

**APPRAISAL REPORT OF**  
**FORMER CITY HALL SITE**  
**112 South Osceola Avenue**  
**Clearwater, Pinellas County, Florida 33756-5103**  
**URS File Number – 232098**



**FOR**  
  
Mr. David Margolis, Esq.  
City of Clearwater Attorney  
City of Clearwater Economic Development and Housing  
600 Cleveland Street Suite 600  
Clearwater, Florida 33755

## TABLE OF CONTENTS

Letter of Transmittal .....	
Certification .....	8
Executive Summary .....	10
Subject Maps and Photographs .....	5
Purpose, Intended Use and Date of Appraisal .....	14
Scope of Appraisal .....	15
Valuation Definitions .....	16
Legal Description .....	19
Ownership and Five-Year History of Subject Property .....	20
Market Area: Location, Description and Trend .....	22
Real Property Assessments and Taxes .....	38
Land Use and Zoning Classification .....	39
Concurrency and Impact Fees .....	42
Site Description .....	43
Improvement Description .....	50
Marketability and Estimated Marketing Period .....	51
Multi-Family Real Estate Market .....	55
Highest and Best Use Analysis .....	66
Introduction to the Appraisal Process .....	71
Sales Comparison Approach .....	73
Comparable Land Sales .....	75
Analysis of Comparable Land Sales .....	118
Summary of Sales Comparison Approach .....	121
Disposition Value .....	124
Reconciliation and Final Value Estimate .....	126
Assumptions and Limiting Conditions .....	127
Appraiser Qualifications .....	131

November 16, 2023

Mr. David Margolis  
City of Clearwater Attorney  
City of Clearwater Economic Development and Housing  
600 Cleveland Street Suite 600  
Clearwater, Florida 33755

**RE: Former City Hall Site  
112 South Osceola Avenue  
Clearwater, Florida, 33756-5103**

Dear Mr. Margolis:

As requested, a detailed investigation, analysis and appraisal have been made of the market value of the fee simple estate of the referenced property, in as-is condition as of the appraisal date.

The subject property is a 2.60-acre portion of the parent tract known as Imagine Clearwater and Coachman Park, a public waterfront development in downtown Clearwater. The parent tract area is approximately 23 acres including Coachman Park and with a bayfront shoreline on the Intracoastal Waterway at Clearwater Harbor with a marina providing wet slips.

The subject address is 112 South Osceola Avenue, a non-waterfront site lying at the northwest corner of Pierce Street and South Osceola Avenue. The subject site was formerly occupied by the City Hall building which has been demolished. The site has good elevation, situated on a bluff approximately 30 feet above Clearwater Harbor, and offers expansive views across the bay. The subject site is presently proposed for a high-rise rental apartment development with approximately 400 units by Gotham Property Acquisitions, LLC and The DeNunzio Group, LLC.

The City of Clearwater previously issued an RFP for the development of a rental apartment tower and retail development on the site. As a result, Gotham and DeNunzio submitted a proposal to develop two residential towers totaling 600 rental units and retail responding to the City RFP. However, after having preliminary plans drawn and obtaining cost estimates, Gotham determined that, due to the combination of increasing construction costs and rising interest rates, the development as planned was no longer economically feasible.

As a result and in order to move forward with development, Gotham has proposed downsizing the development to one tower of 400 units plus a reduced retail component. They also requested a reduction in the purchase price and other changes, but promising to proceed with development if the City was agreeable.

Stepping back, due to the shutdown of businesses in 2020 and the desire to help Americans recover following the Covid pandemic, substantial aid packages were passed and interest rates were reduced to historic low levels. As a result, developers rushed to obtain low interest rate financing and commence projects as quickly as possible. Those able to acquire sites and commence construction as quickly as possible did so, but supply chain and other issues led to a rapid increase in construction costs, forcing developers to increase loan amounts or equity contributions and to increase rental rates to historic highs. Many of these developments are now under construction.

The multi-family development market has experienced particularly challenging influences over the past year. The cost of construction labor and materials continued to increase, albeit at a lower rate of increase. The rapid increase of interest rates is a significant impediment, but a larger issue is that lenders have tightened their lending criteria, so a 50% or 60% loan is now common, rather than a 70% to 80% loan. New units coming online plus declining economic conditions have led to a general flattening of rental rates. Further, insurance costs for completed apartment units have significantly increased, up 50% or more. Also, there is a fairly substantial pipeline of new rental apartment construction in the Tampa area due to the low interest rates of 2020 to mid-2022 and these units will be coming to market in 2024 and 2025.

Our survey of developers and brokers found that none plan to acquire a development site in the foreseeable future. With buyers and capital on the sidelines, a marketing period for development sites may today stretch into a few years.

While demand for housing in general continues to increase, much of that demand is by those unable to financially afford to buy or rent newer single-family homes or condominium units. As demand slows, in some cases new apartment developments are experiencing slow absorption, offering concessions and reducing or at least not increasing rental rates. Historically low interest rates in 2021 and the first part of 2022 spoiled consumers for housing ownership and led developers to hurriedly commence land acquisitions for new projects.

Our research into sales of land for apartment development reveals numerous sales each year until 2023, and the few land sales this year are those negotiated when interest rates were lower. The dilemma for an appraiser is that sales closing today are based on economic conditions from recent better times. Developers queried have no plans to commence development until interest rates decline and economic conditions improve, and most do not believe that will occur in 2024. Money Supply M2 is reportedly down an unprecedented 4.0%, signaling consumer spending problems in the near term. The US savings rate is now lower, repayment of college loans may cut into many consumer budgets, the unemployment rate has ticked upward, credit card debt is at an all-time high, and lenders could tighten real estate loan criteria even further.



Our research reveals the land prices paid per apartment unit varied among the comparable sales based on dates of recorded sale, downtown versus other urban or suburban locations, and the number of apartment units to develop. Consideration of the current multi-family market and the many challenges facing developers and investors have caused reluctance to begin new developments.

Based on our review of the market and of comparable sales data, we estimate value of the subject site based on approximately 400 rental units for the subject land. Considering the prominent waterview location of the subject and the progress of developing the surrounding parks, but recognizing that a marketing period for the land could be three years, it is our opinion that \$30,000 per developable apartment unit best represents market value for the subject 2.60 acres as a 400 unit rental apartment development site with complementary retail and possibly office use. This calculates to \$12,000,000 (\$30,000 x 400). This value is based on recent market activity, but economic conditions foreshadow an unpredictable future for rental apartment development in Tampa Bay. Land owners often remove their property from the market rather than selling at a distressed price.

As the City is desirous of a quick sale, and again noting that a current marketing period could be two to three years, we fall back on discounts utilized in the past. In previous periods of economic slowdowns, when marketing periods were projected to be multiple years, investors and lenders often kept reducing prices to a level that would attract land investors and speculators. The eventual price was referred to as a Disposition Value. Our review of those transactions led to a general observation that a discount of 30% to 40% is often necessary in order to entice an investor to acquire a site. Utilizing a discount of 30%, the following disposition value is indicated. This discount would provide an investor a return of approximately 12% per annum, as discussed later in the report.

Market Value	\$12,000,000
Less 30% Discount	<u>\$ 3,600,000</u>
Disposition Value	<u>\$ 8,400,000</u>

It is our opinion that a discount to a sale price in the range of \$8,400,000 or less will be necessary to attract a qualified buyer to acquire the subject site in the near term. This discounted value is unlikely to offset the increased construction and capital costs, and additional concessions may be necessary to entice a buyer to commence the construction process immediately. The budgets and rents discussed in the Gotham proposal appear reasonable, and there is clearly a shortfall. It is unlikely the City could identify another developer willing to move forward, and continued negotiations with Gotham are expected.

Gotham submitted a summary of its findings during its due diligence period in a report titled *The Bluffs* on April 17, 2023. Gotham states they worked with their architect and contractor and obtained the following.

- Comprehensive hard cost estimates from two of the most reputable general contractors in Florida (for the original and subsequent plan estimates)
- Updated residential market study from Gensler to reflect the current residential leasing climate
- Detailed operating expense budget from Greystar, one of the largest and most reputable property managers both in Florida and the nation
- Detailed construction and property insurance budget from Custom House Risk Advisors
- Civil engineering due diligence study / memo from Stantec
- Gas and electric capacity letter from Duke Energy

Gotham updated their financial models and surveyed the market for debt and equity. Assuming they continue, they expect to spend over \$5,000,000 before a potential groundbreaking in late 2024, and the entire project costs are in the range of \$220,000,000.

As a result of their due diligence, they found that construction costs increased dramatically since their initial response, operating costs, especially insurance costs, have increased 50% or more, and projected revenues have declined as the overall Tampa Bay rental apartment market slowly declines. Rental rates are flat to declining and Clearwater rental rates appear insufficient to support the new development. These factors are well known to all in the industry, as projects are being shelved across the state and country and developers do not expect conditions to turn around until 2025 or beyond.

As discussed, Gotham submitted documents supporting their assertions to the City, and the City asked its consultants, HR&A, to review and provide guidance. HR&A responded that the assertions appear accurate and that the financial models are also generally accurate, noting that plans are still preliminary. Gotham proposes a reduction to 400 units in one tower and only one level of underground parking. The purchase price would be reduced to \$7,600,000 and the City would be asked to contribute an additional \$4,000,000, in addition to the \$17,000,000 to assist with parking garage costs.

Gotham notes total costs under the 400 unit development scenario of \$554,893 per apartment unit, well above pricing typically achieved by other apartment complex sales. Developers of similar product may consider the eventual sale as condominium units, but the agreement with the city would preclude this.

November 16, 2023  
Mr. David Margolis  
Page four

We have prepared a complete appraisal and are submitting this appraisal in a written narrative appraisal report format. Included within the accompanying appraisal report are exhibits and documented data in support of the value conclusions. All material collected during our analysis has been retained in our files and is available for inspection upon request.

This appraisal has been prepared in compliance with the Uniform Standards of Professional Appraisal Practice and governmental regulations, as well as the client's appraisal and reporting requirements.

The opportunity to have been of service is appreciated. Should you have any questions or comments, or require additional information, please do not hesitate to contact us.

Very truly yours,



H. Linwood Gilbert, Jr., MAI  
State-Certified General Real Estate Appraiser RZ0940



Wayne Beurnier  
State-Certified General Real Estate Appraiser RZ1307

## CERTIFICATION

This is to certify that, upon request for valuation by Mr. David Margolis, Esq., City of Clearwater Attorney, City of Clearwater Economic Development and Housing, we have personally inspected, collected and analyzed various data, and appraised the market value of the fee simple estate of the subject property, located at 112 South Osceola Avenue, Clearwater, Florida 33756-5103.

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- 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 opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*. This certificate is also a certification under Florida Real Estate License Law Chapter 475.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- We have made a personal inspection of the property that is the subject of this report. Also, we made an inspection of selected comparable properties.

- No one provided significant real property appraisal assistance to the persons signing this certification.
- As of the date of this report, H. Linwood Gilbert, Jr., MAI, has completed the continuing education program for Designated Members of the Appraisal Institute.
- The undersigned appraisers, based on education, work experience and the previous appraisal of properties similar to the subject, are competent and qualified to appraise the property.

This certificate is in accordance with the Uniform Standards of Professional Appraisal Practice Standard Rule 2-3 and with the Appraisal Institute's Supplemental Standards of Professional Practice. It is also a certification under Florida Real Estate Appraisal Board of the Division of Real Estate of the Department of Business and Professional Regulation.

The reader should review the Assumptions and Limiting Conditions, to which this analysis is subject, included at the end of the report. No hypothetical conditions are required for this appraisal.

**In our opinion, the fee simple estate of the subject land, located at 112 South Osceola Avenue, Clearwater, Florida 33756-5103, had a market value as of the appraisal date of November 3, 2023, of approximately TWELVE MILLION DOLLARS (\$12,000,000). Under current economic conditions, the marketing period is estimated at 24 to 36 months.**

**In our opinion, the fee simple estate of the subject land, located at 112 South Osceola Avenue, Clearwater, Florida 33756-5103, had a disposition value, based on a six month marketing period, and as of the appraisal date of November 3, 2023, of approximately EIGHT MILLION FOUR HUNDRED THOUSAND DOLLARS (\$8,400,000).**



H. Linwood Gilbert, Jr., MAI  
State-Certified General Real Estate Appraiser RZ0940



Wayne Beurnier  
State-Certified General Real Estate Appraiser RZ1307

## EXECUTIVE SUMMARY

Property Name:	Former City Hall Site
Property Classification:	Multifamily Residential Land
Address:	112 South Osceola Avenue Clearwater, Pinellas County, Florida 33756-5103
Municipal Jurisdiction:	City of Clearwater
County:	Pinellas County
Section, Township and Range:	17-29S-16E
Census Tract:	12-103-0254.20
Metropolitan Statistical Area:	Tampa-St. Petersburg-Clearwater
Property Ownership:	City of Clearwater
Property Rights Appraised:	Fee simple estate
Legal Description:	Please see Legal Description section
County Identification No.:	16-29-15-20358-001-0040
Purpose of Appraisal:	Estimate market value as-is
Appraisal Date:	November 3, 2023
Date of Report:	November 16, 2023
Report Type:	Narrative
Intended User of Appraisal:	Client, City of Clearwater Economic Development and Housing
Intended Use of Appraisal:	Assist in disposition negotiations

Property Assessment 2023: \$22,851,832 (Parent Tract)

Tax Millage Rate 2023: 20.2462 mils

Non-Ad Valorem Taxes 2023: \$ 0

Total Property Taxes 2023: \$ 0 Gross  
\$ 0 Net

Neighborhood: The subject neighborhood is the westerly edge of the Central Business District of the City of Clearwater, Florida fronting Clearwater Bay. Commercial development includes restaurants, retail shops, offices, Morton Plant Hospital complex and municipal buildings, and there are several condominium buildings along the waterfront, with Water's Edge being the tallest in the downtown area. There are single-family homes including new townhomes to the north and south of the downtown area. Clearwater Beach is about two miles west of Clearwater Bluff. Tampa International Airport and the Westshore Business District are 17 miles easterly via SR 60. Customers, clients and employees generally come from a broader market area.

Land Use Plan: Central Business District CBD

Zoning District: Downtown

Site Data: The subject is located at the northwest corner of the two streets, extending approximately 387.07 feet east to west along Pierce Street and 285.04 feet north to south along South Osceola Avenue. The west boundary is 300.62 feet. The site is generally rectangular and contains approximately 113,256 square feet or 2.60 acres. The subject has good elevation, being on the Bluffs, and views of the bay would be available from virtually any multi-story development on the site. The site is approximately two miles from the beach and there are protected lanes on either side of Clearwater Bridge for walking, running or bicycling.



**George F. Young Survey 11/22    Mean LF**

E-W Lineal Feet	387.17	387.07	387.12
N-S Lineal Feet	300.20	285.04	292.62
Square Feet			113,256
Acres			2.60

Soil is sandy, typical for the area, and it is assumed that no adverse subsoil conditions exist. Municipal potable water and wastewater disposal are available to the site, as are electric and telephone services. There are no known impediments to development. Drainage and utility easements appear typical.

**Flood Zone Data:**

“X”, minimum flood risk, above 100-year flood plain, per FEMA Map Panel 12103C0108J, dated August 24, 2021.

**Improvement Data:**

The subject property was formerly improved with the Old City Hall building. The building has been demolished.

The approximate 25,000 square foot, three story building has been demolished and removed.

Site improvements consist of asphalt paving to the east and recent sod to the west, plus underground laterals for potable water and waste water, not in use. The site improvements have negligible contributory value.

**Personal Property:**

No personal property is applicable.

**Environmental Conditions:**

No unusual environmental conditions were observed, but this appraisal is subject to receipt of a satisfactory environmental audit.

**Highest and Best Use:**

As if vacant and available, the subject site has a highest and best use to hold for future development to multi-family units, likely rental apartments, to a minimum density of 400 units.

The subject is not currently improved.

**Marketing/Exposure Periods:**

24 to 36 months / 12 months

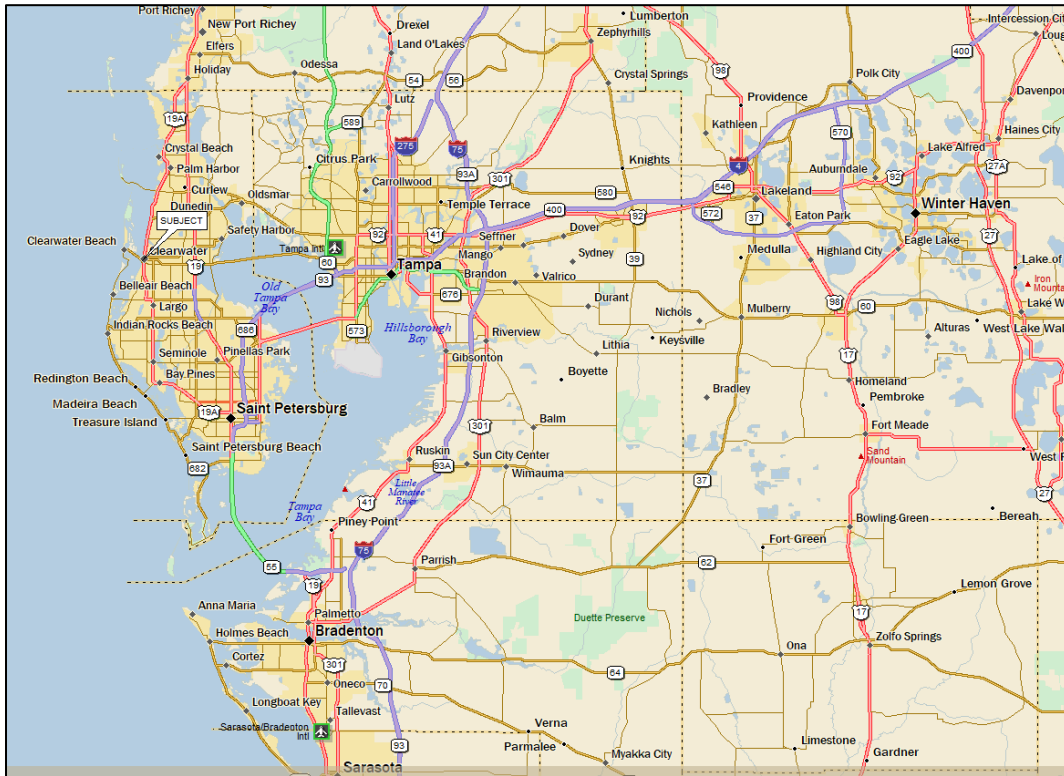
### **Value Indications**

Cost Approach	N/A
Sales Comparison Approach	\$12,000,000
Income Capitalization Approach	N/A

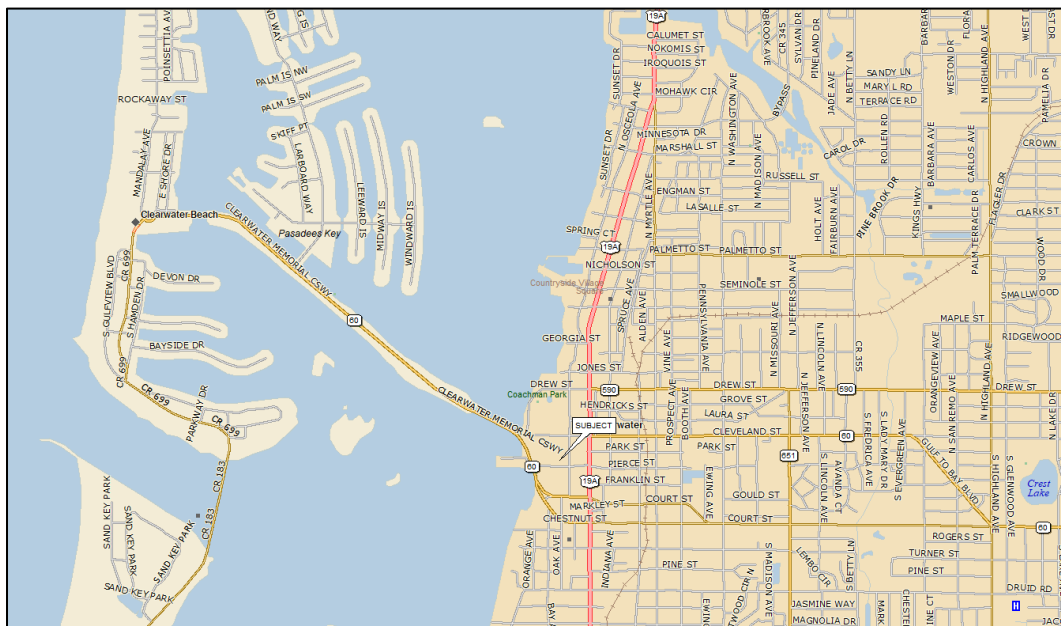
<b>Final Estimate of Value</b>	<b>\$12,000,000 As-Is Market Value</b>
	<b>\$ 8,400,000 Disposition Value</b>

# SUBJECT MAPS AND PHOTOGRAPHS

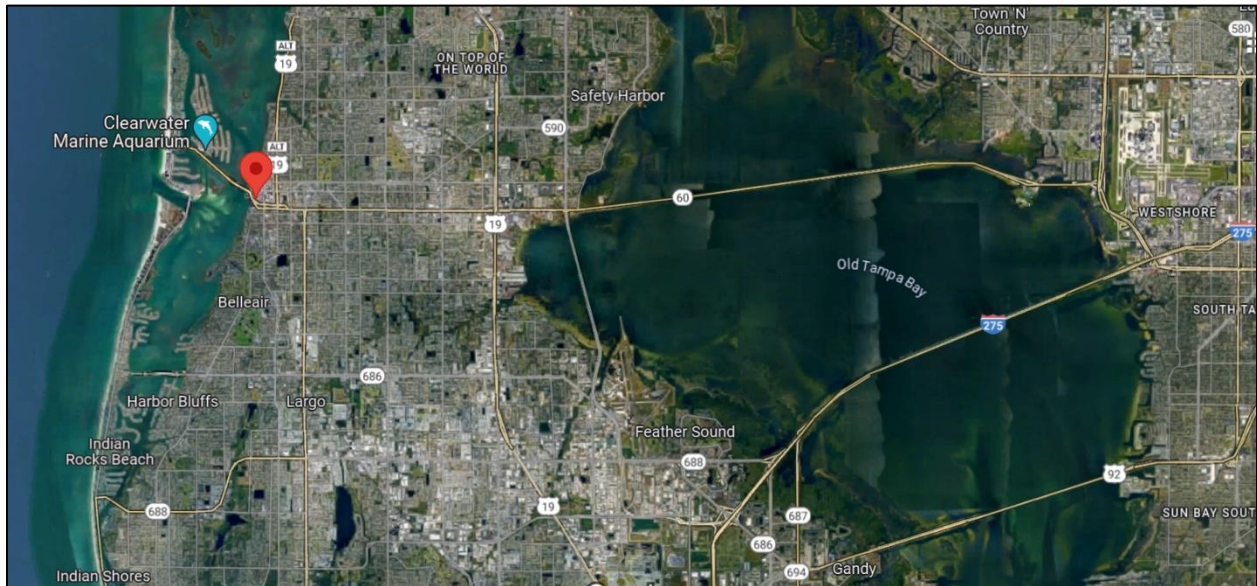
## Area Location Map



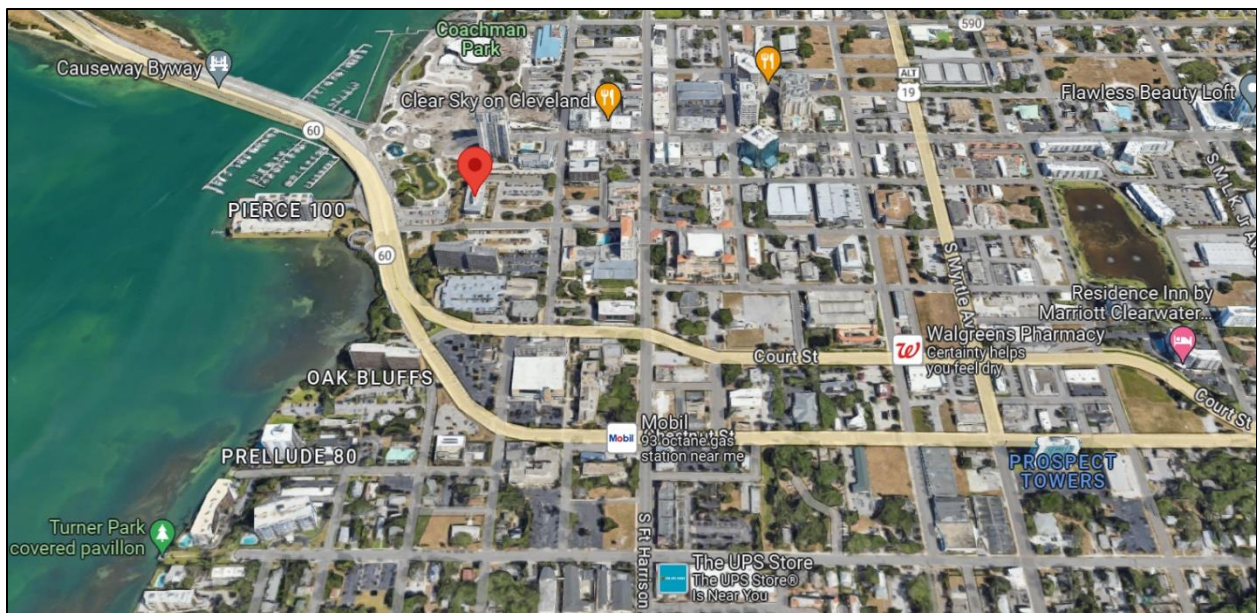
## Neighborhood Map



## Area Aerial Photograph

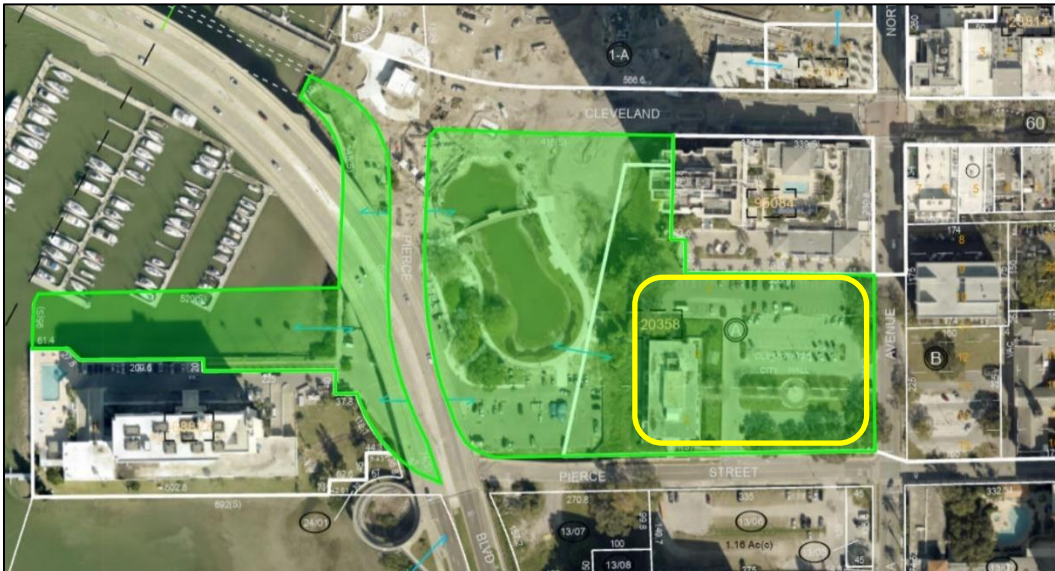


## Neighborhood Aerial Photograph

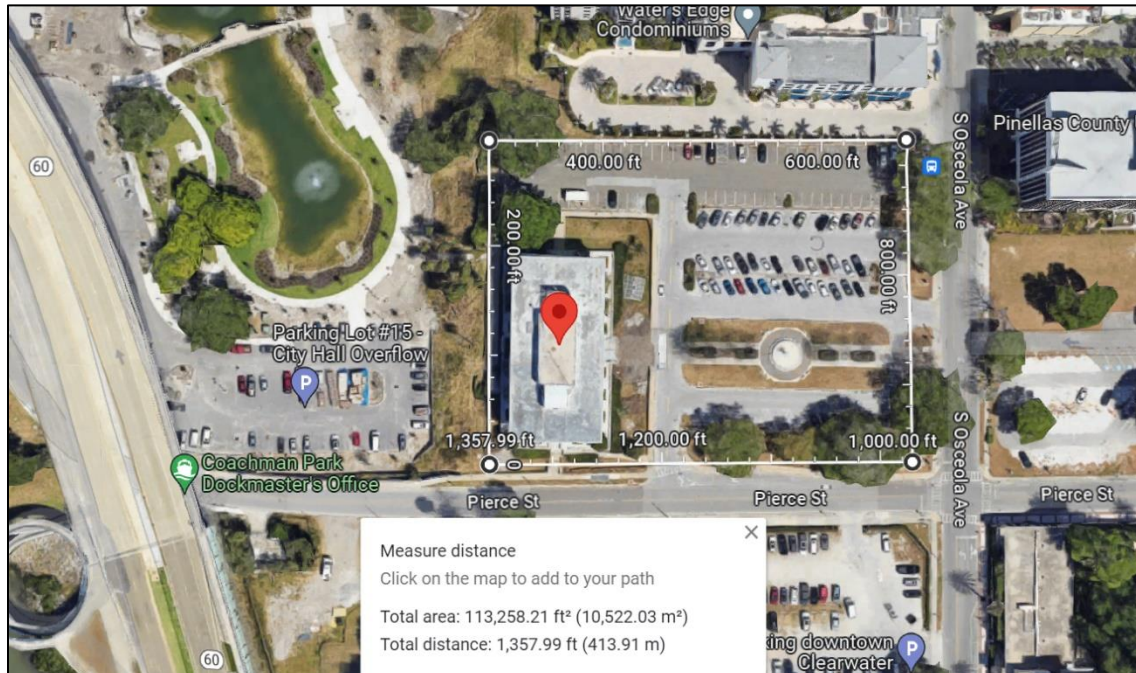




**Property Appraiser's Aerial Photograph - Southerly Portion of Parent Tract**  
 Subject 2.6 acres is within SEC of south parent tract



**Approximate Subject 2.6 Acre Boundaries**  
 Building has been demolished



## Ground Level Photographs

**View westerly from subject bluff toward SR 60 Causeway to Clearwater Beach beyond**



**View easterly along Pierce Street, subject on left**

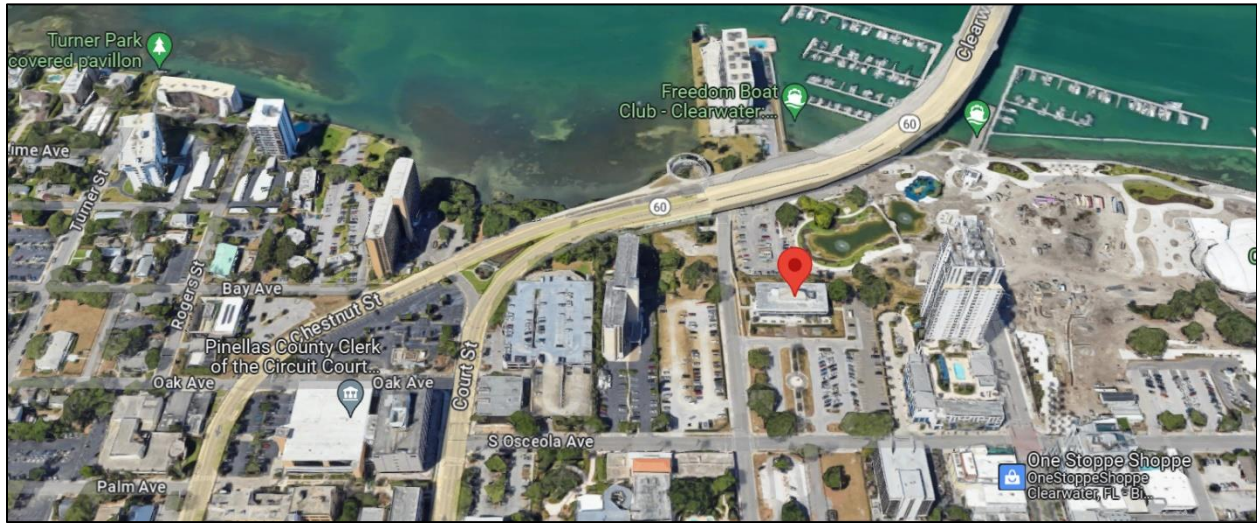


**View southerly from Coachman Park, subject beyond Water's Edge Tower**

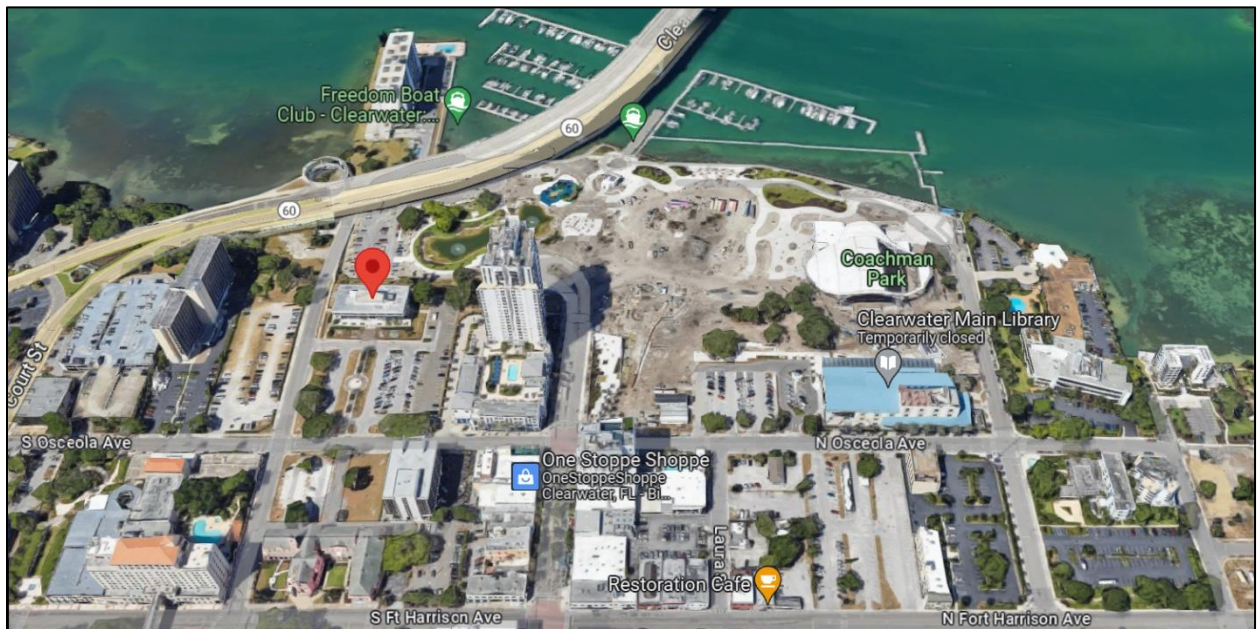




## Aerial Overview of properties nearby the subject

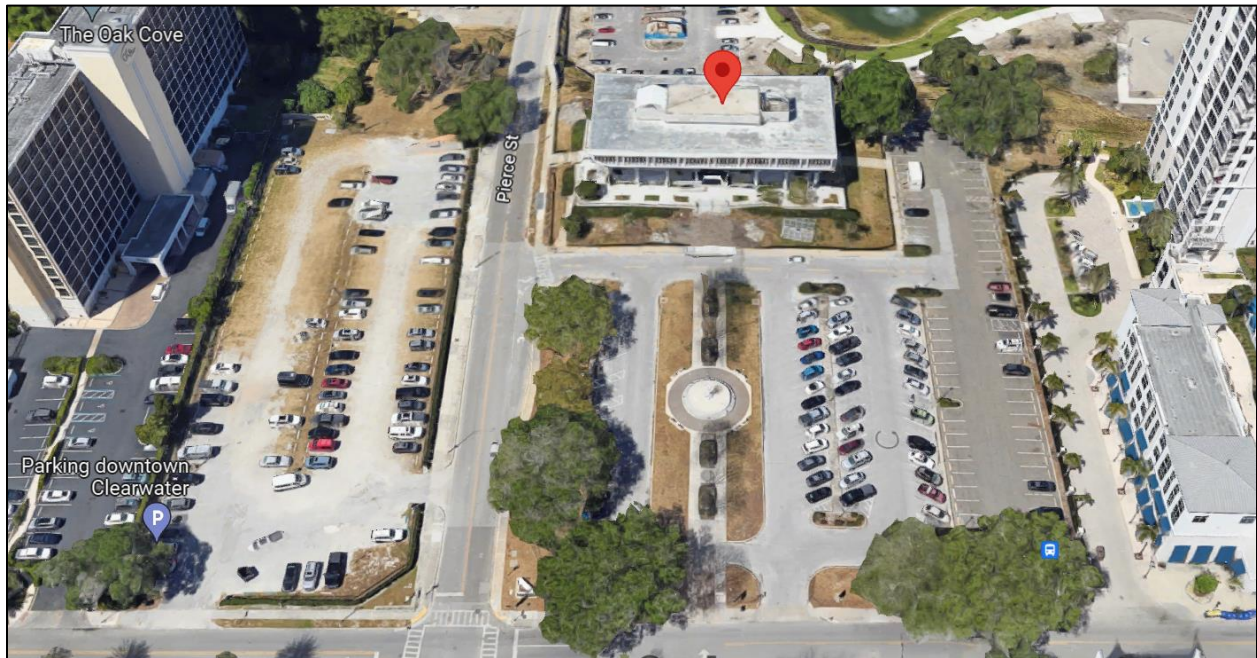


Overview of parent tract, the subject, Coachman Park on right, The Oak Cove on left, high rise Water's Edge Condominium in middle and Pierce 100 Condominium top left

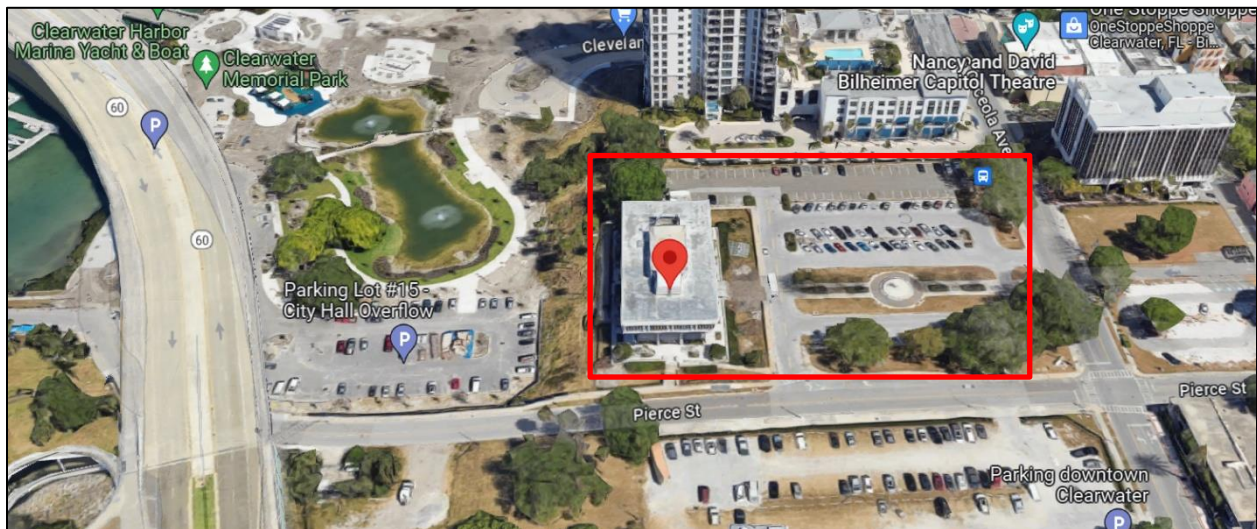




**Aerial view westerly of subject property, Old City Hall building now demolished**



**Aerial view northerly of subject approximate boundaries**





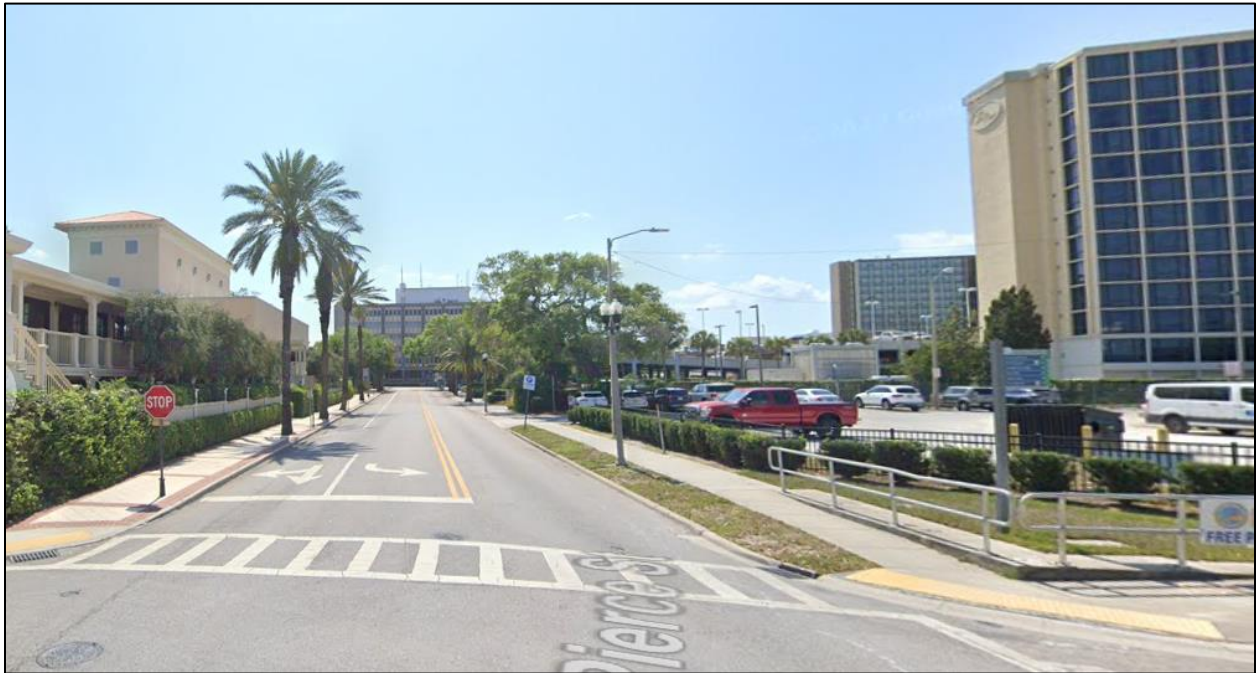
**View south along South Osceola Avenue, subject on right**



**View east along Pierce Street from South Osceola Avenue intersection**



**View south along South Osceola Avenue from Pierce Street**



**View west along Pierce Street, subject on right**

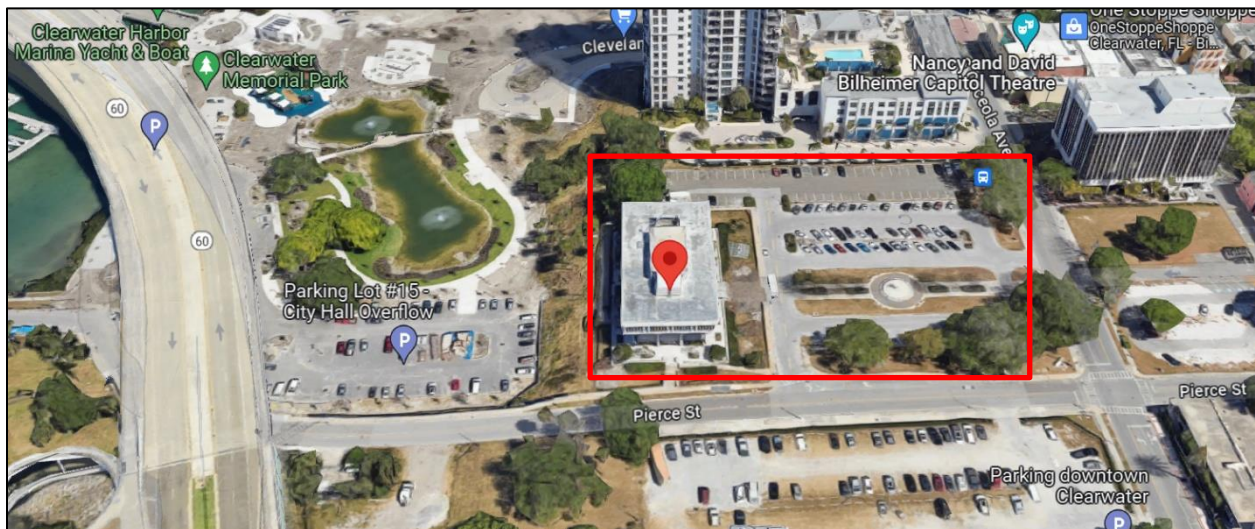




**View northwesterly of Old City Hall demolished building,  
Water's Edge Condominium in right background**



**View northerly of subject approximate boundaries**



## **PURPOSE, INTENDED USE AND DATE OF APPRAISAL**

Purpose of this appraisal is to estimate, with the highest degree of accuracy possible, the market value, as vacant land, of the fee simple estate of the subject property.

The intended user of this appraisal report is the client, the City of Clearwater Economic Development and Housing Department. This appraisal report is prepared for the sole and exclusive use of the intended user and may not be relied upon by any third parties for any purpose whatsoever without the prior written consent of the appraiser. No additional intended users are identified by the appraiser.

The intended use of this appraisal is to assist in disposition negotiations, subject to the stated scope of work, purpose of the appraisal, reporting requirements of this appraisal report and definition of market value.

Property rights appraised are the fee simple estate of the subject property.

This is a complete appraisal in a narrative format. Date of this appraisal is November 3, 2023, the last date of inspection. Date of report is November 16, 2023.

## **SCOPE OF APPRAISAL**

The scope of work for this appraisal assignment includes the identification of the appraisal problem, which is the valuation of the subject property as if vacant land as of the date of appraisal.

The steps taken in the analysis include:

Personal inspection of the property under appraisal.

In order to determine the competitive market of the subject, analysis was made of regional and neighborhood data and ascertainment of demographic and economic trends that affect the property and its intended use.

In order to determine the competitive market position of the subject, analysis was made of economic trends affecting the property, including supply and demand analysis of properties considered directly competitive in the market, resulting in analysis of highest and best use of the property, both as if vacant and as improved.

Description of the property site, including verification with applicable governmental authorities as to land use regulations, utilities, and property taxes, as well as non-invasive inspection and complete description of the physical characteristics of the existing or planned improvements. Please note that the appraisers are not engineers or contractors, and the inspection is limited to a visual inspection as to general quality and condition. While obvious impairments will be brought to the attention of the client, an inspection by a licensed engineer, pest control or other professional is always recommended.

Estimation of highest and best use of the site, both as if vacant and as improved.

Estimation of value using the sales comparison approach. There is adequate market data to support this approach to market value.

In order to apply the sales comparison approach, research was made of sales comparable properties through two real estate sales reporting services and the Property Appraiser's Office. Each sale was verified with a party considered knowledgeable as to the details of the transaction and motivation of the parties, principally with the buyer, seller, real estate broker or manager involved. Qualitative and quantitative adjustments are made to comparable sales in order to obtain an indication of value of the subject.

Reconciliation of the value indications, with emphasis placed on the approach(es) considered most reflective of current market activity for final value estimate.

## VALUATION DEFINITIONS

Estate is, “1. An owner’s degree, quantity, nature, and extent of interest or interests in property. There are many different types of estates, including freehold (fee simple, determinable fee, and life estate) and leasehold. To be an estate in land, an interest must allow possession (either now or in the future). See also freehold estate; leasehold estate. 2. The property of an individual at a point in time.”<sup>1</sup> As related to property, the terms *estate* and *interest* are synonymous for the purpose of this appraisal. Unless otherwise distinguished, the term *property* indicates real property in this report.

Fee simple estate is the property interest represented by, "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."<sup>2</sup>

Leased fee estate or interest is, “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.”<sup>3</sup>

Leasehold estate or interest is, “the right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.”<sup>4</sup>

Hypothetical condition is, “(1) a condition that is presumed to be true when it is known to be false. (SVP); or (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 analysis. (USPAP, 2020-2021 ed.)”<sup>5</sup> As an example, this condition is sometimes applied to an anticipated zoning change.

Extraordinary assumption is, “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. (USPAP, 2020-2021 ed.)”<sup>6</sup>

Market Value for the purposes of this appraisal, as defined in the Federal Register, Department of the Treasury Agencies’ appraisal regulations, “the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the

---

<sup>1</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal, Seventh Edition*, Appraisal Institute, Chicago, Illinois, 2022, p. 65.

<sup>2</sup> *Ibid*, p. 73.

<sup>3</sup> *Ibid*, p. 105.

<sup>4</sup> *Ibid*, p. 105.

<sup>5</sup> *Ibid*, p. 92.

<sup>6</sup> *Ibid*, p. 68.



buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 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 U.S. 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.”<sup>7</sup>

Market value is also defined as: "The most probable price, as of a specified date, in cash or in terms equivalent to cash, or in other precisely revealed terms for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently and knowledgeably, and for self-interest, and assuming that neither is under undue duress.”<sup>8</sup>

Market value is described, not defined, in the Uniform Standards of Professional Appraisal Practice (USPAP) as, “a type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the value definition that is identified by the appraiser as applicable in an appraisal.”<sup>9</sup>

Prospective opinion of value is, “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.”<sup>10</sup>

Retrospective value opinion is defined as:” 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.”<sup>11</sup>

---

<sup>7</sup> Federal Register, Department of the Treasury, Interagency Appraisal and Evaluation Guidelines, December 10, 2010, p. 77472.

<sup>8</sup> Appraisal Institute, The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022, p. 118.

<sup>9</sup> Appraisal Institute, Uniform Standards of Professional Appraisal Practice and Advisory Opinions 2020-2021 Edition, The Appraisal Foundation, USA, 2020, p. 5.

<sup>10</sup> Appraisal Institute, The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022, p. 149, 150.

<sup>11</sup> *Ibid*, P. 166

Disposition Value is: “The most probable price that a specific interest in a property should bring under the following conditions.

1. Consummation of a sale within a specified period of time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interest.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in US dollars (or local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.<sup>12</sup>

Encumbrance is defined as, “any claim or liability that affects or limits the title to property. An encumbrance can affect the title such as a mortgage or other lien, or it can affect the physical condition of the property such as an easement. An encumbrance cannot prevent the transfer of possession, but it does remain after the transfer.”<sup>13</sup>

Fixture is defined as, “an article that was once personal property but has since been installed or attached to the land or building in a rather permanent manner so that it is regarded in law as part of the real estate.”<sup>14</sup>

---

<sup>12</sup> *Ibid*, p. 55

<sup>13</sup> *Ibid*, p. 62.

<sup>14</sup> *Ibid*, p. 75.

## LEGAL DESCRIPTION

The legal description of the subject property obtained from the George F. Young, Inc. survey dated November 7, 2022, the last date of field work.

### **A BOUNDARY AND TOPOGRAPHIC SURVEY OF:**

---

That portion of the East 402.04 feet of Lots 3, 4, & 5 of Block A, JOHN R DAVEY'S RE-SUBDIVISION, as shown on plat recorded in Plat Book 1, Page 87 of the Public Records of Hillsborough County, Florida, of which Pinellas County was formerly a part; lying South of those lands described in Official Records Book 14700, Page 1498, of the Public Records of Pinellas County, Florida;

LESS the East 15 feet of said Block A; and

LESS the South 20 feet of said Lot 5 per City of Clearwater Resolution 64-180, recorded in Official Records Book 2059, Page 493, of the Public Records of Pinellas County, Florida.

Said portion of Lots 3, 4, & 5 being more particularly described as follows:

Commence at the Southeast corner of Lot 5, Block A, JOHN R DAVEY'S RE-SUBDIVISION as shown on plat recorded in Plat Book 1, Page 87 of the Public Records of Hillsborough County, Florida, of which Pinellas County was formerly a part; thence North 00°06'32" East along the East line of said Lot 5, a distance of 20.00 feet to a point on the North line of the South 20 feet of said Lot 5; thence South 89°20'12" West along said North line of the South 20 feet, a distance of 15.00 feet to the West line of the East 15 feet of said Block A and the POINT OF BEGINNING; thence continue South 89°20'12" West along said North line of the South 20 feet, a distance of 387.07 feet; thence North 00°06'32" East, a distance of 300.20 feet to the Westerly extension of the Southernmost line of those lands described in Official Records Book 14700, Page 1498, of the Public Records of Pinellas County, Florida; thence South 88°25'09" East along said line, a distance of 387.17 feet to the said West line of the East 15 feet; thence South 00°06'32" West along said West line of the East 15 feet, a distance of 285.04 feet to the POINT OF BEGINNING.

City of Clearwater, Florida

## OWNERSHIP AND FIVE-YEAR HISTORY OF SUBJECT PROPERTY

A review of the public records indicates that the subject property ownership is in the name of the City of Clearwater, with a mailing address of 600 Cleveland Street, 6th Floor, Clearwater, Florida 33755. According to Official Records, there has been no conveyance since 1957 for the subject parent tract.

After response to an RFP published by the City, the property is now under contract, see a few excerpts as follows.

### CONTRACT FOR PURCHASE OF REAL PROPERTY

**PARTIES:** THE CITY OF CLEARWATER, FLORIDA, a Municipal Corporation of the State of Florida whose mailing address is P.O. Box 4748, Clearwater, Florida 33758-3683 (herein "**Seller**" or "**City**"), and The DeNunzio Group, LLC, a Florida limited liability company ("**DeNunzio**"), whose mailing address is 3060 Alternate 19 North, Palm Harbor, Florida 34683, and Gotham Property Acquisitions, LLC, a New York limited liability company ("**Gotham**"), whose mailing address is 432 Park Avenue South, Second Floor, New York, New York 10016, (DeNunzio and Gotham are collectively referred to herein as "**Buyer**") (each a "**Party**" and collectively the "**Parties**") hereby agree that the Seller shall sell, and Buyer shall buy the following real property upon the following terms and conditions contained herein ("**Contract**").

### PURCHASE PRICE

The full Purchase Price of Fifteen Million and Four Hundred Thousand Dollars and no/100s (\$15,400,000.00) as shown herein, subject to adjustments pursuant to this Contract and the Development Agreement, has been reached in accordance with the terms of that certain Request for Development Concepts (RFP No. 28-22) for Downtown Clearwater Waterfront Development Opportunities for the old City Hall Site and the Harborview Site, as defined in the Development Agreement.

### 6. TIME FOR ACCEPTANCE APPROVALS

At its meeting of August 4, 2022, Council authorized execution of this Contract by the City Manager.

The Parties agree this Contract is expressly contingent on the approval of the Referendum amending the City Charter authorized to be placed on the ballot by Ordinance 9597-22 as approved by Council on August 4, 2022 (the "**Referendum**"). In the event the Referendum does not receive approval at the general election held November 8, 2022, this Contract and all responsibilities of the parties herein shall be of no further effect.

**11. DEED RESTRICTION**

Buyer and Seller agree that a paramount purpose of this Contract and associated Development Agreement is to stimulate economic activity. For this reason, the Deed shall include a restriction that Buyer will not deed the Land or any portion thereof to any not-for-profit entity. For the avoidance of doubt, this restriction shall survive the expiration of the Development Agreement.

**19. PROPERTY CONDITION**

Subject to the representations and warranties contained in this Contract, and Seller's obligations under the Development Agreement, including, but not limited to Seller's obligation to undertake the environmental remediation and demolition of the existing improvements on the Land, Seller shall deliver the Land to Buyer at time of Closing Date in accordance with the Contract and the terms of the Development Agreement. Seller makes no warranties other than is disclosed in this Contract, in the Development Agreement, or in any of the Closing Documents.

The subject property is in contract for \$15,400,000 and was planned for 600 apartment units in two buildings, equivalent to \$25,667 per unit. However, the buyers in contract, DeNunzio and Gotham, have reconsidered that plan and are currently in negotiations with the City to reduce the purchase price and the number of units, now anticipating 400 units in one building.

No title search was conducted by the appraisers, and the above is provided for informational purposes only and is not warranted.

## **MARKET AREA: LOCATION, DESCRIPTION AND TREND**

A market area is a geographic area wherein occupants usually have an observable commonality of interests. Market areas can be large areas, equating to an entire county or even a group of counties, depending on the purpose of analysis. Habitats, buildings and business enterprises may be relatively uniform, as in a district or neighborhood, all within a larger market area; that is, a smaller area exhibits a greater degree of commonality than the larger area. For example, there may be a retail district and/or industrial zone within a mixed-use neighborhood which includes residences, and this neighborhood and other connecting neighborhoods and districts may form a larger market area. A market area is the area from which demand for a particular property or use is drawn and will vary by use type. For example, the market area for a community shopping center is larger than the market area for a neighborhood or strip shopping center.

There is no set life expectancy for a market area, neighborhood or district, and major changes can interrupt the order of the stages. In some instances, after a period of decline, a neighborhood may undergo a transition to other land uses, or its life cycle may begin again due to revitalization and redevelopment of land or buildings.

Social considerations in a market area analysis involve a description of occupants and visitors revealing their reasons and motivations for living, working and visiting within the market area. These reasons may include the market areas reputation, environment and availability and convenience to employment, shopping/service centers and recreation centers. Demographic analysis is often related to driving times and linkages to commonly used supporting properties and facilities, rather than by specific census tracts.

A residential neighborhood is typically a group of complementary land uses, such as homes, schools and neighborhood commerce, whereas a district may be characterized by homogenous land uses, such as industrial districts or office districts or high-rise districts. Although a market area may be confined to a neighborhood, a market area is often larger and may include a broad array of land uses and several neighborhoods and census tracts. Some of the smallest areas of commonality may be referred to as traffic analysis zones or commercial nodes which are based on specific traffic routes and particular roadway intersections.

Each neighborhood or district has a dynamic quality of its own, which is described as the life cycle of a neighborhood or district. The complementary land uses that comprise neighborhoods and the homogenous land uses that comprise districts typically evolve through four stages.

1. Growth - A period during which the neighborhood gains public favor and acceptance.
2. Stability - A period of equilibrium without marked gains or losses.
3. Decline - A period of diminishing demand.
4. Revitalization - A period of renewal, modernization and increasing demand.

The demographic analysis that follows was obtained using information from the Appraisal Institute / *Site To Do Business* data service. The compiled information is based on forecast modifications to the 2020 census utilized for demographic projections.

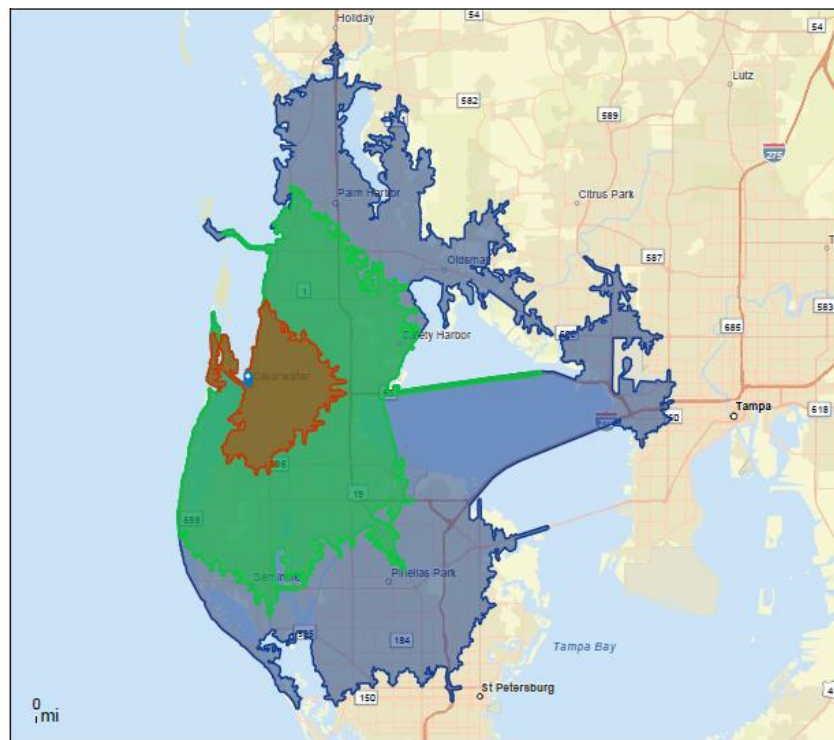


## Market Area

The subject neighborhood is the westerly edge of the Central Business District of the City of Clearwater, Florida fronting Clearwater Bay. Commercial development includes restaurants, retail shops, offices, Morton Plant Hospital complex and municipal buildings, and there are several condominium buildings along the waterfront, with Water's Edge being the tallest in the downtown area. There are single-family homes including new townhomes to the north and south of the downtown area. Clearwater Beach is about two miles west of Clearwater Bluff. Tampa International Airport and the Westshore Business District are 17 miles easterly via SR 60. Customers, clients and employees generally come from a broader market area. The subject is located in the Tampa-St. Petersburg-Clearwater metropolitan statistical area.

A Drive Time analysis was prepared using 10, 20 and 30 minute drive times. For the subject property, the broader market area is generally described using a 30-minute drive time from the subject property, which best represents the overall market area in terms of the concentration of potential users and employees. The main transportation route through the market area is US Highway 19, traversing Pinellas County north to south. Primary east-west arteries are SR 60, CR 580 through Oldsmar, US 92/Gandy Bridge linking Pinellas County to south Tampa, Ulmerton Road and Interstate 275, which extends from north of Tampa southerly through St. Petersburg to near Bradenton/Ellenton, and connects with Interstate 75 to both north and south. The westerly terminus of Interstate 4 intersects Interstate 275 near downtown Tampa and extends across the state through Orlando, terminating at Interstate 95 near Daytona Beach.

### Market Area Boundaries



Source: STDB.com



## Social Influences

### Population Totals

In the identified area, the current year population is 791,394 persons. In 2020, the Census count in the area was 786,419. The rate of change since 2020 was 0.19% annually. The five-year projection for the population in the area is 790,248 representing a change of -0.03% annually from 2023 to 2028. Currently, the population is 48.5% male and 51.5% female.

	10 minutes	20 minutes	30 minutes
<b>Population Summary</b>			
2010 Total Population	83,860	373,758	745,071
2020 Total Population	87,675	388,687	786,419
2020 Group Quarters	3,712	10,030	14,350
2023 Total Population	88,275	390,952	791,394
2023 Group Quarters	3,713	10,052	14,351
2028 Total Population	87,945	389,830	790,248
2023-2028 Annual Rate	-0.07%	-0.06%	-0.03%
2023 Total Daytime Population	100,102	407,215	882,350
Workers	53,316	211,276	495,678
Residents	46,786	195,939	386,672

The difference between change in population and change in households is a result of two factors, the presence of group quarters (dormitory or other non-household) population in the market area, and the average number of persons per household. The group quarters population in the market area was 14,350 in 2023, or 1.8 percent of the total population.

### Population by Education

In 2023, the educational attainment of the population aged 25 years or older in the area was distributed as follows:

	10 minutes	20 minutes	30 minutes
<b>2023 Population 25+ by Educational Attainment</b>			
Total	66,467	308,546	618,426
Less than 9th Grade	4.0%	2.4%	2.5%
9th - 12th Grade, No Diploma	5.4%	4.7%	4.5%
High School Graduate	25.0%	23.7%	23.1%
GED/Alternative Credential	5.7%	4.7%	4.6%
Some College, No Degree	18.6%	19.6%	18.8%
Associate Degree	9.8%	11.0%	11.1%
Bachelor's Degree	20.6%	21.8%	23.2%
Graduate/Professional Degree	10.8%	12.0%	12.2%

## Population Characteristics

By age group, the percent distribution of the market area population is as follows:

	10 minutes	20 minutes	30 minutes
<b>2023 Population by Age</b>			
Total	88,276	390,950	791,393
0 - 4	4.7%	3.7%	3.9%
5 - 9	4.8%	4.0%	4.2%
10 - 14	5.1%	4.4%	4.5%
15 - 24	10.1%	8.9%	9.2%
25 - 34	11.9%	10.6%	11.3%
35 - 44	11.8%	10.9%	11.4%
45 - 54	12.3%	11.7%	12.2%
55 - 64	14.7%	15.3%	15.3%
65 - 74	13.5%	15.9%	15.0%
75 - 84	7.6%	10.0%	9.0%
85 +	3.5%	4.5%	3.9%
18 +	82.4%	85.1%	84.6%

The median age in this area is 49.7, compared to U.S. median age of 39.1.

	10 minutes	20 minutes	30 minutes
<b>Median Age</b>			
2010	42.9	47.1	45.9
2020	45.9	50.3	48.3
2023	46.4	51.6	49.7
2028	47.0	52.6	50.4

	10 minutes	20 minutes	30 minutes
<b>2023 Population 15+ by Marital Status</b>			
Total	75,356	343,230	691,399
Never Married	32.6%	28.4%	29.5%
Married	44.4%	47.9%	48.1%
Widowed	7.8%	8.8%	8.2%
Divorced	15.2%	14.9%	14.1%

## Households

The household count in this area has changed from 359,185 in 2020 to 363,384 in the current year, a change of 0.36% annually. The five-year projection of households is 365,999, a change

of 0.14% annually from the current year total. Average household size is currently 2.14, compared to 2.15 in the year 2020.

	10 minutes	20 minutes	30 minutes
<b>Household Summary</b>			
2010 Households	36,026	170,839	336,610
2010 Average Household Size	2.24	2.13	2.17
2020 Total Households	37,837	179,076	359,185
2020 Average Household Size	2.22	2.11	2.15
2023 Households	38,412	181,296	363,384
2023 Average Household Size	2.20	2.10	2.14
2028 Households	38,638	182,495	365,999
2028 Average Household Size	2.18	2.08	2.12
2023-2028 Annual Rate	0.12%	0.13%	0.14%

The number of families in the current year is 191,324 in the specified area.

	10 minutes	20 minutes	30 minutes
<b>Families Summary</b>			
2010 Families	19,899	95,494	191,324
2010 Average Family Size	2.92	2.77	2.79
2023 Families	20,923	99,889	203,048
2023 Average Family Size	2.89	2.75	2.78
2028 Families	21,004	100,408	204,274
2028 Average Family Size	2.87	2.73	2.76
2023-2028 Annual Rate	0.08%	0.10%	0.12%

## Housing

Currently, 58.6% of the 418,399 housing units in the area are owner occupied; 28.3%, renter occupied; and 13.1% are vacant. Currently, in the U.S., 58.5% of the housing units in the area are owner occupied; 31.7% are renter occupied; and 9.8% are vacant. In 2020, there were 415,402 housing units in the area and 13.5% vacant housing units. The annual rate of change in housing units since 2020 is 0.22%.

	10 minutes	20 minutes	30 minutes
<b>Housing Unit Summary</b>			
2000 Housing Units	42,160	196,948	380,414
Owner Occupied Housing Units	55.0%	61.8%	62.6%
Renter Occupied Housing Units	32.0%	24.6%	24.4%
Vacant Housing Units	12.9%	13.5%	12.9%
2010 Housing Units	44,455	206,847	402,807
Owner Occupied Housing Units	46.9%	55.9%	56.7%
Renter Occupied Housing Units	34.1%	26.7%	26.9%
Vacant Housing Units	19.0%	17.4%	16.4%
2020 Housing Units	44,847	210,397	415,402
Owner Occupied Housing Units	48.2%	55.8%	56.2%
Renter Occupied Housing Units	36.2%	29.3%	30.3%
Vacant Housing Units	15.9%	14.9%	13.5%
2023 Housing Units	45,370	212,074	418,399
Owner Occupied Housing Units	51.2%	57.7%	58.6%
Renter Occupied Housing Units	33.5%	27.8%	28.3%
Vacant Housing Units	15.3%	14.5%	13.1%
2028 Housing Units	45,587	213,386	421,434
Owner Occupied Housing Units	52.0%	58.4%	59.2%
Renter Occupied Housing Units	32.8%	27.1%	27.7%
Vacant Housing Units	15.2%	14.5%	13.2%

Vacant Housing Units from this data often includes second homes, vacation homes, homes for sale and for rent, and housing in transition for razing or remodeling.

Median home value in the area is \$320,837, compared to a median home value of \$308,943 for the U.S. In five years, median value is projected to change by 0.94% annually to \$336,206.

	10 minutes	20 minutes	30 minutes
<b>Median Home Value</b>			
2023	\$328,257	\$314,620	\$320,837
2028	\$340,884	\$327,434	\$336,206

## Rental Housing

Please see following information on the future demand in the Tampa Bay market from *U.S. Apartment Demand Through 2035*; 193 pages, Hoyt Advisory Services, Eigen10 Advisors, LLC, May 2022; 50 Metro areas included; Norman G. Miller lead author; commissioned by National Apartment Association and National Multi-Family Housing Council.

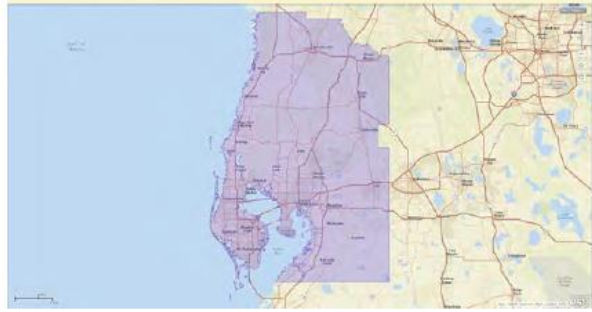
## METRO MULTIFAMILY DEMAND OVERVIEW

**73,152** Apartment units needed by 2035

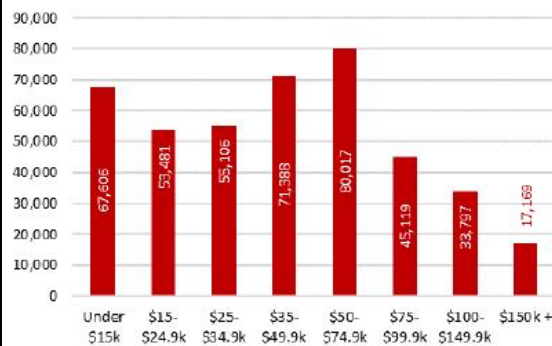
Definitions on following page

DEMAND RANKING	AFFORDABILITY	MF SUPPLY / RESTRICTIONS	STAR* SHARE
<b>11</b>	<b>56</b>	<b>7</b>	<b>20%</b>

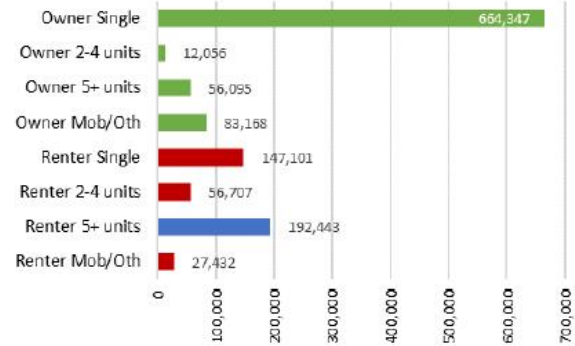
## TAMPA



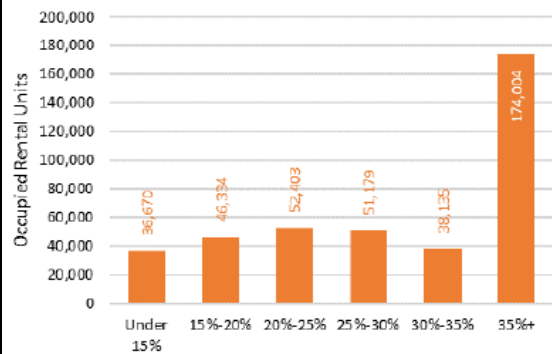
Rental Households by Income



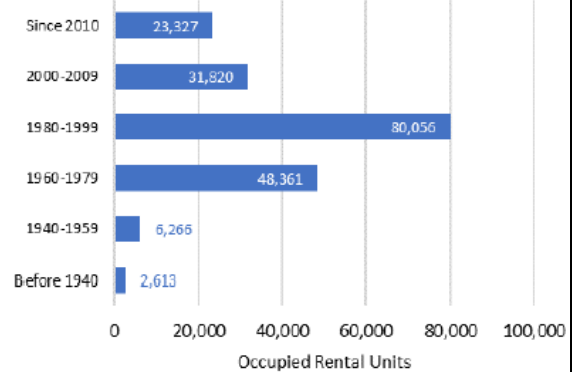
Housing Stock by Tenure & Type



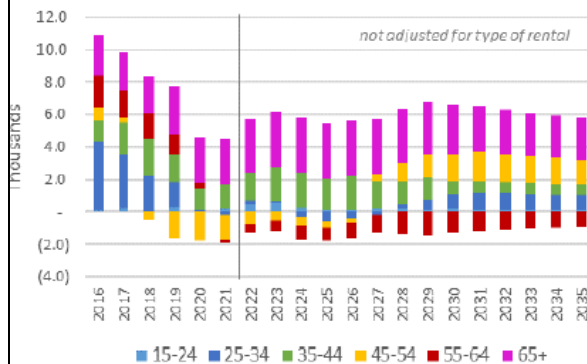
Rent as a Percent of Household Income



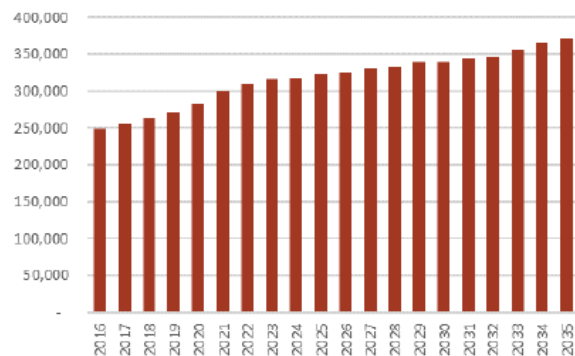
5+ Unit Rental Stock by Year Built

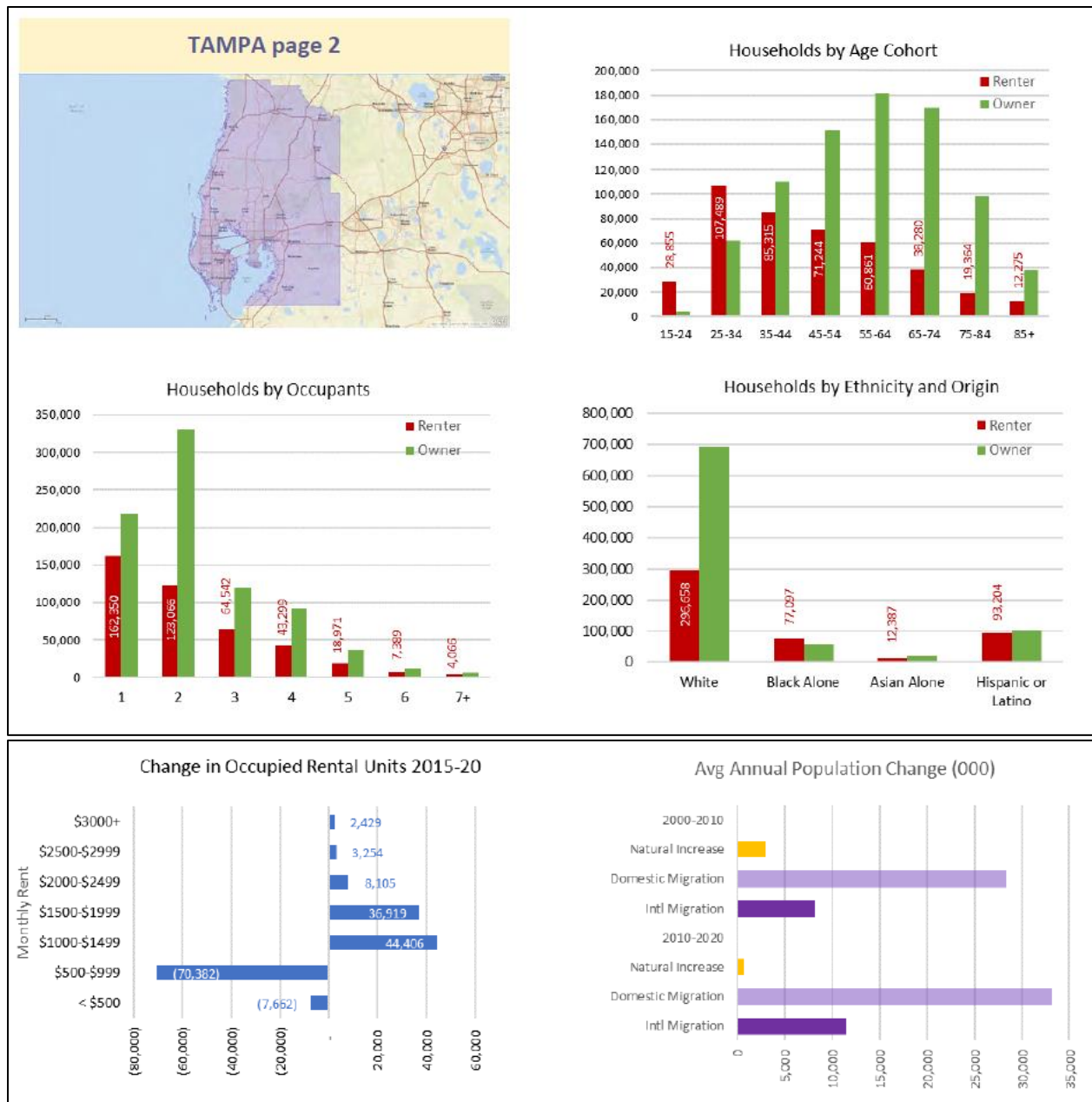


New Rental Households by Age Cohort



5+ Units Apartment Demand Forecast





#### RANKING and DEFINITIONS:

**METRO RANKING** is the relative rank among 50 multifamily metro markets based upon the average of HAS forecasted total 5+ multifamily demand 2021-2035 and the percentage growth in that demand, ranging from 1 (Austin) to 50 (Cleveland).

**AFFORDABILITY INDEX** is the % of renters who are paying less than 35% of gross income on rent, based on the U.S. Census American Community Survey, 2020 five year average figures. Higher numbers indicate more affordable markets. This index ranges from 47 (Miami) to 66 (Columbus) with a Metro average of 60.

**MF SUPPLY / RESTRICTIONS** is an average ranking of the increase in 5+ rental stock from 2011 to 2021 and the excess percentage growth in stock delivered as compared to percentage growth in rental households from 2011-2021. High rankings (1) indicate high growth markets in which supply is at least keeping pace if not exceeding demand whereas low rankings (50) indicate slow growth markets and/or where supply from 2011-2021 was less than demand.

**STAR SHARE** is that share of Metro rental housing stock with five or more units HAS qualified as \*Second-Tier Affordable Rentals or those non-institutional sites of typically lower unit count, lower quality and greater age, a critical and ongoing multifamily supply component. Using CoStar® ratings of 1-5 for sites of five units or more, STAR is the lower ratings of 1-2. This share ranges from 64% (Los Angeles) to 12% (Austin) with a Metro average of 36%.

## Per Capita and Household Income

Current per capita income is \$43,287 in the area, compared to the U.S. per capita income of \$41,310. The per capita income is projected to be \$51,059 in five years, compared to \$47,525 for all U.S. households.

	10 minutes	20 minutes	30 minutes
<b>Per Capita Income</b>			
2023	\$37,817	\$42,011	\$43,287
2028	\$44,802	\$49,537	\$51,059

Current median household income is \$63,337 in the area, compared to \$72,603 for all U.S. households. Median household income is projected to be \$75,557 in five years, compared to \$82,410 for all U.S. households.

	10 minutes	20 minutes	30 minutes
<b>Median Household Income</b>			
2023	\$55,123	\$60,458	\$63,337
2028	\$65,264	\$71,970	\$75,557

Current average household income is \$94,032 in this area, compared to \$107,008 for all U.S. households. Average household income is projected to be \$109,999 in five years, compared to \$122,048 for all U.S. households.

	10 minutes	20 minutes	30 minutes
<b>2023 Households by Income</b>			
Household Income Base	38,412	181,295	363,383
<\$15,000	14.8%	11.1%	10.2%
\$15,000 - \$24,999	9.0%	8.3%	7.7%
\$25,000 - \$34,999	8.9%	8.5%	8.2%
\$35,000 - \$49,999	13.0%	12.9%	12.7%
\$50,000 - \$74,999	15.9%	17.8%	18.0%
\$75,000 - \$99,999	11.4%	12.7%	13.1%
\$100,000 - \$149,999	14.2%	15.3%	15.8%
\$150,000 - \$199,999	6.2%	6.5%	6.7%
\$200,000+	6.7%	6.9%	7.5%
Average Household Income	\$86,272	\$90,299	\$94,032

	10 minutes	20 minutes	30 minutes
<b>2023 Owner Occupied Housing Units by Value</b>			
Total	23,225	122,444	245,071
<\$50,000	5.4%	9.1%	7.5%
\$50,000 - \$99,999	4.9%	6.7%	5.9%
\$100,000 - \$149,999	3.5%	4.7%	5.4%
\$150,000 - \$199,999	7.5%	6.1%	6.7%
\$200,000 - \$249,999	9.2%	7.5%	8.0%
\$250,000 - \$299,999	12.3%	12.2%	11.6%
\$300,000 - \$399,999	25.4%	24.7%	24.1%
\$400,000 - \$499,999	11.6%	12.5%	13.6%
\$500,000 - \$749,999	9.6%	9.4%	10.6%
\$750,000 - \$999,999	4.1%	3.2%	3.2%
\$1,000,000 - \$1,499,999	3.1%	2.0%	2.0%
\$1,500,000 - \$1,999,999	1.2%	0.8%	0.7%
\$2,000,000 +	2.0%	1.0%	0.9%
Average Home Value	\$420,884	\$365,309	\$370,829

The following household ratio descriptions have not likely changed significantly from 2020, current data was not available.

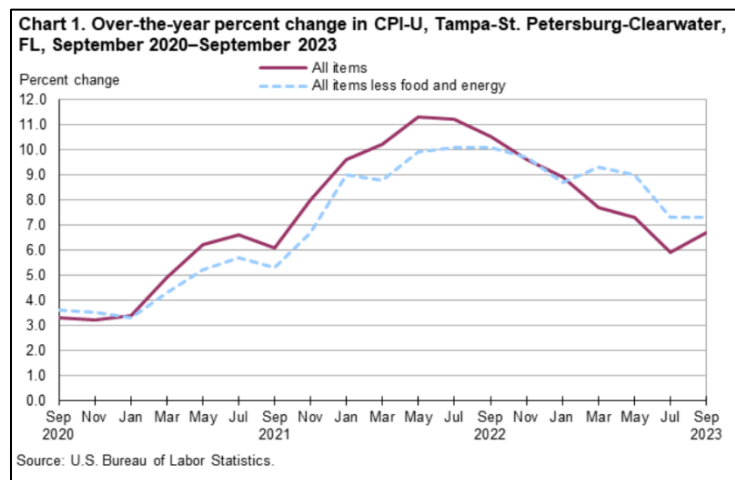
	10 minutes	20 minutes	30 minutes
<b>2020 Households by Size</b>			
Total	37,837	179,076	359,185
1 Person Household	35.1%	36.0%	35.2%
2 Person Household	36.3%	38.2%	37.6%
3 Person Household	13.4%	12.4%	13.0%
4 Person Household	8.8%	8.2%	8.8%
5 Person Household	3.9%	3.3%	3.4%
6 Person Household	1.6%	1.2%	1.3%
7 + Person Household	0.8%	0.6%	0.6%



	10 minutes	20 minutes	30 minutes
<b>2020 Households by Type</b>			
Total	37,837	179,076	359,185
Married Couple Households	37.1%	39.8%	39.9%
With Own Children <18	10.1%	10.0%	10.8%
Without Own Children <18	27.0%	29.8%	29.1%
Cohabiting Couple Households	8.2%	7.7%	8.1%
With Own Children <18	2.3%	1.8%	1.9%
Without Own Children <18	5.9%	5.9%	6.2%
Male Householder, No Spouse/Partner	22.9%	20.6%	20.8%
Living Alone	16.6%	15.2%	15.2%
65 Years and over	5.7%	6.2%	5.6%
With Own Children <18	1.4%	1.2%	1.3%
Without Own Children <18, With Relatives	3.0%	2.5%	2.6%
No Relatives Present	1.9%	1.6%	1.7%
Female Householder, No Spouse/Partner	31.8%	32.0%	31.3%
Living Alone	18.5%	20.8%	19.9%
65 Years and over	9.3%	12.0%	10.7%
With Own Children <18	5.1%	3.8%	3.9%
Without Own Children <18, With Relatives	6.7%	6.2%	6.1%
No Relatives Present	1.5%	1.3%	1.4%

### Economic Influences

Economic considerations involve the financial capacity of a neighborhood's occupants to rent or own property, to maintain it in an attractive and desirable condition, and to renovate or rehabilitate it when needed. In general, residential property values declined during the recession of 2008-2009, but have continued to improve since about 2012. The area is expected to continue with stable to increasing population levels and corresponding growth of housing units.



## Business Climate and Economic Activity

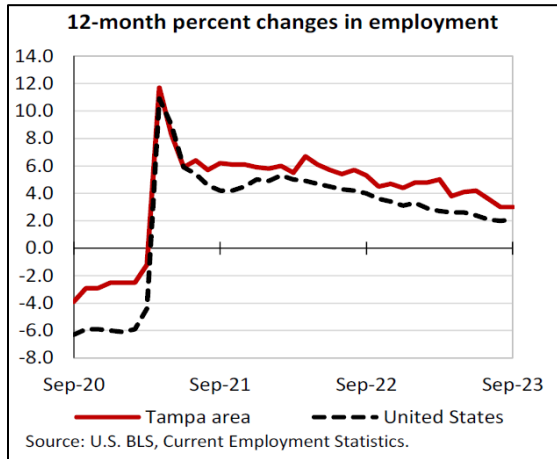
In the market area, there is an approximate employee ratio of 66.4% White-collar occupations, 24.0% Professionals, 16.4% Services, and 17.2% Blue Collar.

	10 minutes	20 minutes	30 minutes
<b>2023 Employed Population 16+ by Occupation</b>			
Total	42,098	195,054	407,320
White Collar	63.5%	66.1%	66.4%
Management/Business/Financial	18.5%	19.4%	19.6%
Professional	23.2%	23.4%	24.0%
Sales	10.2%	10.1%	10.2%
Administrative Support	11.6%	13.1%	12.5%
Services	19.2%	17.1%	16.4%
Blue Collar	17.3%	16.9%	17.2%
Farming/Forestry/Fishing	0.0%	0.1%	0.1%
Construction/Extraction	4.9%	3.7%	3.5%
Installation/Maintenance/Repair	2.8%	3.1%	2.9%
Production	3.6%	4.2%	4.8%
Transportation/Material Moving	5.8%	5.8%	5.8%

The ten basic industries and the participation in the market are reflected in the chart below. The Services industry makes up the largest employment pool with 51.8% of the total work force.

	10 minutes	20 minutes	30 minutes
<b>2023 Employed Population 16+ by Industry</b>			
Total	42,101	195,054	407,319
Agriculture/Mining	0.0%	0.2%	0.2%
Construction	6.9%	5.9%	6.2%
Manufacturing	5.8%	7.5%	8.1%
Wholesale Trade	2.1%	2.0%	1.9%
Retail Trade	11.9%	11.7%	11.7%
Transportation/Utilities	5.8%	5.2%	4.9%
Information	1.1%	1.6%	1.7%
Finance/Insurance/Real Estate	9.0%	9.5%	9.8%
Services	53.0%	52.5%	51.8%
Public Administration	4.3%	3.9%	3.6%

The following chart indicates 12-month employment changes on non-farm payrolls for Tampa MSA and the U.S. Notice the dramatic upward change after the negative Covid effect on jobs in mid-2020 and the relatively quick recovery. Second chart is year over year change.



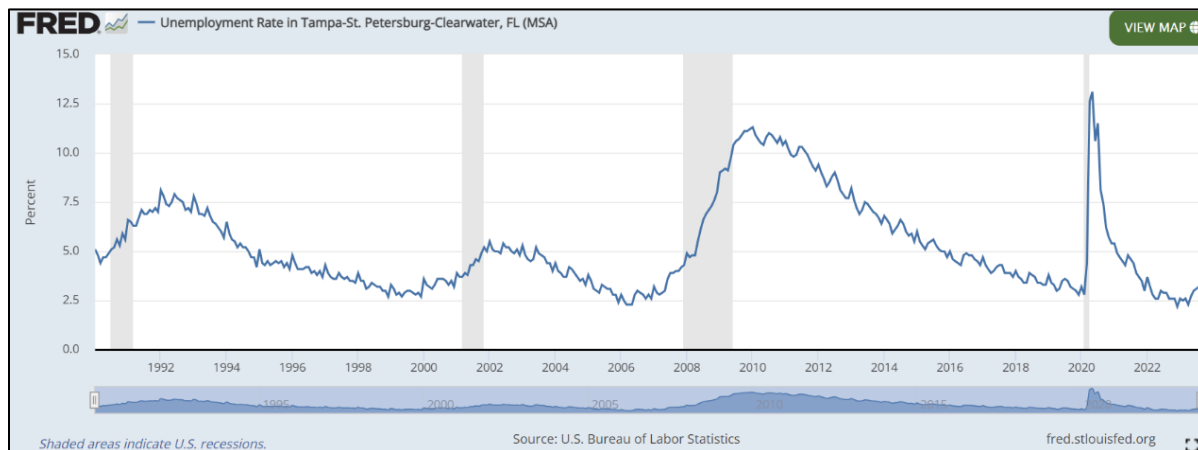
Tampa area employment (number in thousands)	Sep. 2023	Change from Sep. 2022 to Sep. 2023	
		Number	Percent
Total nonfarm	1,530.3	44.9	3.0
Mining and logging	0.3	0.0	0.0
Construction	95.1	5.1	5.7
Manufacturing	76.3	2.4	3.2
Trade, transportation, and utilities	280.9	6.0	2.2
Information	27.5	-1.4	-4.8
Financial activities	134.0	-6.0	-4.3
Professional and business services	302.2	13.0	4.5
Education and health services	246.8	20.4	9.0
Leisure and hospitality	162.9	1.9	1.2
Other services	49.0	1.4	2.9
Government	155.3	2.1	1.4

Source: U.S. BLS, Current Employment Statistics.

In September 2023, the unemployment rate for Florida was 2.8% from a civilian labor force of about 11.154 million. The U.S. unemployment rate was 3.8% in September 2023. Please see following link describing Miami area with 1.5% unemployment and other Florida employment statistics. <https://floridajobs.org/news-center/DEO-Press/2023/10/20/floridacommerce-announces-the-miami-area-september-2023-employment-data>

The subject four-county MSA unemployment in September 2023 was 3.2%. County unemployment rates for September 2023 were 3.1% in Hillsborough County, 3.0% in Pinellas, 3.5% in Pasco and 4.1% in Hernando County, all higher than September 2022.

Please see chart of historical unemployment trends for the subject MSA.



### Household Disposable Income – 10 Minute Drive

(20 and 30 minute area percentages are similar to 10 minute Average Disposable Income)

	Census 2020	2023	2028	2023-2028 Change	2023-2028 Annual Rate
Population	87,675	88,275	87,945	-330	-0.07%
Median Age	45.9	46.4	47.0	0.6	0.26%
Households	37,837	38,412	38,638	226	0.12%
Average Household	2.22	2.20	2.18	-0.02	-0.18%

2023 Households by Disposable Income	Number	Percent
Total	38,412	100.0%
<\$15,000	6,117	15.9%
\$15,000-\$24,999	3,954	10.3%
\$25,000-\$34,999	4,196	10.9%
\$35,000-\$49,999	5,487	14.3%
\$50,000-\$74,999	6,733	17.5%
\$75,000-\$99,999	3,751	9.8%
\$100,000-\$149,999	5,062	13.2%
\$150,000-\$199,999	1,636	4.3%
\$200,000+	1,476	3.8%
Median Disposable Income	\$48,037	
Average Disposable Income	\$67,463	

2023 Disposable Income by Age	Number of Households						
	<25	25-34	35-44	45-54	55-64	65-74	75+
Total	1,169	4,431	5,411	5,868	7,621	7,644	6,268
<\$15,000	267	642	755	662	1,205	1,417	1,168
\$15,000-\$24,999	225	465	358	356	691	825	1,034
\$25,000-\$34,999	157	535	519	498	673	891	923
\$35,000-\$49,999	200	665	729	774	958	1,130	1,032
\$50,000-\$74,999	201	910	1,099	1,035	1,289	1,322	878
\$75,000-\$99,999	58	459	523	814	868	620	410
\$100,000-\$149,999	55	559	957	1,046	1,123	812	510
\$150,000-\$199,999	2	92	256	376	425	317	167
\$200,000+	4	102	215	307	390	310	148
Median Disposable Income	\$30,151	\$47,285	\$55,745	\$63,286	\$54,007	\$42,964	\$35,100
Average Disposable Income	\$39,277	\$61,070	\$73,772	\$82,527	\$74,499	\$64,340	\$52,946



## Household Consumer Spending – Goods and Services

	10 minutes	20 minutes	30 minutes
<b>2023 Consumer Spending</b>			
Apparel & Services: Total \$	\$68,952,883	\$331,398,621	\$695,829,365
Average Spent	\$1,795.09	\$1,827.94	\$1,914.86
Spending Potential Index	82	83	87
Education: Total \$	\$53,627,485	\$261,620,534	\$545,326,413
Average Spent	\$1,396.11	\$1,443.06	\$1,500.69
Spending Potential Index	78	80	84
Entertainment/Recreation: Total \$	\$117,479,423	\$584,757,097	\$1,220,393,535
Average Spent	\$3,058.40	\$3,225.43	\$3,358.41
Spending Potential Index	81	85	89
Food at Home: Total \$	\$216,319,884	\$1,058,919,112	\$2,201,906,387
Average Spent	\$5,631.57	\$5,840.83	\$6,059.45
Spending Potential Index	83	86	89
Food Away from Home: Total \$	\$115,913,573	\$565,158,676	\$1,185,483,803
Average Spent	\$3,017.64	\$3,117.33	\$3,262.34
Spending Potential Index	81	84	88
Health Care: Total \$	\$237,106,589	\$1,186,543,210	\$2,462,309,631
Average Spent	\$6,172.72	\$6,544.78	\$6,776.05
Spending Potential Index	84	89	92
HH Furnishings & Equipment: Total \$	\$92,015,094	\$455,396,642	\$951,007,482
Average Spent	\$2,395.48	\$2,511.90	\$2,617.09
Spending Potential Index	81	85	89
Personal Care Products & Services: Total \$	\$30,631,334	\$151,720,022	\$315,575,352
Average Spent	\$797.44	\$836.86	\$868.43
Spending Potential Index	83	88	91
Shelter: Total \$	\$777,469,401	\$3,830,653,587	\$7,969,878,978
Average Spent	\$20,240.27	\$21,129.28	\$21,932.39
Spending Potential Index	82	85	89
Support Payments/Cash Contributions/Gifts in Kind: Total \$	\$99,492,479	\$510,112,561	\$1,050,926,576
Average Spent	\$2,590.14	\$2,813.70	\$2,892.06
Spending Potential Index	83	90	92
Travel: Total \$	\$68,727,402	\$342,301,445	\$715,698,077
Average Spent	\$1,789.22	\$1,888.08	\$1,969.54
Spending Potential Index	80	84	88
Vehicle Maintenance & Repairs: Total \$	\$41,848,110	\$206,041,989	\$430,984,313
Average Spent	\$1,089.45	\$1,136.49	\$1,186.03
Spending Potential Index	83	87	91

## **Governmental Influences**

The subject market area covers about 75% of Pinellas County. The market area is governed by several municipalities and Pinellas County for future land use plans and various municipal zoning codes. The purpose and primary effect of the Future Land Use Plan is to provide a general outline for growth for a given area in an attempt to support and provide for orderly growth within the state. The implementation of this land use plan has the effect of eventually requiring the zoning ordinances to comply with the plan within a reasonable time. The designations, therefore, of the land use plan should be viewed as the long-term intentions with respect to a given land area and its boundaries.

Most commercial land uses are designated along major traffic arteries and at commercial nodes within the market area, which are surrounded by residential uses. The governmental tax burdens within the market area appear to be in proportion to the governmental services provided including road and drainage infrastructure, however, designated areas may be specially assessed for needed infrastructure updating.

## **Environmental Influences**

Property uses within the broader market area include residential uses, primarily single-family homes, secondarily multi-family apartments/condos and supporting commercial uses with industrial and business park districts. Grocery stores, professional and medical offices, banking services and restaurants are all accessible throughout the market area. Places of worship, schools, public libraries, golf courses and nearby Gulf beaches are also convenient. Fire and police protection appear to be adequate.

## **Conclusion**

Outlook for the neighborhood and broader market is overall long-term positive. Commercial and residential properties have exhibited improved occupancy rates and are near capacity, and new and redeveloped commercial and residential properties are evident in this market. Given a subtropical climate, access to nearby beaches and other attractive features, the greater market area is considered an important tourism destination in addition to a typical economic area with its production of goods and services.

In the market area, commercial land is approximately 95% built-up and the residential land is approximately 95% built-up, reflecting an urban populated area. The population base within and surrounding the market area provides a significant employee pool and consumer base. Population is expected to be stable to slightly increasing over the foreseeable future. The overall location, the area economy and overall demographic trends for the longer term favorably influence the subject neighborhood and the market area, and no adverse factors are noted.

## REAL PROPERTY ASSESSMENTS AND TAXES

The subject parcel identification and assessments are obtained from the Property Appraiser's office as noted below. The subject is currently owned by the City of Clearwater and is tax exempt. The assessed value below is for one of three parent tract parcels, a total of approximately 23 acres. The subject is 2.60 acres of an approximate 8.8-acre southerly parent parcel. The parent parcels are tax exempt as municipal ownership. The 2023 millage rate for the ad valorem taxes on real property is 20.2462 mils in the subject district.

### Real Property Assessments and Tax Exempt 2023

Parcel Number	Assessed Value	Non-Ad Valorem	Total Gross Tax	Total Net Tax
16-29-15-20358-001-0040	\$22,851,832	\$ 0	\$ 0	\$ 0
<b>Totals</b>	<b>\$22,851,832</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

Assessed values are based on a property's condition as of January 1 of each year and are preliminary until certified to the Florida Department of Revenue in June. The county Property Appraiser first estimates a market or just value, then applies various caps or exemptions to arrive at taxable values, which may vary among taxing authorities. The 10% cap on annual assessment increases for commercial properties while under the same ownership does not apply to school board taxes. Non-Ad Valorem taxes are not based on value but are typically fixed amounts for a fire, lighting, road or water district. Therefore, it may not be possible to estimate taxes by simply multiply the assessed value by the millage rate. The tax millage rate in a geographic district is determined by the amount of funds necessary to provide all governmental services, such as schools, police, fire/rescue, library, etc., divided by the overall tax base.

A Truth in Millage (TRIM) notice setting forth proposed taxes is sent to property owners in August, with an appeal period through September. The final millage rate is established by each county commission in October, and property tax invoices are then mailed to owners for earliest payment during November.

Property taxes in Florida are due by March 31, but may be paid as early as November 1, when a 4% discount is allowed. The discount decreases by 1% per month until March, when there is no discount. Prudent property owners typically take advantage of the 4% discount and pay real estate taxes in November, rather than in March of the following year.

Taxes become delinquent April 1, after which time a penalty is imposed. Certificates for delinquent taxes are auctioned approximately 60 days from delinquency, and the holder of a tax certificate may seek foreclosure to recoup investment or to acquire title in approximately 22 months if taxes and penalties remain unpaid.

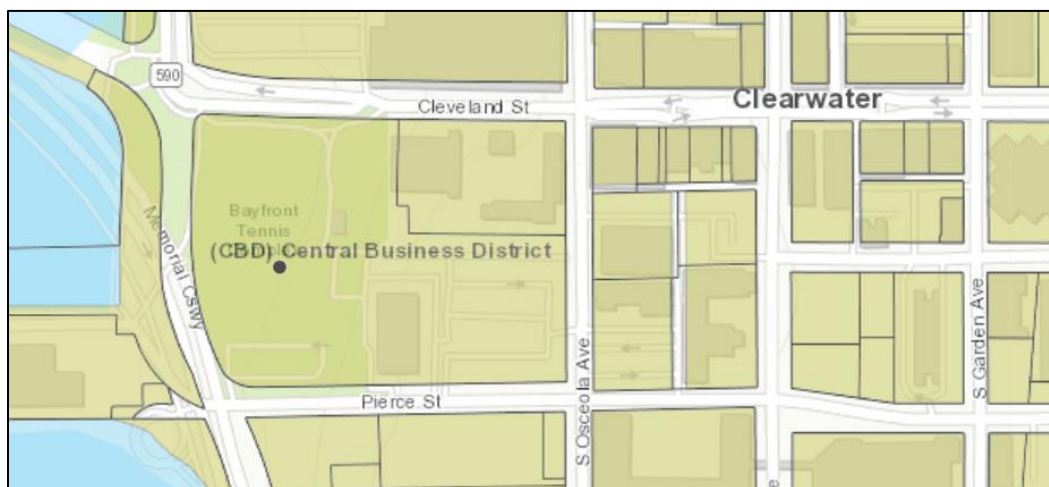
## LAND USE AND ZONING CLASSIFICATION

The Land Use plan sets forth the physical plans for growth and development of a community. The primary thrust of the Plan is to determine the overall development of the county, where it was, where it is today and how the future land use patterns and policies will reflect and meet the needs of growth tomorrow, and zoning is a specifically delineated area or district within which regulations and requirements uniformly govern the use, placement, spacing and size of land and buildings. The Land Use Plan and Zoning work hand in hand and must be compatible in intent prior to development of any property.

In the event of pre-existing conditions of lot or building non-conformities, a property may be considered legally conforming per a “grandfather” rule. Pre-existing conditions in compliance, which predate adoption of zoning regulations or become non-conforming by virtue of right-of-way changes, typically will place the property in a special exception category as legally non-conforming.

### Future Land Use Plan

According to the City of Clearwater Future Land Use, from the documentation and mapping by the Planning Commission, the area of the subject site is located in a Central Business District CBD, which permits a variety of commercial and residential uses. With respect to the surrounding, existing land use and the subject’s proposed use, the subject property is presently compatible with the general Comprehensive Land Use Plan. The zoning intention is to create a mixed-use development of residential, retail, office, beverage sales, restaurants, hotels/motels, etc. amongst public/institutional uses, which would customarily be found in a downtown area. The regulation creates latitude of density, height and uses for larger assembled properties and the City has created multi-family density pools that are also available. The city is flexible with expanding development regulations in regard to fulfilling the Imagine Clearwater project in the subject vicinity.





## Zoning

### Downtown (D)

The intent and purpose of the Downtown District and Development Standards is to encourage mixed use, pedestrian-oriented development, promote context-sensitive forms, patterns, and intensities of development, support a variety of new housing types to provide for a range of affordability and mix of incomes, preserve and celebrate the unique features of Downtown's community and neighborhoods, encourage the renovation, restoration and/or reuse of existing historic structures, and provide for the design of safe, attractive, and accessible places for working, living, and shopping consistent with the vision, guiding principles, goals, objectives and policies in the Clearwater Downtown Redevelopment Plan.

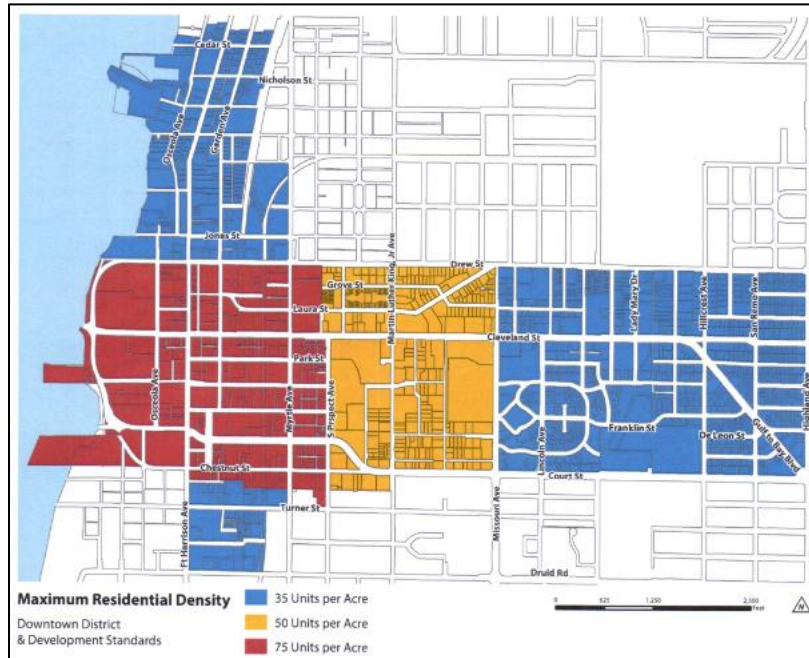
The intent and purpose of the Downtown District and Development Standards is to guide the development and redevelopment of sites in Downtown Clearwater consistent with the vision, guiding principles, goals, objectives and policies in the Clearwater Downtown Redevelopment Plan to achieve quality urban and architectural design throughout Downtown and provide regulatory clarity and predictability for property owners, investors, residents, and business owners. The standards are designed to accomplish the following:

- Encourage mixed use, pedestrian-oriented development;
- Promote context-sensitive forms, patterns, and intensities of development;
- Support a variety of new housing types to provide for a range of affordability and mix of incomes;
- Preserve and celebrate the unique features of Downtown's community and neighborhoods;
- Encourage the renovation, restoration and/or reuse of existing historic structures: and
- Provide for the design of safe, attractive, and accessible places for working, living, and shopping.

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.

75 du/ac	(maximum base density in Downtown Core)
+ 30 du/ac	(40% density bonus, min. 50% units residential rental)
105 du/ac	(105 dwelling units permitted)
4.0 FAR	(maximum base intensity in Downtown Core)
+ 1.0 FAR	(25% FAR bonus, min. 25% of building's rentable floor area is dedicated to office use and is Class A Office space)
5.0 FAR	(217,805 SF permitted)

## Downtown District



## Zoning and Land Use Conformity

The above zoning and land use information represents a brief review of the zoning regulations. Although the jurisdiction has rather straightforward zoning regulations, the regulations can be rather complex and interrelated, and not all factors potentially affecting the subject property can be shown. The reader is advised to consult the zoning regulation and department personnel for an optimum understanding of these regulations, 727-562-4604.

## **CONCURRENCY AND IMPACT FEES**

The 2011 Amendments to Chapter 163, Florida Statutes, required local governments to adopt comprehensive land use plans that include minimum specified levels of service for four types of public services and facilities, including sanitary sewer, stormwater, potable water and solid waste. Chapter 163 also prohibits local governments from issuing development permits if levels of service are below the specified level or if the development's impact would cause levels of service to fall below the specified levels. This means that the availability of public facilities must be concurrent with the impacts of the development. The original concurrency requirements became effective in January 1990. A local government may extend the concurrency requirement so that it applies to additional facilities within its jurisdiction such as schools, transportation including mass transit, and parks and recreation.

According to employees of the Planning and Land Use/Zoning Department, it does not appear that concurrency guidelines would adversely affect typical development on the subject site.

### **Impact fees**

The local and county jurisdictions charge water, sewer and transportation impact fees on new development. Redevelopment is charged the difference between the fees required under the new classification and those required under the previous classification.

### **Permit and Service Fees**

Each jurisdiction typically has several departments monitoring the various aspects of property development. Additional permit fees, plan review fees, hookup charges, inspection fees, service fees, deposits, and special fees, such as, tree removal/replacement charges, may all be applicable to new construction. If all impact fees, permit fees, and service charges are applicable to a development, then the total cost is typically between 2% and 5% or more of the total project's development costs, including land and improvements.

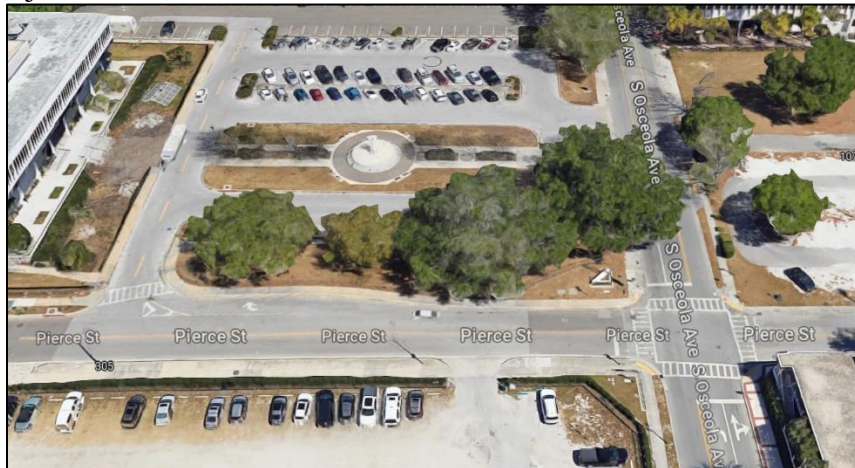
## SITE DESCRIPTION

Data sources for this site description include information provided by the Property Appraiser's office, other public records, a personal inspection by the appraisers and review of survey copy dated November 2022 from George F. Young, Inc.

### Site Description

The subject is located at the northwest corner of the two streets, extending approximately 387.07 feet east to west along Pierce Street and 285.04 feet north to south along South Osceola Avenue. The west boundary is 300.62 feet. The site is generally rectangular and contains approximately 113,256 square feet or 2.60 acres. The subject has good elevation, being on the Bluffs, and views of the bay would be available from virtually any multi-story development on the site. The site is approximately two miles from the beach and there are protected lanes on either side of Clearwater Bridge for walking, running or bicycling.

Subject at northwest corner of Pierce Street and South Osceola Avenue



Soil is sandy, typical for the area, and it is assumed that no adverse subsoil conditions exist. Municipal potable water and wastewater disposal are available to the site, as are electric and telephone services. There are no known impediments to development. Drainage and utility easements appear typical.

### Property Characteristics

Land Area	113,256 square feet or 2.60 acres per survey
Site Configuration	Rectangular
Dimensions	Please see Young survey below. The subject parcel is part of larger municipal waterfront parcel.



**George F. Young Survey 11/22    Mean LF**

E-W Lineal Feet	387.17	387.07	387.12
N-S Lineal Feet	300.20	285.04	292.62
Square Feet			113,256
Acres			2.60

Terrain/Vegetation	Generally level on a bluff with slight slope westerly toward Clearwater Bay, and with a retaining wall and a 20 foot± drop to a lower level at the west boundary. Vegetation is minimal.
Elevation	Site elevations are generally between 29 feet and 31 feet above MSL per survey.
Soil Conditions	Appears to be sandy to sandy loam, typical for the area. No subsidence was noted, but many areas of Florida are susceptible to soil issues, and a geotechnical investigation by a professional engineer is always recommended.
Access	Pedestrian and vehicular access is currently along both South Osceola Avenue and Pierce Street
Flood Zone	“X”, minimum flood risk, above 100-year flood plain
FEMA Map Panel	12103C0108J, dated August 24, 2021
Drainage	Sheet flow and typical run-off into municipal stormwater system
Potable water	City of Clearwater
Sewer	City of Clearwater
Garbage collection	City of Clearwater or private vendor
Electricity	Duke Energy
Telecommunications	Frontier, Spectrum and others
Police protection	City of Clearwater
Fire protection	City of Clearwater Fire Department and nearest facility is Fire Station 45 at 1130 Court Street, 727-562-4334, approximately one mile ESE.

Public transportation

PSTA

Emergency medical service

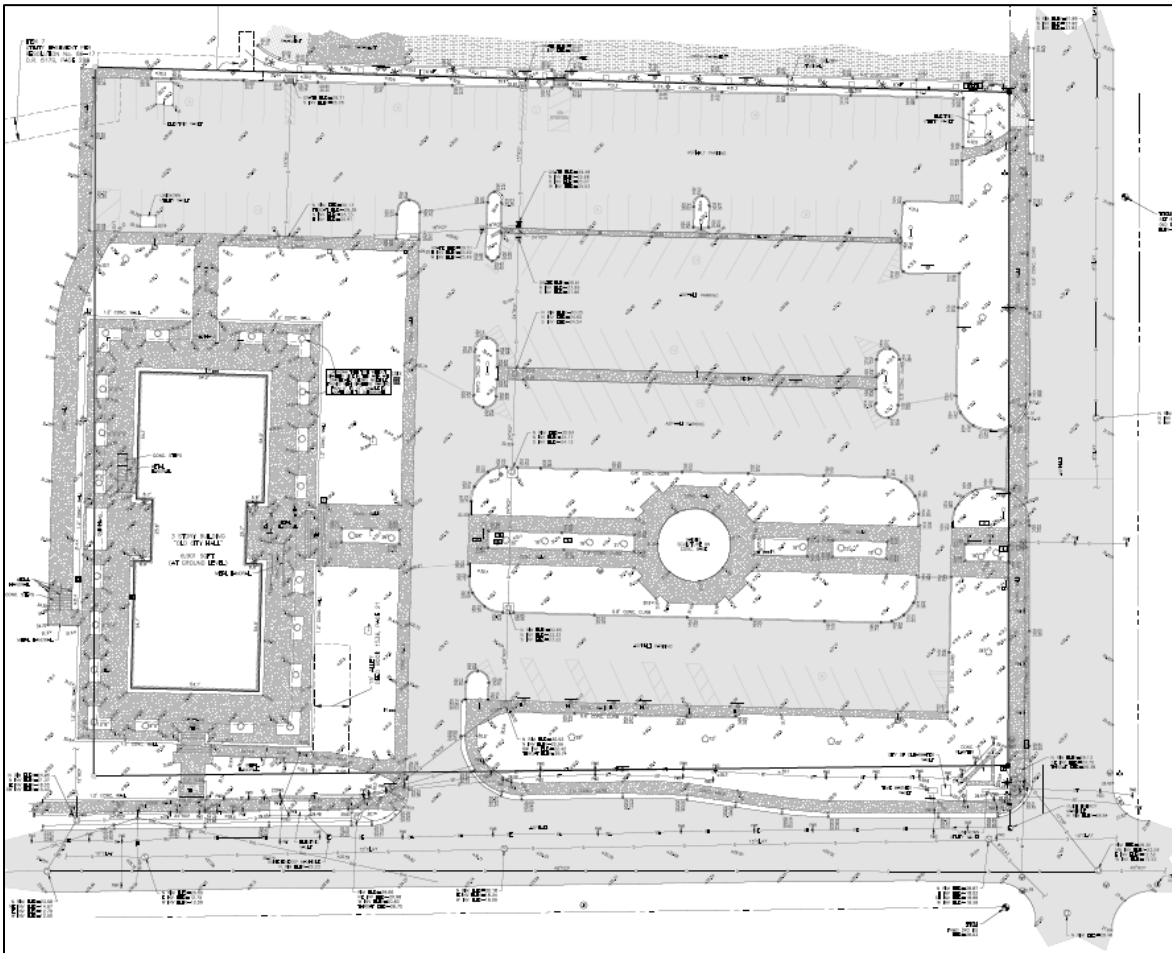
Pinellas County

## Encumbrances

According to the copy of the November 2022 survey provided, there is a utility easement in the northwest corner tip of the subject property. Other utility easements may be present and should not negatively affect the property for redevelopment.

The appraiser is not aware of title encumbrances, easements, encroachments, deed restrictions, covenants, association rules, special assessments or other possible encumbrances which may adversely affect title to the subject property. No title search information has been presented to the appraiser.

**Survey of Old City Hall – November 2022 by George F. Young, Inc.**  
Certified to Gotham Property Acquisitions, LLC and The Denunzio Group, LLC





## **SURVEYOR'S NOTES**

---

1. This is a Boundary and Topographic Survey as defined in Chapter 5J-17.050(11) of the Florida Administrative Code. The survey date is November 7, 2022 (last date of fieldwork).
2. There may be additional easements, reservations, restrictions and/or other matters of record affecting this property that are not shown hereon that may (or may not) be found in the public records of this county. The undersigned has not performed an independent search for additional records.
3. This map is intended to be displayed at a scale of 1" = 30' on Sheet 1 and 1" = 20' on Sheet 2, or smaller.
4. The printed dimensions shown on this survey supersede any scaled dimensions; there may be items drawn out of scale to graphically show their location.
5. "Certification" is understood to be an expression of professional opinion by the surveyor and mapper based on the surveyor and mapper's knowledge and information, and that it is not a guarantee or warranty, expressed or implied.
6. This survey has been exclusively prepared for the named entities shown hereon and is not transferable. No other person or entity is entitled to rely upon and/or re-use this survey for any purpose without the expressed, written consent of George F. Young, Inc. and the undersigned Professional Surveyor and Mapper.
7. Unauthorized copies and/or reproductions via any medium of this survey or any portions thereof are expressly prohibited without the written consent of George F. Young, Inc. and the undersigned Professional Surveyor and Mapper.
8. Additions or deletions to survey maps or reports by other than the signing party or parties are prohibited without written consent of the signing party or parties.
9. This survey is valid as to the last date of field survey and not the signature date (if any).
10. This survey map and report (if applicable) or the copies thereof are not valid without the original signature and seal of a Florida licensed Surveyor and Mapper (if a hard copy), or the Adobe PDF containing the electronic signature has not been validated to be the original signed and sealed version (if an electronic file). If an electronic file, printed copies of the survey map are not considered to be a valid signed and sealed copy.
11. The coordinate system utilized hereon is relative to the Florida State Plane Coordinate System, West Zone, North American Datum of 1983, 2011 adjustment (NAD83/2011), as established using the public Florida Department of Transportation's (FDOT) Florida Permanent Reference Network (FPRN) of fixed base stations. All distances shown hereon are in US Survey Feet, ground distances.
12. Bearings shown hereon are based on Grid North as established by the National Ocean Service (NOS) through its program office National Geodetic Survey (NGS) and the East right of way line of Osceola Street, being S00°06'32"W.
13. Elevations shown on this survey are based on the North American Vertical Datum of 1988 (NAVD88). Control Points provided by the City of Clearwater & Stantec Consulting Services, Inc., on their Horizontal Control Plan for Imagine Clearwater, having a Project #215614389, plotted 8/5/2020.
14. This survey prepared with the benefit of a Chicago Title Insurance Company, Alta Commitment for Title Insurance, Commitment Number: 10778916, Issuing Office File Number: 2209010C, Commitment Date: 9/23/2022 at 7:00 AM, Revision Number: 1. The description of the land contained in this survey is per Schedule A of said policy. See Schedule BII exception notes below.
15. No information on adjoining property owners or adjoining property recording information was provided to the surveyor. Adjoining property owner information was obtained from the Pinellas County Property Appraiser's website.
16. This survey shows visible, above ground features. No underground features, including but not limited to foundations, structures, installations, or improvements have been located, except as shown hereon.

17. Gross land area is 113,256 square feet or 2.60 acres more or less.
18. Underground utilities shown are based on above-ground evidence and surface marking found during this survey. There may be other underground installations within or near the subject property which were not located and are not shown. Utilities shown hereon are not to be used for construction and do not necessarily indicate availability. No plans or reports of existing utilities were provided to the undersigned.
19. Forty-eight (48) hours before digging, boring, pile-driving, planting, etc. Notify Sunshine 811 by calling 811 so that underground utilities may be field spotted.
20. All tree species shown are for informational purposes only and any tree species that may be critical should be verified by a certified arborist.
21. George F. Young, Inc. and the undersigned make no representations or guarantees pertaining to easements, rights-of-way, set back lines, reservations and/or agreements.
22. The site address is 112 S Osceola Avenue, according to the Pinellas County Property Appraisers Website.
24. As per the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map (FIRM) Number 12103C0108J, Community Number 125096, Panel 0108, Suffix J, Map Revised August 24, 2021, the above-described property appears to be in Zone "X" and Zone "X Shaded".
25. No zoning report or letter was provided to this surveyor.
26. Subject parcel contains 120 Regular and 6 Handicap parking spaces.
27. There are no division or party walls with respect to adjoining properties.
28. Subject parcel has access to Pierce Street and Osceola Avenue (public rights of way)
29. There was no observable evidence of earth moving work, building construction or building additions observed in the process of conducting fieldwork.
30. There was no observable evidence of proposed changes in street right of way lines, recent street or sidewalk construction or repairs observed in the process of conducting fieldwork.
31. No information regarding Table A, Item 12 was provided to this surveyor.
32. No information regarding Table A, Item 14 was made to this surveyor.
33. No information regarding Table A, Item 18 was provided to this surveyor.



### FEMA Flood Map

Subject site is in “X Zone” and subject parent westerly tract is in “AE Zone”



## **IMPROVEMENT DESCRIPTION**

The subject property was formerly improved with the Old City Hall building. The building has been demolished.

### **Based on County Property Appraiser Records**



The approximate 25,000 square foot, three story building has been demolished and removed.

### **Site Improvements**

Site improvements consist of asphalt paving to the east and recent sod to the west, plus underground laterals for potable water and waste water, not in use. The site improvements have negligible contributory value.

### **Personal Property**

No personal property is applicable.

## MARKETABILITY AND ESTIMATED MARKETING PERIOD

Marketability looks at the market appeal of the subject property; more specifically, it analyzes and supports a reasonable marketing period to affect the sale of the subject property. Included in this analysis is a discussion of supply, competition, and demand of the subject property and competitive properties located within the market area.

Marketability is defined as, “the relative desirability of a property (for sale or lease) in comparison with similar or competing properties in the area.”<sup>15</sup> That is, a property with good marketability has superior features or condition in comparison with competing properties.

A marketability study is “a microeconomic study that examines the marketability of a given property or class of properties, usually focusing on the market segment(s) in which the property is likely to generate demand. Marketability studies are useful in determining a specific highest and best use, testing a specific highest and best use, testing development proposals, and projecting an appropriate tenant mix.”<sup>16</sup> While this type of study is typically quite detailed and specific, a brief version is part of the highest and best use analysis of every appraisal.

A marketability analysis is defined as, “the study of how a specific property is expected to perform in a specific market. A marketability analysis expands on a market analysis by addressing a specific property.”<sup>17</sup>

Market value estimates imply that an adequate marketing effort and reasonable time for exposure occurred prior to the effective date of the appraisal.

Exposure time is, “(1) the time a property remains on the market, or (2) the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is always presumed to occur prior to the effective date of the appraisal.”<sup>18</sup>

“Exposure time is different for various types of property and under various market conditions. It is noted that the overall concept of reasonable exposure encompasses not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable effort. This statement focuses on the time component.

The fact that exposure time is always presumed to occur prior to the effective date of the appraisal is substantiated by related facts in the appraisal process: supply/demand conditions as of the effective date of the appraisal; the use of current cost information; the analysis of historical sales information (sold after exposure and after completion of negotiations between the seller and buyer); and

---

<sup>15</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 138.

<sup>16</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal, Fifth Edition*, Appraisal Institute, Chicago, Illinois, 2010, p. 120.

<sup>17</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 138.

<sup>18</sup> *Ibid*, p. 82.

the analysis of future income expectancy projected from the effective date of the appraisal.”<sup>19</sup>

Marketing time is defined as, “an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.”<sup>20</sup>

### **Strengths & Weaknesses**

Strengths of the subject include a good developable site in a downtown area. The subject site provides good views of Clearwater Bay and the Gulf of Mexico and has good visibility at a non-signalized corner. Also, the subject has potential high density for multi-family development per city approval.

Weaknesses of the subject are negligible other than being located with frontage on two relatively narrow two-lane streets.

### **Market Participant Interviews**

In addition to reviewing periodic commercial reports of the Tampa Bay area real estate activity by such firms as Cushman and Wakefield, CBRE, Colliers International, Marcus & Millichap Eshenbaugh Land Company, Framework Group, and others, we have interviewed brokers and market participants familiar with the market. Some of the more pertinent discussions as relates to the subject are noted below.

Bill Eshenbaugh of Eshenbaugh Land Company and Bruce Erhardt of Cushman & Wakefield both indicated that there have been fewer deals for land acquisition than during 2020 and 2021 and early 2022. Higher finance costs for land acquisition and development, increasing construction costs for materials and labor and insurance expense for end product have all become a concern for rental apartment developers. Also, increasing regulations have become deterrents for many potential apartment land buyers as previous profit ratios are being trimmed. However, rental demand continues, with wages being better than a few years ago and with many potential home buyers unable to purchase a home due to higher mortgage costs and a general short supply of affordable homes. All of these recent events and the continued population influx into Tampa Bay Metro have placed pressure on developers and investors.

Phillip Smith, President of Framework Group, a well experienced development team based in Tampa, indicated that, although the site is generally attractive, with a location near quality beaches and within a downtown neighborhood, there are challenges due to the high cost of development and unproven rent levels in the Clearwater CBD market. He indicated that a two phase development, two buildings with a total of 400 rental units is likely more economically feasible than a single phase with one building. He believes that end use demand for rental

---

<sup>19</sup> Appraisal Institute, *Uniform Standards of Professional Appraisal Practice and Advisory Opinions 2006 Edition*, The Appraisal Foundation, USA, 2006, p. 90.

<sup>20</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 140.

apartments will continue in Tampa Bay, but that rent increases will not be at the level experienced in the past few years. He felt a \$4.00 per square foot per month apartment rent is a likely threshold for developers to proceed with developments. Such rate is quoted as an asking rate for better, smaller units in downtown areas of St. Petersburg and Tampa, but larger units are typically priced lower.

Matt Everett of Newmark Realty Group indicated there has been a significant decrease in the price level for multi-family development land values. He cited the rise in construction costs, higher cost of capital, flattening rental rates and increased insurance costs of the end product, all tend to affect the investor market for stabilized acquisitions.

Yogesh Melwani of Align Commercial Real Estate is marketing Comparable No. 13 in this report located on the east side of Tampa Bay in south Hillsborough County and he mentioned that the previous low interest rates spoiled the consumer for housing ownership and spoiled many developers to engage new projects without previously attractive costs of capital.

Robb Frye, Senior Director of Development for Southern Land Company, who is under development of a high-rise rental apartment tower on Las Olas in Ft. Lauderdale, says they are struggling with their budget and do not expect a similar development to be feasible until interest rates decline and rental rates increase. Rental rates of \$4.00 per square foot are necessary to make the numbers work, and Clearwater rents are well below that target.

## **Recent Shifts In Commercial Real Estate Dollar Volumes**

LoopNet article, *CRE Sales Plummet in Q1 as Expected; Here's What to Focus on Next*, April 19, 2023.

Data confirms what CRE professionals suspected over the first quarter of 2023: CRE sales have stalled. Transaction volume was off significantly for office, retail, multifamily and industrial assets combined, contracting by -60.3% quarter-over-quarter and -64.3% year-over-year, according to CoStar, the publisher of LoopNet. Dollar volume moved from \$116 billion to \$46 billion and \$129 billion to \$46 billion respectively. Year-over-year volume declined the most for office assets (-72.2%) and quarter-over-quarter volume declined most for industrial properties (-69.4%). “We're in a stale period where people are waiting to see what happens, which is why there's no transaction volume,” said Chad Littell, national director of U.S. capital markets analytics at CoStar. But for perspective on these first quarter figures, he noted that they are being compared to last year's peak transaction numbers. “We're coming off really robust transaction volume in the fourth quarter of 2021,” with \$239 billion trading hands, making the first quarter contraction appear starker. “The decline in transaction volume is less pronounced when comparing the first quarter of 2023 to the five-year pre-outbreak period.” Key conditions contributing to the decline include flat or falling rents, higher operating costs from rising inflation and increased capital costs that have caused values to decline. Sellers and buyers can't agree on pricing and lenders have pulled back significantly from CRE lending.



## **Reasonable Exposure and Marketing Period for Subject**

The appraiser must analyze historical data and future projections in order to estimate historical market exposure time and the future marketing period. According to owners and brokers active in the subject's market area and in similar markets, it was revealed that there is an increasingly active market for this type of property throughout the area and in the subject's local market. The presence of an active market was supported by review of data obtained from the Property Appraiser's office for transfer of such properties. During the last few years, the marketing period for similar properties has typically ranged from four to twelve months, but with some properties requiring more than twelve months if they are of an unusual condition or if they appear to be priced above the market. The subject property should be well received if placed on the market for sale. Based on the above, we estimate a typical exposure period for comparable sales of 12 months. As economic conditions have deteriorated, a marketing period for the subject of 24 to 36 months is estimated. Given the broad potential configuration and composition of building design and building volumes, a buyer's permitting period would likely add several months to transaction closing after a sale contract agreement.

Selling commissions in order to affect the sale of a property similar to the subject are usually 6.0% and downward. For the subject property type and its high value range, a commission level of between 2.0% and 4.0% is applicable.

## **Availability of Mortgage Financing**

At the present time, third-party financing is available for acquisition and/or development of properties similar to the subject, however, lenders are quite cautious and hesitant without detailed projection of successful development and absorption.

Interest rates have increased over the past year and underwriting standards have become more stringent. Conversations with commercial bank lenders implied that appropriate interest rates for improved commercial properties would typically range from approximately 6.0% to 7.5%, possibly higher dependent on the term and length of period between interest rate reviews. Land acquisition loans with a one to three year period term often have interest only payments previous to new construction. Interim construction loans are about 7.0% to 8.0% interest. The loan-to-value ratio would typically range between 50% and 70% of value. For income producing properties, the range of the debt coverage ratio is typically 1.3 to 1.5, and loan origination fees or points are typically 0.0% to 1.0%.

Additional prerequisites for approval of financing include the personal guarantee of the owner, as well as an excellent credit history and prior successful ownership of properties similar to the subject. Strength and quality of the cash flows from income producing properties and the condition of the property would also be considered. Typical buyers are developers or experienced property investors with motivation of positive cash flow.

## Multi-Family Real Estate Market

Please see following information about the real estate market for recent activity and near future trends.

### Moody's Investor Services

Increased recession risks offset credit positive tightening of underwriting standards in current quarter Q1 underwriting standards compared with Moody's projected trends		
	Current quarter's Senior Loan Officer Opinion Survey results	Moody's projected trends
<b>C&amp;I</b>	Very significant tightening	Continued softening demand along with lenders continuing to tighten standards amid weaker economic forecasts
<b>CRE - Multifamily</b>	Very significant tightening	Continued weakening demand along with lenders continuing to tighten standards as vacancies rise modestly
<b>CRE - Nonfarm nonresidential</b>	Very significant tightening	Very weak demand will continue and lenders will continue to tighten standards amid weaker economic forecasts along with weakness in certain sectors
<b>CRE - Construction and land development</b>	Very significant tightening	Very weak demand will continue and lenders will continue to tighten standards amid weaker economic forecasts along with weakness in certain sectors
<b>Legend:</b>		
	Credit negative	Modest credit negative
	Neutral	Modest credit positive
		Credit positive
Sources: Federal Reserve and Moody's Investors Service		

### Multifamily negative leverage and slowing rental assumptions

- Rising interest rates have led to more multifamily purchases in which mortgage rates exceed the cap rate. While some respondents expect this gap to narrow, an equally large number expect the wide gap to persist.
- In line with CBRE Econometric Advisors' Baseline forecast, CRS respondents are assuming lower rental growth over the next several years. This comes on the heels of record rental growth rates in 2022.

*CBRE reports*

### Multifamily Rents Drop Amid Supply Surge (Yardi Matrix Sep 2023)-

Multifamily rents declined in September due to softening demand and an increased housing supply in Sun Belt and Western markets. Still, the sector remains robust overall, thanks to strong job growth and household formation, despite challenges that include rising energy costs and higher interest rates.

## Yardi Matrix Review of National Apartment Rentals

The multifamily market heads into the fourth quarter with some headwinds. Not only is it the season when rent growth typically flattens but expectations are that the economy and job market will weaken after a period of strong gains. Every market, though, should be viewed through its own supply/demand drivers. We see three broad categories of metro-level performance in the near future.

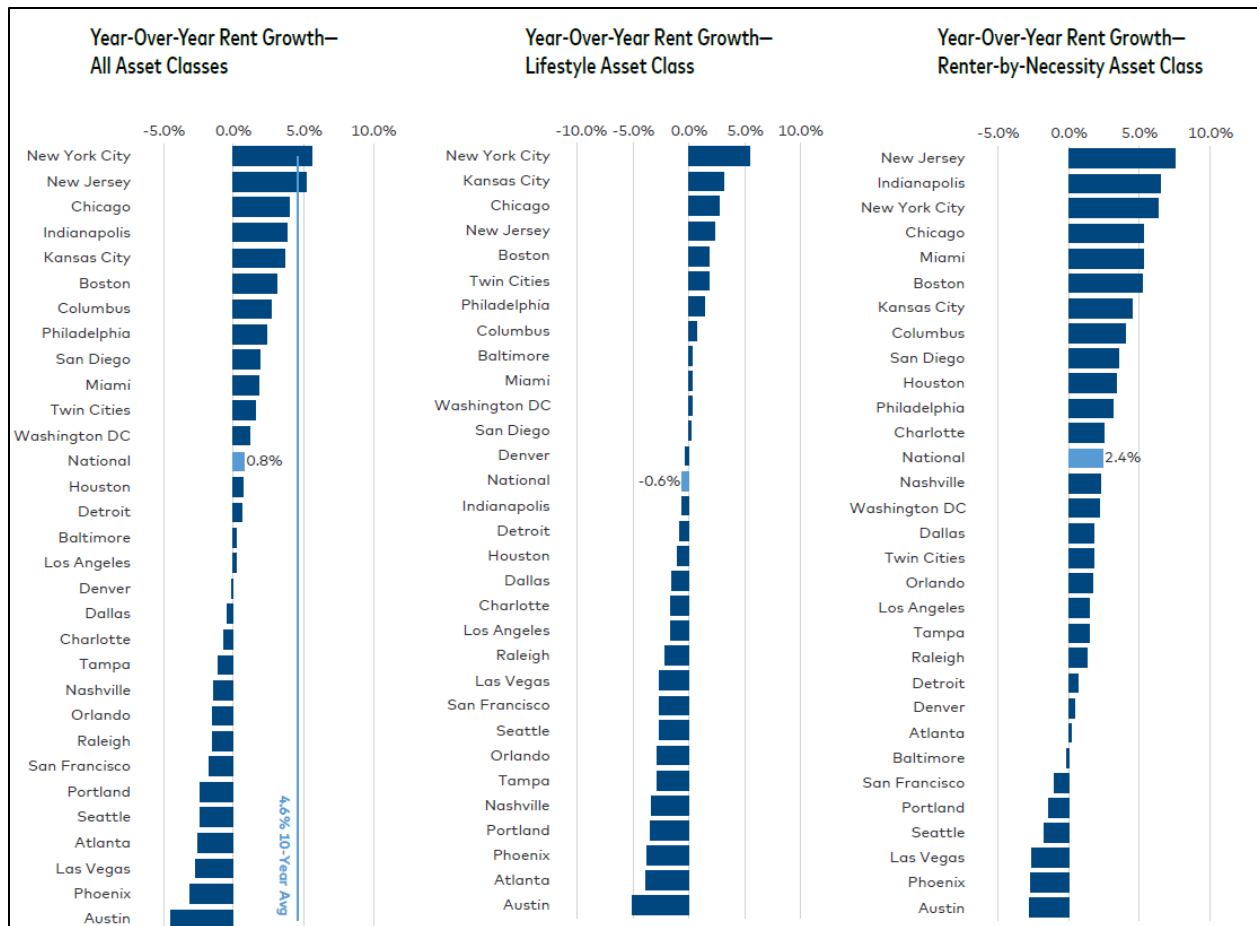
Most recently, multifamily rent performance has been strongest in metros in the Northeast and Midwest. The top eight metros for year-over-year rent growth in the Matrix top 30 in September were in those regions, led by New York City, New Jersey, Chicago, Indianapolis and Kansas City. The regions are not the fastest-growing parts of the country but have resilient economies and stable apartment demand. Absorption ranges between strong (New Jersey, Boston, Chicago) and moderate (Indianapolis, Kansas City), while deliveries are generally weak, keeping demand in line with supply. As a result, modest rent growth should continue.

A second metro type is the fast-growing tech hub/secondary markets, where year-over-year rent growth has leveled or turned negative,

mostly because of the heavy supply pipeline. Examples include Phoenix, Austin, Atlanta, Raleigh, Nashville and Tampa. These metros are suffering a hangover from the extraordinary rent growth of 2021-22, which would have been impossible to maintain. For example, between January 2020 and September 2023, average rents went up 39% in Tampa, 27% in Nashville and 23% in Austin. And while absorption remains strong—particularly in Phoenix, Austin and Nashville—the rapid migration that boosted rents post-pandemic has slowed. Until the wave of new supply is digested, rent growth in these metros will remain weak.

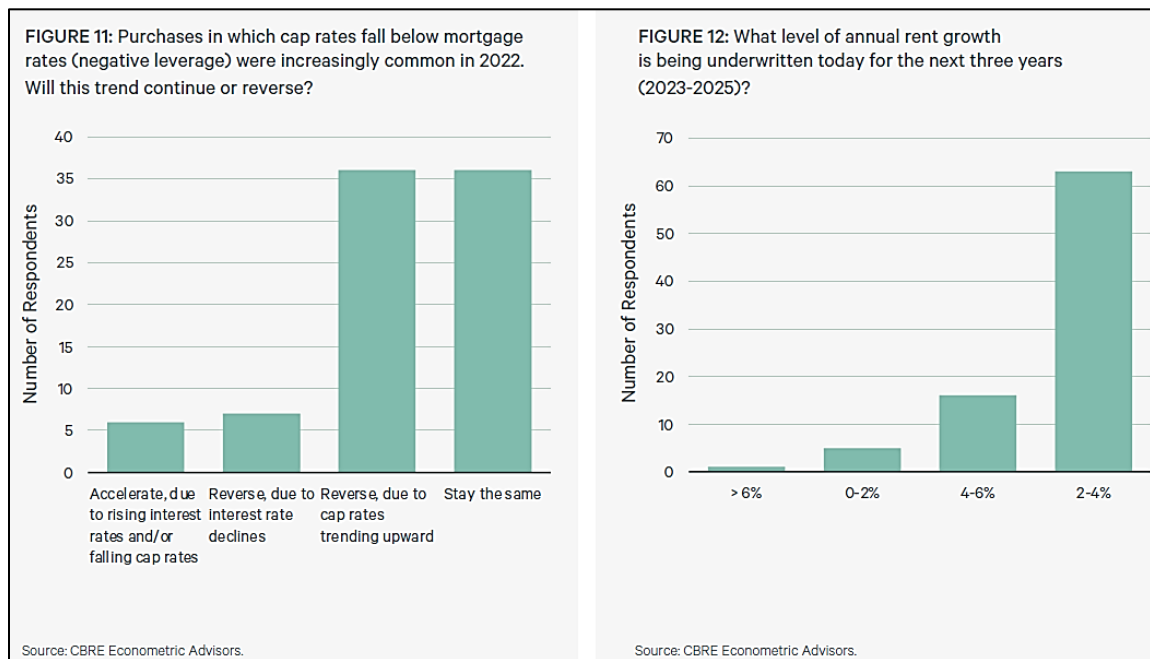
A third metro profile is in the West, where markets including San Francisco, Portland, Seattle and Denver have had flat or negative rent growth year-over-year. The issue for these metros (and New York City) is less about supply/demand factors—absorption year-to-date remains positive in all—but the regulatory environment that has grown increasingly difficult. Much-needed new supply is held up by entitlement process delays, and rent control lowers properties' net income at a time of rising expenses. Operators in these metros must be prepared to deal with the regulatory environment.

September 2023



Source: Matrix National Multifamily Report, September 2023 - Yardi Matrix

### CBRE Data



Source: CBRE U.S. Cap Rates Survey H2 2022; July 2023 release.

## CBRE Data

### Distress and tighter lending conditions expected

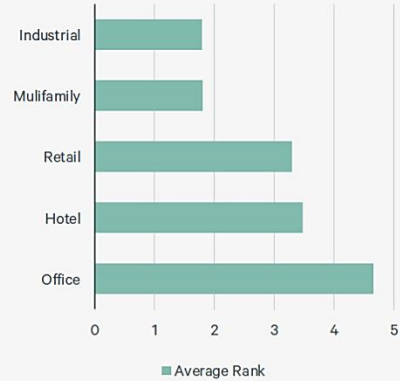
- Lenders are increasingly cautious, and respondents are expecting average LTVs to fall over the next six months, especially for the office sector.
- Due to falling LTVs, and possibly values, some properties coming up for refinancing will have trouble obtaining a mortgage and may be forced to sell or default.
- Respondents are expecting the industrial and multifamily sectors to lead commercial real estate performance over the next year, with hotels and retail in the middle and office overwhelmingly expected to be a laggard.

FIGURE 21: Do you believe there will be a material increase in defaults over the next two years?



Source: CBRE Econometric Advisors.

FIGURE 22: Average rank of sector in order of greatest to worst expected investment performance over the next year (1 = greatest performance)



Source: CBRE Econometric Advisors.

## Second Half 2022

### Multifamily Suburban

#### South

Market	Class A Stabilized		Class A Value-add	
	H1 2022	H2 2022	H1 2022	H2 2022
Atlanta	3.75% - 4.5%	4.75% - 5.25%	4.25% - 5%	5.25% - 5.75%
Austin	3.25% - 3.75%	4% - 4.5%	3.25% - 3.75%	4% - 4.5%
Charlotte	3.5% - 3.75%	4.25% - 4.75%	3.5% - 3.75%	4.25% - 4.75%
Dallas	3.25% - 3.75%	4% - 5%	3.75% - 4.5%	4% - 4.75%
Houston	3.5% - 4%	4.5% - 5%	4.25% - 5%	5% - 5.5%
Jacksonville	4% - 4.5%	4.5% - 5.25%	5% - 5.5%	5% - 6%
Miami	3.75% - 4.25%	3.75% - 4.5%	4.5% - 5.25%	4% - 4.75%
Nashville	3% - 3.5%	4.25% - 5%	4% - 5.25%	4.5% - 5.5%
Orlando	3.5% - 4.5%	4.25% - 5%	3.75% - 4.75%	4.25% - 5%
Raleigh-Durham	3.5% - 3.75%	4.25% - 4.75%	3.5% - 3.75%	4.75% - 5.25%
Richmond	3.5% - 5%	4.75% - 5.5%	-	4.5% - 6%
San Antonio	-	4% - 4.5%	-	4.25% - 4.75%
Tampa	3.5% - 4.25%	4.5% - 5%	-	5% - 5.5%
Tulsa	-	5.25% - 6%	-	5.25% - 6%

CBRE RESEARCH

Source: CBRE U.S. Cap Rates Survey H2 2022; March 2023 release.



Capitalization rates have moved upward by an approximate 100 basis points indicating a weakness of sales of the suburban Class A multi-family sector in the Tampa Bay Metro area according to CBRE surveys. See Tampa line item in above and next chart.

### First Half 2023

## Multifamily Suburban

### South

Market	Class A Stabilized		Class A Value-add	
	H2 2022	H1 2023	H2 2022	H1 2023
Atlanta	4.75% - 5.25%	5% - 5.5%	5.25% - 5.75%	5.5% - 6%
Austin	4% - 4.5%	3.75% - 4.5%	4% - 4.5%	3.75% - 4.5%
Charlotte	4.25% - 4.75%	4.25% - 5%	4.25% - 4.75%	4.25% - 5%
Dallas	4% - 5%	4.5% - 5%	4% - 4.75%	4.5% - 5%
Houston	4.5% - 5%	4.5% - 5%	5% - 5.5%	5% - 5.5%
Jacksonville	4.5% - 5.25%	5% - 5.5%	5% - 6%	5% - 5.5%
Nashville	4.25% - 5%	4.5% - 5.5%	4.5% - 5.5%	4.25% - 5.25%
Orlando	4.25% - 5%	4.75% - 5.25%	4.25% - 5%	5% - 5.5%
Raleigh-Durham	4.25% - 4.75%	4.25% - 5%	4.75% - 5.25%	4.75% - 5.25%
Richmond	4.75% - 5.5%	5.25% - 5.75%	4.5% - 6%	5.5% - 6%
San Antonio	4% - 4.5%	4% - 4.75%	4.25% - 4.75%	4% - 4.75%
Tampa	4.5% - 5%	4.75% - 5.5%	5% - 5.5%	5.25% - 5.75%
Tulsa	5.25% - 6%	5.25% - 6%	5.25% - 6%	5.25% - 6%
West Palm Beach	-	4% - 4.75%	-	4.25% - 5%

Note: Survey results were collected from late-May through early-June 2023 and may not reflect current market conditions.

Source: CBRE Research, H1 2023.

Source: CBRE U.S. Cap Rates Survey H1 2023; September 2023 release.

## 2023 Multifamily Annual Report

Building Design+Construction – September October 2023, pages 9-11

<https://www.bdcnetwork.com/download-2023-multifamily-annual-report>

This organization captures recent viewpoints from several resources.

TOP 15 MARKETS: Forecast New Supply–Number of Units				
Market	2023		2024	
	Supply	% of Stock	Supply	% of Stock
1. Austin	24,145	8.88%	24,714	8.35%
2. Phoenix	18,571	5.47%	19,169	5.36%
3. Denver	15,677	5.08%	16,421	5.07%
4. Charlotte	14,275	7.05%	14,716	6.79%
5. Miami	13,141	8.50%	12,381	7.38%
6. Dallas-North	12,977	3.24%	11,179	2.71%
7. Houston-West	12,612	2.53%	10,659	2.09%
8. Raleigh-Durham	12,116	6.99%	13,804	7.45%
9. Orlando	11,722	4.73%	11,672	4.49%
10. Atlanta-Suburbs	10,883	4.38%	10,100	3.90%
11. Tampa-St. Pete.	10,833	4.56%	11,401	4.59%
12. Brooklyn, N.Y.	9,825	6.44%	6,281	3.87%
13. Nashville	9,542	5.59%	10,942	6.08%
14. N.J.-Northern	9,345	3.68%	12,212	4.64%
15. Atlanta-Urban	8,982	3.49%	9,895	3.71%

SOURCE: YARDI MATRIX

### The Future State Of Multifamily

Industry experts agree the hard-charging multifamily construction sector has been indicating a deceleration—and they point to rising interest rates.

Rising rates over the past year and a half have “changed the mortgage market for multifamily,” according to Yardi Matrix’s June 2023 Multifamily National Report. “Expensive debt has quashed transaction activity,” the report writes. Amid increasing interest rates and slowing rent growth, transaction volume in the apartment market fell for the fifth consecutive quarter, NMHC reported in July 2023.

NAA’s Munger places the recently rising interest rates within a larger historic context—noting that “the interest rates we’re seeing now are not a new phenomenon,” she says. “The era of ‘free money’ is behind us, and it’s really a matter of adjusting to the new rates.”

“In the rental market, slowing rent growth and rising vacancies, especially in high-cost market segments, will likely lead to a slowdown in new apartment construction,” according to the JCHS report. In addition to higher interest rates, JCHS cites tightening lending standards and rising operating costs as contributing to a slowdown.

“Borrowing costs are higher for multifamily developers and lending conditions have tightened, so fewer deals are getting done,” says Jesse McConnico, Research Manager with John Burns Real Estate Consulting. Luettker adds, “We’re presently at a moment when starts are slowing down and completions are lower than expected.”

“Permits for multifamily projects with five or more units are down more than 16% on a year-to-year basis, and the pace of permits has been slowing since February, according to NAHB. “Our forecast is for ongoing weakness, given the number of apartments under construction is near one million, the highest total since 1973,” Dietz says. With permitting activity beginning to slow, “we expect the influx of new supply to recede in 2025,” Munger adds.

Brad Dillman, Chief Economist with developer, property manager and investment firm RPM Living, paints an even starker picture: “Many investors have completely paused funding additional development projects for the year,” Dillman says.

“Higher borrowing costs reduce the attractiveness of a development.” There are still several investors willing to provide equity for projects, Dillman adds, but it will be harder for them to hit their target returns. Aside from rising interest costs, they also have to contend with increases in construction costs, land costs, government fees, and flat or declining rents, Dillman says.

“We’re already seeing a sharp pullback in the number of apartment units starting construction due to higher costs of borrowing and a softening market,” says Chris Bruen, Senior Director, Research with NMHC. But the current pullback, with starts trending down, could bode well for developers who can get their projects started now and then capitalize on a stronger leasing environment later, according to McConnico.

Yardi Matrix forecasts 506,574 new units in 2024—followed by 424,899 units in 2025, 401,065 units in 2026, and 417,378 units in 2027. Yardi Matrix’s estimates assume a mild recession in late 2023 or early 2024. But if a deeper and longer recession takes hold, with debt and equity finance far less available, then the multifamily rental market could see “a deeper fall-off in new construction starts beginning in the second half of 2023 that remains through 2025,” Ressler says. In this scenario, new supply would fall to a forecasted low of 355,000 in 2026.

“If the economy avoids a recession, the labor market and wage growth remain strong, and inflation continues on its downward path, we will see steady demand for apartments,” Munger says. “There are still many young people living with family and they will form new households as the economy, and their own financial situations, strengthen.”

Much depends on the economy— but not all. Immigration levels also will affect the multifamily market. “The 2022 increase in immigration bodes well for the market, especially if it continues,” Munger says. “Immigrants tend to rent initially and sometimes for long periods of time.”

Without high immigration numbers, however, the recent flurry of construction activity could tip the scale from demand to supply, Dillman says. “From our perspective, there is too much housing under construction in the U.S., unless one assumes strong immigration figures over the

years ahead,” Dillman says. “Strong immigration assumptions did prove correct for 2021 and 2022, but whether that continues going forward is uncertain.”

There will be more multifamily housing supply than demand in the near term, agrees Mangold. “Absorption is expected to be modest in the second half of 2023 as renters face economic headwinds.” But although RCLCO expects supply to outpace absorption by 1.5 to 2 times through this year, it also anticipates that demand will increase again in 2024—with the supply-absorption gap narrowing and then reaching equilibrium in late 2024 or early 2025.

**Economic headwinds likely will have less effect on senior living and student housing**, both of which indicate a turnaround from their pandemic era lull. According to JCHS, all households headed by a person 65 and over increased 43% from 2009 to 2019, and their rentership rate edged up slightly. “We’ve been seeing more and more seniors opt to rent over the years,” McConnico says. Recent data on student housing indicates very strong pre-leasing activity for the upcoming academic year, according to Munger. “Student housing isn’t as impacted by the economy, wages, and consumer sentiment as market-rate apartment rates are,” she says. Ressler agrees: “The student housing sector is typically less impacted by recessions than other commercial real estate property types.”

## **A REGIONAL LOOK: NEAR TERM**

“In the Sun Belt and the West, demand has cooled to normal from red-hot as a wave of new supply comes online,” according to Yardi Matrix’s Multifamily National Report. A growing number of metro areas report negative growth year-over-year, Yardi Matrix reports. Nine of the top 30 metros were negative in June 2023, mostly in the Sun Belt and the West.

Nashville, Raleigh-Durham, and Austin have the largest multifamily pipelines under way as a percentage of inventory, so they likely will see the largest inventory expansions in 2024, according to John Burns Real Estate Consulting. As a result of the supply recently delivered, rents have declined year over year in all three markets.

While completion levels are high for now, permitting activity has begun to slow down. In response, Munger says, “rent growth has started to decelerate and has even turned negative in some markets that are experiencing high levels of construction.” These include Austin, Nashville, and Phoenix. “It’s important to note, though, that most of these markets still show positive absorption. So the demand is absolutely there—it’s just not enough to outpace new supply.”

“We definitely have a lot of supply under way, and some markets are going to pay for it,” McConnico says. “We are seeing occupancy moderate from all-time highs, and rents have fallen in some heavily supplied and maybe even oversupplied markets. You also have to look at the demand picture. Some areas really need it and have been able to handle it.”

While the Sun Belt has seen high population growth, it also has seen rising insurance costs stemming from increasing climate-related disasters. “Demographic and insurance trends are

setting up a medium-term challenge for developers trying to meet rising demand in these metros despite significant insurance costs and availability,”Luettkke says.

## **HIGH-END NOW, AFFORDABLE TOMORROW?**

Multifamily supply might be outpacing demand— but not when it comes to affordable housing. As Luettkke says, “Demand for affordable housing remains well above available supply.” And as McConnico notes, “There is definitely a need for more affordable units.”

“The underproduction of housing has translated to higher housing costs,” Bruen says. This has resulted in a loss of 4.7 million affordable apartments— with monthly rents less than \$1,000— between 2015 and 2020.

High mortgage rates and low resale inventory are keeping renters in place longer and driving multifamily demand for now, McConnico notes. McConnico adds that, while rents have increased, they still haven’t gone up as much as home prices and remain lower than home payments. An average monthly house payment is at least \$1,000 higher than an average rent payment nationally, according to a Marcus & Millichap analysis. “Renting remains the more affordable choice in many areas,” Munger says.

“We anticipate multifamily demand will continue to hold as single-family market stress incentivizes some households to pursue multifamily options,” Luettkke says. Demand likely will remain high nationwide, which will buoy new construction, despite the financing challenges, he adds. “In the near future, the relationship between new constructions and affordability will remain a central topic.” Yet the majority of new multifamily construction has focused on Class A projects—with Class B and C projects accounting for just 5% to 10% of total deliveries in recent years, according to Moody’s Analytics. “Even as the abundance of mostly high end apartment units under construction reaches the market, it remains unclear how much relief this will provide for households with low and moderate incomes,” according to JCHS.

## **What do these high-rent, luxury properties mean for the future of affordable multifamily housing?**

According to Bruen, today’s luxe apartments could become tomorrow’s affordable units. “The most affordable market-rate housing units tend to be older, just as used cars are less expensive than new cars,” Bruen says. “So if we don’t build newer units today, we won’t have an adequate supply of older, more affordable units in the future.” “The amount of new supply coming to market now is promising, and we have already seen it making a dent in affordability in some areas and some market segments,” Munger says. “But this is not an overnight process, and we have decades of underbuilding to make up for until supply and demand—at all price points—are truly in balance.” Mangold adds, “Increasing interest rates and affordability concerns will prove to be ongoing challenges for both multifamily developers and renters.”



## Recent Shifts In Commercial Real Estate Transaction Dollar Volumes

Data confirms what CRE professionals suspected over the first quarter of 2023: CRE sales have stalled. Transaction volume was off significantly for office, retail, multifamily and industrial assets combined, contracting by -60% quarter-over-quarter and -64% year-over-year, according to CoStar, the publisher of LoopNet. Dollar volume moved from \$116 billion to \$46 billion and \$129 billion to \$46 billion, respectively. Year-over-year volume declined the most for office assets (-72%) and quarter-over-quarter volume declined most for industrial properties (-69%). “We’re in a stale period where people are waiting to see what happens, which is why there’s no transaction volume,” said Chad Littell, national director of U.S. capital markets analytics at CoStar. But for perspective on these first quarter figures, he noted that they are being compared to last year’s peak transaction numbers. “We’re coming off really robust transaction volume in the fourth quarter of 2021,” with \$239 billion trading hands, making the first quarter contraction appear starker. “The decline in transaction volume is less pronounced when comparing the first quarter of 2023 to the five-year pre-outbreak period.” Key conditions contributing to the decline include flat or falling rents, higher operating costs from rising inflation and increased capital costs that have caused values to decline. Sellers and buyers can’t agree on pricing and lenders have pulled back significantly from CRE lending. Source, LoopNet articles, ***CRE Sales Plummet in Q1 as Expected; Here’s What to Focus on Next***, April 19, 2023.

The following chart depicts the strength of several multi-family markets nationwide. All of the eight Florida metro markets are rated in a normal condition, down from Strong, based on a separate map from John Burns Research & Consulting report, see main chart below for national markets, *Current and Historical Sales and Pricing Market Conditions: Top 33 Markets*, October 2023.

	Oct-22	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23
Orange County	Slow	Strong	Strong	Strong	Very Strong	Very Strong	Very Strong
San Diego	Normal	Strong	Strong	Strong	Strong	Strong	Very Strong
Atlanta	Normal	Strong	Strong	Strong	Strong	Strong	Strong
Charlotte	Normal	Strong	Strong	Strong	Strong	Strong	Strong
Indianapolis	Normal	Strong	Strong	Strong	Strong	Strong	Strong
Los Angeles*	Slow	Strong	Strong	Strong	Strong	Strong	Strong
Riverside	Slow	Strong	Strong	Strong	Strong	Strong	Strong
Dallas*	Slow	Strong	Strong	Strong	Strong	Strong	Normal
Orlando	Normal	Strong	Strong	Strong	Strong	Strong	Normal
Tampa	Normal	Strong	Strong	Strong	Strong	Strong	Normal
Boston	Slow	Normal	Normal	Normal	Strong	Strong	Normal
Chicago**	Slow	Normal	Normal	Normal	Normal	Normal	Normal
East Bay Area*	Slow	Normal	Normal	Normal	Normal	Normal	Normal
Houston	Slow	Normal	Normal	Normal	Normal	Normal	Normal
Jacksonville	Slow	Normal	Normal	Normal	Normal	Normal	Normal
Las Vegas	Very Slow	Normal	Normal	Normal	Normal	Normal	Normal
Miami*	Strong	Normal	Normal	Normal	Normal	Normal	Normal
Nashville	Slow	Normal	Normal	Normal	Normal	Normal	Normal
New York*	Normal	Normal	Normal	Normal	Normal	Normal	Normal
Philadelphia	Slow	Normal	Normal	Normal	Normal	Normal	Normal
Portland	Slow	Normal	Normal	Normal	Normal	Normal	Normal
Raleigh	Normal	Normal	Normal	Normal	Normal	Normal	Normal
Sacramento	Very Slow	Normal	Normal	Normal	Normal	Normal	Normal
San Jose	Slow	Normal	Normal	Normal	Normal	Normal	Normal
Seattle*	Slow	Normal	Normal	Normal	Normal	Normal	Normal
Washington, DC	Slow	Normal	Normal	Normal	Normal	Normal	Normal
Phoenix	Very Slow	Slow	Slow	Normal	Normal	Normal	Normal
Austin	Very Slow	Slow	Slow	Slow	Slow	Slow	Slow
Denver	Slow	Slow	Slow	Slow	Slow	Slow	Slow
Minneapolis	Very Slow	Slow	Slow	Slow	Slow	Slow	Slow
Salt Lake City	Very Slow	Slow	Slow	Slow	Slow	Slow	Slow
San Antonio	Slow	Very Slow	Very Slow	Very Slow	Very Slow	Very Slow	Very Slow
San Francisco**	Very Slow	Very Slow	Very Slow	Very Slow	Very Slow	Very Slow	Very Slow

**Legend**

- Very Strong
- Strong
- Normal
- Slow
- Very Slow

Source: John Burns Research and Consulting, LLC (Data: Sep-23, Pub: Oct-23)

## HIGHEST AND BEST USE ANALYSIS

The highest and best use concept is reflective of a basic assumption about real estate and market behavior; that the price a buyer will pay for a property is based on their conclusion about the most profitable use of the site or property. Therefore, sites and improved properties tend to be put to their highest and best uses and, in this manner, maximize the profit potential for the property owner.

The determination of a property's highest and best use may or may not conform with the existing use of the site because the alternative uses of the site may be restricted by the presence of improvements or legal encumbrances. The highest and best use is determined separately for the land or site as though vacant and available to be put to its highest and best use than for the improvements.

Highest and best use is defined as, "(1) the reasonably probable use and property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. (2) the use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for that asset when formulating the price that it would be willing to bid. (3) the highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)."<sup>21</sup>

The first determination reveals the fact that land value is derived from potential land use. Land has limited value unless there is a present or anticipated use for it; the amount of value depends on the nature of the land's anticipated use. According to the concept of surplus productivity, the highest and best use of a site is that use among all reasonable alternative uses that yields the highest present land value after payments are made for labor, capital, and coordination.

The highest and best use of a property as improved refers to the optimal use that could be made of the property, including all existing structures. The implication is that the existing improvement should be renovated or retained as long as it continues to contribute to the total market value of the site, or until the return from a new improvement would more than off-set the cost of demolishing the existing building and constructing a new one.

To determine the highest and best use of the subject site, as if vacant, the use must meet four criteria. The highest and best use must be 1) legal permissibility, 2) physically possible, 3) financially feasible, and 4) maximally productive. These criteria should usually be considered sequentially; a use may be financially feasible, but this is irrelevant if it is physically impossible or legally prohibited.

---

<sup>21</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 109.

## **Legal Permissibility**

Restrictions, zoning codes, building codes, land use controls, and environmental regulations are considered because they may preclude many possible highest and best uses.

- The subject site has an overall land use designation of Central Business District CBD, and is zoned Downtown, in which a variety of commercial and residential uses are permitted, limited by building height and setbacks, parking and lot coverage requirements.
- The subject site is of sufficient size to meet minimum development criteria.

## **Physically Possible**

The size, shape, area, and terrain of a site affect uses to which land may be developed.

- The subject site is 113,256 square feet or 2.60 acres, is generally level and readily developable.
- The site currently has frontage on two local streets Pierce Street and South Osceola Avenue with average visibility from those streets.
- No soil tests were available. However, improvements in the general area have typically been constructed without undue foundation expense. Yet, a multi-story development will likely require soil testing previous to land acquisition.
- Municipal potable water, sewer, garbage collection, electricity and telecommunications are available.
- Overall, the site size, topography, configuration, and orientation are sufficient for development.

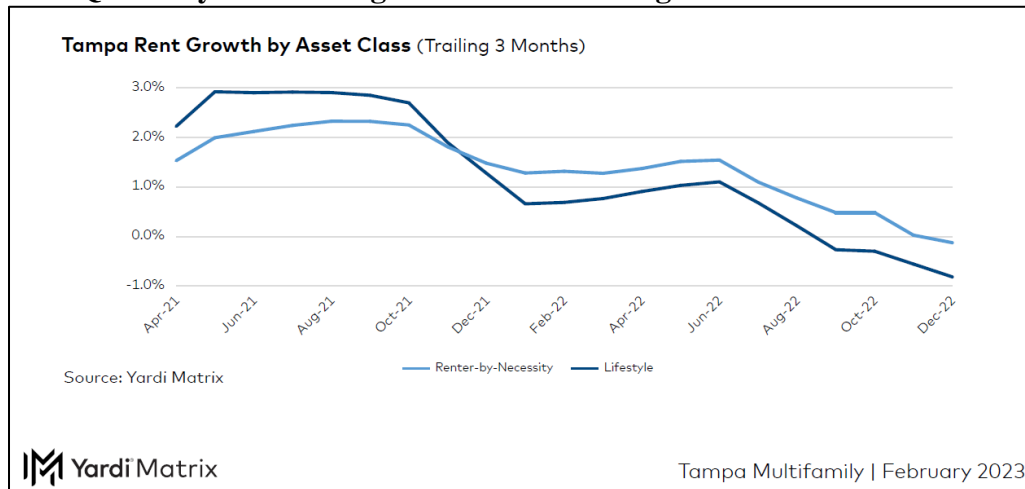
## **Financially Feasible**

All the potential uses of the subject site that are expected to produce a positive return are regarded as financially feasible and are examined here.

- The market area population is served by average quality transportation linkages providing average quality access throughout the county, the MSA and statewide, yet the subject site is 7 miles to the nearest Interstate access. The market area population, social characteristics, and income characteristics are average. The outlook for the market area is positive, with moderate growth expected for the economic base, population and income characteristics.
- Residential uses are permitted for the subject site, which is suitable for multi-family development, especially with 250 feet height or more. Tampa metro demand for rental

housing appears to continue and apartment effective rental rates experienced a 0.5% quarterly decrease after a few years of strong increases. “As rent growth patterns began to change at the end of 2022, Tampa’s multifamily sector found itself in a strong spot. The metro’s average rate was \$1,798 as of December 2022, following a 0.5% slide on a trailing three-month basis. Strong development and a propensity for adding upscale inventory to Tampa’s rental stock have pressured the average occupancy rate in stabilized properties to 94.7% as of November 2022”, from Yardi Matrix, *Tampa: Expansion Underway*, February 2023. Yardi reported Lifestyle average rent at \$2,038 and rent-by-necessity with an average pf \$1,534.

### Quarterly Rent Changes Indicate Declining Growth Rates



Yardi’s reporting continues. “Developers added 7,268 units to metro Tampa’s multifamily stock in 2022, accounting for 3.0% of existing inventory. That was 90 basis points higher than the slowing national rate of multi-family completions. It was also the market’s second-best year for apartment construction during the past 10 years, trailing only 2021’s high of 7,754 units. The market had 17,712 units under construction at the end of 2022. There were another 67,200 apartments in the planning and permitting stages across metro Tampa. Development is primarily catering to upscale renters, with nearly 90% of units underway at the start of this year set to be added to the Lifestyle quality segment.”

Although high density appears to be available for development on the subject site and the subject as if developed with high-rise units will have very good views westerly of the intracoastal waterway and sunsets beyond Clearwater Beach, the subject is not a beachfront property but a water-view property. The subject neighborhood is not a major employment or retail hub, and it is not a full-scale CBD multi-family location such as downtown Tampa or downtown St. Petersburg, each with continued and increasing development of condos and rental apartments over the past 10 to 15 years.

Also, the multi-family market has demonstrated signs of a pullback in the last 12 months corresponding to interest rate increases affecting consumer demand of individual condos. Acquisitions and developers’ construction costs which have been increasing during that period



with materials and labor; also, insurance costs continue to increase, all of which dampen the multi-family market for supply of condominium and rental development.

- Office uses are permitted and will fit the site. The office market is stagnant for large buildings, especially CBD locations, and investors are taking a very conservative approach to speculative building. However, the market appears to support build to suit space.
- Retail uses are permitted and will fit the site. The retail market is active including some speculative buildings under construction, for example, strip centers. Numerous build-to-suit buildings have been constructed for national credit tenants. However, the subject is most suitable for ancillary retail as a secondary use.
- Numerous other commercial uses or institutional uses are permitted and will fit the site. The commercial market continues to be strong in general, yet investors are taking a conservative approach to speculative building.

## Maximally Productive

Physically, the subject can support combinations of building area scenarios in multiple story designs, limited by floor area ratio and parking requirements. The subject offers high density for multi-family development.

As if vacant, the maximally productive use of the subject site is for development to a multifamily use in high-rise design. Depending on the average size of the units, the subject site has potential for a variety of building configurations. In recent years, the multi-family development market for rental apartments had favored an average of approximately 1,100 square feet, typically with a mix of 1, 2 and 3 bedroom units. However, these indications were typically for suburban garden apartments. Downtown high-rise apartment developments are more likely with smaller average square feet than suburban rentals. The following chart of apartment sales since mid-2021 in the Tampa Bay area includes predominantly non-CBD properties with a variety of construction years and mostly 3 and 4 stories. Mid-rise and high-rise multi-family rental developments generally have lower average area and the sites are typically smaller than suburban apartment sites.

Property Name	Property Address	Property City	Sale Date	YB	Sale Price	Units	Price Per Unit	Price Per SF	Building SF	Avg SF	Flr	Acres	DUA
1 Circa at FishHawk Ranch	13930 Spector Rd	Lithia	10/8/2021	2015	\$66,250,000	260	\$ 254,808	\$ 196	338,308	1,301	4	10.30	25
2 Altis Promenade	18065 Promenade Park	Lutz	6/7/2021	2020	\$90,400,000	338	\$ 267,456	\$ 256	352,771	1,044	3	3.50	97
3 Cortland Gateway	9505 49th St N	Pinellas Park	6/30/2021	2020	\$78,000,000	288	\$ 270,833	\$ 271	288,000	1,000	4	10.15	28
4 Enclave at Tranquility Lak	9707 Tranquility Lake C	Riverview	9/13/2022	2009	\$98,000,000	348	\$ 281,609	\$ 228	429,004	1,233	3	27.93	12
5 Lake 28	22743 Preakness Blvd	Land O Lakes	4/26/2022	2004	\$71,000,000	252	\$ 281,746	\$ 255	277,980	1,103	3	31.52	8
6 Pier 8 at The Preserve	2130 Leather Fern Dr	Odessa	7/1/2021	2020	\$100,000,000	350	\$ 285,714	\$ 222	450,264	1,286	3	17.98	19
7 The Boulevard	2098 Seminole Blvd	Largo	1/18/2023	2015	\$76,700,000	260	\$ 295,000	\$ 260	294,622	1,133	3	8.94	29
8 Axio at Carillon	250 Carillon Pky	St. Pete	10/1/2021	2021	\$90,850,400	298	\$ 304,867	\$ 305	298,000	1,000	5	5.20	57
9 Nexus Brandon	650 Tapestry Ln	Brandon	11/9/2021	2020	\$88,000,000	287	\$ 306,620	\$ 307	287,000	1,000	4	6.10	47
10 ST Channel Club	1115 Twiggs Street	Tampa	11/15/2021	2019	\$136,000,000	324	\$ 419,753	\$ 392	347,060	1,071	22	2.16	150
					<b>\$ 89,520,040</b>	<b>301</b>	<b>\$ 296,841</b>	<b>\$ 269</b>	<b>336,301</b>	<b>1,117</b>			
										<b>Average unit size</b>		<b>971</b>	<b>1.15 load factor</b>

As may be noted, density per acre for the above apartment sales ranged from 8 units to 150 units per acre, with the Channelside apartment building at 150 units per acre the only CBD site, although other CBD sites may have higher density. Applied to the subject, a density of 150 units

per acre appears reasonable, equivalent to 390 units. We believe the 400 units as proposed is reasonable for rental apartment development on the subject land and would include five or six levels of parking plus open and covered surface parking. Parking can be a challenge, depending on how many are needed by retail tenants. This is only one scenario of several available to a developer on the subject 2.6 acre site.

### **Highest and Best Use As If Vacant**

Physically, the subject property is suitable for multi-family development, and legally, the subject site can be developed with such uses. The subject site has good views and transportation linkages.

Financial analysis of all physically possible and legally permissible uses indicates the property will be best utilized for a build-to-suit development of a use consistent with zoning regulations, likely multi-family units.

As if vacant and available, the subject site has a highest and best use to hold for future development to multi-family units, likely rental apartments, to a minimum density of 400 units.

### **Highest and Best Use As Improved**

The subject is not currently improved.

## **INTRODUCTION TO THE APPRAISAL PROCESS**

Traditionally, three approaches are used to arrive at an estimate of market value, the cost, sales comparison, and income capitalization approaches. Ideally, each approach, properly employed, provides an accurate indication of value, but, due to the unique characteristics of various types of properties, one or more of the approaches may be inappropriate or inapplicable in arriving at an estimate of value. The three approaches are:

### **Cost Approach**

The cost approach is based on the principle of substitution, that no prudent person would pay more for a property than the cost to acquire a similar site and construct a building of equal desirability and utility, assuming no undue or costly delay. The procedure involves first estimating value of the site as if vacant. Anticipated direct and indirect costs necessary to reconstruct all improvements are then estimated, predicated upon labor and material prices prevailing on the appraisal date. From this construction cost estimate, deductions are made for accrued depreciation caused by physical deterioration and functional and economical obsolescence. This depreciated cost figure is then added to the estimated value of the site, resulting in the indication of value by the cost approach. The cost approach is most accurate when applied to a relatively new structure with no functional deficiencies, and which represents highest and best use of the site. The depreciation estimates are difficult to precisely measure from market data, so the indication of value may largely depend on the experience, judgment and ability of the appraiser, especially for older improvements.

### **Sales Comparison Approach**

The sales comparison approach is also based on the principle of substitution; that a prudent person would pay no more for a property than the cost to acquire another property of similar desirability or utility. The process involves the collecting, analyzing, and comparing of sales, listings and offers for properties similar to the property under appraisal. After the most comparable property transactions are identified, adjustments are made for such variables as changes in market conditions since date of sale, location, size, physical characteristics and terms of sale.

Advantages of the sales comparison approach are that it permits direct comparison of the property under appraisal to factual market transactions involving similar properties, and that it is probably the approach most easily understood. Limitations of the sales comparison approach are that no two properties are identical, and dissimilarities between the comparable properties and the subject may relate to intangible qualities that are difficult to measure. Application of this approach may be limited by the lack of data for specific types of properties.

### **Income Capitalization Approach**

The income capitalization approach is based on the principle of anticipation; that value of a property may be measured by the present worth of anticipated future benefits accruing to the ownership and use of the property. The procedure involves estimating gross income the property

is capable of producing, then deducting vacancy/collection losses and expenses which might be incurred in the operation. Resultant net income, as estimated by the appraiser, is converted to an indication of value through various means of capitalization or discounting.

The income capitalization approach is most accurate in valuation of income producing properties. If sufficient sales of tenant-occupied, investor-owned comparables may be located, the income capitalization approach can provide a highly accurate value indication. The approach, however, has limited application for non-income producing properties, such as vacant land.

### **Reconciliation of Value Indications**

Final step in the valuation process is reconciliation of value estimates indicated by the approaches outlined above, weighting each according to their relative importance, based on market appropriateness and availability and reliability of data. Dependent on type of property and purpose of appraisal, one or all of the approaches may be considered reliable. Result of this final reconciliation of values is the estimate of value as defined in the report.

### **Valuation Methodology**

The cost approach and income capitalization approaches were not developed for the subject land as if vacant. The sales comparison approach includes data of sufficient quantity and quality to derive a reasonably accurate indication of value and has been developed and reported below.

## SALES COMPARISON APPROACH

The sales comparison approach, like the cost approach, is based on the principle of substitution; in other words, the value of a property should be no higher than the cost to acquire another property offering similar physical or locational attributes.

This procedure involves market research to identify similar properties which have recently sold or are offered for sale, investigation of the sale transactions to ensure their validity and to determine motivating forces, and comparison of the sold properties to the subject, adjusting prices paid for various dissimilarities having a discernible effect on value. We considered differences for such factors as changes in market conditions since time of sale, locations, number of developable multi-family units, and if available, terms of the land sale.

The application of the market or sales comparison method requires the appraiser to follow the following steps:

1. Market research - to obtain information about transactions, listings and other offerings similar to the subject.
2. Verification of the information to determine if it is factual, accurate, reflects arm's length market conditions, and whether any unusual terms or conditions were present.
3. Develop relevant units of comparison.
4. Compare each comparable sale toward the subject according to the typical elements of comparison for an indicated value of the subject.
5. Reconcile the multiple value indications that result from the comparable sales into a single value indication.

Applying the sales comparison approach to value to the subject property, these five steps were employed. In our research of the public records, we searched for sales with a highest and best use the same as or similar to the highest and best use of the subject. The comparable sales were verified with a principal of the transaction, or with persons with direct knowledge of the transaction.

In the verification process, we have attempted to obtain additional data that is normally appropriate in the sales comparison approach. This data would include the intended use of the property, mortgage terms, extraordinary acquisition or development costs, and any other data deemed relevant.

To estimate the value of the site as if vacant, the site is compared with recent sales of sites having a similar highest and best use and other similar characteristics. Comparable land sales are reduced to a common denominator or unit of comparison such as price per front foot, price per square foot or acre, price per buildable square foot, or price per dwelling unit, a common land use index for multi-family acquisitions. Consideration for factors such as market conditions and favorable financing, and for locational and physical differences are part of the analysis.

In searching the Public Records, a number of land sales were found. However, several were discarded, as they were considered so dissimilar that no supportable indication of value for the



subject could be determined. Several land sales, however, exhibited characteristics sufficiently similar to the subject site and are included in this analysis.

Please refer to the land sales summary chart and location map included within this section for orientation. The land sale comparables were purchased for development generally consistent with multi-family use.

Salient data regarding the comparable sales considered most indicative of value of the subject follow.

## **Comparable Land Sales**

## Comparable Land Sale Number 1



Location	Linz Bayview Apartments 2975 Gulf To Bay Boulevard Clearwater, Pinellas County, Florida 33759
Date of Sale	November 2019
Grantor	David William Kirkpatrick, Trustee
Grantee	DD Gulf To Bay, LLC
Indicated Consideration	
Nominal	\$12,050,000
Adjusted - Demolition	\$ 900,000
Adjusted Price	\$13,950,000
Recorded In	OR Book 20780 page 2197
Tax Parcel ID	17-29-16-12312-000-0020 plus merged parcel 17-29-16-00000-410-0200 as submerged land
Site Description	
Gross Area	7.472 acres, 325,480 square feet
Useable Area	7.472 acres, 325,480 square feet
Plus Submerged Land Owned	1.888 acres
Land Use / Zoning	US 19 Regional Center, City of Clearwater
Floor Area Ratio (FAR)	2.50 maximum; 150' height max
Apartment Development	398 apartments developed 2023
Development Density	53.3 DUA

## Units of Comparison

Sale Price Per Gross Acre	\$1,612,687
Sale Price Per Usable Acre	\$1,612,687

Sale Price Per Gross Sq. Ft.	\$39.79
Sale Price Per Usable Sq. Ft.	\$39.79

Sale Price Per Developed Apartment	\$32,538
------------------------------------	----------

## Comments

This comparable site is located on south side of Gulf to Bay Boulevard between US 19 and Bayside Bridge/McMullen Booth Road. The site was formerly a mobile home park with about 85 mobile homes, clubhouse and maintenance building. We estimate overall demolition costs of approximately \$900,000 and added to the purchase price as acquisition land cost. The number of apartment units for this mid-rise development is 398 plus central parking garage. The buyer Davis Development has approximately eight luxury apartment developments in Florida and other developments in several states.

Adjacent to the east of the Linz is newly developed Bainbridge Bayview Apartments with 284 apartments in five and seven story buildings plus a parking garage. To the west is two-story Grande Bay Apartments built in 1970. The subject land is westerly adjacent to the Grande Bay development.

The developer offers the following description for Linz Bayside:

“...brand new community, located in Clearwater, Florida, beautiful one, two, and three bedroom apartments fused with style and modern convenience. You can enjoy luxury living by lounging around our resort-style pool, getting social in our indoor and outdoor entertaining areas, or by getting energized in our high endurance fitness center. Our community offers this and many more luxury amenities...Linz Bayview Apartments is a large pet-friendly community offering the perfect balance of luxury and location. We are central to many great shopping, dining, and entertainment options that the area has to offer. With excellent access to major roads, your morning commute will be quick and easy“.

Community Amenities	Residence Amenities
<ul style="list-style-type: none"><li>• Resort-Style Pool w/Wi-Fi Sundeck</li><li>• High Endurance Fitness Center</li><li>• Large Pet-Friendly Community</li><li>• Social/Entertaining Lounges</li><li>• Online Rent Payment &amp; Maintenance Requests</li><li>• <i>Plus so many more!</i></li></ul>	<ul style="list-style-type: none"><li>• Gourmet Kitchens</li><li>• Stainless Steel Appliances</li><li>• Stylish Designer Backsplash</li><li>• Power-Saving Digital Programmable Thermostat</li><li>• Loft 9' Ceilings</li><li>• Upscale Wood Finish Flooring</li><li>• Two-Tone Paint Color Scheme</li><li>• Large Walk-In Closets</li><li>• <i>Stay tuned for our finishing touches!</i></li></ul>

Linz Apts	Qty.	Sq. Ft.	Sq. Ft.
Studio	40	465	18,600
1 BR	199	721	143,479
2 BR	139	1,029	143,031
3 BR	20	1,343	26,860
	398		331,970
Weighted average		834	Apt size

Verification

Davis Development, Kyle Osborne, Morrow Construction, 770-474-4345; CoStar, Public Records, Media Releases, Deed, Onsite Management and Leasing

Under construction including central parking garage nearly completed





## Comparable Land Sale Number 2



Location	Bainbridge Bayview Apartments 2981 Gulf To Bay Boulevard Clearwater, Pinellas County, Florida 33759
Date of Sale	October 2019
Grantor	Wilder, LLC
Grantee	BVT-Bainbridge Bayview Owner, LLP
Indicated Consideration	
Nominal	\$4,700,000
Adjusted - Demolition	\$ 700,000
Adjusted Price	\$5,400,000
Recorded In	OR Book 20716 page 1134
Tax Parcel ID	17-29-16-12312-000-0010 including submerged land
Site Description	
Gross Land Area	4.380 acres, 190,793 square feet
Useable Land Area	4.380 acres, 190,793 square feet
Plus Submerged Land Owned	1.250 acres
Land Use / Zoning	US 19 Regional Center, City of Clearwater
Floor Area Ratio (FAR)	2.50 maximum; 150' height max
Apartment Development	283 apartments developed 2023
Development Density	64.6 DUA

## Units of Comparison

Sale Price Per Gross Acre	\$1,073,058
Sale Price Per Usable Acre	\$1,073,058

Sale Price Per Gross Sq. Ft.	\$28.30
Sale Price Per Usable Sq. Ft.	\$28.30

Sale Price Per Developed Apartment	\$19,081
------------------------------------	----------

## Comments

This comparable site is located on south side of Gulf To Bay Boulevard between US 19 and Bayside Bridge/McMullen Booth Road. The site was formerly a mobile home park Bayside Trailer Gardens with about 70 mobile homes and office. We estimate overall demolition costs of approximately \$700,000 and added to the purchase price as acquisition land cost. The number of apartment units for this mid-rise development is 284 plus parking garage below the seven story building plus a 4,000 square foot club house. Approximately 30 units were committed in the first two weeks of opening in mid-May 2023. On November 1, 2023 occupancy was 36 units and another 48 commitments are due for occupancy in December 2023. There are one and two free-month concessions as is now typical for new developments.

The buyer Bainbridge Companies has approximately five luxury apartment developments in Florida and other developments in several states. In 2017, the site for Bainbridge at Westshore Marina was purchased at \$37,606 per developable apartment located at 5030 Bridge Street in South Tampa near Gandy Bridge.

Adjacent to the west of Bainbridge Bayview is the new Linz Bayview Apartments with 398 apartments nearing completion including parking garage. And west of Linz is two-story Grande Bay Apartments built in 1970.

See representative interior photographs of apartments, <https://www.apartments.com/bainbridge-bayview-clearwater-fl/v2cgh1d/> See floor plans with square feet and monthly rents for currently available apartments at Bainbridge Bayview, <https://bainbridgebayview.com/floorplans/>

\$1,981 - \$2,868 1 Bed, 1 Bath 694 Sq. Ft.	\$2,197 - \$3,483 1 Bed, 1 Bath 839 Sq. Ft.	\$3,035 - \$5,248 2 Beds, 2 Baths 1,221 Sq. Ft.	\$3,414 - \$4,375 3 Beds, 2 Baths 1,393 Sq. Ft.
---	---	---	---

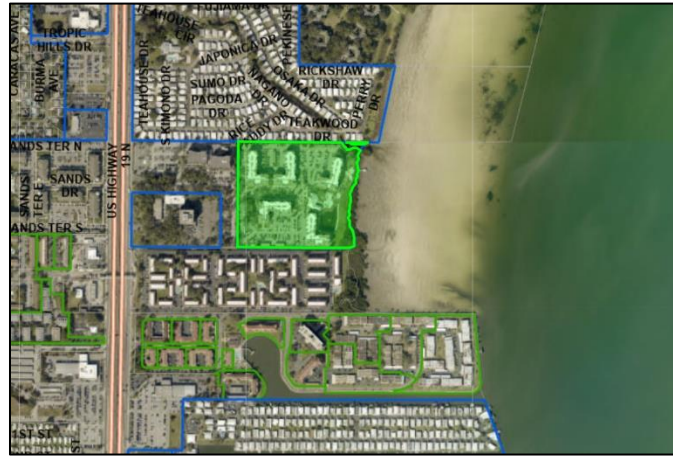
Source: Leasing office and <https://www.forrent.com/fl/clearwater/bainbridge-bayview/f2cgqlr>

## Verification

Bainbridge Companies Wellington Florida, 561-333-36369; CoStar, Public Records, Media Releases, Deed, Onsite Management and Leasing



### Comparable Land Sale Number 3



Location	Cortland Bayside Apartments (developed as Bainbridge Bayside) 19337 (19355) US Highway 19 Clearwater, Pinellas County, Florida 33764
Date of Sale	December 2017
Grantor	Wilder, LLC
Grantee	Bayside Apartments Owner, LLC
Indicated Consideration	
Nominal	\$14,700,000
Adjusted - Demolition	\$ 500,000
Adjusted Price	\$14,200,000
Recorded In	OR Book 21257 page 1163
Tax Parcel ID	20-29-16-01325-000-0020 including sand and mangrove shore land
Site Description	
Gross Land Area	15.599 acres, 679,481 square feet
Useable Land Area	15.599 acres, 679,481 square feet
Plus Mangrove Shore Land Owned	1.54 acres
Land Use / Zoning	US 19 Corridor, City of Clearwater
Floor Area Ratio (FAR)	2.50 maximum; 100' height max
Apartment Development	360 apartments developed 2019
Development Density	23.1 DUA

## Units of Comparison

Sale Price Per Gross Acre	\$897,509
Sale Price Per Usable Acre	\$897,509

Sale Price Per Gross Sq. Ft.	\$21.34
Sale Price Per Usable Sq. Ft.	\$21.34

Sale Price Per Developable Apartment	\$40,278
--------------------------------------	----------

## Comments

This comparable site is located easterly off of US 19, south of Gulf To Bay Boulevard with bay waterfront of 820 feet. We estimate overall demolition costs of approximately \$500,000 for offices buildings and added that cost to the purchase price as acquisition land cost. The number of apartment units for this four-story, five-residential building development is 360 plus club house. The shore boundary includes a narrow 220 foot sandy beach.

The site buyer/developer was Bainbridge Companies, which has approximately five luxury apartment developments in Florida including two new multi-family developments in Orlando of 390 at 70 DUA and 341 units. In the Tampa Bay area, the site for Bainbridge at Westshore Marina was purchased in 2017 at \$37,606 per developable apartment located at 5030 Bridge Street in South Tampa near Gandy Bridge.

This US 19 Bainbridge apartment property as completed was sold to US Highway 19N Florida Partners, LLC (Cortland Company of Atlanta) in November 2020 for \$104,200,000 or \$289,444 per apartment. Cortland owns six apartment complexes in the Tampa Bay market.

The average apartment size of Cortland Bayside is 1,111 square feet with monthly rents approximately \$1.95 for three bedrooms to \$2.65 for one bedrooms, per square foot; the best locations within a building are likely higher rents.

1 BR/1 B			2 BR/2 B			3 BR/2 B		
Unit	Price	Sq Ft	Unit	Price	Sq Ft	Unit	Price	Sq Ft
4-105	\$2,379	754	2-103	\$2,576	1,204	1-301	\$2,792	1,432
1-311	\$1,988	754	1-104	\$2,643	1,204	5-101	\$2,801	1,432
2-207	\$1,973	754	4-417	\$2,652	1,204	2-316	\$3,047	1,432

See representative interior photographs of apartments, <https://cortland.com/apartments/cortland-bayside/gallery/>. See floor plans with square feet and monthly rents for currently available apartments at Cortland Bayview, <https://www.apartments.com/cortland-bayside-clearwater-fl/jn8e0v7/>

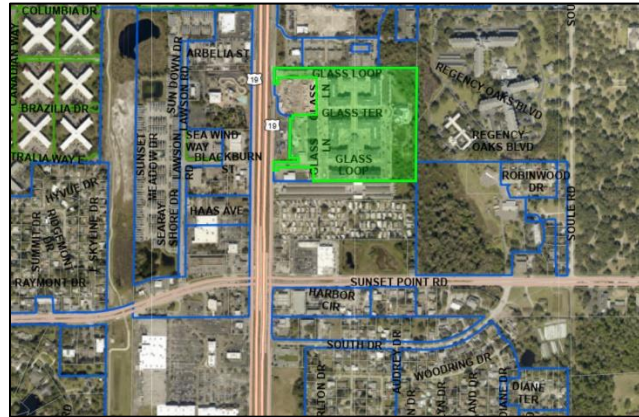


Verification

Bainbridge Companies Wellington FL, 561-333-3669; CoStar, Public Records, Media Releases, Deed, Onsite Management and Leasing



## Comparable Land Sale Number 4



Location	Aventon Lana Apartments 2031 Glass Loop (Off east side of US Highway 19) Clearwater, Pinellas County, Florida 33763
Date of Sale	September 2021
Grantor	Southern Comfort Park, Inc.
Grantee	Aventon Clearwater Owner, LLC
Indicated Consideration	
Nominal	\$15,559,300
Adjusted - Demolition	\$ 775,000
Adjusted Price	\$16,334,300
Recorded In	OR Book 21731 page 598
Parcel ID	05-29-16-01833-000-0020
Site Description	
Gross Land Area	21.90 acres, 953,964 square feet
Useable Land Area	21.90 acres, 953,964 square feet
Land Use / Zoning	US 19 Corridor, City of Clearwater
Floor Area Ratio (FAR)	2.50 maximum; 100' height max
Apartment Development	396 apartments completed 2023
Development Density	18.1 DUA

## Units of Comparison

Sale Price Per Gross Acre	\$710,470
Sale Price Per Usable Acre	\$710,470

Sale Price Per Gross Sq. Ft.	\$17.12
Sale Price Per Usable Sq. Ft.	\$17.12

Sale Price Per Developed Apartment	\$41,248
------------------------------------	----------

## Comments

This comparable site is located easterly off of US 19, north of Gulf To Bay Boulevard, site is non-water front located two miles north of Gulf To Bay Boulevard. We estimate overall demolition costs of approximately \$775,000 for removal of mobile homes and added that cost to the purchase price as acquisition land cost. Arbor Shoreline Office Park with four buildings and 59,000 square feet was demolished in preparation of this apartment development.

The number of apartment units for this three-story, ten-residential building development is 396 plus club house. There is a narrow, vegetated conservation strip along the easterly boundary near the clubhouse. Occupancy started in April 2023 and as of November 1, 2023, 153 units are occupied, or almost 39% of total units. Concessions are still being offered with one month free rent.

The site buyer Aventon Companies is a multi-state developer/builder with apartment projects from Virginia to Florida. Aventon Companies owns seven apartment complexes in Florida. The Aventon Lana monthly rents are approximately \$2.34 for one bedrooms and \$2.28 for two bedrooms, per square foot; the best locations within a building are likely higher rents.

1 BR/1 B			2 BR/2 B		
Unit	Price	Sq Ft	Unit	Price	Sq Ft
1207	\$2,099	897	2211	\$2,694	1,184
1211	\$2,099	897	2204	\$2,694	1,184
2213	\$2,144	897	2207	\$2,694	1,184

See representative interior photographs and floor plans of apartments, currently under construction with some finished units. [https://aventonlana.com/?utm\\_knock=gmb&utm\\_source=googlemybusiness&utm\\_medium=organic&utm\\_campaign=gmblisting](https://aventonlana.com/?utm_knock=gmb&utm_source=googlemybusiness&utm_medium=organic&utm_campaign=gmblisting)

## Verification

Aventon Companies, Raleigh, NC, 984-777-3363; Clearwater 727-334-8251; CoStar, Public Records, Media Releases, Deed, Onsite Management and Leasing





**Clubhouse**



**Rendering before completion**



## Comparable Land Sale Number 5



Location	Broadstone Westshore Apartments 5105 West Tyson Avenue Tampa, Hillsborough County, Florida 33611
Date of Sale	September 2022
Grantor	Sajet Properties, LLC
Grantee	Westshore Apartments Venture, LLC
Indicated Consideration	
Nominal	\$15,500,000
Adjusted	\$ 0
Adjusted Price	\$15,500,000
Recorded In	OR Book 2022-469411
Parcel ID	Folio # 131227-0000
Site Description	
Gross Land Area	11.930 acres, 519,671 square feet
Useable Land Area	11.930 acres, 519,671 square feet
Land Use / Zoning	CMU 35/ IG, City of Tampa
Floor Area Ratio (FAR)	Per approved specific plan
Apartment Development	325 apartments including 40 THs
Development Density	27.2 DUA



## Units of Comparison

Sale Price Per Gross Acre	\$1,299,245
Sale Price Per Usable Acre	\$1,299,245

Sale Price Per Gross Sq. Ft.	\$29.83
Sale Price Per Usable Sq. Ft.	\$29.83

Sale Price Per Developed Unit	\$47,692
-------------------------------	----------

## Comments

This comparable site is located on the north side of Tyson Avenue, a few blocks south of Gandy Boulevard, generally in the neighborhood of Westshore Marina District among new high and mid-rise condominium buildings, townhomes and new apartments. The site has an approved plan of 325 residences consisting of 285 apartments and 40 THs plus parking garage. These units will range from 593 square feet to 1,520 square feet. The water draft is conducive to boats for excursions through Tampa Bay to Gulf of Mexico. The number of slips, if permitted, would likely be limited to parallel docking along the rebuilt seawall. Rental prices have not been disclosed. The site under construction with a central garage is complete.

The buyer/developer is Alliance Residential Company of Scottsdale Arizona which has developed properties in 16 states, including Tampa's Bleecker Hyde Park and Citrus Village apartments. The new owner will rebuild the sea wall and opening is expected for late 2024.

This Tyson Avenue land was first placed on the market in 2017 for \$19,000,000. Santander Bank provided \$78,000,000 toward the land acquisition and construction.

## Verification

Alliance Residential Company, Scottsdale, AZ,  
602-778-2800; Bobby Anderson 407-755-4272;  
CoStar, Public Records, Media Releases, Deed

**Preliminary design**



**Three-story central garage**



## Comparable Land Sale Number 6



Location	Tyson south tip apartments 5440 West Tyson Avenue Tampa, Hillsborough County, Florida 33611
Date of Sale	June 2021
Grantor	Orion Marine Construction, Inc.
Grantee	MAA Westshore Exchange, LLC
Indicated Consideration	
Nominal	\$23,500,000
Adjusted – Commercial Element	\$ 1,200,000
Adjusted Price	\$22,300,000
Recorded In	OR Book 2021-286840
Parcel ID	Folio # 131191-0000
Site Description	
Gross Land Area	15.868 acres, 691,215 square feet
Useable Land Area	15.868 acres, 691,215 square feet
Land Use / Zoning	PD, City of Tampa
Floor Area Ratio (FAR)	Per approved specific plan
Apartment Development	495 apartments
Development Density	31.2 DUA

## Units of Comparison

Sale Price Per Gross Acre	\$1,480,957
Sale Price Per Usable Acre	\$1,480,957

Sale Price Per Gross Sq. Ft.	\$32.26
Sale Price Per Usable Sq. Ft.	\$32.26

Sale Price Per Developed Unit	\$45,051
-------------------------------	----------

## Comments

This comparable site is located at the south tip of West Tyson Avenue, southeast of Gandy Boulevard generally in the neighborhood of Westshore Marina District among new high and mid-rise condominium buildings, townhomes and apartments. This site has an approved plan of 495 residences plus parking garage. The water draft is conducive to boats for excursions through Tampa Bay and to Gulf of Mexico. The number of slips, if permitted, may be limited to docking along the east seawall due to wave action in Tampa Bay. Rental prices have not been disclosed.

The buyer/developer is Mid-America Apartment Communities, a REIT which owns approximately 300 apartment communities and is based in Germantown, Tennessee. Some projects offer a few furnished apartments. MAA has 14 communities in the Tampa Bay area.

## Verification

Mid-American Apartment Communities, 901-682-6600; CoStar, Public Records, Media Releases, Deed

Under construction



Rendering



## Comparable Land Sale Number 7



Location	The Emerson Apartments 3015 North Rocky Point Drive Tampa, Hillsborough County, Florida 33607
Date of Sale	March 2019
Grantor	BBC Rocky Point, LLC
Grantee	NR Rocky Point Owner, LLC
Indicated Consideration	
Nominal	\$7,800,000
Adjusted	\$ 0
Adjusted Price	\$7,800,000
Recorded In	OR Book 2019-139709
Parcel ID	Folio # 094469-0100
Site Description	
Gross Land Area	3.083 acres, 134,315 square feet
Useable Land Area	3.083 acres, 134,315 square feet
Land Use / Zoning	PD, City of Tampa
Floor Area Ratio (FAR)	Per approved specific plan
Apartment Development	180 apartments completed 2022
Development Density	58.4 DUA

## Units of Comparison

Sale Price Per Gross Acre                      \$2,529,636  
Sale Price Per Usable Acre                      \$2,529,636

Sale Price Per Gross Sq. Ft.                      \$58.07  
Sale Price Per Usable Sq. Ft.                      \$58.07

Sale Price Per Developed Apartment                      \$43,333

## Comments

This comparable site is located north of SR 60/Courtney Campbell Causeway in the waterfront Rocky Point neighborhood. The site has been developed with 180 luxury apartments among mid-rise office buildings, hotels, condominiums, apartments and restaurants. The overall building is a central nine stories plus two five story wings, all above two levels of parking. The units recently began occupation in February 2023. There was a reported 57% in pre-lease commitments.

The units have 10 feet ceilings and balconies. There is a concierge service and business center. The shoreline is native vegetation with 12 slips generally for boats under 30 feet to pass under SR 60 bridge from North Rocky Point basin; this is similar to docks and boats in nearby Pelican Landings and Dana Shores with single-family waterfront subdivisions.

Beds	Units	Avg SF	Asking Rent/Unit	Asking Rent/SF
1	70	854	\$3,261	\$3.82
2	89	1,425	\$4,425	\$3.10
3	21	2,209	\$7,534	\$3.41
Totals	180	1,295	\$4,335	\$3.35

The buyer/developer is Northwood Ravin which has over 25 communities and has coupled with Framework Group of Florida for this development and for others in Florida.

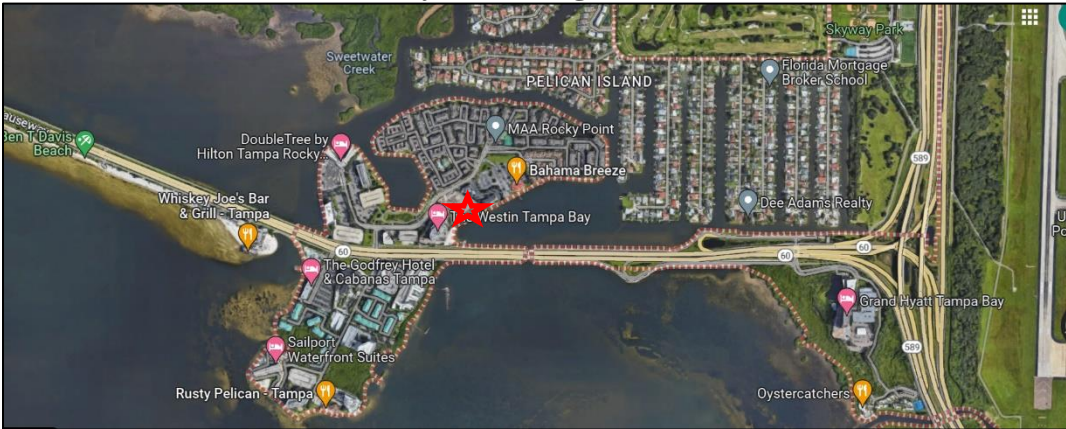
See representative interior photographs and descriptions of apartments,  
<https://emersonrockypoint.com/>

## Verification

Northwood Ravin Companies, Charlotte, NC, 704-714-9460; Tampa 813-443-2144; CoStar, Public Records, Media Releases, Deed, Onsite Management and Leasing



# Rocky Point Neighborhood



## Comparable Land Sale Number 8



Location	533 3 <sup>rd</sup> Avenue South (275 5 <sup>th</sup> Street South) Downtown St. Petersburg St. Petersburg, Pinellas County, Florida 33701
Date of Sale	April 2023
Grantor	Burton W. Wiand, Receiver for Equialt Fund, LLC, Equialt 519 3 <sup>rd</sup> Ave S, LLC, and EA SIP, LLC
Grantee	5 <sup>th</sup> And 3 <sup>rd</sup> Owner, LLC
Indicated Consideration	
Nominal	\$20,250,000
Adjusted	\$20,250,000
Recorded In	ORBP 22409-894
Tax Parcel ID	193117-74466-052-0160;-0140;-0150;-0160;-0170; -0180; and -0200
Site Description	
Gross Land Area	40,000 square feet
Useable Land Area	Same
Useable Acres	0.918
Development FAR	Per approved specific plan
Multi-Family Development	367 apartments
Development Density	400 DUA
Land Use / Zoning	Downtown Center-1, City of St. Petersburg

#### Units of Comparison

Sale Price Per Gross Sq. Ft.	\$506.25
Sale Price Per Usable Sq. Ft.	\$506.25
Sale Price Per Usable Acre	\$22,052,250

Sale Price Per Developable Apartment	\$55,177
--------------------------------------	----------

#### Comments

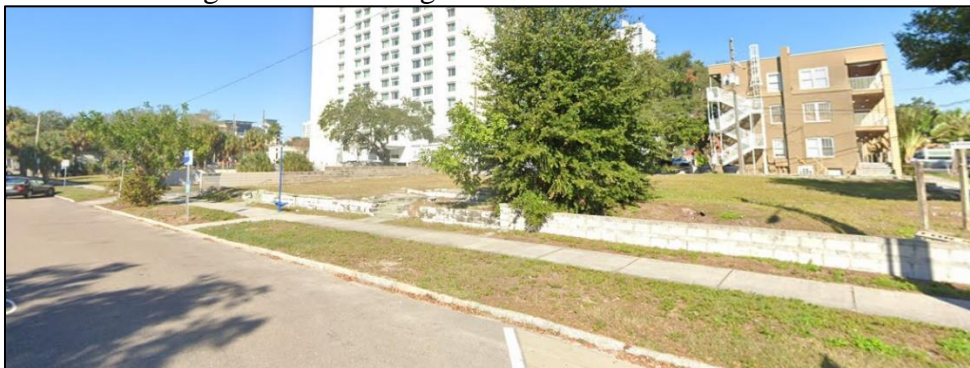
This parcel is in the downtown core of St. Petersburg with convenient access to Interstate 275. This site consists of 10 lots as 7 contiguous parcels along the north side 3<sup>rd</sup> Avenue South. In addition to full block frontage on 3<sup>rd</sup> Avenue South, the site has half-block frontage on 5<sup>th</sup> Street South and 6<sup>th</sup> Street South. The property is being developed as 275 5<sup>th</sup> Street and construction of the 24-story tower with 511,509 square feet is to begin in the first quarter of 2024 with completion in early 2026. This neighborhood includes several rental apartment buildings built in the last ten years and is an employment hub including health and medical facilities and the Innovation Center along 4<sup>th</sup> Street South.

#### Verification

Focus Development, Christopher McAdams, 813-616-8501; CoStar, Public Records, Deed, Media

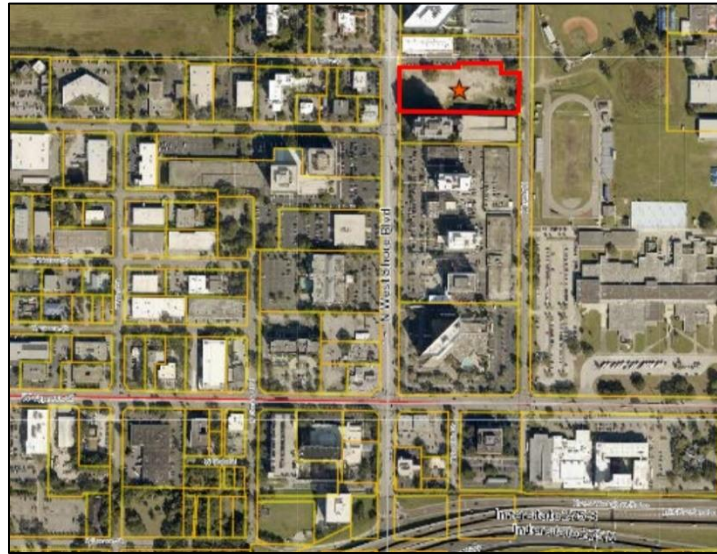


Foreground land along north side of 3<sup>rd</sup> Avenue South





## Comparable Land Sale Number 9



Location	1515 North Westshore Boulevard Westshore Business District Tampa, Hillsborough County, Florida 33607
Date of Sale	July 2021
Grantor	The Auto Club Group, Inc. (AAA Auto Club South)
Grantee	Ally 1515, LLC
Indicated Consideration	
Nominal	\$8,750,000
Adjusted	\$8,750,000
Recorded In	ORBP 2021-368156
Tax Parcel ID	Folio 112131-0000
Site Description	
Gross Land Area	83,670 square feet
Useable Land Area	Same
Useable Acres	1.92
Development FAR	Per approved specific plan
Multi-Family Development	360 apartments – permits in progress
Development Density	187 DUA
Land Use / Zoning	Planned Development, City of Tampa

#### Units of Comparison

Sale Price Per Gross Sq. Ft.	\$104.58
Sale Price Per Usable Sq. Ft.	\$104.58
Sale Price Per Usable Acre	\$4,555,396

Sale Price Per Developable Apartment	\$24,306
--------------------------------------	----------

#### Comments

This parcel is in the Westshore Business District with convenient access to Interstate 275. This site also has frontage on North Trask Street across from Jefferson High School. Tampa International Airport and International Plaza are nearby northerly. This neighborhood has several office buildings and hotels. Buyer/developer plans two 14-story luxury apartment buildings with garage in between and will provide approximately 6,500 square feet for a high quality restaurant tenant.

There was no distress in this arm's length all cash and sale. This parcel had not transferred in last 40 years.

#### Verification

Ally Capital Group; CoStar, Public Records, Deed, Media



Rendering - 2025 Completion planned





## Comparable Apartment Land Sale Number 10



Location	Tapestry University Park Apartments 8350 Carolina Street (Broadway Avenue) Sarasota, Manatee County, Florida 34243
Date of Sale	October 2022
Grantor	DCNIG Sarasota 1, LLC
Grantee	Arlington University Park, LLC
Indicated Consideration	
Nominal	\$9,000,000
Adjusted	\$ 0
Adjusted Price	\$9,000,000
Recorded In	OR Book 2022-41122355
Parcel ID	2038800059; 2038650004; 2038600009; and 2038900003
Site Description	
Gross Area	8.57 acres, 373,309 square feet
Useable Land Area	8.57 acres, 373,309 square feet
Flood Zone District	FEMA "X" above 100 year flood area
Land Use / Zoning	LM rezoned to PD, Manatee County
Apartment Development	180 apartments permitted
Development Density	21.0 DUA

## Units of Comparison

Sale Price Per Gross Acre	\$1,050,176
Sale Price Per Usable Acre	\$1,050,176

Sale Price Per Gross Sq. Ft.	\$24.11
Sale Price Per Usable Sq. Ft.	\$24.11

Sale Price Per Developable Apartment	\$50,000
--------------------------------------	----------

## Comments

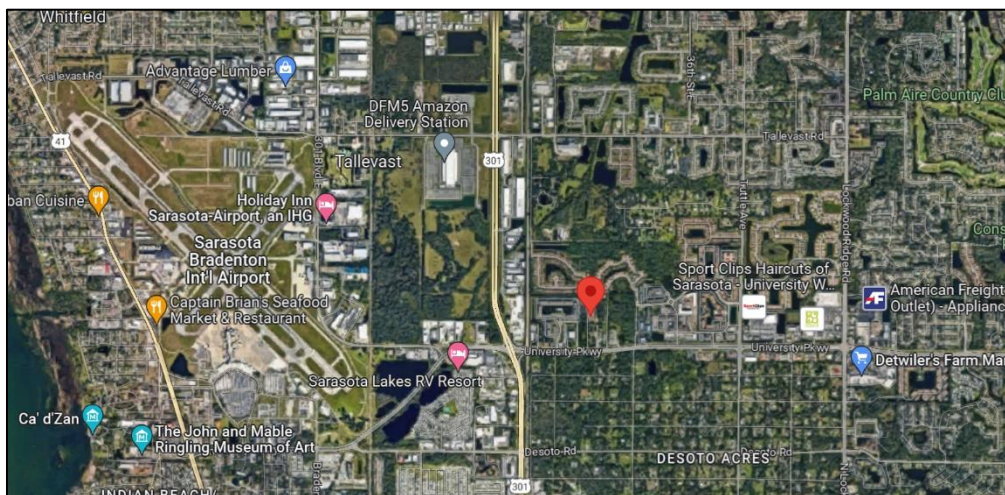
This comparable site is four adjacent parcels located one block north of University Parkway among two other apartment complexes and about two miles westerly to entrance of Sarasota International Airport. Access to Interstate 75 is 4.5 miles east. There are several trees to be cleared for development.

The number of apartment units is 180 plus club house as Tapestry University Park. No commercial element is planned.

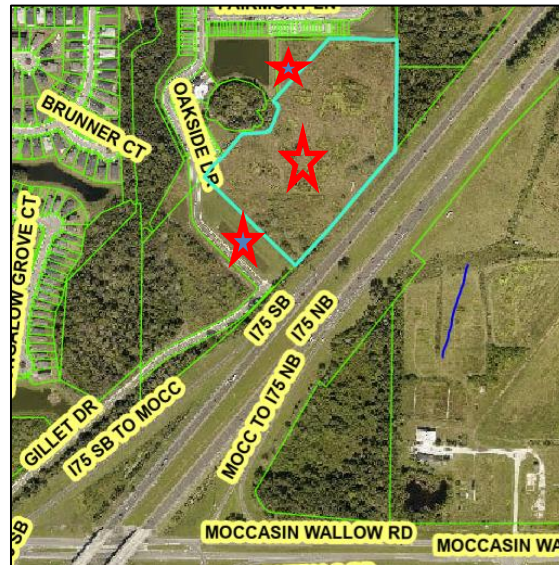
The site buyer is Arlington Properties of Birmingham, Alabama with more than 25,000 apartment units developed since 1969, including in several Florida cities.

## Verification

Arlington Properties, David Ellis, 205-328-9600;  
CoStar, Public Records, Deed



### Comparable Apartment Land Sale Number 11



Location	Collier Artisan Apartments 6100 Gillett Road Palmetto, Manatee County, Florida 34221
Date of Sale	December 2022
Grantor	RC Palmetto Apartments, LLC
Grantee	Collier Artisan, LLC
Indicated Consideration	
Nominal	\$22,000,000
Adjusted	\$ 0
Adjusted Price	\$22,000,000
Recorded In	OR Book 2022-41151274
Parcel ID	612110159; 612130059; 612110300
Site Description	
Gross Land Area	21.19 acres, 923,019 square feet
Useable Land Area	21.19 acres, 923,019 square feet
Flood Zone District	FEMA “X” above 100 year flood area
Land Use / Zoning	RES-6 rezoned to PD, Manatee County
Apartment Development Scenario 1	405 apartments including part affordable units, or
Apartment Development Scenario 2	300 apartments luxury market units

## Units of Comparison

Sale Price Per Gross Acre	\$1,047,684
Sale Price Per Usable Acre	\$1,047,684
Sale Price Per Gross Sq. Ft.	\$24.05
Sale Price Per Usable Sq. Ft.	\$24.05
Sale Price Per Developable Apartment	\$54,815 per 405 units including affordable units \$74,000 per 300 luxury units

## Comments

This comparable site is three adjacent parcels located in northwest quadrant of the Interstate 75 and Moccasin Wallow Road interchange. This development is 1.2 miles north of the Interstate 275 connection toward Pinellas County via Skyway Bridge across Tampa Bay. This land was cleared for development. The location is among several new single-family subdivisions along Moccasin Wallow Road east and west of Interstate 75.

The number of apartment units of 405 represents bonus units including a ratio of affordable type units. The current development plan is for 300 units in eight, three-story buildings plus 8,000 square foot club house/fitness center. Parking includes 484 surface spaces plus six garages of six bays each. No commercial element is planned. The land buyer is Collier Companies of Gainesville, Florida which has numerous apartment projects throughout Florida, especially in Gainesville.

## Verification

Eshenbaugh Land Company, Ryan Sampson 813-287-8787; CoStar, Public Records, Deed

Rendering of planned apartment buildings





## Comparable Land Sale Number 12



Location	10215 Estuary Lakes Drive Tampa, Florida 33619
Date of Sale	March 2023
Grantor	I-75/Palm River Road, LLC
Grantee	Estuary Apartments Owner, LLC
Indicated Consideration	
Nominal	\$10,500,000
Adjusted	\$10,500,000
Recorded In	Inst: 2023131315, page 1 of 4
Tax Parcel ID's	U-29-29-20-A4C-000000-00002.0 U-29-29-20-A4C-000000-00003.0 U-29-29-20-A4C-000000-00004.0 U-29-29-20-A4C-000000-00008.0 U-29-29-20-A4C-000000-00010.0 U-29-29-20-A4C-000000-00011.0
Site Description	
Gross Land Area	8.73 acres; 380,148 square feet
Flood Zone District	FEMA "X" above 100 year flood area; "AE" 100 year flood plain area



Land Use / Zoning Commercial

Units of Comparison

Sale Price Per Gross Acre \$1,203,163

Sale Price Per Gross Sq. Ft. \$27.62

Sale Price Per Unit \$34,426

Comments

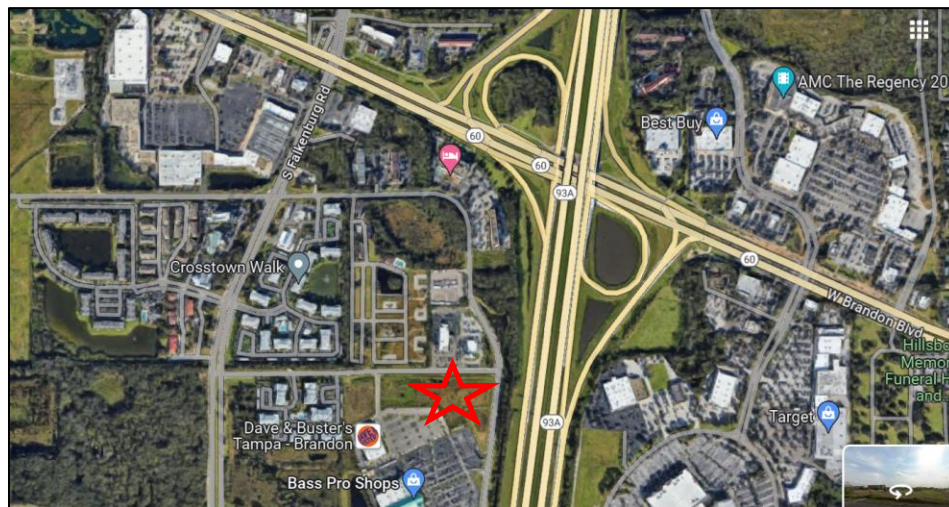
This comparable site is located one street away from being adjacent to the west side of interstate highway I-75 and just south of State Road 60 in Tampa. The site is on the south side of Estuary Lakes Dr. and across the street is a Carvana car dealer with a building car showroom/dispensary. The neighborhood is characterized by office, retail, and hospitality among other uses.

The site was vacant. The site was also generally cleared and level. All utilities were available.

The buyer plans to develop a 305-unit multi-family complex that will feature about 10,000 square feet of retail space. The community is expected to be comprised of two five-story apartment buildings and a four-story parking garage. Amenities planned are a clubhouse, fitness center, pool with a deck and pavilion. There was no distress in this arm's length transaction and the sellers did not provide any concessions.

Verification

Stephanie Addis, 813-405-0965; CoStar, Public Records, Deed



## Comparable Land Sale Number 13



Location	Little Harbor Condominium Site 462 Bahia Beach Boulevard Ruskin, Hillsborough County, Florida 33570
Date of Sale	May 2023
Grantor	Harborside Suites, LLC
Grantee	Listing
Indicated Consideration	
Nominal	\$16,000,000
Adjusted	\$ 0
Adjusted Price	\$16,000,000
Recorded In	OR Book NA
Parcel ID	Folio # 031587-0000
Site Description	
Gross Land Area	15.162 acres, 660,436 square feet
Useable Land Area	15.162 acres, 660,436 square feet
Land Use / Zoning	PD, Hillsborough County
Floor Area Ratio (FAR)	Per approved specific plan
Multi-Family Development	330 units including condos or rental apartments as of July 2023 entitled
Development Density	21.8 DUA

## Units of Comparison

Sale Price Per Gross Acre	\$1,055,303
Sale Price Per Usable Acre	\$1,055,303

Sale Price Per Gross Sq. Ft.	\$24.23
Sale Price Per Usable Sq. Ft.	\$24.23

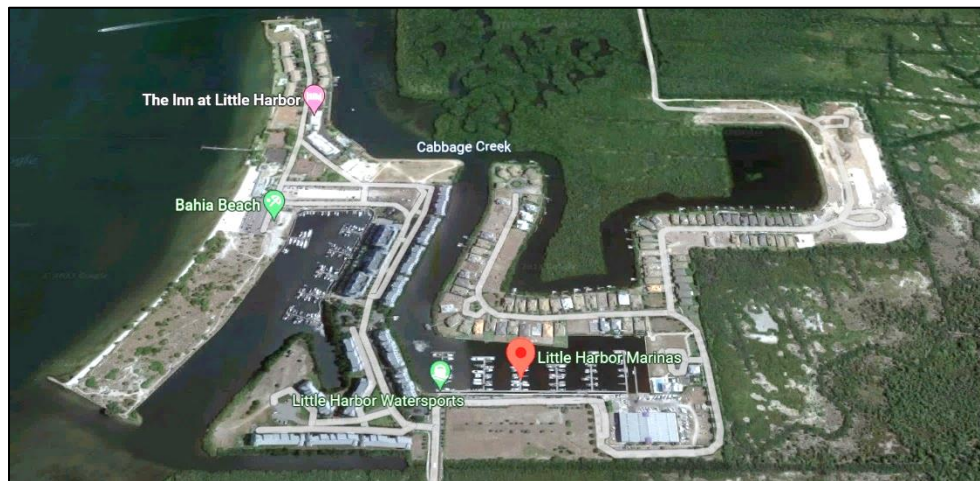
Sale Price Per Developable Condo	\$48,485
----------------------------------	----------

## Comments

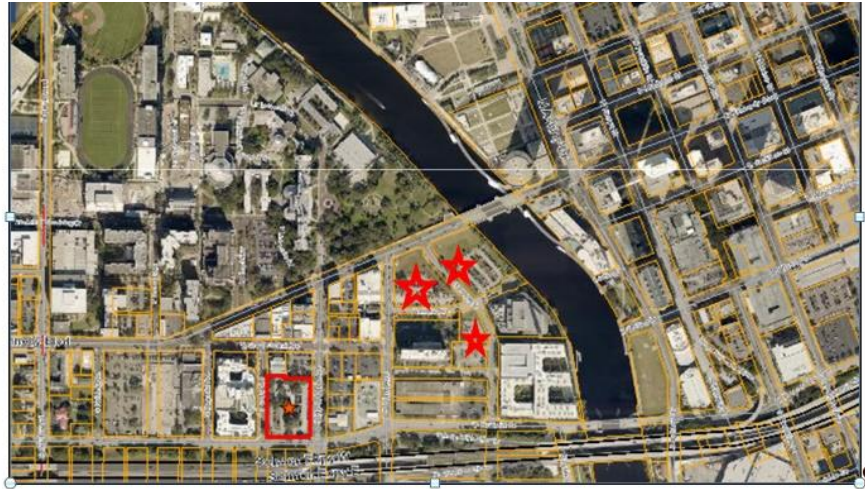
This comparable Bahia Beach site is located west of US 41, westerly on West Shell Point Road, south of Apollo Beach. The site will have excellent westerly views over the east side of Tampa Bay. Height restriction is 120 feet max. The Little Harbor community has wet slips and indoor dry slips, resort condos, some in a rental program, townhomes, two restaurants and The Inn at Little Harbor. The site was under contract last year at asking price, but buyer changed plans.

## Verification

Align Commercial Realty, Yogesh Melwani, 407-654-8200; CoStar, Public Records



## Comparable Land Sale Number 14



Location	101 and 102 S. Parker St., 110 Kellar Avenue and 108 Cedar Avenue (2 blocks SW of other 3 parcels) West across river from Tampa downtown core Tampa, Hillsborough County, Florida 33606
Date of Sale	July 2022
Grantor	Hillsborough River Realty Corp.
Grantee	RD RWD Tampa, LLC as Trustee (The Related Group) v
Indicated Consideration	
Nominal	\$55,490,000
Less Non-MF Elements	\$ 9,050,000 Student housing, retail, boat slips
Adjusted to MF Land	\$46,440,000
Recorded In	ORBP 2022-353139
Tax Parcel ID	Folios 194704-0000; 194707-0000; 194083-0000; and 194247-0000
Site Description for Multi-Family	
MF Gross Land Area	195,376 square feet
MF Useable Land Area	195,376 square feet
MF Useable Acres	4.485
MF Development FAR	241 DUA
Land Use / Zoning	Planned Development and CI, City of Tampa



#### Units of Comparison – Multi-Family Element

Sale Price Per Gross Sq. Ft.	\$237.70
Sale Price Per Usable Sq. Ft.	\$237.70
Sale Price Per Usable Acre	\$12,371,757

Allocated Sales Price Per Buildable Unit or Sq. Ft.

Buildable Type	QTY	\$ Unit - SF	Allocations
MF Units	1,080	\$ 43,000	\$ 46,440,000
Retail SF	36,000	\$ 110	\$ 3,960,000
Student Housing	200	\$ 25,000	\$ 5,000,000
Boat Slips Proposed	10		\$ 90,000
<b>Sale Price</b>			<b>\$ 55,490,000</b>
Other than MF Units			\$ (9,050,000)
<b>MF Units</b>			<b>\$ 46,440,000</b>

Planned/Developed Building Area

Mixed Use – Apartments, condos, student housing and retail plus 10 wet slips on river

Addresses	SF Land	Sub Totals	Acres
102 Parker St	96,596		
101 Parker St	79,722		
110 Kellar	19,058	195,376	4.485
108 Cedar	44,872		
108 Cedar	31,680	76,552	1.757
<b>Totals</b>		<b>271,928</b>	<b>6.243</b>

#### Comments

All parcels are vacant. Three of the four parcels are across the street from one another. These three parcels were previously improved years ago, they now appear to be partially below road grade by about two to three feet. The fourth parcel, a former parking lot, is two blocks southwest from the other three. The fourth parcel is proposed for student housing. The other parcels on Parker Street are proposed for a condominium building on the west side of Parker Street and two apartment towers on the river side.

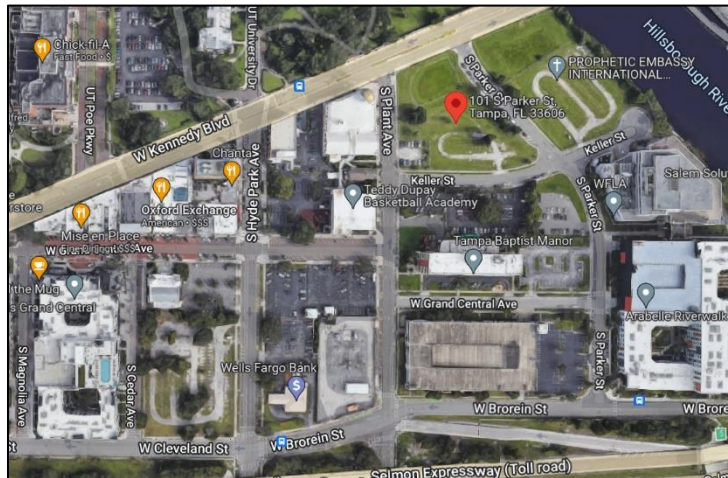
This location is west across the river from Tampa downtown core and north across Kennedy Boulevard is the University of Tampa. For the overall land it is reported that the plan is for 10 boat slips on the river front, approximately 200 student housing apartments with three beds each on the Cedar Avenue parcel, about 1,080 multi-family units on the Parker Street parcels with approximately 36,000 square feet of retail space and no designated office use. Kennedy Boulevard is the main east west commercial street between downtown and Westshore Business District a distance of four miles.



There was no distress in this arm's length land sale. City National Bank of Florida provided \$30,500,000 toward the purchase price. These parcels have not been transferred since before 2000.

Verification

Buyer The Related Group, Alexis Wong, 305-965-5567; CoStar, Deed, Public Records, Mortgage



**View east along Kennedy Boulevard over Hillsborough River toward west downtown  
Comparable land site on right**



## Comparable Land Sale Number 15



Location	North Tampa Street – NEC at Whiting Avenue Tampa downtown SW core Tampa, Hillsborough County, Florida 33606
Date of Sale	October 2023
Grantor	HT Downtown Landco VIII, LLC
Grantee	ASL Franklin Whiting, LLC
Indicated Consideration	
Nominal	\$12,750,000
Adjusted	\$12,750,000
Recorded In	ORBP 2023454191
Tax Parcel ID	Folio 193600-0005
Site Description	
Gross Land Area	29,524 square feet
Useable Land Area	Same
Useable Acres	0.68
Development FAR	Per approved specific plan
Multi-Family Development	300 apartments – permits in progress
Development Density	440 DUA
Land Use / Zoning	Central Business District-2, City of Tampa

#### Units of Comparison

Sale Price Per Gross Sq. Ft.	\$431.85
Sale Price Per Usable Sq. Ft.	\$431.85
Sale Price Per Usable Acre	\$18,811,475

Sale Price Per Developable Apartment	\$42,500
--------------------------------------	----------

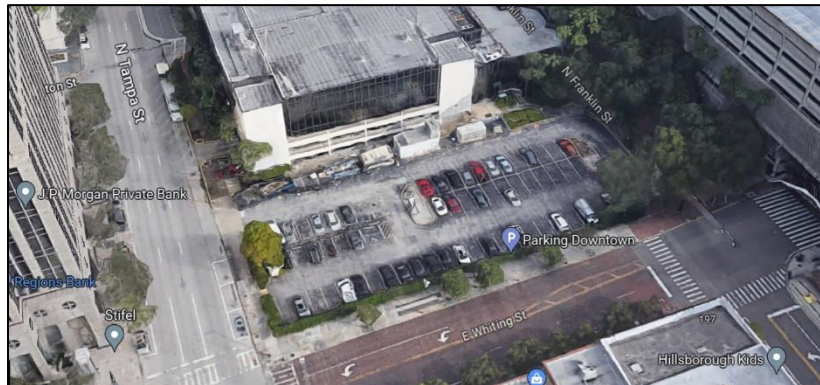
#### Comments

This parcel is in the southwest core of downtown Tampa with convenient access to Selmon Expressway and Interstates 4 and 275. The site has two corners and has been used as a parking lot; it is a near rectangular shape.

There was no distress in this arm's length cash sale. This parcel last transferred for \$4,600,000 in April 2019.

#### Verification

Newmark Realty, Matthew Everett, 813-549-9026;  
CoStar, Public Records, Deed



## Comparable Land Sale Number 16



Location	940 Channelside Drive – SWC at Washington Tampa downtown NE core Tampa, Hillsborough County, Florida 33602
Date of Sale	May 2023
Grantor	Dynamic Channelside, LLC
Grantee	940 Channelside, LLC
Indicated Consideration	
Nominal	\$7,850,000
Adjusted	\$7,850,000
Recorded In	ORBP 2023217318
Tax Parcel ID	Folio 190207-0000
Site Description	
Gross Land Area	21,850 square feet
Useable Land Area	Same
Useable Acres	0.50
Development FAR	Per approved specific plan
Multi-Family Development	262 units as “The Place” phase II
Development Density	522 DUA
Land Use / Zoning	Channel District-3, City of Tampa



#### Units of Comparison

Sale Price Per Gross Sq. Ft.	\$359.27
Sale Price Per Usable Sq. Ft.	\$359.27
Sale Price Per Usable Acre	\$15,649,703

Sale Price Per Developable Apartment	\$29,962
--------------------------------------	----------

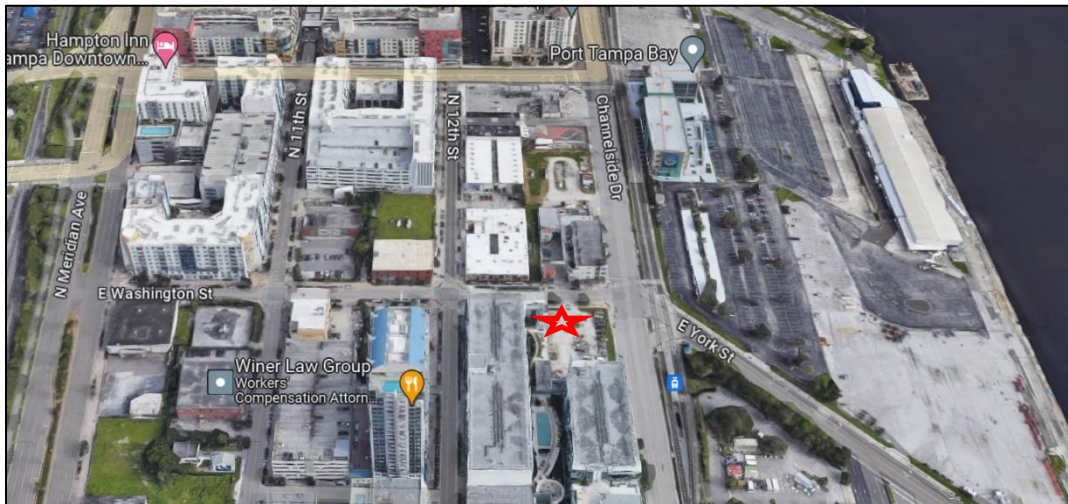
#### Comments

This parcel is in the northeast core of downtown Tampa with convenient access to Selmon Expressway and Interstates 4 and 275. The site is located on a signalized corner and has been used as a parking lot, it is a rectangular shape. The Place Phase I has been completely developed with two-eight story buildings including parking on lower floors.

There was no distress in this arm's length land sale. SJP Investment Properties, LLC provided \$5,735,000 toward the purchase price. This parcel last transferred for \$4,730,000 in December 2020.

#### Verification

Buyer Framework Group, Phillip Smith, 813-725-725-3911; CoStar, Public Records, Deed, Mortgage





## Comparable Land Sale Number 17



Location	1237 Twiggs Street – SWC at Channelside Drive Tampa downtown NE core Tampa, Hillsborough County, Florida 33602
Date of Sale	November 2021
Grantor	J.H. Williams Oil Company, Inc.
Grantee	Hillsborough Madison, LLC
Indicated Consideration	
Nominal	\$8,800,000
Adjusted	\$8,800,000
Recorded In	ORBP 2021 608705
Tax Parcel ID	Folio 190170-0000
Site Description	
Gross Land Area	89,050 square feet
Useable Land Area	Same
Useable Acres	2.04
Development FAR	Per approved specific plan
Multi-Family Development	351 units as Parc Madison
Development Density	172 DUA
Land Use / Zoning	Channel District-1, City of Tampa

#### Units of Comparison

Sale Price Per Gross Sq. Ft.	\$98.82
Sale Price Per Usable Sq. Ft.	\$98.82
Sale Price Per Usable Acre	\$4,304,638

Sale Price Per Developable Apartment	\$25,071
--------------------------------------	----------

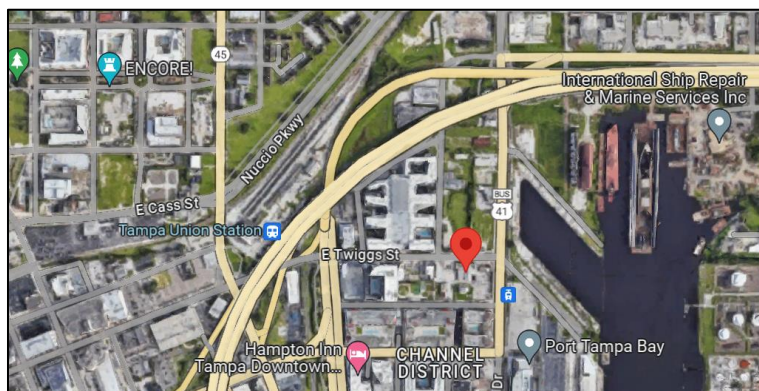
#### Comments

This parcel is in the northeast core of downtown Tampa with convenient access to Selmon Expressway and Interstates 4 and 275. The site has two corners and is across the street from Sparkman Channel and the Port Tampa Bay Authority office building. The site is irregular but a near rectangular shape.

There was no distress in this arm's length land sale. Wells Fargo provided \$71,732,000 toward the purchase price and development. This parcel had not been transferred in the last 30 years.

#### Verification

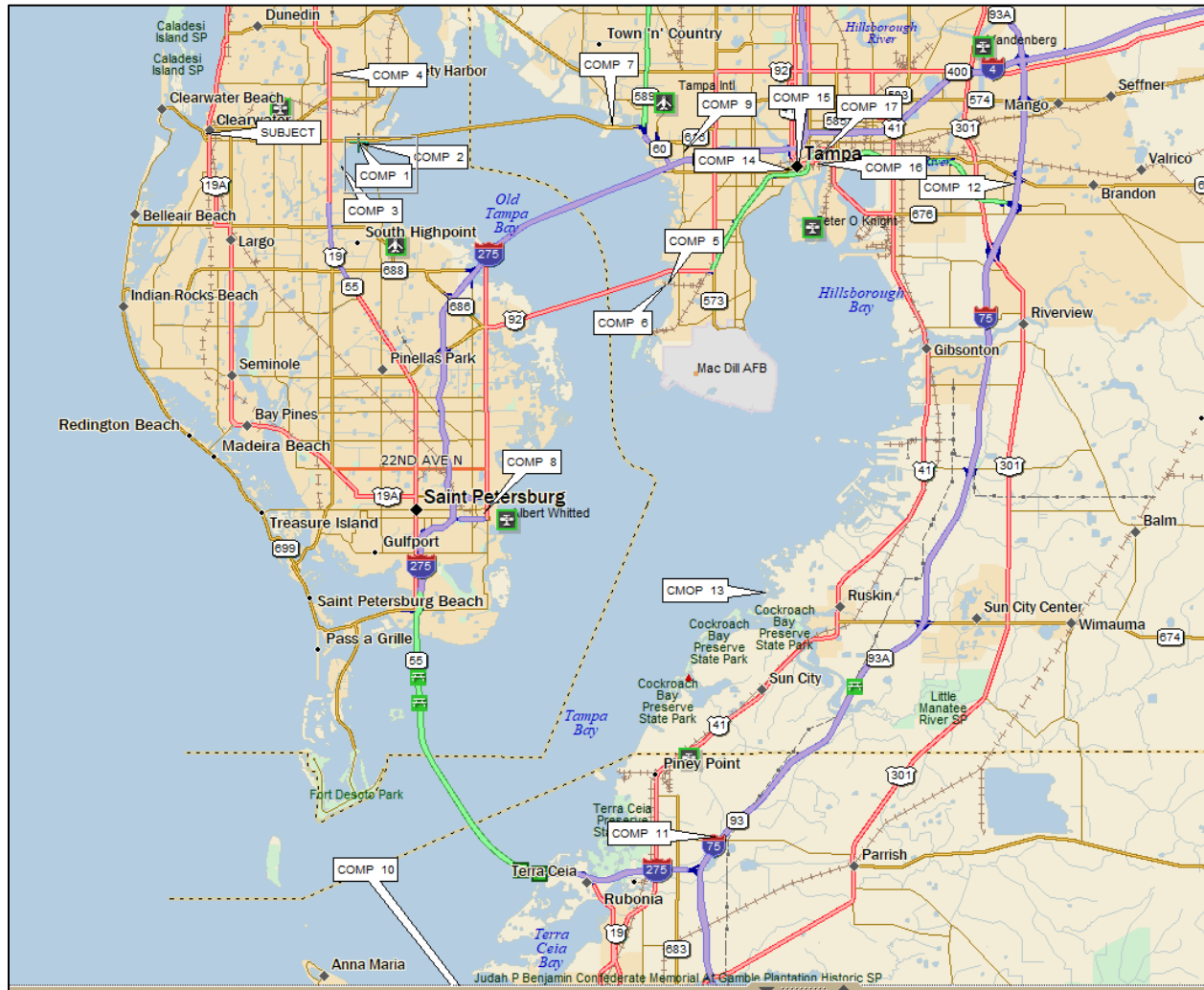
ECI Group, 770-952-1400, CoStar, Public Records, Deed, Mortgage, Media



## Comparable Multi-Family Land Sales Summary Chart

NO.	LOCATION	DATE ORBP COUNTY	GRANTOR / GRANTEE COUNTY PARCEL ID #	SALE PRICE	ADJUST	ADJUSTED PRICE	UPLAND SQ FT ACRES MF UNITS	USABLE SQ FT ACRES DUA	\$/SF \$/ACRE \$/UNITS
1	2975 Gulf To Bay Blvd. Clearwater, FL 33759	Nov-19 20780-2197	David Wm. Kirkpatrick Tr. DD Gulf To Bay, LLC	\$ 12,050,000	\$ 900,000 Demolition	\$ 12,950,000	325,480 7.472	325,480 7.472	\$ 39.79 \$ 1,612,687
	WF Apts Linz Bayview Apts.	Pinellas	172916-12312-000-0020	APT Dev		Bay view	398	53	\$ 32,538
2	2981 Gulf To Bay Blvd. Clearwater, FL 33759	Oct-19 20716-1134	Wilder, LLC BVT-Bainbridge Bayview Owner	\$ 4,700,000	\$ 700,000 Demolition	\$ 5,400,000	190,793 4.380	190,793 4.380	\$ 28.30 \$ 1,073,058
	WF Apts Bainbridge Bayview Apts.	Pinellas	172916-12312-000-0010	APT Dev		Bay view	283	65	\$ 19,081
3	19337 US Hwy 19 North Clearwater, FL 33764	Dec-17 21257-1163	Wilder, LLC Bayside Apts Owner, LLC	\$ 14,000,000	\$ 500,000 Demolition	\$ 14,500,000	679,481 15.599	679,481 15.599	\$ 21.34 \$ 897,509
	Apts Cortland Bayside Apts.	Pinellas	202916-01325-000-0020	APT Dev		Bay view	360	23	\$ 40,278
4	2031 Glass Loop Clearwater, FL 33763	Sep-21 21731-598	Southern Comfort Park, Inc. Aventon Clearwater Owner, LLC	\$ 15,559,300	\$ 775,000 Demolition	\$ 16,334,300	953,964 21.900	953,964 21.900	\$ 17.12 \$ 710,470
	Apts Aventon Lana Apts.	Pinellas	202916-01325-000-0020	APT Dev		Inland	396	18	\$ 41,248
5	5105 Tyson Avenue Tampa, FL 33611	Sep-22 2022-469411	Sajet Properties, LLC Westshore Apartments Venture	\$ 15,500,000	\$ -	\$ 15,500,000	519,671 11.930	519,671 11.930	\$ 29.83 \$ 1,299,245
	Apts 325 Apts + 40 THs	Hillsborough	Folio # 131227-0000	APT Dev		Bay inlet	325	27	\$ 47,692
6	5440 Tyson Avenue Tampa, FL 33611	Jun-21 2021-286840	Orion Marine Construction, Inc. MAA Westshore Exchange, LLC	\$ 23,500,000	\$ (1,200,000) Commercial element	\$ 22,300,000	691,215 15.868	691,215 15.868	\$ 32.26 \$ 1,480,957
	Apts	Hillsborough	Folio # 131191-0000	APT Dev		Bay inlet	495	31	\$ 45,051
7	3015 N. Rocky Point Dr. Tampa, FL 33607	Mar-19 2019-139709	BBC Rocky Point, LLC NR Rocky Point Owner, LLC	\$ 7,800,000	\$ -	\$ 7,800,000	134,315 3.083	134,315 3.083	\$ 58.07 \$ 2,529,636
	WF Apts Emerson Apartments	Hillsborough	Folio # 094469-0100	APT Dev		Small WF	180	58	\$ 43,333
8	533 3rd Ave. S. St. Pete, FL 33701	Apr-23 22409-894	Receiver For Equiait Fund, LLC 5th And 3rd Owner, LLC	\$ 20,250,000	\$ -	\$ 20,250,000	40,000 0.918	40,000 0.918	\$ 506.25 \$ 22,052,250
	CBD Apts 275 5th Street - Apts	Pinellas	193117-74466-052-0010+6	APT Dev		CBD	367	400	\$ 55,177
9	1515 N. Westshore Blvd. Tampa, FL 33607	Jul-21 2021-368156	The Auto Club GroupSouth, Inc. Ally 1515, LLC	\$ 8,750,000	\$ -	\$ 8,750,000	83,670 1.921	83,670 1.92	\$ 104.58 \$ 4,555,396
	Apts Office district	Hillsborough	Folio # 112131-0000			Office District	360	187	\$ 24,306
10	8350 Carolina Street Sarasota, FL 34243	Oct-22 2022-41122355	DCNIG Sarasota 1, LLC Arlington University Park, LLC	\$ 9,000,000	\$ -	\$ 9,000,000	373,309 8.570	373,309 8.570	\$ 24.11 \$ 1,050,176
	Apts Tapestry University Park	Manatee	2038800059, etal 3	APT Dev		East of airport	180	21	\$ 50,000
11	6100 Gillet Road Palmetto, FL 34221	Dec-22 2022-41151274	RC Palmetto Apartments, LLC Collier Artisan, LLC	\$ 22,200,000	\$ -	\$ 22,200,000	923,019 21.190	923,019 21.190	\$ 24.05 \$ 1,047,684
	Burb Apts Collier Artisan Apts	Manatee	612110159, etal 2	APT Dev		Suburban	405	19	\$ 54,815
12	10215 Estuary Lakes Dr. Tampa, FL 33619	Mar-23 2023-131315	I-75/Palm River Road, LLC Estuary Apartments Owner, LLC	\$ 10,500,000	\$ -	\$ 10,500,000	380,148 8.727	380,148 8.727	\$ 27.62 \$ 1,203,163
	Burb Apts Estuary Apartments+	Hillsborough	U292920-A4C-000000-00002.0	APT Dev		Suburban	305	35	\$ 34,426
13	462 Bahia Beach Blvd. Ruskin, FL 33570	Oct-23 NA	Harbor Suites, LLC Listing	\$ 16,000,000	\$ -	\$ 16,000,000	660,436 15.162	660,436 15.162	\$ 24.23 \$ 1,055,303
	Condo Condo site Little Harbor	Hillsborough	Folio # 031587-0000	Condo Entitled		Bay front	330	22	\$ 48,485
14	101 South Parker St. et al West side of Tampa CBD	Jul-22 2022-353139	Hillsborough River Realty RD RWD Tampa, LLC	\$ 55,490,000	\$ (9,050,000) Other Elements	\$ 46,440,000	195,376 4.485	195,376 4.485	\$ 237.70 \$ 12,371,757
	WF, both Tampa, FL 33606	Hillsborough	4 parcels west of Hills. River			CBD fringe	1,080	241	\$ 43,000
15	North Tampa Street NEC Tampa St. & Whiting	Oct-23 2023-454191	HT Downtown Landco VIII, LLC ASL Franklin Whiting, LLC	\$ 12,750,000	\$ -	\$ 12,750,000	29,524 0.68	29,524 0.68	\$ 431.85 \$ 18,811,475
	CBD Apts Tampa, FL 33601	Hillsborough	Folio # 193600-0005			CBD	300	443	\$ 42,500
16	940 Channelside Dr. SWC @ Washington St.	May-23 2023-217318	Dynamic Channelside, LLC 940 Channelside, LLC	\$ 7,850,000	\$ -	\$ 7,850,000	21,850 0.50	21,850 0.50	\$ 359.27 \$ 15,649,703
	CBD Condo Tampa, FL 33601	Hillsborough	Folio # 190207-0000			CBD	279	556	\$ 28,136
17	1237 E. Twigg Street SWC @ Channelside Dr.	Nov-21 2021-608705	J.H. Williams Oil Co., Inc. Hillsborough Madison, LLC	\$ 8,800,000	\$ -	\$ 8,800,000	89,050 2.04	89,050 2.04	\$ 98.82 \$ 4,304,638
	CBD Apts Tampa, FL 33602	Hillsborough	Folio # 190170-0000			CBD	351	172	\$ 25,071

## Comparable Land Sales Map



## **Analysis of Comparable Land Sales**

All comparable land sales are compared toward the subject site for either the comparable sites' superior or inferior characteristics in relation to the subject site.

Multi-family land properties are typically analyzed on a unit of comparison basis. The unit of comparison to be used is that unit customarily used in the market in the subject property's locale. After discussions with residential and commercial developers and investors and as evidenced by market activity, it is believed the overall sale price per planned, entitled or developed multi-family unit is appropriate as the unit of comparison for the sales comparison approach.

These land comparables represent prices paid for sites for upscale apartments, some with large pools, waterfront views, roof top lounges/bars, club houses, fitness centers, business centers, structured parking garages and other quality features attracting lessees for monthly rent generally between \$2.50 to \$3.50 per square foot and higher for studio units and for the best located units within buildings. Rental rates are highest in downtown Tampa, up to \$4.50 per square foot for small apartments, followed by St. Petersburg. (Developers state that \$4.00 rents are necessary to support new urban development.) Apartments in this category typically have high quality appliances and fixtures, balconies, wet sprinklered systems for fire protection and other features.

There were a variety of comparable land sales found in the overall market. The sales presented herein are the best data available and represent a reasonable basis from which to estimate value of the subject in the current market.

### **Conditions of Sale**

There may be a variety of conditions of a sale for which adjustments are applicable, including contributory value of FF&E or personal property, business value, below-market seller financing, pay-outs by buyer such as for back taxes, and atypical motivation by buyers or sellers, such as the duress to sell under threat of foreclosure or quick liquidation of a lender-owned property.

Conditions of sale are important to the explanation of each transaction. The conditions of sale for most commercial property transactions conform to the definition of market value. That is, there is a reasonable amount of exposure time, buyers and sellers are well informed of the property and the market, and neither buyer nor seller is under duress to transact.

The comparable sales were verified as arm's length transactions, and all sales were found to be equivalent to cash transactions. All sales represent realty. The motivations of the buyers and sellers were found to be typical for the marketplace. Transactions reflected an investor's motivation to buy.

### **Market Conditions**

The comparable land sales are compared for changes in market conditions which have occurred between the date of the comparable land sale and the date of the value estimate of the subject site. The degree of the adjustment is in proportion to the magnitude of change that has occurred



in the market for land in the subject property's locale, between the date of the comparable land sale and the date of valuation of the subject site. The greater the magnitude of change that has occurred, the greater the upward or downward adjustment is be applied to the comparable price.

Supported by increasing demand, it appears land prices in the market area had increased steadily until about 2007, when the economic slowdown began and were declining by 2008. The decline of values increased in 2009, was generally flat in 2010 and 2011 and began slowly improving by 2012. Prices increased rapidly from 2013 through 2015, then the increases moderated, yet continued upward until early 2020 when the Covid pandemic began. Some properties were affected more than others. For instance, land for marina development increased to all-time highs, while land for retail declined in value. In Florida, with few Covid lockdowns and continual growth, prices increased in 2021 and 2022, yet there are signs of slowing and even a decline of prices. Recorded closing dates are often several months after the initial purchase contract for development land.

### **Contributory Value**

In cases when a comparable sale has improvements which contributed to the purchase price, the estimated value of those improvements may be subtracted from the purchase price in order to estimate the portion of the price paid for the land. Also, any personal property which may have contributed to a transaction price is subtracted in order to determine the price paid for the real property. Conversely, when existing improvements or personal property are costly to remove in order to prepare the real property for highest and best use, the removal expenses may be added to the purchase price.

### **Extraordinary Site Development Costs**

Extraordinary site development costs include any cost necessary to ready the comparable site for development in excess of what is typical in the market and applicable to the subject. The extraordinary costs may include excessive grading, fill dirt, legal expenses, off-site improvements, etc. Where applicable, cost of extraordinary site development is added to the nominal purchase price of the comparable sites to render the adjusted purchase price. No comparable sales were adjusted for these factors. In the case of significant demolition costs necessary to the buyer, such cost is added to the comparable transaction price.

### **Zoning and Land Use and Dwelling Units Per Acre (DUA)**

This category considers differences in the zoning, current and future land use of the comparables as related to the subject. Properties allowing more intensive uses typically sell for higher prices per unit than those with more use restrictions in place and are adjusted accordingly. Zoning designations of the comparables were the same or reasonably similar to the subject and required no adjustment. In some cases, regulations may provide for a greater density than actually developed. The decision of a developer to construct a project at below the maximum allowable density permitted is based on an economic rationale, balancing construction cost savings with unit absorption. Multi-family developments often do not exceed 350 units per phase in a single

project based on expected absorption and to minimize construction costs and holding costs, but may be higher in CBD urban settings.

### **Floor Area Ratio – FAR**

The Floor Area Ratio reflects the ratio of land to building area, which affects ease of access, parking and the ability to expand. For example, a small site will feel cramped, and a parking space may not be available during certain times of the day. The number of stories varied for the mostly midrise comparable developments. Many of the comparables have structured parking planned with the apartment buildings. City of Clearwater responded that parking is not included in the FAR formula. Complementing the FAR comparison is density and the comparison of the number of dwelling units per acre (DUA). DUA's are an important index and are a function of building height and the size of units. Suburban apartments may have a density of 15 units per acre and promote garden style apartments, while urban sites are developed to much higher density and promote high rise buildings. Construction costs for high rise buildings are typically much higher per square foot than low or mid-rise construction, plus parking must be constructed. Rather than buying extra land for surface parking, urban developers must construct garages at a significant cost per parking space; this is one reason that CBD urban rents are necessarily higher than suburban rents.

### **Location**

The comparison for location is made for market relevant factors such as proximity to complementary supporting uses, transportation linkages, population and labor markets, and visibility, which is typically applicable to retail and other commercial uses benefitting from such visibility. The subject has a good location, offering westerly views over Clearwater Bay toward Clearwater Beach, and expansive views of sunsets are very good. Some of the comparables are bay waterfront and a few comparables are in the high demand CBDs of Tampa or St. Petersburg. Comparisons for location were appropriately given consideration.

### **Physical Characteristics**

Adjustments were made for terrain, soil characteristics, configuration, site access, available utilities and the general utility or developability of the site. Utilities, terrain and soil characteristics of the comparables were generally similar to the subject. Site access varied somewhat among the comparables, yet overall similar to the subject. Configuration and site utility of the comparable sales were generally similar to the subject.

### **Land Size**

The comparison for differences in land size is based upon the economic principle of diminishing marginal returns, which states that the rate of return beyond a certain point fails to increase in proportion to additional investments of labor or capital. Capital in this sense refers to physical assets such as land or building, and not money. The above principle indicates that the greater the land area, or the quantity of land units purchased, a developer will typically pay less for each additional land unit, thus lowering the overall average unit sale price. Higher density sites

follow the same pattern, that larger sites may have a lower average price per unit for land. The difficulty in analyzing this factor is that construction costs begin increasing as building height increases, so the concept may not apply, particularly for those developments over 75 feet or about seven stories. Although assemblage or plottage may be necessary and result in the assembled site having greater value than the sum of the parts, this truism states that larger sites will typically sell for a lower price per square foot or per acre than smaller sites.

However, due to building regulations for FARs and maximum heights, the land size may be less important for direct comparison because the primary unit of comparison is the land price paid per developable multi-family unit. The land size adjustment may not be applicable.

## Summary of Sales Comparison Approach

### Summary Chart of Land Sales

NO.	LOCATION	DATE	GRANTEE	ADJUSTED PRICE	MF UNITS	USABLE ACRES	PRICE PER UNIT	DUA	MF TYPE
1	2975 Gulf To Bay Blvd.	Nov-19	DD Gulf To Bay, LLC	\$ 12,950,000	398	7.472	\$ 32,538	53	WF Apts
2	2981 Gulf To Bay Blvd.	Oct-19	BVT-Bainbridge Bayview Owner	\$ 5,400,000	283	4.380	\$ 19,081	65	WF Apts
3	19337 US Hwy 19 North	Dec-17	Bayside Apts Owner, LLC	\$ 14,500,000	360	15.599	\$ 40,278	23	Apts
4	2031 Glass Loop	Sep-21	Aventon Clearwater Owner, LLC	\$ 16,334,300	396	21.900	\$ 41,248	18	Apts
5	5105 Tyson Avenue	Sep-22	Westshore Apartments Venture	\$ 15,500,000	325	11.930	\$ 47,692	27	Apts
6	5440 Tyson Avenue	Jun-21	MAA Westshore Exchange, LL/C	\$ 22,300,000	495	15.868	\$ 45,051	31	Apts
7	3015 N. Rocky Point Dr.	Mar-19	NR Rocky Point Owner, LLC	\$ 7,800,000	180	3.083	\$ 43,333	58	WF Apts
8	533 3rd Ave. S.	Apr-23	5th And 3rd Owner, LLC	\$ 20,250,000	367	0.918	\$ 55,177	400	CBD Apts
9	1515 N. Westshore Blvd.	Jul-21	Ally 1515, LLC	\$ 8,750,000	360	1.921	\$ 24,306	187	Apts
10	8350 Carolina Street	Oct-22	Arlington University Park, LLC	\$ 9,000,000	180	8.570	\$ 50,000	21	Apts
11	6100 Gillet Road	Dec-22	Collier Artisan, LLC	\$ 22,200,000	405	21.190	\$ 54,815	19	Burb Apts
12	10215 Estuary Lakes Dr.	Mar-23	Estuary Apartments Owner, LLC	\$ 10,500,000	305	8.727	\$ 34,426	35	Burb Apts
13	462 Bahia Beach Blvd.	Oct-23	Listing	\$ 16,000,000	330	15.162	\$ 48,485	22	Condo
14	101 South Parker St. et al	Jul-22	RD RWD Tampa, LLC	\$ 46,400,000	1,008	6.243	\$ 46,032	161	WF, both
15	xxx North Tampa Street	Oct-23	ASL Franklin Whiting, LLC	\$ 12,750,000	300	0.678	\$ 42,500	443	CBD Apts
16	940 Channelside Dr.	May-23	940 Channelside, LLC	\$ 7,850,000	279	0.502	\$ 28,136	556	CBD Condo
17	1237 E. Twiggs Street	Nov-21	Hillsborough Madison, LLC	\$ 8,800,000	351	2.044	\$ 25,071	172	CBD Apts

We have presented a variety of multifamily land sales including many urban sites with high density. The sales indicated a range of prices from \$19,081 to \$55,177 per proposed multi-family unit. Transactional and market conditions and locational and physical differences were considered and they varied among the several comparables.

We excluded Sale 2 as a low-price outlier as it is an older sale and also due to its extended time for contract closing and for its approvals of project design. Also, we excluded Sale 11 as a high-price outlier for a suburban development. The sales range is marginally narrower, from \$25,071 to \$55,177 per multi-family unit, with the higher price for a downtown St. Petersburg site.

There have been multiple challenging influences for the multi-family development market accumulating over the past year. The cost of construction labor and materials increased significantly, interest rates increased rapidly and lenders tightened loan terms. There has been a flattening or even lowering of rents, and Florida insurance costs per completed apartment unit have dramatically increased, from perhaps \$1,500 to \$2,500 per unit per year. No developer we spoke with is considering starting a new project at this time.

While demand for all housing types continues to grow, much of that demand is by households who are not financially capable of buying new single-family or condominium units, and, as the economy slows, high rental rates are susceptible to being reduced. New apartment developments may experience slow absorption. Very low interest rates in 2021 and first-half 2022 spoiled the consumer for housing ownership affordability in this current market. For developers, higher interest rates contribute to projects being unfeasible.

Note that condominiums are typically developed at a lower density than rental apartments, offering larger units or broader views. This often results in a higher price paid for land on a per-unit basis. However, the condominium development market is experiencing the same market forces as rental apartments and it is unlikely that a developer would consider beginning a development at this time, even if the City of Clearwater was amenable to condominium development.

The quandary for an appraiser is that we have recent closings at prices that were negotiated and loans secured a year or more ago, but no one is looking to begin a new project today. Therefore, prices just paid may not be representative of current pricing.

The prices paid per apartment unit varied among the comparable sales based on dates of recorded sale, downtown versus urban or suburban locations, the number of units and building designs. Considering the current multi-family market and the several challenges facing developers and investors, few developers are planning new developments. Most expect 2024 to be no better than 2023 and many expect a recession. 2025 could well be a recession year as well, but developers know demand will return and, if interest rates come down in 2024 or 2025 they will be inclined to move forward with land acquisitions and development.

A longer marketing time for multi-family land and a lower price per unit than experienced in 2021 and 2022 is believed appropriate. However, there are no sales reflecting current conditions so the prices must be adjusted. For this analysis, we begin with what would be a current value based on locational and physical conditions and will then discuss a present value. The City is desirous of having the developer immediately commence development.

The subject was originally proposed at 600 units, then reduced to 400 units. For our generic analysis, we estimate that a typical development would be based on a density of approximately 150 units per acre. At 2.60 acres, this is basically 400 units as proposed. This analysis would assume a marketing time of two to three years. Reducing this time for a quick sale would be referred to as a disposition value.

It is our opinion that \$30,000 per apartment unit best represents market value for the subject 2.60 acres as a 400 unit development based on an expected 24 to 36 month marketing period.

**400 Multi-family rental units x \$30,000 per rental unit = \$12,000,000**



## Disposition Value

The City is desirous of a quick sale of the property and the value for a quick sale in a slow market is often referred to as disposition value. A quick sale in a slow market requires a sufficient discount to attract capital. This is the first step, although there is no assurance that development would proceed immediately even if the land were acquired at no cost. Land cost is perhaps 10% of an overall development budget, so, when costs have increased 20%, even free land may not suffice for a feasible development.

Disposition Value is: “The most probable price that a specific interest in a property should bring under the following conditions.”

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

Based on the current market for new multifamily development, a sale at a typical price is unlikely to occur for an approximate two to three year period. Once under contract, a typical developer will require six months to one year for due diligence.

There are few if any new land acquisitions occurring unless the project began planning a year or more ago, and sales that are closing today were negotiated prior to the increase in interest rates, so we have no closed sales to point to as representing current values; that is, agreements to purchase that have occurred in the last 60 days or so. Our discussions with a number of developers indicate that the increases in construction costs and interest rates have rendered current development infeasible, and none would consider currently acquiring a site just to speculatively hold it for two to three years.

If no developer-user is available today to acquire a site and pay a typical price, the alternate buyer is an investor or speculator. Although we are not at that stage of the economy to analyze distress sales, in years past we conducted a number of studies in order to estimate a discount that would allow a profit sufficient for an investor to acquire a site to resell when the market strengthened. In those studies we found that a discount of 30% to 40% was necessary to attract an investor to pay what is best referred to as a liquidation value.

Deducting an estimate of 30% from value indicates the following.

Market Value	\$12,000,000
Less Discount	<u>\$ 3,600,000</u>
<b>Liquidation Value</b>	<b>\$ 8,400,000</b>

According to *RealtyRates.com*, 4<sup>th</sup> Quarter 2023 Investor Survey report, discount rates for land leases ranged from 6.89% to 18.65%. Apartment sites are at the lower end, with a range from 6.89% to 11.45%. This 30% discount would equate to a yield of approximately 12%, considered reasonable in this economic climate. This estimated value should be sufficient to attract an investor to acquire the subject site within a six month marketing period.

Additional economic incentives will likely be necessary to entice a developer to proceed with development.

## RECONCILIATION AND FINAL VALUE ESTIMATE

The value conclusions of the Cost, Sales Comparison and Income Capitalization Approaches are as follows:

Cost Approach	N/A
Sales Comparison Approach	\$12,000,000
Income Capitalization Approach	N/A

The cost approach is most appropriate when the improvements represent the highest and best use of the site. However, as the site is vacant the cost approach was not employed.

The income capitalization approach was not utilized in the estimation of value for the subject property as vacant land.

The sales comparison approach employs the principle of substitution, meaning that a buyer would pay no more for the subject property than the price for which they could acquire a similar property offering similar utility and investor goal fulfillment. A variety of sales of properties similar to the subject were found throughout the market, and those considered most applicable to the subject were included within the report. Based on analysis of these sales, the indication of value of the subject by the sales comparison approach is considered quite reliable and is a credible indication of market value.

Therefore, with full weight on the value estimate by the sales comparison approach, it is our opinion that the market value of the fee simple estate of the subject property, in as-is condition with an extended marketing period and as of the appraisal date, November 3, 2023, is approximately \$12,000,000. It is also our opinion that the subject has a disposition value of approximately \$8,400,000 with a marketing period of approximately six months.

## **ASSUMPTIONS AND LIMITING CONDITIONS**

1. The conclusions as to market value contained herein represent the opinion of the undersigned and are not to be construed in any way as a guarantee or warranty, either expressed or implied, that the property described herein will actually sell for the market value contained in this opinion.
2. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
3. No furniture, furnishings, or equipment, unless specifically indicated herein, has been included in our value conclusions. Only the real estate has been considered.
4. The property is appraised free and clear of all encumbrances, unless otherwise noted.
5. No survey of the property was made or caused to be made by the appraiser. It is assumed the legal description closely delineates the property. It was checked with public records for accuracy. Drawings in this report are to assist the reader in visualizing the property and are only an approximation of grounds or building plan.
6. It is assumed that there are no hidden or unapparent conditions of the property's subsoil or structure that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. Subsurface rights (minerals, oil, or water) were not considered in this report.
8. Description and condition of physical improvements, if any, described herein are based on visual observation. As no engineering tests were conducted, no liability can be assumed for soundness of structural members.
9. The appraiser has inspected any improvements. Unless otherwise noted, subject improvements are assumed to be free of termites, dry rot, wet rot, or other infestation. Inspection by a reputable pest control company is recommended for any existing improvement.
10. All value estimates have been made contingent on zoning regulations and land use plans in effect as of the date of appraisal and based on information provided by governmental authorities and employees.
11. It is assumed that there is full compliance with all applicable federal, state, and local environmental laws and regulations, unless noncompliance is stated, defined, and considered in the appraisal report.
12. It is assumed that all applicable zoning and land use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.

13. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is predicated.

14. No responsibility is assumed by the appraiser for applicability of "concurrency laws", referring to the 1985 amendments to Chapter 163, Florida Statutes. At this time, it is unclear what effect, if any, these laws might have on any property in any given county. As various legislative and judicial action is pending, the reader is cautioned to fully investigate the likelihood of development moratorium or other governmental action with appropriate municipal, county, or state officials.

15. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

16. Appraisal does not constitute an inspection for compliance with local building, fire, or zoning codes. Reader is advised to contact local government offices to ensure compliance with applicable ordinances.

17. This appraisal report covers only the premises herein; and no figures provided, analysis thereof, or any unit values derived therefrom are to be construed as applicable to any other property, however similar they may be.

18. Distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. Separate valuations of land and improvements must not be used in any other manner, nor in conjunction with any other appraisal, and are invalid if so used.

19. Certain data used in compiling this report was furnished by the client, his counsel, employees, and/or agent, or from other sources believed reliable. However, no liability or responsibility may be assumed for complete accuracy.

20. An effort was made to verify each comparable sale noted in the report. There are times when it is impossible to confirm a sale with the parties involved in the transaction; however, all sales are confirmed through public records.

21. Consideration for preparation of this appraisal report is payment in full by the client of all charges due the appraiser in connection therewith. Any responsibility by the appraiser for any part of this report is conditioned upon full and timely payment.

22. The appraiser, by reason of this report, is not required to give testimony in court with reference to the property herein, nor obligated to appear before any governmental body, board, or agent, unless arrangements have been previously made therefor.



23. Unless otherwise noted, this appraisal has been prepared solely for the private use of the client who is listed above as the addressee. No other party is entitled to rely on the information, conclusions, or opinions contained herein.

24. Neither all nor any portion of the contents of this appraisal shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the appraiser, particularly as to valuation conclusions, identity of the appraiser or firm with which he is connected, or any reference to the Appraisal Institute or to the MAI designation. Furthermore, neither all nor any portion of the contents of this appraisal shall be used in connection with any offer, sale, or purchase of a security (as that term is defined in Section 2(l) of the Securities Act of 1933) without the prior express written consent of the appraiser.

25. Possession of this report or copy thereof does not convey any right of reproduction or publication, nor may it be used by any but the client, the mortgagee, or its successors or assigns, mortgage insurers, or any state or federal department or agency without the prior written consent of both the client and the appraiser, and, in any event, only in its entirety.

26. Before any loans or commitments are made predicated on value conclusions reported in this appraisal, the mortgagee should verify facts and valuation conclusions contained in this report with the appraiser.

27. Cost estimates for construction or reproduction of improvements are based on information from Marshall Valuation Service and other sources referenced in the report and are assumed accurate.

28. Estimates of expenses, particularly as to assessment by the County Property Appraiser and subsequent taxes, are based on historical or typical data. Such estimates are based on assumptions and projections which, as with any prediction, are affected by external forces, many unforeseeable. While all estimates are based on our best knowledge and belief, no responsibility can be assumed that such projections will come true.

29. Responsible ownership and competent property management are assumed.

30. Unless stated otherwise, the possibility of hazardous material, which may or may not be present on the property, was not observed by the appraiser during the course of the normal inspection and research conducted during the appraisal assignment. The appraiser, however, is not professionally qualified to detect such substances, and inspection by a professional in the field is recommended for any property. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials could affect the value of the property, if found. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. This appraisal report is subject to receipt of an environmental audit confirming that no hazardous or toxic material is located on the premises. Should such material be discovered, final value estimates herein would be reduced by the cost to remove such substances and to restore the

premises to serviceable condition and may further be reduced by indirect expenses and income losses incurred by the owner during abatement. Such adjustments to the value estimate contained herein may be made only by the appraiser and only upon receipt of the environmental audit, construction cost estimates and other data satisfactory to the appraiser at his sole discretion.

31. The Americans with Disabilities Act (ADA), enacted in 1990, provided civil rights protection to persons with disabilities. Title III of this act provides that persons with disabilities are to be provided access equal to, or similar to, that available to the general public in all areas of "public accommodation," which generally means any retail, recreation, social service or lodging establishment. It does not apply to "commercial facilities," which could be a single-tenant office or manufacturing facility, and generally does not require alterations to existing buildings, unless other alterations are made. This latter is subject to interpretation, but it should be assumed that any significant renovation requiring a building permit will also require that the building be brought to current handicap requirements for all or a portion of the building. The appraiser is not professionally qualified in these matters, this appraisal does not constitute an inspection as to compliance with the provisions of the act, and no responsibility is assumed for any known or unknown conditions related to the act, civil rights or building code provisions. A number of professional engineering firms specialize in these matters, and such professional advice should be obtained if there is any doubt as to conformity existing.

## **APPRAISER QUALIFICATIONS**

## QUALIFICATIONS OF

### **H. LINWOOD GILBERT, JR., MAI PRESIDENT**

---

#### ***PRESIDENT, URBAN REALTY SOLUTIONS – TAMPA, FLORIDA, DECEMBER 1991 TO PRESENT***

Mr. Gilbert is the principal of Urban Realty Solutions, a real estate research and appraisal firm providing market value appraisals, market studies, feasibility analyses, damage studies and litigation support on marina, commercial, industrial and residential developments. Services available through related firms include owner representation, market research, site selection, permitting, development budgets, marketing plans, brokerage, construction progress inspections, property management and cash flow and absorption projections. Financial analysis through use of Argus and other software. Consultation with municipalities and private investors regarding economic impacts and multiplier effect of public construction and development incentives.

Litigation support for construction damages, lost profits, inverse condemnation and Bert J. Harris Act damages due to imposition of Inordinate Burden.

Experience includes development, construction, brokerage and property management for a variety of office, retail, industrial and marina developments. Appraisals have included all types and sizes of residential, commercial, industrial, retail and resort properties.

Mr. Gilbert has qualified as an expert witness in bankruptcy, state and federal courts and in the US Virgin Islands.

The firm is incorporated as Gilbert Associates, Inc., DBA Urban Realty Solutions, and has been in operation since 1991.

#### ***LICENSES AND CERTIFICATIONS***

Florida State Certified General Real Estate Appraiser License Number RZ0940  
Florida Licensed Real Estate Broker Numbers BK272378 and BK3005632  
Georgia State Certified General Real Estate Appraiser No. 363425  
Maryland State Certified General Real Estate Appraiser  
South Carolina Licensed Real Estate Broker No. 94753  
Merchant Marine Master Captain License 3043346  
Numerous Temporary and Reciprocal Licenses across the United States and Caribbean

#### ***EDUCATION***

University of Georgia, Bachelor of Business Administration, 1973  
Major in General Business  
Minors in Finance, Management, Marketing and Real Estate

## ***CONTINUING EDUCATION***

Courses 101 and 201	Discount and Capitalization Rate Components
Society of Real Estate Appraisers	Understanding Limited Appraisals and
Course II, Urban Properties	Reporting Options
(Commercial/Income)	Tax Credits for Low Income Housing
Course VI, Investment Analysis	Fair Lending and the Appraiser
Course VIII, Residential Appraisal	Appraisal of Nursing Facilities
Capitalization Theories and Techniques (IBB)	Economic Worth of On-Premise Signage
Rate Extraction Seminar	Florida Ad Valorem Property Tax Update
Course X, Market Analysis	Regulatory Takings & Property Rights
Standards of Professional Practice	Transportation Issues & Eminent Domain
Applied Appraisal Techniques	Regression Analysis in Appraisals
Valuation Litigation / Mock Trial	Analyzing Distressed Real Estate
Capital Market Influences on Real Estate	Marina Retrofit, Redesign & Construction
Valuation	FDEP Appraising Submerged Land Easements
Analyzing Operating Expenses	Developing Resort, 2 <sup>nd</sup> Home and Golf Course
USPAP "Core" Update for Appraisers	Communities, Urban Land Institute
Power Lines and Electro-Magnetic Fields	Valuing Enhancement Projects (LEED Green
Effect on Value and People	Buildings) & Financial Returns, BOMI
Eminent Domain and Land Valuation	Marina Dry Stack Conference, AMI
Litigation – ALI/ABA	Green Marina Design
Litigation Skills for the Appraiser: An Overview	Marina Shoreline Development &
Construction Contracts – Strategies for Project	Permitting, LSI
Completion and Litigation Avoidance	Feasibility, Investment Timing & Options, AI
CLE Eminent Domain Conference 2001	Florida State Law Update for Real Estate Appraisers
Appraisals & Federal Regulations	National USPAP Update Course
The Valuation of Wetlands	Business Practices and Ethics
Appraising for Pension Fund Portfolios	Inverse Condemnation
Development Analysis	New Technology for the Real Estate Appraiser
Valuation of Hotels and Motels	Instructor Leadership and Development Conference
Income Capitalization Workshop	Separating Real and Personal Property from Intangible
Advanced Capitalization Workshop	Business Assets
Calculator and Computer Solutions to	Analyzing Commercial Lease Clauses
Contemporary Problems	Litigation Appraisal
Hewlett Packard Financial Calculators –	The Appraiser As An Expert Witness
Advanced Course	Oil Spills and Property Values
Impact of Environmental Considerations on	Supervisor/Trainee Roles & Rules
Real Estate Appraisals	Professional's Guide to Uniform Residential Appraisal
Appraisal Regulations of the Federal Banking	Report
Agencies	IRS Valuation
Discount and Capitalization Rate Components	Federal Agencies and Appraisal: Program Updates
The Appraiser as Expert Witness	Green Building for Appraisers
Complex Litigation Appraisal	Valuation of Solar Photovoltaic Systems

H. Linwood Gilbert, Jr., MAI, has completed the continuing education program of the Appraisal Institute.

Mr. Gilbert has also attended courses and seminars covering various aspects of real estate valuation, lending, leasing, marketing and management sponsored by The Urban Land Institute, The Ohio State University, The Massachusetts Institute of Technology, Robert Morris Associates, The Northwest Center for Professional Education, New York University, St. Petersburg College, the University of Shopping Centers (sponsored by The International Council of Shopping Centers), CCIM Institute, Federal Housing Administration, the Environmental Assessment Association and others. He has been a guest lecturer at NAIOP Real Estate Development course, Instructor of a Real Estate Appraisal Course for the International Marina Institute and was guest lecturer at the St. Petersburg BAR Association on ad valorem taxation. Mr. Gilbert is qualified as an Expert Witness in real estate valuation matters in bankruptcy and civil courts.



## ***PROFESSIONAL EXPERIENCE***

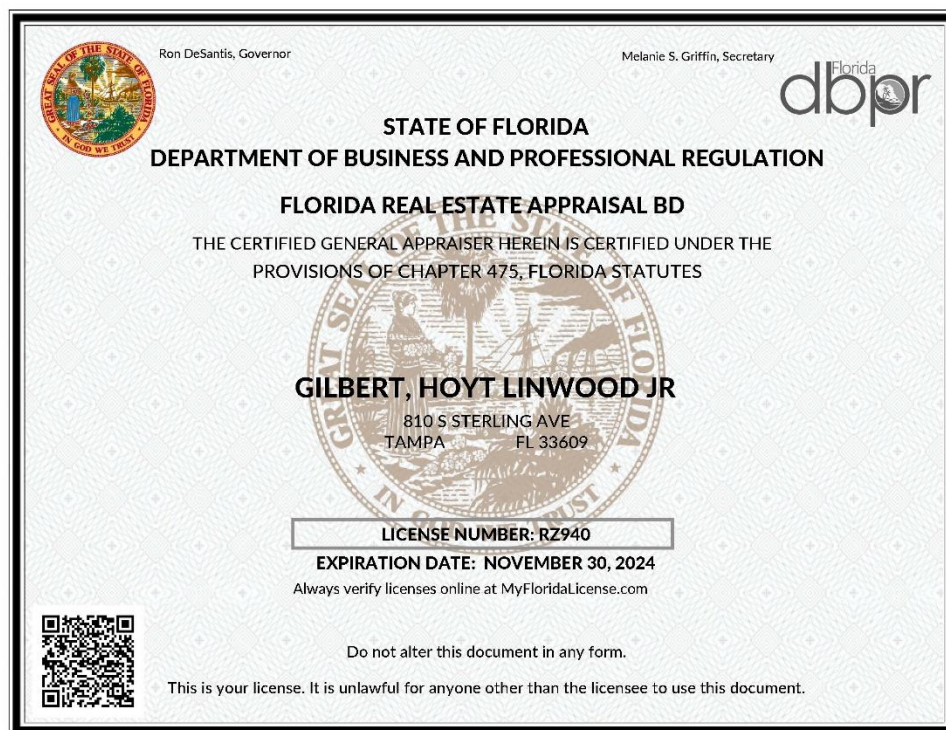
- April 1993 to September 2004      *Principal, Executive Vice President, Urban Economics, Inc. –Tampa, Florida*  
Principal of real estate research and appraisal firm providing services similar to those provided under Urban Realty Solutions. The firm also focused on support for litigation through valuation and damage studies. Broker of transactions totaling \$100+ million.
- February 1991 to Current      *President, Gilbert Associates, Inc. – St. Petersburg, Florida*  
Real estate consulting firm providing market research, highest and best use analysis and other financial planning and marketing services. Prepared guidelines for the marketing, construction and management of distressed developments, including determination of status of development approvals, such as Development of Regional Impact, environmental and local permitting; assistance in selection of consultants and contractors, and value engineering for proposed construction. Broker of record for St. Petersburg CBD Master Retail Development company, including oversight of the St. Petersburg Pier Festive Market.
- 1983 to February 1991      *Vice President, Development, Talquin Development Company – St. Petersburg, Florida*  
Responsible for development of all projects in the Tampa Bay area for this Florida Progress Corporation subsidiary, which was begun by Gilbert and two partners and later acquired by Florida Progress. Conducted feasibility analyses for most projects undertaken by Development Division. Managed Development Division and was project director from concept through completion of Bank of America Tower, a 330,000-square foot, \$50 million mixed-use development, The Harborage at Bayboro, a 635-slip marine complex, plus numerous office, retail, historical redevelopment and industrial projects. Negotiated partnership with The Wilson Company for development of Carillon Corporate Center, Tampa Bay's premiere mixed use development. Organized construction, marketing, and property management departments, as well as the marine division. Property development and management included approximately 750,000 square feet of commercial and industrial properties. Negotiated major leases for buildings, air rights and submerged lands, and design/build contracts, including conversion of historic school building to moderate income apartments. Provided private sector leadership in the planning and implementation of St. Petersburg's Intown Redevelopment program.
- 1978 to 1983      *Vice President, Warren Hunnicutt, Jr., Inc. – St. Petersburg, Florida*  
Appraised and conducted feasibility analyses on virtually all types of commercial, industrial, hospitality and residential properties, and including islands and environmentally sensitive lands. Conducted and published first county-wide surveys of retail and industrial markets.
- 1972 to 1978      *Assistant Vice President, Construction Lending and Review Appraiser, Century First National Bank (now Wells Fargo) –St. Petersburg, Florida*  
Construction and permanent loan underwriting and administration and review appraiser. Three years as Special Assets officer, handling all legal proceedings, construction completion and marketing of foreclosed properties, which ranged from major hotels to high-rise condominiums.
- 1969 to 1972      *Real Estate Loan Representative, The Citizens & Southern National Bank – Athens, Georgia*  
Underwrote and administered construction and permanent single-family FHA/VA and conventional loans. Appraiser trainee. Also trained in credit card, sales finance, branch management, installment lending and other departments under commercial banking management training program.

## ***PROFESSIONAL AFFILIATIONS***

Appraisal Institute	MAI Professional Designation
Real Estate Investment Council, Inc.	Member
Association of Eminent Domain Professionals	Member
The International Marina Institute	Member, Instructor
Southwest Florida Marine Industries Association	Member
Marina Operators Association of America	Member
Florida Association for the Restoration of Ethics, Inc.	Member
Urban Land Institute	Member
PIANC – The World Association for Waterborne Transport Infrastructure	Member
Drystack Working Group	Member

## ***CIVIC ACTIVITIES***

Past and present memberships include: Board of Directors of Tampa Union Station Preservation and Restoration, Inc.; Co-chairman, Council of Elders of the Community Alliance of St. Petersburg, a biracial organization; Former Board of Governors and Chairman, Transportation Committee, The St. Petersburg Area Chamber of Commerce; Former Board Member and Treasurer, The National Association of Industrial and Office Parks; Former Board Member, The Science Center of Pinellas County (an educational institution); Former Board Member and Transportation Committee Chairman, The Committee of 100 of Pinellas County; Former Board Member, Gulfcoast Certified Development Corporation; Member, Leadership St. Pete and Leadership Tampa Bay Alumni Associations, and a Member of the former St. Petersburg Suncoasters, sponsors of the Festival of States. Member, Marine Industry Association of Southwest Florida.



**QUALIFICATIONS OF**  
**WAYNE BEURNIER**  
**CERTIFIED GENERAL APPRAISER**

---

***EDUCATION***

Ohio Dominican University, Bachelor of Business Administration  
Ohio Department of Transportation, Real Estate Principles  
Xavier University/University of Dayton, Master of Business Administration program  
Real Estate Institute of Ohio State University, Graduate of Realtors Institute

***CONTINUING EDUCATION***

Real Estate Taxation  
Coal Financing  
Philosophy of Science  
FNMA Guidelines  
Appraisal AB II, Florida  
Litigation Valuation  
Florida Mortgage Brokerage  
Residential Appraisal Review  
Market Abstraction  
Business Value Capitalization  
Manufactured Housing  
Subdivision Analysis  
Site Analysis and Valuation  
Historic Properties  
Warehouse Incubators  
Florida State Law Update – Current  
USPAP Regulations – Current

***APPRAISAL INSTITUTE***

- Appraisal Principles
- Capitalization
- Single-Family
- Urban Properties
- Condemnation
- Investments
- Industrial
- Standards of Professional Practice
- Capitalization 310

***OHIO STATE UNIVERSITY***

Insurance Procedures  
Real Estate Marketing  
Real Estate Finance  
Real Estate Valuation  
National Security Policy  
Real Estate Law  
Financial Institutions  
Geography & Climate  
Production & Operations Management  
Economic Geography

### ***LICENSES AND CERTIFICATIONS***

Certified General Real Estate Appraiser, State of Florida, License Number RZ1307  
Licensed Real Estate Broker, State of Florida, License Number BK434062

### ***PROFESSIONAL AFFILIATIONS***

National Association of Realtors  
Florida Association of Realtors  
Greater Tampa Association of Realtors

### ***PROFESSIONAL EXPERIENCE***

September 2004 – Present	Urban Realty Solutions, Tampa, Florida
September 1997 – 2004	Associate Appraiser, Urban Economics, Inc., Tampa, Florida
1990-1997	Appraiser Owner, Beurnier Associates, Realty Consultant, Tampa, Florida
1989-1990	Associate Appraiser, Regional Appraisal Company, Manhattan, New York
1988-1989	Appraiser Owner, Beurnier Associates, Tampa Florida
1987	Associate Appraiser, Marshall and Stevens, Tampa, Florida
1986	Associate Appraiser, Henderson Appraisal Company, Tampa, Florida
1984-1985	Associate Appraiser, AmeriFirst Appraisal Company, Fort Myers, Florida
1981-1984	Associate Appraiser, Nash – Wilson Appraisal Company, Columbus, Ohio
1976-1980	Appraiser Owner, Beurnier and Associates, Columbus, Ohio
1971-1975	Staff and Review Appraiser, Policy and Procedures Development, Bureau of Appraisals, Ohio Department Of Transportation, Columbus, Ohio

### ***APPRAISAL EXPERIENCE***

Mr. Beurnier's experience has included real estate market valuation, insurance valuation and liquidation valuation. Clients included financial institutions, states and municipalities, attorneys, merger and acquisitions principals, real estate developers, property owners and prospective purchasers. Assignments have been in several states and with a concentration of Florida.

Classifications of valuation include: complex real estate; simplex going concern business values; eminent domain; ad valorem tax appeal; litigation support; federal tax reporting; most categories of vacant land including subdivision analysis; residential single-family, condominiums, estates and small income properties; agricultural properties; mobile home and manufactured home parks; RV parks; hotels/motels; resorts; golf courses; automotive services; self-storage facilities; industrial warehouses; flex space; processing plants; hi-tech and clean room facilities; juvenile correctional facilities; church facilities; apartment buildings and cooperatives; suburban and high rise office buildings; single and multi-tenant retail properties; triple net properties; restaurants; mixed use properties; commercial condominiums-medical, office, retail and industrial; coastal, river and lake marinas; feasibility analysis; and highest and best use analysis.



Ron DeSantis, Governor

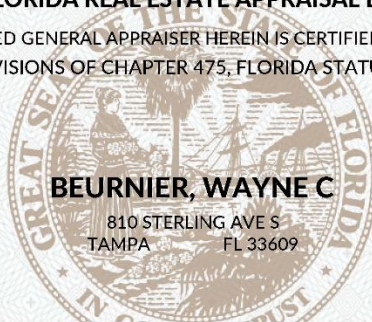
Melanie S. Griffin, Secretary



**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



**BEURNIER, WAYNE C**

810 STERLING AVE S  
TAMPA FL 33609

**LICENSE NUMBER: RZ1307**

**EXPIRATION DATE: NOVEMBER 30, 2024**

Always verify licenses online at [MyFloridaLicense.com](http://MyFloridaLicense.com)



Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.