

APPRAISAL REPORT OF

**ST. PETERSBURG POLICE DEPARTMENT
1300 First Avenue North
St. Petersburg, Pinellas County, Florida 33705**

URS File Number – 181654

FOR

**Mr. Alfred Wendler
Director of Real Estate and Property Management
City of St. Petersburg
P.O. Box 2842
St. Petersburg, Florida 33731**

TABLE OF CONTENTS

Letter of Transmittal	
Certificate of Valuation.....	
Executive Summary	1
Subject Maps and Photographs	5
Purpose, Intended Use and Date of Appraisal	10
Scope of Appraisal	11
Valuation Definitions.....	12
Legal Description.....	14
Ownership and Five-Year History of Subject Property	14
Market Area: Location, Description and Trend.....	15
Real Property Assessments and Taxes.....	27
Land Use and Zoning Classification.....	28
Concurrency and Impact Fees.....	38
Site Description.....	39
Improvement Description	43
Marketability and Estimated Marketing Period.....	46
Highest and Best Use Analysis	50
Introduction to the Appraisal Process	54
Cost Approach	56
Land Valuation.....	56
Comparable Land Sales	57
Analysis of Comparable Land Sales	74
Summary of Land Value.....	76
Replacement Costs Less Depreciation.....	78
Estimated Accrued Depreciation	81
Summary of Cost Approach.....	83
Sales Comparison Approach.....	85
Comparable Improved Sales	86
Analysis of Comparable Improved Sales.....	96
Comparative Summary	99
Summary of Sales Comparison Approach.....	99
Adjustment Chart.....	100
Income Capitalization Approach	101
Reconciliation and Final Value Estimate.....	102
Assumptions and Limiting Conditions	103
Appraiser Qualifications	
Addendum.....	

December 20, 2018

Mr. Alfred Wendler
Director of Real Estate and Property Management
City of St. Petersburg
P.O. Box 2842
St. Petersburg, Florida 33731

**RE: St. Petersburg Police Department
1300 First Avenue North
St. Petersburg, Florida, 33705**

Dear Mr. Wendler:

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 is the headquarters of the St. Petersburg Police Department. The original east building was built in 1951 for the police department and a second adjoining building was added in 1978. These buildings are of masonry construction. The buildings are joined by a section with glass curtain walls and with an open first floor breezeway. Condition of the improvements is generally average. Although well maintained, the design is older and the two separate buildings result in a degree of functional obsolescence for the department.

In our view, the market would also view the building as functionally obsolete for use as an office building, and adaptive reuse would require gutting the interiors, leaving only the concrete frame. Further, the configuration, column spacing and older building systems make reuse less practical. Although some have mentioned residential use as an adaptive reuse, the same issues apply, plus the building is smaller than highest and best use analysis suggests would be developed if the site were vacant.

For these and other reasons, including that the downtown St. Petersburg market remains strong and land values have continued to increase, we believe the value of the site as if vacant exceeds value as improved. Highest and best use is therefore to demolish all improvements for redevelopment of the vacant site. This requires that demolition costs be deducted from land value as if vacant in order to estimate value as-is. Further, the building has asbestos containing materials which must be remediated. This cost was estimated at \$400,000 in 2010, and we have increased this amount to a current cost estimate by using Marshal Swift time multipliers, similar to a CPI but focused on construction costs, and which result in a current cost estimate of \$470,000.

December 20, 2018
Mr. Alfred Wendler
Page two

As described in the attached appraisal report, land value as if vacant and without contamination is estimated at \$7,660,000. Following deduction of demolition and remediation expenses, as-is land value is estimated at \$6,600,000. In the cost approach, deduction of depreciation and these costs results in a value equivalent to land value as-is. (A different deduction was made in an earlier version of this appraisal.) The sales comparison approach analyzed the building value and resulted in a value estimate of \$3,400,000, indicating that land value alone exceeds value as improved.

As requested, we have prepared a complete appraisal and are submitting this appraisal in a summary 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



Edward E. Dunn, IV
State Registered Trainee Appraiser RI23976

CERTIFICATION

This is to certify that, upon request for valuation by Mr. Alfred Wendler, Director of Real Estate and Property Management, City of St. Petersburg, 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 1300 First Avenue North, St. Petersburg, Florida 33705.

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 the 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.
- As of the date of this report, Edward E. Dunn, IV, has completed all required courses and is registered with the State of Florida as a Trainee Appraiser.
- I, H. Linwood Gilbert, Jr., MAI, the supervisory appraiser of a registered appraiser trainee who contributed to the development or communication of this appraisal, hereby accepts full and complete responsibility for any work performed by the registered appraiser trainee named in this report as if it were my own work.
- 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.

In our opinion, the fee simple estate of the subject property, located at 1300 First Avenue North, St. Petersburg, Florida 33705, had a market value, in as-is condition and as of the appraisal date of November 29, 2018, of approximately SIX MILLION SIX HUNDRED THOUSAND DOLLARS (\$6,600,000).

The above value does not include personal property, such as furnishings, fixtures and equipment.



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



Edward E. Dunn, IV
State Registered Trainee Appraiser RI23976

EXECUTIVE SUMMARY

Property Name:	St. Petersburg Police Department
Property Classification:	Police Station
Address:	1300 First Avenue North St. Petersburg, Pinellas County, Florida 33705
Location:	Near the westerly end of St. Petersburg's CBD between Central Avenue and 1 st Avenue North
Municipal Jurisdiction:	City of St. Petersburg
County:	Pinellas County
Section, Township and Range:	24/31S/16E
Census Tract:	121030216003
Metropolitan Statistical Area:	Tampa-St. Petersburg-Clearwater
Property Ownership:	City of St. Petersburg
Property Rights Appraised:	Fee simple estate
Legal Description:	Please see Legal Description section.
County Identification No.:	24-31-16-72477-001-0010
Purpose of Appraisal:	Estimate market value as-is
Appraisal/Inspection Dates:	November 29, 2018
Date of Report:	December 20, 2018
Report Type:	Summary appraisal report
Intended User of Appraisal:	Client, City of St. Petersburg
Intended Use of Appraisal:	Evaluate the property that is the subject of this appraisal for internal asset decision making

Property Assessment 2018:	\$5,980,713
Tax Millage Rate 2018:	21.7154 mils
Ad Valorem Taxes 2018:	Exempt
Non - Ad Valorem Taxes:	\$0.00
Personal Property Tax 2018:	NA
Total Property Taxes:	Exempt
Neighborhood:	The subject is a municipal police department building located on a secondary traffic artery near the westerly end of St. Petersburg's CBD. The CBD is characterized by museums and galleries, parks, specialty shops, restaurants and night clubs along with other retail and offices of various uses. The immediate market or neighborhood surrounds the traffic artery and extends for approximately one-half mile westerly, 1.25 miles easterly and approximately 5 blocks north and south of the subject, but customers and clients come from a much broader market area.
Land Use Plan:	Central Business District (CBD)
Zoning District:	Downtown Center 1 (DC-1)
Site Data:	<p>The subject fronts approximately 340.60 feet along the northerly side of Central Avenue and also fronts approximately 478.60 feet along southerly side of 1st Avenue North and has an average depth of approximately 219.9 feet along the westerly side of 13th Street North. Three sides of the site are generally rectangular with its westerly side being somewhat of a right triangle. According to the Property Appraiser's Office, it contains approximately 90,112 square feet or 2.07 acres. The site is level to slightly sloping and drainage appears adequate. Onsite parking is provided to the rear of the building, and public right-of-way parking is available on surrounding streets.</p> <p>Soil is sandy, typical for the area, and it is assumed that no adverse subsoil conditions exist. Municipal</p>

potable water and waste water 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”, above 100-year flood plain, per FEMA Map Panel 12103C0219G, dated September 3, 2003.

Improvement Data:

The subject property is improved with two adjoining masonry buildings totaling approximately 84,800 square feet on an approximately 90,112 square foot site. The buildings are connected by a glass curtain wall structure over a ground floor breezeway. Both buildings are air conditioned. The roofs are of a flat design with built up roofing, and this report is subject to receipt of satisfactory structural and roof inspections.

The general condition of the building is average. The economic life of the subject building is typically 50 years. The estimated effective age of the building is 40 years, indicating a remaining economic life of 10 years.

Site improvements consist of asphalt paving for parking, circulation and delivery, concrete sidewalks, stormwater detention area, illuminated sign, landscaping, overhead lighting, underground drainage, and underground laterals for municipal water and sewer. The site improvements appear adequate and functional. The economic lives of the various site improvements typically range between 20 years and 50 years, depending on the item and its standard useful life.

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. We did review a report that states asbestos remediation would cost \$470,000 in current dollars, and that the building contains lead based paint.

ADA Standards:

The appraisers are not expert in matters of compliance of Americans with Disabilities Act, and

our appraisal is subject to receipt of certification by an architect or engineer that no extensive changes to the property are required.

Highest and Best Use:

As if vacant and available, the subject site has a highest and best use for development to residential use, primarily multi-family with ground floor retail use, when supported by the market.

As currently improved, the existing buildings continue to serve their purpose but are somewhat functionally obsolete and are considered an interim use until such time as the site is redeveloped.

Marketing/Exposure Periods:

Twelve months/ Twelve months

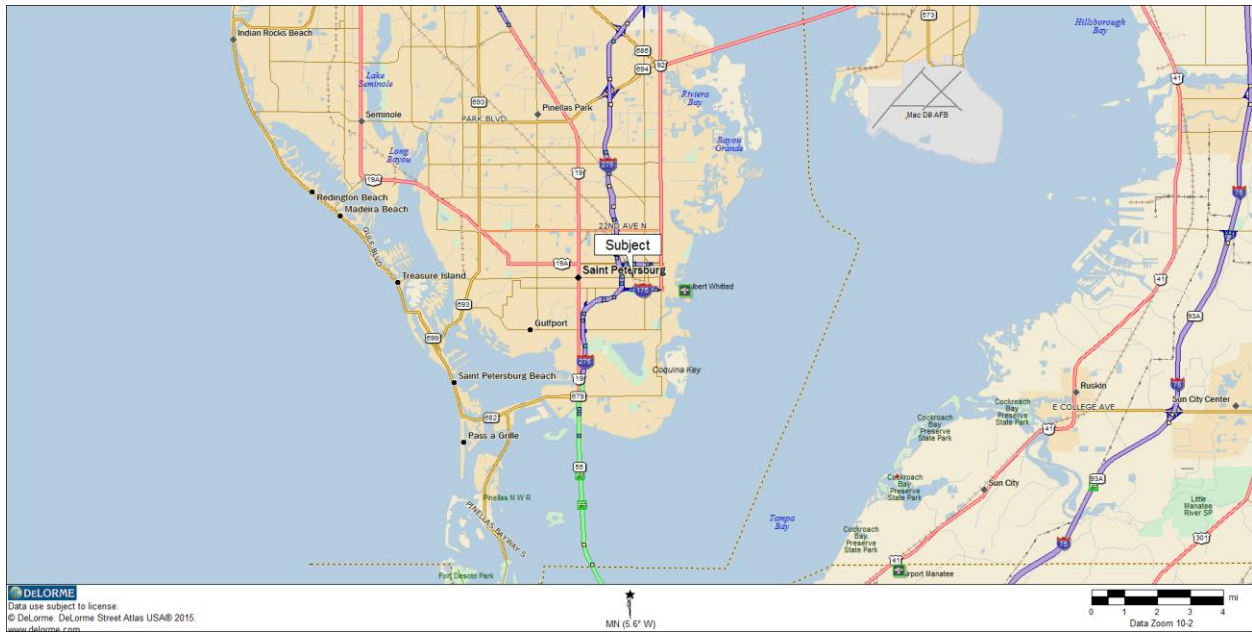
Value Indications

Cost Approach	\$6,600,000
Sales Comparison Approach	\$3,400,000
Income Capitalization Approach	N/A

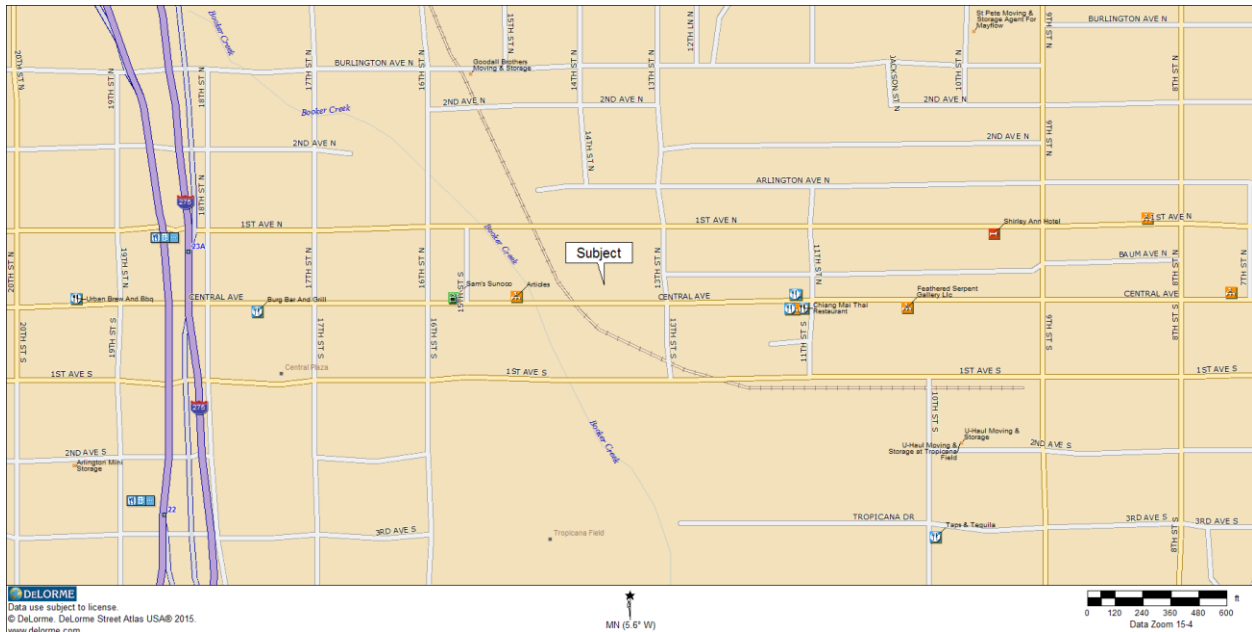
Final Estimate of Value	\$6,600,000	As Is
--------------------------------	--------------------	--------------

SUBJECT MAPS AND PHOTOGRAPHS

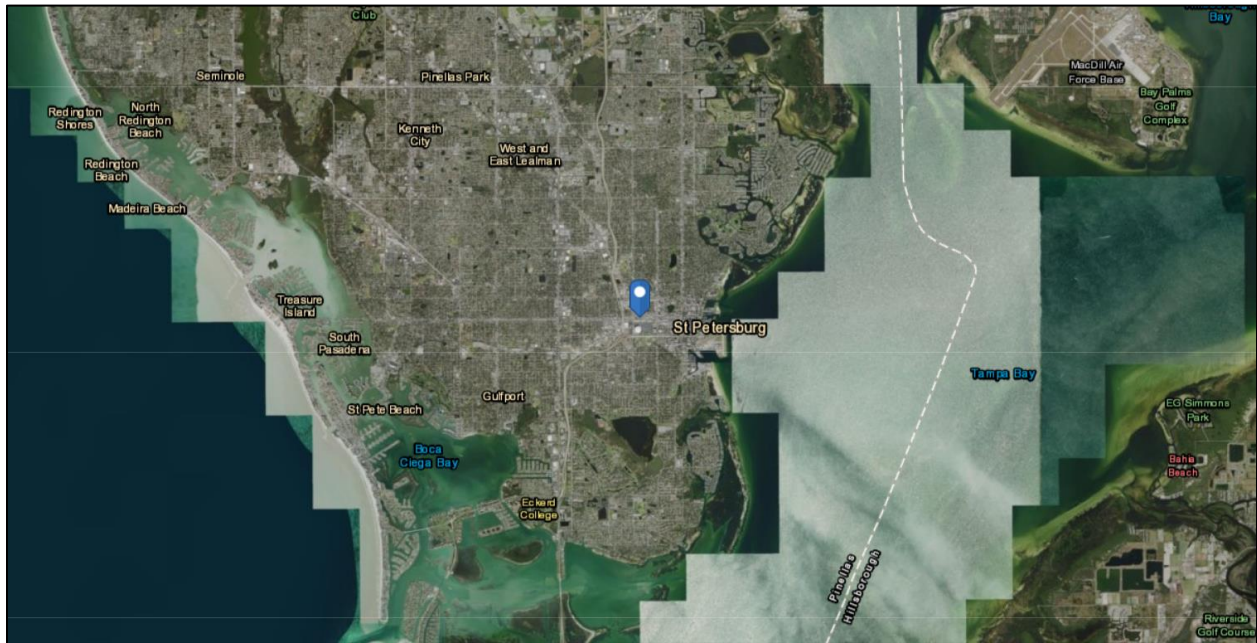
Area Location Map



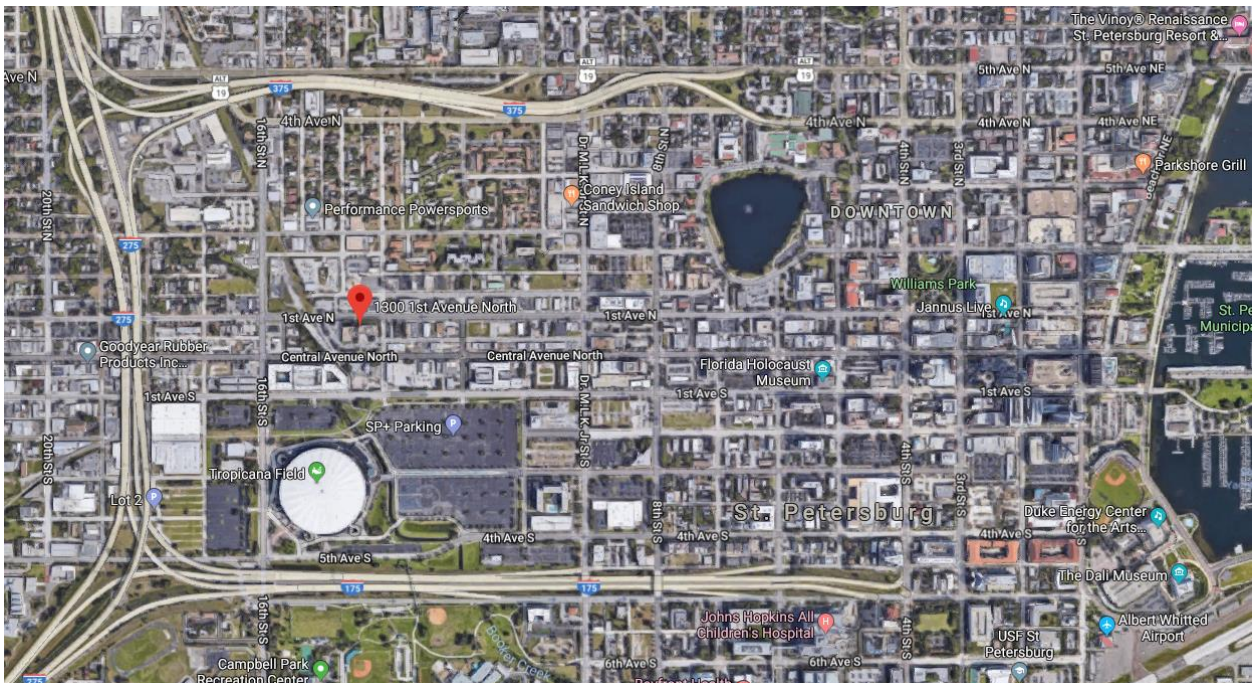
Neighborhood Map



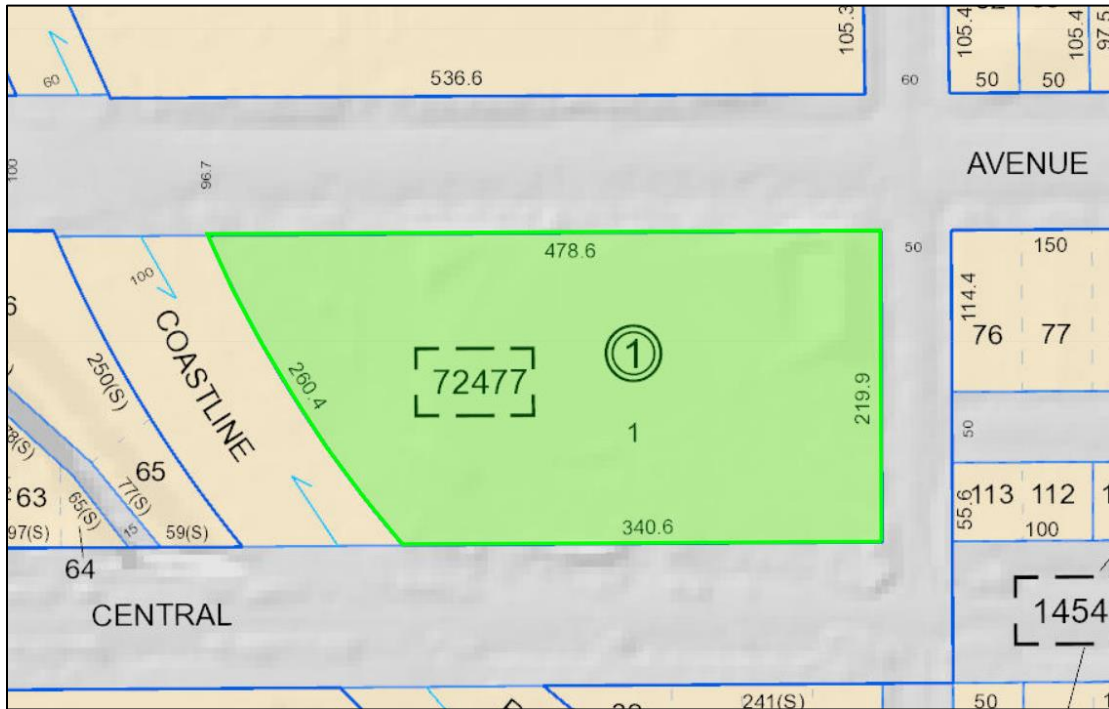
Area Aerial Photograph



Neighborhood Aerial Map



Plat Map



Property Appraiser's Aerial Photograph



Subject Photographs



1. View east along First Avenue North



2. View of easterly entrance



3. View of main entrance



4. View NE from Central Avenue



5. Breezeway at main entry



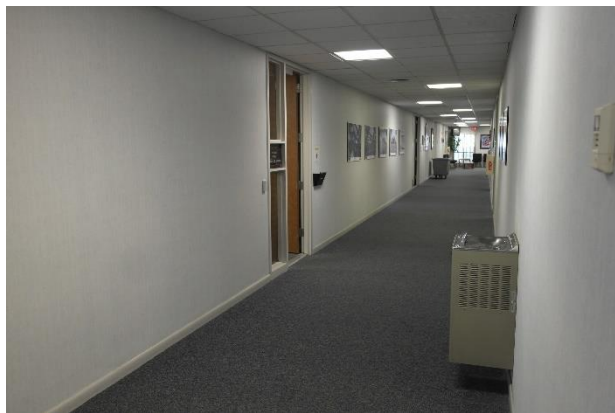
6. Typical corridor



7. Typical corridor



8. Typical restroom



9. Typical corridor



10. Typical restroom



11. Break room



12. View of roof

PURPOSE, INTENDED USE AND DATE OF APPRAISAL

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

The intended user of this appraisal report is the client, City of St. Petersburg. 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 is to evaluate the property that is the subject of this appraisal for internal asset decision making, 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 summary appraisal report format. Date of this appraisal is November 29, 2018, the last date of inspection. Date of report is December 20, 2018.

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 in its as-is condition. 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 cost and sales comparison approaches. There is adequate market data to support these approaches 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 inspected, photographed and the transaction 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.

In order to apply the cost approach, estimation of replacement construction costs and expenses, and estimation of depreciation applicable to the subject. Replacement costs are published by Marshall and Swift/Boeckh, LLC, of Los Angeles, and are updated monthly, reflecting local trends. Additional cost data is researched with local contractors and suppliers.

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, “a right or interest in property. Defines an owner’s degree, quantity, nature, and extent of interest 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) and be differentiated primarily by its duration.”¹ 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."²

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.”³

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.”⁴

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.”⁵ Please refer to USPAP regulations. As an example, this condition is sometimes applied to an anticipated zoning change.

Extraordinary assumption is, “an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser’s opinions and conclusions. Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.”⁶ Please refer to USPAP regulations.

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

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 79.

² *Ibid*, p. 90.

³ *Ibid*, p. 128.

⁴ *Ibid*, p. 128.

⁵ *Ibid*, p. 113.

⁶ *Ibid*, p. 83.

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.”⁷

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. ”⁸

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 definition of the term identified by the appraiser as applicable in an appraisal.”⁹

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.”¹⁰

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.”¹¹

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.”¹²

⁷ Federal Register, Department of the Treasury, *Interagency Appraisal and Evaluation Guidelines*, December 10, 2010, p. 77472.

⁸ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 141.

⁹ Appraisal Institute, *Uniform Standards of Professional Appraisal Practice and Advisory Opinions 2016-2017 Edition*, The Appraisal Foundation, USA, 2016, p. 4.

¹⁰ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 180.

¹¹ *Ibid*, p. 76.

¹² *Ibid*, p. 93.

LEGAL DESCRIPTION

The legal description of the subject property obtained from Pinellas County Property Appraiser's Office is as follows.

POLICE COMPLEX REP. BLK 1, LOT 1
Public records of Pinellas County, 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 City of St. Petersburg, with a mailing address of P.O. Box 2842, St. Petersburg, Florida 33731-2842. According to Official Records this property has never transferred.

The subject property is not known to be listed for sale.

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.

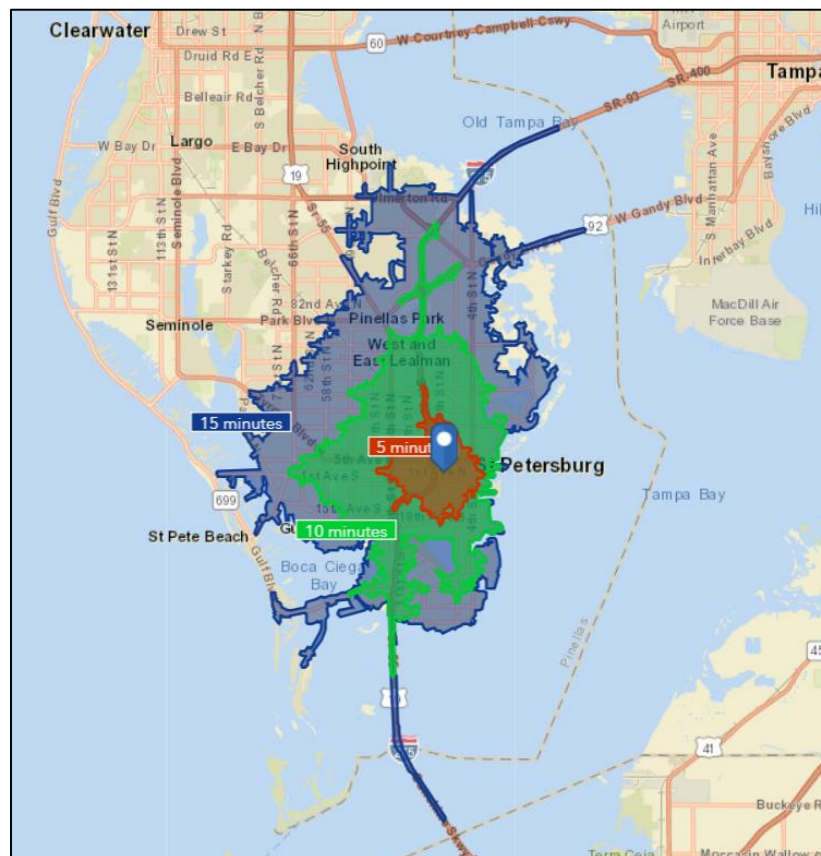
The demographic analysis that follows was obtained using information from the Appraisal Institute / *Site To Do Business* data service. The compiled information is based on forecast modifications to the 2010 census utilized for demographic projections.

Market Area

The subject is a municipal police department building located on a secondary traffic artery near the westerly end of St. Petersburg's CBD. The CBD is characterized by museums and galleries, parks, specialty shops, restaurants and night clubs along with other retail and offices of various uses. The immediate market or neighborhood surrounds the traffic artery and extends for approximately one-half mile westerly, 1.25 miles easterly and approximately 5 blocks north and south of the subject, but customers and clients come from a much broader market area. The subject is located in the Tampa-St. Petersburg-Clearwater metropolitan statistical area.

A Drive Time analysis was prepared using 5, 10 and 15 minute drive times. For the subject property, the broader market area is generally described using a 15-minute drive time from the subject property, which best represents the potential market area in terms of the concentration of potential users and employees. The main transportation route through the market area, Interstate 275, extends from north of Tampa south through St. Petersburg to near Bradenton, and connects with Interstate 75 to both north and south. The westerly terminus of Interstate 4 intersects I-275 near downtown Tampa and extends across the state through Orlando, terminating at I-95 near Daytona Beach. US Highways 19, 41, 301 and State Road 60 are also major traffic arteries.

Market Area Boundaries



Source: STDBOnline.com

Social Influences

Population Totals

In the identified area, the current year population is 308,798. In 2010, the Census count in the area was 290,259. The rate of change since 2010 was 0.75% annually. The five-year projection for the population in the area is 322,046 representing a change of 0.84% annually from 2018 to 2023. Currently, the population is 48.1% male and 51.9% female.

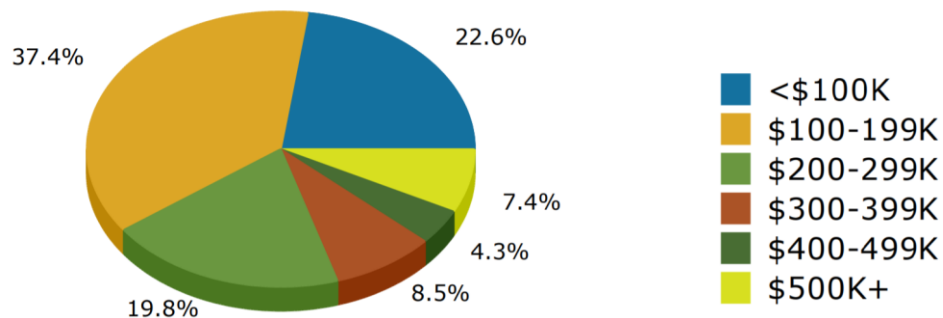
The difference between change in population and change in households is a result of two factors, the presence of group quarters (dormitory or other non-household) population in the market area and the average number of persons per household. The group quarters population in the market area was 7,881 in 2018, or 2.55 percent of the total population. Average household size is 2.19 in 2018, compared to 2.17 in the year 2010.

	5 Min	10 Min	15 Min
Population Summary			
2000 Total Population	25,931	144,551	295,345
2010 Total Population	24,596	140,088	290,259
2018 Total Population	28,549	149,744	308,798
2018 Group Quarters	1,766	3,604	7,881
2023 Total Population	31,144	156,773	322,046
2018-2023 Annual Rate	1.76%	0.92%	0.84%
2018 Total Daytime Population	49,110	156,088	332,667
Workers	33,304	77,029	173,420
Residents	15,806	79,059	159,247

Population Characteristics

The median age for the United States is currently 38. In the market area, the median age of the population was 42.7, compared to 44.8 years currently. By age group, the changes in the percent distribution of the market area population show the following:

2018 Home Value



Persons of Hispanic origin represent 8.7% of the population in the identified area compared to 18.3% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 56.4 in the identified area, compared to 64.3 for the U.S. as a whole.

Households

The household count in this area has changed from 130,272 in 2010 to 137,301 in the current year, a change of 0.64% annually. The five year projection of households is 143,093, a change of 0.83% annually from the current year total. Average household size is currently 2.19, compared to 2.17 in the year 2010. The number of families in the current year is 72,271 in the specified area.

	5 Min	10 Min	15 Min
Household Summary			
2000 Households	11,910	63,082	132,803
2000 Average Household Size	2.05	2.23	2.17
2010 Households	11,496	61,503	130,272
2010 Average Household Size	1.99	2.22	2.17
2018 Households	13,451	65,139	137,301
2018 Average Household Size	1.99	2.24	2.19
2023 Households	14,900	68,243	143,093
2023 Average Household Size	1.97	2.24	2.20
2018-2023 Annual Rate	2.07%	0.94%	0.83%
2010 Families	4,633	32,384	69,690
2010 Average Family Size	2.95	2.95	2.86
2018 Families	5,133	33,632	72,271
2018 Average Family Size	2.99	2.98	2.88
2023 Families	5,527	34,877	74,759
2023 Average Family Size	2.98	2.99	2.89
2018-2023 Annual Rate	1.49%	0.73%	0.68%

Housing

Currently, 47.2% of the 163,828 housing units in the area are owner occupied; 36.6%, renter occupied; and 16.2% are vacant. Currently, in the U.S., 56.0% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.2% are vacant. In 2010, there were 155,708 housing units in the area - 51.4% owner occupied, 32.3% renter occupied, and 16.3% vacant. The annual rate of change in housing units since 2010 is 2.29%. Median home value in the area is \$174,778, compared to a median home value of \$218,492 for the U.S. In five years, median value is projected to change by 2.61% annually to \$198,845.

	5 Min	10 Min	15 Min
Housing Unit Summary			
2000 Housing Units	14,612	73,288	152,664
Owner Occupied Housing Units	29.9%	53.1%	56.0%
Renter Occupied Housing Units	51.6%	33.0%	31.0%
Vacant Housing Units	18.5%	13.9%	13.0%
2010 Housing Units	15,113	74,368	155,708
Owner Occupied Housing Units	29.6%	48.9%	51.4%
Renter Occupied Housing Units	46.5%	33.8%	32.3%
Vacant Housing Units	23.9%	17.3%	16.3%
2018 Housing Units	18,132	79,172	163,828
Owner Occupied Housing Units	23.5%	44.1%	47.2%
Renter Occupied Housing Units	50.7%	38.2%	36.6%
Vacant Housing Units	25.8%	17.7%	16.2%
2023 Housing Units	19,833	82,626	169,596
Owner Occupied Housing Units	23.5%	45.4%	48.8%
Renter Occupied Housing Units	51.6%	37.2%	35.6%
Vacant Housing Units	24.9%	17.4%	15.6%

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. Many of the subdivisions in the market area were originally developed in the distant past, but with current redevelopment of many residential and commercial properties. In general, residential property values declined during the recession, but began to improve in about 2012 and are now at or near pre-recession levels in many markets. The area is expected to continue increasing population levels and stable growth of housing units.

Business Climate and Economic Activity

In the market area, there is an approximate ratio of 62.2% white-collar occupations, 21.2% services occupations and 16.7% blue-collar occupations.

	Radius: 5 Minutes	Radius: 10 Minutes	Radius: 15 Minutes
2009 Employed Population 16+ by Occupation			
Total	8,767	79,252	211,253
White Collar	60.3%	64.8%	63.9%
Management/Business/Finance	14.1%	14.4%	13.9%
Professional	20.2%	21.5%	19.9%
Sales	11.4%	13.2%	13.1%
Administrative Support	14.5%	15.7%	17.0%
Services	21.4%	18.1%	18.1%
Blue Collar	18.4%	17.1%	18.0%
Farming/Forestry/Fishing	0.1%	0.2%	0.2%
Construction/Extraction	6.5%	5.3%	5.2%
Installation/Maintenance/Rep	3.3%	3.0%	3.6%
Production	4.4%	3.8%	3.7%
Transportation/Material Moving	4.2%	4.8%	5.2%

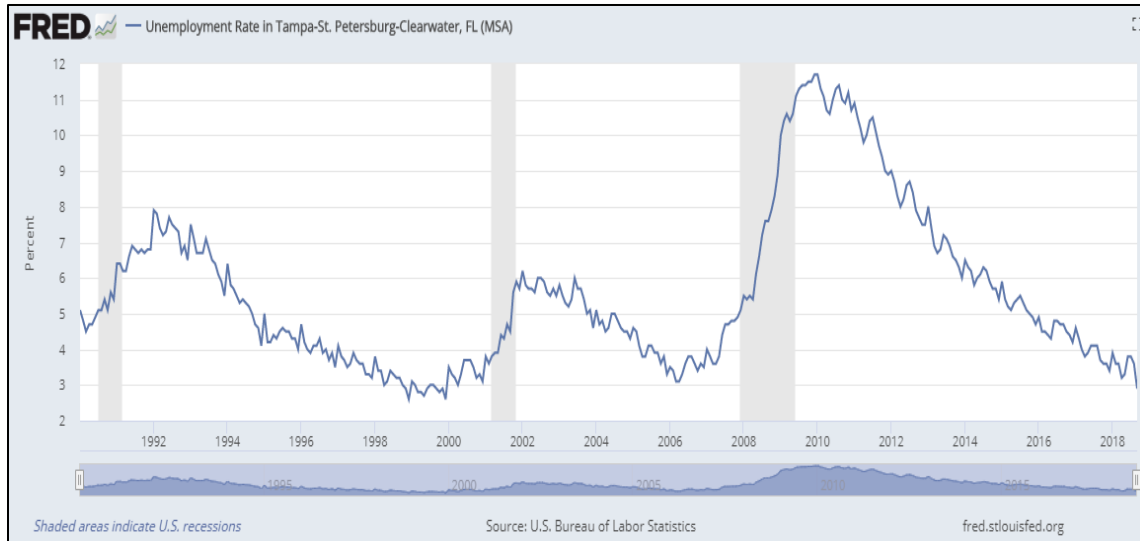
The ten basic industries and the participation in the market are reflected in the chart below. The services industry makes up the largest employment pool, with 54.7% of the total work force.

	Radius: 5 Minutes	Radius: 10 Minutes	Radius: 15 Minutes
2009 Employed Population 16+ by Industry			
Total	8,766	79,253	211,253
Agriculture/Mining	0.3%	0.3%	0.3%
Construction	7.7%	7.3%	7.0%
Manufacturing	4.1%	4.8%	5.1%
Wholesale Trade	3.5%	3.6%	3.7%
Retail Trade	10.7%	10.9%	12.1%
Transportation/Utilities	4.4%	4.5%	4.8%
Information	2.8%	3.3%	3.1%
Finance/Insurance/Real Estate	11.0%	11.5%	11.6%
Services	51.0%	49.8%	48.1%
Public Administration	4.3%	4.1%	4.1%

Employment and Unemployment

The subject four-county MSA unemployment in September 2018 was 2.9% from a civilian labor force of 1,543,900 in Pinellas, Hillsborough, Pasco and Hernando Counties. From September year over year, the Construction sector had an employment increase at 6.1%, Manufacturing increased 3.3%, Education and Health Services 5.3%, Financial Activities 2.6%, Professional and Business Services 0.8%, and Leisure and Hospitality 4.2%, all over the same period.

In October 2018, the unemployment rate for Florida was 3.4%, from a civilian labor force of about 10.246 million. The US unemployment rate was 3.7% in October 2018 moving upward reflecting summer influx of job seekers. Please see chart of MSA historical unemployment trends.



September 2018

MSA County	Unemployment Rate
Hillsborough	2.8%
Pinellas	2.7%
Pasco	3.2%
Hernando	3.7%

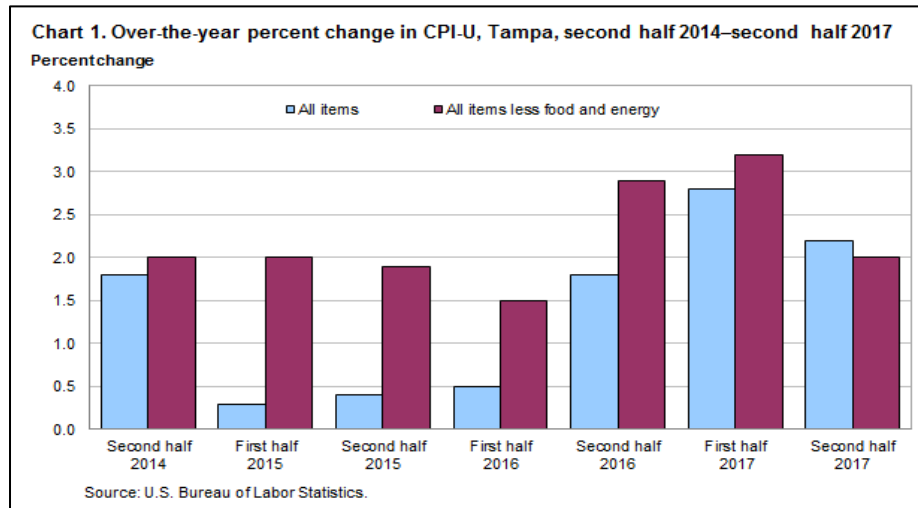
Average weekly wages for all industries by county

Tampa area, 1st quarter 2018
(U.S. = \$1,152; Area = \$1,004)



Source: U.S. BLS, Quarterly Census of Employment and Wages.

The Consumer Price Index for this MSA was 1.8% in the second half of 2016 and increased to 2.8% in the first half of 2017, then abated to 2.2% in the second half 2017.

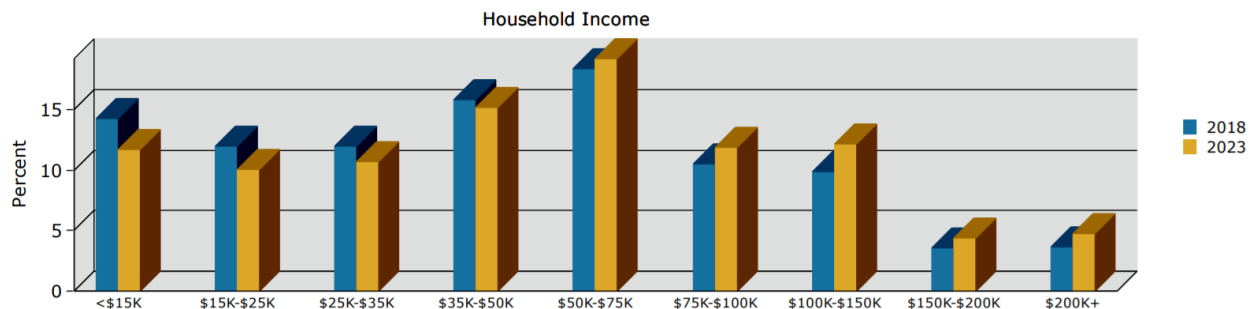


Households by Income

Current median household income is \$45,178 in the area, compared to \$58,100 for all U.S. households. Median household income is projected to be \$52,066 in five years, compared to \$65,727 for all U.S. households.

	5 Min	10 Min	15 Min
Median Household Income			
2018	\$30,978	\$40,392	\$45,178
2023	\$36,484	\$46,640	\$52,066

Current average household income is \$65,561 in this area, compared to \$83,694 for all U.S. households. Average household income is projected to be \$77,395 in five years, compared to \$96,109 for all U.S. households.



Current per capita income is \$30,025 in the area, compared to the U.S. per capita income of \$31,950. The per capita income is projected to be \$35,223 in five years, compared to \$36,530 for all U.S. households.

	5 Min	10 Min	15 Min
Per Capita Income			
2018	\$26,067	\$26,537	\$30,025
2023	\$30,905	\$31,240	\$35,223

Disposable Income & Consumer Expenditures

Current median household disposable income is \$38,545 and the average disposable income is \$52,911. In addition, the total household expenditures are \$602,236,075 and the average amount spent per household is \$44,772.59.

Central Business District

The City of St. Petersburg is the largest municipality in Pinellas County. The city occupies much of the southern section of the Pinellas Peninsula, its central business district fronting Tampa Bay along the county's southeast shore. Surrounded by water on three sides, being covered with large oak and pine, having several freshwater lakes and changes in elevation, St. Petersburg was one of the earliest developed areas in the county. Although the peninsula is reportedly among the first areas explored and inhabited by Spanish explorers, development as a community primarily began around 1888, when the Orange Belt Railroad was extended into the community. By the turn of the century the city was well-established, with a bustling central business district and both railroad connections and shipping piers for freight and passenger service.

By the 1920s the city was experiencing a significant boom, and foresighted land planners laid out the city in a grid system, with wide parkways and numerous public parks, essentially as it exists today. A number of major properties were developed during this decade, including the Vinoy Park Hotel, the Soreno Hotel (razed), the Snell Office Building, the Florida Arcade, the Open Air Post Office, and the Million Dollar Pier. Many of these were in the Spanish or Mediterranean style of architecture and remain today as historic landmarks. The Rolyat Hotel in Pasadena, now Stetson University College of Law, and the Don CeSar Hotel on St. Petersburg Beach were also developed during this time. The depression years brought an end to Florida's boom period, and, other than service members during the war, St. Petersburg experienced little growth until after World War II.

In the 1940s the city of St. Petersburg received a large population growth due to World War II. St. Petersburg grew as a training ground area for the U.S. Coast Guard Maritime Service Base on Bayboro Harbor, and for the Army Air Force who was selected by the War Department to use the city as their technical service training station. With both stations occupying Bayboro Harbor, more than 100,000 troops occupied all hotels in St. Petersburg. After the war, many troops who were stationed in St. Petersburg returned as residents or tourists. The U.S. Coast Guard still occupies a base on Bayboro Harbor, as does the US Army Reserves.

When St. Petersburg was first developed, the majority of the waterfront was industrially oriented, but these properties were eventually acquired by the city and industrial activity relocated to the Bayboro Harbor area south of 5th Avenue South. The industrial activity continued through the 1960's and then declined substantially during the latter years. As part of a redevelopment plan, the city acquired substantial land around Bayboro Harbor and donated it to the University of South Florida for expansion. The Bayboro Harbor and Salt Creek marine industrial areas today offer private marinas, yacht repair facilities, dockage for research vessels, a Coast Guard station and a cruise port. The university campus, which generally surrounds the north side of the harbor, was envisioned to eventually provide a European-type walking campus. The Poynter Institute, a non-profit organization and owner of the Tampa Bay Times, constructed its headquarters just across 3rd Street South from Bayboro Harbor in 1985, and the Salvador Dali Museum was established along the westerly shore, just southeast of the Poynter Institute, but recently relocated a few blocks to the north.

Fourth Street extends north and south through the central business district and along the western side of Bayboro Harbor. The University of South Florida Bayboro campus lies primarily east of 4th Street, encircling the northern boundary of the harbor and extending along a peninsula into the harbor. Other occupants in this marine research-oriented campus include the State of Florida Department of Environmental Protection, the Florida Marine Research Institute and the US Coast and Geodetic Survey is nearby. NOAA occupies Bayboro Station, a former power plant converted to offices, at the southwest corner of Bayboro Harbor.

USF St. Petersburg has a history rich with academic excellence, entrepreneurial spirit and ingenuity. Its founders opened the doors to students on Sept. 5, 1965, and throughout its history this academic cove on Bayboro Harbor has embraced enormous change as Florida's need for higher education intensified. USF St. Petersburg was the first regional higher education institution in Florida.

The University of South Florida operates its St. Petersburg campus in the southeast quadrant of 5th Avenue and 4th Street South. The campus extends east to Albert Whitted Airfield and controls the entire waterfront to 11th Avenue South. The university has plans to expand over the next ten years, increasing enrollment and expanding the facilities to include a business school and additional student housing. USF St. Petersburg's 2016-2017 total student enrollment was 4,734.

West of 4th Street South at 5th Avenue South begins the large medical complex occupied by the Bayfront Medical Center and Johns Hopkins All Children's Hospital. Bayfront Medical Center has expanded significantly over the years and is considered one of the finest hospitals in the bay area, offering a comprehensive trauma center and emergency helicopter service throughout the area. Johns Hopkins All Children's Hospital has been home to such renowned researchers as Dr. Robert Good, known as the originator of the bone marrow transplant, and recently moved into a new facility at 5th Avenue South at 5th Street. These rapidly growing medical institutions have plans for the establishment of a medical district that extends from Booker Creek, at about 11th Avenue South, west to 9th Street and north to the interstate feeder, at about 5th Avenue South.

Governmental Influences

The subject market area is in the City of St. Petersburg and Pinellas County. The market area is governed by these jurisdictions for future land use plans and 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 be in compliance with the plan within a reasonable period of 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 often surrounded by residential uses. The governmental tax burdens within the market area appear to be in proportion to the governmental services provided.

Environmental Influences

Property uses within the market area include residential uses, including single-family, condominiums, apartments, and supporting commercial uses that include retail stores, restaurants, professional services, medical services and banking. Places of worship, schools and public libraries are also convenient. Fire and police protection appear to be adequate for the present population. The market area has good transportation routes via roadways connecting linkages. In addition to nearby recreational bay waters within the market area, there are several parks and golf courses nearby. International airports and regional malls are within easy commute.

Conclusion

Outlook for the subject neighborhood appears favorable. Although the market was comparatively slow during the recession, market activity began improving in about 2012, and nearby commercial and residential properties have relatively high and improving occupancy and rental rates. Newer and redeveloped commercial and residential properties are evident in and around this market. The substantial population base surrounding the market area provides a good employee pool and consumer base. Population and housing units in the market area increased nominally between 2010 and 2017 and are expected to increase more rapidly in the future. Population density is expected to increase in the market area long term, as more intense development occurs on the available land and underdeveloped sites. Property values are generally increasing and are expected to appreciate over the long term. These factors favorably influence the subject neighborhood and its market area, and no adverse factors were noted.

REAL PROPERTY ASSESSMENTS AND TAXES

The subject parcel identification and assessments are obtained from the Property Appraiser's office as noted below. The current millage rate for the ad valorem taxes on the real property is 21.7154 mils in the subject district.

Real Property Assessments and Taxes 2018

Parcel Number	Assessed Value	Total Gross Tax	Total Net Tax
24-31-16-72477-001-0010	\$5,980,713	\$0.00	\$0.00
Total	\$5,980,713	\$0.00	\$0.00

The subject is a city police department and has a full city government tax exemption.

Property taxes in Florida are due by March 31, and 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.

Each county has an assessment procedure involving first estimating a just value, then assessment values and taxable values, which may vary from one another, depending on caps on value increases and depending on applicable ownership or use exemptions. The total tax millage rate in a geographic district is determined by the amount of funds necessary to provide governmental services, such as schools, fire/rescue, library, etc., and the overall tax base. The 10% cap on annual assessment increases for commercial properties does not apply to school taxes. Therefore, it may not be possible to simply multiply the assessment by the millage rate.

Taxable values are preliminary during the first 6 months of each year and are then certified to the state Department of Revenue. A Tax TRIM Notice is sent to property owners in August or September. The final millage rate is established by each county commission in October, then property tax invoices are mailed to owners for earliest payment during November. There is an owner's appeal window during September for values.

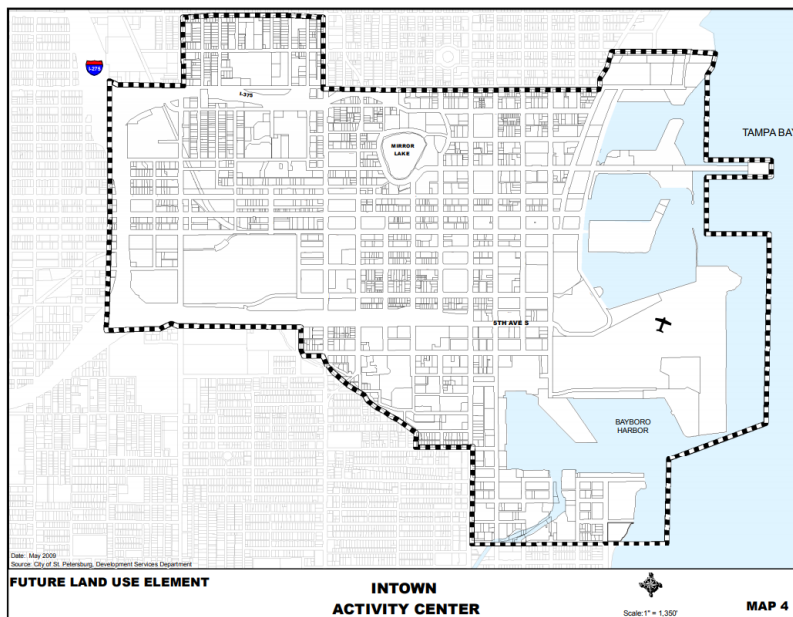
LAND USE AND ZONING CLASSIFICATION

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.

In addition to Future Land Use districts and Zoning Districts, there are overlay districts in various locations, a land use regulation practice of many Florida jurisdictions in order to accommodate the demand of changing land use trends. As an example, City of Saint Petersburg provides an Intown Activity Center overlay for all of downtown and slightly beyond including the Innovation District southeast of downtown. Such overlays add regulations to the existing land use criteria in order to promote development. The Innovation District south of downtown has several entities related to marine science, in addition to University of Florida St. Pete campus, Poynter Institute for journalism research, medical complex anchored by Johns Hopkins All Children’s Hospital, and other medical services companies indicating a growing employment center as a distinct neighborhood.

Intown Activity Center



Future Land Use Plan

According to the City of St. Petersburg 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) zoning district which permits a variety of commercial and residential uses. With respect to the surrounding, existing land uses and the subject's existing use, the subject property is presently compatible with the general Comprehensive Land Use Plan.

The subject property is located in the Intown Activity Center per overlay map, as is all of the downtown area.

Zoning District Downtown Center 1 (DC-1)

The subject land is zoned Downtown Center 1 (DC-1), one of five Saint Petersburg downtown center districts.

The downtown center districts are the DC-C, DC-1, DC-2, DC-3 and DC-P districts. The districts recognize the unique flavor of each area and scale down developments as they leave the intense core of the downtown and approach the neighborhoods to the north, south and west.

Downtown Center-Core (DC-C)

The Downtown Center-Core District is the most intensive district in the City's schedule of regulations. The purpose of this district is to create a diverse and vibrant downtown which serves as a center for employment, entertainment and retail activity. This district, hugging Central Avenue, allows the highest densities, intensities and building height. Development in this district provides appropriate pedestrian amenities, pedestrian linkages, ground level retail, and cultural activities. The design of buildings and streetscaping (both hardscape and landscape improvements) promotes a successful people-oriented downtown area as defined in the intown redevelopment plan. Residential uses are allowed as a secondary use within the district. Uses that do not require a central location or those requiring a vehicular emphasis are less appropriate in this location and are discouraged.

Downtown Center-1 (DC-1) Subject

This district provides for intense mixed-use development which creates a strong mixture of uses that enhance and support the core. Office and other employment uses are highly encouraged. Development in this district provides appropriate pedestrian amenities, pedestrian linkages, ground level retail, and cultural activities. Buildings and streetscaping (both hardscape and landscape improvements) are designed in a manner that promotes a successful people-oriented downtown area as exemplified and defined in the Intown and Intown-west redevelopment plans.

Downtown Center-2 (DC-2)

This district provides for intense residential development that still allows for a mixture of uses that enhance and support the core and surrounding neighborhoods, including the domed stadium. The district also allows support retail and office uses which assist the residents with

the daily needs of living within this highly urbanized neighborhood. The district establishes performance standards and design guidelines appropriate to urban form residential buildings. Heights in this district begin to taper down as development sites become less proximate to the core and transition to surrounding neighborhoods. However, base setbacks still apply, creating a pedestrian-scale environment at the sidewalk level.

Downtown Center-3 (DC-3)

This district encourages development of residential, offices, hotels, specialty retail and permitted mixed uses compatible with the waterfront area with special emphasis for pedestrian-oriented development at the street level. Additional setbacks above the base level of the building encourage an intimate village scale along Beach Drive. Taller buildings are required to step back from the waterfront park system.

Downtown Center-Park (DC-P)

This district denotes Williams Park, Mirror Lake, and the lands which are public parks, or development located within public parks, east of Beach Drive. In these areas, heights and development intensities will be limited and setbacks will be generous to maintain a sense of open space adjacent to the public spaces.

Zoning Map – Districts near the subject DC-1



Subject DC-1 District (and other DC districts)

Minimum Lot Size, Width, Depth No minimum in any downtown center district

Maximum Lot/Impervious Coverage Not applicable

Maximum density is limited by floor area ratio (FAR), and units per acre do not apply. Each property has a base intensity defined by the "base approval" row within the maximum intensity table. Development proposals may increase above the base intensity by adding allowed FAR bonuses. The total FAR requested, with bonuses, shall determine whether the project requires streamline or public hearing approval. The plan allows additional FAR pursuant to a multiplier

in activity centers; however, in all the DC zoning districts, only the FAR specifically provided for in the following maximum intensity table, the FAR bonus table and the FAR exemptions table, are allowed in the DC zoning districts.

Maximum Floor Area Ratio: 4.0 FAR as base approval; greater than 4.0 to 5.0 FAR as bonus streamline development process; and greater than 5.0 (and greater than or equal to 7.0) as bonus approval per specific site plan at public hearing; all per Maximum Intensity Table in which other districts may be different as noted below.

	DC-C	DC-1 (East of Dr. Martin Luther King, Jr. St.)	DC-1 (West of Dr. Martin Luther King, Jr. St.)	DC-2	DC-3
Base approval (floor area ratio)	4.0	3.0	3.0	3.0	2.0
Bonus approval, streamline (floor area ratio)	Greater than 4.0 and equal to or less than 8.0	Greater than 3.0 and equal to or less than 7.0	Greater than 3.0 and equal to or less than 5.0	Greater than 3.0 and equal to or less than 5.0	Greater than 2.0 and equal to or less than 3.0
Bonus approval, public hearing (floor area ratio)	Greater than 8.0	Greater than 7.0	Greater than 5.0 and equal to or less than 7.0	Greater than 5.0 and equal to or less than 7.0	Greater than 3.0 and equal to or less than 4.0

All areas of a structure are counted to determine the FAR including gross floor area associated with stair and elevator towers and all enclosed common areas, unless noted otherwise. Stand-alone parking garages, even with mixed use on the first floor, shall also be calculated toward FAR except those floors of the garage that are entirely underground.

FAR Exemptions	Maximum Exemption Up To:
----------------	--------------------------

DC-1 Only	
Retail or office uses located on the ground level.	0.5 FAR
Office or residential uses on the exterior of structured parking which make the parking not visible from a street.	0.25 FAR per level
Retail, restaurants, bars, museums, lobby entrances, hotel public function space or other publicly accessible, permitted nonresidential uses located on the ground level.	0.5 FAR
Hotel uses located above the ground floor.	1.5 FAR

Multi-family parking space requirement is one space per unit, such building is designed for or occupied by two or more families (on the basis of monthly, or longer occupancies, or ownership of individual units) with separate cooking, bathroom and sleeping facilities for each unit. Motels, hotels, and other transient accommodation uses are not multiple-family dwellings. Accessory uses include clubhouses, recreational and laundry facilities. Minimum gross floor area shall be, for an efficiency/studio unit at 375 square feet; one bedroom unit at 500 square feet; two bedroom unit at 750 square feet; and for dwelling units with more than two bedrooms, an additional 200 square feet for each additional bedroom.

Hotel parking space requirement is 1 space per 4 lodging rooms

Development Bonuses

All projects within the downtown center districts may utilize bonuses to receive greater development rights. These bonuses are specifically written to provide public amenities and to mitigate secondary impacts associated with the additional development rights. Sites receiving bonus FAR shall not exceed the maximum intensity allowed for the site.

To qualify for bonuses:

- A project shall comply with all minimum use requirements of the zoning district. (See use regulations chart.)
- New construction shall comply with the requirements of the building envelope for the district.
- New construction shall comply with the minimum parking standards. Once a project has been determined to qualify for bonuses by the POD, the development may utilize any combination of the bonus provisions listed in this subsection to attain the desired additional development right, except as otherwise limited by these regulations. Certain bonuses are only applicable to specific districts.
- For projects required to follow the public hearing process for additional FAR, the first 0.5 bonus FAR shall be for workforce housing and the second 0.5 bonus FAR shall be for either workforce

housing, historic preservation, or downtown transit. Thereafter, any bonus or combination of bonuses is allowed.

FAR Bonuses

All Districts	
Make structured parking not visible from streets (not alleys) with a liner that provides uses for a minimum of the first two stories, and provide an architecturally compatible design above the two story base to create an attractive and architectural screen to structured parking.	1.0 FAR
Make structured parking not visible from streets (not alleys) with an architecturally compatible design above the base to create an attractive and architectural screen to structured parking.	0.5 FAR
Provide financial support to the City's streetscape improvement program equal to one-quarter of one percent or more of the total construction cost per each 0.5 of FAR bonus.	Up to 0.5 FAR per each street frontage
Provide financial support to the City's downtown mass transit service program (when created by the City) equal to one-quarter of one percent or more of the total construction cost per each 0.5 of FAR bonus.	Up to 2.0 FAR
Provide public art as an integral part of the pedestrian-level sidewalk area or required ground level open space, or as a decorative crown element of a building that includes night lighting. The value of such feature shall be equal to one-quarter of one percent or more of the total construction cost per 0.5 of FAR bonus. All public art shall be visually accessible to the public.	Up to 2.0 FAR
Support the preservation of landmarks and landmark sites by using one of the following methods: <ul style="list-style-type: none"> • Use of transfer of development rights from a locally designated landmark or landmark site. • Relocate and restore the exterior any structure determined eligible or contributing to the National Register Downtown Historic District to a compatible site within two miles of a downtown center zoning district. Five times the gross square footage of the structure may be transferred to the site. The cost of relocation shall be credited to the total construction cost. 	Not limited
Support workforce housing with one or more of the following methods: <ul style="list-style-type: none"> • For each additional 1.0 FAR or fraction of the bonus FAR requested, five percent of the total number of housing units shall be provided, on site, as workforce housing units for people initially qualifying at 150 percent or less of median income. • Provide financial support to the City's housing capital improvements projects (HCIP) trust fund or its successor fund equal to one-quarter of one percent or more of the total construction cost per each 0.5 of FAR bonus. 	Not limited
DC-Core Only	
Provide office use equaling 25 percent or more of the gross floor area.	1.5 FAR
Limit the building to no more than 25 percent gross floor area of residential uses.	3.0 FAR
DC-1 Only	
Provide office use equaling 25 percent or more of the gross floor area or, Limit the building to no more than 50 percent residential uses.	1.5 FAR
DC-2 and DC-3 Only	
Provide an additional five percent ground level open space.	0.5 FAR
For purposes of this chart, the term "gross s.f." means the total floor area of all buildings on the site, including but not limited to the floor area of all parking spaces. Parking spaces dedicated for residential uses shall count towards the residential percentage, and parking spaces dedicated for nonresidential uses shall count towards the nonresidential percentage.	

Building envelope: Maximum height and minimum setbacks

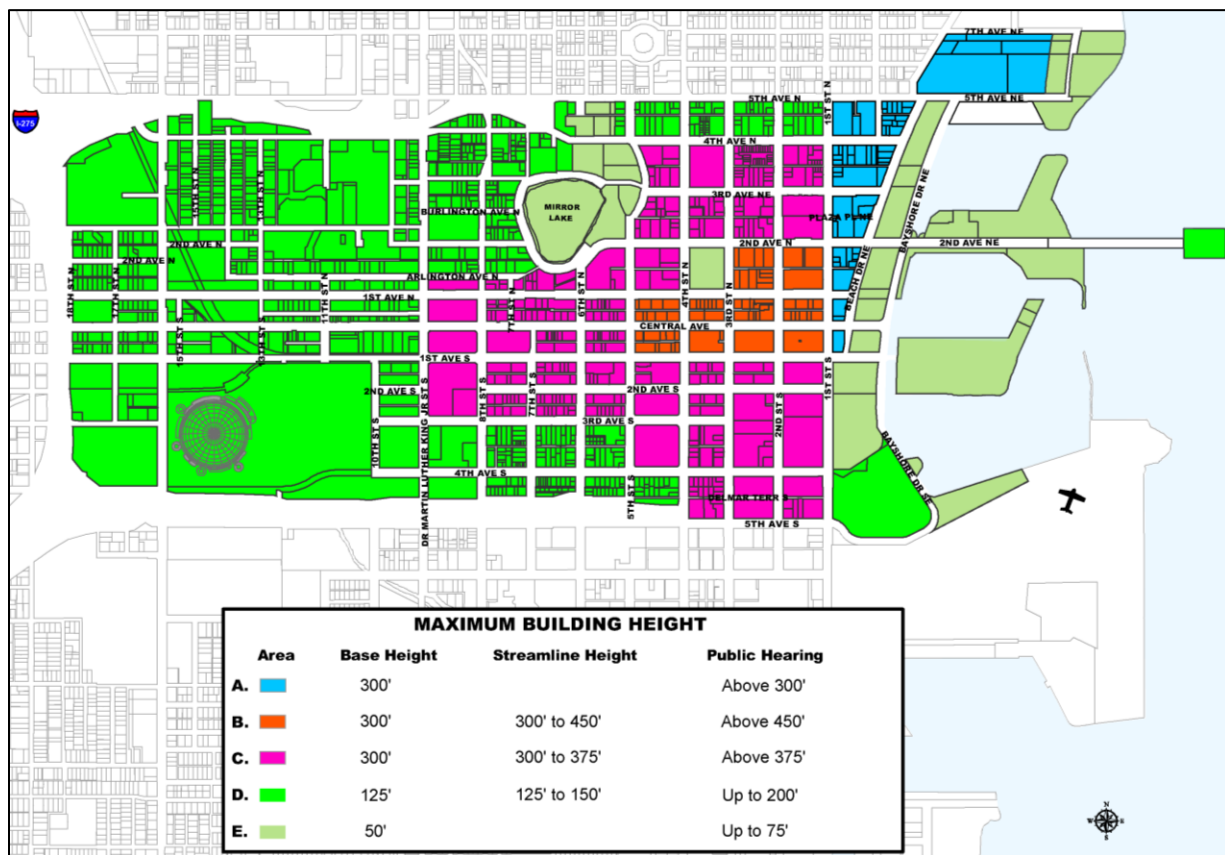
Maximum building height restrictions are based upon the approval process sought by the applicant and the location of the property. The height restrictions do not correlate directly to the zoning districts. They are designed to concentrate heights within the core area of the downtown and then step down toward the surrounding neighborhoods. The height map establishes the specific locations of height restrictions. In addition to the height restrictions limits specified on the map, the following criteria shall apply:

Buildings shall not exceed FAA height limitations unless approval is obtained from the FAA.

All buildings receiving additional height using the bonus approval, streamline process shall have a decorative crown feature compatible with the architectural style of the building.

All buildings receiving additional height using the bonus approval, public hearing process shall have a decorative crown feature compatible with the architectural style of the building and are encouraged to have decorative up lighting and crown lighting.

Height Restrictions Map



Minimum building setbacks

A. The downtown center allows the most intensive development within the City. Conversely, the downtown retains the charm and scale of a small city. To maintain the small-scale character, all buildings should create a strong presence at the sidewalk edge consistent with development within the traditional downtown. Buildings should be constructed within a building envelope, stepping back from the street or provide for a smaller floor plate. Either method creates space between buildings to allow light and air at the sidewalk level. Buildings which create blank walls along all edges of the development, without breaks, are discouraged.

B. The massing of buildings will be regulated by setbacks, distance between buildings, maximum floor plates and in some districts building width. The rationale for each regulation is described as follows:

1. *Building setbacks from public streets* - The charm of downtown St. Petersburg is derived from its wide rights-of-way and small scale feel generally consisting of two to four-story buildings. While high-rise buildings have been built throughout all development periods including the 1920's, the predominant scale respects a ratio of height to street width of no more than 1:1. To protect this ratio, larger buildings are required at certain heights to step back from the street. This break in height reinforces the pedestrian feel at the street, assists with creating a strong base to each building and furthers the charm and character that distinguishes St. Petersburg from other larger cities.

2. *Distance between buildings* - Buildings should be designed and situated to allow for air and light circulation between adjacent buildings on site and off site. In some cases, this separation requirement will be accommodated through existing rights-of-way, including alleys. In other cases, buildings with internal lot lines and development proposals with multiple buildings on a single site should be designed and situated accordingly.

The width of rights-of-way shall be included within the distance between buildings measurement. The minimum distance between buildings shall be split equally along a shared property line to determine the minimum building setback required. For example, when an existing building on a neighboring property is located within its half of the split distance, the proposed building is only required to provide a minimum distance between buildings equal to one-half of the required distance between buildings regardless of whether the resulting distance between buildings is less than the requirement stated in the following table. Building and life safety regulations may require additional building setbacks. When new construction is proposed which abuts an existing structure with a window wall facing the new construction, if the property owner of the existing structure provides an irrevocable, sworn statement of "no objection" to allowing the new construction to be closer to the window wall than is allowed, then no "blank wall to window wall" setback shall be required. The sworn statement, shall include the legal description of the property, shall be in a form approved by the POD, and shall be recorded in the public records.

3. *The maximum floor plate* - To maintain an appropriate scale conducive with quality development and within the character of the City, larger projects may require multiple towers versus a single tower of a substantially larger size.

4. *Shared elevator and stair banks* - Elevator banks and stair banks may be shared. Such elements shall create a visible break between buildings.

Building Massing and Form	
DC-1 (West of Dr. Martin Luther King, Jr. Street) and DC-2	
Setbacks along street, excluding alleys	
• 0 to 50 ft. high	0 ft.
• Above 50 ft.	10 ft.
Exemptions: • For lots of record that are equal to or less than 50 ft. in depth or 8,000 sq. ft. in total area, the 10-foot setback above 50 ft. is not required. • When buildings have a first floor plate of less than 16,000 sq. ft., the 10-foot setback above 50 ft. is encouraged but not required. • For buildings that do not exceed 75 ft. in height, the 10-foot setback above 50 ft. is not required.	
Distances between buildings	
• Blank wall to blank wall, up to 50 ft. high	0 ft.
• Blank or window wall to window wall up to 50 ft. high	15 ft.
• All conditions 50 ft. to 200 ft. high	60 ft.
• All conditions above 200 ft.	80 ft.
Exemptions: For all conditions above 50 ft. on lots of record with an average lot width equal to or less than 120 ft., the property shall qualify for a reduced minimum interior building setback from each interior, shared property line. The reduced setback shall be equal to 25% of the lot width, or 15 feet, whichever is greater. This setback shall be measured from the interior, shared property line. This reduction is not a substitute for the "distance between buildings" requirement when measured across public alleys or between multiple buildings on a single property and shall not be used in conjunction with the one-half "distance between buildings" measurement	

Minimum ground level open space

Ground level open space shall be required in all DC districts. The minimum ground level open space shall be at least five percent of the total land area of the site. This ground level open space shall not have any portion of a building above it and shall be at least 50 percent pervious. Ground level open space shall be adjacent to the right-of-way, shall be linked to the right-of-way, and shall be available for use by the public during the hours the building is accessible to the public. When a building has at least 50 percent gross floor area of residential uses, the ground level open space may be secured for the exclusive use of the occupants of the building but shall remain visible to pedestrians along all abutting public sidewalks. Open space includes but is not limited to ground-level courtyards, plazas, sidewalks, and landscaped areas, but does not include parking spaces, driveways, alleys, and other vehicular use areas, nor does it include required vehicular use landscaping areas.

However, instead of providing open space within the DC-C or DC-1 districts, a payment in lieu of open space of one percent of total construction cost may be made into the City's "open space" trust fund that will provide for the purchase or improvement of an existing downtown park or downtown right-of-way improvements.

Building FAR for CBD residential high rise buildings typically exceed 7.0 depending on the development with consideration of number and sizes of residential units, structured parking, and commercial and common areas.

Parking requirements for commercial space will vary for a high rise mixed use development with multi-story parking garage and are typically one space per 500 square feet for retail and medical office. Practical parking needs could increase to three spaces per 1,000 square feet of usable commercial area, or possibly higher depending on specific uses including lounge and restaurant uses or other commercial uses.

Parking requirements for residential use are one space per dwelling unit and units are described as an efficiency with a minimum of 375 square feet, a one bedroom unit with a minimum of 500 square feet, and 2 bedroom units with a minimum of 750 square feet. On a practical basis, two bedroom units of an average of 1,400 square feet could need two parking spaces per unit.

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. Shervon Chambliss, Jamie Jones and Corey Malyszka may be contacted at City of Saint Petersburg Planning and Development Services Department 727-893-7472.

Given the intricate regulations for downtown potential development, accuracy of building bulk and floor plates is best estimated with multiple city consultation appointments toward approval and entitlements.

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% 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 a site plan.

Site Description

The subject fronts approximately 340.60 feet along the northerly side of Central Avenue and also fronts approximately 478.60 feet along southerly side of 1st Avenue North and has an average depth of approximately 219.9 feet along the westerly side of 13th Street North. Three sides of the site are generally rectangular with its westerly side being somewhat of a right triangle. According to the Property Appraiser's Office, it contains approximately 90,112 square feet or 2.07 acres. The site is level to slightly sloping and drainage appears adequate. Onsite parking is provided to the rear of the building, and public right-of-way parking is available on surrounding streets.



Soil is sandy, typical for the area, and it is assumed that no adverse subsoil conditions exist. Municipal potable water and waste water 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

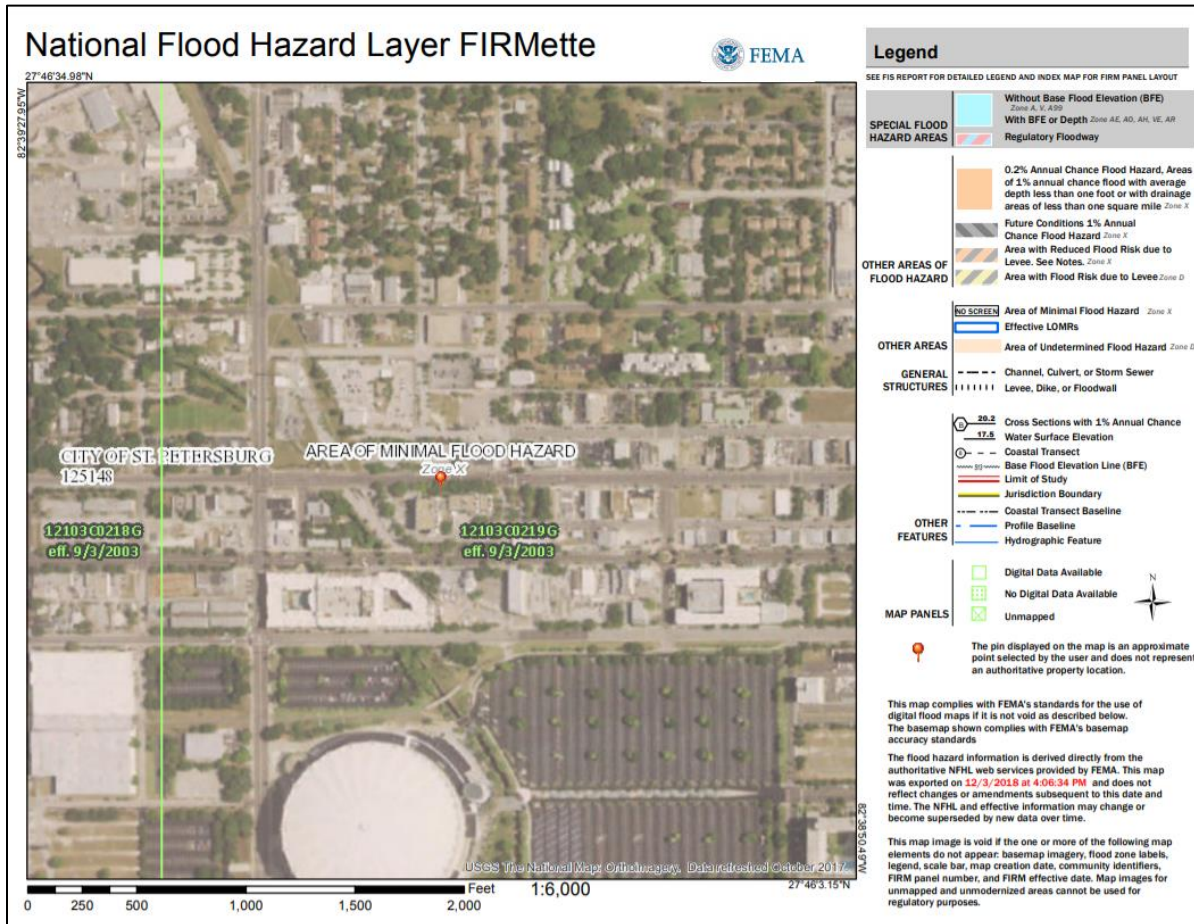
Land Area	90,112 square feet or 2.07 acres
Site Configuration	Irregular but generally rectangular

Dimensions	Frontage of approximately 340.60 feet along the northerly side of Central Avenue and approximately 478.60 feet along southerly side of 1 st Avenue North with an average depth of approximately 219.9 feet along the westerly side of 13 th Street North
Terrain/Vegetation	Generally level with minimally landscaped areas and a few trees
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 access along northerly subject boundaries
Flood Zone	“X”, above 100-year flood plain
FEMA Map Panel	12103C0219G, dated September 3, 2003
Drainage	Onsite underground drainage and typical run-off into municipal stormwater system
Potable water	City of St. Petersburg
Sewer	City of St. Petersburg
Garbage collection	City of St. Petersburg
Electricity	Duke Energy
Telecommunications	Verizon
Police protection	City of St. Petersburg
Fire protection	City of St. Petersburg Fire Department and nearest facility is City of St. Petersburg Master Fire Station located at 455 8 th Street South
Public transportation	PSTA
Emergency medical service	Pinellas County EMS

Encumbrances

According to the county Property Appraiser maps, there were no significant easements related to the subject site. However, typical utility easements may be present and should not negatively affect the property. The appraiser is not aware of any 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.

Flood Map



IMPROVEMENT DESCRIPTION

Data source for description of improvements includes the Property Appraiser's office and personal inspection. The interior of the subject building was inspected and photographed. Building dimensions were taken from Property Appraiser records and verified by appraiser field measurements where possible.

The subject property is improved with two adjoining masonry buildings totaling approximately 84,800 square feet on an approximately 90,112 square foot site. The buildings are connected by a glass curtain wall structure over a ground floor breezeway. Both buildings are air conditioned. The roofs are of a flat design with built up roofing, and this report is subject to receipt of satisfactory structural and roof inspections.

The first building, known as the East Building, was constructed in 1951 and consists of 5 floors plus a basement and contains approximately 32,800 square feet. There is a ground floor entrance on the north side of the East Building along 1st Avenue North. Concrete exterior ground floor stairs lead to a double glass door entrance followed by additional interior stairs that open to a lobby area. The lobby area and most of this first floor level's interior hallways are covered with original green marble. The first floor consists of approximately 16 offices, 12 storage rooms, men's and women's restrooms, a specialty room, and a large garage area.

The East Building's second level consists of approximately 20 offices, 10 storage rooms, and men's and women's restrooms. This level connects to the West Building, has ceramic tile flooring and also contains the original green marble. The third level includes approximately eight offices, a large open office area, six storage rooms, an electrical room, an equipment room and a mechanics room. Flooring consists of 8 inch ceramic tile in the common areas and inspected offices had carpeting.

The fourth level of the East Building consists of a reception area, four offices, a large control room, a locker room, a break room, men's and women's restrooms and three storage rooms. Flooring on this level consists of VCT and carpet in the control room. The fifth floor, also called the penthouse level, provides access to the roof.

In 1978 the second building, or West Building, was constructed and consists of four levels plus a basement and contains approximately 52,000 square feet. This building's first level provides customer access to a lobby and an information/service counter with a protective glass receptionist counter. The remainder of this floor consists of 12 offices, five storage rooms, a break room, waiting room, a mechanical room and men's and women's restrooms.

Below the first level is the basement area consisting of mechanical rooms, maintenance bays, maintenance offices, a tool room, a fire pump room, approximately seven offices, five storage rooms, a break room, a conference room, and men's and women's restrooms. This area also has two drive-in access areas.

The West Building's first level consists of the main lobby with an information/reception counter, 12 offices, 5 storage rooms, a janitor's closet, cafeteria and kitchen, and men's and women's

restrooms. The second level consists of approximately 27 offices, 4 storage rooms, specialty rooms, an equipment room, and men's and women's restrooms. This level connects to the East Building.

The third level consists of approximately 29 offices, eight storage rooms, specialty rooms, and men's and women's restrooms. The fourth level includes an exercise room, locker rooms with lavatory and showers and mechanical rooms.

The general condition of the building is average. The economic life of the subject building is typically 50 years. The estimated effective age of the building is 40 years, indicating a remaining economic life of 10 years.

Based on non-invasive visual inspection and knowledge of construction of similar buildings in the market, the following description is offered.

Structural Design

Foundations	Reinforced concrete spread footings
Floor Structures	Poured concrete slab
Building Frame	Masonry load bearing perimeter and interior walls
Roof Structures	Steel decking over steel bar joists with built up roofing for flat roof design
Roof Covering	Built up bitumen roofing

Exterior Description

Exterior Walls	Concrete block with painted stucco
Eave Height	Approximately 50 feet from floor level
Exterior Doors	Glass, metal, and roll-down security
Windows	Fixed pane windows

Interior Description

Walls and Wall Coverings	Painted drywall, marble, paneling, and other over wood or metal studs
Interior Trim & Hardware	Average quality
Interior Doors	Hollow core wooden doors

Ceiling	Generally suspended acoustical panels
Floor Covering	Commercial grade carpet, ceramic and/or vinyl floor cover.
Elevators/Stairways	Two elevators in each building and multiple stairs

Equipment and Mechanical Systems

Plumbing	Plumbing and baths appear adequate
Electrical Service	Older and complex commercial grade for police/office uses, generally in fair condition
Lighting	Typically overhead inset fluorescent lighting.
Heating and Air Conditioning	HVAC chiller system
Fire Protection System	The building is not wet sprinklered for fire protection, but manual fire extinguishers are located within the building

Quality, Condition and Economic Life

The subject building improvements appear to be of average quality materials and average workmanship, as compared to similar buildings constructed in this community at about the same time as the subject's construction. No opinion can be expressed as to the original building plans or the obtaining of proper building permits.

Deferred maintenance appears minor, limited to cleaning and touch up painting.

Site Improvements

Site improvements consist of asphalt paving for parking, circulation and delivery, concrete sidewalks, stormwater detention area, illuminated sign, landscaping, overhead lighting, underground drainage, and underground laterals for municipal water and sewer. The site improvements appear adequate and functional. The economic lives of the various site improvements typically range between 20 years and 50 years, depending on the item and its standard useful life.

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.”¹³ 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.”¹⁴ 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.”¹⁵

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.”¹⁶

“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

¹³ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 138.

¹⁴ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Fifth Edition*, Appraisal Institute, Chicago, Illinois, 2010, p. 120.

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

¹⁶ *Ibid*, p. 82.

the analysis of future income expectancy projected from the effective date of the appraisal.”¹⁷

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.”¹⁸

Strengths & Weaknesses

Strengths of the subject include a good location with high density zoning, good exposure and access. It also has a good developable site and in a high demand market area.

Weakness of the subject are the age, condition and functional utility of the building improvements.

Market Participant Interviews

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

Mr. Jon LaBudde of KW Commercial, 727-510-1921.

Jon LaBudde is an established real estate agent known for his focus on St. Petersburg’s Downtown District. He stated that the demand to acquire the St. Petersburg’s Police Station site has been going on since the city first talked of building a new police facility. He stated that he works with a few equity companies with an interest in the site for the future development of a multi-family structure with ground floor commercial. It was his opinion that the condominium market may currently be at or near full scope and that rental apartments would most likely be considered.

Mr. Jonathan Daou of Eastman Equity.

Jonathan Daou is a developer active in the downtown market of St. Petersburg, with an emphasis in the Edge District where the subject is located. Jonathan commented that the subject’s land value should exceed its value as improved. He thinks the site would be developed into an apartment building containing approximately 250 units with ground floor retail. He stated a developer would pay as much as \$30,000 per unit for the undeveloped site.

¹⁷ Appraisal Institute, *Uniform Standards of Professional Appraisal Practice and Advisory Opinions 2006 Edition*, The Appraisal Foundation, USA, 2006, p. 90.

¹⁸ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 140.

Mr. Bob Byrd of Milhaus Development and Construction, 813-361-8492.

Bob is the Director of Financial Planning and is responsible for budgeting and forecasting all company functions. He also is responsible for the development, construction, and property management accounting teams. He said that he was personally responsible for the assemblage of the 1701 Central Avenue land site (Land Sale Comparable Two of this report). He stated that developers typically seek to pay between 5 to 10 percent of the total project cost for land acquisition, noting the current market's rising interest rates and construction costs. He thought the subject is superior to 1701 Central Avenue. He said his company would be interested in the subject site as vacant land and possibly also as improved.

Market participants on the buyer's side report increasing interest in commercial real estate, but uncertainty remains as to the future. Some of this uncertainty relates to a slowly improving economy and possible increases in interest rates.

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 twelve months. Similarly, a marketing period for the subject of twelve months is estimated.

Selling commissions in order to affect the sale of a property similar to the subject are usually 7.0% and downward. For the subject property type and its value range, a commission level of 5.0% is typical.

Availability of Mortgage Financing

At the present time, third-party financing is readily available for acquisition and/or development of properties similar to the subject. Underwriting remains stringent, but relationships with lenders may assist in a loan qualification.

Conversations with commercial bank lenders implied that appropriate interest rates for properties similar to the subject would typically range from approximately 4.5% to 6.5%, dependent on the term and length of period between interest rate reviews. The loan-to-value ratio would typically range between 50% and 75% of value. The range of the debt coverage ratio is typically 1.3 to 1.5 for income producing properties, 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 the property and the condition of the property would also be considered. Typical buyers are owner/users or experienced property investors with motivation of positive cash flow.

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). "¹⁹

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.

¹⁹ 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 Center 1 (DC-1), in which a variety of commercial uses are permitted, limited by parking, setback and lot coverage requirements. Office and other employment uses are highly encouraged in this district.
- 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 90,112 square feet or 2.07 acres, is generally level and readily developable.
- The site has adequate frontage for exposure and visibility. Primary access is along the westerly and southerly sides of the building.
- No soil tests were available. However, improvements in the general area have typically been constructed without undue foundation expense.
- Municipal potable water, sewer, garbage collection and electricity 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 good quality linkages providing good quality access throughout the county, the MSA and statewide. The market area population, social characteristics, and income characteristics are average. The outlook for the market area is positive, with growth expected for the economic base, population and income characteristics.
- Residential uses are permitted in the form of multi-family townhomes, mid-rise and high rise apartments and condominiums. Significant development of multi-family units has occurred both before and after the recession, and such development continues to be very strong in and about the downtown area.

- Office uses are permitted and will fit the site. The office market is improving, yet investors are taking a conservative approach to speculative building. However, the market appears to support build to suit space.
- Numerous other commercial uses are permitted and will fit the site. The commercial market is improving, with many single tenant buildings constructed for national tenants, yet investors are taking a conservative approach to speculative building.
- Industrial uses are not permitted.

Maximally Productive

Physically, the subject can support combinations of building area scenarios in multiple story designs, limited by floor area ratio and parking requirements. Construction in the immediate market shows support for the additional costs of vertical construction and structured parking.

As if vacant, the maximally productive use of the subject site is for development to a commercial use in a multi-story design, and to a typical FAR of approximately 300%, indicating likely building size of 270,000 square feet.

Without architectural and engineering work, it is difficult to determine the maximum number of units for either rental apartments or condominiums.

Generally, we believe that 200 to 250 units with structured parking and commercial space on the first floor configuration would be well received by the market. Further refinement would require a market study and architectural and construction engineering professionals to validate such design from physical possibility. From that point, cost and investment yields must be measured for a variety of unit sell-out and/or rental rate demands. Commercial construction such as retail or office is typically a secondary consideration for similar high rise projects. Rental rates for commercial uses would not likely vary significantly whether residential units are rental or condominium. An office element substituting for some residential floors is possible, yet the demand for such office space is uncertain.

Although the view quality of subject is less than optimum compared with locations to the east, as they view over a bayfront park and or Tampa Bay, other subject characteristics are good such as proximity to supporting commercial uses and overall walkability. If significant pre-construction commitments to purchase cannot be realized then development to rental apartment units designed for future condominium ownership is highest and best use.

There are various regulations for development, and, although the city is somewhat flexible, certain regulations such as setbacks, height and parking requirements will limit maximum development.

Highest and Best Use As If Vacant

Physically, the subject property is suitable mixed use development, and legally, the subject site can be developed with residential units with ground floor retail uses. The subject site has average quality linkages, along with access and visibility from surrounding thoroughfares.

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 multi-family residential with ground floor retail use consistent with zoning regulations, or to hold for future development until economic conditions improve sufficiently to support speculative development.

As if vacant and available, the subject site has a highest and best use for development to residential use, primarily multi-family with ground floor retail use, when supported by the market.

Highest and Best Use As Improved

As currently improved, the existing buildings continue to serve their purpose but are somewhat functionally obsolete and are considered an interim use until such time as the site is redeveloped.

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 three approaches to market value estimation were considered. As discussed earlier, the cost approach and the sales comparison approach do include data of sufficient quantity and quality to derive a reasonably accurate indication of value and both have been developed and reported below. These two approaches to value are reconciled at the end of this report.

COST APPROACH

The cost approach is based on the principle that a typical purchaser would pay no more for a property than cost to acquire a similar site and construct improvements of equal desirability or utility.

The first step in the cost approach is estimation of land value by the sales comparison approach, comparing the property under appraisal with similar sites which have recently sold. Adjustments are made to the sold properties for such characteristics as changes in market conditions since the date of sale, location, and physical characteristics, reducing dissimilarities and arriving at an estimate of value for the subject site.

The cost new of all building and site improvements is then estimated, and depreciation from all forms is deducted. The depreciated cost of improvements is added to the land value estimate, resulting in an indication of value by the cost approach.

Land Valuation

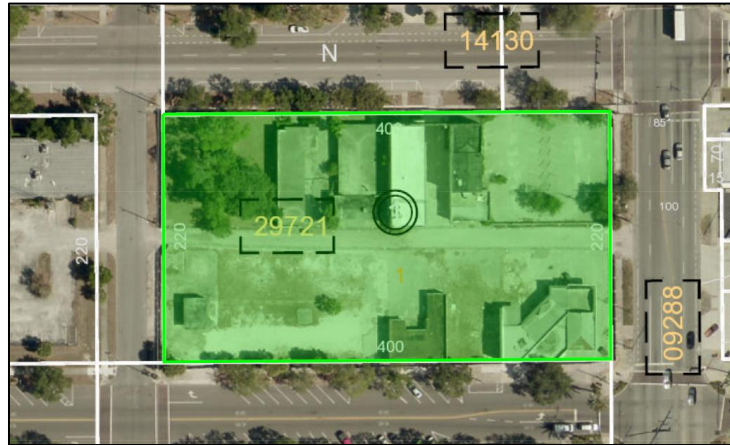
To estimate the value of the site as if vacant, the site is compared with recent sales of sites having a similar highest and best use and other similar characteristics. Comparable land sales are reduced to a common denominator or unit of comparison such as price per front foot, square foot or acre, price per buildable square foot, or price per dwelling unit, a common land use index. Adjustments are then applied for factors such as favorable financing, zoning, environmental and physical characteristics and other factors previously noted.

In searching the Public Records, a number of land sales were found. However, most 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 the highest and best use of the subject property.

Comparable Land Sales

Comparable Land Sale Number 1



Address	1601 Central Avenue St. Petersburg, Pinellas County, Florida
Location	Bounded by Central Avenue to the south, 17 th Street to the west, 1 st Avenue North to the north and 16 th Street to the east.
Date of Sale	January 2018
Grantor	M Squared Property, Inc.
Grantee	1601 Central Avenue, LLC (Milhaus)
Indicated Consideration Nominal	\$5,132,105
Recorded In	OR Book 19914, page 1602
Tax Parcel ID	24-31-16-29718-013-0040, 24-31-16-29718-013-0150, 24-31-16-29718-013-0160, 24-31-16-29718-013-0010, 24-31-16-29718-013-0030, 24-31-16-29718-012-0120, 24-31-16-29718-013-0050, 24-31-16-29718-012-0130, 24-31-16-29718-013-0060, 24-31-16-29718-012-0130, 24-31-16-29718-013-0070, 24-31-16-29718-013-0080, 24-31-16-29718-013-0090
Site Description	
Gross Land Area	88,000 square feet
Useable Land Area	88,000 square feet

Land Use / Zoning	CBD / DC-2, Downtown Center
Floor Area Ratio (FAR)	4.0 base approval; 4.0 to 8.0 bonus approval streamline, and greater than 8.0 bonus approval with public hearing
Units of Comparison	
Sale Price Per Gross Sq. Ft.	\$58.32
Sale Price Per Usable Sq. Ft.	\$58.32

Comments

This comparable sale is located along the north side of Central Avenue between 16th Street and 17th Street North within the CBD of Saint Petersburg, Pinellas County, Florida. 1st Avenue North is a four-lane west bound one way secondary artery.

This property is rectangular in shape and has approximately 400 front feet along 1st Avenue North and Central Avenue, with a depth of approximately 220 feet.

This property was an assemblage for the site of a multi-family apartment complex. Construction is currently underway for a six story, 246 unit apartment building known as Artistry Apartments. A Milhaus employee responsible for the assemblage of the parcels stated the overall sale was a result of well negotiated deals over a period of time. He stated that this land acquisition comes to approximately 9% of total production costs of \$60 million.

Verification	Buyer/Developer Bob Byrd of Milhaus 813-361-8492, LoopNet, Public Records
--------------	--

Comparable Land Sale Number 2



Address	1701 Central Avenue St. Petersburg, Pinellas County, Florida
Location	Bounded by Central Avenue South to the south, 17 th Street to the east, 1 st Avenue North to the north and 18 th Street to the west.
Date of Sale	August 2018
Grantor	Castlefrank Florida Holdings, L.P.
Grantee	1701 Grand Central, LLC
Indicated Consideration Nominal	\$7,200,000
Recorded In	OR Book 20171, page 1797
Tax Parcel ID	24-31-16-29720-001-0010
Site Description	
Gross Land Area	88,000 square feet
Useable Land Area	88,000 square feet
Land Use / Zoning	CBD / DC-2, Downtown Center
Floor Area Ratio (FAR)	4.0 base approval; 4.0 to 8.0 bonus approval streamline, and greater than 8.0 bonus approval with public hearing
Units of Comparison	
Sale Price Per Gross Sq. Ft.	\$81.82
Sale Price Per Usable Sq. Ft.	\$81.82

Comments

This comparable site is located along the north side of Central Avenue between 17th Street and 18th Street North within the CBD of Saint Petersburg, Pinellas County, Florida. 1st Avenue North is a four-lane west bound one way secondary artery.

This property is rectangular in shape and has approximately 400 front feet along 1st Avenue North and Central Avenue, with a depth of approximately 220 feet.

According to the listing broker, this property was purchased for the site of a future multi-family apartment complex. Construction is currently underway for a 243 unit, five story apartment building with ground floor retail. The project is known as Slocum Place Apartments. The listing broker confirmed the details of this arm's length transaction.

Verification

Broker – Wendy Griffin 813-204-5346, CoStar,
LoopNet, Public Records

Comparable Land Sale Number 3



Address	Central Avenue to 1 st Avenue South St. Petersburg, Pinellas County, Florida
Location	Bounded by 1 st Avenue South to the south, 11 th Street to the east, Central Avenue and Commerce Avenue South to the north and a free standing office/warehouse building to the west.
Date of Sale	May 2018
Grantor	S & R Properties III, LLC
Grantee	Tricera Eastman, LLC
Indicated Consideration Nominal	\$3,650,000
Recorded In	OR Book 20061, page 2199
Tax Parcel ID	24-31-16-53478-000-0210 24-31-16-53478-000-0170 24-31-16-14544-000-0250
Site Description	
Gross Land Area	54,222 square feet
Useable Land Area	54,222 square feet
Land Use / Zoning	CBD / DC-1, Downtown Center
Floor Area Ratio (FAR)	3.0; 3.0 to 5.0 with streamline, and 5.0 to 7.0 with public hearing approval

Units of Comparison

Sale Price Per Gross Sq. Ft.	\$67.32
Sale Price Per Usable Sq. Ft.	\$67.32

Comments

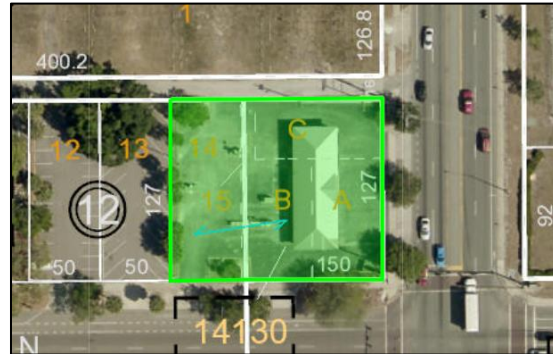
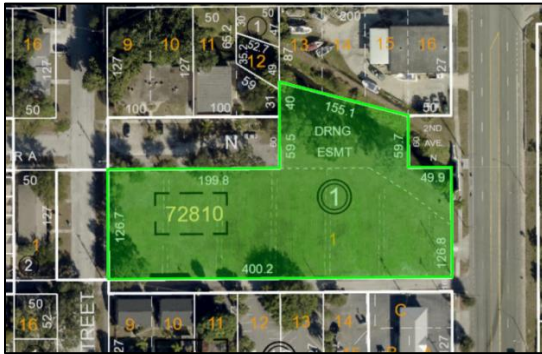
The westerly part of this comparable site extends from the southerly side of Central Avenue to the northerly side of 1st Avenue South, while the easterly section is located just along 1st Avenue South. The site is between 11th Street and 13th Street in the CBD of Saint Petersburg, Pinellas County, Florida. 1st Avenue South is a four-lane east bound one way secondary artery. Tropicana Field is directly across 1st Avenue South from this comparable sale.

This property is irregular in shape and has approximately 374 front feet along 1st Avenue South, with a depth of approximately 181 feet along its westerly boundary and 90 feet along its easterly boundary. According to the buyer, there was no distress in this arm's length transaction. This comparable is an asphalt paved parking lot totaling 54,222 square feet.

Verification

Buyer Jonathan Daou, CoStar, LoopNet, Public Records

Comparable Land Sale Number 4



Location	Northwest corner of 16 th Street North and 1 st Avenue North and the interior parcel fronting the westerly side of 16 th Street North to the easterly side 17 th Street North, St. Petersburg, Pinellas County, Florida 33713
Date of Sale	May 2017 and August 2017
Grantor	Anderson Ventures, Inc. & EE 16 th St. Holdings, LLC
Grantee	DevMar 16 th Street, LLC
Indicated Consideration Nominal	\$3,270,000
Recorded In	OR Book 19725, page 2407 OR Book 19624, page 2554
Tax Parcel ID	24-31-16-72810-001-0010 24-31-16-14130-000-0010
Site Description Gross Land Area Useable Land Area	94,367 square feet or 2.17 Acres 94,367 square feet or 2.17 Acres
Land Use / Zoning	CBD / DC-2, Downtown Center
Floor Area Ratio (FAR)	4.0 base approval; 4.0 to 8.0 bonus approval streamline, and greater than 8.0 bonus approval with public hearing

Units of Comparison

Sale Price Per Gross Sq. Ft.	\$43.42
Sale Price Per Usable Sq. Ft.	\$43.42

Comments

This comparable site extends north from the northwest corner of 16th Street and 1st Avenue North near the westerly edge of the Downtown District of St. Petersburg, Pinellas County, Florida. 16th Street is a four-lane, plus center turn lane north-south secondary artery. 1st Avenue North is a four lane westerly one-way secondary artery.

This comparable land sale consists of a two parcel assemblage; a corner lot and an interior parcel. It has approximately 270 feet along the westerly side of 16th Street North, with a depth of approximately 150 feet along the northerly side of 1st Avenue North and a depth of approximately 400 feet along the southerly side of the interior lot. This site is currently being developed into the Vantage Lofts, an 11 story apartment tower with 211 units, and 18,500 square feet of retail along the ground floor.

The larger parcel sold in August 2017 for a consideration of \$2,250,000, or \$39.99 per square feet. The smaller parcel, at the northwest corner of 1st of Avenue North and 16th Street was purchased by the grantee in May 2017 for a consideration of \$1,020,000, or \$53.54 per square foot. Combined, the purchase price of the two adjacent properties was \$3,270,000 for 75,318 square feet of land. Disregarding the improvements, the price if land only would be \$43.42 per square foot, or \$15,498 per unit. The larger site previously transferred in October 2016 for a consideration of \$1,300,000.

Verification

Jonathan Daou 727-346-5397, Public Records, MLS, CoStar, LoopNet



Comparable Land Sale Number 5



Location	801 Central Avenue, St. Petersburg, Pinellas County, Florida 33701
Date of Sale	December 2016
Grantor	Art Village I, LLC
Grantee	801 Central - St. Pete, LLC
Indicated Consideration	
Nominal	\$9,180,000
Adjusted	N/A
Recorded In	OR Book 19466, page 2621
Tax Parcel ID	19-31-17-94843-001-0010
Site Description	
Gross Land Area	2.49 acres; 108,416 square feet
Useable Land Area	2.49 acres; 108,416 square feet
Land Use / Zoning	CBD Activity Center / DC – 1, Downtown Center
Floor Area Ratio (FAR)	3.0; 3.0 to 5.0 with streamline, and 5.0 to 7.0 with public hearing approval
Planned Units	368

Units of Comparison

Sale Price Per Gross Sq. Ft.	\$84.67
Sale Price Per Usable Sq. Ft.	\$84.67
Sale Price Per Unit	\$24,946

Comments

This comparable is a city block bounded by 8th Street to the east, 1st Avenue North to the north, Dr. Martin Luther King, Jr. Street/9th Street to the west and Central Avenue to the south, within St. Petersburg's CBD, Pinellas County, Florida.

The site is generally rectangular and totals approximately 108,416 square feet. It has approximately 220 feet along Dr. Martin Luther King Jr. Street and 8th Street North and approximately 493 feet along Central Avenue and 1st Avenue North. This comparable is improved with a historical bank building originally constructed in 1926 on the site's southwesterly corner. Two later additions to the building will be demolished and the net contributory value to retain this historical structure is net zero with respect to functional obsolescence and limitations upon the new development of the full block.

The most recent proposal is for an \$80 million 15 story building with a 7 story base featuring 368 apartments and 34,272 square feet of commercial space, of which 15,272 square feet includes street-level retail. The proposal includes a 625 space parking garage and storage for over 400 bicycles. The project acquired final approval by city council and construction has been well underway. It will feature amenities such as an outdoor movie lawn, a club lounge with game simulator room, and indoor Zen garden.

This sale was to an entity controlled by the Related Group. No other transfers within the past 5 years.

Verification

Part Owner John Stadler 305-298-1916, City of St. Petersburg Planning Department 727-893-7111, CoStar, Public Records





Retained historical bank building in foreground left

The following description is from a press release – “83 Degrees”

<http://www.83degreesmedia.com/devnews/icon-central-luxury-high-rise-under-construction-010818.aspx>

It will incorporate the arts through rotating art exhibits, local artist displays, an art and wine tasting room, plus art in the courtyard surrounding the pool, she adds. “We’ve taken it to another level,” Suarez says. “The art element in St. Pete is significant.” Work began in December. “We’ve cleared the site and we’re doing foundations,” she says.

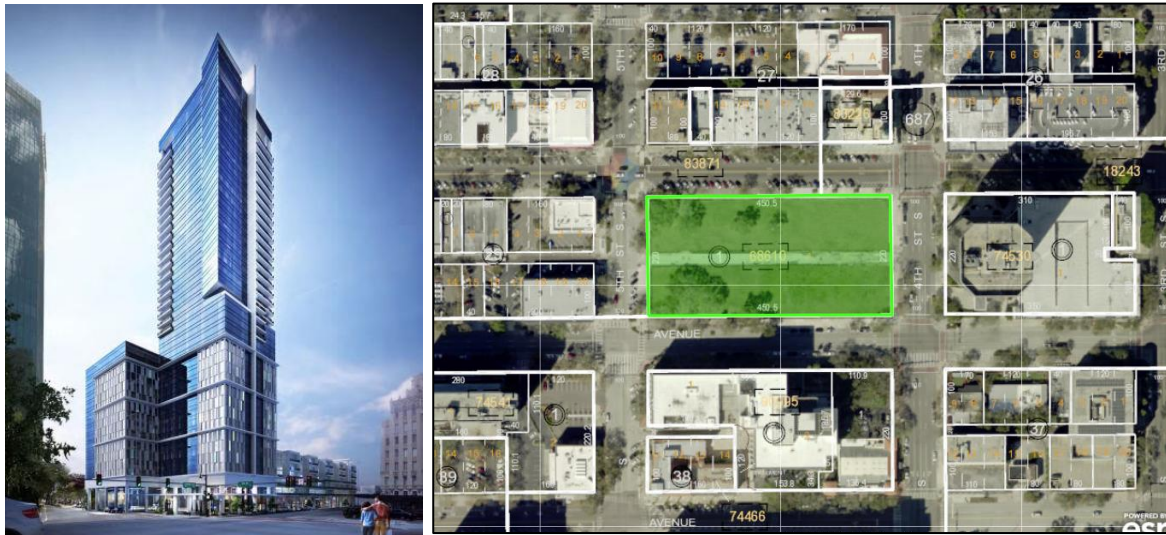
The project is the latest in The Related Group’s Icon brand, known for luxury high-rise rentals. It includes Icon Harbor Island apartments in Tampa, plus Icon projects in Fort Lauderdale and Atlanta. Icon Central will include studio, one, two and three-bedroom units with monthly rents expected to range from \$1,600 to \$4,000; some on the top floors will have water views. Leasing is anticipated in mid-2019.

The high-rise, being built in a contemporary federal architecture style, also will include a spa with steam and sauna, a pool courtyard with a European-style heated pool, and a summer grilling kitchen. The intimate, outdoor movie lawn will have a large screen on the side of the building, which can be used for movies or projections during outdoor classes. Related seeks to create a community around activities for its residents. “That [Icon Central] is a community for us. We’re constantly involving them,” she says. “It’s different. You don’t see anything like that in St. Pete.”

The residential complex will be connected to the bank building with a multi-use building with retail, residential and parking space. The first two levels will be primarily cast stone, with tan stucco above. The bank is being renovated with stonework, cornices and other features reflecting the historical era. “What we envision there is more of a high-end -- boutique stores with lounge and meeting space, or a food hall,” she says.

The interior of the bank, as well as a 1980s addition, have been demolished. “As construction progresses, we will start marketing the retail,” she explains

Comparable Land Sale Number 6



Rendering of proposed development on vacant full block

Location	High rise residential condos plus commercial Full block, SWC 4 th Street South & Central Avenue 400 Central Avenue St. Petersburg, Pinellas County, Florida 33701
Date of Sale	April 2017
Grantor	Betsy, William, Clarence, Thomas, Frederick, and Robert Pheil, Walter P. Bobbitt, Jr, Guy Van Middlesworth, and Jennifer Macheers Moyer
Grantee	Cats Red Apple St. Pete, LLC
Indicated Consideration Nominal	\$16,500,000
Recorded In	OR Book 19591, page 2621
Tax Parcel ID	19-31-17-74466-030-0001; 0002; 0010; 0030; 0050; 0081; 0090; 0110; 0160; 0170; 0200;
Site Description Gross Land Area Useable Land Area	2.2753 acres; 99,110 square feet (450.5' x 220') Same
Land Use / Zoning	CBD / DC-C, Downtown Center

Floor Area Ratio (FAR)	4.0 base approval; 4.0 to 8.0 bonus approval streamline, and greater than 8.0 bonus approval with public hearing
------------------------	--

Planned Units/Density	340 condos estimate / 149 DUA
-----------------------	-------------------------------

Units of Comparison

Sale Price Per Gross Sq. Ft.	\$166.48
Sale Price Per Usable Sq. Ft.	Same
Sale Price Per Unit	\$48,529 at 340 units

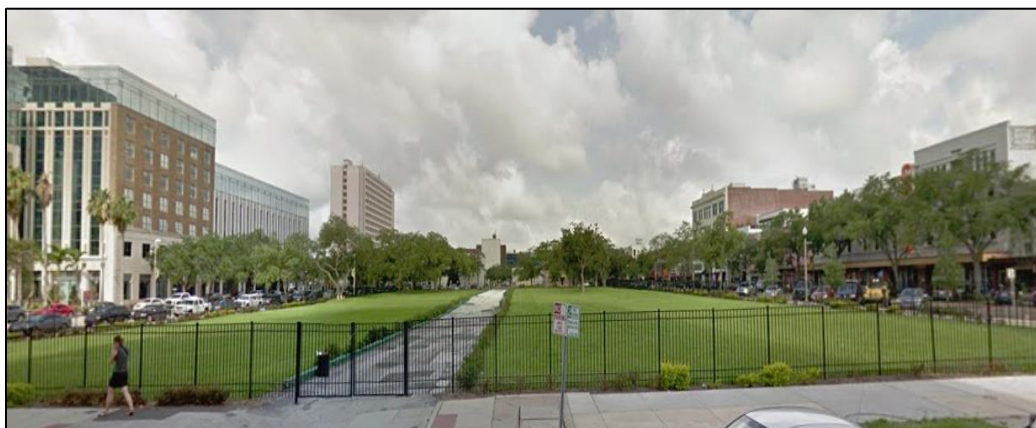
Comments

This comparable is a full block and fronts the south side of Central Avenue between 4th and 5th Streets South and fronts the north side of one-way east 1st Avenue South. This area is characterized by many retail stores along Central Avenue. Three buildings have been razed for this development to include residential units, commercial use and parking garage. This site is planned for 340 residential units, commercial and parking garage.

This location is two blocks west of recently completed The ONE development of 41 stories. Also, two blocks south, the Avanti apartment site of 99,000 square feet was purchased in April 2015 and was developed to nine stories with 366 units, 1 and 2 bedroom units with current rental rates advertised at generally \$2.50 to \$2.75 per square foot per month.

The Pheil property was on the market for nearly six months before contract, and then closing was delayed due to razing of a hotel building by a previous lessee in order to end that defaulted lease and make way for this closing. This was a cash purchase.

Verification	Listing Broker J. Mark Stroud 727-865-1006, CoStar, LoopNet, Public Records, Deed, articles
--------------	---



View westerly from 4th Street South

Comparable Land Sale Number 7



Location	930 Central Avenue: West of Dr. Martin Luther King, Jr. Street, east of 11 th Street in the CBD of St. Petersburg, Pinellas County, Florida 33705
Date of Sale	August 2016
Grantors	E E 930 Central Avenue Holding, LLC
Grantee	BAB 930 Central Flats Owner, LLC
Indicated Consideration	
Nominal	\$4,700,000
Adjusted	N/A
Recorded In	OR Book 19320 page 1308
Tax Parcel ID	24-31-16-14544-000-0040, 24-31-16-14544-000-0060, 24-31-16-14544-000-0080
Site Description	
Gross Land Area	1.52 acres; 66,000 square feet
Useable Land Area	1.52 acres; 66,000 square feet
Land Use / Zoning	CBD, Central Business District / DC-1, Downtown Center
Floor Area Ratio (FAR)	3.0; 3.0 to 5.0 with streamline, and 5.0 to 7.0 with public hearing approval
Planned Units	218 Apartments, four townhomes

Units of Comparison

Sale Price Per Gross Sq. Ft.	\$ 71.21
Sale Price Per Usable Sq. Ft.	\$ 71.21
Sale Price Per Unit	\$21,560

Comments

The property is located in downtown St. Petersburg, bordered on the north by Central Avenue, to the east by 9th Street, to the south by 1st Avenue South and to the west by 11th Street.

The property is a \$35 million six story mixed use building with 3,578 SF of retail, 218 apartment units and four townhome units. The site is generally rectangular and totals approximately 66,000 square feet, or 1.52 acres. The project was completed in April 2018.

According to the seller, there was no stress in this arm's length transaction. The property sold in August 2016 for a consideration of \$4,700,000. The property previously sold in June 2014 for \$1,650,000 as recorded in OR Book 18443, page 0317.

Verification

Seller Jonathan Daou, Pinellas County Property Appraiser, Clerk of the Court, CoStar, LoopNet



Comparable Sales Chart

NO	LOCATION	DATE	GRANTOR/ GRANTEE	PRICE	ZONING / # OF UNITS	SQ FT/ ACRES	\$/SF - \$/UNIT
1	1601 Central St. Petersburg, FL 33713	Jan-18	*Multiple Grantors DevMar 16th Street, LLC	\$ 5,132,105	DC-2 246	88,000 2.02	\$ 58.32 \$ 20,862
2	1701 Central Avenue St. Petersburg, FL 33713	Aug-18	Castlefrank Florida Holdings, L.P. 1701 Grand Central, LLC	\$ 7,200,000	DC-2 243	88,000 2.02	\$ 81.82 \$ 29,630
3	Central Ave/1st Ave South St. Petersburg, FL 337005	May-18	S & R Perry Properties III, LLC Tricera Eastman, LLC	\$ 3,650,000	DC-1	54,222 1.24	\$ 67.32
4	1601 1st Avenue North St. Petersburg, FL 33713	May-17 Aug-17	EE 16th St. Holdings, LLC DevMar 16th Street, LLC	\$ 3,270,000	DC-2 211	75,318 1.73	\$ 43.42 \$ 15,498
5	801 Central Ave St. Petersburg, FL 33701	Dec-16	Art Village I, LLC 801 Central - St. Pete, LLC	\$ 9,180,000	DC-1 368	108,416 2.49	\$ 84.67 \$ 24,946
6	400 Central Avenue St. Petersburg, FL 33701	Apr-17	*Multiple Grantors Cats Red Apple St Pete, LLC	\$ 16,500,000	DC-C 340	99,000 2.27	\$ 166.67 \$ 48,529
7	930 Central Avenue St. Petersburg, FL 33705	Aug-16	EE 930 Central Ave Holding, LLC BAB 930 Central Flats Owner, LLC	\$ 4,700,000	DC-1 218	66,000 1.52	\$ 71.21 \$ 21,560

Comparable Sales Map



Analysis of Comparable Land Sales

All comparable land sales are adjusted toward the subject site for either the comparable sites' superior or inferior characteristics in relation to the subject site. The size of the adjustments applied to the comparable land sales are in proportion to the magnitude of the difference perceived in the market between the comparable land sale and the subject site.

Land is typically analyzed on a unit of comparison basis. The unit of comparison used in the appraisal is the unit of comparison that is customarily used by purchasers in the market in the subject property's locale. After discussions with developers and investors and as evidenced by market activity, it is believed the overall sale price per square foot is appropriate as the unit of comparison and will be utilized in the following analysis process.

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 adjusted 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 to be applied to the comparable price.

The matched pairs analysis shows stability and recent appreciation, and analysis of a larger sample of comparable land sales throughout the county and discussions with brokers, buyers, and investors in the area, all indicate that property values have begun to appreciate. Brokers and investors will typically have a broader sample upon which to base conclusions and a good feel for buyer's expectations, motivations and activity in the market area.

Supported by increasing demand, it appears land prices in the market area increased steadily from about 2001 until about 2006, when the economic slowdown began. The annual increases typically averaged 3% to 5% in early years, then climbed to rates between 10% and 20%, possibly more for certain locations, in 2004 and 2005, then flattened as demand slowed 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 increases moderated, yet continued upward. All comparable sales are increased at a rate of 6.0% per annum.

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. No comparable sales were adjusted for these factors.

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. Several sales included older buildings which were demolished.

Zoning and Land Use

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 little adjustment. The subject site is located in a DC-1 zoning district, as are Land Sales 3, 5 and 7. Land Sales 1, 2 and 4 are zoned DC-2, a district considered inferior. Land Sale 6 is located in St. Petersburg's Downtown Center Core (DC-C) and is considered superior.

Location

The adjustment for location is made for market relevant factors such as proximity to complementary supporting uses, size of roadway and traffic volumes, transportation linkages, population and labor markets and corner influence. Negative adjustments were applied to those sales which have superior locational characteristics, and, conversely, a positive adjustment is given if a comparable has an inferior locational character.

Land Sales 1, 2 and 4 are located along the westerly side of 16th Street, a location considered inferior to the subject. Land Sale 3 and 7 are most similar to the subjects as they located along the southerly side of Central Avenue between 11th Street and Dr. MLK, Jr. Street. Land Sales 5 and 6 are both considered superior as they are located east of the subject.

Physical Characteristics

Adjustments were considered for terrain, soil characteristics, configuration and general utility or developability of the site, as well as utility availability.

Configuration and utility of majority of the comparable sales were generally similar to the shape and developability of the subject, but Sales 3 and 4 are of irregular shape.

Size

The adjustment for difference in 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 states that the greater the land area, or quantity of units purchased, a developer will typically pay less for each additional land unit, thus lowering the overall average unit sale price. Although assemblage or plottage may be necessary and result in the assembled site having greater value than the sum of the parts, this states that larger sites will typically sell for a lower price per square foot than a smaller site.

All sales are analyzed based on the gross land area of the comparables. The comparable sales ranged from 54,222 square feet to 108,416 square feet. Other characteristics being equal, sites of significantly greater size than the subject 90,112 square feet would require a positive adjustment, while sites of significantly smaller size than the subject would typically require a negative adjustment. However, the adjustments may be tempered by the inflexibility or limited utility of a comparable site. No comparable sales were adjusted for these factors.

Summary of Land Value

The sales comparison approach is one of the narrowing of a range in values. In other words, adjustments were applicable to the comparable sales for all factors which can be measured by market data, reducing the sales prices to a smaller range in values. Prior to adjustment, the comparable sales ranged from \$43.42 to \$166.67 per square foot. Following adjustments for the factors noted, the adjusted prices ranged from \$64.18 to \$100.83 per square foot. In our opinion, with slightly greater weight placed on Comparable Sales 1 through 3 and 7, and slightly less weight on Comparable Sales 4, 5 and 6 value of the subject site is estimated at approximately \$85.00 per square foot. This value estimate of \$7,660,000 is prior to deductions for asbestos remediation and building demolition, which must be deducted from this estimate of land value as if vacant to land value as-is.

According to an Asbestos Report Review submitted November 4, 2010 by Greenfield Environmental, the cost to remediate a number of asbestos containing materials within the subject buildings was estimated at \$400,000. We have utilized a cost change table, similar to a CPI report but focused on construction, there has been an approximate 17.0% increase in construction costs since 2010. Applied to the \$400,000 estimate, this results in an estimate of \$470,000 in 2018 dollars.

Demolition of the subject buildings is based on the cost to demolish the building improvements at 400 Central Avenue, and is estimated at \$6.25 per square foot. These costs are summarized below.

Asbestos Remediation		
2010 Cost Estimate	\$ 400,000	
Current Factor	<u>1.17</u>	
Current Cost	\$ 468,000	\$ 470,000
Demolition		
Building Area	\$ 94,600	
Cost/SF	<u>\$ 6.25</u>	
Total Cost	\$ 591,250	\$ 590,000
Total Deductions		\$ 1,060,000

As the subject site has functionally obsolete improvements that must be removed, these costs are deducted from vacant land value in order to estimate value as-is, as follows.

Land Value	\$ 7,659,520	\$ 7,660,000
Less Remediation Costs		\$ 470,000
Less Demolition		<u>\$ 590,000</u>
As-Is value of site		\$ 6,600,000

This as-is value is equivalent to \$73.24 per square foot of land area.

$$90,112 \text{ square feet} \times \$73.24 \text{ per square foot} = \text{rounded, } \$6,600,000$$

Replacement Costs Less Depreciation

The next step in the cost approach is estimation of the current cost to replace improvements and consideration of depreciation. There are two “cost new” concepts available, the reproduction cost estimate and the replacement cost estimate.

Reproduction cost is the estimated cost to construct, at current prices, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship which also embodies all of the deficiencies, superadequacies, and obsolescence of the subject building. Reproduction cost is sometimes difficult to estimate because identical materials may be unavailable and original construction standards may have changed. For example, hollow clay tile blocks have been replaced in use by concrete blocks but may be in evidence in older buildings. In most instances, it makes little sense to estimate cost to construct a building of clay tile, then deduct the additional cost above concrete block as functional obsolescence.

Replacement cost is the estimated cost to construct, at current prices, a building with a utility equivalent to the building being appraised, using modern materials and current standards, design, and layout. The use of replacement cost thus eliminates the need to estimate some forms of functional obsolescence.

In order to estimate replacement cost new of the subject property, there are three techniques available, the comparative-unit method, the unit-in-place method and the quantity survey method.

The comparative-unit method is used to derive a cost estimate in terms of dollars per square foot of area or unit of volume. It is based on known costs of similar structures adjusted for market conditions and physical differences. Indirect costs may be included in the unit cost or computed separately. The comparative-unit method is a relatively uncomplicated practical method of estimating cost. However, the reliability of this cost estimating method is predicated upon similarity of buildings and a sufficient quantity of comparable building costs.

The unit-in-place, or segregated-cost method, employs a unit cost for various building components as installed, and uses linear, area, volume or other appropriate units of measurement. The analyst computes a unit cost based on the actual quantity of materials used, plus the labor of assembly required for each unit of area or volume. The unit-in-place method breaks down the cost of a building into the cost of its components. Such a cost estimate can be adapted to individually record the condition of the components or compute the cost of a reproduction.

The most comprehensive and accurate method of cost estimating is the quantity survey method. Strictly applied, it duplicates the contractor's method of developing a bid figure. A quantity survey is a computation of the quantity and quality of all materials used and all categories of labor hours required. Unit cost figures are applied to these figures to arrive at a total cost estimate for materials and labor, then adding the estimation of soft costs for permits, insurance, equipment rental, field office, supervision and other overhead, along with a margin for the contractor's profit and an estimate of the developer's profit.

After the appraiser has utilized one or more of the three methods for estimating the new cost of the subject improvements, applicable depreciation is deducted in order to estimate the depreciated cost new of improvements. Accrued depreciation may be found in the form of curable physical depreciation, incurable physical depreciation, curable functional obsolescence, incurable functional obsolescence, and external obsolescence. After a deduction of accrued depreciation from the estimated cost new of all improvements, the result is the depreciated production cost of the improvements (cost new less depreciation). The subject's depreciated cost is then added to the land value at the site's highest and best use.

For the subject, we have employed replacement costs estimated by the unit in place method. The Marshall and Swift/Boeckh Cost Service provides reliable estimates of replacement costs associated with the subject improvements. Replacement cost items by Marshall and Swift include contractor's profit, interest and overhead allowances averaged into each cost, but do not include other indirect costs which typically occur during production to the point of ready occupancy. These additional costs include administrative costs, professional fees, financing costs and interest paid on construction loans, taxes and insurance during construction, and marketing, sales or lease-up costs incurred to achieve occupancy or sale. Following is the explanation of our estimation of indirect costs associated with the subject improvements.

Real Estate Taxes

Real estate taxes are attributable exclusively to the land during the period between the beginning of construction and issuance of certificate of occupancy. We have estimated a typical six month construction period in which this will occur. Applying the subject's millage rate to the applicable land assessment indicates real estate taxes attributable to the subject site during the construction period.

Impact Fees

The Local Government Comprehensive Planning and Land Development Regulation Act of 1985 required each local government to adopt a capital improvement element with level of service standards for public facilities and services and a capital improvement schedule. The concurrency review process encourages the use of impact fees by local governments. Impact fees are based on the financial impact of the subject development on the community, and are applied for transportation, utilities and other public services.

Professional Fees

Professional fees are the cost of retaining site engineers, appraisers, and legal and accounting services.

Financial Fees

Financial fees are the cost of obtaining construction funds for the subject improvements. Within the Marshall & Swift, Segregated Cost calculations, only the financial fees for the hard costs are included. In this section, we address the financial fees for the soft costs and land value. These

funds are typically paid as an up-front fee and interest on a monthly basis during the construction period.

Lease Up and Marketing Costs

These costs include holding costs, commissions, and marketing costs for the subject, and may include rent concessions, in order to achieve full occupancy or sale. For the subject municipal building, no marketing and lease up costs are included.

Developer's Overhead and Profit

If the cost approach is to provide a reliable indication of value, we must add to the direct and indirect costs a figure that represents the entrepreneurial or developer's overhead and profit as reflected in the marketplace. Developer's profit is a market-derived figure that reflects the amount the entrepreneur or developer expects to receive in addition to costs. This entrepreneurial profit is a necessary element of cost because it motivates developers to assume financial risks and to coordinate and construct improvements. Like direct and indirect costs, profit is depreciated, and part or all of this profit may be deducted as functional or external obsolescence if the market indicates the market value of the improvements is less than their current cost new less physical depreciation.

Based upon a survey of commercial developers, we believe a developers' overhead and profit of 10% of the total direct, indirect and land costs is appropriate.

Estimated Accrued Depreciation

Depreciation is a loss in value from any cause. There are three forms of depreciation recognized for real estate valuation, physical deterioration, functional obsolescence, and external obsolescence. The total depreciation effect upon a property is called accrued depreciation. Depreciation can be either curable or incurable. Curable items of depreciation are financially feasible to remedy, and incurable items are not financially feasible to cure. That is, when the result of the remedy increases value equivalent to or higher than the cost to cure, that item of depreciation is curable. Conversely, when the cost to cure an item outweighs the result, the item is considered incurable.

Physical Deterioration

Deterioration or physical depreciation is evidenced by wear-and-tear, decay, dryrot, cracks, encrustations or structural defects. This type of depreciation is either curable or incurable. Deterioration is defined as, "impairment of condition; a cause of depreciation that reflects the loss of value due to wear and tear, disintegration, use in service, and the action of the elements."²⁰ Curable physical deterioration refers to deferred maintenance which should soon be corrected. Incurable physical deterioration is usually based on the general wear and tear of the structural components in which cost to cure exceeds the anticipated increase in value.

Curable physical depreciation refers to items which are in need of immediate repair or replacement. In the case of the subject, curable physical depreciation is limited to a general cleaning and touch up painting with a budget of \$25,000.

The subject has documented reports of both asbestos and lead-based paint. The asbestos report, dated November 2010, is a review of various asbestos surveys, specifications and removal reports dating between February 1990 through October 1990. The asbestos report provided a remediation cost of \$400,000. Based on time multipliers provided by Marshall Swift, we have approximated this 2010 cost of \$400,000 to a present day estimate of \$470,000. These two items combined total \$495,000 in curable depreciation.

Although the lead-based paint report, dated August 2013, recommended the contaminated surfaces not be scraped, damaged or disturbed by untrained/certified personnel it states that removal or remediation is not required if the building is to be demolished. Note, we are not experts in this field and any additional costs for the removal and disposal of lead-based paint would reduce the subject's value.

Incurable depreciation refers to those items which are no longer new but which continue to contribute value to the whole. Incurable depreciation is based on the age/life method, as discussed under Improvement Description, which provides a percentage of replacement cost new which has been consumed. This is based on an economic life of 50 years and an effective age of 40 years, or 80.0% incurable depreciation.

²⁰ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 64.

Functional Obsolescence

Functional obsolescence is evidenced by conditions within the property itself, defined as, “the impairment of functional capacity of improvements according to market tastes and standards.”²¹ Functional obsolescence may reach a point of incurability when it is financially infeasible to attempt remedy for added value. Therefore, the same building may exhibit some functionally curable items with likely remedies for some components and other items may be functionally incurable. For the subject, the office use is marginally adequate for its specialized purpose, and a new building would reduce the inefficiencies in the layout of the facility. This inefficiency, together with typical aging of the facility, reduces value of the improvements. This amount is roundly estimated at \$4,100,000.

External Obsolescence

External obsolescence is defined as, “a type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be either temporary or permanent.”²² External obsolescence is caused by changes or influences external to the subject improvements. This form of depreciation can cause a loss of value to any property. External obsolescence is allocated between land and improvements, and only the portion of the loss attributable to the improvements is deducted from the previously depreciated reproduction or replacement cost of improvements in the cost approach. Estimates of curing external obsolescence are always greater than projected increases in value; therefore, external obsolescence is incurable.

Market rents must provide a market rate of return to both land and to the physically depreciated cost of improvements. Net income is first applied to provide a market rate of return to the land, and secondarily to improvements. If income does not provide a market rate of return to the improvements, the loss in value is considered external obsolescence. In our opinion, functional obsolescence offsets the remaining value of the improvements, and there does not appear to be external obsolescence affecting the value of the subject property.

²¹ *Ibid*, p. 97.

²² Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 83.

Summary of Cost Approach

Summarizing, direct construction costs necessary for replacement of the buildings was estimated by use of Marshall Valuation Service, adjusted based on information obtained from local contractors and other data in our files. To this direct construction cost estimate, indirect costs are added, including impact fees and permits, professional fees, taxes during construction, leasing and marketing expenses and interest on the indirect expenses. Also added is an allowance for developer's overhead and profit, resulting in total replacement cost of building improvements. Depreciation is deducted, resulting in depreciated replacement of building improvements. Replacement cost of site improvements are estimated and depreciation deducted, resulting in net contributory value of site improvements. In this instance, depreciation equates to the costs of development plus remediation and depreciation, and results in as-is land value.

The net depreciated value of all improvements is added to the previously estimated value of the land, resulting in an estimate of value by the cost approach. As may be noted on the accompanying summary chart, this value is estimated at \$6,600,000.

Please note the asbestos remediation must be accomplished if the building is to be demolished. Therefore, the cost of asbestos remediation, as well as cost of demolition of the building is subtracted from land value. It is possible that grandfathered impact fees may help offset these costs.

COST APPROACH SUMMARY

CLIENT:	City of St. Petersburg	FLOOR AREA	94,600
PROPERTY:	St. Petersburg Police Dept.	FAR	105.0%
ADDRESS:	1300 First Avenue North	ZIP CODE:	33701
LOCATION	St. Petersburg, FL	COST RANK:	Average
ESTIMATOR:	H L Gilbert	CONDITION:	Average
DATE:	December 2018	NO. STORIES:	4
CONST:	Masonry	EAVE HT:	50
EFFECTIVE AGE:	40 YRS	YEAR BUILT:	1951/1978
SITE AREA	90,112 SQ. FT.	ECON LIFE:	50
MARSHALL SWIFT SECTION: 15 PAGE: 17, 19			
COSTS & DEPRECIATION			
COMPONENT	AREA	COST/ SF	TOTALS
BUILDING A	32,000	\$ 166.73	\$ 5,335,277
PENTHOUSE	800	\$ 48.24	\$ 38,588
BASEMENT	9,800	\$ 36.18	\$ 354,532
BUILDING B	52,000	\$ 166.73	\$ 8,669,825
TOTAL DIRECT COSTS	94,600	\$ 152.20	\$ 14,398,222
PLUS IMPACT FEES & PERMITS	94,600	\$ 3.11	\$ 294,038
PLUS PROFESSIONAL FEES	94,600	\$ 1.74	\$ 165,000
PLUS REAL ESTATE TAXES	94,600	\$ 0.22	\$ 21,211
PLUS INTEREST ON INDIRECT	94,600	\$ 4.73	\$ 447,913
PLUS LEASING & MARKETING	94,600	\$ -	\$ -
TOTAL INDIRECT COSTS	94,600	\$ 9.81	\$ 928,162
PLUS DEV OH & PROFIT	10.0%	\$ 24.88	\$ 2,353,855
TOTAL COSTS	94,600	\$ 186.89	\$ 17,680,239
LESS: PHYS DEPREC CURABLE	94,600	\$ 5.23	\$ 495,000
PHYS DEPREC INCURABLE	94,600	\$ 149.52	\$ 14,144,191
FUNCTIONAL OBSOLESCENCE	94,600	\$ 43.34	\$ 4,100,000
EXTERNAL OBSOLESCENCE	94,600	\$ -	\$ -
TOTAL DEPRECIATION	94,600	\$ 198.09	\$ 18,739,191
DEPRECIATED COSTS	94,600	\$ (11.19)	\$ (1,058,952)
PLUS SITE IMPROVEMENTS	94,600	\$ 5.84	\$ 552,168
LESS SITE DEPREC	94,600	\$ 5.84	\$ 552,168
NET VALUE SITE IMPROV	94,600	\$ -	\$ -
TOTAL VALUE ALL IMPROVEMENTS			\$ (1,058,952)
PLUS LAND VALUE	90,112	\$ 85.01	\$ 7,660,000
TOTAL INDICATED VALUE	94,600	\$ 69.78	\$ 6,601,048
ROUNDED			\$ 6,600,000

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 insure 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. Adjustments are made for such factors as changes in market conditions since time of sale, location, size, land area, income producing capabilities, and if available, terms of sale.

This analysis is usually processed on a “unit of comparison” basis. The unit of comparison most commonly employed for improved properties such as the subject is price paid per square foot of building area including land and may be analyzed separately from land value on a contributory value basis.

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 or not any unusual terms or conditions were present.
3. Develop relevant units of comparison.
4. Compare the subject and comparable sales according to the elements of comparison and adjust the sales price of each comparable toward 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 and with buildings of generally similar construction quality, size, age and condition. 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.

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

Comparable Improved Sales

Comparable Improved Sale Number 1



Location	Parc Centre 410 South Ware Boulevard Tampa, FL 33602
Date of Sale	November 2018
Grantor	Wilder, LLC
Grantee	Parc Centre Brandon, LLC.
Indicated Consideration	\$5,600,000
Allocated to land	\$2,250,000
Allocated to Improvements	\$3,350,000
Recorded In	OR Book 2601, page 4466
Tax Parcel ID	U-19-29-20-2DD-000000-D0000.6
Site Description	
Gross Land Area	235,088 square feet, 5.39 Acres
Useable Land Area	235,088 square feet, 5.39 Acres
Land Use/Zoning	PD, by Hillsborough County
Floor Area Ratio	0.61
Improvement Description	
Construction	Structural Steel with plate glass exterior
Condition	Average
Year Built	1974
Effective Age	30 Years
Stories	12
Building GLA	142,420 square feet

Units of Comparison

Price per GBA Sq. Ft.	\$39.32 including land
	\$23.52 excluding land

Comments

This comparable is located just south of East Adamo Drive and east of U.S. Highway 301 in unincorporated Hillsborough County, Florida.

This comparable sale is improved with a 142,420 square foot, 12-story office building on a 5.39 acre site. The improvements are considered in average condition. According to the listing agent approximately 36% of the building is occupied.

Buyer purchased this property on November 30, 2018 for consideration of approximately \$5.6 million, or \$39.32 per square foot. The realtor said there was no distress in this arm's length transaction, that the price was based on its age and low occupancy. The property had not previously transferred within the last five years.

Verification

Broker – Mackenzie Gerlach 727-442-7184,
CoStar, LoopNet, Public Records

Comparable Improved Sale Number 2



Location	Arbor Shoreline Office Park 19321 U.S. Highway 19 North Clearwater, FL 33764
Date of Sale	August 2018
Grantor	Wilder, LLC
Grantee	Arbor Shoreline, LLC
Indicated Consideration	\$4,200,000
Allocated to land	\$2,100,000
Allocated to Improvements	\$2,100,000
Recorded In	OR Book 20156, page 1962
Tax Parcel ID	20-29-16-01325-000-0010
Site Description	
Gross Land Area	294,000 square feet, 6.75 Acres
Useable Land Area	294,000 square feet, 6.75 Acres
Land Use/Zoning	US 19, by Clearwater
Floor Area Ratio	0.28
Improvement Description	
Construction	Masonry and glass
Condition	Average
Year Built	1975
Effective Age	25 Years
Stories	6
Building GLA	81,353 square feet

Units of Comparison

Price per GBA Sq. Ft.	\$51.63 including land
	\$25.81 excluding land

Comments

This comparable is located along the easterly side of U.S. 19 Highway North just north of Harn Boulevard in Clearwater, Florida.

This comparable sale is improved with three building totaling 81,353 square foot on a 6.75 acre site. The main building is a 6-story office building containing approximately 62,505 square feet. There are also two, one-story buildings containing approximately 9,424 square feet each. The improvements were considered in average condition at the time of sale. The realtor stated that the buyer intended on allocating funds towards deferred maintenance.

Buyer purchased this property for consideration of approximately \$4,200,000, or \$51.63 per square foot. There was no distress in this arm's length transaction. The property had previously transferred as part of multi-parcel sale in January 2016, as recorded in Official Records Book 19071, page 2100.

Verification

Broker – Mackenzie Gerlach 727-442-7184,
CoStar, LoopNet, Public Records

Comparable Improved Sale Number 3



Location	220 Madison 220 East Madison Street Tampa, FL 33602
Date of Sale	August 2017
Grantor	Westwind Development V, LLC
Grantee	Urban Core Holdings II, LLC.
Indicated Consideration	\$4,600,000
Allocated to land	\$ 900,000
Allocated to Improvements	\$3,700,000
Recorded In	OR Book 25175, page 0079
Tax Parcel ID	A-24-29-18-4ZI-000058-00000.0
Site Description	
Gross Land Area	11,271 square feet
Useable Land Area	11,271 square feet
Land Use/Zoning	CBD-1, by City of Tampa
Floor Area Ratio	7.53
Improvement Description	
Construction	Masonry
Condition	Average
Year Built	1962
Effective Age	30 Years
Stories	12
Building GLA	84,883 square feet

Units of Comparison

Price per GBA Sq. Ft.	\$54.19 including land
	\$43.59 excluding land

Comments

This comparable is located at the northwesterly corner of Madison Street and North Franklin Street in the Channel District of Tampa, Florida.

This comparable sale is improved with an 84,883 square foot, 12-story office building on an 11,271 square foot site. The improvements were considered in average condition at the time of sale and similar to the subject in that it had asbestos throughout the building. According to the listing agent the asbestos was remediated but he was unclear to what extent the remediation took or to what cost.

Buyer purchased this property for the redevelopment into student housing. The realtor said there was no distress in this arm's length transaction. The property had not previously transferred within the last five years.

Verification

Broker – Barry Oaks 813-204-5307, CoStar, LoopNet, Public Records

Comparable Improved Sale Number 4



Location	West Bay Center 801 West Bay Drive Largo, FL 33770
Date of Sale	June 2015
Grantor	OCP West Bay, LLC
Grantee	Candia West Bay, LLC.
Indicated Consideration	\$2,000,000
Allocated to land	\$1,100,000
Allocated to Improvements	\$ 900,000
Recorded In	OR Book 18821, page 2095
Tax Parcel ID	33-29-15-25392-000-0010
Site Description	
Gross Land Area	130,936 square feet, 3.01 Acres
Useable Land Area	130,936 square feet, 3.01 Acres
Land Use/Zoning	West Bay Drive-CRD, by City of Largo
Floor Area Ratio	0.72
Improvement Description	
Construction	Masonry
Condition	Average
Year Built	1973
Effective Age	25 Years
Stories	8
Building GLA	94,889 square feet

Units of Comparison

Price per GBA Sq. Ft.	\$21.08 including land
	\$ 9.48 excluding land

Comments

This comparable is located at the northwest corner of Clearwater-Largo Road and Washington Avenue in Largo, Florida.

This comparable sale is improved with a 94,889 square foot, 8-story office building on a 130,936 square foot site. The improvement was considered in average condition at the time of sale and was about 71% leased.

Buyer purchased this property as an investment. There was no distress in this arm's length transaction. The property had previously transferred within the last in April 2014 for consideration of approximately \$2,000,000, as recorded in Official Records Book 18399, page 2247.

Verification

CoStar, LoopNet, Public Records

Comparable Improved Sales Chart

NO	LOCATION	DATE / ORB	GRANTOR / GRANTEE	BLDG SF LAND SF BLDG SF	CONSID LAND IMPROV	ALLOC TO	PRICE/ SF	% ALLOC	YR BLT FAR
1	Parc Centre 410 South Ware Boulevard Tampa, FL 33619	Nov-18	Wilder, LLC	142,420	\$ 5,600,000	Total	\$ 39.32	100%	1974
		2601	Parc Centre Brandon, LLC	235,088	\$ 2,250,000	Land	\$ 9.57	40%	0.61
		4466		142,420	\$ 3,350,000	Improv	\$ 23.52	60%	
2	Arbor Shoreline Office Park 19321 U.S. Hwy 19 North Clearwater, FL 33764	Aug-18	Wilder, LLC	81,353	\$ 4,200,000	Total	\$ 51.63	100%	1975
		20156	Arbor Shoreline, LLC	294,000	\$ 2,100,000	Land	\$ 7.14	50%	0.28
		1962		81,353	\$ 2,100,000	Improv	\$ 25.81	50%	
3	220 Madison 220 East Madison Street Tampa, FL 33602	Aug-17	Westwind Development V, LLC	84,883	\$ 4,600,000	Total	\$ 54.19	100%	1962
		25175	Urban Core Holdings II, LLC	11,271	\$ 900,000	Land	\$ 79.85	20%	7.53
		0079		84,883	\$ 3,700,000	Improv	\$ 43.59	80%	
4	West Bay Center 801 West Bay Drive Largo, FL 33770	Jun-15	OCP - West Bay, LLC	94,889	\$ 2,000,000	Total	\$ 21.08	100%	1973
		18821	Candia West Bay, LLC	130,936	\$ 1,100,000	Land	\$ 8.40	55%	0.72
		2095		94,889	\$ 900,000	Improv	\$ 9.48	45%	

Comparable Improved Sales Map



Analysis of Comparable Improved Sales

All comparable improved sales are adjusted toward the subject for either the comparable's superior or inferior characteristics. The size of the adjustments applied to the comparable sales are in proportion to the magnitude of the difference between the comparable sale and the subject as perceived in the market.

Commercial 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 commercial developers and investors and as evidenced by market activity, it is believed the overall sale price per square foot of gross heated and cooled building area is appropriate as the unit of comparison for the sales comparison approach. Since the gross building area and the gross leasable area were similar for each comparable property, we did not further distinguish any difference for square foot comparisons.

There were a variety of comparable sales found in the subject 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, concessions by seller, 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 as applied to real estate. 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 under duress to transact.

The improved sales were all verified as arm's length transactions, and all sales were found to be equivalent to cash transactions. No concessions were found to distort the dollar amount of each sale as reported. All sales represent realty. The motivations of the buyers and sellers were found to be typical for the marketplace.

Market Conditions

The comparable sales are adjusted for changes in market conditions which have occurred between the date of the comparable 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 in the subject property's locale, between the date of the comparable sale and the date of valuation of the subject. The greater the magnitude of change that has occurred, the greater the upward or downward adjustment is to be applied to the comparable price.

Supported by increasing demand and low interest rates, real estate prices in the market area increased steadily from 1995 to about 2007, with a pause in 2001. Due to declining demand, a price leveling became noticeable by late 2007 for most property types. Historically, the annual increases typically averaged 3% to 5% in early years, then climbed to rates between 10% and 20%, possibly more for certain locations in 2004 to 2006, but price increases generally halted, then retreated as demand abated. Prices were fairly stable in 2007, declined in 2008 and 2009 before beginning to stabilize in 2010. Pricing was essentially flat in 2010 and 2011, and began slowly increasing by 2012, with the annual percentage increasing into 2015. All comparables sales are increased at 5.0% per annum.

Location

The adjustment for location is made for market relevant factors such as proximity to complementary supporting uses, zoning and land use regulations, traffic design and traffic volumes, corner influence, transportation and utilities linkages and demographic characteristics, including population density, buying power, primary work force age, disposable income, etc. In general, several of the comparables were superior to the subject as related to traffic and linkages, and some comparables were inferior. Some comparables are located on corners and have superior exposure. Those comparables with either inferior or superior locations were given positive or negative adjustments, respectively.

Zoning/ Land Use

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 little adjustment.

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. All comparable sales with superior FAR's are adjusted downward, and those with inferior FAR's are adjusted upward. The built in garage for the office building in downtown Tampa generally offsets FAR adjustments.

Building Size

Adjustments for building size may be given based upon economies of scale for materials and job labor, and also because the land cost may be averaged over a smaller building area. Typically, smaller buildings are given negative adjustments, as they exhibit higher costs per square foot, and larger buildings are given positive adjustments. Only Comparable 1 was of significantly larger size than the subject and was adjusted.

Physical Characteristics

Comparison of physical characteristics included consideration for differences of architectural appeal and building quality, effective age and condition which reflects the degree of maintenance, building size and parking availability.

Comparables with superior quality of construction materials or other characteristics were given negative adjustments, and those comparables with inferior construction were given positive adjustments. All comparable sales were of office buildings with typical multi-tenant buildout, considered a superior characteristic. The east building of the subject was constructed to high quality, but this is somewhat offset by its age and condition. Other comparables were in generally similar condition, and most comparables were similar to the effective age of the subject building.

Comparative Summary

Improved Sale 1 is located east of U.S. Highway 301 within the Brandon market area and is considered inferior to the subject property's location. Building size is larger at 142,420 square feet of gross heated area as well as its site size of 5.40 acres. However, its condition and effective age are superior to the subject. After adjustment, this property is overall considered inferior to the subject.

Sale 2 also has a location considered inferior to the subject property as it located along U.S. Highway 19 between East Bay and Gulf to Bay. Building size is similar to the subject but its site size of 6.75 acres is much larger. As with Sale 1, this comparable's condition and effective age is superior to the subject. After adjustment, this property is overall superior to the subject requiring a net negative adjustment.

Improved Sale 3 has a superior location than the subject property, as this comparable site is in the Tampa CBD at the corner of two main arterials. This comparable is superior with respect to quality, effective age and condition, and it had asbestos at the time of sale that later was remediated. The site size is much smaller than the subject's as it only contains 11,271 square feet and consequently bears a significantly higher FAR of 7.53, but offset by an internal parking garage. After adjustment, this property is overall superior to the subject primarily due to its location, quality, age and condition.

Improved Sale 4 is the oldest sale and has an inferior location than the subject property, the comparable site being located on West Bay Drive in "downtown" Largo. The building quality and condition and effective age are considered somewhat similar to the subject. After adjustment, this property is overall inferior to the subject.

Summary of Sales Comparison Approach

Prior to adjustments, the sales indicated a range of prices from \$21.08 to \$54.19 per building square foot. The prices of all comparables were then adjusted for transactional and market conditions and locational and physical differences, as perceived by the marketplace. This analysis indicated an adjusted price range from \$30.96 to \$44.61 per square foot.

With general emphasis on all Sales it is our opinion that \$40.00 per square of gross building area best represents the indication of market value of the subject property by the sales comparison approach.

84,800 square feet x \$40.00 per square foot = \$3,392,000 or Rounded, \$3,400,000

Adjustment Chart

NO	LOCATION	DATE/ ORB	BLDG SF LAND SF BLDG-SF	CONSID LAND IMPROV	ALLOC TO	PRICE/ SF	% ALLOC	YRBLT FAR	ADJUSTMENTS							ADJ PRC OVERALL
									TIME/ FIN	ADJ PRC	LOC	FAR SIZE	QUAL	COND	NET	
1	Parc Centre 410 South Ware Boulevard Tampa, FL 33619	Nov-18 2601 4466	142,420 235,088 142,420	\$ 5,600,000 \$ 2,250,000 \$ 3,350,000	Total Land Improv	\$ 39.32 \$ 9.57 \$ 23.52	100% 40% 60%	1974 0.61	0.0% 0.0%	\$ 39.32 \$ 23.52	10% 10%	0% 0%	0% 0%	-10% -10%	10% 10%	\$ 43.25
2	Arbor Shoreline Office Park 19321 U.S. Hwy 19 North Clearwater, FL 33764	Aug-18 20156 1962	81,353 294,000 81,353	\$ 4,200,000 \$ 2,100,000 \$ 2,100,000	Total Land Improv	\$ 51.63 \$ 7.14 \$ 25.81	100% 50% 50%	1975 0.28	1.7% 1.7%	\$ 52.49 \$ 26.24	5% 5%	0% 0%	-10% -10%	-10% -10%	-15% -15%	\$ 44.61
3	220 Madison 220 East Madison Street Tampa, FL 33602	Aug-17 25175 0079	84,883 11,271 84,883	\$ 4,600,000 \$ 900,000 \$ 3,700,000	Total Land Improv	\$ 54.19 \$ 79.85 \$ 43.59	100% 20% 80%	1962 7.53	6.7% 6.7%	\$ 57.81 \$ 46.50	-5% -5%	0% 0%	-10% -10%	-10% -10%	-25% -25%	\$ 43.35
4	West Bay Center 801 West Bay Drive Largo, FL 33770	Jun-15 18821 2095	94,889 130,936 94,889	\$ 2,000,000 \$ 1,100,000 \$ 900,000	Total Land Improv	\$ 21.08 \$ 8.40 \$ 9.48	100% 55% 45%	1973 0.72	17.5% 17.5%	\$ 24.77 \$ 11.14	25% 25%	0% 0%	0% 0%	0% 0%	25% 25%	\$ 30.96

INCOME CAPITALIZATION APPROACH

The income capitalization approach was not employed at the request of the Client.

N/A.

RECONCILIATION AND FINAL VALUE ESTIMATE

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

Cost Approach	\$6,600,000
Sales Comparison Approach As Improved	\$3,400,000
Income Capitalization Approach	N/A

The cost approach is most appropriate when the improvements represent the highest and best use of the site, the improvements are relatively new and depreciation is limited. In the cost approach, the sales comparison approach is employed in order to estimate value of the underlying site, as if vacant as of the appraisal date. All improvements are carefully inspected by the appraiser, then replacement costs of all improvements is estimated. Based on this visual observation and other data, the estimated economic life of each building component and the estimated effective age of each component is estimated, resulting in a percent of depreciation to be applied to the replacement costs. Due to the age of the improvements, depreciation is difficult to measure in the market, and the cost approach is considered less reliable. However, land value alone exceeds value as an improved property. The final indication of value by the cost approach is based on land value less the cost to remove asbestos and to demolish improvements and is given greatest weight.

The sales comparison approach employs the principal 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 quite 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, but land value alone appears to be higher than value as an improved property, so the indication of value is given little weight.

The income capitalization approach was not employed.

Therefore, with primary weight on the value estimate by the cost approach, it is our opinion that the market value of the fee simple estate of the subject property, in as-is condition and as of the appraisal date, November 29, 2018, is approximately \$6,600,000.

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.

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
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 Southern 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 nd 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.

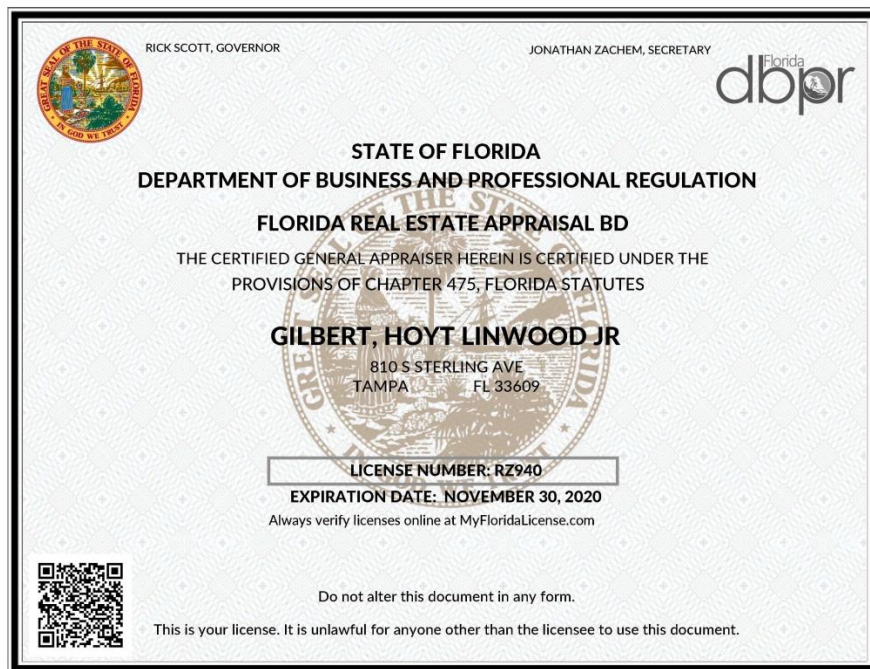
PROFESSIONAL AFFILIATIONS

Appraisal Institute	MAI Professional Designation
	Member, Admissions Committee
	Member, Regional Ethics Panel
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, and a Member of the St. Petersburg Suncoasters, sponsors of the Festival of States. Member, Marine Industry Association of Florida.

Mr. Gilbert is also active in other community organizations.



QUALIFICATIONS OF

EDWARD E. DUNN IV

- 2016 to Present** **URBAN REALTY SOLUTIONS,** **Tampa, Florida**
REAL ESTATE APPRAISER TRAINEE
- Commercial appraisal trainee providing research services for the valuation of fee simple, leased fee and leasehold interests in all types of commercial real property.
- 2013 to 2016** **SNELL AND ASSOCIATES, INC.** **Crystal River, FL**
REAL ESTATE APPRAISER TRAINEE
- Commercial appraisal trainee working under senior general appraiser supervision involving the valuation of fee simple, leased fee and leasehold interests in all types of commercial real estate.
- 11/02 to 03/16:** **HOSPITAL HOMEBOUND** **Clearwater, FL**
PINELLAS COUNTY SCHOOLS MATH TEACHER
- Teacher all levels of middle school math via distance learning.
 - Liaison between students, parents and graduating schools.
- 01/01 to 06/04:** **MORTGAGE LENDER** **St. Petersburg, FL**
LICENSED MORTGAGE BROKER
- Mortgage Loan Originator for Residential and Commercial Real Estate
- 06/98 to 07/01:** **HENDERSON GLASS** **Flint, Port Huron, Saginaw
& Midland, MI**
SALES REPRESENTATIVE
- Service over 400 accounts through daily outside sales calls.
 - Develop and promote incentive programs for the marketing department.
 - Average increase in sales 56% in first year for all stores combined.
 - Provide operational support to the Henderson Glass stores in my territory.
 - Attend, participate and promote in community functions (i.e. Home Builder's Association, Conventions, Open Houses, Marketing Blitzes)
- 03/97 to 06/98:** **GIBBS HIGH SCHOOL** **St. Petersburg, FL**
SPECIAL EDUCATION TEACHER
- Taught general special education classes to high school students.
 - Developed IEP's (individual evaluation programs) for each student.

05/95 to 12/96:

**UNIVERSITY OF SOUTH FLORIDA St. Petersburg, FL
VETERAN'S REPRESENTATIVE**

- Customer service to veterans inquiring about GI Bill, government tuition reimbursement and veteran's benefits.

MILITARY:

07/91 to 07/99:

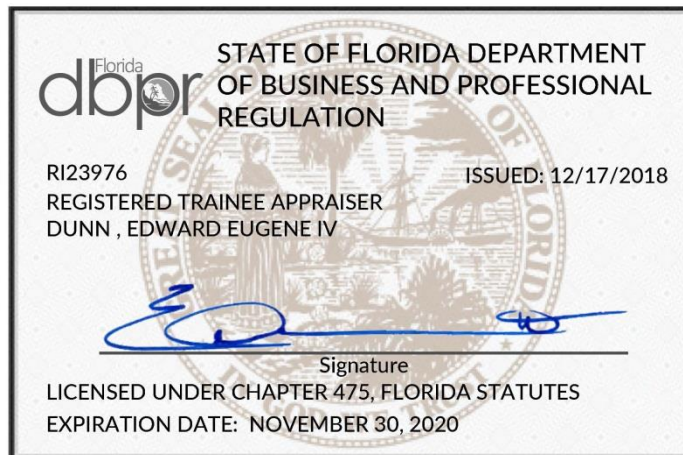
THE UNITED STATES ARMY & NATIONAL GUARD

- **8** years of Honorable, Dedicated service (served overseas).
- **3** years Active and **5** years Army National Guard Reserve.

EDUCATION:

UNIVERSITY OF SOUTH FLORIDA

- Bachelor of Science in Education - December 1996



ADDENDUM

APPRAISAL AGREEMENT

THIS APPRAISAL AGREEMENT, ("Agreement"), made and entered into by and between the CITY OF ST. PETERSBURG, a municipal corporation of the State of Florida, ("City") and URBAN REALTY SOLUTIONS ("Appraiser"), (collectively, "Parties"):

W I T N E S S E T H

WHEREAS, the City desires to obtain an appraisal substantially in compliance with the appraisal instructions set forth in **Exhibit "A"**, attached hereto, for the real property described in **Exhibit "B"** ("**Property**"), attached hereto and made a part hereof; and

WHEREAS, the Appraiser represents that the Appraiser is authorized and qualified to make such appraisal in accordance with recognized appraisal practices and standards and has an active certification by the State of Florida as a certified appraiser.

NOW THEREFORE, in consideration of the promises and covenants contained herein the Parties hereto agree as follows:

1. **RECITALS.** The above recitals are true and accurate and are incorporated herein.
2. **EFFECTIVE DATE; FACSIMILE.** The effective date of this Agreement shall be the latest of the dates that the Appraiser and the appropriate City signatories have approved and signed this Agreement ("**Effective Date**"). A facsimile copy of this Agreement and any signatures thereon shall be considered for all purposes as originals.
3. **APPRAISAL COMPLETION AND DELIVERY.** The Appraiser, in conformance with recognized appraisal practices, shall perform the appraisal of the Property and prepare three (3) copies, one unbound and two bound, of the appraisal report ("**Appraisal Report**") on or before November 26, 2018 ("**Completion Date**"). Unless otherwise specified herein, the Appraisal Report shall include the market value of any and all interests and rights held by anyone, including but not limited, to leasehold interests and any market rent. Appraiser shall not deliver the Appraisal Report to the City until notifying City of its completion. The City may, at its sole discretion, extend the completion date. Any such extension will not be effective unless memorialized in a written document signed by representative of the City authorized in such capacity.
4. **INSPECTION BY SUPERVISING APPRAISER.** The undersigned appraiser, as supervising appraiser or as any status requiring the co-signing of the appraisal report, does hereby affirm the undersigned appraiser has physically and personally inspected the subject property and the individual properties used as comparable sales.
5. **LATE COMPLETION.** Time is of the essence in the Agreement. The Parties agree that it would be extremely difficult and impractical under known and anticipated facts and circumstances to ascertain and fix the actual damages the City would incur if Appraiser does not complete the Appraisal Report within the time stipulated herein. Therefore, Appraiser shall be liable for and shall pay to the City the sums hereafter stipulated as fixed, agreed and acknowledged as reasonable liquidated damages, not as a penalty, for each calendar day of delay until the Work reaches Substantial Completion, in the aggregate amount of five dollars (\$5) per calendar day. These liquidated damages shall be the City's sole and exclusive damages for Contractor's delay of the Work. Said liquidated damages may be deducted from the amount to be paid to the Appraiser by the City and shall be limited to the total appraisal fee as set forth below.

6. **APPRAISAL FEE.** In consideration for the performance of said appraisal services and furnishing of said Appraisal Report, the City shall pay the Appraiser the sum of **FIFTY - FIVE HUNDRED DOLLARS (\$5,500.00)** within thirty (30) days following the receipt by the City of an invoice for the amount. The Appraiser agrees to update the Appraisal Report at no cost within one (1) year upon request by the City.

7. **APPRAISER'S TESTIMONY.** In the event the testimony of the Appraiser is required in any legal proceeding in connection with the City's use of the Appraisal Report, the Appraiser agrees to appear as a witness on behalf of the City and to accept as compensation from the City the sum not to exceed Two Hundred and 00/100 dollars (\$200.00) for each half day or less required attendance in court and for preparation in connection with such appearance.

8. **TERMINATION.** If through any cause, the Appraiser shall fail to fulfill in a timely and proper manner the Appraiser's obligation under this Agreement, the City shall have the right to terminate this Agreement upon the giving of five (5) business days written notice to the Appraiser of said termination and the City shall be relieved of all other obligations hereunder. Additionally, the City may terminate this Agreement as provided in Florida Statute section 287.135.

9. **ENTIRE AGREEMENT.** The drafting, execution and delivery of this Agreement by the Parties have not been induced by representations, statements, warranties or agreements other than those expressed herein. This Agreement embodies the entire understanding of the Parties, and there are no further or other agreements or understandings, written or oral, in effect between the Parties relating to the subject matter hereof, unless expressly referred to herein.

10. **NO MODIFICATIONS.** This Agreement may not be modified unless such modification is in writing and signed by both Parties hereto.

11. **NO DISCRIMINATION.** The Appraiser shall not discriminate against anyone in the performance of duties under this Agreement because of race, color, religion, age, sex or national origin.

12. **INDEMNIFICATION.** Commencing on the Effective Date and continuing until the end of the Term or Renewal Term then in effect, the Tenant shall defend at its expense, pay on behalf of, hold harmless and indemnify the City, its officers, employees, agents, elected and appointed officials and volunteers (collectively, "**Indemnified Parties**") from and against any and all claims, demands, liens, liabilities, penalties, fines, fees, judgments, losses and damages (collectively, "**Claims**"), whether or not a lawsuit is filed, including but not limited to Claims for damage to property or bodily or personal injuries, including death at any time resulting therefrom, sustained by any persons or entities; and costs, expenses and attorney's and experts' fees at trial and on appeal, which Claims are alleged or claimed to have arisen out of or in connection with, in whole or in part, directly or indirectly the performance of this Agreement; the failure of Appraiser, its employees, agents, representatives, contractors, subcontractors or volunteers to comply and conform with any applicable laws; or any negligent act or omission of the Appraiser, its employees, agents, representatives, contractors, subcontractors or volunteers, whether or not such negligence is claimed to be either solely that of the Tenant, its employees, agents, representatives, contractors, subcontractors or volunteers or to be in conjunction with the claimed negligence of others, including that of any of the Indemnified Parties; or any reckless or intentional wrongful act or omission of the Appraiser, its employees, agents, representatives, contractors, subcontractors or volunteers.

13. **DEFAULT.** If any claim, demand, liability, damage, loss, action or suit of any nature whatsoever arises due to the breach of, out of, or because of this agreement by the Appraiser, its agents,

consultants, employees or subcontractors or due to any action or occurrence of omission or commission of the Appraiser, its agents, consultants, employees or subcontractors the City may, in its discretion, immediately and permanently suspend the Appraiser from its appraiser rotation list without penalty to the City.

14. **APPLICABLE LAWS.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida.

15. **COMPLIANCE WITH LAWS.** Appraiser shall comply at all times with all federal, state, and local statutes, rules, regulations and ordinances, the federal and state constitutions, and the orders and decrees of lawful authorities having jurisdiction over the matter at issue. Appraiser hereby makes all certifications required under Florida Statute section 287.135.

16. **PUBLIC RECORDS.** Appraiser shall (i) keep and maintain public records (as defined in Florida's Public Records law) required by the City to perform the services pursuant to this Agreement; (ii) upon request from the City Clerk's Office, provide the City (at no cost to the City) with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided under Florida's Public Records law or other applicable laws; (iii) ensure that public records in Appraiser's possession that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by applicable laws for the Term and after the expiration or earlier termination of this Agreement; and (iv) after the expiration or earlier termination of this Agreement, at the City's request, either transfer, at no cost, to the City all public records in Appraiser's possession within ten (10) days following the City's request and/or keep and maintain any public records required by the City to perform the services pursuant to this Agreement. If Appraiser transfers all public records to the City upon the expiration or earlier termination of this Agreement, Appraiser shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If Appraiser keeps and maintains public records upon the expiration or earlier termination of this Agreement, Appraiser shall meet all applicable requirements for retaining public records in accordance with this Agreement and all applicable laws. At the City's request, all public records stored electronically by Appraiser shall be provided to the City in a format approved by the City. Nothing contained herein shall be construed to affect or limit Appraiser's obligations including but not limited to Appraiser's obligations to comply with all other applicable laws.


IF APPRAISER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, AS TO APPRAISER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CITY CLERK'S OFFICE (THE CUSTODIAN OF PUBLIC RECORDS) AT (727) 893-7448, CITY.CLERK@STPETE.ORG, OR 175 FIFTH ST. N., ST. PETERSBURG FL 33701.

(Signatures on following page.)

IN WITNESS WHEREOF, the Parties hereto have caused this document to be signed on the date(s) as expressed hereinafter.

AS TO CITY:

CITY OF ST. PETERSBURG

By: 
Alfred Wendler, Director
Real Estate and Property Management
as Mayor's Designee

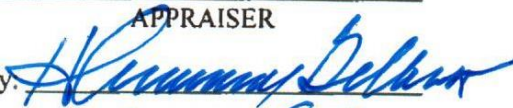
Date: 11/1/18

ATTEST:

Chan Srinivasa, City Clerk

AS TO APPRAISER:

URBAN REALTY SOLUTIONS

By: 
APPRAISER
Print: H. Linwood Gilbert
Date: 11-1-18

Approved as to Content and Form:

City Attorney (Designee)

By: _____
Assistant City Attorney

Exhibits "A" & "B"
LF-RE1

EXHIBIT "A"

APPRAISAL INSTRUCTIONS

Appraise the highest and best use of the subject property. Please include a cost approach and sales comparison approach in the report.

C Police Headquarters 1300 1st Ave S Gilbert

EXHIBIT "B"

Property Location: 1300 – 1st Avenue North
Parcel ID No: 24/31/16/72477/001/0010
Legal Description: Lot 1, Block 1, Police Complex Replat

C Police Headquarters 1300 1st Ave S Gilbert