

# **APPRAISAL REPORT**

## **APPRAISAL OF**

Eleven Residential Lots  
located at SW 5<sup>th</sup> Court  
and SW 12<sup>th</sup> Avenue  
Fort Lauderdale, Florida 33312

## **PREPARED FOR**

Mr. Chris Lagerbloom, City Manager  
City of Fort Lauderdale  
100 North Andrews Avenue  
Fort Lauderdale, Florida 33301

## **PREPARED BY**

The Ernest Jones Company  
32801 Highway 441 N, #91  
Okeechobee, Florida 34972

April 17, 2020

Mr. Chris Lagerbloom, City Manager  
City of Fort Lauderdale  
100 North Andrews Avenue  
Fort Lauderdale, FL 33301

Mr. Lagerbloom,

As requested, we have personally inspected and appraised the eleven residentially zoned lots (referred to as Lots 1 through 11) located at SW 12 Avenue & 5<sup>th</sup> Court in the City of Fort Lauderdale, Florida 33312. The purpose of this assignment is to form an opinion of the market value of the Fee Simple Interest in the Subject Properties, as of March 27, 2020, which is also the date of our inspection. The only intended use of the appraisal is to assist you as the client with decisions related to the possible purchase of the properties. The City of Fort Lauderdale is the intended user. We have prepared this appraisal in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Foundation effective January 1, 2020.

It is our opinion and conclusion that the market value of the fee simple property interest in the Subject Properties as of March 27, 2020 is as follows:


Lot 1	<b>\$161,000</b>	Lot 2	<b>\$150,000</b>	Lot 3	<b>\$494,000</b>
Lot 4	<b>\$534,000</b>	Lot 5	<b>\$528,000</b>	Lots 6 & 7	<b>\$1,192,000</b>
Lot 8	<b>\$178,000</b>	Lot 9	<b>\$267,000</b>	Lot 10	<b>\$310,000</b>
Lot 11	<b>\$263,000</b>				

This transmittal letter is followed by the certification of the appraisal and the report (our file #200327-1LS) presented in an Appraisal Report format, further describing the subject property and containing the reasoning and pertinent data leading to the opinion of value.

***Your attention is directed to the Scope of Work section of this report which details the steps taken in reaching our value opinion and other pertinent information pertaining to the opinion of value.***

Respectfully submitted,

THE ERNEST JONES COMPANY

  
LAWRENCE R. PENDLETON, MAI  
PRESIDENT  
STATE-CERTIFIED GENERAL REAL  
ESTATE APPRAISER #RZ725



LEE WILLIAMS  
STATE-CERTIFIED GENERAL REAL  
ESTATE APPRAISER #RZ2672

## CERTIFICATION

This report was made for and certified only to City of Fort Lauderdale. In accordance with USPAP Standards Rule 2-3; The undersigned does hereby certify that to the best of my 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 my 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 we have no personal interest with respect to the parties involved.

We have not appraised the Subject Property within the five-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.

The 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*.

The following person signing this report has made a personal inspection of the exterior of the property that is the subject of this report on March 27, 2020, which is also the effective valuation date: Lee Williams

No one provided significant real property appraisal assistance to the persons signing this certification.

The use of this report is subject to the requirements of the Appraisal Institute and the State of Florida relating to review by duly authorized representatives of the Appraisal Institute, and the Florida Real Estate Appraisal Board.

As of the date of this report, Lawrence R. Pendleton, MAI, has completed the continuing education program of the Appraisal Institute.

Lawrence R. Pendleton, MAI and Lee Williams have the necessary education, knowledge and experience to perform this assignment in a competent manner.

### THE ERNEST JONES COMPANY



LAWRENCE R. PENDLETON, MAI  
PRESIDENT  
STATE-CERTIFIED GENERAL REAL  
ESTATE APPRAISER #RZ725



LEE WILLIAMS  
STATE-CERTIFIED GENERAL REAL  
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## CONDITIONS OF THE APPRAISAL

### GENERAL UNDERLYING ASSUMPTIONS

#### Legal Matters:

The legal description used in this report is assumed to be correct, but it may not necessarily have been confirmed by survey. No responsibility is assumed in connection with a survey or for encroachments or overlapping or other discrepancies that might be revealed thereby. Any sketches included in the report are only for the purpose of aiding the reader in visualizing the property and are not necessarily a result of a survey.

No responsibility is assumed for an opinion of legal nature, such as to ownership of the property or condition of title.

The appraisers assume the title to the property to be marketable; that, unless stated to the contrary, the property is appraised as an unencumbered fee which is not used in violation of acceptable ordinances, statutes or other governmental regulations.

#### Unapparent Conditions:

The appraisers assume that there are no hidden or unapparent conditions of the property, subsoil or structures which would render it more or less valuable than otherwise comparable property. The appraisers are not experts in determining the presence or absence of hazardous substances, defined as all hazardous or toxic materials, waste, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property.

The appraisers assume no responsibility for the studies or analysis which would be required to conclude the presence or absence of such substances or for loss as a result of the presence of such substances. The client is urged to retain an expert in this field, if desired. The value estimate is based on the assumption that the subject property is not so affected.

#### Information and Data:

Information, estimates, and opinions furnished to the appraisers and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraisers can be assumed by the appraisers.

All mortgages, liens, encumbrances, and servitudes have been disregarded unless so specified within the appraisal report. The subject property is appraised as though under responsible ownership and competent management.

#### Zoning and Licenses:

It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconforming use has been stated, defined and considered in the valuation.

It is assumed that the subject property complies with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined and considered in the valuation.

## CONDITIONS OF THE APPRAISAL (CONT.)

### GENERAL UNDERLYING ASSUMPTIONS (CONT.)

It is assumed that the information relating to the location of or existence of public utilities that has been obtained through a verbal inquiry from the appropriate utility authority, or has been ascertained from visual evidence is correct. No warranty has been made regarding the exact location or capacities of public utility systems.

It is assumed that all licenses, consents or other legislative or administrative authority from local, state or national governmental or private entity or organization have been, or can be, obtained or renewed for any use on which the value estimate contained in the valuation report is based.

#### Flood Insurance Zone

The Flood Insurance Zone has been obtained from the Flood Insurance Rate Map published by the Federal Emergency Management Agency. The map number and effective date from which the flood zone information was taken is indicated in the appraisal. In some cases, the subject property is located close to the boundary of two different flood zones and it is not possible to determine within which zone the subject property is located. In such a case, the most hazardous zone will be indicated. If there is any question, the appraisers urge that an elevation survey be obtained from a professional land surveyor to determine exactly what flood hazard exists.

### GENERAL LIMITING CONDITIONS

The appraisers will not be required to give testimony or appear in court due to preparing the appraisal with reference to the subject property in question, unless prior arrangements have been made.

Possession of the report does not carry with it the right of publication. Out-of-context quoting from or partial reprinting of this appraisal report is not authorized. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of media for public communication without the prior written consent of the appraisers signing this appraisal report.

Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers or the firm with which they are connected, or any reference to the Appraisal Institute or to the appraisal designations) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without the prior written consent and approval of the author.

The distribution of the total valuation in this report, between land and improvements, is applicable only as a part of the whole property. The land value, or the separate value of the improvements, must not be used in conjunction with any other appraisal or estimate and is invalid if so used.

## CONDITIONS OF THE APPRAISAL (CONT.)

### GENERAL LIMITING CONDITIONS (CONT.)

No environmental or concurrency impact studies were either required or made in conjunction with this appraisal report. The appraisers, thereby, reserve the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental or concurrency impact studies, research or investigation.

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraisers have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since the appraisers have no direct evidence relating to this issue, possible noncompliance with the requirements of ADA in estimating the value of the property has not been considered.

An appraisal related to an estate in land that is less than the whole fee simple estate applies only to the fractional interest involved. The value of this fractional interest plus the value of all other fractional interests may or may not equal the value of the entire fee simple estate considered as a whole.

The appraisal report related to a geographical portion of a larger parcel is applied only to such geographical portion and should not be considered as applying with equal validity to other portions of the larger parcel or tract. The value of such geographical portions plus the value of all other geographical portions may or may not equal the value of the entire parcel or tract considered as an entity.

If the appraisal is subject to any proposed improvements or additions being completed as set forth in the plans, specifications, and representations referred to in the report, then all work being performed is presumed to be in a good and workmanlike manner. The appraisal is further subject to any proposed improvements or additions being constructed in accordance with the regulations of the local, county, and state authorities. The plans, specifications, and representations referred to are an integral part of the appraisal report when new construction or new additions, renovations, refurbishing, or remodeling applies.

If this appraisal is used for mortgage loan purposes, the appraisers invite attention to the fact that (1) the equity cash requirements of the sponsor have not been analyzed, (2) the loan ratio has not been suggested, and (3) the amortization method and term have not been suggested.

The intended use of this report is not for use in conjunction with a syndication of real property. This report cannot be used for said purposes and, therefore, any use of this report relating to syndication activities is strictly prohibited and unauthorized. If such an unauthorized use of this report takes place, it is understood and agreed that The Ernest Jones Company has no liability to the client and/or third parties.

Acceptance of and/or use of this appraisal report constitutes acceptance of the foregoing General Underlying Assumptions and General Limiting Conditions. The appraisers' duties, pursuant to the employment to make the appraisal, are complete upon delivery and acceptance of the appraisal report. However, any corrections or errors should be called to the attention of the appraisers within 60 days of the delivery of the report.

## SUMMARY OF SALIENT FACTS & CONCLUSIONS

Subject Property:	Eleven [11] vacant residential lots
Location:	The parcels are located on the north side of SW 5 <sup>th</sup> Court and on SW 12 <sup>th</sup> Avenue, Fort Lauderdale, Florida
Purpose of the Assignment:	Opinion of Market Value
Property Rights Appraised:	Fee Simple Interest
Intended Use:	Market Value determination
Intended Users:	City of Fort Lauderdale
Zoning:	Lots 1-8, RS-8, City of Fort Lauderdale Lots 9-11, RD-15, City of Fort Lauderdale
Flood Zone:	Zone X, Map #12011C0556H rev 8/18/14
Site Conditions:	Parcels are vacant

### Lot 1

Parcel ID Number:	50-42-09-46-0010
Site Size (SF):	±8,072 SF (±0.185 Acres)
2019 assessment & taxes:	\$97,030/\$1,803.27

### Lot 2

Parcel ID Number:	50-42-09-46-0020
Site Size (SF):	±7,500 SF (±0.172 Acres)
2019 assessment & taxes:	\$90,610/\$1,683.98

### Lot 3

Parcel ID Number:	50-42-09-46-0030
Site Size (SF):	±8,227 SF (±0.189 Acres)
2019 assessment & taxes:	\$259,650/\$4,825.52

### Lot 4

Parcel ID Number:	50-42-09-46-0040
Site Size (SF):	±8,907 SF (±0.204 Acres)
2019 assessment & taxes:	\$282,330/\$5,247.01

### Lot 5

Parcel ID Number:	50-42-09-46-0050
Site Size (SF):	±8,808 SF (±0.202 Acres)
2019 assessment & taxes:	\$277,260/\$5,152.80

### Lot 6

Parcel ID Number:	50-42-09-46-0060
Site Size (SF):	±8,467 SF (±0.194 Acres)
2019 assessment & taxes:	\$265,830/\$4,940.36



## SUMMARY OF SALIENT FACTS & CONCLUSIONS

### Lot 7

Parcel ID Number: 50-42-09-46-0070  
Site Size (SF): ±11,407 SF (±0.262 Acres)  
2019 assessment & taxes: \$359,190/\$6,675.44

### Lot 8

Parcel ID Number: 50-42-09-46-0080  
Site Size (SF): ±8,901 SF (±0.204 Acres)  
2019 assessment & taxes: \$106,610/\$1,981.30

### Lot 9

Parcel ID Number: 50-42-09-46-0090  
Site Size (SF): ±7,615 SF (±0.174 Acres)  
2019 assessment & taxes: \$91,060/\$1,692.33

### Lot 10

Parcel ID Number: 50-42-09-46-0100  
Site Size (SF): ±8,848 SF (±0.203 Acres)  
2019 assessment & taxes: \$105,780/\$1,965.89

### Lot 11

Parcel ID Number: 50-42-09-46-0110  
Site Size (SF): ±7,528 SF (±0.173 Acres)  
2019 assessment & taxes: \$90,340/\$1,678.95

Highest and Best Use: Single Family (Lots 1-5, 6/7, 8) or Duplex (Lots 9-11) Residential Development

Valuation Date: March 27, 2020

Date of Report: April 17, 2020

### Final Value Opinion:

**Lot 1: \$161,000**  
**Lot 2: \$150,000**  
**Lot 3: \$494,000**  
**Lot 4: \$534,000**  
**Lot 5: \$528,000**  
**Lot 6 and 7: \$1,192,000**  
**Lot 8: \$178,000**  
**Lot 9: \$267,000**  
**Lot 10: \$310,000**  
**Lot 11: \$263,000**

## PURPOSE OF THE ASSIGNMENT

The purpose of the assignment is to give an opinion of the market value of the certain property rights as delineated below, of the herein described Subject Properties, subject to the assumptions and limiting conditions stated, as of the inspection date of March 27, 2020. The only intended user of this report is the City of Fort Lauderdale.

## SCOPE OF WORK

Our client, the City of Fort Lauderdale, has requested that the Subject Property be valued to assist them with market value determination for the possible purchase of the property. The effective date of this report is March 27, 2020, which is also the date of inspection. The following steps were taken in performing this assignment and preparing this report:

- The subject properties were inspected by Lee Williams on March 27, 2020. Photographs were taken and data was collected pertinent to the appraisal problem and noted in the work file.
- An analysis of the local market which included reference to economic/land use data was developed. A survey of current competitive listings using *Costar*, *MLS* and *Loopnet* was developed as well. This data helped to determine that the Highest & Best of the subject property is for future residential development.
- Other steps which included confirmation of the existing zoning district were taken in reaching our Highest & Best Use opinion.
- We researched the Broward County Public Records for sales of both waterfront and dry single family and low density (duplex) multi-family lots. Commercial research services such as *Costar*, *MLS*, and *Loopnet* were used as well. The data was confirmed to the best of our abilities with online copies of the actual deeds as well as phone interviews with knowledgeable parties involved with each transaction, when possible.
- Due to restrictions during the Coronavirus pandemic, we were not able to inspect all of the sales. These sales were compared to the subject property and reconciled into our final value opinion via the Sales Comparison Approach. We were asked by the client to value each lot separately, not as bulk.
- The Income Capitalization and Cost Approach were not considered appropriate and thus not developed.
- *The global outbreak of a "novel coronavirus" known as COVID-19 was officially declared a pandemic by the World Health Organization (WHO). It is currently unknown what direct, or indirect, effect, if any, this event may have on the national economy, the local economy or the market in which the subject property is located. The reader is cautioned, and reminded that the conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property of this event, or any event, subsequent to the effective date of the appraisal.*

## PROPERTY RIGHTS APPRAISED

The property rights being appraised consist of the *fee simple interest* in the real property. Please refer to the following page for definitions.

## DEFINITIONS

**Appraisal** - The act or process of developing an opinion of value; an opinion of value.

**Appraisal Report** - Any communication, written or oral, of an appraisal, appraisal review, or consulting service that is transmitted to the client upon completion of an assignment.

**Extraordinary Assumption** - 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 or conclusions.

**Fee Simple Interest** - An absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of eminent domain, escheat, police power, and taxation. An inheritable estate.

**Hypothetical Condition** - That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

**Highest & Best Use** - The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

**Leased Fee Interest** - An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease.

**Leasehold Interest** - The interest held by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions. See also negative leasehold; positive leasehold.

**Personal Property** - Identifiable, portable and tangible objects which are considered by the general public as being "personal," e.g. furnishings, artwork, machinery & equipment; all tangible property that is not classified as real estate.

**Real Estate** - The physical land and appurtenances affixed to the land, e.g., structures.

**Real Property** - Includes all interests, benefits and rights inherent in the ownership of physical real estate.

## DEFINITIONS (CONT.)

**Market Value** - a current economic definition agreed upon by agencies that regulate federal financial institutions in the United States of America is <sup>1</sup> : The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

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<sup>1</sup> 12 CFR 225.62

## INTENDED USE OF THE REPORT

The only intended users of this report are the City of Fort Lauderdale. It is the appraiser's understanding that this appraisal assignment will be used to assist the client with market value determination for the possible purchase of the property. In accordance with our employment agreement, our findings and conclusions are being presented in an **Appraisal Report** format. As such, it presents summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the Appraisers' opinion of value. Additional supporting documentation concerning the data, reasoning, and analyses may be retained in the Appraiser's office file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated herein. The Appraisers are not responsible for unauthorized use of this report.

This report is intended to comply with the reporting requirements set forth under Standards Rule 2-2 of the Uniform Standards of Professional Appraisal Practice -effective January 1, 2020 through December 31, 2021.

## REASONABLE EXPOSURE TIME

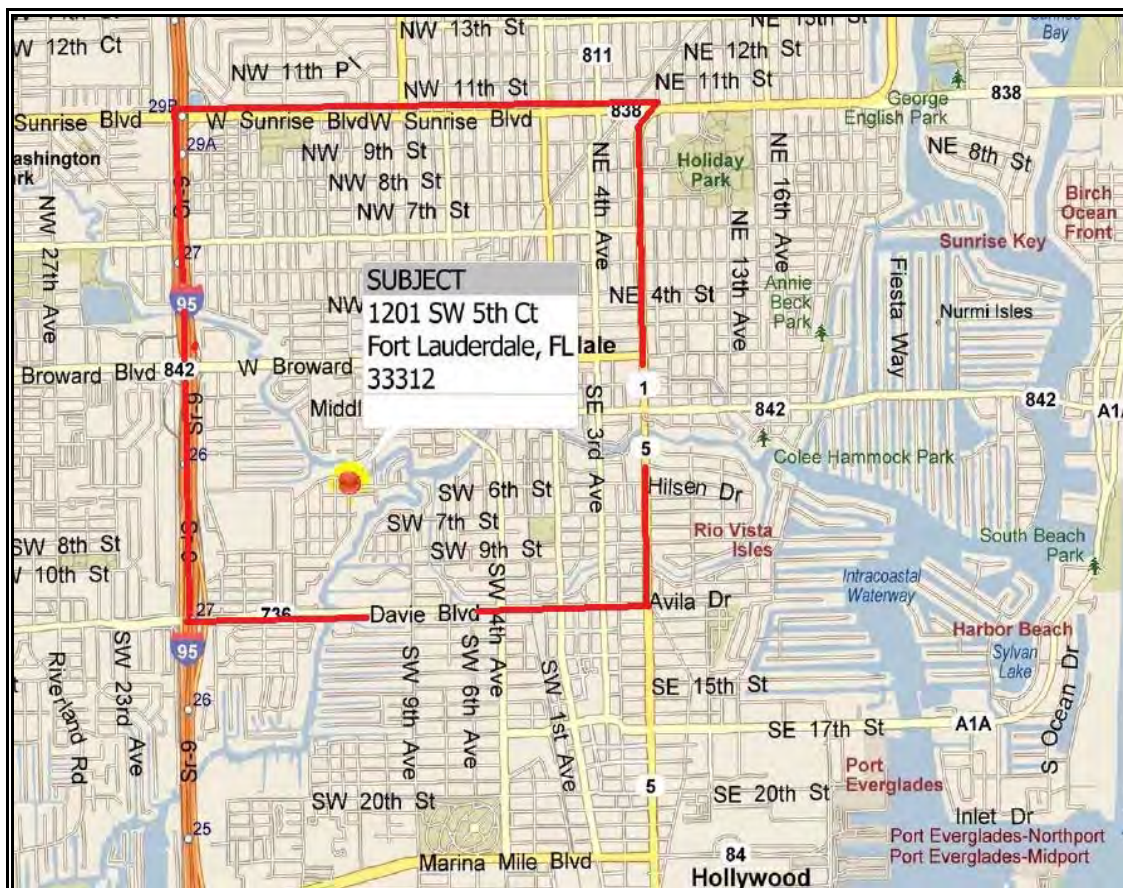
Reasonable exposure time is the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal, assuming adequate, sufficient and reasonable effort. Exposure time is deemed to expire as of the effective date, so it examines the time frame *leading up* to the valuation date. This estimates how long the property would have required exposure in order to sell at our appraised value. We estimate an exposure time of 6 to 12 months based on the property type, listing periods of land in Broward County, information gathered through sales verification, and discussions with market participants.

## MARKET AREA ANALYSIS

In *The Appraisal of Real Estate, Twelfth Edition*, a Market Area is defined as:

*“The defined geographic area in which the Subject competes for the attentions of market participants; the term broadly defines an area containing diverse land uses.”*

We have inspected the area surrounding the subject properties, examined the land uses, locational attributes and identified external factors that may impact market value to determine appropriate delineation of a market area. The subject properties are located along the north side of SW 5<sup>th</sup> Court and along both sides of SW 12<sup>th</sup> Avenue in the City of Fort Lauderdale. The broader market area is generally bounded by **Sunrise Boulevard** to the north, **Interstate 95** to the west, **Davie Boulevard** to the south and **Federal Highway** to the east.





## MARKET AREA ANALYSIS (CONT.)

Fort Lauderdale is the county seat for Broward County. The City of Fort Lauderdale was established on March 27, 1911 and was named after William Lauderdale who was the commander of a regiment that built forts during the Second Seminole War. The land area for the City of Fort Lauderdale is 36.31 acres of which 1.69 square miles is water and the remainder is dry land. It had a population of 165,521 as of the 2010 Census and the estimated 2018 population was 182,595.

The subject market area is more than 90% built out with a mix of industrial, commercial, and residential uses. Residential land use in and around the area is off the main arteries and is a mixture of older, 1940's to newer single family residential, condominium and apartment buildings. The commercial uses are primarily located along major commercial corridors in the area, Federal Highway (US Highway 1), Andrews Avenue, Sunrise Boulevard, Broward Boulevard, and Las Olas Boulevard. They consist of a variety of commercial uses such as retail stores, hotels/motels, restaurants, office buildings, shopping centers, banks, and service stations.

Access to this area is provided by a number of east/west traffic arteries such as Sunrise Boulevard, Broward Boulevard, and Las Olas Boulevard. The main north/south roads in this area are Interstate 95, Federal Highway, and Andrews Avenue. The Subject is located along the north side of SW 5<sup>th</sup> Court on the east and west sides of SW 12<sup>th</sup> Avenue. Five of the lots have frontage on the north fork of the New River which connects to the Intracoastal Waterway to the east.

According to demographic data published from Sperling's Best Places, the Subject's Market Area is estimated to have a population of 53,365 residents, 17,828 total households, an average household size of 2.97, a median age of 37.1, and a median household income of \$48,879. The median home price in this area is \$279,200 which is higher than the national average of \$231,200. The average home appreciation in this area over the past five years has been 64.9%. 48.6% of homes in this area are owner occupied.

## MARKET AREA ANALYSIS (CONT.)

The Fort Lauderdale City Center Complex and the “downtown” area are located east of the Subject properties and are centered around Broward Boulevard and Andrews Avenue. The Broward County Governmental Center East, the City of Fort Lauderdale Municipal Complex, the Main Branch of the Broward County Library, and the United State District Courthouse are all located within a few blocks in this area. The Broward County Courthouse and Jail are located just to the south.

Also in this area is the Riverwalk Arts and Entertainment District which is home to the Broward Center for the Performing Arts, Museum of Discovery and Science, Florida Grand Opera, Fort Lauderdale Historical Center, Stranahan House, and the Museum of Art. There are also stores, restaurants, and parks in this area to support the cultural venues.

There has been a surge in development of multi-family residential project in this area. The addition of a Brightline high-speed train station in downtown added to the need for additional housing. A mixed-used project with two 30-story building with a mix of retail, office, hospitality and 626 rental units called FAT City (Florida Arts and Technology) has been approved. There are several other new projects that are planned or being constructed in this portion of the neighborhood.

The subject's immediate market area includes primarily single family residences and low density multi-family properties. The larger neighborhood has commercial, mixed use (commercial & residential), and light industrial uses along the main roads.

All of the parcels are located along low trafficked, residential streets. SW 5<sup>th</sup> Court and SW 12<sup>th</sup> Avenue are two-lane roads in this area. Drainage in the area appeared adequate with natural percolation and the adjacent New River. The locations provide good access and adequate exposure to the sites, suitable for residential uses.

Considering the market area and surrounding neighborhood, the Subject sites are well suited for the location. It is in an established neighborhood near “downtown” Fort Lauderdale and is in close proximity to major thoroughfares. It is provided with the necessary public utilities, services, and transportation. Electricity is provided by Florida



## MARKET AREA ANALYSIS (CONT.)

Power & Light. Water, sewer and trash services are available as well as police and fire rescue services. There are several schools within the market area and a major hospital is located within a ten minute drive. The subject market area is convenient to the interstate system allowing relatively easy commute. In summary, the subject property and its current use are typical of the area with neither the subject or the neighborhood having characteristics which are detrimental to the other.

In conclusion, the subject's market area is in a stable stage of the neighborhood life cycle with some growth. The improvement of market conditions is largely tied to the health of the economy, so it is presumed that conditions locally will continue to improve as the economy stays strong. The subject property is typical of the area with neither the subject or the neighborhood having characteristics which are detrimental to the other.

**SUBJECT PHOTOGRAPHS**



View of SW 12<sup>th</sup> Avenue Facing North  
Subject Properties to left and right



View of SW 12<sup>th</sup> Avenue Facing South



**SUBJECT PHOTOGRAPHS**



View of SW 5<sup>th</sup> Court (Grand Drive) Facing West, Subject on Right



View of Lots 9-11 Facing Northwest From SW 12<sup>th</sup> Avenue



**SUBJECT PHOTOGRAPHS**



View of SW 12<sup>th</sup> Avenue cul-de-sac Facing South



View of Lots 1-2 Facing Southwest



**SUBJECT PHOTOGRAPHS**



View of Lots 1-3 Facing Northeast



View of Lots 3-7 Facing Southwest



**SUBJECT PHOTOGRAPHS**



View of Lots 3-8 Facing West



View of Lots 8 & 11 Facing South



**SUBJECT PHOTOGRAPHS**



View of Subject Seawall and Dock  
Facing East Along the New River



View of Subject Seawall and Dock  
Facing West Along the New River



**SUBJECT PHOTOGRAPHS**



View of Lot 6 Boat Slip Facing Northeast



View of Lot 5 Boat Slip Facing North



## LOT 1

### Property Identification

Lot 1 is an interior site located on the east side of SW 12<sup>th</sup> Avenue and the north side of SW 5<sup>th</sup> Court in the City of Fort Lauderdale, Florida. The property is identified by the Broward County Property Appraiser as parcel ID number 50-42-09-46-0010.

### Legal Description

The legal description for Lot 1 is as follows:

Lot 1, RIVERSIDE LANDINGS, Plat Book 176, Page 20, of  
the Public Records of Broward County, Florida

### Ownership

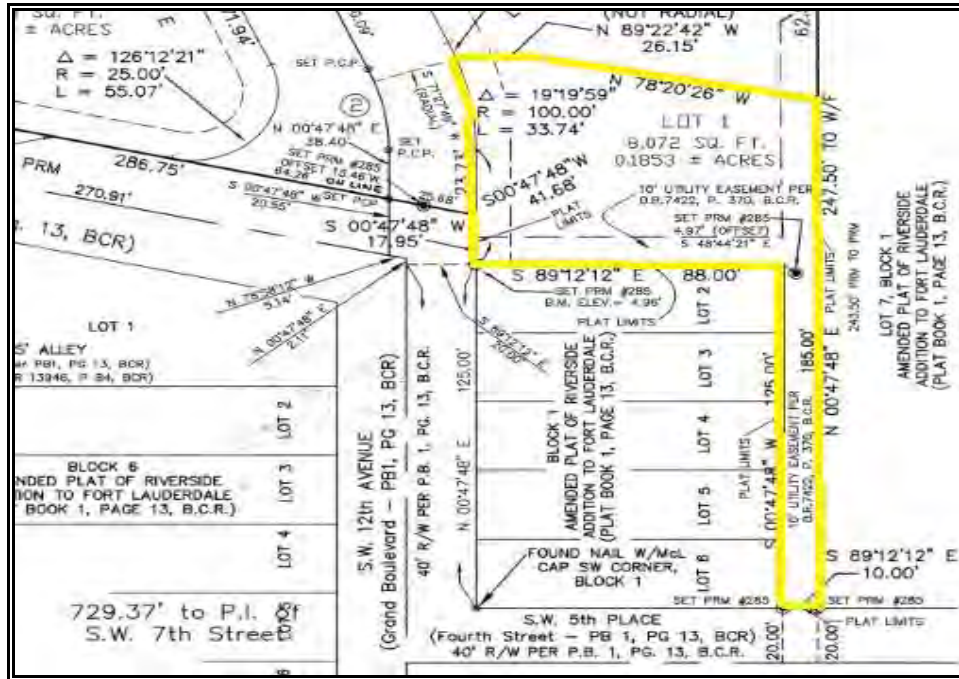
We have not been provided with an authoritative title report to ascertain current ownership. However, the Broward County Property Records shows title in the name of HGS Holdings Corp. with a mailing address of 10500 SW 67<sup>th</sup> Avenue, Miami, Florida 33156.

### Property History

Lot 1, along with the rest of the subject lots, was last sold on October 27, 2015 for \$2,360,000. This Warranty Deed from ZMS Property Holding Group, LLC to HGS Holdings Corporation was recorded as Instrument Number 113313705, Broward County, Florida. This sale took place four and a half years ago, prices have increased since that time, and this is not indicative of the current market value. There have not been any other sales of the subject property within the past five years. According to the property owner, the subject property is not currently listed with a broker or under contract to sell.

# LOT 1

## Subdivision Plat/Aerial View



Subdivision Plat showing Lot 1 Location



Aerial View showing Lot 1 Location

## LOT 1

### Site Analysis

The following data is based on the subdivision plat, published data, and our personal inspection. Lot 1 is an interior dry single-family lot. The following data pertains to the physical features of the site.

Site area:	±8,072 SF or ±0.185 Acres (per Subdivision plat)
Shape:	Irregular
Frontages:	±75 feet along the east side of SW 12 <sup>th</sup> Avenue and 10 feet along the north side of SW 5 <sup>th</sup> Court
Topography:	Basically flat and level at or slightly above road grade.
Site Conditions:	At time of inspection, the site was vacant and mostly cleared.
Drainage:	Appears adequate via natural percolation and catch basins on the street.
Site Access:	Pedestrian and vehicular access from SW 12 <sup>th</sup> Avenue.
Site Exposure:	Exposure is considered low, adequate for residential uses.
Utilities:	Water, sewer, telephone, and electric service are available to the Subject site.
Restrictions/Easements:	There are utility easements along the western boundary and southeast portion of the site. There are no known detrimental easements or restrictions.
Encroachments:	No detrimental encroachments known.
Locational Attributes:	Lot 1 has an interior orientation with frontage along SW 12 <sup>th</sup> Avenue and SW 5 <sup>th</sup> Court which are low-trafficked, residential street. It has adequate exposure for residential uses. The site has good frontage, good access, and good compatibility with surrounding sites and land uses.

**LOT 1**

**Site Analysis (Cont.)**

Soil/Subsoil:	No soil boring tests or engineering reports were submitted to the appraisers.
Soil Condition:	It is beyond the scope of this appraisal to comment on the existence of below ground soil contamination. <i>We are unaware of any soil contamination on the Subject Property. Any existing site contamination could have a serious negative affect on the market value and marketability of the subject property.</i>
Flood Zone:	Zone X, FEMA Flood Zone Map Panel #12011C0556H, revised 8/18/14
Functional Adequacy:	The site shape, location, and access are considered good for single family residential use.

<b>LOT 2</b>
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### **Property Identification**

Lot 2 is an interior site located on the east side of SW 12<sup>th</sup> Avenue just north of SW 5<sup>th</sup> Court in the City of Fort Lauderdale, Florida. The property is identified by the Broward County Property Appraiser as parcel ID number 50-42-09-46-0020.

### **Legal Description**

The legal description for Lot 2 is as follows:

Lot 2, RIVERSIDE LANDINGS, Plat Book 176, Page 20, of  
the Public Records of Broward County, Florida

### **Ownership**

We have not been provided with an authoritative title report to ascertain current ownership. However, the Broward County Property Records shows title in the name of HGS Holdings Corp. with a mailing address of 10500 SW 67<sup>th</sup> Avenue, Miami, Florida 33156.

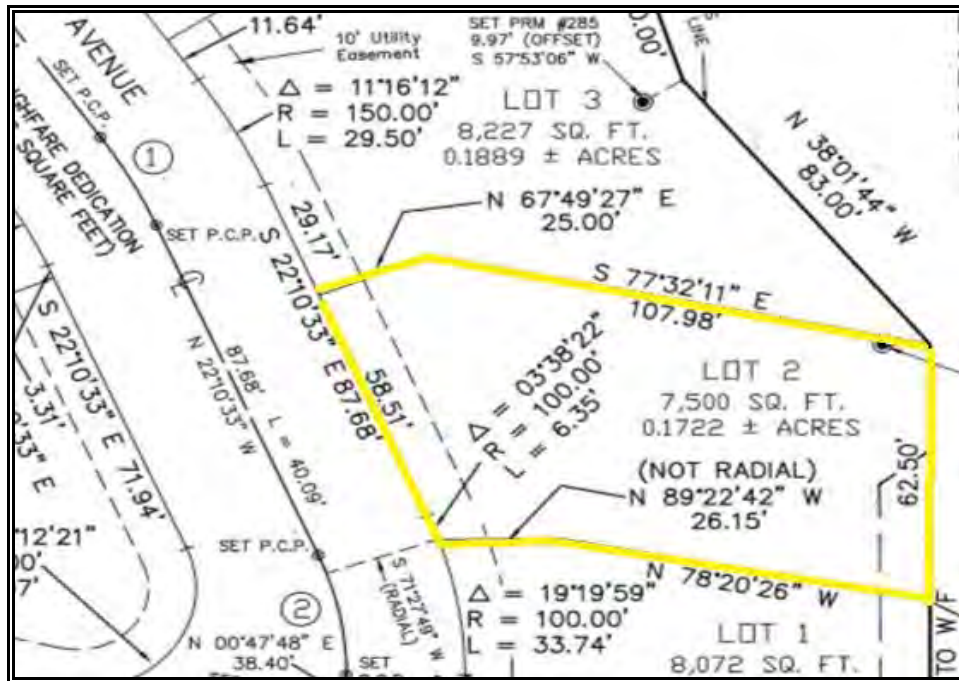
### **Property History**

Lot 2, along with the rest of the subject lots, was last sold on October 27, 2015 for \$2,360,000. This Warranty Deed from ZMS Property Holding Group, LLC to HGS Holdings Corporation was recorded as Instrument Number 113313705, Broward County, Florida. This sale took place four and a half years ago, prices have increased since that time, and this is not indicative of the current market value. There have not been any other sales of the subject property within the past five years. According to the property owner, the subject property is not currently listed with a broker or under contract to sell.



# LOT 2

## Subdivision Plat/Aerial View



Subdivision Plat showing Lot 2 Location



Aerial View showing Lot 2 Location

## LOT 2

### Site Analysis

The following data is based on the subdivision plat, published data, and our personal inspection. Lot 2 is an interior dry single-family lot. The following data pertains to the physical features of the site.

Site area:	±7,500 SF or ±0.172 Acres (per Subdivision plat)
Shape:	Irregular
Frontages:	±58 feet along the east side of SW 12 <sup>th</sup> Avenue
Topography:	Basically flat and level at or slightly above road grade.
Site Conditions:	At time of inspection, the site was vacant and mostly cleared, with a few trees.
Drainage:	Appears adequate via natural percolation and catch basins on the street.
Site Access:	Pedestrian and vehicular access from SW 12 <sup>th</sup> Avenue.
Site Exposure:	Exposure is considered low, adequate for residential uses.
Utilities:	Water, sewer, telephone, and electric service are available to the Subject site.
Restrictions/Easements:	There are utility easements along the western boundary and southeast portion of the site. There are no known detrimental easements or restrictions.
Encroachments:	No detrimental encroachments known.

## LOT 2

### Site Analysis (Cont.)

Locational Attributes:	Lot 2 has an interior orientation with frontage along SW 12 <sup>th</sup> Avenue, a low-trafficked, residential street. It has adequate exposure for residential uses. The site has good frontage, good access, and good compatibility with surrounding sites and land uses.
Soil/Subsoil:	No soil boring tests or engineering reports were submitted to the appraisers.
Soil Condition:	It is beyond the scope of this appraisal to comment on the existence of below ground soil contamination. <i>We are unaware of any soil contamination on the Subject Property. Any existing site contamination could have a serious negative affect on the market value and marketability of the subject property.</i>
Flood Zone:	Zone X, FEMA Flood Zone Map Panel #12011C0556H, revised 8/18/14
Functional Adequacy:	The site shape, location, and access are considered good for single family residential use.



## LOT 3

### Property Identification

Lot 3 is an interior site located on the east side of SW 12<sup>th</sup> Avenue north of SW 5<sup>th</sup> Place in the City of Fort Lauderdale, Florida. The property is identified by the Broward County Property Appraiser as parcel ID number 50-42-09-46-0030.

### Legal Description

The legal description for Lot 3 is as follows:

Lot 3, RIVERSIDE LANDINGS, Plat Book 176, Page 20, of  
the Public Records of Broward County, Florida

### Ownership

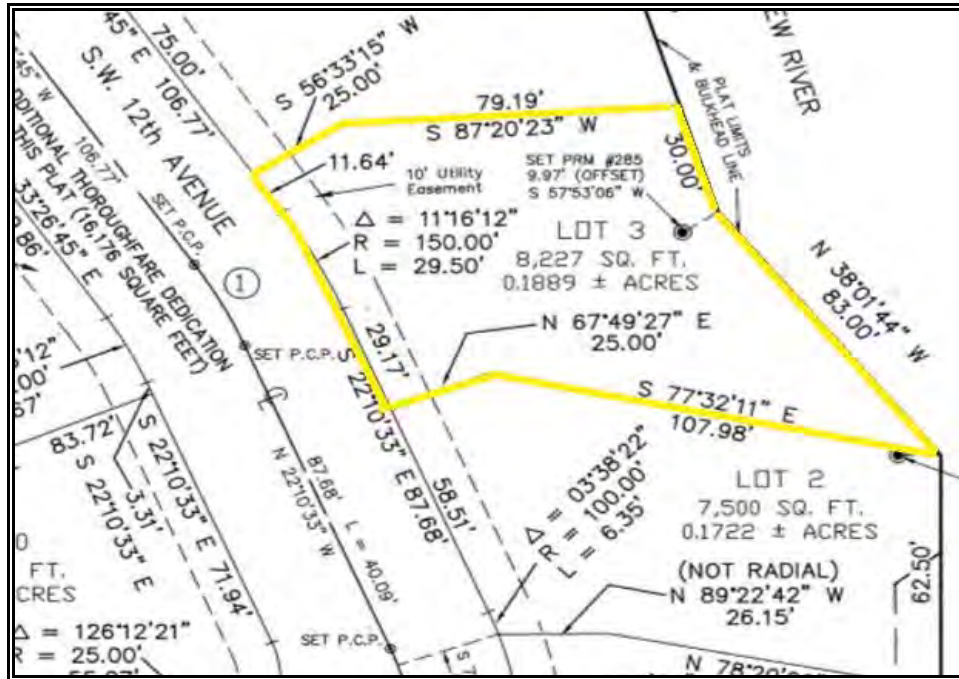
We have not been provided with an authoritative title report to ascertain current ownership. However, the Broward County Property Records shows title in the name of HGS Holdings Corp. with a mailing address of 10500 SW 67<sup>th</sup> Avenue, Miami, Florida 33156.

### Property History

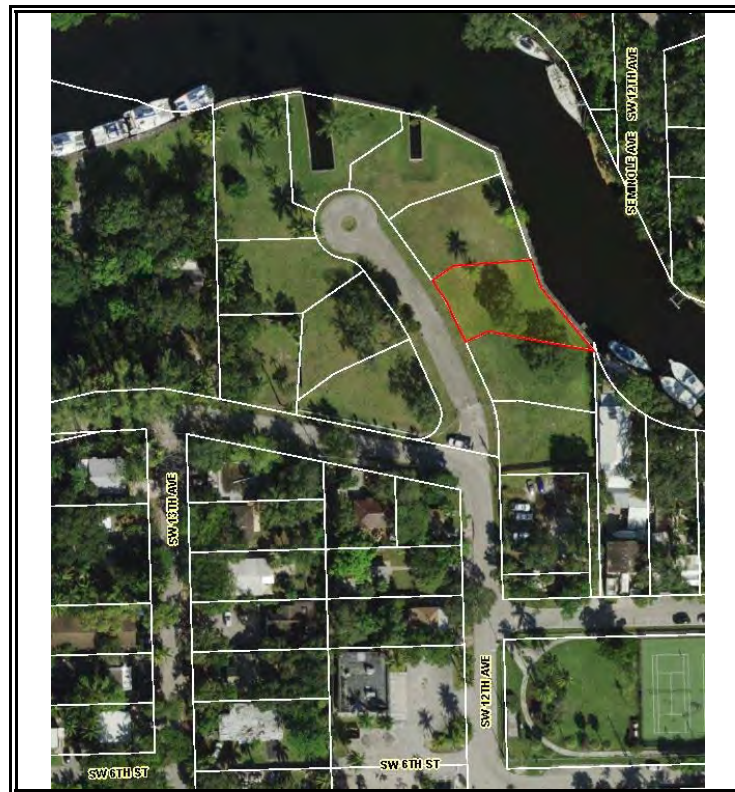
Lot 3, along with the rest of the subject lots, was last sold on October 27, 2015 for \$2,360,000. This Warranty Deed from ZMS Property Holding Group, LLC to HGS Holdings Corporation was recorded as Instrument Number 113313705, Broward County, Florida. This sale took place four and a half years ago, prices have increased since that time, and this is not indicative of the current market value. There have not been any other sales of the subject property within the past five years. According to the property owner, the subject property is not currently listed with a broker or under contract to sell.

## LOT 3

### Subdivision Plat/Aerial View



Subdivision Plat showing Lot 3 Location



Aerial View showing Lot 3 Location

## LOT 3

### Site Analysis

The following data is based on the subdivision plat, published data, and our personal inspection. Lot 3 is an interior waterfront single-family lot. The following data pertains to the physical features of the site.

Site area:	±8,227 SF or ±0.189 Acres (per Subdivision plat)
Shape:	Irregular
Frontages:	±59 feet along the east side of SW 12 <sup>th</sup> Avenue and ±113 linear feet along the North Fork of the New River
Topography:	Basically flat with a slight slope towards the water.
Site Conditions:	At time of inspection, the site was vacant and mostly cleared, with a few trees.
Drainage:	Appears adequate via natural percolation and catch basins on the street.
Site Access:	Pedestrian and vehicular access from SW 12 <sup>th</sup> Avenue.
Site Exposure:	Exposure is considered low, adequate for residential uses.
Utilities:	Water, sewer, telephone, and electric service are available to the Subject site.
Restrictions/Easements:	There is a utility easement along the western boundary of the site. There are no known detrimental easements or restrictions.
Encroachments:	No detrimental encroachments known.

**Site Analysis (Cont.)**

Locational Attributes:	Lot 3 has an interior orientation with frontage along SW 12 <sup>th</sup> Avenue, a low-trafficked, residential street. It has adequate exposure for residential uses. It has a bulkhead and small wooden dock along the water frontage. The site has good frontage, good access, and good compatibility with surrounding sites and land uses.
Soil/Subsoil:	No soil boring tests or engineering reports were submitted to the appraisers.
Soil Condition:	It is beyond the scope of this appraisal to comment on the existence of below ground soil contamination. <i>We are unaware of any soil contamination on the Subject Property. Any existing site contamination could have a serious negative affect on the market value and marketability of the subject property.</i>
Flood Zone:	Zone X, FEMA Flood Zone Map Panel #12011C0556H, revised 8/18/14
Functional Adequacy:	The site shape, location, and access are considered good for single family residential use.

## LOT 4

### Property Identification

Lot 4 is an interior waterfront site located on the east side of SW 12<sup>th</sup> Avenue north of SW 5<sup>th</sup> Place in the City of Fort Lauderdale, Florida. The property is identified by the Broward County Property Appraiser as parcel ID number 50-42-09-46-0040.

### Legal Description

The legal description for Lot 4 is as follows:

Lot 4, RIVERSIDE LANDINGS, Plat Book 176, Page 20, of  
the Public Records of Broward County, Florida

### Ownership

We have not been provided with an authoritative title report to ascertain current ownership. However, the Broward County Property Records shows title in the name of HGS Holdings Corp. with a mailing address of 10500 SW 67<sup>th</sup> Avenue, Miami, Florida 33156.

### Property History

Lot 4, along with the rest of the subject lots, was last sold on October 27, 2015 for \$2,360,000. This Warranty Deed from ZMS Property Holding Group, LLC to HGS Holdings Corporation was recorded as Instrument Number 113313705, Broward County, Florida. This sale took place four and a half years ago, prices have increased since that time, and this is not indicative of the current market value. There have not been any other sales of the subject property within the past five years. According to the property owner, the subject property is not currently listed with a broker, or under contract to sell.



# LOT 4

## Subdivision Plat/Aerial View



Subdivision Plat showing Lot 4 Location



Aerial View showing Lot 4 Location

## LOT 4

### Site Analysis

The following data is based on the subdivision plat, published data, and our personal inspection. Lot 4 is an interior waterfront single-family lot. The following data pertains to the physical features of the site.

Site area:	±8,907 SF or ±0.204 Acres (per Subdivision plat)
Shape:	Irregular
Frontages:	±75 feet along the east side of SW 12 <sup>th</sup> Avenue ±91 linear feet along the North Fork of the New River
Topography:	Basically flat with a slight slope towards the water.
Site Conditions:	At time of inspection, the site was vacant and mostly cleared, with a few trees.
Drainage:	Appears adequate via natural percolation and catch basins on the street.
Site Access:	Pedestrian and vehicular access from SW 12 <sup>th</sup> Avenue.
Site Exposure:	Exposure is considered low, adequate for residential uses.
Utilities:	Water, sewer, telephone, and electric service are available to the Subject site.
Restrictions/Easements:	There is a utility easement along the western boundary of the site. There are no known detrimental easements or restrictions.
Encroachments:	No detrimental encroachments known.

**LOT 4**

**Site Analysis (Cont.)**

Locational Attributes:	Lot 4 has an interior orientation with frontage along SW 12 <sup>th</sup> Avenue, a low-trafficked, residential street. It has adequate exposure for residential uses. It has a bulkhead and small wooden dock along the water frontage. The site has good frontage, good access, and good compatibility with surrounding sites and land uses.
Soil/Subsoil:	No soil boring tests or engineering reports were submitted to the appraisers.
Soil Condition:	It is beyond the scope of this appraisal to comment on the existence of below ground soil contamination. <i>We are unaware of any soil contamination on the Subject Property. Any existing site contamination could have a serious negative affect on the market value and marketability of the subject property.</i>
Flood Zone:	Zone X, FEMA Flood Zone Map Panel #12011C0556H, revised 8/18/14
Functional Adequacy:	The site shape, location, and access are considered good for single family residential use.



## LOT 5

### Property Identification

Lot 5 is an interior waterfront site located at the northeastern edge of the cul-de-sac on SW 12<sup>th</sup> Avenue in the City of Fort Lauderdale, Florida. The property is identified by the Broward County Property Appraiser as parcel ID number 50-42-09-46-0050.

### Legal Description

The legal description for Lot 5 is as follows:

Lot 5, RIVERSIDE LANDINGS, Plat Book 176, Page 20, of  
the Public Records of Broward County, Florida

### Ownership

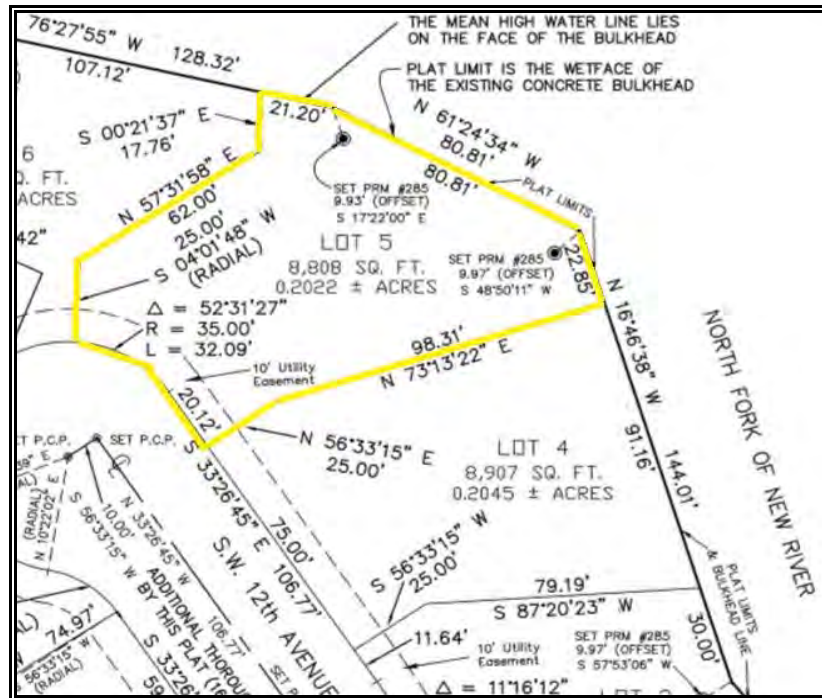
We have not been provided with an authoritative title report to ascertain current ownership. However, the Broward County Property Records shows title in the name of HGS Holdings Corp. with a mailing address of 10500 SW 67<sup>th</sup> Avenue, Miami, Florida 33156.

### Property History

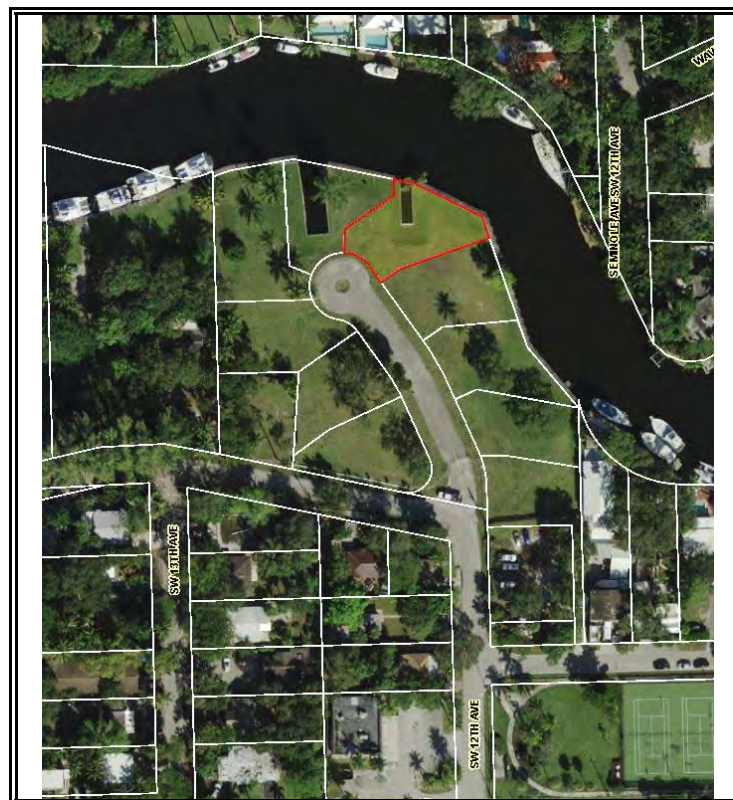
Lot 5, along with the rest of the subject lots, was last sold on October 27, 2015 for \$2,360,000. This Warranty Deed from ZMS Property Holding Group, LLC to HGS Holdings Corporation was recorded as Instrument Number 113313705, Broward County, Florida. This sale took place four and a half years ago, prices have increased since that time, and this is not indicative of the current market value. There have not been any other sales of the subject property within the past five years. According to the property owner, the subject property is not currently listed for sale with a broker or under contract to sell.

**LOT 5**

## Subdivision Plat/Aerial View



Subdivision Plat showing Lot 5 Location



Aerial View showing Lot 5 Location

## LOT 5

### Site Analysis

The following data is based on the subdivision plat, published data, and our personal inspection. Lot 5 is an interior waterfront single-family lot. The following data pertains to the physical features of the site.

Site area:	±8,808 SF or ±0.185 Acres (per Subdivision plat)
Shape:	Irregular
Frontages:	±75 feet along the east side of SW 12 <sup>th</sup> Avenue ±125 linear feet along the North Fork of the New River
Topography:	Basically flat with a slight slope towards the water.
Site Conditions:	At time of inspection, the site was vacant and mostly cleared, with a few trees. There is a small boat slip (about 12' x 40') along the northwest portion of this site.
Drainage:	Appears adequate via natural percolation and catch basins on the street.
Site Access:	Pedestrian and vehicular access from SW 12 <sup>th</sup> Avenue.
Site Exposure:	Exposure is considered low, adequate for residential uses.
Utilities:	Water, sewer, telephone, and electric service are available to the Subject site.
Restrictions/Easements:	There is a utility easement along the southwestern boundary of the site. There are no known detrimental easements or restrictions.
Encroachments:	No detrimental encroachments known.

**Site Analysis (Cont.)**

Locational Attributes:	Lot 5 has an interior orientation with frontage along SW 12 <sup>th</sup> Avenue, a low-trafficked, residential street. It has adequate exposure for residential uses. It has a bulkhead and wooden dock along the water frontage. The site has good frontage, good access, and good compatibility with surrounding sites and land uses.
Soil/Subsoil:	No soil boring tests or engineering reports were submitted to the appraisers.
Soil Condition:	It is beyond the scope of this appraisal to comment on the existence of below ground soil contamination. <i>We are unaware of any soil contamination on the Subject Property. Any existing site contamination could have a serious negative affect on the market value and marketability of the subject property.</i>
Flood Zone:	Zone X, FEMA Flood Zone Map Panel #12011C0556H, revised 8/18/14
Functional Adequacy:	The site shape, location, and access are considered good for single family residential use.

## LOT 6

### Property Identification

Lot 6 is an interior waterfront site located at the northern end of the cul-de-sac on SW 12<sup>th</sup> Avenue in the City of Fort Lauderdale, Florida. The property is identified by the Broward County Property Appraiser as parcel ID number 50-42-09-46-0060.

### Legal Description

The legal description for Lot 6 is as follows:

Lot 6, RIVERSIDE LANDINGS, Plat Book 176, Page 20, of  
the Public Records of Broward County, Florida

### Ownership

We have not been provided with an authoritative title report to ascertain current ownership. However, the Broward County Property Records shows title in the name of HGS Holdings Corp. with a mailing address of 10500 SW 67<sup>th</sup> Avenue, Miami, Florida 33156.

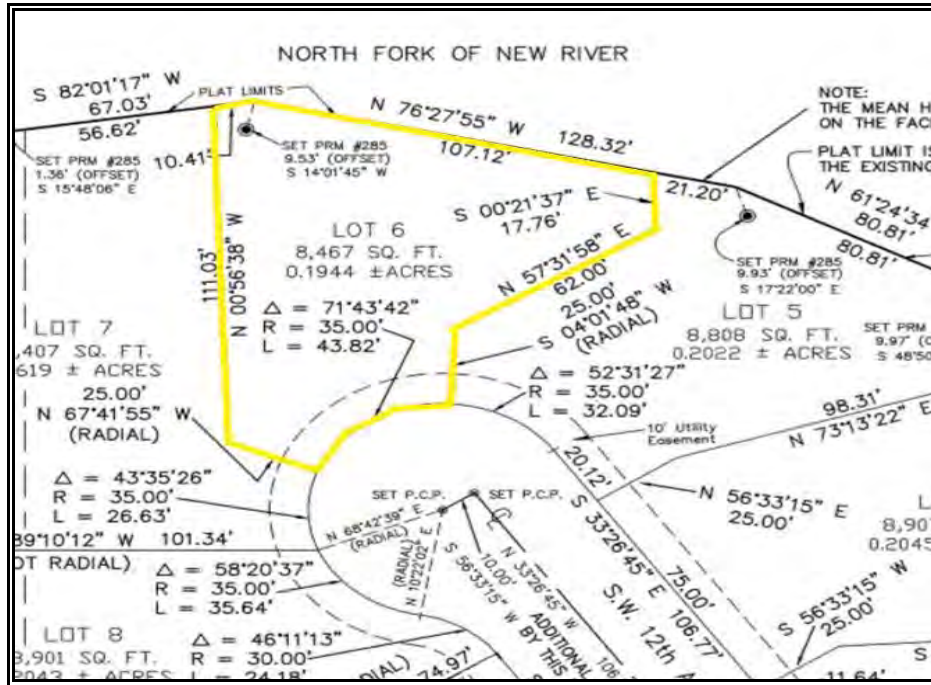
### Property History

Lot 6, along with the rest of the subject lots, was last sold on October 27, 2015 for \$2,360,000. This Warranty Deed from ZMS Property Holding Group, LLC to HGS Holdings Corporation was recorded as Instrument Number 113313705, Broward County, Florida. This sale took place four and a half years ago, prices have increased since that time, and this is not indicative of the current market value. There have not been any other sales of the subject property within the past five years. According to the property owner, the subject property is not currently listed with a broker or under contract to sell.



# LOT 6

## Subdivision Plat/Aerial View



Subdivision Plat showing Lot 6 Location



Aerial View showing Lot 6 Location

## LOT 6

### Site Analysis

The following data is based on the subdivision plat, published data, and our personal inspection. Lot 6 is an interior waterfront single-family lot. The following data pertains to the physical features of the site.

Site area:	±8,467 SF or ±0.194 Acres (per Subdivision plat)
Shape:	Irregular
Frontages:	±44 feet along the south side of SW 12 <sup>th</sup> Avenue cul-de-sac, ±107 linear feet along the North Fork of the New River
Topography:	Basically flat with a slight slope towards the water.
Site Conditions:	At time of inspection, the site was vacant and mostly cleared, with a few trees. There is a large boat slip (about 25' x 70') along the central portion of this site. It may be difficult to build a house on this lot due to this slip. It is our opinion that this lot should be combined with lot 7 to make a larger buildable lot with a boat slip.
Drainage:	Appears adequate via natural percolation and catch basins on the street.
Site Access:	Pedestrian and vehicular access from SW 12 <sup>th</sup> Avenue.
Site Exposure:	Exposure is considered low, adequate for residential uses.
Utilities:	Water, sewer, telephone, and electric service are available to the Subject site.



**Site Analysis (Cont.)**

Restrictions/Easements: There is a utility easement along the southern boundary of the site. There are no known detrimental easements or restrictions.

Encroachments: No detrimental encroachments known.

Locational Attributes: Lot 6 has an interior orientation with frontage along the cul-de-sac on SW 12<sup>th</sup> Avenue, a low-trafficked, residential street. It has adequate exposure for residential uses. It also has a bulkhead and wooden dock along the water frontage and a large boat slip. The site has good frontage, good access, and good compatibility with surrounding sites and land uses.

Soil/Subsoil: No soil boring tests or engineering reports were submitted to the appraisers.

Soil Condition: It is beyond the scope of this appraisal to comment on the existence of below ground soil contamination. *We are unaware of any soil contamination on the Subject Property. Any existing site contamination could have a serious negative affect on the market value and marketability of the subject property.*

Flood Zone: Zone X, FEMA Flood Zone Map Panel #12011C0556H, revised 8/18/14

Functional Adequacy: The site shape, location, and access are considered good for single family residential use. Due to the large boat slip in the center of the lot it should be combined with lot 7 to make a larger buildable lot with a boat slip.

## LOT 7

### Property Identification

Lot 7 is an interior site located on the northwestern side of the cul-de-sac on SW 12<sup>th</sup> Avenue in the City of Fort Lauderdale, Florida. The property is identified by the Broward County Property Appraiser as parcel ID number 50-42-09-46-0070.

### Legal Description

The legal description for Lot 7 is as follows:

Lot 7, RIVERSIDE LANDINGS, Plat Book 176, Page 20, of  
the Public Records of Broward County, Florida

### Ownership

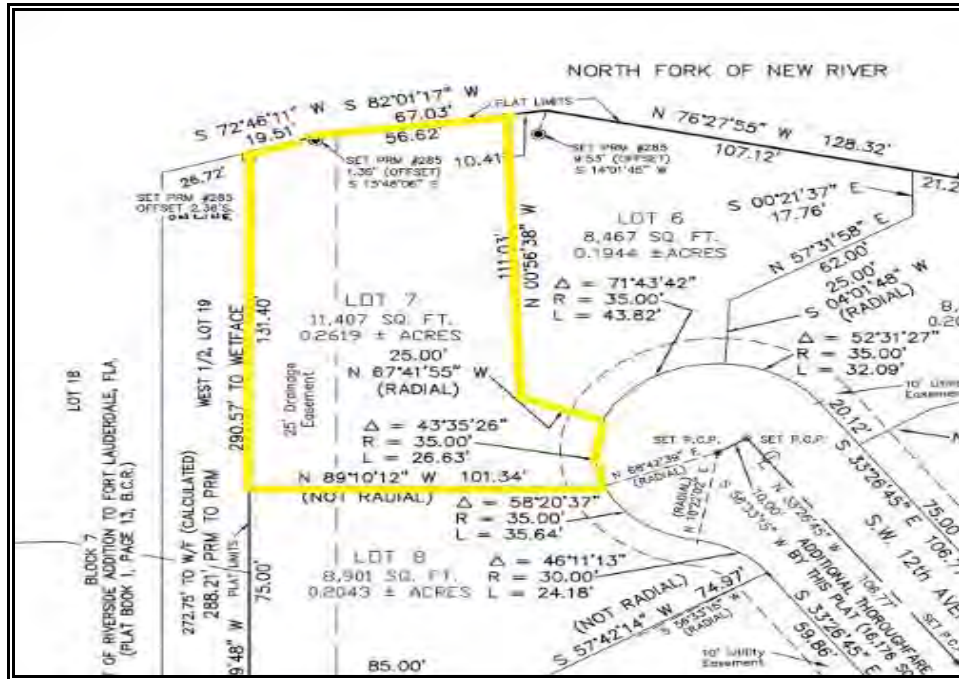
We have not been provided with an authoritative title report to ascertain current ownership. However, the Broward County Property Records shows title in the name of HGS Holdings Corp. with a mailing address of 10500 SW 67<sup>th</sup> Avenue, Miami, Florida 33156.

### Property History

Lot 7, along with the rest of the subject lots, was last sold on October 27, 2015 for \$2,360,000. This Warranty Deed from ZMS Property Holding Group, LLC to HGS Holdings Corporation was recorded as Instrument Number 113313705, Broward County, Florida. This sale took place four and a half years ago, prices have increased since that time, and this is not indicative of the current market value. There have not been any other sales of the subject property within the past five years. According to the property owner, the subject property is not currently listed with a broker or under contract to sell.

# LOT 7

## Subdivision Plat/Aerial View



Subdivision Plat showing Lot 7 Location



Aerial View showing Lot 7 Location

## LOT 7

### Site Analysis

The following data is based on the subdivision plat, published data, and our personal inspection. Lot 7 is an interior waterfront single-family lot. The following data pertains to the physical features of the site.

Site area:	±11,407 SF or ±0.262 Acres (per Subdivision plat)
Shape:	Irregular
Frontages:	±27 feet along the west side of the SW 12 <sup>th</sup> Avenue cul-de-sac, ±76 linear feet along the North Fork of the New River
Topography:	Basically flat with a slight slope towards the water.
Site Conditions:	At time of inspection, the site was vacant and mostly cleared, with a few trees.
Drainage:	Appears adequate via natural percolation and catch basins on the street.
Site Access:	Pedestrian and vehicular access from SW 12 <sup>th</sup> Avenue.
Site Exposure:	Exposure is considered adequate for residential uses.
Utilities:	Water, sewer, telephone, and electric service are available to the Subject site.
Restrictions/Easements:	There is a utility easement along the southeastern boundary of the site. There are no known detrimental easements or restrictions.
Encroachments:	No detrimental encroachments known.

**Site Analysis (Cont.)**

Locational Attributes:	Lot 7 has an interior orientation with frontage along the cul-de-sac on SW 12 <sup>th</sup> Avenue, a low-trafficked, residential street. It has adequate exposure for residential uses. It has a bulkhead and wooden dock along the water frontage. The site has good frontage, good access, and good compatibility with surrounding sites and land uses.
Soil/Subsoil:	No soil boring tests or engineering reports were submitted to the appraisers.
Soil Condition:	It is beyond the scope of this appraisal to comment on the existence of below ground soil contamination. <i>We are unaware of any soil contamination on the Subject Property. Any existing site contamination could have a serious negative affect on the market value and marketability of the subject property.</i>
Flood Zone:	Zone X, FEMA Flood Zone Map Panel #12011C0556H, revised 8/18/14
Functional Adequacy:	The site shape, location, and access are considered good for single family residential use. As previously mentioned, this lot should be combined with lot six to make a larger buildable lot with a boat slip.

## LOT 8

### Property Identification

Lot 8 is an interior site located on the west side of SW 12<sup>th</sup> Avenue north of SW 5<sup>th</sup> Court in the City of Fort Lauderdale, Florida. The property is identified by the Broward County Property Appraiser as parcel ID number 50-42-09-46-0080.

### Legal Description

The legal description for Lot 8 is as follows:

Lot 8, RIVERSIDE LANDINGS, Plat Book 176, Page 20, of  
the Public Records of Broward County, Florida

### Ownership

We have not been provided with an authoritative title report to ascertain current ownership. However, the Broward County Property Records shows title in the name of HGS Holdings Corp. with a mailing address of 10500 SW 67<sup>th</sup> Avenue, Miami, Florida 33156.

### Property History

Lot 8, along with the rest of the subject lots, was last sold on October 27, 2015 for \$2,360,000. This Warranty Deed from ZMS Property Holding Group, LLC to HGS Holdings Corporation was recorded as Instrument Number 113313705, Broward County, Florida. This sale took place four and a half years ago, prices have increased since that time, and this is not indicative of the current market value. There have not been any other sales of the subject property within the past five years. According to the property owner, the subject property is not currently listed with a broker or under contract to sell.



# LOT 8

## Subdivision Plat/Aerial View



Subdivision Plat showing Lot 8 Location



Aerial View showing Lot 8 Location



### Site Analysis

The following data is based on the subdivision plat, published data, and our personal inspection. Lot 8 is an interior dry single-family lot. The following data pertains to the physical features of the site.

Site area:	±8,901 SF or ±0.204 Acres (per Subdivision plat)
Shape:	Irregular
Frontages:	±60 feet along the west side of SW 12 <sup>th</sup> Avenue cul-de-sac
Topography:	Basically flat and level at or slightly above road grade.
Site Conditions:	At time of inspection, the site was vacant and mostly cleared, with a few trees.
Drainage:	Appears adequate via natural percolation and catch basins on the street.
Site Access:	Pedestrian and vehicular access from SW 12 <sup>th</sup> Avenue.
Site Exposure:	Exposure is considered low, adequate for residential uses.
Utilities:	Water, sewer, telephone, and electric service are available to the Subject site.
Restrictions/Easements:	There is a utility easement along the eastern boundary of the site. There are no known detrimental easements or restrictions.
Encroachments:	No detrimental encroachments known.

**Site Analysis (Cont.)**

Locational Attributes:	Lot 8 has an interior orientation with frontage along SW 12 <sup>th</sup> Avenue, a low-trafficked, residential street. It has adequate exposure for residential uses. The site has good frontage, good access, and good compatibility with surrounding sites and land uses.
Soil/Subsoil:	No soil boring tests or engineering reports were submitted to the appraisers.
Soil Condition:	It is beyond the scope of this appraisal to comment on the existence of below ground soil contamination. <i>We are unaware of any soil contamination on the Subject Property. Any existing site contamination could have a serious negative affect on the market value and marketability of the subject property.</i>
Flood Zone:	Zone X, FEMA Flood Zone Map Panel #12011C0556H, revised 8/18/14
Functional Adequacy:	The site shape, location, and access are considered good for single family residential use.

## LOT 9

### Property Identification

Lot 9 is an interior site located on the west side of SW 12<sup>th</sup> Avenue north of SW 5<sup>th</sup> Court in the City of Fort Lauderdale, Florida. The property is identified by the Broward County Property Appraiser as parcel ID number 50-42-09-46-0090.

### Legal Description

The legal description for Lot 9 is as follows:

Lot 9, RIVERSIDE LANDINGS, Plat Book 176, Page 20, of  
the Public Records of Broward County, Florida

### Ownership

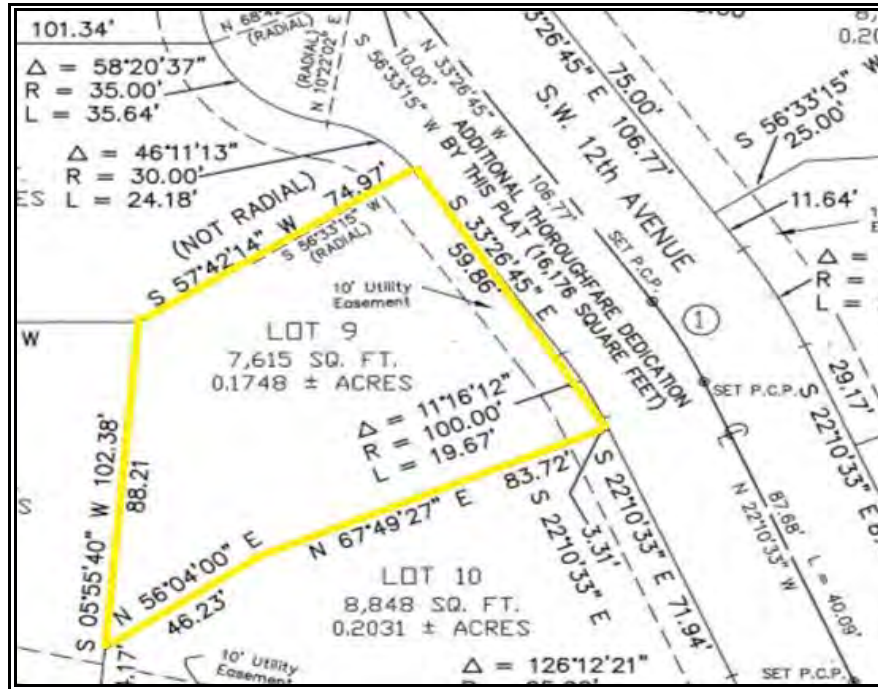
We have not been provided with an authoritative title report to ascertain current ownership. However, the Broward County Property Records shows title in the name of HGS Holdings Corp. with a mailing address of 10500 SW 67<sup>th</sup> Avenue, Miami, Florida 33156.

### Property History

Lot 9, along with the rest of the subject lots, was last sold on October 27, 2015 for \$2,360,000. This Warranty Deed from ZMS Property Holding Group, LLC to HGS Holdings Corporation was recorded as Instrument Number 113313705, Broward County, Florida. This sale took place four and a half years ago, prices have increased since that time, and this is not indicative of the current market value. There have not been any other sales of the subject property within the past five years. According to the property owner, the subject property is not currently listed with a broker or under contract to sell.

# LOT 9

## Subdivision Plat/Aerial View



Subdivision Plat showing Lot 9 Location



Aerial View showing Lot 9 Location

### Site Analysis

The following data is based on the subdivision plat, published data, and our personal inspection. Lot 9 is an interior dry low density residential(duplex) multi-family lot. The following data pertains to the physical features of the site.

Site area:	±7,615 SF or ±0.175 Acres (per Subdivision plat)
Shape:	Irregular
Frontages:	±60 feet along the west side of SW 12 <sup>th</sup> Avenue
Topography:	Basically flat and level at or slightly above road grade
Site Conditions:	At time of inspection, the site was vacant and mostly cleared, with a few trees.
Drainage:	Appears adequate via natural percolation and catch basins on the street.
Site Access:	Pedestrian and vehicular access from SW 12 <sup>th</sup> Avenue.
Site Exposure:	Exposure is considered low, adequate for residential uses.
Utilities:	Water, sewer, telephone, and electric service are available to the Subject site.
Restrictions/Easements:	There is a utility easement along the eastern boundary of the site. There are no known detrimental easements or restrictions.
Encroachments:	No detrimental encroachments known.

**Site Analysis (Cont.)**

Locational Attributes:	Lot 9 has an interior orientation with frontage along SW 12 <sup>th</sup> Avenue, a low-trafficked, residential street. It has adequate exposure for low density residential uses. The site has good frontage, good access, and good compatibility with surrounding sites and land uses.
Soil/Subsoil:	No soil boring tests or engineering reports were submitted to the appraisers.
Soil Condition:	It is beyond the scope of this appraisal to comment on the existence of below ground soil contamination. <i>We are unaware of any soil contamination on the Subject Property. Any existing site contamination could have a serious negative affect on the market value and marketability of the subject property.</i>
Flood Zone:	Zone X, FEMA Flood Zone Map Panel #12011C0556H, revised 8/18/14
Functional Adequacy:	The site shape, location, and access are considered good for low density residential use.

## LOT 10

### Property Identification

Lot 10 is located at the northwest corner of SW 12<sup>th</sup> Avenue and SW 5<sup>th</sup> Court in the City of Fort Lauderdale, Florida. The property is identified by the Broward County Property Appraiser as parcel ID number 50-42-09-46-0100.

### Legal Description

The legal description for Lot 10 is as follows:

Lot 10, RIVERSIDE LANDINGS, Plat Book 176, Page 20, of  
the Public Records of Broward County, Florida

### Ownership

We have not been provided with an authoritative title report to ascertain current ownership. However, the Broward County Property Records shows title in the name of HGS Holdings Corp. with a mailing address of 10500 SW 67<sup>th</sup> Avenue, Miami, Florida 33156.

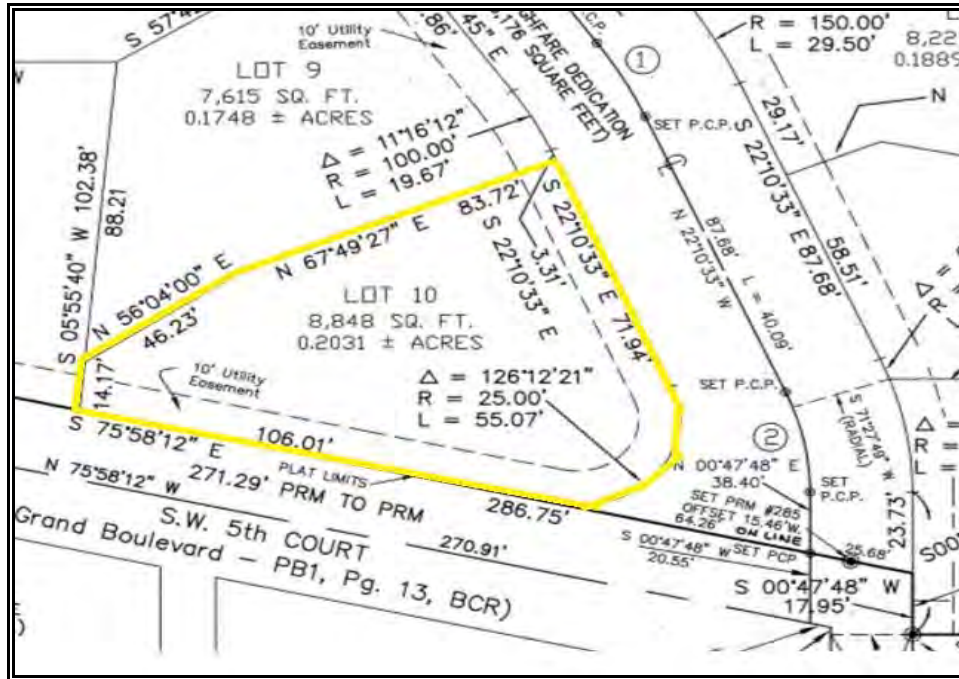
### Property History

Lot 10, along with the rest of the subject lots, was last sold on October 27, 2015 for \$2,360,000. This Warranty Deed from ZMS Property Holding Group, LLC to HGS Holdings Corporation was recorded as Instrument Number 113313705, Broward County, Florida. This sale took place four and a half years ago, prices have increased since that time, and this is not indicative of the current market value. There have not been any other sales of the subject property within the past five years. According to the property owner, the subject property is not currently listed with a broker or under contract to sell.

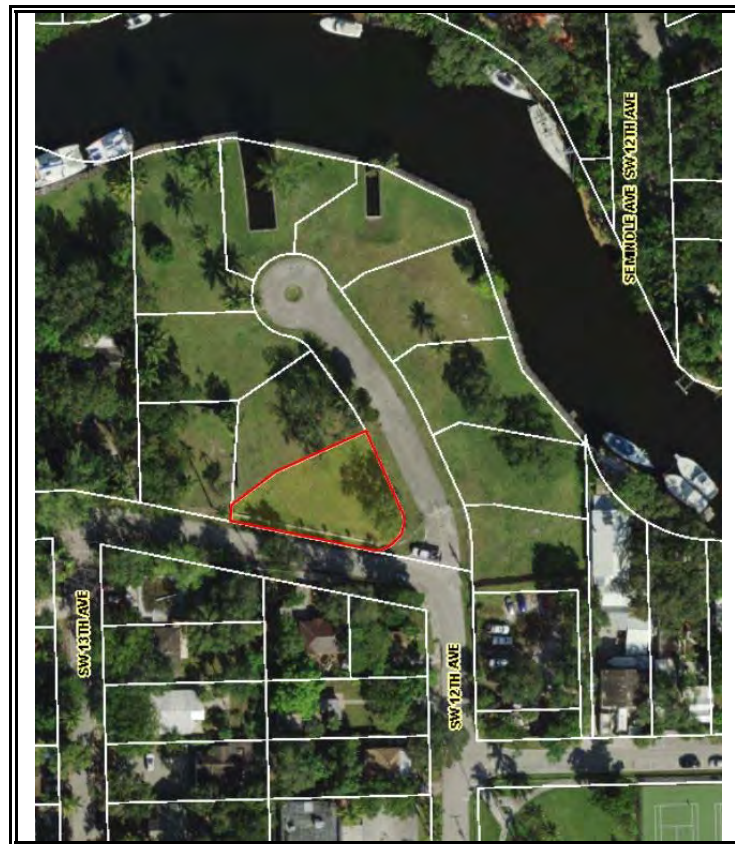


## LOT 10

### Subdivision Plat/Aerial View



Subdivision Plat showing Lot 10 Location



Aerial View showing Lot 10 Location

### Site Analysis

The following data is based on the subdivision plat, published data, and our personal inspection. Lot 10 is a dry low density multi-family corner lot. The following data pertains to the physical features of the site.

Site area:	±8,072 SF or ±0.185 Acres (per Subdivision plat)
Shape:	Irregular
Frontages:	±72 feet along the east side of SW 12 <sup>th</sup> Avenue and ±106 feet along the north side of SW 5 <sup>th</sup> Court
Topography:	Basically flat and level at or slightly above road grade
Site Conditions:	At time of inspection, the site was vacant and mostly cleared, with a few trees.
Drainage:	Appears adequate via natural percolation and catch basins on the street.
Site Access:	Pedestrian and vehicular access from SW 12 <sup>th</sup> Avenue and SW 5 <sup>th</sup> Court.
Site Exposure:	Exposure is considered average, adequate for residential uses.
Utilities:	Water, sewer, telephone, and electric service are available to the Subject site.
Restrictions/Easements:	There are utility easements along the southern and eastern boundaries of this parcel. There are no known detrimental easements or restrictions.

**Site Analysis (Cont.)**

Encroachments:	No detrimental encroachments known.
Locational Attributes:	Lot 10 has a corner orientation with frontage along SW 12 <sup>th</sup> Avenue and SW 5 <sup>th</sup> Court, which are both low-trafficked, residential streets. It has adequate exposure for low density multi-family residential uses. The site has good frontage, good access, and good compatibility with surrounding sites and land uses.
Soil/Subsoil:	No soil boring tests or engineering reports were submitted to the appraisers.
Soil Condition:	It is beyond the scope of this appraisal to comment on the existence of below ground soil contamination. <i>We are unaware of any soil contamination on the Subject Property. Any existing site contamination could have a serious negative affect on the market value and marketability of the subject property.</i>
Flood Zone:	Zone X, FEMA Flood Zone Map Panel #12011C0556H, revised 8/18/14
Functional Adequacy:	The site shape, location, and access are considered good for low density multi-family residential use.

## LOT 11

### Property Identification

Lot 11 is an interior site located on the north side of SW 5<sup>th</sup> Place just west of SW 12<sup>th</sup> Avenue in the City of Fort Lauderdale, Florida. The property is identified by the Broward County Property Appraiser as parcel ID number 50-42-09-46-0110.

### Legal Description

The legal description for Lot 11 is as follows:

Lot 11, RIVERSIDE LANDINGS, Plat Book 176, Page 20, of  
the Public Records of Broward County, Florida

### Ownership

We have not been provided with an authoritative title report to ascertain current ownership. However, the Broward County Property Records shows title in the name of HGS Holdings Corp. with a mailing address of 10500 SW 67<sup>th</sup> Avenue, Miami, Florida 33156.

### Property History

Lot 11, along with the rest of the subject lots, was last sold on October 27, 2015 for \$2,360,000. This Warranty Deed from ZMS Property Holding Group, LLC to HGS Holdings Corporation was recorded as Instrument Number 113313705, Broward County, Florida. This sale took place four and a half years ago, prices have increased since that time, and this is not indicative of the current market value. There have not been any other sales of the subject property within the past five years. According to the property owner, the subject property is not currently listed with a broker or under contract to sell.

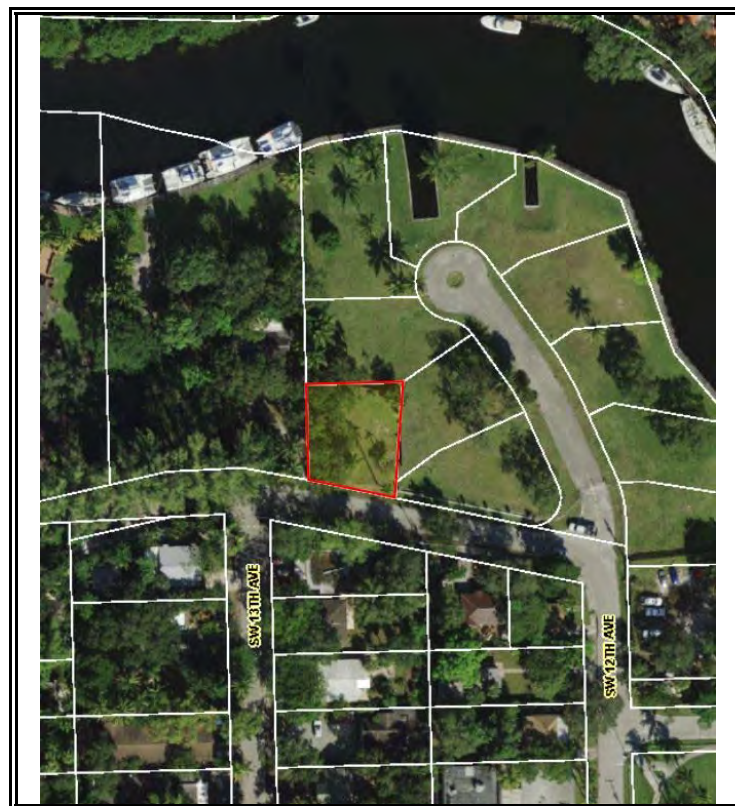


## LOT 11

## Subdivision Plat/Aerial View



Subdivision Plat showing Lot 11 Location



Aerial View showing Lot 11 Location

### Site Analysis

The following data is based on the subdivision plat, published data, and our personal inspection. Lot 11 is an interior dry low density multi-family lot. The following data pertains to the physical features of the site.

Site area:	±7,528 SF or ±0.173 Acres (per Subdivision plat)
Shape:	Irregular
Frontages:	±78 feet along the north side of SW 5 <sup>th</sup> Court
Topography:	Basically flat and level at or slightly above road grade
Site Conditions:	At time of inspection, the site was vacant and mostly cleared, with a few trees. There is also a low concrete wall along portions of this lot.
Drainage:	Appears adequate via natural percolation and catch basins on the street.
Site Access:	Pedestrian and vehicular access from SW 5 <sup>th</sup> Court.
Site Exposure:	Exposure is considered low, adequate for residential uses.
Utilities:	Water, sewer, telephone, and electric service are available to the Subject site.
Restrictions/Easements:	There is a utility easement along the southern boundary of the site. There are no known detrimental easements or restrictions.
Encroachments:	No detrimental encroachments known.

**Site Analysis (Cont.)**

Locational Attributes:	Lot 11 has an interior orientation with frontage along SW 5 <sup>th</sup> Court, a low-trafficked, residential street. It has adequate exposure for low density multi-family residential uses. The site has good frontage, good access, and good compatibility with surrounding sites and land uses.
Soil/Subsoil:	No soil boring tests or engineering reports were submitted to the appraisers.
Soil Condition:	It is beyond the scope of this appraisal to comment on the existence of below ground soil contamination. <i>We are unaware of any soil contamination on the Subject Property. Any existing site contamination could have a serious negative affect on the market value and marketability of the subject property.</i>
Flood Zone:	Zone X, FEMA Flood Zone Map Panel #12011C0556H, revised 8/18/14
Functional Adequacy:	The site shape, location, and access are considered good for low density multi-family residential use.

## FLOOD ZONE MAP



Flood Zone Map showing Subject Properties



## ZONING

Generally, zoning looks to the future as a result of planning. Its purpose is to promote and maintain a degree of homogeneity in the use of real estate within the confines of a given geographic, political subdivision. The Appraisal Institute in its book, "*The Appraisal of Real Estate*", Twelfth Edition, has defined zoning as:

*"The public regulation of the character and extent of real estate use through police power; accomplished by establishing districts or areas with uniform restrictions relating to improvements, structural height, area, bulk, density of population, and other aspects of the use and development of private property."*

According to the City of Fort Lauderdale Planning and Zoning Department Subject lots one through eight are zoned RS-8, Neighborhood Residential District and lots nine through eleven are zoned RD-15, Residential Single Family Duplex/Medium Density District.

The Code of Ordinances indicates that the **RS-8** district is intended to "maintain the overall single -family character of the neighborhoods by restricting establishment of new two family dwellings and requiring designs that are compatible with single family dwellings."

Permitted uses in the **RS-8** district include single family residences, community residences with three residents maximum, family community residences with four to 10 residents (1,000' distance separation), active and passive parks, social service residential facility (level I), family day care centers, and urban agriculture.

Setback requirements for the **RS-8** district are as follows:

Requirements	<b>RS-8</b>
Maximum density	8.0 du/net ac.
Minimum lot size	6,000 sq. ft.
Maximum structure height	35 ft.
Maximum structure length	None
Minimum lot width	50 ft. *75 ft. when abutting a waterway on any side
Minimum floor area	1,000 sq. ft.
Minimum front yard	25 ft. Special minimum front yard setbacks: Coral Isles—15 ft. Nurmi Isles—20 ft. Pelican Isles—20 ft.
Minimum corner yard	25% of lot width but not greater than 25 ft. 25 ft. when abutting a waterway

## ZONING (CONT.)

Development standards for the RS-8 zoning district are considered liberal and in no way appear to be restrictive to functional development of the Subject lots one through eight. Any use of the subject properties must meet all physical requirements (setbacks, building height etc) and would still be subject to site plan approval from the City of Fort Lauderdale. For a complete description of the zoning consult the Fort Lauderdale Code of Ordinances.

**RD-15** district is intended to “to provide areas within the city for single family detached dwellings and for duplex units or two family residences where two units are either attached or semi-attached. The RD-15 district permits single family dwelling units including zero lot line dwellings and cluster dwellings designed in a manner that is compatible and complementary to the surrounding area. This provides for a more efficient use of land resources by allowing for a modification of yards to provide for innovative site design and open space on lots which, because of their size and/or configuration, could not be efficiently used otherwise. The RD-15 district has a maximum density of 15 dwelling units per net acre, which is consistent with the density permitted by the residential medium category of the city's comprehensive plan.”

Permitted uses in the **RD-15** district include single family residences (attached, zero lot line), duplexes, community residences with three residents maximum, family community residences with four to 10 residents (1,000' distance separation), active and passive parks, social service residential facility (level I), family day care centers, and urban agriculture.

Setback requirements for the **RD-15** district are as follows:

## ZONING (CONT.)

Requirements	Single Family Dwelling	Single Family Dwelling, Attached: Duplex/Two(2) Family Dwelling	Single Family Dwelling: Zero-Lot-Line
Maximum density (du/net acre)	15	15	15
Minimum lot size (sq. ft.)	6,000	6,000 3,000 each du	4,000
Maximum structure height (ft.)	35	35	35
Maximum structure length (ft.)	None	None	None
Minimum lot width (ft.)	50	50	40
Minimum floor area (sq. ft.)	700	700 each du	1,000
Minimum front yard (ft.)	25	25	25
Minimum corner yard (ft.)	25% of lot width but not less than 10 ft. nor greater than 25 ft.  25 ft. when abutting a waterway	25% of lot width but not less than 10 ft. nor greater than 25 ft.  25 ft. when abutting a waterway	See <a href="#">Section 47-18.38</a>  25 ft. when abutting a waterway
Minimum side yard (ft.)	5 ft. - up to 22 ft. in height  Where a building exceeds 22 ft. in height that portion of the building above 22 ft. shall be set back an additional 1 ft. per foot of additional height  25 ft. when abutting a waterway	Same as for single-family requirement  25 ft. when abutting a waterway	See <a href="#">Section 47-18.38</a>  25 ft. when abutting a waterway
Minimum rear yard (ft.)	15  25 ft. when abutting a waterway	15  25 ft. when abutting a waterway	15  25 ft. when abutting a waterway
Minimum distance between buildings (ft.)	None	None	None

Development standards for the RD-15 zoning district are considered liberal and in no way appear to be restrictive to functional development of the Subject lots nine through eleven. Any use of the subject properties must meet all physical requirements (setbacks, building height etc) and would still be subject to site plan approval from the City of Fort Lauderdale. For a complete description of the zoning consult the Fort Lauderdale Code of Ordinances.

## TAX AND ASSESSMENT DATA

The 2019 assessments and tax information for the Subject Parcels are as follows:

Lot #	Property ID#	LAND ASSESSMENT	BLDG ASSESSMENT	TOTAL ASSESSMENT	GROSS TAXES*
1	50-42-09-46-0010	\$97,030	\$0	\$97,030	\$1,803.27
2	50-42-09-46-0020	\$90,610	\$0	\$90,610	\$1,683.98
3	50-42-09-46-0030	\$259,650	\$0	\$259,650	\$4,825.52
4	50-42-09-46-0040	\$282,330	\$0	\$282,330	\$5,247.01
5	50-42-09-46-0050	\$277,260	\$0	\$277,260	\$5,152.80
6	50-42-09-46-0060	\$265,830	\$0	\$265,830	\$4,940.36
7	50-42-09-46-0070	\$359,190	\$0	\$359,190	\$6,675.44
8	50-42-09-46-0080	\$106,610	\$0	\$106,610	\$1,981.30
9	50-42-09-46-0090	\$91,060	\$0	\$91,060	\$1,692.33
10	50-42-09-46-0100	\$105,780	\$0	\$105,780	\$1,965.89
11	50-42-09-46-0110	\$90,340	\$0	\$90,340	\$1,678.95

The dry Subject lots (1-2 and 8-11) have land assessments based on \$12.00 per square foot and the waterfront lots (3-7) have land assessments based on \$31.50 per square foot. Parcels in the immediate vicinity have land assessments which appear to be similar to the subject properties.

The Broward County Real Estate Tax Information site shows that the Subject Properties have no unpaid taxes due. Assessed value is for ad valorem taxation and does not necessarily represent or reflect the current market value of the Subject Property.



## HIGHEST AND BEST USE

A valuation concept that can be applied to either the land or improvements. It normally is used to mean that use of a parcel of land (without regard to any improvements upon it) that will bring the greatest net return to the land over a given period of time. The concept of highest and best use can also be applied to a property that has some improvements upon it that have a remaining economic life. In this context, highest and best use can refer to that use of the existing improvements which is most profitable to the owner. It is possible to have two different highest and best uses for the same property, one for the land ignoring the improvements, and another that recognizes the presence of the improvements.

Inherent in reaching any conclusion as the Highest and Best Use of a property is the consideration of the many principles related to valuation. The Principle of Anticipation is predicated on the foundation that value is created by the anticipation of future benefits. It is not based on historical costs, but on what current market participants believe the future benefits of the purchaser will be.

The Principle of Conformity addresses itself to the issue that property achieves its optimum value when the use to which it is put, and the design and layout of any structure situated on the land, blends well with its environs.

The use need not be the same as all surrounding properties, but it must be homogeneous with those uses. All of these factors must be considered in arriving at a conclusion as to the Highest and Best Use of a property.

## HIGHEST AND BEST USE (CONT.)

The Highest and Best Use analysis identifies the most profitable, competitive uses to which the property can be put. Therefore, the Highest and Best Use of a property is a critical factor of market value.

### Definition

Highest and Best Use may be defined as

*The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.*<sup>[1]</sup>

**As vacant**, it is among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

The Highest and Best Use of both land as though vacant and property as improved must meet four criteria. The Highest and Best Use must be:

1. Legally permissible;
2. Physically possible;
3. Financially feasible; and
4. Maximally productive.

[1] The Dictionary of Real Estate Appraisal, Fourth Edition. The Appraisal Institute. Page 135.

### **1) Legally Permissible**

Factors which may preclude possible uses include private restrictions, zoning, building codes, historic district controls, and environmental regulations. As discussed in the zoning section, the Subject Properties Lots one through eight are zoned RS-8, Neighborhood Residential District by the City of Fort Lauderdale and lots nine through eleven are zoned RD-15, Residential Single Family Duplex/Medium Density District. RS-8 primarily allows single family homes and RD-15 allows single-family homes and duplexes. Based on the zoning districts, single family residences appear allowable on lots one through eight and single-family houses or duplexes on lots nine through eleven.

### **2) Physically Possible**

The factors which are pertinent to physically possible uses of the site include the size, area, topography, frontage, access, depth, exposure and the availability of public utilities, and immediately surrounding improvements. The eleven parcels have low exposure but are adequate for single family or duplex use. The parcels have adequate size, width, and depth for development with single family (Lots 1-8) or duplexes (Lots 9-11). Lots three through seven have water frontage on the North Fork of the New River with bulkheads and docks. Lots five and six both have boat slips that reduce the buildable area. Lot six has a large boat slip (approximately 25' x 70') along the central portion of its site. It may be difficult to build a house on this lot due to the large boat slip. This lot could be combined with lot seven to make a larger buildable lot with a boat slip. This would be desirable to someone with a large boat. Lot five could still be improved with a house due to the smaller boat slip. The other possibility would build a house with a smaller footprint, or fill-in some of the slip area.

### **3. Financially Feasible**

The focus of this criteria is which uses are likely to produce an income, or return, equal to or greater than the amount needed to satisfy operating expenses, financial obligations, and capital amortization. Any use of the subject sites that produces an adequate rate of return on the investment capital is financially feasible. It is our opinion that some sort of legally permissible residential development is the most financially feasible use of the Subject lots.

### **4) Maximally Productive**

Considering the Subject Parcels available to be put to their Highest and Best Use, it is our opinion that the maximally productive use at this time is for development with a legally permissible residential development. Single family residential development appears to be a maximally productive use for Lots one through five and eight and two-family (duplex) residential development may also be a maximally productive use of Lots nine through eleven, although a house can be built on all of the lots. Lots six and seven could be combined because of the large boat slip on lot six which would make it difficult to improve with a single family house, or the slip could be reconfigured to some extent, or removed completely.



## DISCUSSION OF THE VALUATION PROCESS

There are three traditional approaches to the valuation of real estate:

The first is the **Cost Approach**. In the Cost Approach, the cost to develop a property is compared with the value of the existing property or similarly developed property. The appraiser estimates the cost to construct a reproduction of, or replacement for, the existing structure and site improvements (including direct costs, indirect costs, and an appropriate entrepreneurial profit), and then deducts all accrued depreciation in the property being appraised from the reproduction or replacement cost of the structure as of the effective appraisal date. When the value of the site is added to this figure, the result is an indication of value of the fee simple interest in the property.

The **Sales Comparison Approach** is the process in which a market value estimate is derived by analyzing the market for similar properties and comparing these properties to the subject property. Data is analyzed from properties that have recently sold, are listed for sale, or are under contract (i.e., recently drawn up purchase offers accompanied by a cash or equivalent deposit). A major premise of the Sales Comparison Approach is that the market value of a property is directly related to the prices of comparable, competitive properties. The comparative analysis performed in the approach focuses on similarities and differences among properties and transactions that affect value. These may include differences in the property rights appraised, the motivations of buyers and sellers, financing terms, market conditions at time of sale, size, location, physical features, and, if the properties produce income, economic characteristics.

## DISCUSSION OF THE VALUATION PROCESS(CONT.)

Elements of comparison are tested against market evidence to determine which elements are sensitive to change and how they affect value.

The third is the **Income Capitalization Approach**. Income-producing real estate is typically purchased as an investment, and from an investor's point of view, earning power is the critical element affecting property value. One basic investment premise is that the higher the earnings the higher the value. An investor who purchases income-producing real estate is essentially trading present dollars for the right to receive future dollars. The Income Capitalization Approach to value consists of methods, techniques and mathematical procedures that an appraiser uses to analyze a property's capacity to generate benefits (i.e., usually the monetary benefits of income and reversion), and convert these benefits into an indication of present value.

Based on our employment agreement, and the property type, the Sales Comparison Approach to value will be utilized to form an opinion of the market value of the fee simple interest in the Subject Properties. The valuation of vacant land is typically made by sales comparison and our peers would use the same valuation process in a similar assignment.

## SALES COMPARISON APPROACH

The valuation of vacant land is typically accomplished by utilizing the Sales Comparison Approach. This approach involves the direct comparison of the subject property with other similar parcels that have been sold recently, in order to derive a value indication for the subject properties. This approach is based primarily on the Principle of Substitution, which holds that a prudent purchaser would pay no more for real property than the cost of acquiring an equally desirable substitute on the open market.

The basic steps in the process involve:

1. Research the market to identify similar/almost similar properties for which pertinent sales, listings, offerings, and/or rental data is available.
2. Qualify the prices as to terms, motivating forces, and a bona fide nature.
3. Compare each of the comparable property's important attributes to the corresponding ones of the property being appraised under the general categories of time, location, physical characteristics and conditions of sale.
4. Consider all dissimilarities and their probable effect on the price of each sale property and derive individual market value indications for the property being appraised.
5. From the pattern developed, formulate an opinion of market value for the property being appraised.

In this approach, sales of similar properties in the market are analyzed and compared with the subject property. After thorough analysis, appropriate units of comparison are selected that are commonly utilized in the subject property's market; then these units of comparison are used to arrive at a valid value indication.

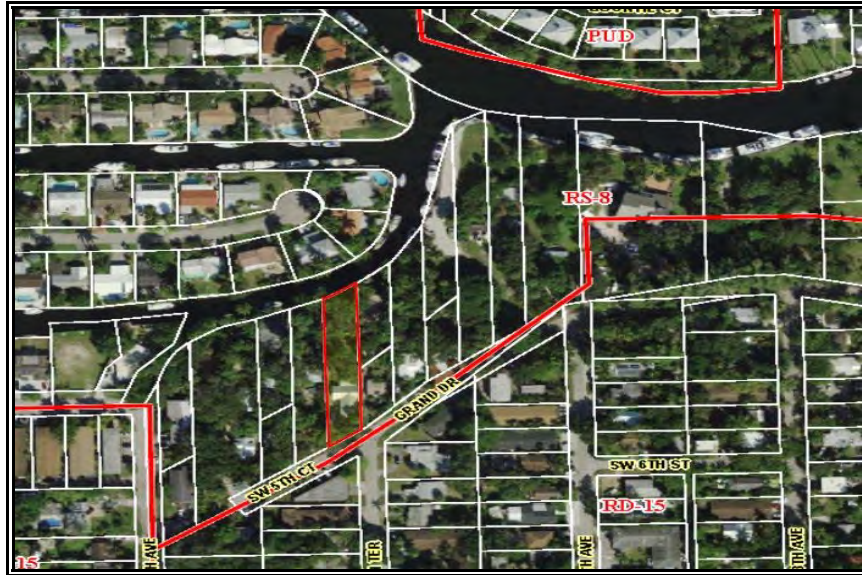
## SALES COMPARISON APPROACH (CONT.)

The Sales Comparison Approach assumes that the market will determine a price for the subject property in the same manner it determines prices of similar properties in the marketplace. This assumption conforms with the definition of market value and with the principle of substitution in real estate appraising.

The Sales Comparison Approach has its greatest validity when there are a sufficient number of comparable properties closely similar to the subject property to develop a valid, reliable value conclusion.

We researched in and around the Subject's Market area in an attempt to find residential land sales which could be compared to the Subject properties. There are three sets of sales for the subject properties: dry single-family lots (Subject Lots 1, 2, 8), dry duplex lots (Subject Lots 9-11), and waterfront single-family lots (Subject Lots 3-7). The resultant land sales and their conclusions are presented on the following pages.

## SALES COMPARISON APPROACH (CONT.)



### Waterfront Land Sale 1

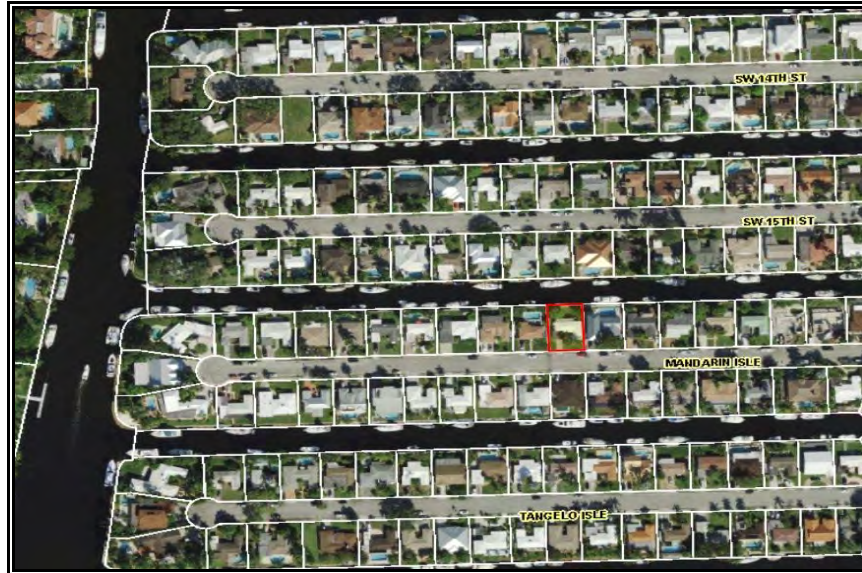
Location:	1439 SW 5 <sup>th</sup> Court (Grand Drive), Ft Lauderdale
Sale Date:	March 10, 2020
Consideration:	\$665,000
Terms:	Cash Equivalent
CIN:	116407889
Grantor:	Janpeter Van De Bundt
Grantee:	Paul C. Mellinger
Parcel ID #:	50-42-09-02-1800
Size:	±15,085 SF or ±0.346 Acres
Shape:	Irregular
Water Frontage:	50 linear feet on canal
Utilities:	All available
Zoning:	RS-8, Fort Lauderdale
Site conditions:	Had a small, old 1,428 SF house built in 1931
Prior sales:	12/2016 for \$495,000 (CIN 114092077)

### ANALYSIS

Sales price per square foot:	<b>\$44.08</b>
Sales price per LF of waterfront:	<b>\$13,300</b>
Comments:	This is an interior residential lot along the north side of SW 5 <sup>th</sup> Court (Grand Drive) just a few blocks west of the subject properties. The zoning is the same as subject lots 3-7. It has frontage on a canal off of the North Fork of the New River. The listing broker said the house contributed minimally to the sales price.



## SALES COMPARISON APPROACH (CONT.)



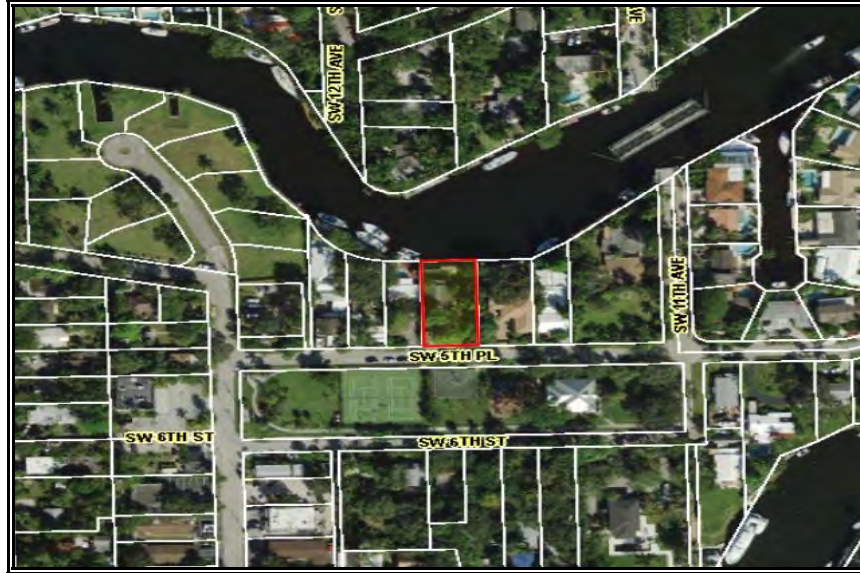
### Waterfront Land Sale 2

Location:	1201 Mandarin Isle, Fort Lauderdale, Florida
Sale Date:	March 20, 2020
Consideration:	\$500,000
Terms:	Cash Equivalent
CIN:	116434315
Grantor:	Justin J. And Kyle S. Klingenberg
Grantee:	Shaul S. Nissim and Vanessa D. Infantes
Parcel ID #:	50-42-16-28-0210
Size:	±6,890 SF or ±0.158 Acres
Shape:	Rectangular
Water Frontage:	65 linear feet on canal
Utilities:	All available
Zoning:	RS-8, Fort Lauderdale
Site conditions:	Improved with a 1,241 square foot 1950's house
Prior sales:	None last five years

### ANALYSIS

Sales price per square foot:	<b>\$72.57</b>
Sales price per LF of waterfront:	<b>\$7,692</b>
Comments:	This is an interior residential property located on the north side of Mandarin Isle in Ft Lauderdale. This is less than a mile south of the subject properties. The RS- 8 zoning is the same as subject lots 3-7. It has frontage on a canal off of the New River. It was improved with a small, old house at the time of the sale. The listing agent indicated the buyers will be demolishing the house and building a new home.

## SALES COMPARISON APPROACH (CONT.)



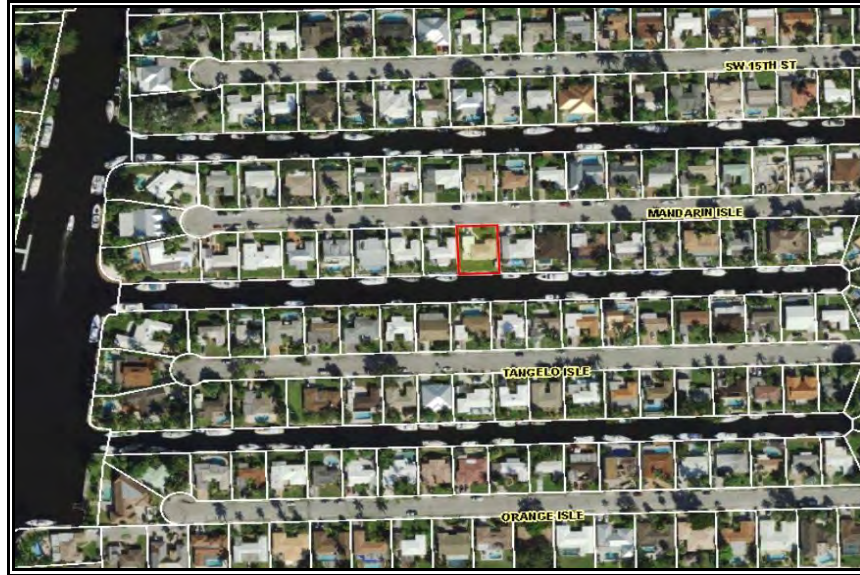
### Waterfront Land Sale 3

Location:	1123 SW 5 <sup>th</sup> Place, Fort Lauderdale, Florida
Sale Date:	October 18, 2019
Consideration:	\$650,000
Terms:	Cash Equivalent
CIN:	116124928
Grantor:	Daniel E. Cross
Grantee:	Christopher V Schirmer and Jaci Regan Mattocks
Parcel ID #:	50-42-09-02-0070
Size:	±12,225 SF or ±0.0281 Acres
Shape:	Rectangular
Water Frontage:	75 linear feet on north fork of the New River
Utilities:	All available
Zoning:	RS-8, Fort Lauderdale
Site conditions:	Improved with a 2,076 square foot 1930's wood-frame house
Prior sales:	None in past 5 years

### ANALYSIS

Sales price per square foot:	<b>\$53.17</b>
Sales price per LF of waterfront:	<b>\$8,667</b>
Comments:	This is an interior residential lot along the north side of SW 5 <sup>th</sup> Place just a block east of the subject properties. The zoning is the same as subject lots 3-7. It has frontage on the North Fork of the New River just like the subject waterfront lots. The listing broker said they are planning on doing a major renovation of the existing house and the house contributed minimally to the sales price.

## SALES COMPARISON APPROACH (CONT.)



### Waterfront Land Sale 4

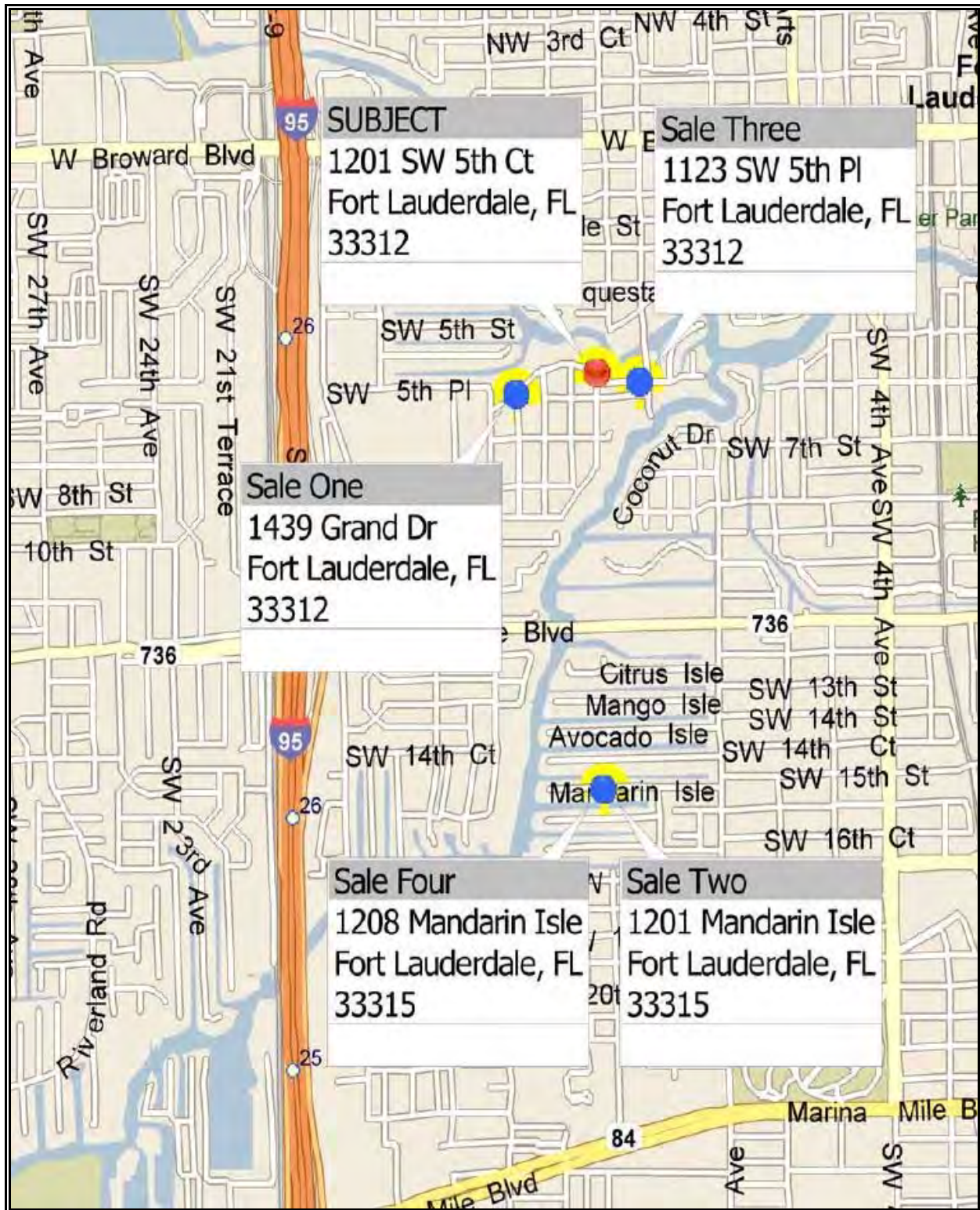
Location:	1208 Mandarin Isle, Fort Lauderdale, Florida
Sale Date:	Contract, closing May 2020
Consideration:	\$503,000 - contract amount
Terms:	Cash Equivalent
CIN:	N/A
Grantor:	Frank Davis, Trustee
Grantee:	N/A
Parcel ID #:	50-42-16-28-0410
Size:	±7,950 SF or ±0.183 Acres
Shape:	Rectangular
Water Frontage:	75 linear feet on a canal
Utilities:	All available
Zoning:	RS-8, Fort Lauderdale
Site conditions:	Improved with small 1950's house
Prior sales:	None last five years

### ANALYSIS

Sales price per square foot	\$63.27 - total; <b>\$50.69</b> - land value
Sales price per LF of waterfront:	\$6,707 - total; <b>\$5,373</b> - land value
Comments:	This is an interior residential property located on the south side of Mandarin Isle in Fort Lauderdale. This is less than a mile south of the subject properties. The RS- 8 zoning is the same as subject lots 3-7. It has frontage on a canal off of the New River. It was improved with a small, old house at the time of the sale. The broker indicated the buyers will be completely renovating the house and it only contributed about \$100,000.



## SALES COMPARISON APPROACH (CONT.)



Map showing Location of the Subject Parcels and the Four Comparable Waterfront Land Sales

SALES COMPARISON GRID -WATERFRONT LOTS					
SUBJECT LOTS 3-7		SALE 1	SALE 2	SALE 3	SALE 4
Location	Lots 3-7/ SW 12 <sup>th</sup> Ave Fort Lauderdale	1439 Grand Dr Fort Lauderdale	1201 Mandarin Isle Fort Lauderdale	1123 SW 5 <sup>th</sup> PI Fort Lauderdale	1208 Mandarin Isle Fort Lauderdale
Sale Date	3/2020 Appraisal	3/2020	3/2020	10/2019	Current Contract
Consideration		\$665,000	\$500,000	\$650,000	\$403,000 - land value
Site size	±8,243 - 19,842	±15,085 SF	±7,950 SF	±12,225 SF	±7,950 SF
Zoning	RS-8	RS-8	RS-8	RS-8	RS-8
Site condition	Vacant and cleared	Imp w/ 1,428 SF 1930's house	Imp w/ 1,241 SF 1950's house being demolished	Imp w/ 2,076 SF 1930's house	Imp w/ 1,572 SF 1950's house
Location	Good	Good	Good	Good	Good
Water Frontage	85-125 LF on North Fork New River	50 LF on Canal Off of New River	65 LF on Canal Off of New River	75 LF on North Fork New River	75 LF on Canal Off of New River
Dev. potential	Good	Good	Good	Good	Good
ANALYSIS					
Price/SF		\$44.08	\$72.57	\$53.17	\$50.69
Price/LF Waterfront		\$13,300	\$7,692	\$8,667	\$5,373
COMPARISON TO SUBJECT					
Site Size		Similar	Similar	Similar	Similar
Zoning		Similar	Similar	Similar	Similar
Site condition		Similar	Similar	Superior -10%	Similar
Location		Similar	Similar	Similar	Similar
Water Frontage		Inferior +20%	Inferior +20%	Similar	Inferior +20%
Dev. potential		Inferior +10%	Similar	Similar	Similar
Total Adjustment		30.00%	20.00%	-10.00%	20.00%
Adjusted Sale Price		\$57.390/SF	\$87.04/SF	\$47.85/SF	\$60.83/SF



### **Waterfront Lots Analysis & Conclusion**

The preceding sales were researched and the sales information was verified to our best ability. The sales must now be analyzed and compared with the Subject Property Parcels. The four sales in our analysis ranged from \$5,373 to \$13,300 per linear foot of waterfront and \$44.08 to \$72.57 per square foot of land area. The price per square foot was more consistent and was relied upon in this valuation. The sales transacted within six months of the effective date of value. All of the sales are waterfront single-family lots within close proximity of the subject properties.

As this is an older neighborhood that has been developed for some time, and since waterfront lots are in high demand we did not find any recent vacant land sales. Therefore, we used improved lots with older houses that were either being demolished or having major renovations. We based the contributory value of the houses on information provided by the realtors, when supplied. In a lot of situations, the renovation costs can be as much or even more than starting new. It can be advantageous to basically leave the bone structure/walls to take advantage of the former setbacks rather than designing a narrow structure, go up vertically, or both in order to abide by current standards. There does not appear to be much difference in sales that were demolishing the improvements versus major renovations to the existing structure.

**Sale #1 (\$44.08/SF)** is a 15,085 SF single-family lot just a few blocks west of the subject properties. There was a 1930's single family house that the listing agent said contributed minimally to the property value. It is zoned RS-8 which is the same as the subject waterfront lots. The water frontage (50 LF) for this property is along a narrower canal just off of the north fork of the New River which is considered inferior to the subject properties and also has development potential due to the long narrow lot which is considered inferior. After adjustments for the differences this sale indicated an adjusted value of **\$57.30** per square foot.

**Sale #2 (\$72.57/SF)** is a 6,890 square foot single-family lot located less than a mile south of the subject properties. There was a 1950's single family house that the listing agent said was being demolished by the buyer so no value was attributed to the house. It is zoned RS-8 which is the same as the subject waterfront lots. The water frontage (65 LF) for this property is along a narrower canal which is considered inferior to the subject properties and also has less frontage which is considered inferior. After adjustments for these differences this sale indicated an adjusted value of **\$87.04** per square foot.

## SALES COMPARISON APPROACH (CONT.)

**Sale #3 (\$53.17/SF)** is a 12,225 square foot single-family lot about a mile east of the subject properties. There was a 1930's single family house that the listing agent said was going to undergo a major renovation and contributed minimally to the overall value. It is zoned RS-8 which is the same as the subject waterfront lots. The water frontage (75 LF) for this property is along the north fork of the New River which is considered similar to the subject properties. This sale is considered to be superior due to some contributory value of the existing home. After an adjustment for this factor, this sale indicated an adjusted value of **\$47.85** per square foot.

**Sale #4 (\$50.69/SF - land value)** is a 7,950 square foot single-family lot about a mile south of the subject properties. There was a 1930's single family house that the listing agent said contributed about \$100,000 to the property value. We have already adjusted the sales price downward for this amount. It is zoned RS-8 which is the same as the subject waterfront lots. The water frontage (75 LF) for this property is along a narrower canal which is considered inferior to the subject properties. After adjustments for these differences this sale indicated an adjusted value of **\$60.83** per square foot.

After adjustments, the four sales comparables indicated a range of values from \$47.85 to \$87.04 per square foot with an average of \$63.26/SF and a median of \$59.07/SF. Based on the analysis stated above, and with emphasis on all four of the sales, it is our opinion that the market data indicates a market value for the Subject Waterfront Parcels based on \$60.00 per square foot. This equates to \$494,000 (8,227 SF x \$60.00/SF = \$493,620 rounded to \$494,000) for Lot 3; \$534,000 (8,907 SF x \$60.00/SF = \$534,420 rounded to \$534,000) for Lot 4; \$528,000 (8,808 SF x \$60.00/SF = \$528,480 rounded to \$528,000) for Lot 5; \$1,192,000 (19,874 SF x \$60.00/SF = \$1,192,440 rounded to \$1,192,000) for Lots 6 & 7.

Therefore:

### WATERFRONT LOTS FINAL OPINION OF MARKET VALUE INDICATED BY THE SALES COMPARISON APPROACH AS OF MARCH 27, 2020;

**Lot 3 - \$494,000**

**Lot 4 - \$534,000**

**Lot 5 - \$528,000**

**Lots 6/7 - \$1,192,000**



## SALES COMPARISON APPROACH (CONT.)



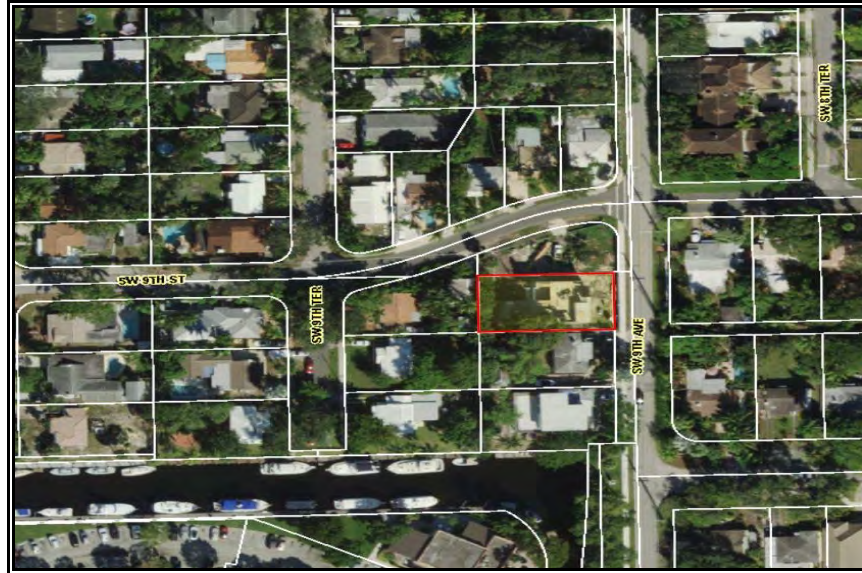
### Single Family Dry Land Sale 1

Location:	632 SW 12 <sup>th</sup> Avenue, Fort Lauderdale, Florida
Sale Date:	February 28, 2019
Consideration:	\$170,000
Terms:	Cash Equivalent
CIN:	115662375
Grantor:	J. Scott and Charlene Bagall
Grantee:	632 SW 12 <sup>th</sup> Avenue, LLC.
Parcel ID #:	50-42-09-02-0201
Size:	±9,923 SF or ±0.228 Acres
Shape:	Irregular
Utilities:	All available
Zoning:	RS-8, Fort Lauderdale
Site conditions:	Vacant and cleared
Prior sales:	No prior sales in the past five years

### ANALYSIS

Sales price per square foot:	<b>\$17.13</b>
Comments:	This is an interior residential lot on the east side of SW 12 <sup>th</sup> Avenue just a few blocks south of the subject properties. The zoning is RS-8, the same as subject lots 1, 2 & 8. After the sale, it was improved with a new single family home.

## SALES COMPARISON APPROACH (CONT.)



### Single Family Dry Land Sale 2

Location:	903 SW 9 <sup>th</sup> Avenue, Fort Lauderdale, Florida
Sale Date:	June 7, 2019
Consideration:	\$243,800
Terms:	Cash Equivalent
CIN:	115858887
Grantor:	Lisa Gaghagen, PR
Grantee:	9 <sup>th</sup> Avenue Properties, LLC.
Parcel ID #:	50-42-09-20-0010
Size:	±8,001 SF or ±0.184 Acres
Shape:	Rectangular
Utilities:	All available
Zoning:	RD-15, Fort Lauderdale
Site conditions:	Older single-family house, subsequently demolished
Prior sales:	None last five years

### ANALYSIS

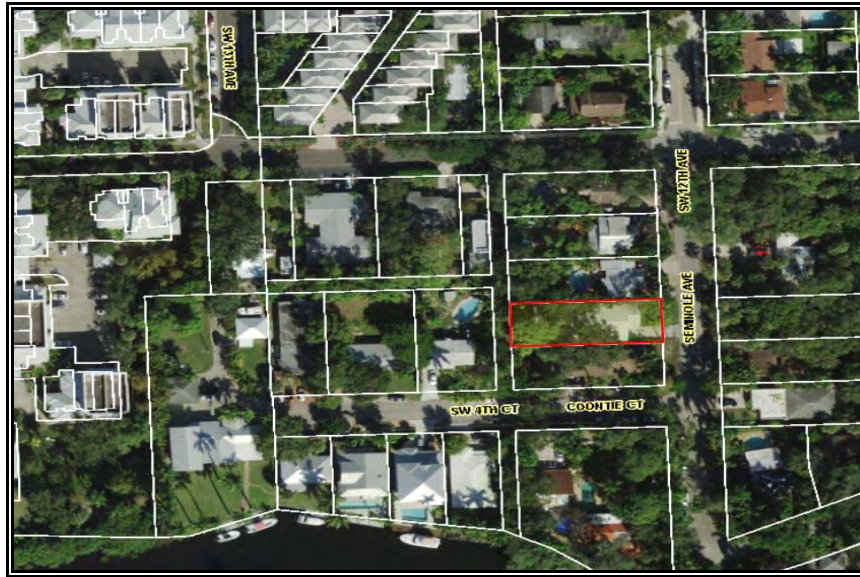
Sales price per square foot  
Comments:

**\$30.47**

This is an interior residential lot located on the west side of SW 9<sup>th</sup> Avenue in Fort Lauderdale. This is less than half a mile southeast of the subject properties. The RD-15 zoning allows single-family or duplex uses. The buyer demolished the existing home and is improving the property with a new single-family house.



## SALES COMPARISON APPROACH (CONT.)



### Single Family Dry Land Sale 3

Location:	411 SW 12 <sup>th</sup> Avenue, Fort Lauderdale, Florida
Sale Date:	March 31, 2017
Consideration:	\$130,000
Terms:	Cash Equivalent
CIN:	115119310
Grantor:	Gail Alexander
Grantee:	Bari Dore
Parcel ID #:	50-42-09-09-2520
Size:	±6,750 SF or ±0.155 Acres
Shape:	Rectangular
Utilities:	All available
Zoning:	RS-8, Fort Lauderdale
Site conditions:	Vacant with some shrubs
Prior sales:	None in past five years

### ANALYSIS

Sales price per square foot:	<b>\$19.26</b>
Comments:	This is an interior residential lot on the west side of SW 12 <sup>th</sup> Avenue, north of SW 4 <sup>th</sup> Court just to the north of the New River. The zoning is RS-8, the same as subject lots one, two, and eight. Since the time of the sale it has been improved with a new single family house.

## SALES COMPARISON APPROACH (CONT.)



### Single Family Dry Land Sale 4

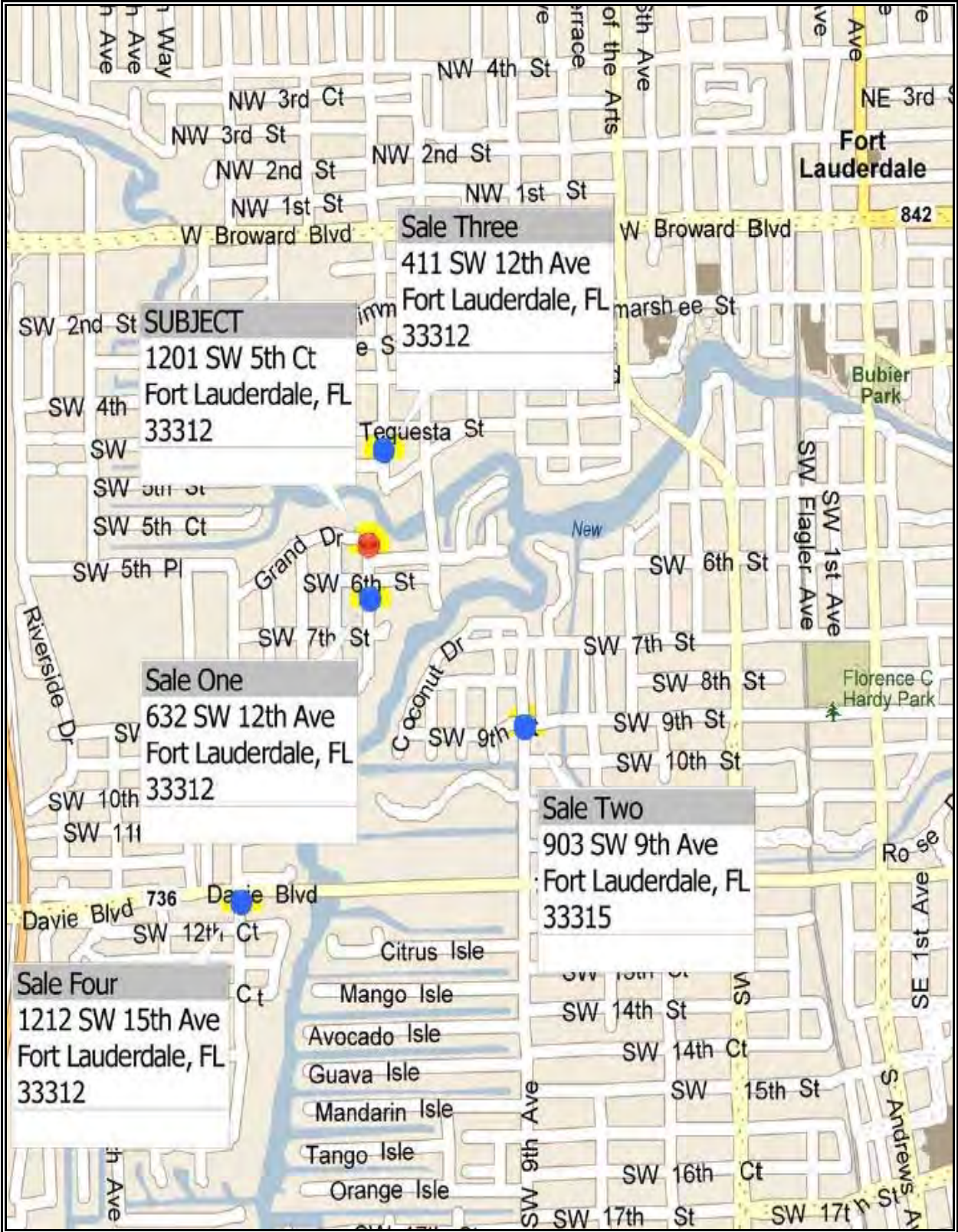
Location:	14xx West Davie Boulevard ( North of 1212 SW 5 <sup>th</sup> Ave), Fort Lauderdale, Florida
Sale Date:	February 3, 2020
Consideration:	\$100,000
Terms:	Cash Equivalent
CIN:	116327951
Grantor:	Invesco Home Solutions, LLC.
Grantee:	Felix Alao
Parcel ID #:	50-42-16-00-0040
Size:	±8,814 SF or ±0.202 Acres
Shape:	Rectangular
Utilities:	All available
Zoning:	RS-8, Fort Lauderdale
Site conditions:	Vacant with some shrubs
Prior sales:	12/19 \$50,000 CIN #116223733

### ANALYSIS

Sales price per square foot:	<b>\$11.35</b>
Comments:	This is a residential lot located on the southeast corner of West Davie Boulevard and SW 15 <sup>th</sup> Avenue in Fort Lauderdale. This is about half a mile south of the subject properties. The zoning is RS-8, the same as subject lots one, two, and eight. It has an inferior location for residential uses as it is on a very busy road.



## SALES COMPARISON APPROACH (CONT.)



Map showing Location of the Subject Parcels and the Four Comparable Land Sales

SALES COMPARISON GRID - DRY SINGLE FAMILY LOTS					
SUBJECT LOTS 3-7		SALE 1	SALE 2	SALE 3	SALE 4
Location	Lots 1, 2 & 8/ SW 12 <sup>th</sup> Ave, Ft Lauderdale	632 SW 12 <sup>th</sup> Ave Fort Lauderdale	903 SW 9 <sup>th</sup> Ave Fort Lauderdale	411 SW 12 <sup>th</sup> Ave Fort Lauderdale	14xx W Davie Blvd Fort Lauderdale
Sale Date	3/2020 Appraisal	2/2019	6/2019	3/2017	2/2020
Consideration		\$170,000	\$243,800	\$130,000	\$100,000
Prior sales:		N/A	N/A	N/A	12/19 \$50,000
Site size	±7,500 - 8,901	±9,923 SF	±8,001	±6,750	±8,814
Zoning	RS-8	RS-8	RD-15	RS-8	RS-8
Site condition	Vacant and cleared	Similar	Older SF House demolished	Similar	Similar
Location	Good	Good	Good	Good	Fair
Dev. potential	Good	Good	Good	Good	Good
ANALYSIS					
Price/SF		\$17.13	\$30.47	\$19.26	\$11.35
COMPARISON TO SUBJECT					
Market Conditions		Similar	Similar	Inferior +10%	Similar
Site Size		Similar	Similar	Similar	Similar
Zoning		Similar	Superior -25%	Similar	Similar
Site condition		Similar	Inferior 10%	Similar	Similar
Location		Similar	Similar	Similar	Inferior +35%
Dev. potential		Similar	Similar	Similar	Similar
<b>Total Adjustment</b>		<b>0.00%</b>	<b>-15.00%</b>	<b>10.00%</b>	<b>35.00%</b>
<b>Adjusted Sale Price</b>		<b>\$17.13/SF</b>	<b>\$26.12/SF</b>	<b>\$21.19/SF</b>	<b>\$15.32/SF</b>

## SALES COMPARISON APPROACH (CONT.)

### Dry Lots Analysis & Conclusion

The preceding sales were researched and the sales information was verified to our best ability. The sales must now be analyzed and compared with the Subject Property Parcels. The four sales in our analysis ranged from \$11.35 to \$30.47 per square foot of land area before adjustments. The sales transacted within three years of the effective date of value. All of the sales are similar lots within close proximity of the subject properties.

**Sale #1 (\$17.13/SF)** is a 9,923 square foot lot located just a few blocks south of the subject properties. It is zoned RS-8 which is the same as subject lots one, two, and eight. The lot was vacant and cleared similar to the subject lots. Overall, this property was similar to the subject dry single-family lots and no adjustments were made. This sale indicated a value of \$17.13 per square foot.

**Sale #2 (\$30.47/SF)** is a 8,001 square foot lot located less than a half of a mile southeast of the subject properties. It is zoned RD-15 which allows single-family and duplexes. It was improved with a single family house that was demolished after the sale and the buyer is building a new single-family house. The zoning is considered more liberal even though they built a house, and the site conditions were mostly similar. After adjustments for these differences this sale indicated an adjusted value of \$26.12 per square foot.

**Sale #3 (\$19.26/SF)** is a 6,750 square foot lot just to the north of the subject properties on the other side of the New River. It is zoned RS-8 which is the same as subject lots one, two, and eight. The lot was vacant and had some shrubs, but was mostly similar. It sold in early 2017, market conditions were considered inferior, and an upward adjustment was made for this factor. After adjustment for these factors, this sale indicated an adjusted value of \$21.19 per square foot.

**Sale #4 (\$11.35/SF)** is an 8,814 square foot lot located on the corner of West Davie Boulevard and SW 15<sup>th</sup> Avenue about a half mile south of the subject properties. It is zoned RS-8 which is the same as subject lots one, two, and eight. The lot was vacant and had some shrubs. The location is considered to be inferior to the subject properties and upward adjustment was made for that factor. After adjustments for these differences this sale indicated an adjusted value of \$15.32 per square foot.



## SALES COMPARISON APPROACH (CONT.)

After adjustments, the four sales comparables indicated a range of values from \$15.32 to \$26.12 per square foot with an average of \$19.94 per square foot. Based on the analysis stated above, with most emphasis on Sales one and three, it is our opinion that the market data indicates a market value for the Subject Property Parcels based on \$20.00 per square foot. This equates to **Lot 1** -8,072 SF x \$20.00/SF = \$161,440 rounded to \$161,000; **Lot 2** -7,500 SF x \$20.00/SF = \$150,000; and **Lot 8** -8,901 SF x \$20.00/SF = \$178,020 rounded to \$178,000.

### SINGLE FAMILY DRY LOT FINAL OPINIONS OF MARKET VALUE INDICATED BY THE SALES COMPARISON APPROACH AS OF MARCH 27, 2020

**Lot 1 - \$161,000**

**Lot 2 - \$150,000**

**Lot 8 - \$178,000**

## SALES COMPARISON APPROACH (Cont)



### Multi-Family Land Sale 1

Location:	414 SW 7 <sup>th</sup> Street, Fort Lauderdale, Florida
Sale Date:	January 8, 2019
Consideration:	\$300,000
Terms:	Cash Equivalent
CIN:	115545993
Grantor:	IDP Development, LLC.
Grantee:	Brent Kevin and Jody Horwitz
Parcel ID #:	50-42-10-66-0110
Size:	±11,137 SF or ±0.256 Acres
Shape:	Rectangular
Utilities:	All available
Zoning:	RD-15, Fort Lauderdale
Site conditions:	Vacant and overgrown
Prior sales:	No other sales last five years

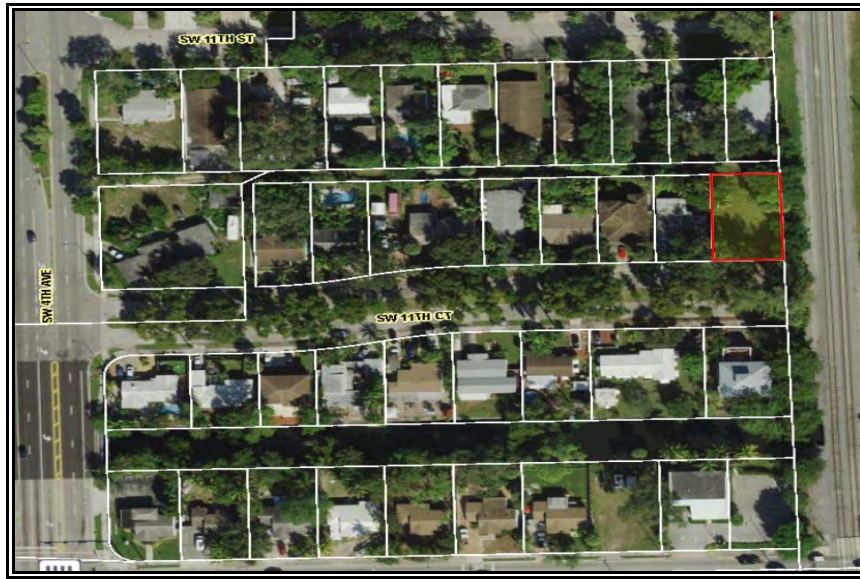
### ANALYSIS

Sales price per square foot:  
Comments:

**\$26.94**

This is an interior low density multi-family residential lot located on the south side of SW 7<sup>th</sup> Street about a half of a mile southeast of the subject properties. The RD-15 zoning is the same as subject lots 9-11 which allows single family residences and duplexes.

## SALES COMPARISON APPROACH (CONT.)



### Multi-Family Land Sale 2

Location:	201 SW 11 <sup>th</sup> Court, Fort Lauderdale, Florida
Sale Date:	February 6, 2019
Consideration:	\$150,000
Terms:	Cash Equivalent
CIN:	115615092
Grantor:	LPI Home Buyers, LLC.
Grantee:	V.I.C. Investments, LLC.
Parcel ID #:	50-42-15-19-1100
Size:	±6,421 SF or ±0.147 Acres
Shape:	Rectangular
Utilities:	All available
Zoning:	RD-15, Fort Lauderdale
Site conditions:	Vacant and partially overgrown
Prior sales:	None in past 5 years

### ANALYSIS

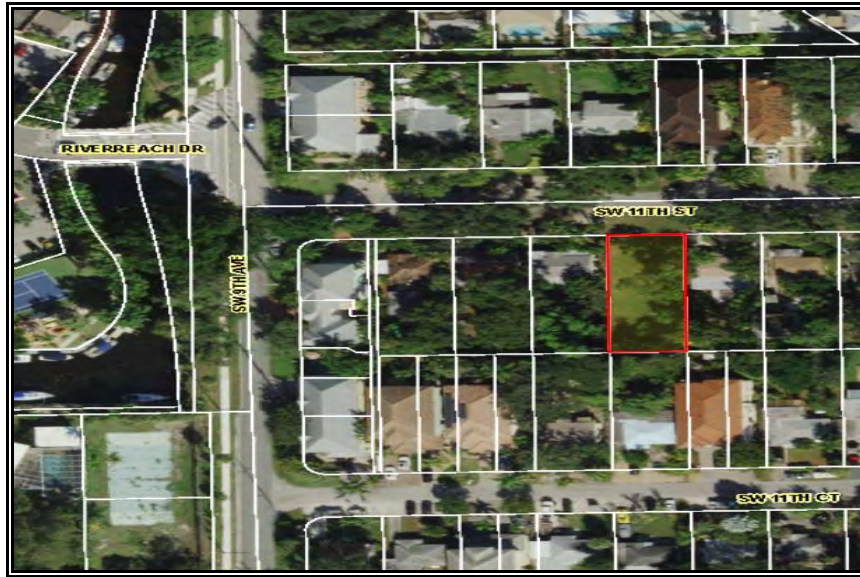
Sales price per square foot:

**\$23.36**

Comments:

This is a residential lot located on SW 11<sup>th</sup> Court in Fort Lauderdale. This is less than a mile southeast of the subject properties. The RD-15 zoning is the same as subject lots 9-11 which allows single family residences and duplexes. It is located at the end of the street adjacent to the railroad tracks.

## SALES COMPARISON APPROACH (CONT.)



### Multi-Family Land Sale 3

Location:	842 SW 11 <sup>th</sup> Street, Fort Lauderdale, Florida
Sale Date:	October 19, 2018
Consideration:	\$272,500
Terms:	Cash Equivalent
CIN:	115419053
Grantor:	Alydar Developers, LLC.
Grantee:	Bright Investments, LLC.
Parcel ID #:	50-42-10-74-0050
Size:	±6,899 SF or ±0.158 Acres
Shape:	Rectangular
Utilities:	All available
Zoning:	RD-15, Fort Lauderdale
Site conditions:	Vacant and partially overgrown
Prior sales:	None last five years

### ANALYSIS

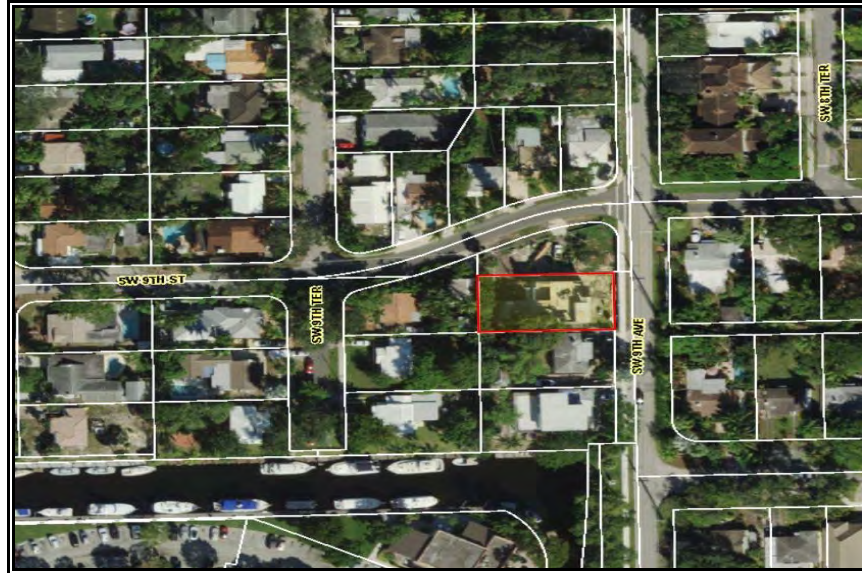
Sales price per square foot:  
Comments:

**\$39.50**

This is a low density multi-family residential lot along the south side of SW 11<sup>th</sup> Street less than a mile southeast of the subject properties. The RD-15 zoning is the same as subject lots 9-11 which allows single family residences and duplexes.



## SALES COMPARISON APPROACH (CONT.)



### Multi-Family Land Sale 4

Location:	901-3 SW 9 <sup>th</sup> Avenue, Fort Lauderdale, Florida
Sale Date:	June 7, 2019
Consideration:	\$487,550
Terms:	Cash Equivalent
CIN:	115858887-8
Grantor:	Lisa Gaghagen, PR
Grantee:	9 <sup>th</sup> Avenue Properties, LLC.
Parcel ID #:	50-42-09-15-0010; 50-42-09-20-0010
Size:	±14,075 SF or ±0.323 Acres
Shape:	Irregular
Utilities:	All available
Zoning:	RD-15, Fort Lauderdale
Site conditions:	Older single-family house, subsequently demolished
Prior sales:	None last five years

### ANALYSIS

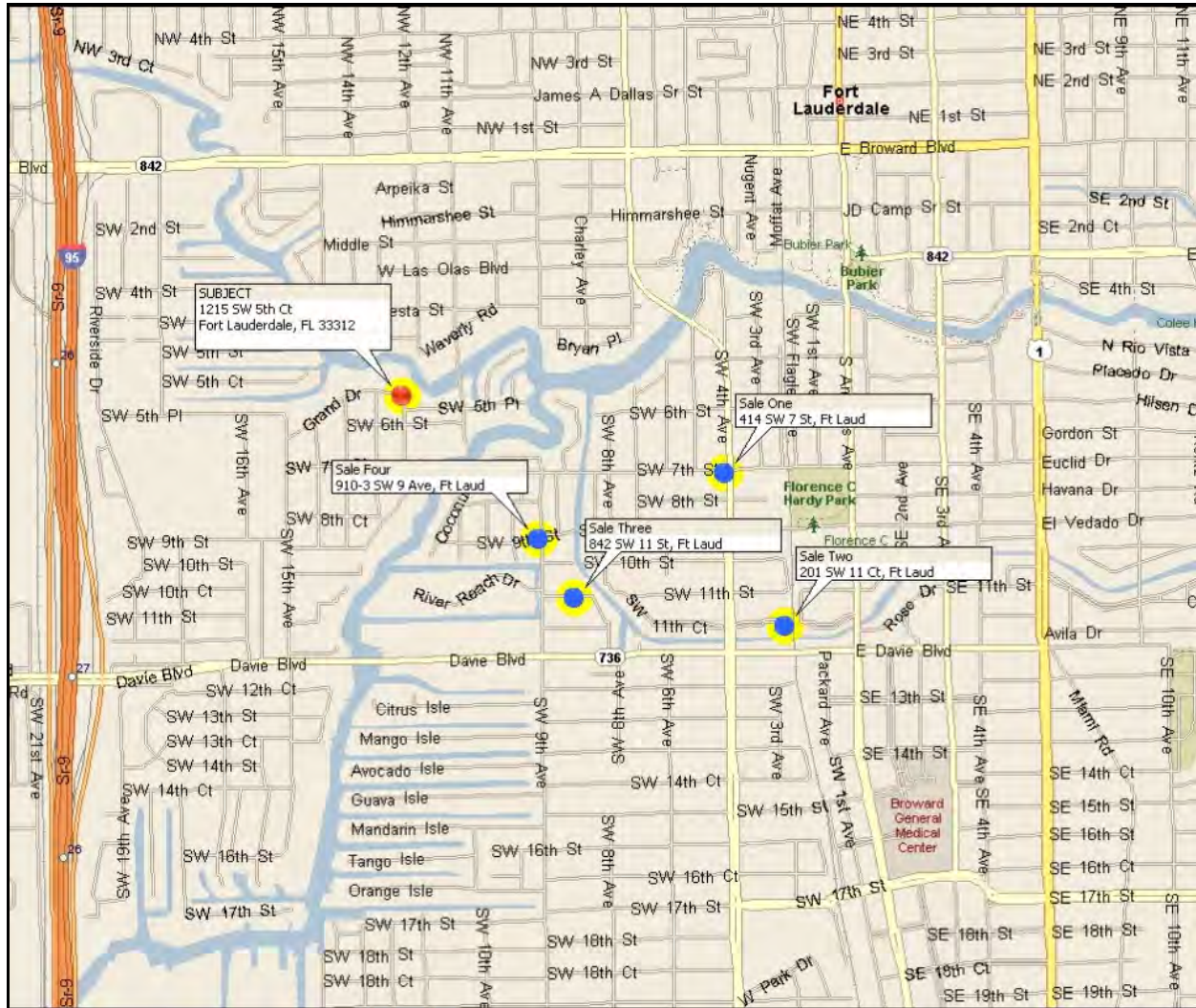
Sales price per square foot  
Comments:

**\$34.64**

This is two adjacent lots located on the corner of SW 9<sup>th</sup> Street & 9<sup>th</sup> Avenue in Fort Lauderdale. This is less than half a mile southeast of the subject properties. The buyers demolished an old home on one of the lots and is improving the property with a new single-family house. Not known if another house will be built on other lot.



## SALES COMPARISON APPROACH (CONT.)



Comparable Land Sales Map

SALES COMPARISON GRID - MULTI-FAMILY LOTS					
	SUBJECT LOTS 9-11	SALE 1	SALE 2	SALE 3	SALE 4
Location	Lots 9-11/ SW 12 <sup>th</sup> Ave Fort Lauderdale	414 SW 7 <sup>th</sup> St Fort Lauderdale	201 SW 11 <sup>th</sup> Ct Fort Lauderdale	842 SW 11 <sup>th</sup> St Fort Lauderdale	901 SW 9 <sup>th</sup> Ave Fort Lauderdale
Sale Date	3/2020 Appraisal	1/2019	2/2019	10/2018	6/2019
Consideration		\$300,000	\$150,000	\$272,500	\$487,550
Prior sales:		N/A	N/A	N/A	N/A
Site size	±7,615 - 8,901	±11,137 SF	±6,421 SF	±6,899 SF	±14,075
Zoning	RD-15	RD-15	RD-15	RD-15	RD-15
Site condition	Vacant and cleared	Vacant and overgrown	Vacant and partially overgrown	Vacant and partially overgrown	Older SF House demolished
Location	Good	Similar	Average -RR	Similar	Similar
Dev. potential	Good	Good	Good	Good	Good
ANALYSIS					
Price/SF		\$26.94	\$23.36	\$39.50	\$34.64
COMPARISON TO SUBJECT					
Site Size		Similar	Similar	Similar	Similar
Zoning		Similar	Similar	Similar	Similar
Site condition		Inferior +10%	Inferior +5%	Inferior +5%	Inferior +5%
Location		Similar	Inferior +25%	Similar	Similar
Dev. potential		Similar	Similar	Similar	Similar
<b>Total Adjustment</b>		<b>10.00%</b>	<b>30.00%</b>	<b>5.00%</b>	<b>5.00%</b>
<b>Adjusted Sale Price</b>		<b>\$29.63/SF</b>	<b>\$30.37/SF</b>	<b>\$41.48/SF</b>	<b>\$36.37</b>

## SALES COMPARISON APPROACH (CONT.)

The preceding sales were researched and the sales information was verified to our best ability. The sales must now be analyzed and compared with the Subject Property Parcels. The four sales in our analysis ranged from \$23.36 to \$39.50 per square foot of land area. The sales transacted within 18 months of the effective date of value. All of the sales are vacant single-family lots within close proximity of the subject properties.

**Sale #1 (\$26.94/SF)** is a 11,137 square foot lot located about ½ mile southeast of the subject properties. It is zoned RD-15 which is the same as subject lots nine through eleven. The lot was vacant and overgrown and an upward adjustment was made for the cost to clear. After an adjustment for this difference this sale indicated an adjusted value of \$29.63 per square foot.

**Sale #2 (\$23.36/SF)** is a 6,421 square foot lot located about a mile southeast of the subject properties. It is zoned RD-15 which is the same as subject lots nine through eleven. The lot was vacant and partially overgrown and an upward adjustment was made for the cost to clear. It has a location by the railroad that is inferior to the subject properties and an upward adjustment was made for this factor. After adjustments for these differences this sale indicated an adjusted value of \$30.37 per square foot.

**Sale #3 (\$39.50/SF)** is a 6,899 square foot lot about a mile southeast of the subject properties. It is zoned RD-15 which is the same as subject lots nine through eleven. The lot was vacant and partially overgrown and an upward adjustment was made for the cost to clear. After an adjustment for this factor, this sale indicated an adjusted value of \$41.48 per square foot.

**Sale #4 (\$34.64/SF)** is two lots totaling 14,075 SF located less than a half of a mile southeast of the subject properties. They are zoned RD-15 which allows single-family and duplexes. It was partially improved with a single family house that was demolished after the sale and the buyers are building a new house on one lot. The site conditions were mostly similar, with the exception of demolition on one site. After adjustments for these differences this sale indicated an adjusted value of \$36.37 per square foot.

## SALES COMPARISON APPROACH (CONT.)

After adjustments, the four sales comparables indicated a tighter range of values from \$29.63 to \$41.48 per square foot with an average of \$34.46 per square foot. Based on the analysis stated above, it is our opinion that the market data indicates a market value for the Subject Property Parcels based on \$35.00 per square foot. This equates to: **Lot 9** -7,615 SF x \$35.00/SF = \$266,525 rounded to \$267,000; **Lot 10** -8,848 SF x \$35.00/SF = \$309,680 rounded to \$310,000; and **Lot 11** -7,528 SF x \$35.00/SF = \$263,480 rounded to \$263,000.

### MULTI-FAMILY LOTS FINAL OPINIONS OF MARKET VALUE INDICATED BY THE SALES COMPARISON APPROACH AS OF MARCH 27, 2020

**Lot 9 - \$267,000**

**Lot 10 - \$310,000**

**Lot 11 - \$263,000**

**LAWRENCE R. PENDLETON, MAI**  
Qualifications

**Presently:**

President, The Ernest Jones Company  
Hollywood, Florida

**Education:**

University of Florida - Warrington School of Business  
Bachelor of Science Degree, 1972  
Major - Real Estate and Urban Land Studies

**Courses/Seminars:**

**University of Florida**

Real Estate Law, Real Estate Finance,  
Real Estate Management, Real Estate Investment Analysis  
Urban Land Utilization, Real Estate Appraising  
Valuation of Special Purpose Properties

**Appraisal Institute / Society of Real Estate Appraisers**

Course 101-Principles of Real Estate Value  
Course 201-Valuation of Income-Producing Properties  
Course R-2-Residential Case Study  
Course 202-Applied Income Property Valuation  
Litigation Valuation  
Standards of Professional Practice (SPP)  
Course 430-SPP Part C  
Comprehensive Examination  
National Association of Independent Fee Appraisers  
Course 1-Techniques of Capitalization  
Course 2-Residential Real Estate Valuation

**Seminars**

Narrative Report Writing  
Americans w/Disabilities Act(ADA)  
Uniform Residential Appraisal Report  
Rates, Ratios and Reasonableness  
Appraising Nursing Homes  
Valuation of Wetlands  
Environmental Considerations  
National USPAP  
Analyzing Operating Expenses  
Business Practices & Ethics  
Houses to Hotels: The Income Approach  
Forecasting Revenue  
Appraisal of Self-Storage Facilities  
The Cost Approach

Cash Equivalency  
Understanding Limited Appraisals  
How to Verify Market Data  
Florida Commercial Construction  
Special Purpose Properties/Limited Markets  
Regression Analysis  
Appraising 2-4 family properties  
USPAP Update  
Small Hotel/Motel Valuation  
Assessment Appeals in Florida  
Lease Abstracting & Analysis  
Residential Appraisal Review  
Green Building Appraising  
Subdivision Valuation



**LAWRENCE R. PENDLETON, MAI**  
Qualifications

**Affiliations:**

The Appraisal Institute:  
MAI Designated Member #9442

State of Florida:  
Licensed Real Estate Broker Since 1973, BK #68118  
National Association of Realtors, Realtor member  
South Broward Board of Realtors, Realtor member  
State-Certified General Real Estate Appraiser #RZ725

**Experience:**

Chief Appraiser  
The Ernest Jones Company  
1972 to Present

**Appraised various types of properties including:**

Vacant Land  
Shopping Centers  
Hotels/Motels  
Nursing Homes  
Medical Buildings  
Condominium units  
Car Dealerships  
Industrial Buildings  
Cold Storage Plants  
Gasoline Stations  
Schools  
Mobile Home Parks  
Cellular Towers

Subdivisions  
Apartment Buildings  
Condominium Complexes/Conversions  
Hospitals  
Residences  
Automotive Buildings  
Office Buildings  
Self-Storage Facilities  
Special Purpose Properties  
Churches  
Camps  
Golf Courses, Country Clubs  
Marinas

**Course Instructor:**

Barry College, Miami, Adjunct  
Professor of Real Estate Appraising  
*Instructor for Residential and Capitalization Courses*

Instructor -University of Pittsburgh, PA  
*Residential Real Estate Appraising , NAIFA*

Instructor - Freehold, New Jersey  
*Residential Real Estate Appraising, NAIFA*

University of Missouri, St. Louis  
*NAIFA Instructor's Certification, 1977*  
*(National Instructor 1977-1980)*

University of Illinois, Champaign - Urbana  
*Appraisal Institute/SREA Instructor's Clinic,*  
*1987*

Instructor - Miami, Florida  
*Appraisal Institute/SREA Course 101, 1988*

**LAWRENCE R. PENDLETON, MAI**  
Qualifications

**Lenders:**

Admiralty Bank  
BankAtlantic  
BB&T  
Chase  
Citibank  
Desjardins Bank  
First Southern Bank  
Hancock Bank  
Hemisphere National Bank  
Horizon Bank  
InterBank Savings & Loan  
Mercantile Bank  
National Bank of St. Petersburg  
Optimum Bank  
PNC Bank  
Regent Bank  
River Oaks Bank (Illinois)  
SunTrust  
State Bank of India  
Teachers Insurance Company of America  
TD Bank  
US Century Bank  
Wells Fargo Bank

Atico Savings Bank  
Biscayne Bank  
Citrus Bank  
Carolina First Bank  
City National Bank  
Executive Bank of Fort Lauderdale  
Floridian Community Bank  
Gulf Coast Bank  
Home Federal Bank  
Independent Bankers  
International Finance Bank  
M&T Bank (NY)  
Ocean Banks  
Park National Bank  
Premier Community Bank  
Riggs National Bank (Washington, DC)  
St. Paul Insurance Company  
Space Coast Credit Union  
TransAmerica Small Business Capital  
TransAtlantic Bank  
Tropical Credit Union  
Wachovia  
Zions First National Bank

**Companies:**

Amerada Hess Corporation  
Burger King Corporation  
Dade County PBA  
Merrill Lynch Relocation Management  
Knights of Columbus  
DeMatteo Monness, LLC  
Southern States Utilities  
Suburban Propane  
Triarc- R.C. Cola  
Victoria's Secret  
YMCA

Broward County PBA  
Coca-Cola Bottling Company  
Employee Transfer Corporation  
Prudential Real Estate  
The Jockey Club  
Glenview Capital  
Shell Oil Company (Motiva)  
Seminole Tribe of Florida  
Star Enterprise (Texaco)  
Western Electric

**LAWRENCE R. PENDLETON, MAI**  
Qualifications

**Government & Municipal:**

Federal Deposit Insurance Corporation (FDIC)  
Federal National Mortgage Association (FNMA)  
Federal Home Loan Mortgage Corporation (FHLMC)  
National Oceanic & Atmospheric Administration (NOAA)  
Miami-Dade County - H.U.D.  
City of North Miami  
City of Hialeah  
Trust for Public Lands  
City of Aventura  
City of Hialeah Gardens  
City of Hollywood  
Town of Hallandale Beach  
City of Miramar  
North Bay Village  
City of Oakland Park  
City of Parkland  
Broward County, Florida  
Orange County, Florida  
Village of Miami Shores  
Volusia County, Florida  
State of Florida  
City of Miami Gardens  
Town of Davie  
City of Miami Springs  
Town of Sunny Isles Beach  
St Johns Water Management District  
South Florida Water Management District  
School Board of Broward County  
School Board of Palm Beach County  
United States Postal Service

**Litigation Experience:**

Has previously qualified as an expert witness on Real Estate Evaluation in Federal Bankruptcy & State District Courts

**International Experience:**

Completed assignments throughout the Bahama Islands, Puerto Rico, Costa Rica, Dominican Republic and Nicaragua

**Recertification:**

I am currently certified under the Appraisal Institute Continuing Education Program

## LEE WILLIAMS

### Qualifications

#### Professional Qualifications:

State-Certified General Real Estate Appraiser RZ2672

#### Appraisal Experience:

Ernest Jones  
Hollywood, Florida

January 2014 to current

Altair Appraisal Group  
Senior Commercial Appraiser  
Deerfield Beach, Florida

August 2003 to December 2013

Consolidated Appraisal Services  
Senior Commercial Appraiser  
Margate, Florida

September 2002 to July 2003

Danner Real Estate Consultants  
Commercial Staff Appraiser  
Ft. Lauderdale, Florida

April 1992 to September 2002

#### Property Types Appraised:

Adult Congregate Living Facilities  
Agricultural Farms  
Aircraft Hangars  
Apartment Buildings  
Bank Buildings  
Commercial Property  
Condemnation  
Condominium Units  
Convenience Stores  
Easements - surface, subsurface  
Fish Camps  
Industrial Property  
Medical Offices

Mobile Home Parks  
Motels/Hotels  
Office Buildings  
Recreational Property  
Residences  
Restaurants  
Retail Stores  
Schools/Day Care Centers  
Service Stations/Gas Stations  
Shopping Centers  
Vacant Land  
Warehouses  
Wetlands

#### Education:

**College**

B.S. Degree, University of Florida

#### Real Estate Courses:

Introduction to Appraising  
AB2B  
Basic Income Capitalization  
USPAP  
Income Capitalization  
Florida Dirty Dozen

Real Estate Finance  
AB3  
Market Studies  
Florida Law  
Developing An Appraisal Practice  
SFWMD Seminar

#### Community Service

Board Member, 211 Palm Beach/Treasure Coast  
Board Member, Catherine's Hope For A Cure