

Please be advised that if this appraisal report was transmitted by e-mail it may have been necessary to reduce the file size and therefore images may not be as clear as the original.

If you are an authorized user identified in the following engagement letter and would prefer a more readable PDF please contact us at your convenience.



- Miami-Dade
- Broward
- Palm Beach
- Collier/Lee
- Monroe

www.SFREAppraisal.com
Mike@SFREAppraisal.com
(954) 649-0666

APPRAISAL REPORT

PREPARED FOR

Rosalind Harsaran
Stonegate Bank

Client ID:
Rechter Holdings - 716 NE 2nd Ave FLL

REAL PROPERTY APPRAISED

Flagler Village Freestanding Commercial
716 NE 2nd Avenue
Incorporated City of
Fort Lauderdale, Florida 33304-2616
Broward County

DATE OF THE REPORT & CERTIFICATION

August 14, 2017

DATE OF VALUE

As-Is market value of the leased fee interest as
of August 10, 2017

PREPARED BY

SOUTH FLORIDA REAL ESTATE APPRAISAL, LLC
CERTIFIED APPRAISAL AND EVALUATION SERVICES

2800 GLADES CIRCLE, SUITE 154
WESTON, FLORIDA 33327



MICHAEL P. JACOBS, MA, MAI, SRA
[What is an MAI/SRA?](#)

[State-certified](#) general real estate [appraiser](#) RZ#2621

SFREAppraisal File No. 170823a



Flagler Village Freestanding Commercial

716 NE 2nd Avenue

Incorporated City of
Fort Lauderdale, Florida 33304-2616

Broward County

Stonegate Bank Client ID:
Rechter Holdings - 716 NE 2nd Ave FLL



- Miami-Dade
- Broward
- Palm Beach
- Collier/Lee
- Monroe

www.SFREAppraisal.com
Mike@SFREAppraisal.com
(954) 649-0666



Certified Commercial Real Estate Appraisals & Evaluations

Michael Patrick Jacobs, MA, MAI, SRA

State-certified general real estate appraiser RZ#2621
Mike@SFREAppraisal.com ♦ Direct/Cell (954) 649-0666

2800 Glades Circle, Suite 154
Weston, Florida 33327

August 14, 2017

Rosalind Harsaran
Credit Policy Officer
Stonegate Bank
400 North Federal Highway NMLS-ID: 942093
Pompano Beach, FL 33062

Re: Client ID: Rechter Holdings - 716 NE 2nd Ave FLL
SFREA File No.: 170823a
Flagler Village Freestanding Commercial
716 NE 2nd Avenue
Incorporated City of Fort Lauderdale, FL 33304-2616
Broward County

Dear Ms. Harsaran:

This *Appraisal Report* has been prepared at the request of Stonegate Bank according to the engagement terms in Addendum, and under standards and reporting requirements of the Uniform Standards of Professional Appraisal Practice ("USPAP") adopted by the Appraisal Standards Board of the Appraisal Foundation (www.appraisalfoundation.org), as well as the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, the appraisal regulations issued in connection with the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA), and Stonegate Bank guidelines.

This is an Appraisal Report as defined by the Uniform Standard of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a detailed and complete description of the appraisal process, subject data and valuation. The approaches employed in this appraisal report are credible, market-standard methodology in solving the appraisal problem.

This report is intended for use by Stonegate Bank, the client, and the intended use of this appraisal is for mortgage underwriting. Stonegate Bank affiliates, successors or assigns and participating financial institutions are also intended users. This report is also subject to review by duly authorized representatives of the Appraisal Institute, and the State of Florida real estate appraisal subcommittee of the Florida Real Estate Commission. Any other entity, including clients or customers of Stonegate Bank, is an unauthorized user and may not rely on anything within this appraisal report.

Appraisal Report: Flagler Village Freestanding Commercial

Client: Stonegate Bank

Report Date: August 14, 2017

This report has been prepared for the purposes of estimating the "As-Is" market value of the leased fee interest as of August 10, 2017. An Insurable Value analysis was requested for this appraisal engagement. The analysis, found in the addenda, must not be used to obtain property insurance and the authors of this appraisal reject any insurance claim liability. Any use (purported, attempted, actual or otherwise) of the estimate in this appraisal by the client, property owner, their designees, assignees or agents for purposes of binding or obtaining insurance for the appraised property is strictly prohibited. It is not in any way to be considered market or fair value.

You will find a table of contents, a USPAP requirements checklist, a brief summary of salient facts and conclusions, exhibits, certification and general assumptions and limiting conditions in the next few pages. Acceptance of this report constitutes an agreement with these conditions and assumptions. A discussion of the parameters and scope of the appraisal follows.

This is a real estate appraisal only. The appraisal does not include any furniture, fixtures or equipment ("FF&E") necessary to operate any business, or any business entities occupying the property. Fixtures of nominal value are sometimes included in real estate sales, and not itemized.

Extraordinary Assumptions and *Hypothetical Conditions* terms are defined within the Definitions Section, and may have significant impact on appraisal observations and conclusions when present.

- This appraisal contains no extraordinary assumptions.
- This appraisal is not based on any hypothetical conditions.

As a result of my investigation my conclusions are as follows:

Value Parameter	Effective Date	Conclusion of Value	Improved \$/SqFt Land	Land \$/SqFt
Personal property, fixtures & intangibles:		None		
Current Market Value of the Leased Fee Interest As-Is:	8/10/17	\$545,000	\$195.69	\$80.88
<i>Market Exposure Time:</i>	<i>6 months</i>			

Please tell your peers about our appraisal report. If your experience with South Florida Real Estate Appraisal, LLC has been anything less than exceptional, or this is not one of the best certified commercial real estate *Appraisal Reports* you have read, I hope you will contact me with suggestions to improve our service.

Respectfully submitted,



- Miami-Dade
- Broward
- Palm Beach
- Collier/Lee
- Monroe

www.SFREAppraisal.com
Mike@SFREAppraisal.com
(954) 649-0866



MICHAEL P. JACOBS, MA, MAI, SRA

What is an MAI/SRA?

State-certified general real estate appraiser RZ#2621

Please be advised that if this appraisal report was transmitted by e-mail it may have been necessary to reduce the file size and therefore images may not be as clear as the original.

If you are an authorized user identified in the following engagement letter and would prefer a more readable PDF please contact us at your convenience.

APPRAISAL REPORT

PREPARED FOR

Rosalind Harsaran
Stonegate Bank

Client ID:
Rechter Progresso - 835 NE 2nd Ave FLL

REAL PROPERTY APPRAISED

Rechter Progresso - 835 NE 2nd Ave FLL
835 NE 2nd Avenue
Incorporated City of
Fort Lauderdale, Florida 33304-1934
Broward County

DATE OF THE REPORT & CERTIFICATION

August 16, 2017

DATES OF VALUE

Current Market Value of the Leased Fee	
Interest As-Is:	8/10/17
Prospective Value of the Leased Fee	6 months
Interest Upon Stabilized Occupancy:	3/1/18



- Miami-Dade
- Broward
- Palm Beach
- Collier/Lee
- Monroe

www.SFREAppraisal.com
Mike@SFREAppraisal.com
(954) 649-0666

PREPARED BY

SOUTH FLORIDA REAL ESTATE APPRAISAL, LLC
CERTIFIED APPRAISAL AND EVALUATION SERVICES

2800 GLADES CIRCLE, SUITE 154
WESTON, FLORIDA 33327



MICHAEL P. JACOBS, MA, MAI, SRA

[What is an MAI/SRA?](#)

[State-certified](#) general real estate [appraiser](#) RZ#2621

SFREAppraisal File No. 170822a



Rechter Progresso - 835 NE 2nd Ave FLL

835 NE 2nd Avenue

Incorporated City of
Fort Lauderdale, Florida 33304-1934

Broward County

Stonegate Bank Client ID:
Rechter Progresso - 835 NE 2nd Ave FLL



- Miami-Dade
- Broward
- Palm Beach
- Collier/Lee
- Monroe

www.SFREAppraisal.com
Mike@SFREAppraisal.com
 (954) 649-0666



Certified Commercial Real Estate Appraisals & Evaluations

Michael Patrick Jacobs, MA, MAI, SRA

State-certified general real estate appraiser RZ#2621
Mike@SFREAppraisal.com ♦ Direct/Cell (954) 649-0666

2800 Glades Circle, Suite 154
Weston, Florida 33327

August 16, 2017

Rosalind Harsaran
Credit Policy Officer
Stonegate Bank
400 North Federal Highway NMLS-ID: 942093
Pompano Beach, FL 33062

Re: Client ID: Rechter Progresso - 835 NE 2nd Ave FLL
SFREA File No.: 170822a
Rechter Progresso - 835 NE 2nd Ave FLL
835 NE 2nd Avenue
Incorporated City of Fort Lauderdale, FL 33304-1934
Broward County

Dear Ms. Harsaran:

This *Appraisal Report* has been prepared at the request of Stonegate Bank according to the engagement terms in Addendum, and under standards and reporting requirements of the Uniform Standards of Professional Appraisal Practice (“USPAP”) adopted by the Appraisal Standards Board of the Appraisal Foundation (www.appraisalfoundation.org), as well as the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, the appraisal regulations issued in connection with the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA), and Stonegate Bank guidelines.

This is an Appraisal Report as defined by the Uniform Standard of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a detailed and complete description of the appraisal process, subject data and valuation. The approaches employed in this appraisal report are credible, market-standard methodology in solving the appraisal problem.

This report is intended for use by Stonegate Bank, the client, and the intended use of this appraisal is for mortgage underwriting. Stonegate Bank affiliates, successors or assigns and participating financial institutions are also intended users. This report is also subject to review by duly authorized representatives of the Appraisal Institute, and the State of Florida real estate appraisal subcommittee of the Florida Real Estate Commission. Any other entity, including clients or customers of Stonegate Bank, is an unauthorized user and may not rely on anything within this appraisal report.

This report has been prepared for the purposes of estimating the “As-Is” market value of the leased fee interest as of August 10, 2017. I also estimated the prospective value of the leased fee interest upon stabilized occupancy which is expected to occur on March 1, 2018. An Insurable Value analysis was requested for this appraisal engagement.

You will find a table of contents, a USPAP requirements checklist, a brief summary of salient facts and conclusions, exhibits, certification and general assumptions and limiting conditions in the next few pages. Acceptance of this report constitutes an agreement with these conditions and assumptions. A discussion of the parameters and scope of the appraisal follows.

This is a real estate appraisal only. The appraisal does not include any furniture, fixtures or equipment ("FF&E") necessary to operate any business, or any business entities occupying the property. Fixtures of nominal value are sometimes included in real estate sales, and not itemized.

Extraordinary Assumptions and *Hypothetical Conditions* terms are defined within the Definitions Section, and may have significant impact on appraisal observations and conclusions when present.

- According to the borrower the property was recently down-zoned from NWRAC-MUNw to NWRAC-MUw which provides lower maximum height (to three stories). The zoning change information has not yet been updated and could not be verified. This has little impact on market value because most market participants do not regard maximum allowable building height to be a significant issue at this time without any evidence of redevelopment.
- The borrower provided the remodeling budget without a breakdown or finalized costs. The borrower is experienced and his estimate is assumed to be reliable. If the budget is not sufficient or excessive it could affect the appraisal observations and conclusions.
- This appraisal contains no extraordinary assumptions.
- This appraisal is not based on any hypothetical conditions.

As a result of my investigation my conclusions are as follows:

Value Parameter	Effective Date	Conclusion of Value	Improved \$/SqFt Land	Land \$/SqFt
Personal property, fixtures & intangibles:		None		
Current Market Value of the Leased Fee Interest As-Is:	8/10/17	\$900,000	\$183.82	\$94.12
Market Exposure Time:	6 months			
Prospective Value of the Leased Fee Interest Upon Stabilized Occupancy	3/1/18	\$1,550,000	\$316.58	\$162.10

Please tell your peers about our appraisal report. If your experience with South Florida Real Estate Appraisal, LLC has been anything less than exceptional, or this is not one of the best certified commercial real estate *Appraisal Reports* you have read, I hope you will contact me with suggestions to improve our service.



- Miami-Dade
- Broward
- Palm Beach
- Collier/Lee
- Monroe

www.SFREAppraisal.com
Mike@SFREAppraisal.com
(954) 649-0666

Respectfully submitted,



MICHAEL P. JACOBS, MA, MAI, SRA

What is an MAI/SRA?

State-certified general real estate appraiser RZ#2621