Comparison Approach are summarized as follows:

1. Comparable land sales data in the competitive market is obtained and verified, whenever possible;
2. Market-oriented unit(s) of comparison is determined and applied to each of the comparable sales;
3. The elements of comparison that affect the value of the property being appraised are identified and applied to each comparable sale;
4. A net adjustment is applied to each comparable unit sale price to arrive at a range of adjusted sale or unit prices for the subject property; and
5. The adjusted prices are reconciled to an indication of an appropriate value of the subject property.

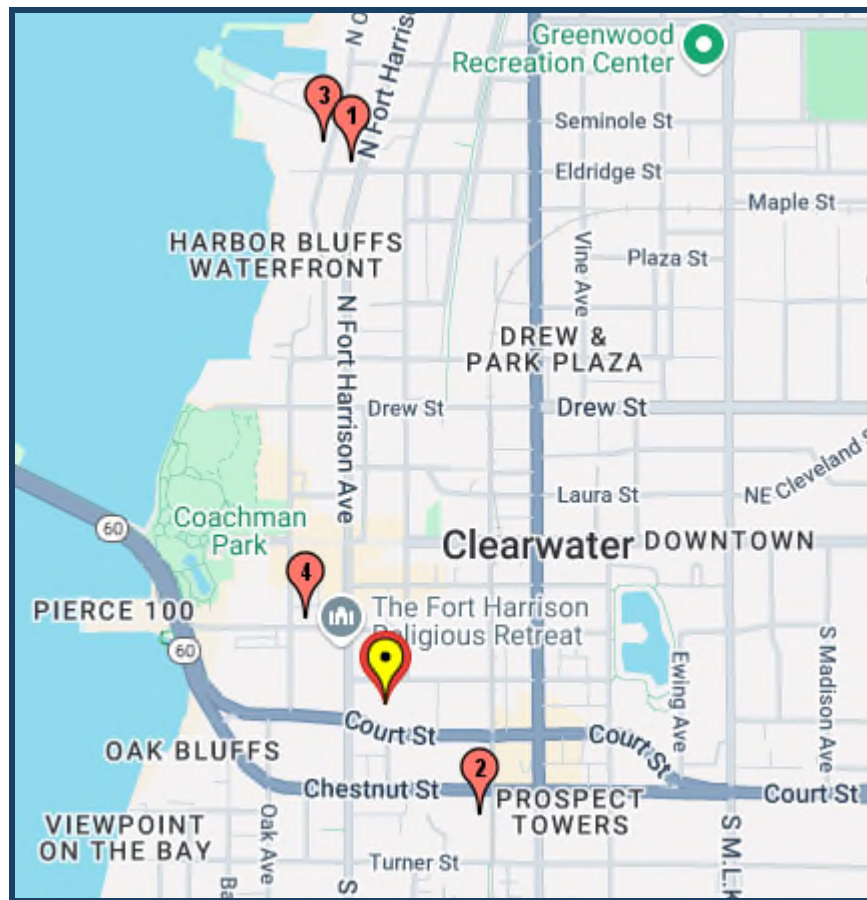
Comparable Sales Data

The subject is located in Clearwater. We have identified recent sales of vacant commercial sites.

The comparable land sales selected represent the best available for this analysis. The most widely used unit of comparison in this market for the subject property type is the sale price per square foot of land area. As a result, we have analyzed the comparable sales on a price per land square foot basis.

The comparable land sales included in this appraisal report are summarized in the table below. The following page includes a location map for the comparable land sales and reflects proximity to the subject property. The Addenda contains comparable land sales data sheets. Given the characteristics of the subject site, as well as the information obtained for the comparable data, the comparables were analyzed through the application of a traditional adjustment grid using percentage adjustments.

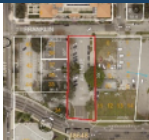
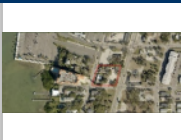
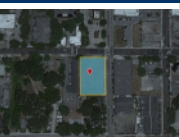
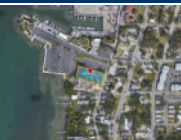
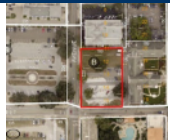
Comp Subject	Address	Date	Price	Land SF	Price Per Land SF
	S Garden Ave		--	18,692	--
1	701-714 N Fort Harrison Ave	12/16/2021	\$1,600,000	33,423	\$47.87
2	639-645 Chestnut St	3/15/2022	\$960,000	31,682	\$30.30
3	708 N Osceola Ave	10/25/2022	\$2,000,000	40,101	\$49.87
4	107 S Osceola Ave	12/11/2022	\$1,850,000	35,994	\$51.40



Land Sales Map

Summary of Adjustments

We have relied upon our previous discussion for the ATF value and have considered the inferior interior location, shape, frontage and development potential of the independent development site in our adjustments. The following table presents a summary of the adjustments for the underlying independent development site.

Land Analysis Grid		Comp 1		Comp 2		Comp 3		Comp 4	
									
Address	S Garden Ave	701-714 N Fort	639-645 Chestnut St	708 N Osceola Ave	107 S Osceola Ave				
City	Clearwater	Clearwater	Clearwater	Clearwater	Clearwater				
State	FL	FL	FL	FL	FL				
Date		12/16/2021	3/15/2022	10/25/2022	12/11/2022				
Actual Price		\$1,600,000	\$960,000	\$2,000,000	\$1,850,000				
Price Adjustment		\$0	\$0	\$0	\$0				
Adjusted Price		\$1,600,000	\$960,000	\$2,000,000	\$1,850,000				
Land SF	18,692	33,423	31,682	40,101	35,994				
Land SF Unit Price		\$47.87	\$30.30	\$49.87	\$51.40				
Transaction Adjustments									
Property Rights	Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing		Conventional	0.0%	Conventional	0.0%	Conventional	0.0%	Conventional	0.0%
Conditions of Sale		Arm's Length	0.0%	Arm's Length	0.0%	Arm's Length	0.0%	Arm's Length	0.0%
Expend. After Sale		\$0		\$0		\$0		\$0	
Adjusted Land SF Unit Price		\$47.87		\$30.30		\$49.87		\$51.40	
Market Trends		20.0%		20.0%		15.0%		15.0%	
Adjusted Land SF Unit Price		\$57.45		\$36.36		\$57.36		\$59.11	
Characteristics Adjustments									
Location	Interior	Superior		Inferior		Superior		Superior	
Water Views	None	Yes		None		Water Views		None	
Frontage	Two Sides	Three Sides		Two Sides		One Side		Two Sides	
% Adjustment		-10%		20%		-25%		-10%	
Qualitative		Superior		Inferior		Superior		Superior	
\$ Adjustment		-\$5.74		\$7.27		-\$14.34		-\$5.91	
Land SF	18,692	33,423		31,682		40,101		35,994	
% Adjustment		-5%		-5%		-5%		-5%	
Qualitative		Superior		Superior		Superior		Superior	
\$ Adjustment		-\$2.87		-\$1.82		-\$2.87		-\$2.96	
Topography	Moderate slope	Gently Sloping		Gently Sloping		Gently Sloping		Gently Sloping	
% Adjustment		0%		0%		0%		0%	
Qualitative		Similar		Similar		Similar		Similar	
\$ Adjustment		\$0.00		\$0.00		\$0.00		\$0.00	
Shape	Roughly rectangular	Rectangular		Rectangular		Roughly Rectangular		Rectangular	
% Adjustment		0%		0%		0%		0%	
Qualitative		Similar		Similar		Similar		Similar	
\$ Adjustment		\$0.00		\$0.00		\$0.00		\$0.00	
Utilities	Available to Site	Available to Site		Available to Site		Available to Site		Available to Site	
% Adjustment		0%		0%		0%		0%	
Qualitative		Similar		Similar		Similar		Similar	
\$ Adjustment		\$0.00		\$0.00		\$0.00		\$0.00	
Zoning	D - Downtown	D - Downtown		D - Downtown		D - Downtown		D - Downtown	
Zoning Description	Downtown Core	Old Bay		Downtown Core		Old Bay		Downtown Core	
Density (Units Per Acre)	75	35		75		35		75	
% Adjustment		25%		0%		25%		0%	
Qualitative		Inferior		Similar		Inferior		Similar	
\$ Adjustment		\$14.36		\$0.00		\$14.34		\$0.00	
Flood Zone	Zone X	Zone X		Zone X		Zone X		Zone X	
% Adjustment		0%		0%		0%		0%	
Qualitative		Similar		Similar		Similar		Similar	
\$ Adjustment		\$0.00		\$0.00		\$0.00		\$0.00	
Development Potential	Below Average	Typical		Typical		Typical		Typical	
% Adjustment		-10%		-10%		-10%		-10%	
Qualitative		Superior		Superior		Superior		Superior	
\$ Adjustment		-\$5.74		-\$3.64		-\$5.74		-\$5.91	
Adjusted Land SF Unit Price		\$57.45		\$38.18		\$48.75		\$44.33	
Net Adjustments		0.0%		5.0%		-15.0%		-25.0%	

Land Sale Value Metrics – Fee Simple Market Value – Independent Development Site

The following table presents the metrics for the unadjusted and adjusted land sales. The table also presents the concluded market value per square foot for the subject property. Weight is given to all of the sales in arriving at our reconciled value of \$50 per square foot.

Land Value Ranges & As Is Reconciled Value

Number of Comparables:	4	Unadjusted	Adjusted	% Δ
Low:		\$30.30	\$38.18	26%
High:		\$51.40	\$57.45	12%
Average:		\$44.86	\$47.18	5%
Median:		\$48.87	\$46.54	-5%
Reconciled Value/Unit Value:			\$50.00	land sf
Subject Size:			18,692	
Indicated Value:			\$934,600	
Reconciled Final As Is Value:			\$935,000	
Nine Hundred Thirty Five Thousand Dollars				

Final Reconciliation

The process of reconciliation involves the analysis of each approach to value. The quality of data applied, the significance of each approach as it relates to market behavior and defensibility of each approach are considered and weighed. Finally, each is considered separately and comparatively with each other.

The value indications and conclusions developed for the subject property as of December 4, 2024, subject to the Assumptions and Limiting Conditions, are summarized in the following table.

Value Conclusions

Premise	Interest Appraised	Probable Buyer	Effective Date	Value Conclusion	Estimated Marketing
Current Market Value	Fee Simple	Adjacent Parcel Owner	12/4/2024	\$1,700,000	5-7 months
Current Market Value	Fee Simple	Open Market Buyer	12/4/2024	\$935,000	5-7 months

Extraordinary Assumptions

There are no Extraordinary Assumptions for this appraisal.

Hypothetical Conditions

The value of the subject is estimated using the Hypothetical Condition that South Garden Ave has been vacated by the City of Clearwater and there are no extraordinary restrictions or encumbrances in regards to development.

We have developed a second opinion of value based on the Hypothetical Condition that the property was marketed for sale as an independent stand-alone parcel, not purchased by an adjacent parcel owner, which is noted in the Value Conclusion table as an Open Market Buyer scenario. As described further in the report, this would result in an estimated net useable parcel size of approximately 18,692 square feet. There are no other Hypothetical Conditions.

According to the Appraisal Standards Board (ASB) of the Appraisal Foundation, "reasonable marketing time" is an estimate of the amount of time it might take to sell a property interest at the estimated Market Value during the period immediately after the effective date of the report. It is not intended to be a prediction of a specific date of sale and, therefore, may be expressed as a range. Exposure time is defined as 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 report. Based upon the sales presented herein, an exposure period of 5-7 months or less is considered reasonable. Marketing time is also concluded at 5-7 months.

Certification Statement

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, impartial, and unbiased professional analyses, opinions and conclusions.
- We have no present or prospective future interest in the property that is the subject of this report, and have no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our 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 estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
- Nathan Stienstra provided research assistance, data entry, and report preparation assistance. No one else provided significant real property appraisal assistance to the person(s) signing this certification.
- We certify sufficient competence to appraise this property through education and experience, in addition to the internal resources of the firm.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- The appraiser has not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.
- Wesley R. Sanders, MAI, AI-GRS, CCIM has made an inspection of the subject property.

As of the date of this report, Wesley Sanders, MAI, AI-GRS, CCIM has completed the requirements of the continuing education program for Designated Members of the Appraisal Institute. As of the date of this report, Wesley Sanders, MAI, AI-GRS, CCIM has completed the requirements of the Department of Business and Professional Regulation under the provisions of Chapter 475 FS of the Florida Real Estate Appraisal Board.



Wesley R. Sanders, MAI, AI-GRS, CCIM
Senior Managing Director
State-Certified General Real Estate Appraiser RZ2911

Basic Assumptions and Limiting Conditions

1. By this notice, all persons, companies, or corporations using or relying on this report in any manner bind themselves to accept these contingent and limiting conditions, and all other contingent and limiting conditions contained elsewhere in this report. Do not use any portion of this report unless you fully accept all contingent and limiting conditions contained throughout this document.
2. Throughout this report, the singular term "Appraiser" also refers to the plural term "Appraisers". The terms "Appraiser" and "Appraisers" refer collectively to "Entreken Associates, Inc.", its officers, employees, contractors, and associate appraisers. The masculine terms "he" or "his" also refer to the feminine term "she" or "her".
3. These conditions are an integral part of this appraisal report, and are a preface to any certification, definition, description, fact, or analysis. Moreover, these conditions are intended to establish as a matter of record that the purpose of this report is to provide one or more value opinions for the subject property. All value opinions are prepared solely for the explicitly identified client and other explicitly identified intended users.
4. Value opinions involve only real estate, and inconsequential personal property. Unless explicitly stated otherwise, value conclusions do not include personal property, un-affixed equipment, trade fixtures, business-good will, chattel, or franchise items of material worth.
5. As part of this appraisal, information was gathered and analyzed to form value opinion(s) that pertain solely to one or more explicitly identified effective value dates. The effective value date is the only point in time that the value applies. Information about the subject property, neighborhood, comparables, or other topics discussed in this report was obtained from sensible sources. In accordance with the extent of research disclosed in the Scope of Work section, all information cited herein was examined for accuracy, is believed to be reliable, and is assumed reasonably accurate. However, no guaranties or warranties are made for this information. No liability or responsibility is assumed for any inaccuracy which is outside the control of the Appraiser, beyond the scope of work, or outside reasonable due diligence of the Appraiser.
6. Real estate values are affected by many changing factors. Therefore, any value opinion expressed herein is considered credible only on the effective value date. Every day that passes thereafter, the degree of credibility wanes as the subject changes physically, the economy changes, or market conditions change. The Appraiser reserves the right to amend these analyses and/or value opinion(s) contained within this appraisal report if erroneous, or more factual-information is subsequently discovered. No guarantee is made for the accuracy of estimates or opinions furnished by others, and relied upon in this report.
7. This appraisal is not an engineering, construction, legal, or architectural study. It is not an examination or survey of any kind. Expertise in these areas is not implied. The Appraiser is in no way responsible for any costs incurred to discover, or correct any deficiency in the property. In the case of limited partnerships, syndication offerings, or stock offerings in the real estate, the client agrees that in case of lawsuit (brought by the lender, partner, or part owner in any form of ownership, tenant, or any other party), the client will hold Entreken Associates, Inc., its officers, contractors, employees and associate appraisers completely harmless. Acceptance of, and/or use of this report by the client, or any third party is prima facie evidence that the user understands, and agrees to all these conditions.
8. Unless specifically stated otherwise herein, the Appraiser is unaware of any engineering study made to determine the bearing capacity of the subject land, or nearby lands. Improvements in the vicinity, if any, appear to be structurally sound. It is assumed soil and subsoil conditions are stable and free from features that cause supernormal costs to arise. It is also assumed existing soil conditions of the subject land have proper load bearing qualities to support the existing improvements, or proposed improvements appropriate for the site. No investigations for potential seismic hazards were made. This appraisal assumes there are no conditions of the site, subsoil, or structures, whether latent, patent, or concealed that would render the subject property less valuable. Unless specifically stated otherwise in this document, no earthquake compliance report, engineering report, flood zone analysis, hazardous substance determination, or analysis of these unfavorable attributes was made, or ordered in conjunction with this appraisal report. The client is strongly urged to retain experts in these fields, if so desired.
9. For appraisals of multifamily property, only a portion of all dwellings was observed. A typical ratio of observed dwellings roughly approximates 10% of the total number of units, and this ratio declines as the number of dwellings grows. It is assumed the functionality, physical condition, and interior finish of unseen units are similar to the functionality, physical condition, and interior finish of observed units. If unobserved dwellings significantly differ from those that were viewed in functionality, physical condition, or finish, the Appraiser reserves the right to amend these analysis and/or value opinion(s).
10. If this appraisal values the subject as though construction, repairs, alterations, remodeling, renovation, or rehabilitation will be completed in the future, it is assumed such work will be completed in a timely fashion, using non-defective materials, and proper workmanship. All previously completed work is assumed to substantially conform to plans, specifications, descriptions, or attachments made or referred to herein. It is also assumed all planned, in-progress, or recently completed construction complies with the zoning

ordinance, and all applicable building codes. A prospective value opinion has an effective value date that is beyond or in the future relative to the report preparation date. If this appraisal includes a prospective valuation, it is understood and agreed the Appraiser is not responsible for an unfavorable value effect caused by unforeseeable events that occur before completion of the project.

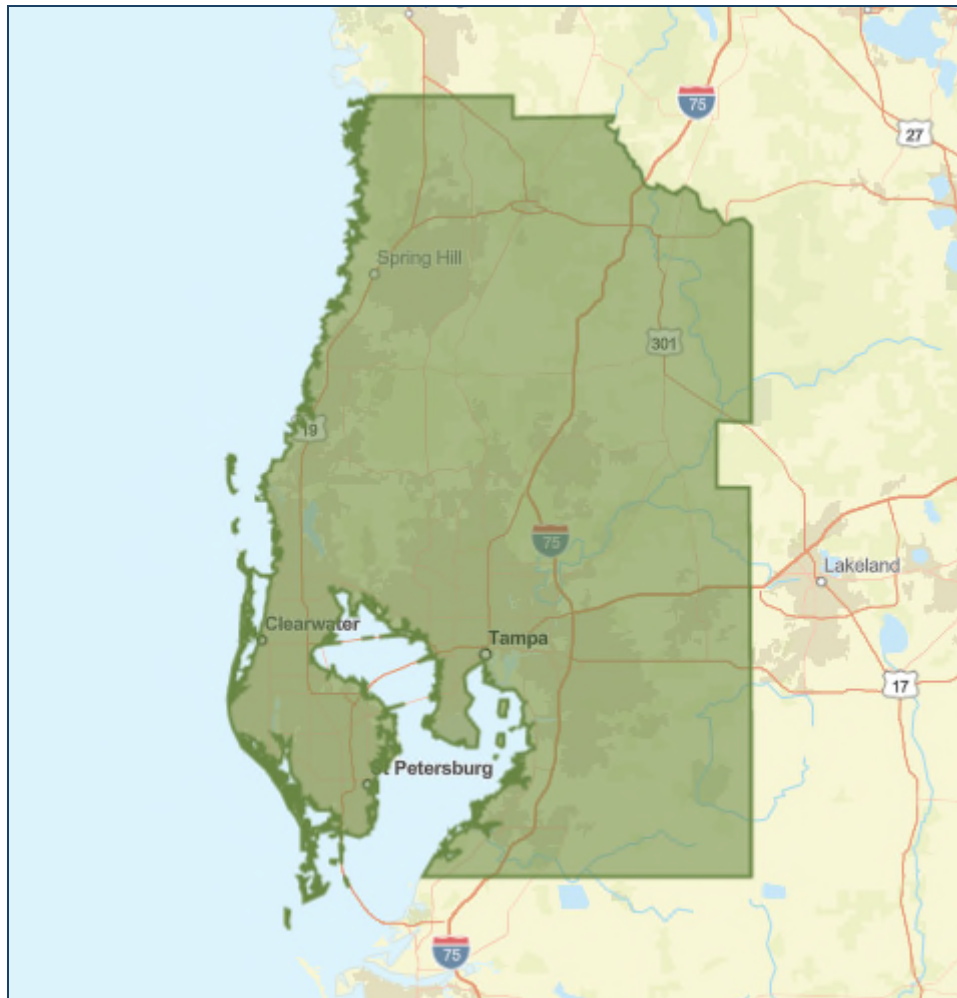
11. This valuation may or may not include an observation of the appraised property by a signatory to this report. The extent of any observation is disclosed in the Scope of Work section of this report. Any observation by a signatory is not, and should not be misconstrued as a professional property inspection. Comments or descriptions about physical condition of the improvements, if any, are based solely on a superficial visual observation. Electric, heating, cooling, plumbing, water supply, sewer or septic, mechanical equipment, and other systems were not tested. No determination was made regarding the operability, capacity, or remaining physical life of any component in, on, or under the real estate appraised. All building components are assumed adequate and in good working order unless stated otherwise. Private water wells and private septic systems are assumed sufficient to comply with federal, state, or local health safety standards. No liability is assumed for the soundness of structural members since structural elements were not tested or studied to determine their structural integrity. The roof cover for all structures is assumed water tight unless otherwise noted. Comments regarding physical condition are included to familiarize the reader with the property. This document is not an engineering or architectural report. If the client has any concern regarding structural, mechanical or protective components of the improvements, or the adequacy or quality of sewer, water or other utilities, the client should hire experts in an appropriate discipline before relying upon this report. No representations are made herein as to these matters unless explicitly stated otherwise in this report.
12. If this appraisal values an interest that is less than the whole fee simple estate, then the following disclosure applies. The value for any fractional interest appraised plus the value of all other complementary fractional interests may or may not equal the value of the entire fee simple estate.
13. An appraised property that is a physical portion of a larger parcel or tract is subject to the following limitations. The value opinion for the property appraised pertains only to that portion defined as the subject. This value opinion should not be construed as applying with equal validity to other complementary portions of the same parcel or tract. The value opinion for the physical portion appraised plus the value of all other complementary physical portions may or may not equal the value of the whole parcel or tract.
14. No liability is assumed for matters of legal nature that affect the value of the subject property. Unless a clear statement to the contrary is made in this report, value opinion(s) formed herein are predicated upon the following assumptions. (A) The real property is appraised as though, and assumed free from all value impairments including yet not limited to title defects, liens, encumbrances, title claims, boundary discrepancies, encroachments, adverse easements, environmental hazards, pest infestation, leases, and atypical physical deficiencies. (B) All real estate taxes and assessments, of any type, are assumed fully paid. (C) The property being appraised is assumed to be owned under responsible and lawful ownership. (D) It is assumed the subject property is operated under competent and informed management. (E) The subject property was appraised as though, and assumed free of indebtedness. (F) The subject real estate is assumed fully compliant with all applicable federal, state, and local environmental regulations and laws. (G) The subject is assumed fully compliant with all applicable zoning ordinances, building codes, use regulations, and restrictions of all types. (H) All licenses, consents, permits, or other documentation required by any relevant legislative or governmental authority, private entity, or organization have been obtained, or can be easily be obtained or renewed for a nominal fee.
15. The allocation of value between the subject's land and improvements, if any, represents our judgment only under the existing use of the property. A re-evaluation should be made if the improvements are removed, substantially altered, or the land is utilized for another purpose.
16. The Appraiser assumes a prospective purchaser of the subject is aware of the following. (A) This appraisal of the subject property does not serve as a warranty on the physical condition of the property. (B) It is the responsibility of the purchaser to carefully examine the property, and to take all necessary precautions before signing a purchase contract. (C) Any estimate for repairs is a non-warranted opinion of the Appraiser.
17. Any exhibits in the report are intended to assist the reader in visualizing the subject property and its surroundings. The drawings are not surveys unless specifically identified as such. No responsibility is assumed for cartographic accuracy. Drawings are not intended to be exact in size, scale, or detail.
18. Conversion of the subject's income into a market value opinion is based upon typical financing terms that were readily available from a disinterested, third party lender on this report's effective date. Atypical financing terms and conditions do not influence market value, but may affect investment value.
19. All information and comments concerning the location, market area, trends, construction quality, construction costs, value loss, physical condition, rents, or any other data for the subject represent estimates and opinions of the Appraiser. Expenses shown in the Income Approach, if used, are only estimates. They are based on past operating history, if available, and are stabilized as generally typical over a reasonable ownership period.
20. The Appraiser is not required to give testimony or appear in court because of having prepared this report unless arrangements are agreed to in advance. If the Appraiser is subpoenaed pursuant to court order, the client agrees to compensate the Appraiser for their court appearance time, court preparation time, and travel

time at their regular hourly rate then in effect plus expenses. In the event the real property appraised is, or becomes the subject of litigation, a condemnation, or other legal proceeding, it is assumed the Appraiser will be given reasonable advanced notice, and reasonable additional time for court preparation.

21. Entreken Associates, Inc. and the Appraiser have no expertise in the field of insect, termite, or pest infestation. We are not qualified to detect the presence of these or any other unfavorable infestation. The Appraiser has no knowledge of the existence of any infestation on, under, above, or within the subject real estate. No overt evidence of infestation is apparent to the untrained eye. However, we have not specifically inspected or tested the subject property to determine the presence of any infestation. No effort was made to dismantle or probe the structure. No effort was exerted to observe enclosed, encased, or otherwise concealed evidence of infestation. The presence of any infestation would likely diminish the property's value. All value opinions in this communication assume there is no infestation of any type affecting the subject real estate. No responsibility is assumed by Entreken Associates, Inc. or the Appraiser for any infestation or for any expertise required to discover any infestation. Our client is urged to retain an expert in this field, if desired.
22. Effective January 26, 1992, the Americans with Disabilities Act (ADA) - a national law, affects all nonresidential real estate or the portion of any property, which is non-residential. The Appraiser has not observed the subject property to determine whether the subject conforms to the requirements of the ADA. It is possible a compliance survey, together with a detailed analysis of ADA requirements, could reveal the subject is not fully compliant. If such a determination was made, the subject's value may or may not be adversely affected. Since the Appraiser has no direct evidence, or knowledge pertaining to the subject's compliance or lack of compliance, this appraisal does not consider possible noncompliance or its effect on the subject's value. All opinions are those of the signatory Appraiser based on the information in this report. No responsibility is assumed by the Appraiser for changes in market conditions, or for the inability of the client, or any other party to achieve their desired results based upon the appraised value. Some of the assumptions or projections made herein can vary depending upon evolving events. We realize some assumptions may never occur and unexpected events or circumstances may occur. Therefore, actual results achieved during the projection period may vary from those set forth in this report. Compensation for appraisal services is dependent solely on the delivery of this report, and no other event or occurrence.
23. No part of this report shall be published or disseminated to the public by the use of advertising media, public relations media, news media, sales media, electronic devices, or other media without the prior written consent of Entreken Associates, Inc. This restriction applies particularly as to analyses, opinions, and conclusions; the identity of the Appraiser; and any reference to the Appraisal Institute or its MAI, SRPA, or SRA designations. Furthermore, no part of this report may be reproduced or incorporated into any information retrieval system without written permission from Entreken Associates, Inc., the copyright holder.

Addenda

Regional Analysis



REGIONAL MAP

Introduction

The subject property is located in Clearwater, Pinellas County, Florida, which is within the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area (MSA). The Tampa MSA is generally referred to as the Tampa Bay area, which consists of Hernando, Hillsborough, Pasco, and Pinellas Counties, as defined by the US Census Bureau. It includes the major municipalities of Tampa, St. Petersburg, Clearwater, and Brandon. Some publications also include the Citrus, Manatee, Pasco, Polk, and Sarasota counties. However, for this analysis, we have included the four county area. The Tampa Bay area is approximately 80 miles west of Orlando, 270 miles northwest of Miami, and 200 miles southwest of Jacksonville. Because the subject benefits from the strength of the area, an overview of this area is appropriate, followed by a description of the community in which the subject is located. The Tampa Bay MSA is located in Southwest Florida on the Gulf of Mexico and Tampa Bay and encompasses 2,554.5 square miles.

MSA at a Glance - TAMPA-ST. PETERSBURG-CLEARWATER FL

The Tampa Bay Area is a major populated area surrounding Tampa Bay on the west coast of Florida. The metro, comprising of four counties namely: Hillsborough, Pasco, Pinellas and Hernando, is where the hip, and urban heart of Florida's Gulf coast lies.

Over the years, Tampa has attained the status of a vacation spot especially for families. It is a diverse travel destination which offers distinctive and unique selections of delights and activities. The popular Busch Gardens, where families get a thrill of an amusement park and the fun of a zoo all in one place, is one of the popular places in the area dedicated to animals and wildlife. The historic Ybor City neighborhood, developed by Cuban and Spanish cigar-factory workers is likewise viewed as a dining and nightlife destination.

Together with tourism, part of what made Tampa's future so promising is its economic base. Looking towards the future, developers have been seeking to expand businesses to draw in investors as well as more employment. Service-related and office-oriented jobs turn out to be more appealing, making the city an ideal location for companies in search for regional headquarters, financial firms and high-technology industries. Some of the most notable company headquarters to date are Tech Data Corp., Jabil Circuit Inc., and Raymond James Financial.

Key Demographics

- In 2023, Tampa Bay gained approximately 36,600 residents, and is among the top 10 metropolitan areas gaining residents in the nation.
- The median household income for the area is \$65,621 and is \$540 higher than Florida and \$6,982 lower than the national average.
- The average household size is 2.38
- The median price of homes currently listed is \$421,480, while the median price of homes sold is \$410,000.
- Since 2015, the ratio of Median Household Income to Median Home Price has decreased sharply in the Tampa Bay area and across Florida, while the same ratio decreased less across the US.



Average Annual Rainfall: 46.31"
Average Rainfall Days: 11 days
Average Sunshine: 20.5 days



Annual High Temperature: 81.7 F
Annual Low Temperature: 65 F
Average Annual Temperature: 73.3 F

Source: The Weather Atlas

Economic Drivers



Healthcare

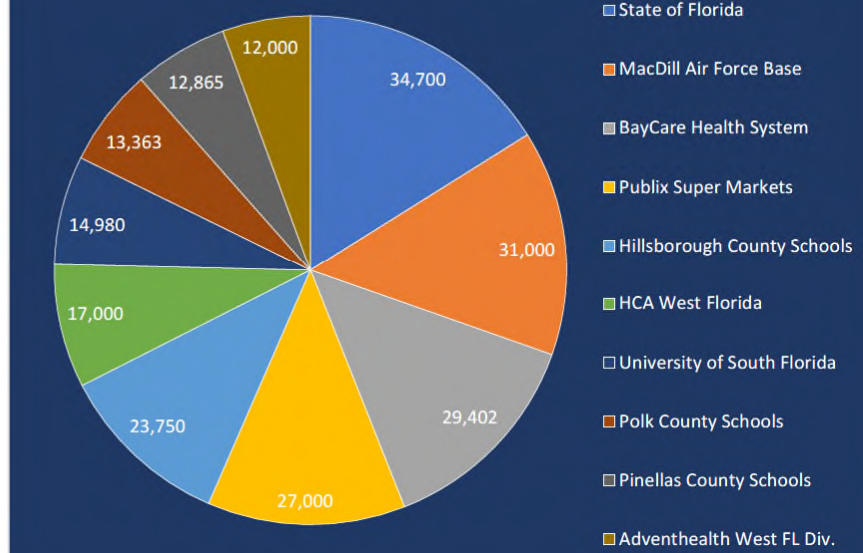


Tourism

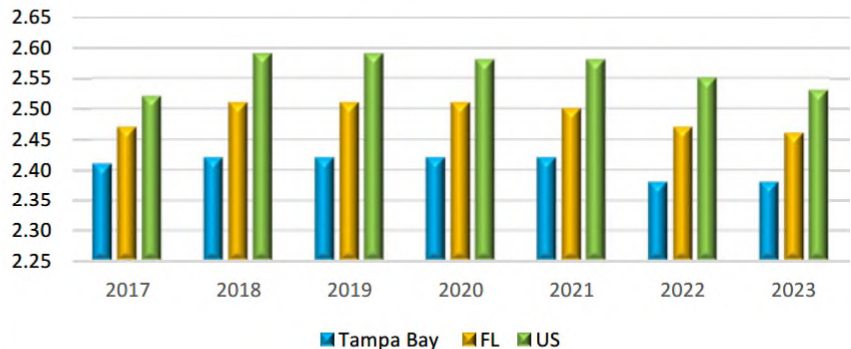


Employment

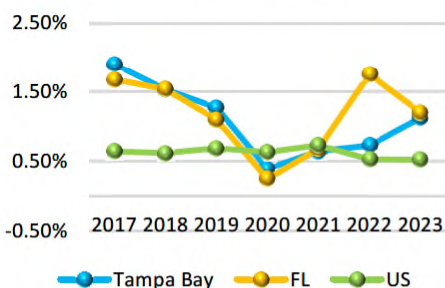
Largest Employers



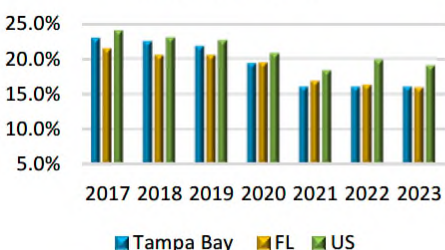
Average Household Size



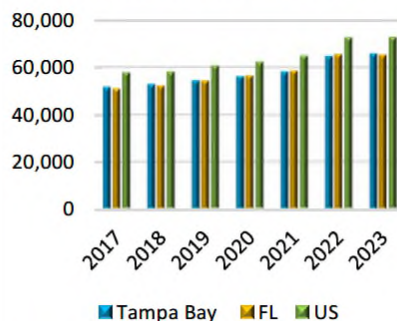
Annual Population Growth



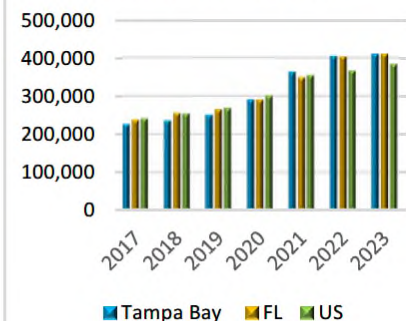
MHI/MHP Ratio



Median Household Income



Median Home Price

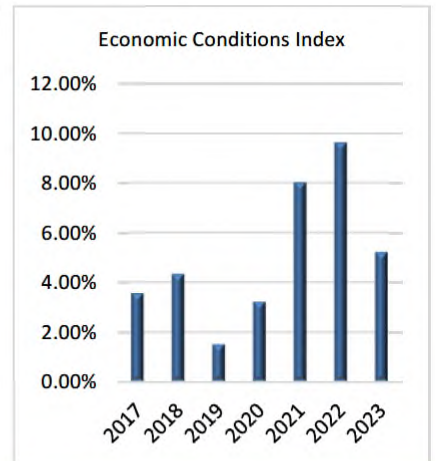
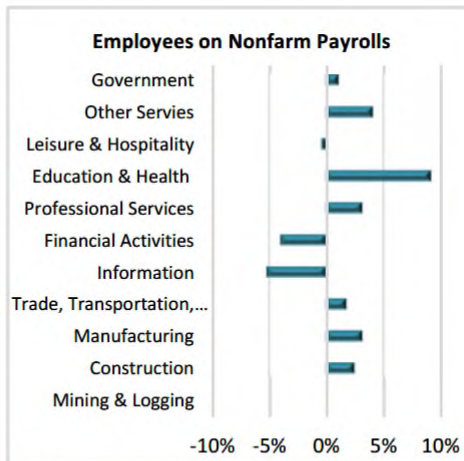


Employment

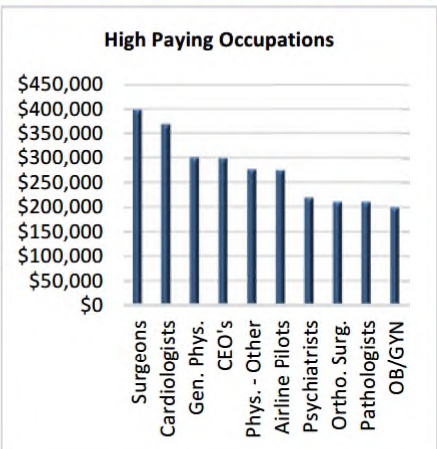
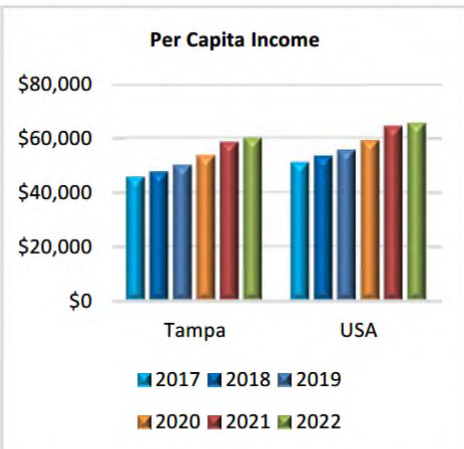
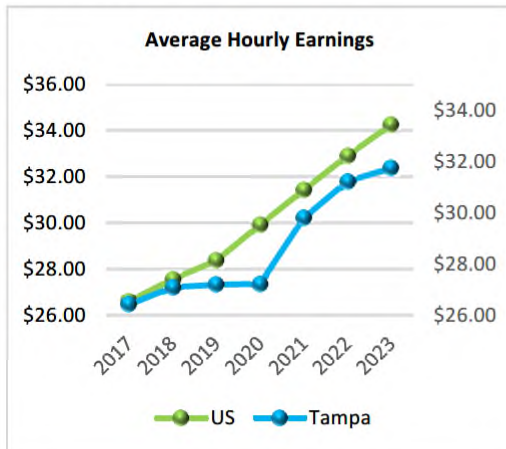
Tampa Bay's unemployment rate steadily decreased from a high of 13.2% in April 2020, and is at 3.2% as of September 2023, according to the Bureau of Labor and Statistics figures. The losses slowed in mid-2020 as Florida re-opened businesses, but much of the leisure, hospitality and tourism industries had ground to a halt. Among the other hardest hit industries were health care, social assistance, retail trade, professional and business services and construction. Health care job loss may have seemed unexpected, but the sector lost at least 43,000 jobs nationally, according to the report. Since mid-2020, these industries have recovered, and Florida unemployment now well outpaces the national average.

Income

An ordinary individual in Tampa works an average of 40 hours for the entire week. Currently, the median household income is at \$65,621, and is projected to increase to \$77,411 in five years. It has been also noted that Tampa enjoys a lower cost of living compared to other American cities of similar size and other Florida cities such as Miami, Fort Lauderdale, and Sarasota.



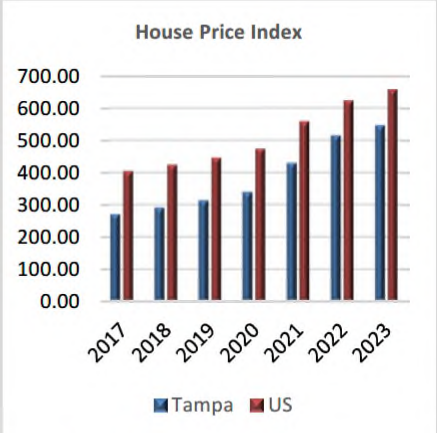
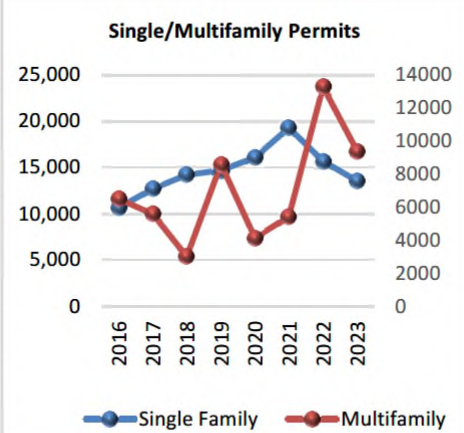
ECONOMIC INDICATORS	2017	2018	2019	2020	2021	2022	2023
Gross Domestic Product (% change)	3.9	5.6	5.5	3.4	12.1	11.2	-
Total Employment (% change)	2.1	2.14	2.5	-3.02	6.2	5.1	2.0
Unemployment Rate (%)	3.7	3.3	2.8	5.4	3.0	2.2	3.2
Personal Income Growth (\$ in ths)	45.6	47.5	50	53.6	58.5	60	-
Median Household Income (\$ in ths)	54.4	55.9	57.9	55.9	64.9	64.7	65.6
Population (# in mill)	3.11	3.16	3.20	3.18	3.22	3.25	3.28
Net Migration (# in ths)	41.2	34.8	35.7	14.0	45.9	54.7	-
Single-family Permits (# in ths)	12.6	14.2	14.8	15.9	19.3	15.6	13.5 YTD
Multi-family Permits (# in ths)	5.6	3.5	8.7	3.8	5.5	13.2	9.4 YTD
House Price Index (1995Q1=100)	268.96	290.21	312.23	338.62	428.74	514.18	545.33



Housing

A prominent number of homes under development in 2023 were single-family. As of November 2023, there were 13,517 dwelling units built at an average value of \$298,100. Among the nation's top 100 housing markets positioned for growth in 2024, Tampa Bay ranked 9th.

Tampa Bay currently has a combination of strong economy that creates new jobs, more commercial transformations and developments which keep locals and more people to move and look for work, while enjoying what the area has to offer.



Sources: Tampa Hillsborough EDC, VisitTampaBay, Dept. of Numbers, BLS, Census Bureau, Texas A&M REC

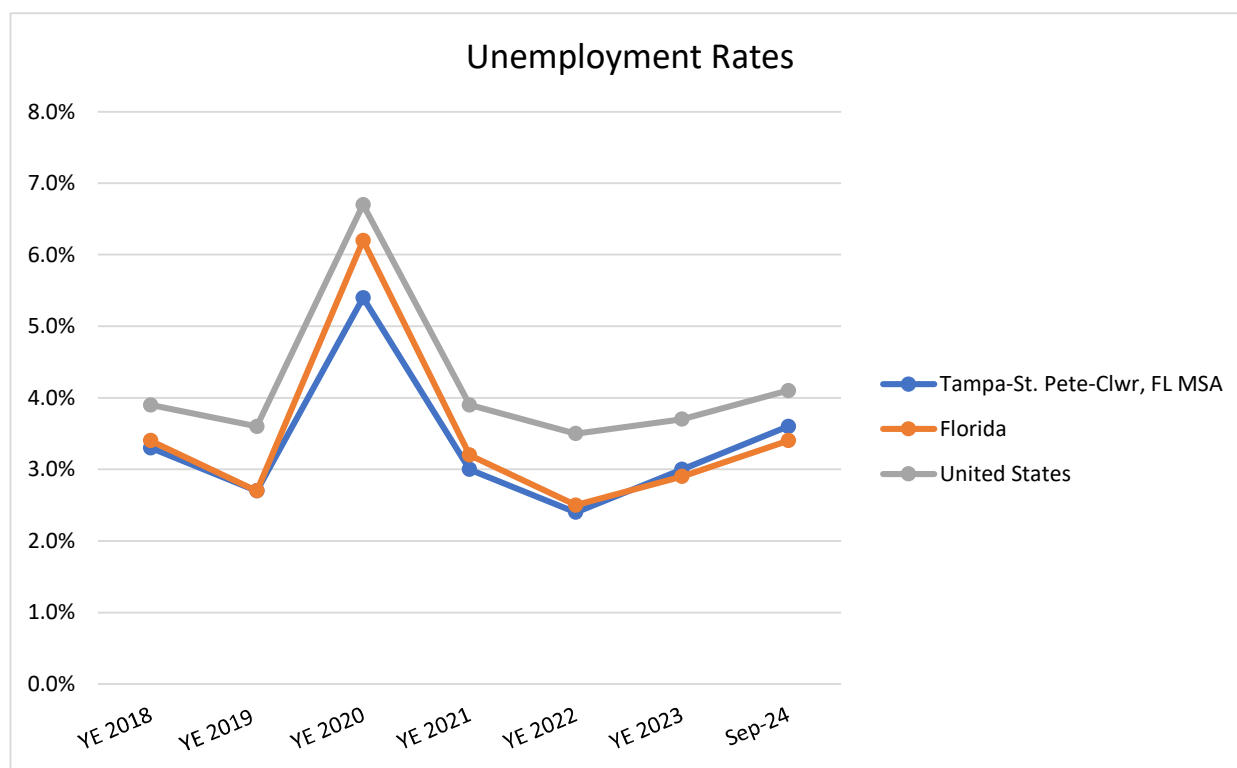
Employment

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Unemployment

The following table exhibits current and past unemployment rates as obtained from the Bureau of Labor Statistics. Overall, the metro and the state had a lower unemployment rate than the nation. This, combined with the pro-business philosophy of Florida, has increased investor demand for real estate in Florida over the past couple years.

Unemployment Rates							
Area	YE 2018	YE 2019	YE 2020	YE 2021	YE 2022	YE 2023	Sep-24
Tampa-St. Pete-Clwr, FL MSA	3.3%	2.7%	5.4%	3.0%	2.4%	3.0%	3.6%
Florida	3.4%	2.7%	6.2%	3.2%	2.5%	2.9%	3.4%
United States	3.9%	3.6%	6.7%	3.9%	3.5%	3.7%	4.1%



The following table provides the employment by industry for the Tampa Bay MSA.

Employment by Industry - Tampa Bay MSA		
Industry	Aug-24	Percent of Employment
Mining/Logging	300	0.0%
Construction	95,900	6.2%
Manufacturing	76,800	4.9%
Trade, Transportation, Utilities	280,200	18.0%
Information	29,700	1.9%
Financial Activities	145,100	9.3%
Professional and Business Services	295,200	19.0%
Education and Health Services	247,500	15.9%
Leisure and Hospitality	171,600	11.0%
Other Services	55,800	3.6%
Government	158,700	10.2%

Major Employers

The following table indicates the major employers within the Tampa Bay MSA.

Major Employers - Tampa Bay MSA	
Company	No. of Employees
State of Florida	34,700
MacDill Air Force Base	31,000
BayCare Health System	29,402
Publix Super Markets	27,000
Hillsborough County School District	23,750
HCA West Florida Division	17,000
University of South Florida	14,980
Polk County School District	13,363
Pinellas County School District	12,865
Adventhealth West Florida Division	12,000

Tourism

Visitors to the Tampa Bay area contributed a direct impact in excess of \$8 billion in fiscal year 2022, which included spending by international visitors, and domestic day and overnight visitors. Visit Tampa Bay said overall, total taxable hotel revenue for Tampa Bay has reached \$963,632,597 for fiscal year 2022. Tourist development tax collections for the period reached \$57,843,695, a 56.5% increase over the last fiscal year. Those numbers surpass pre-pandemic levels and represent a winning streak that will only continue.

In Hillsborough County, the total Tourist Development Tax collections within the first 9 months of the 2023 fiscal year hit over \$52,000,000.

Pinellas County is known for the beaches of the barrier islands including from Clearwater Beach in the north to St. Pete Beach in the south. The St. Petersburg/Clearwater area is the leading destination on the Gulf Coast.

Busch Gardens Tampa Bay launches the Serengeti Flyer, the tallest and fastest ride of its kind, while Adventure Island Water Park offers its new rides called Rapids Racer and Wahoo Remix. ZooTampa at Lowry Park has also expanded its site to treat some of the injured Florida manatees.

The Gulf Coast draws visitors for the outdoor and on-the-water recreational opportunities such as golf with a myriad of public, municipal and private courses. The area is known as one of the best fishing grounds with both inshore and offshore opportunities and charter companies operating out of the many marinas in the area. Clearwater Beach is known as one of the best beaches in the world (Trip Advisor's #1 in 2018) with many attractions including the Clearwater Marine Aquarium that's home to two of the world's most famous dolphins.

There are many museums and other cultural attractions that draw tourists including the Dali Museum, the Chihuly Collection, St. Petersburg Museum of History and Imagine Museum to name a few. The St. Petersburg Arts Alliance partnered with St. Petersburg to ensure a strong arts-related economic presence and foster growth in the seven arts districts.

Largo offers several attractions including the Florida Botanical Gardens, and the Pinellas County Heritage Village, an open-air historical village and museum dating to the mid-19th Century. The Pinellas Trail is a linear trail extending from St. Petersburg to Tarpon Springs through Largo. The 45-mile trail is developed mostly along abandoned rail lines and is open for cyclists, joggers, and skaters.

Linkages

Interstate 275 traverses north and south through the center of the county. This limited-access highway provides access to Interstate 75 to the north and Saint Petersburg to the south. Interstate 75 is a limited-access highway which traverses north and south through the center of the county. This highway provides access to Manatee County to the south and Hernando and Pasco counties to the north. Interstate 4 is a limited access highway that terminates in Hillsborough County and travels east to Orlando. There are several limited-access toll roads that traverse through the county and numerous county roads.

There are three major bridges that provide access to Pinellas County from Hillsborough County. These include the West Courtney Campbell Causeway (State Route 60), the Howard Frankland Bridge (Interstate 275/State Route 93) and U.S. Highway 92/State Route 600.

Overall, the linkages throughout the county are ample with good access to other areas of the Tampa Bay area.

Transportation

The Tampa Bay MSA is home to two major airports including St. Pete-Clearwater International Airport (PIE) in Pinellas County, and Tampa International Airport (TPA) in Hillsborough County.

Tampa International Airport is an international airport approximately 6.0 miles west of Downtown Tampa. It is served by over twenty major airlines, including Southwest Airlines which operates up to 121 flights per day. In 2022, the airport reportedly handled 21,527,863 passengers, making it the 23rd busiest airport in North America. From March 7, 2023 to April 10, 2023, the airports spring break period, TPA had almost 2.5 million passengers which beats the previous spring break record from 2019 by almost 50,000 passengers. The airport recorded its busiest day on record on March 19, 2023, with more than 90,000 passengers. TPA is also planning a \$790 million Airside D project that is scheduled for completion in late 2027.

St. Pete-Clearwater International Airport saw a 2% increase in passengers in 2023. The airport connects Pinellas County with smaller cities across North America and is seeing growth in its Canadian business and is planning a \$106 million terminal expansion.

Mass transit is provided by the public transports available for each county as stated below:

Pinellas County	Pinellas Suncoast Transit Authority (PSTA)
Hillsborough County	Hillsborough Area Regional Transit Authority (HART)
Pasco County	Pasco County Public Transportation (PCPT)
Hernando County	Hernando County Transit Services (TheBus)

Population

The 2024 population data is the most current available for the Tampa MSA with growth as illustrated below. As employment has increased over the past few years, the population growth has also increased. The four county Tampa MSA had an estimated 2024 population of 3,356,667 which is expected to increase by 0.88% per year until 2029.

	2024 Population	2029 Population Estimation	Population: Annual Growth Rate
Tampa-St. Petersburg-Clearwater	3,356,667	3,506,366	0.88%
Florida	22,779,514	23,862,875	0.93%
USA	338,440,954	344,873,411	0.38%

Median Household Income

Total median household income for the region is presented in the following table. Overall, the subject's MSA is similar to the state. However, is slightly below the nation.

	2024 Median Household Income	2024 Average Household Income	2024 Per Capita Income
Tampa-St. Petersburg-Clearwater	\$73,773	\$106,305	\$43,929
Florida	\$74,715	\$105,305	\$42,078
USA	\$79,068	\$113,185	\$43,829

Residential Real Estate

House Price Appreciation:

Median price for houses is \$402,000 in October 2024 compared to \$407,400 in October 2023, which was a 1.3% decrease. Condo/townhome median pricing is down -3.9% during the same timeframe, down to \$288,445 from \$300,000.

Active listings are up 32.9% from last year in the Single-Family home market and up 39.1% in the Townhouse/Condo market. This is due to the decreased sales volume and decrease in demand for housing.

The tables below summarize the most important housing market indicators for the Tampa, FL metro in October 2024.

Single-Family				Townhouses and Condos			
Summary Statistics	October 2024	October 2023	Percent Change Year-over-Year	Summary Statistics	October 2024	October 2023	Percent Change Year-over-Year
Closed Sales	2,729	3,012	-9.4%	Closed Sales	872	1,250	-30.2%
Paid in Cash	616	901	-31.6%	Paid in Cash	377	610	-38.2%
Median Sale Price	\$402,000	\$407,400	-1.3%	Median Sale Price	\$288,445	\$300,000	-3.9%
Average Sale Price	\$511,534	\$506,944	0.9%	Average Sale Price	\$357,347	\$428,332	-16.6%
Dollar Volume	\$1.4 Billion	\$1.5 Billion	-8.6%	Dollar Volume	\$311.6 Million	\$535.4 Million	-41.8%
Median Percent of Original List Price Received	95.9%	97.6%	-1.7%	Median Percent of Original List Price Received	94.2%	97.1%	-3.0%
Median Time to Contract	38 Days	20 Days	90.0%	Median Time to Contract	55 Days	21 Days	161.9%
Median Time to Sale	83 Days	62 Days	33.9%	Median Time to Sale	102 Days	59 Days	72.9%
New Pending Sales	2,437	2,983	-18.3%	New Pending Sales	853	1,178	-27.6%
New Listings	3,494	4,187	-16.6%	New Listings	1,195	1,875	-36.3%
Pending Inventory	3,530	4,121	-14.3%	Pending Inventory	1,227	1,739	-29.4%
Inventory (Active Listings)	11,269	8,477	32.9%	Inventory (Active Listings)	5,826	4,187	39.1%
Months Supply of Inventory	3.5	2.5	40.0%	Months Supply of Inventory	5.0	3.2	56.3%

Source: Greater Tampa Realtors

The Tampa, FL metro had a weakening seller's market in September 2024. For the Single-Family segment, months' supply stood at 3.5 months. For the Townhouse/Condo segment, it stood at 5.0 months. On a market segment basis, entry-level markets tend to have a somewhat lower demarcation point between a buyer's and seller's market (estimated around 5 months) and move-up markets tend to have a somewhat higher demarcation point between a buyer's and seller's market (estimated around 7 months). This is because even in a balanced market, the less expensive entry-level homes usually sell more quickly than move-up homes. Lower levels of months' inventory tend to lead to upward price pressures. This is especially common in the entry-level market, where supply has been most constrained since 2012 and which has led to reduced affordability.

Mortgage Risk:

AEI measures the level of mortgage risk present in a metro through the mortgage default rate. A higher mortgage default rate implies greater access to credit, but also indicates greater likelihood of default. While at first glance, greater access may seem like a positive, especially for first-time buyers trying to enter the market, when market conditions are tight, it actually works to their detriment. During a seller's market, greater access to credit is capitalized into higher house prices, which then generally results in home prices rising faster than, for example, incomes or rents.

In the Tampa, FL metro, the most recent mortgage default rate data is for the 1st quarter of 2024, which stood at 12.1%, compared to 12.5% for the nation. The mortgage default rate in the Tampa, FL metro decreased from a year ago, when the mortgage default rate stood at 12.8%.

The mortgage default rate varied substantially by market segment for the Tampa, FL metro. The mortgage default rate for entry-level buyers was 15.0%, but only 8.9% for move-up buyers.

Expected mortgage rate increases is not likely to be positive for the residential housing market. We expect pricing to stabilize and likely only moderately increase in 2024. This depends heavily on the net positive in-migration of people moving to the area from other parts of the country.

New Construction Activity:

In the first quarter of 2024, new construction share of sales added 21.4% overall to the Tampa, FL metro housing stock. This is higher than the nation, for which the new construction contribution during the same time period was 15.8%. Additions to the existing housing stock during this period varied substantially by market segment. While 17.9% was added to the entry-level tier stock, 26.6% was added to the move-up tier stock.

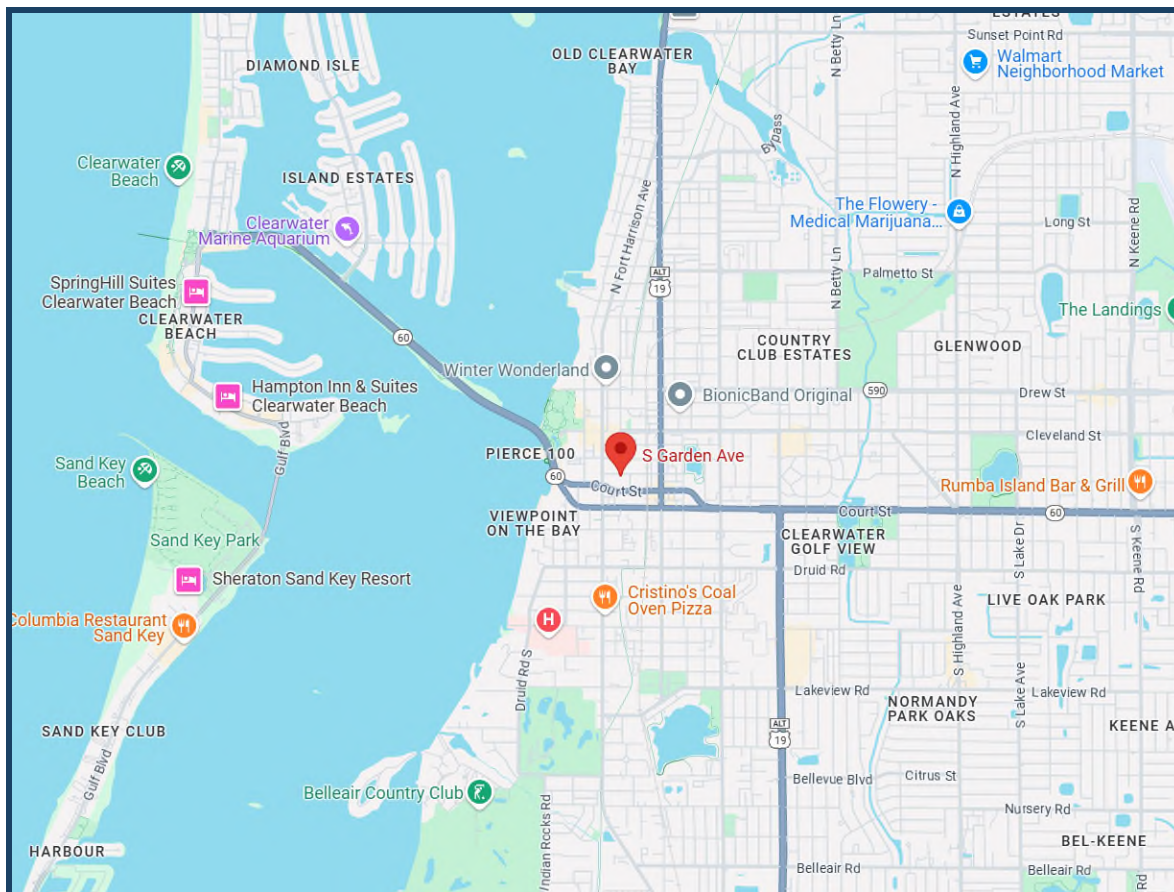
MSA Conclusion

Housing demand and prices continue to grow, while 2023 housing permits topped the previous year by 2%, housing prices are also at the highest levels since 2008. As the economy continued to improve throughout late 2022, not only did housing prices continue to rise, but residential rental rates also increased. These trends continued into 2023 and 2024 throughout the residential and commercial real estate sectors. It is unclear what effect rising interest rates will have on the economy and real estate markets. Healthcare is another key driver for the metro area—jobs in the medical profession are over 15% of the area's workforce and pay slightly more than the local average. Hiring in these elective fields is evidence that residents are optimistic about the region's recovery. This increase is also attributable to the extra demand created by the large, fast-growing senior population. Among major metro areas, the Tampa MSA maintains the largest percentage of residents older than 65, even with a population growth trend of under 20-year olds outpacing the country as a whole.

Tampa-St. Petersburg-Clearwater is expected to outpace the nation over the next two years, as an influx of residents, mostly retirees and people moving from the northeast, will drive demand for housing and other locally produced services. These transplants will contribute to its tax base, but not add as much to its tightening labor supply as a high percentage appear to be retirees and remote employees. This will also help to continue to drive the construction market. Overall, these factors have led to the lowest unemployment levels in Tampa Bay since before the COVID pandemic, a growing labor force with more people entering the job market, while driving up wages. While the hospitality industry in the beaches area has been robust over the past few years, continually breaking records, the industry is also expected to continue to slowly recover outside the beaches areas, as the US and world economies improve. The beaches continue to be some of the utmost traveled to destinations with outdoor venues especially in high demand in 2020 and 2021. These factors will ensure that Tampa Bay's income expands faster than the nation's over the forecast horizon. Robust healthcare and the outdoor lifestyle demand will be a catalyst for the foreseeable future and the outlook for the long-term economy is positive.

Neighborhood Analysis

Due to the summary format of the report, detailed information relative to regional and city trends have been summarized as follows.



Overview

Pinellas County was founded in 1912. The county seat, Clearwater, was incorporated in 1891. It totals 608 square miles, made up of 274 square miles of land and 334 square miles of water. The subject's neighborhood is located in Clearwater, within Pinellas County. The address is 516 Lakeview Rd and the borders include Sunset Point Rd to the north, US 19 to the east, East Bay Dr to the south, and the Intracoastal Waterway to the west.

Access/Visibility

Within the immediate area of the subject property, transportation access helps define the character of its development. This portion of Pinellas County has average to good access with the primary north and south roadways being US 19, Alt US-19 and Keene Rd, and the primary east and west roadways being Gulf to Bay Blvd, Drew St, Sunset Point Rd and Main St. Gulf to Bay Blvd gives the subject neighborhood quick access to Hillsborough County. There are a number of secondary and tertiary streets traversing the neighborhood to provide good access.

Land Use Patterns

Development within the neighborhood includes low-density commercial/retail development along major thoroughfares such as Court St and S Missouri Ave., with residential developments located on secondary thoroughfares scattered throughout the neighborhood. Residential makes up most of the development in the neighborhood on the south side of Court St, and the north side of Court St to Drew St has mixed development as it's part of Downtown Clearwater. There is very little industrial development. The developable area in the PMA is approximately 95% developed, with most vacant land being parcels that were previously developed and were demolished for re-development. The approximate breakdown of land uses is as follows: Single-family 45%, Multifamily 15%, Retail 25%, Office 10%, Industrial 3%, and Vacant Land 2%. The neighborhood is in the stability phase of its life cycle.

New retail and mixed-use developments are also underway within 5 miles of the subject. The Clearwater Downtown Redevelopment Plan Area serves as a long-term vision for Downtown Clearwater and surrounding residential and commercial areas. It includes a 540-acre community redevelopment area namely Imagine Clearwater; a \$55 million master plan along downtown's waterfront that will offer high-rise office, mixed-use residential and retail space, and the North Marina Master Plan area on the other hand covers 64 acres just north of Downtown Clearwater which focuses on attracting commercial, retail, restaurants and more residential to the neighborhood.

The City of Clearwater is in the design phase for a new city hall to be built at Myrtle Ave and Pierce St, south of the Municipal Services Building downtown. Plans include a 41,679 square foot city hall along with a public plaza green space that connects to the Pinellas Trail. The existing parking lot of the Municipal Services Building will support the new city hall, and onsite parking will be added for the development. The project is estimated to cost \$44.8 million, \$31.5 million for the new city hall and \$13.3 million for renovation of the Municipal Services Building.

A three-acre waterfront site at 551 Gulf Boulevard has been acquired for the development of a pair of nine-story buildings with 86 luxury residences, a resort-style pool deck and a 270-foot wide private beach. Residences are expected to range in size from 2,000 to 5,500 square feet, and will average just under 3,000 square feet, with prices from \$2 million to \$10 million. Sales for the project are expected to launch in late 2024, and vertical construction is set to begin in 2025.

A new \$32 million, 81-unit affordable housing community named Clearwater Gardens is being constructed at 1260 Cleveland St in Clearwater, just east of downtown. The four-story building will include 52 one-bedroom units, 8 two-bed one-bath units and 21 two-bed two-bath units. Units will range from 605 square feet to 929 square feet and will be open to households with incomes ranging from 30% of the area median income to 80%. Amenities will include resident programs and activities as well as a library, children's game room, coworking space and a tech lab. There will also be a community garden for residents on the northeast corner of the property next to an existing community garden. Construction is expected to take 18 months to complete.

Opal Sol, a new 248 unit all-suite resort is currently under construction on the east side of S Gulfview Blvd in Clearwater Beach, across the street from its sister property, Opal Sands Resort. Property amenities will include three pools, two with waterfront views, the full-service Opal Spa and four restaurants. Rooms will range from studio to three bedrooms, and guests will have access to additional dining and amenities at Opal Sands. Opal Sol will offer 57,194 square feet of event space that when combined with Opal Sands, will offer over 106,000 square feet of indoor/outdoor, and ancillary space that can accommodate groups of up to 700 attendees. Completion is expected in 2025.

Public Facilities/ Services

Public utilities (sewer, water, trash) are available to most portions of the neighborhood and provided by Pinellas County Utilities, while TECO Energy provides electricity. Fire and police protection are adequate to meet the needs of the neighborhood's residents and are provided by the Clearwater Police Department and Clearwater Fire Rescue. Public transportation is available in the neighborhood and adequate medical services are also provided.

Neighborhood Demographics

The following tables present the subject neighborhood demographics for a one-, three- and five-mile radius from the subject property.

Demographic Data

Population characteristics and income levels were obtained from STBOnline for 1, 3, and 5-mile radii near the subject's location. A summary of the information is presented in the following tables.

POPULATION

	1 mile	3 miles	5 miles
2010 Population	9,606	81,222	201,434
2020 Population	10,580	84,713	211,222
2024 Population	10,315	85,436	214,568
2029 Population	10,334	84,819	214,152
2010-2020 Annual Rate	0.97%	0.42%	0.48%
2020-2024 Annual Rate	-0.60%	0.20%	0.37%
2024-2029 Annual Rate	0.04%	-0.14%	-0.04%
2020 Median Age	47.2	47.2	50.2
2024 Median Age	48.3	47.6	50.6

TAMPA-ST. PETERSBURG-CLEARWATER MSA



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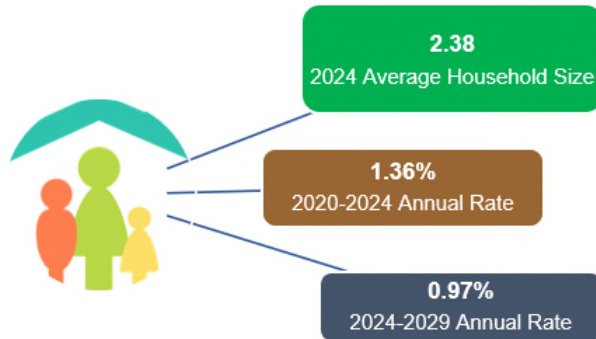
Within 3 miles of the subject, the current year population is 85,436. In 2020, the Census count in the area was 84,713. The rate of change since 2020 was 0.20% annually. The five-year projection for the population in the area is 84,819 representing a change of -0.14% annually from 2024 to 2029.

HOUSEHOLD

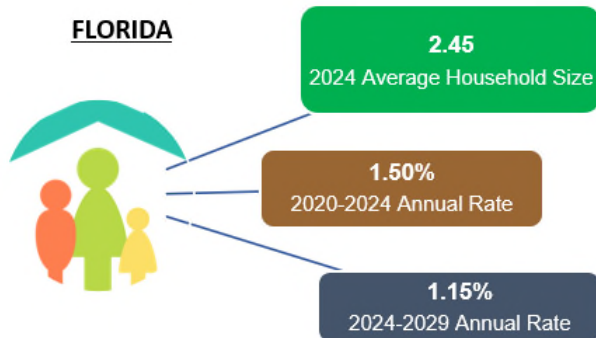
	1 mile	3 miles	5 miles
2024 Wealth Index	59	100	89
2010 Households	4,528	34,971	93,286
2020 Households	5,031	36,588	98,048
2024 Households	5,180	37,382	100,420
2029 Households	5,290	37,660	101,675
2010-2020 Annual Rate	1.06%	0.45%	0.50%
2020-2024 Annual Rate	0.69%	0.51%	0.56%
2024-2029 Annual Rate	0.42%	0.15%	0.25%
2024 Average Household Size	1.87	2.19	2.08

The household count within 3 miles of the subject has changed from 36,588 in 2020 to 37,382 in the current year, a change of 0.51% annually. The five-year projection of households is 37,660, a change of 0.15% annually from the current year total. Average household size is currently 2.19.

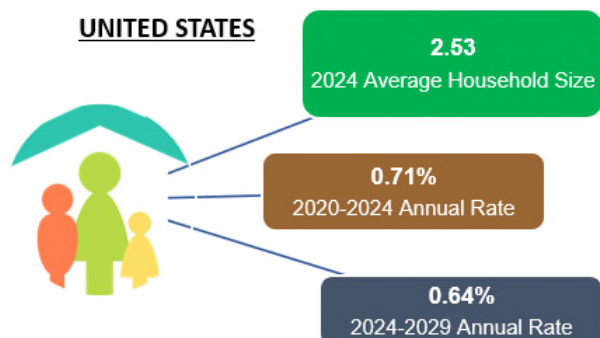
TAMPA-ST. PETERSBURG-CLEARWATER MSA



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INCOME

	1 mile	3 miles	5 miles
Mortgage Income			
2024 Percent of Income for Mortgage	76.5%	41.0%	37.8%
Median Household Income			
2024 Median Household Income	\$38,041	\$62,228	\$60,954
2029 Median Household Income	\$50,693	\$81,720	\$78,030
2024-2029 Annual Rate	5.91%	5.60%	5.06%
Average Household Income			
2024 Average Household Income	\$75,703	\$101,078	\$94,097
2029 Average Household Income	\$90,855	\$120,375	\$112,597
2024-2029 Annual Rate	3.72%	3.56%	3.65%
Per Capita Income			
2024 Per Capita Income	\$37,490	\$44,576	\$44,217
2029 Per Capita Income	\$45,821	\$53,829	\$53,666
2024-2029 Annual Rate	4.09%	3.84%	3.95%

Current median household income is \$62,228 within 3 miles of the subject, compared to \$79,068 for all U.S. households. Median household income is projected to be \$81,720 in five years, compared to \$91,442 all U.S. households.

Current average household income is \$101,078 in this area, compared to \$113,185 for all U.S. households. Average household income is projected to be \$120,375 in five years, compared to \$130,581 for all U.S. households.

Current per capita income is \$44,576 in the area, compared to the U.S. per capita income of \$43,829. The per capita income is projected to be \$53,829 in five years, compared to \$51,203 for all U.S. households.

TAMPA-ST. PETERSBURG-CLEARWATER MSA



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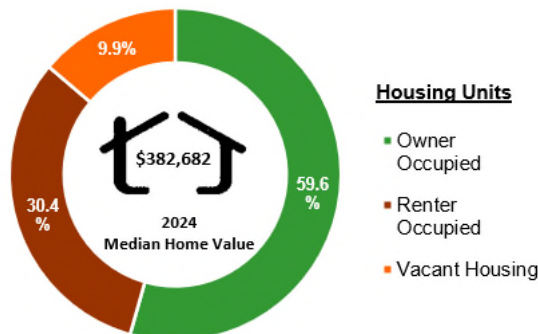


HOUSING

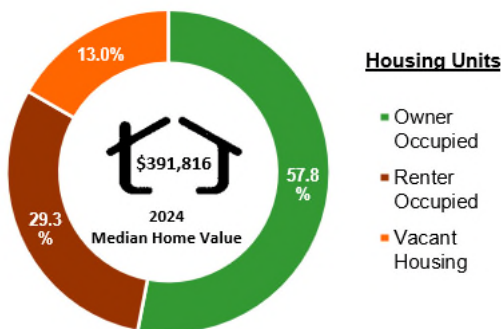
	1 mile	3 miles	5 miles
2024 Housing Affordability Index	32	61	66
2010 Total Housing Units	6,046	44,812	115,423
2010 Owner Occupied Housing Units	1,369	20,726	58,198
2010 Renter Occupied Housing Units	3,159	14,244	35,087
2010 Vacant Housing Units	1,518	9,841	22,137
2020 Total Housing Units	6,372	45,090	117,349
2020 Owner Occupied Housing Units	1,677	21,524	59,305
2020 Renter Occupied Housing Units	3,354	15,064	38,743
2020 Vacant Housing Units	1,257	8,512	19,350
2024 Total Housing Units	6,515	45,799	119,695
2024 Owner Occupied Housing Units	1,813	22,368	61,776
2024 Renter Occupied Housing Units	3,367	15,014	38,644
2024 Vacant Housing Units	1,335	8,417	19,275
2029 Total Housing Units	6,570	46,052	120,692
2029 Owner Occupied Housing Units	2,013	23,558	65,020
2029 Renter Occupied Housing Units	3,277	14,102	36,655
2029 Vacant Housing Units	1,280	8,392	19,017

Currently, 48.8% of the 45,799 housing units within 3 miles of the subject are owner occupied; 32.8%, renter occupied; and 18.4% are vacant. Currently, in the U.S., 57.9% of the housing units in the area are owner occupied; 32.1% are renter occupied; and 10.0% are vacant. In 2020, there were 45,090 housing units in the area and 18.9% vacant housing units.

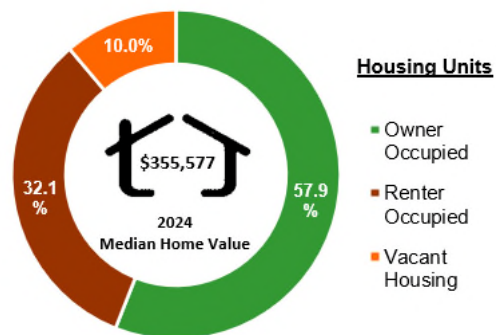
TAMPA-ST. PETERSBURG-CLEARWATER MSA



FLORIDA



UNITED STATES



Conclusion

The subject is located within Downtown Clearwater and is within five miles of the heart of Clearwater Beach. There have been significant increases in tourism and growth within the Clearwater Beach area over the past five years. Consequently, this growth has had a huge impact on the City of Clearwater and surrounding area tax base, retail/restaurant sales and overall home values. The area is nearly completely developed. The neighborhood is well located and is within commuting distance of other areas of Pinellas County and surrounding communities along the barrier islands. The accessibility of the locale is enhanced by its proximity to Gulf to Bay Blvd and location along S Missouri Ave. Given its location characteristics and being mostly built-out, a slow population growth is expected within 3 miles of the subject over the next several years. Demand for properties is expected to be stable. The long-term outlook for the neighborhood is anticipated to be one of continued slow growth, re-development, and demand into the foreseeable future.

Subject Photographs



Exterior



Exterior



Exterior



Exterior



Exterior



Exterior

Subject Photographs



Exterior



Exterior



Exterior



Exterior



Exterior



Exterior

Subject Photographs



Exterior



Exterior



Exterior



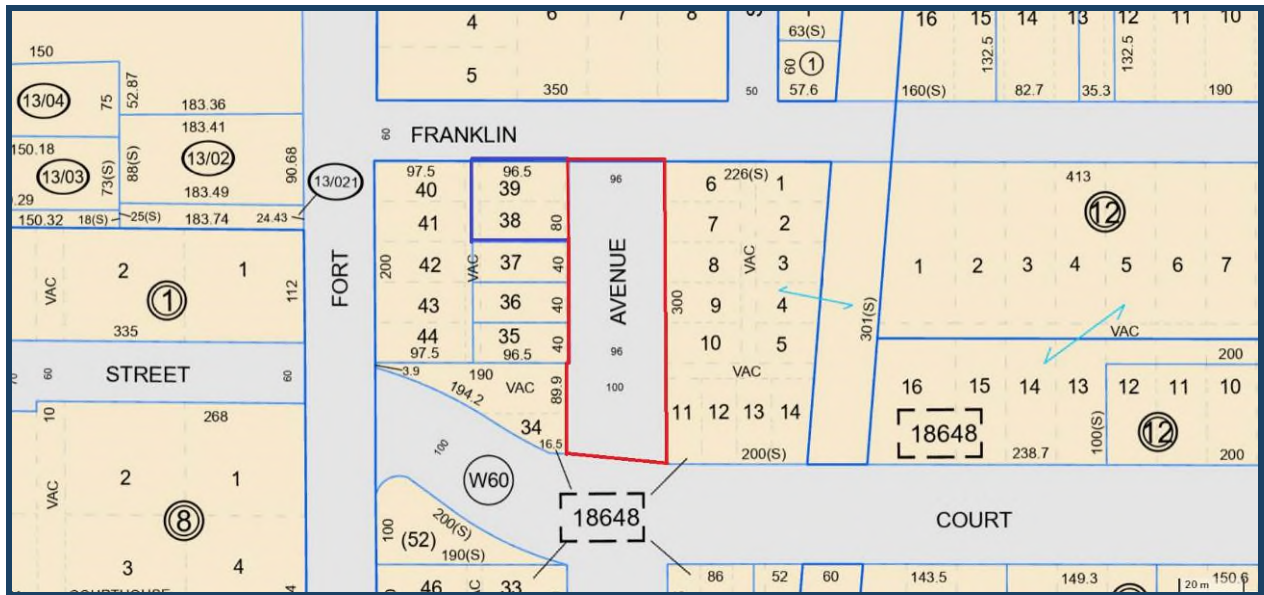
Exterior



Exterior



Exterior



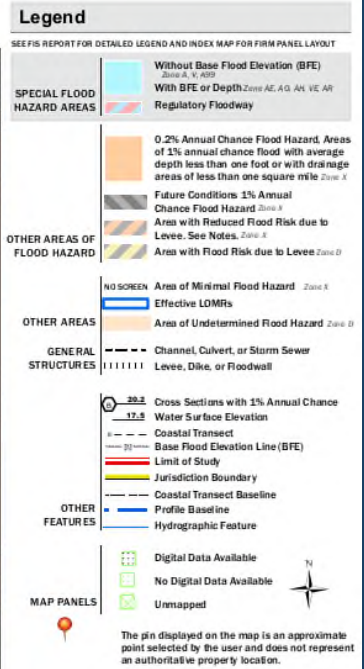
Plat Map

(Outline is Approximate) Source: Pinellas County Property Appraiser



Aerial Map

(Outline is Approximate) Source: Pinellas County Property Appraiser



This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

 **Entreken Associates, Inc.**
Real Estate Appraisal & Advisory Services

Land Sale Comparables – Scenarios 1 & 2

Land Comparable 1

ID 21713
Address 701-714 N Fort Harrison Ave
City Clearwater
State FL
Zip 33755
County Pinellas
Latitude 27.97279461
Longitude -82.7998959
Tax ID 09-29-15-52200-000-0041 , 09-29-15-52200-000-0010 , 09-29-15-52200-000-0050 , 09-29-15-52200-000-0040
Property Major Type Land
Property Type Commercial



Transaction			
Address	701-714 N Fort Harrison Ave	Date	12/16/2021
City	Clearwater	Price	\$1,600,000
State	FL	Price per Acre	\$2,085,261
Zip	33755	Price per Land SF	\$47.87
Tax ID	09-29-15-52200-000-0041 , 09-29-15-52200-000-0010 , 09-29-15-52200-000-0050 , 09-29-15-52200-000-0040	Financing	Conventional
Grantor	Osceola Properties, Inc.	Property Rights	Fee Simple
Grantee	Caeruleum Development, LLC	Conditions of Sale	Arm's Length
Legal Description	Long Legal	Days on Market	749

Site			
Acres	0.77	Topography	Gently Sloping
Land SF	33,423	Zoning	D - Downtown
Road Frontage	N Fort Harrison Ave, N Osceola	Flood Zone	Zone X
Shape	Rectangular	Encumbrance or Easement	None Noted
Utilities	Available to Site	Environmental Issues	None Noted

Sale Comments
 This 0.77-acre property located at 701-714 N Fort Harrison Ave, Clearwater, FL was sold on December 16, 2021, for a reported price of \$1,600,000. The property sold with 7 apartments fully occupied and was marketed as an interim use during permitting and planning. According to the broker, the buyer expressed intentions to demolish the existing structures and redevelop the property. The property was previously owned by Osceola Properties Inc. The seller was represented by Gro Miller at Sunshine Professional Realty Corp.

Land Comparable 2

ID 23464
Address 708 N Osceola Ave
City Clearwater
State FL
Zip 33755
County Pinellas
Latitude 27.9731826
Longitude -82.8004702
Tax ID 09-29-15-00000-420-0300
Property Major Type Land
Property Type Commercial



Transaction			
Address	708 N Osceola Ave	Date	10/25/2022
City	Clearwater	Price	\$2,000,000
State	FL	Price per Acre	\$2,172,543
Zip	33755	Price per Land SF	\$49.87
Tax ID	09-29-15-00000-420-0300	Financing	Conventional
Grantor	708 Holdings, LLC	Property Rights	Fee Simple
Grantee	RSRCAD 2201, LLC	Conditions of Sale	Arm's Length
Legal Description	Long Legal	Days on Market	--

Site			
Acres	0.92	Topography	Gently Sloping
Land SF	40,101	Zoning	D - Downtown
Road Frontage	N Osceola Ave	Flood Zone	Zone X
Shape	Roughly Rectangular	Encumbrance or Easement	None Noted
Utilities	Available to Site	Environmental Issues	None Noted

Sale Comments
 This commercial land property located at 708 N Osceola Ave, Clearwater FL, was sold on October 25, 2022, for \$2,000,000. The buyer, RSR Capital Advisors, has announced to redevelop the property with a 52-unit luxury condominium community which is expected to include both designer-ready shells and move-in ready units, with pricing expected to start at \$1.2 million. Residents will enjoy waterfront views of the Intracoastal Waterway, a pool/cabana area, a fitness and activity center, a golf simulator, beautiful interior finishes, and other high-end amenities.

Land Comparable 3

ID 21733
Address 107 S Osceola Ave
City Clearwater
State FL
Zip 33756
County Pinellas
Latitude 27.9641667
Longitude -82.80087208
Tax ID 16-29-15-20358-002-0110
Property Major Type Land
Property Type Commercial



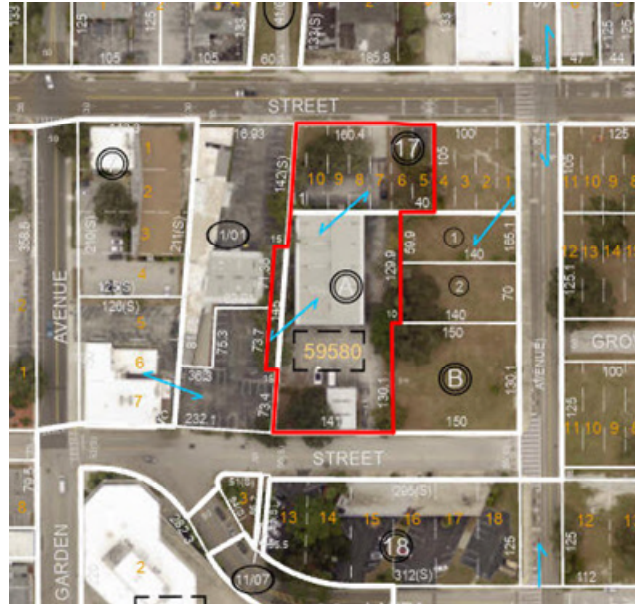
Transaction			
Address	107 S Osceola Ave	Date	12/11/2022
City	Clearwater	Price	\$1,850,000
State	FL	Price per Acre	\$2,238,869
Zip	33756	Price per Land SF	\$51.40
Tax ID	16-29-15-20358-002-0110	Financing	Conventional
Grantor	Peace Memorial Presbyterian Church of Clearwater, Florida, INC.	Property Rights	Fee Simple
Grantee	Community Redevelopment Agency of the City of Clearwater, Florida	Conditions of Sale	Arm's Length
Legal Description	Long Legal	Days on Market	--

Site			
Acres	0.83	Topography	Gently Sloping
Land SF	35,994	Zoning	D - Downtown
Road Frontage	S Osceola Ave & Pierce St	Flood Zone	Zone X
Shape	Rectangular	Encumbrance or Easement	None Noted
Utilities	Available to Site	Environmental Issues	None Noted

Sale Comments	
<p>This commercial land property located at 107 S Osceola Ave, Clearwater FL, was sold on December 11, 2022, for \$1,850,000. Clearwater's Community Redevelopment Agency purchased the site from Peace Memorial Presbyterian Church. The city plans to use the site to build a 550-space parking garage. Part of the purchase agreement states that 125 spaces will be reserved on Sunday mornings for the church services. The ground portion of the garage also will have 12,000 +/- SF of retail space and there are limitations on what may go into that space. There will be no liquor stores, bars, or tattoo parlors allowed in the space.</p>	

Land Comparable 4

ID 24573
Address 633 Drew St
City Clearwater
State FL
Zip 33755
County Pinellas
Latitude 27.9676032
Longitude -82.797693
Tax ID 16-29-15-59580-001-0000
Property Major Type Industrial
Property Type Warehouse



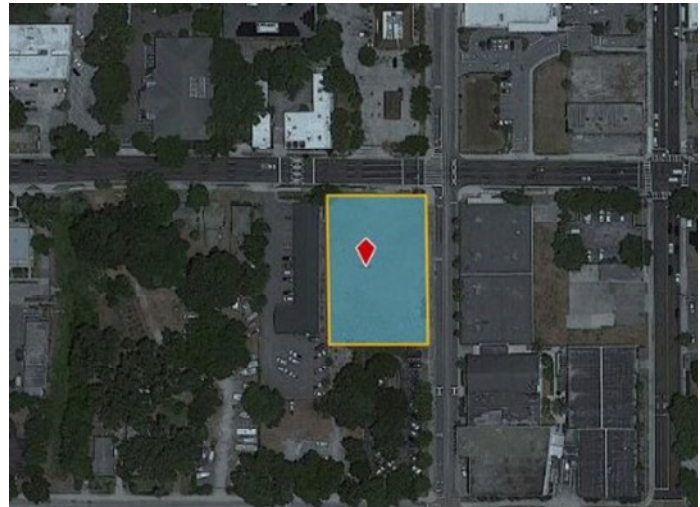
Transaction			
Address	633 Drew St	Date	5/10/2023
City	Clearwater	Price	\$5,750,000
State	FL	Price per Acre	\$4,554,816.22
Zip	33755	Price per Land SF	\$104.56
Tax ID	16-29-15-59580-001-0000	Financing	Conventional
Grantor	Andrew Nall & Scott Nall	Property Rights	Fee Simple
Grantee	Zano Team 4 LLC	Conditions of Sale	Arm's Length
Legal Description	Long Legal	Days on Market	423

Site			
Acres	1.26	Topography	Gently Sloping
Land SF	54,990	Zoning	D - Downtown
Road Frontage	Drew St	Flood Zone	Zone X
Shape	Irregular	Encumbrance or Easement	None Noted
Utilities	Available to Site	Environmental Issues	None Noted

Sale Comments
 This industrial property located at 633 Drew St, Clearwater FL, was sold on May 10, 2023, for \$5,750,000. The property is zoned D - Downtown and would allow up to 75 units per acre. According to the broker, the property was purchased for its land value by a motivated party who also had acquired other lands in the area.

Land Comparable 2 - Scenario 2

ID 21711
Address 639-645 Chestnut St
City Clearwater
State FL
Zip 33756
County Pinellas
Latitude 27.96044425
Longitude -82.79715054
Tax ID 15-29-15-54450-019-0030
Property Major Type Land
Property Type Multi-Family



Transaction			
Address	639-645 Chestnut St	Date	3/15/2022
City	Clearwater	Price	\$960,000
State	FL	Price per Acre	\$1,319,914
Zip	33756	Price per Land SF	\$30.30
Tax ID	15-29-15-54450-019-0030	Financing	Conventional
Grantor	Chestnut Development Associates LLC	Property Rights	Fee Simple
Grantee	Chestnut & Trail LLC	Conditions of Sale	Arm's Length
Legal Description	MAGNOLIA PARK BLK 19, LOTS 3, 4 AND 5 AND E 2FT OF LOT 2	Days on Market	

Site			
Acres	0.73	Topography	Gently Sloping
Land SF	31,682	Zoning	D - Downtown
Road Frontage	Chestnut St	Flood Zone	Zone X
Shape	Rectangular	Encumbrance or Easement	None Noted
Utilities	Available to Site	Environmental Issues	None Noted

Sale Comments

This 0.73-acre commercial land property located at 645 Chestnut St, Clearwater, FL was sold on March 15, 2022, for a reported price of \$960,000. The seller reports the sale as an arm's length transaction without any approvals. The purchaser received approval for a 5 story, 52-unit apartment building with 4,000 square feet of ground floor non-residential space. The site has 52 parking spaces.

Definitions

Definitions are from The Dictionary of Real Estate Appraisal, 7th Edition (Dictionary), the Building Owners and Managers Association International (BOMA), and the International Council of Shopping Centers (ICSC).

Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant.¹

Amortization

1. The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund.¹
2. The gradual reduction of an amount over time, such as tax depreciation of intangible items.

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.¹

Base Rent

The minimum rent stipulated in a lease.¹

Base Year

The year on which escalation clauses in a lease are based.¹

Building Common Area

In office buildings, the areas of the building that provide services to building tenants but that are not included in the office area or store area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common area are floor common areas, parking space, portions of loading docks outside the building line, and major vertical penetrations.²

Building Rentable Area

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration.²

Certificate of Occupancy (COO)

A formal written acknowledgment by an appropriate unit of local government that a new construction or renovation project is at the stage where it meets applicable health and safety codes and is ready for commercial or residential occupancy.¹

Common Area Maintenance (CAM)

The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property.¹

The amount of money charged to tenants for their shares of maintaining a [shopping] center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security and upkeep.³

Condominium

An attached, detached, or stacked unit within or attached to a structure with common areas that are held as tenants in common (an undivided interest) with other owners in the project. The units can be residential, commercial, industrial, or parking spaces or boat docks. These units are commonly defined by state laws in their locations. Because units can be stacked on top of other units, these units can be defined both vertically and horizontally.¹

Conservation Easement

An interest in real estate restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may permit farming, timber harvesting, or other uses of a rural nature as well as some types of conservation-oriented development to continue, subject to the easement.¹

Contributory Value

A type of value that reflects the amount a property or component of a property contributes to the value of another asset or to the property as a whole.

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries.¹

Depreciation

1. In appraisal, a loss in property value of improvements from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date.
2. In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques.¹

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
- The property is subjected to market conditions prevailing as of the date of valuation;
- Both the buyer and seller are acting prudently and knowledgeably;
- The seller is under compulsion to sell;
- The buyer is typically motivated;
- Both parties are acting in what they consider to be their best interests;
- An adequate marketing effort will be made during the exposure time;
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.⁴

Easement

The right to use another's land for a stated purpose.¹

Effective Date

1. The date on which the appraisal opinion applies. (SVP)
2. The date to which an appraiser's analyses, opinions, and conclusions apply.
3. The date that a lease goes into effect.¹

Effective Gross Income (EGI)

The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income.¹

Effective Rent

Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. (TIs).¹

Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately.¹

¹ Dictionary of Real Estate Appraisal, 7th Edition

² Building Owners and Managers Association (BOMA)

³ International Council of Shopping Centers (ICSC), 4th Edition

⁴ Dictionary of Real Estate Appraisal, 7th Edition

Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying operating expenses above a stated level or amount.¹

Exposure Time

1. The time a property remains on the market.
2. An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.¹

Extraordinary Assumption

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.¹

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.¹

Floor Common Area

In an office building, the areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor.⁵

Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a *full service lease*.¹

Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory.¹

Going-Concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business*.⁶

Gross Building Area (GBA)

1. Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
2. Gross leasable area plus all common areas.
3. For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space.¹

Gross Leasable Area (GLA)

Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces.¹

Gross Up Method

A method of calculating variable operating expenses in income-producing properties when less than 100% occupancy is assumed. Expenses reimbursed based on the amount of occupied space, rather than on the total building area, are described as "grossed up."¹

Gross Retail Sellout

The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions. An appraisal has an effective date, but summing the sale prices of multiple units over an extended period of time will not be the

value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. Also called the *aggregate of the retail values* or *aggregate retail selling price*.¹

Ground Lease

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term.¹

Ground Rent

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land.¹

Hypothetical Condition

1. A condition that is presumed to be true when it is known to be false. (SVP – Standards of Valuation Practice)
2. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts 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. (USPAP, 2020-2021 ed.)¹

Insurable Value

A type of value for insurance purposes. (Typically this includes replacement cost less basement excavation, foundation, underground piping and architect's fees).¹

Investment Value

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.¹
2. The value of an asset to the owner or a prospective owner given individual investment or operational objectives. (IVS)

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.¹

Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.¹

Liquidation Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a short time period.
- The property is subjected to market conditions prevailing as of the date of valuation.
- Both the buyer and seller are acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider to be their best interests.
- A normal marketing effort is not possible due to the brief exposure time.
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue

⁵ Building Owners and Managers Association (BOMA)

⁶ Dictionary of Real Estate Appraisal, 7th Edition



stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby

- Lessee and lessor are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
- The rent reflects specified terms and conditions typically found in that market, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, frequency of payments (annual, monthly, etc.), and tenant improvements (TIs).¹

Market Value

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

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

Marketing Time

An opinion of the amount of time to sell a property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes the effective date of an appraisal. (Advisory Opinion 7 and Advisory Opinion 35 of the Appraisal Standards Board of the Appraisal Foundation address the determination of reasonable exposure and marketing time.)¹

Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a *double net lease*, *net net lease*, *partial net lease*, or *semi-gross lease*.¹

Operating Expense Ratio

The ratio of total operating expenses to effective gross income (TOE/EGI); the complement of the net income ratio, i.e., $OER = 1 - NIR$.¹

Partial Interest

Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common or easement.¹

Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real property taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant.¹

Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted.¹

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.¹

Rentable Area

For office or retail buildings, the tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring the inside finished surface of the dominant portion of the permanent building walls, excluding any major permanent penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice.¹

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout.¹

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same or similar materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building.¹

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."¹

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel.¹

Triple Net (Net Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called *NNN lease*, *net net net lease*, or *fully net lease*.¹

Use Value

The value of a property based on a specific use, which may or may not be the property's highest and best use. If the specified use is the property's highest and best use, use value will be equivalent to market value. If the specified use is not the property's highest and best use, use value will be equivalent to the property's market value based on the hypothetical condition that the only possible use is the specified use.

Value-in-Use

The amount determined by discounting the future cash flows (including the ultimate proceeds of disposal) expected to be derived from the use of an asset at an appropriate rate that allows for the risk of the activities concerned.

Qualifications

Qualifications of Wesley R. Sanders, MAI, AI-GRS, CCIM Senior Managing Director

EDUCATION

Bachelor of Science in Economics, Texas A&M University, College Station, TX
Associate in Arts in English, Blinn College, Brenham, TX
Associate in Science in Business, Blinn College, Brenham, TX

REAL ESTATE EDUCATION AND COURSES

Real Estate Appraisal	Advanced Applications	Uniform Standards of Professional Appraisal Practice
Real Estate Principles I and II	Advanced Income Capitalization	Litigation Appraising: Specialized Topics and Applications
Real Estate Brokerage	Real Estate Development	Understanding and Testing DCF Valuation Models
Law of Agency	Hotel Appraising	Report Writing & Valuation Analysis
Law of Contracts	Real Estate Math	Advanced CCIM Education
Commercial Real Estate	Advanced Sales Comparison & Cost Approaches	Avoiding Bias
Business Practices and Ethics	Florida State Law Update for R.E. Appraisers	<i>Numerous other courses and seminars completed</i>
Highest & Best Use and Market Analysis	Fundamentals of Separating Real Property	
Comprehensive Guide to Real Estate Finance	Litigation Skills for the Appraiser	
Appraisal Review Theory – General		
ARGUS Financial Software Training		

REAL ESTATE EXPERIENCE

Mr. Sanders is a Senior Managing Director of a real estate valuation and consulting firm. In the real estate profession for 20+ years, Mr. Sanders has a wide variety of real estate experience. Mr. Sanders is active in the valuation industry with completion and review of over 800 appraisals in the past few years and several thousand over his career. This includes the appraisal of a wide variety of property types, including office buildings, hotel, multifamily (conventional, student-housing, LIHTC, Fannie, Freddie, HUD 221(d) and 223(f), M.A.P. certified), industrial warehouses, gas stations, single and multi-tenant retail centers, net leased properties, self-storage and cold-storage facilities, breweries, subdivisions, proposed and existing condominium high rises, proposed water-front condominium developments, vacant land, parking garages, hotels, and special-use properties.

He has extensive experience in feasibility studies, rent studies, and valuing many different types of commercial properties for the purposes of financing, possible sale or purchase, renovation feasibility, ad valorem assessment, corporate and estate planning, and asset disposition.

He has testified as a qualified expert in Circuit Court (Second Judicial Circuit, Leon County Florida and Sixth Judicial Circuit, Pinellas County Florida), testified in US District Court (Middle District of Florida), and Deposed as a qualified expert in Circuit Court (Multiple Counties). Valuation Trends speaker at the 2014 Annual Conference for the Aggie Real Estate Network in Dallas, TX. He has also led a seminar on brewery valuation multiple times for the Appraisal Institute. National appraisal and market studies have included properties in over 15 states in the Midwest, Southeast, Northeast, and Puerto Rico.

Since 2014, Wes has closed almost \$30M in commercial real estate sales transactions. He was also directly involved in analyzing, underwriting, submitting offers, or valuations, on over \$1.5B in properties during the same timeframe. He has been involved with multiple multifamily redevelopment projects, yielding investors significant returns, well above expectations.

PROFESSIONAL DESIGNATIONS AND MEMBERSHIPS

Certified Commercial Investment Member, CCIM Institute (CCIM Designated Member).
Member, Appraisal Institute (MAI and AI-GRS Designated Member).

Currently serving on the National Board of Directors for the Appraisal Institute. He previously served on the Florida Gulf Coast Chapter of the Appraisal Institute's Education Committee in 2011, Chapter Board of Directors (2012-2014), and other positions before serving as the Chapter President in 2018. He also served as the 2016-2017 Region X Government Relations Committee Chairman after two years as Vice Chairman. Recipient of the AI Volunteer of Distinction on numerous occasions. Certified General Real Estate Appraiser in Texas and Florida. Previously licensed in multiple other states. Licensed Real Estate Broker in Texas.

Member of the National Association of Realtors, North Texas Commercial Association of Realtors, Florida Gulf Coast Chapter of the Appraisal Institute, and a Designated Member of the CCIM Institute.



Ron DeSantis, Governor

Melanie S. Griffin, Secretary



**STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

FLORIDA REAL ESTATE APPRAISAL BD

THE CERTIFIED GENERAL APPRAISER HEREIN IS CERTIFIED UNDER THE
PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

SANDERS, WESLEY ROY

3720 DELTA STREET
SARASOTA FL 34232

LICENSE NUMBER: RZ2911

EXPIRATION DATE: NOVEMBER 30, 2026

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ISSUED: 11/01/2024

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