



Property Exchange

Martin County Airport / Witham Field

GAI Project Number: A170432.07

April 2018

Prepared by: GAI Consultants, Inc. |
Orlando Office
618 E. South Street, Suite 700
Orlando, FL 32801

Prepared for: |
Martin County Airport / Witham Field
2011 SE Airport Road
Stuart, FL 34966

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1.0 INTRODUCTION

The Martin County Airport/Whitam Field (Airport) is in the process of completing a property exchange with Martin County, FL (County). This report will demonstrate that the exchange of properties described herein is mutually beneficial to both parties for independent reasons and that the exchange satisfies the requirements to release the 0.57 Release Parcel from its federal grant obligations.

The property being proposed for release by the Airport to the County is a 0.57 acre parcel of land, and the property being proposed for transfer to the Airport from the County is a 2.34 acre parcel of land. The properties shall be referred to as the “release” property and the “transfer” property throughout this report, respectively. The release property and the transfer property are shown in Figure 1 for reference.

This narrative supports the Airport’s request for final release of the subject parcel of land; outlines the transfer of land to the Airport as compensation for the release of the property in lieu of the revenue from a sale of the property; summarizes the appraisal approach and value conclusions; and provides justification that the exchange is equitable in terms of proposed/possible land use and practical value for both parties involved.



Figure 1: Property Exchange Parcel Locations

2.0 DESCRIPTION OF RELEASE PARCEL

The 0.57 acre Release Parcel is located at 2492 SE St. Lucie Boulevard in Stuart, Florida. The parcel is located approximately 0.40 miles southeast of the Airport and was purchased by the Airport in 2010 to aid in noise mitigation efforts. The parcel resides in the Port Sewall residential neighborhood, and is bordered to the north by SE Golfwood Drive and to the south by SE St. Lucie Boulevard. The parcel is undeveloped, and is covered in grass with trees scattered along the edges of the property. Pictures 1 and 2 provide a representative view of the Release Parcel. A boundary survey of the Release Parcel is provided in Appendix A of this document.



Picture 1: Typical View of Release Parcel Looking South



Picture 2: Typical View of Release Parcel Looking West

2.1 DESCRIPTION OF TRANSFER PARCEL

The 2.34 acre Transfer Parcel is located at 2675 SE Dixie Highway and adjoins the southwest side of the Airport property at the intersection of SE Old Dixie Highway and SE Aviation Way. The Site was previously developed and served as the Martin County Animal Shelter; however, only remnants of the asphalt drive remain at the Site. The rest of the Site is covered in grass and sparse trees. Pictures 3 and 4 provide a representative view of the Transfer Parcel. A boundary survey of the Transfer Parcel is provided in Appendix A of this document. It should be noted that a minor variation in Parcel size exist between the Boundary Survey and the County Property Appraiser's website information. For the purpose of this report the signed and sealed survey area was used.



Picture 3: Typical View of Transfer Parcel Looking South



Picture 4: Typical View of Transfer Parcel Looking West

3.0 SELECTED APPRAISER

GAI Consultants, Inc., on behalf of the Martin County Board of Commissioners, solicited the services of a professional appraiser for the Release Parcel and the Transfer parcel. Fuller-Armfield-Wagner Appraisal & Research, Inc. was contracted to prepare the appraisals for both parcels. Daniel D. Fuller, MAI, who completed the appraisals, is a state-certified appraiser (#RZ567).

3.1 APPRAISAL REQUIREMENTS

The appraiser was directed to prepare and submit two detailed, self-contained appraisal reports. In addition to applicable regulations and commonly-accepted industry practices, the appraiser was directed to comply with guidance contained in Chapter 2 of FAA Advisory Circular 50/5100-17, *Land Acquisition and Relocation Assistance for Airport Improvement Program (AIP) Assisted Projects*.

A Review Appraisal was not required by the FAA for this property release. However, the FAA reserved the right to request a Review Appraisal if unusual circumstances or unresolved issues were encountered.

3.2 APPRAISALS AND DETERMINATION OF FAIR MARKET VALUE

The appraisals prepared for both the Release Parcel and Transfer Parcel contain a Certification of Value, a description of each parcel and any improvements, area/site information, and a valuation of the subject property. A copy of each appraisal report completed by Fuller-Armfield-Wagner Appraisal and Research, Inc. is provided in Appendix B of this document. The Fair Market Value of each parcel is summarized in Table 1 below. As shown, the value of the Release parcel is \$312,600 less than the Transfer Parcel.

Table 1: Appraised Fair Market Value

	Release Parcel	Transfer Parcel
Fair Market Value	\$62,400	\$375,000

Source: Fuller-Armfield-Wagner Appraisal & Research, Inc., 2018

3.3 RECONCILIATION AND BASIS FOR EQUITABLE VALUE

The appraised value of the Release Parcel is \$312,600 less than the appraised value for the Transfer Parcel offered by the County. The proposed land swap is not equitable from a monetary standpoint; however, both parties stand to benefit from the proposed exchange of property. Neither property is currently developed, nor being used for any purpose by either party.

Currently, the Release Parcel is located within a residential neighborhood approximately 0.4 miles away from the closest Airport boundary and is separated from the Airport by the Martin County Golf Course. The property was initially purchased by the Airport in 2010 for use in noise mitigation efforts. Due to this, the property cannot be developed by the Airport for any useable purpose. Due to the previously mentioned limitations on the property, the Airport does not benefit from owning the property, nor will it be able to benefit in the foreseeable future.

Should the proposed land exchange between the Airport and the County occur, the County would greatly benefit from the newly acquired land. The County currently plans to develop the property as a greenspace for the residential neighborhood of Port Sewall. Greenspace can promote prosperity by stimulating interest

in the neighborhood and increasing property values in the surrounding areas. This will generate an increased tax base for the County, which will not only pay for improvements installed at the property but will generate additional revenue for the County in excess of these costs. The greenspace also will help remediate storm water issues in the nearby area by reducing the frequency of flooding and water pollution with increased infiltration through the use of pervious space. Additionally, the proposed use as green space will not affect the previous designation as a noise mitigation parcel.

The Transfer Parcel, currently owned by the County, is vacant and undeveloped. The property is surrounded by current Airport property to the north, west, and south. The property previously housed the Martin County Animal Shelter, however the shelter was moved and the buildings located on the property were demolished. Since the transfer property is surrounded by Airport property, the County has no practical use for the property, now or in the foreseeable future. Should the proposed land exchange between the Airport and the County occur, the Airport would greatly benefit from the newly acquired land. Due to the location of the property, it would fill a gap located in the current Airport property and increase the overall footprint, boundary, and security of the Airport. The location of the property in relation to current buildings at the Airport would also allow for future development at the Airport increasing the economic impact the Airport has on the community.

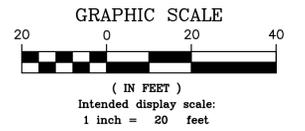
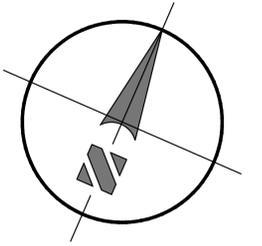
4.0 CONCLUSION

The Airport concludes the following:

- Based on appraisals and other intangible benefits, the values of the Release Parcel and Transfer Parcel are equitable for both parties involved in the transfer since each party is transferring land of no practical value, and receiving property of value to their own interests.
- The transfer of 2.34 acres of Martin County owned property to the Airport provides a substantial benefit in lieu of receiving revenue for the sale of the release property. The acceptance of the release property will allow for substantial development and future revenue for the Airport.
- The transfer of 2.34 acres of Martin County owned property to the Airport would satisfy and complete the final requirements to release the 0.57 Release Parcel from its federal grant obligations.

APPENDIX A

Boundary Survey for: GAI Consultants, Inc.



LEGEND	
P.I.	= PARCEL IDENTIFICATION
O.R.B.	= OFFICIAL RECORDS BOOK
S.I.R.C.	= SET 3/4" IRON ROD AND CAP
I.R.C.	= IRON ROD AND CAP
C.M.	= CONCRETE MONUMENT
∅	= WOOD UTILITY POLE
⊙	= UTILITY POLE ANCHOR
⊙	= TELEPHONE RISER
—A—	= OVERHEAD UTILITY LINE



LEGAL DESCRIPTION

All of Lot 2 of Port Sewall Plat, Plat Book 3, Page 8, of Palm Beach (now Martin) County, Florida.

SURVEYOR'S NOTES

1. Bearings shown hereon are referenced to the North right-of-way line of S.E. St. Lucie Boulevard, having a bearing of South 66°16'40" West and all others are relative thereto.
2. All visible above ground improvements have been located.
3. There has been no attempt to locate any underground utilities or improvements.
4. This property is located in Flood Zone "AE" (EL6) according to Flood Insurance Rate Map Community Panel No. 12085C0162G, dated March 16, 2015.
6. This survey was prepared without the benefit of a title policy and there may be encumbrances that affect this property recorded in the public records of Martin County, Florida.
7. Additions and or deletions to this survey by other than the signing party (or parties) is prohibited without the written consent of the signing party (or parties).
8. Coordinates shown hereon are referenced to the State Plane Coordinate System, Florida East Zone, North American Datum 1983, adjustment of 2011 and are further referenced to the TRIMBLE VRSNOW Real-Time Network as verified by repeated ties to various NGS Horizontal Control Points located in the vicinity of the project.

CERTIFIED TO:
GAI Consultants, Inc.

Certification

(Not valid without the signature and original raised seal of a Florida licensed Surveyor and Mapper)

I hereby certify that the Survey of the property shown and described hereon was completed under my direction and said Survey is true and correct to the best of my knowledge and belief.

I further certify that this Survey meets the Standards of Practice for Surveyors set forth by the Florida Board of Professional Surveyors and Mappers in Chapter 5J-17, Florida Administrative Code, pursuant to Section 472.027 Florida State Statutes. No search of the Public Records has been made by this office. The Survey is based on information furnished by client or client's representative.

3/20/2018
Date of Survey

P.A.
Peter Andersen
Professional Survey and Mapper
Florida Certificate No. 5199

Port Sewall, Block 21, Lot 2

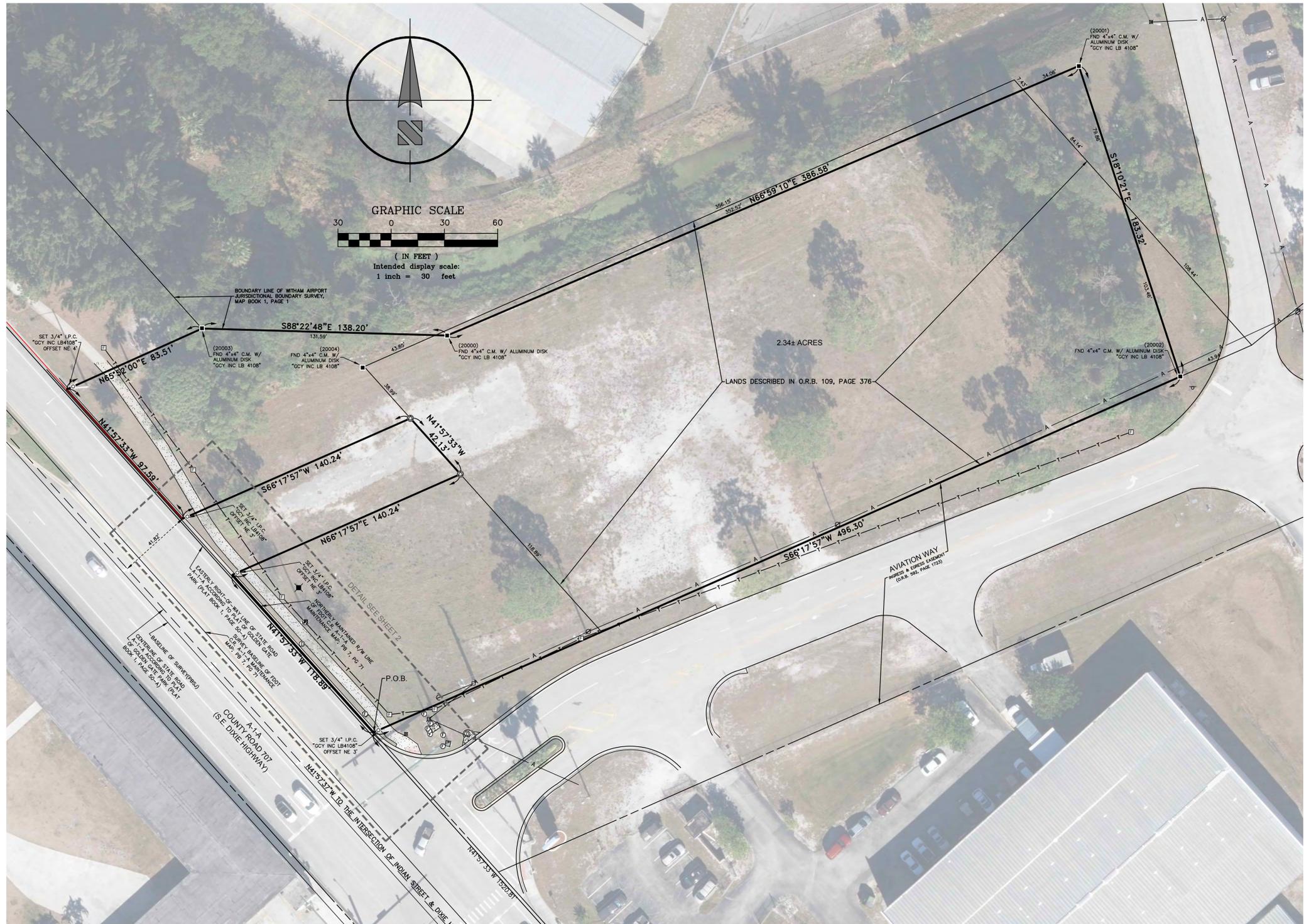
GCY INCORPORATED PROFESSIONAL SURVEYORS AND MAPPERS CERTIFICATE OF AUTHORIZATION LB 4108 <small>CORPORATE OFFICE PO BOX 1469 • 1505 SW MARTIN HWY. PALM CITY, FL 34991 (800) 386-1066 • WWW.GCYNINC.COM</small>		BOUNDARY SURVEY FOR: GAI Consultants, Inc. MARTIN COUNTY FLORIDA	
Scale: 1"=20'	Date: Mar 2018	File & Drawing No: 18-1004-01	
Drawn By: M.F.M.	Checked By: P.A.	Sheet 1 of 1	

Drawing Name: Lot 2 Bnd
Page(s): 49-51 & 44-46
Field Book(s): 1690 & 1691

Boundary Survey for: GAI Consultants, Inc.



LOCATION MAP



LEGEND	
P.I.	= PARCEL IDENTIFICATION
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I.R.C.	= IRON ROD AND CAP
I.P.C.	= IRON PIPE AND CAP
C.M.	= CONCRETE MONUMENT
P.K.W.	= PARKER KALON NAIL & WASHER
(D)	= DEED
(M)	= MEASURED
P.O.C.	= POINT OF COMMENCEMENT
P.O.B.	= SET 4"x4" CONCRETE MONUMENT WITH ALUMINUM DISK "GCY INC LB 4108"
⊠	= CONCRETE UTILITY POLE
⊘	= WOOD UTILITY POLE
⊔	= UTILITY POLE ANCHOR
⊕	= TELEPHONE RISER
—+—	= OVERHEAD UTILITY LINE
— —	= FIBER OPTIC LINE
⊠	= BURIED GAS LINE MARKER
⊠	= BURIED FIBER OPTIC MARKER
⊕	= SIGN
⊕	= FP&L HAND HOLE
⊗	= LIGHT POLE

LEGAL DESCRIPTION

Being a parcel of land lying in the Hanson Grant, Martin County Florida, said parcel being a portion of lands described in Official Record Book 109, Page 376 and Official Records Book 646, Page 1275, Public Records, Martin County Florida and being more particularly described as follows:

Commence at the centerline of S.E. Normand Street with the projection of the Northerly right-of-way line of S.E. Dixie Highway as shown on D.O.T. Maintenance Map known as Old Dixie Highway, recorded in Plat Book 7 at Page 71 of the Public Records of Martin County, Florida. Thence along said Northerly line North 41°57'33" West, a distance of 1520.81 feet to the **Point of Beginning**; Thence continue along said line, North 41°57'33" West, a distance of 118.89 feet; Thence departing said line North 66°17'57" East, a distance of 140.24 feet; Thence North 41°57'33" West, a distance of 42.13 feet; Thence South 66°17'57" West, a distance of 140.24 feet to a point on the Northerly right-of-way line of S.E. Dixie Highway; Thence North 41°57'33" West, a distance of 97.59 feet; Thence departing said line North 65°52'00" East, a distance of 83.51 feet to a point on the Witham Airport Jurisdictional Boundary Survey for Martin County as recorded in Map Book 1, Page 1, Public Records of Martin County; Thence along said Boundary Survey, South 88°22'48" East, a distance of 138.20 feet; Thence North 66°59'10" East, a distance of 386.58 feet; Thence South 18°10'21" East, a distance of 183.32 feet; Thence departing said Boundary Survey line, South 66°17'57" West, a distance of 496.30 feet to the **Point of Beginning**.

Containing 2.34 acres more or less.

SURVEYOR'S NOTES

- Bearings shown hereon are referenced to centerline of County Road 707 (S.E. Dixie Highway), having a bearing of N41°57'37"W and all others are relative thereto.
- All visible above ground improvements have been located.
- There has been no attempt to locate any underground utilities or improvements.
- This property is located in Flood Zone "OTHER AREAS", ZONE X & ZONE D according to Flood Insurance Rate Map Community Panel No. 12085C0161G, dated March 16, 2015.
- This survey was prepared without the benefit of a title policy and there may be encumbrances that affect this property recorded in the public records of Martin County, Florida.
- Additions and or deletions to this survey by other than the signing party (or parties) is prohibited without the written consent of the signing party (or parties).
- COORDINATES SHOWN HEREON ARE REFERENCED TO THE STATE PLANE COORDINATE SYSTEM, FLORIDA EAST ZONE, North American Datum 1983, adjustment of 2011 and are further referenced to the TRIMBLE VRSNOW Real-Time Network as verified by repeated ties to various NGS Horizontal Control Points located in the vicinity of the project.

CERTIFIED TO:
GAI Consultants Inc.
Martin County

Certification

(Not valid without the signature and original raised seal of a Florida licensed Surveyor and Mapper)

I hereby certify that the Survey of the property shown and described hereon was completed under my direction and said Survey is true and correct to the best of my knowledge and belief.

I further certify that this Survey meets the Standards of Practice for Surveyors set forth by the Florida Board of Professional Surveyors and Mappers in Chapter 5J-17, Florida Administrative Code, pursuant to Section 472.027 Florida State Statutes. No search of the Public Records has been made by this office. The Survey is based on information furnished by client or client's representative.

3/19/2018

Date of Survey

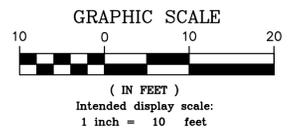
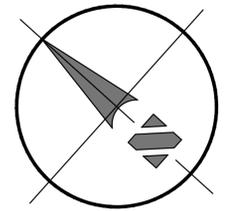
[Signature]
Peter Andersen
Professional Survey and Mapper
Florida Certificate No. 5199

GCY
INCORPORATED
PROFESSIONAL SURVEYORS AND MAPPERS
CERTIFICATE OF AUTHORIZATION LB 4108
CORPORATE OFFICE
PO BOX 1469 • 1505 SW MARTIN HWY.
PALM CITY, FL 34991
(800) 386-1066 • WWW.GCYINC.COM

BOUNDARY SURVEY FOR:
GAI Consultants, Inc.
MARTIN COUNTY FLORIDA

Scale: 1"=30'	Date: Mar 2018	File & Drawing No: 18-1004-01
Drawn By: M.F.M.	Checked By: P.A.	Sheet 1 of 2

No.	Revisions	Date	By



LEGEND

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No.	Revisions	Date	By

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 PALM CITY, FL 34991
 (800) 386-1066 • WWW.GCYNOC.COM

BOUNDARY SURVEY FOR:		GAI Consultants, Inc.	
MARTIN COUNTY		FLORIDA	
Scale: 1"=10'	Date: Mar 2018	File & Drawing No.:	18-1004-01
Drawn By: M.F.M.	Checked By: P.A.	Sheet	2 of 2

APPENDIX B

**AN APPRAISAL OF RESIDENTIAL
LOT 2, BLOCK 21, PORT SEWALL
2492 SE ST. LUCIE BLVD.
STUART, MARTIN CO., FLORIDA**

PREPARED FOR
GAI Consultants, Inc.
c/o Jack E. Thompson, Jr., C.M. LEED AP
618 E. South Street, Suite 700
Orlando, FL 32801

DATE OF APPRAISAL – January 28, 2018

Prepared by:
Daniel D. Fuller, MAI
State-Certified General
Real Estate Appraiser RZ567
FULLER-ARMFIELD-WAGNER
Appraisal & Research, Inc.
200 S. Indian River Dr., Suite 309
Fort Pierce, Florida 34950

Appraisal No. 19987 – St. Lucie Blvd. residential lot (GAI Project # A170432.07 & task # .003)

FULLER-ARMPFIELD-WAGNER Appraisal & Research, Inc.

200 S. Indian River Drive, Suite 309, Fort Pierce, FL 34950

(772) 468-0787 / Fax (772) 468-1103 / FAW_app@bellsouth.net

Daniel D. Fuller, MAI, SRA, State-Certified General Real Estate Appraiser RZ567

February 19, 2018

GAI Consultants, Inc.
c/o Jack E. Thompson, Jr., C.M. LEED AP
618 E. South Street, Suite 700
Orlando, FL 32801

RE: Residential Lot 2, Block 21, Port Sewall, 2492 SE St. Lucie Blvd., Stuart, Martin Co., FL.

Dear Mr. Thompson:

As per our contract for appraisal services, I have inspected the referenced real estate and I have investigated the property's market segment to provide an opinion of the Market Value of the Fee Simple interest in the real estate under the Hypothetical Condition that an Avigation Easement is in-place as of my date of inspection and date of appraisal, January 28, 2018.

The appraisal adheres to the Uniform Standards of Professional Appraisal Practice (USPAP), and FAA appraisal and reporting requirements, presented in USPAP defined "Appraisal Report" format.

- The Intended Use of this appraisal is to estimate market value to assist the Board of County Commissioners and/or their representatives GAI Consultants., Inc. in establishing equity for a potential property equity trade and the appraisal is not intended for another use.
- The Intended User of this report is the Martin County Board of County Commissioners and/or their representatives GAI Consultants, Inc. and the appraisal report is not intended for another user.
- The appraisal and report are subject to the Ordinary Limiting Conditions, Extraordinary Assumptions, Hypothetical Conditions and Certification included within this report.

Based on the available data, and my analysis of the data as presented in this report, it is my opinion the Market Value of the Fee Simple Interest in the subject appraised, recognizing the subject is located within the Witham Field Noise Overlay Zone, and appraised under the Hypothetical Condition that an Avigation Easement is in-place, as of January 30, 2018, is:

SIXTY-TWO THOUSAND FOUR HUNDRED DOLLARS -\$62,400-

I believe my research and analysis are complete, but if there are questions please contact me at your convenience.

Sincerely,



Daniel D. Fuller, MAI
State-Certified General Real Estate Appraiser RZ567

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ADDENDUM A – Martin County Area DataA1

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

- Property Type: Vacant platted residential lot.
- Property Use "As Is": Vacant platted residential lot.
- Property Address: 2492 SE St. Lucie Blvd., Stuart, Martin Co., FL

- Purpose of Appraisal: Estimate Market – with Avigation Easement in-place
- Property Rights Appraised: Fee simple interest
- Date of Appraisal: January 28, 2018
- Date of Inspection: January 28, 2018
- Inspected by: Daniel D. Fuller, MAI
- Date of Appraisal Report: February 19, 2018
- Report Prepared: February 2018
- Report Format: USPAP defined "Appraisal Report" format

Subject - 100 ft. x 250 ft. – gross area of 25,000 square feet

- Zoning: R-1C, Residential
- Land Use: Low Density, up to 5 units / acre
- Census Tract: 9.01
- Flood Zone: Zone AE – 6 ft. elevation- FEMA Map 12085C0162G – map date 3/16/2015

- Highest and Best Use: Improve with single family residence.

Market Value of the Fee Simple Interest in the subject appraised, recognizing the subject is located within the Witham Field Noise Overlay Zone, and appraised under the Hypothetical Condition that an Avigation Easement is in-place, as of January 30, 2018, is: **-\$62,400-**

PROPERTY TYPE & USE "AS IS"

- Property Type: Vacant platted residential lot.
- Property Use "As Is": Vacant platted residential lot.

SCOPE of WORK

Mr. Jack E. Thompson with GAI Consultants, Inc. engaged my services to provide an opinion of the Market Value* of the Fee Simple Interest** under the Hypothetical Condition*** the subject is encumbered with an Avigation Easement.

Forming an opinion of market value with the assumed Avigation Easement in-place requires the following Scope of Work.

***Market Value for Federal Land Acquisitions** - Uniform Appraisal Standards for Federal Land Acquisitions, Fifth Edition, Section A-9, page 13.

Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal.

****Fee Simple Estate** – *Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed.*

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

*****HYPOTHETICAL CONDITION** – Uniform Standards of Professional Practice (USPAP), 2014-2015, ed.

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis.

Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

The property type requires valuation via the Sales Comparison Approach. Valuation via the Cost Approach is not applicable as there are no improvements on the subject. Additionally, market participants do not invest in properties for an income stream thus valuation via the Income Capitalization Approach is also not performed.

Research for sales and/or listings of similar properties initially concentrated in the subject neighborhood lying south and southeast of the County Airport (Witham Field). Research found one sale of a property located within the Whitham Field Noise Overlay Zone and with an avigation Easements in-place, plus three sales and one listed property not located within the noise overlay zone and without an avigation easement in-place were analyzed and because of the neighborhood's physical features, research was not extended to other Martin County residential neighborhoods.

Although the one mentioned sale with an Avigation Easement in-place was listed for sale through a local real estate Broker, the purchase transferred from Martin County under a "sealed bid" method of presenting a purchase offer which may be interpreted as not meeting all

SCOPE of WORK (Continued)

tests of market value. But upon review of the definition of market value it is my opinion the transaction from Martin County meets the definition of market value, with only the method of making the purchase offer different than typically occurs in the market.

The sale of the property with the Avigation Easement in-place closed at a significant price discount compared to the properties analyzed selling unencumbered with Avigation Easements. Because there is only one recent sale within the neighborhood of a property with an Avigation Easement in-place, producing only one indication of the easement's effect on price, further research was required to form an opinion of the effect on market value of the Avigation Easement. Research extended to residential neighborhoods adjacent to other similar size airports in the region, however, research did not produce another sale with a similar Avigation Easement in-place or sales of properties where prices were obviously affected by an airport's operations. Thus, further analysis was completed citing past observations of conditions creating negative effects on value to assist in forming my opinion of the subject's value with the Avigation Easement in-place.

- The appraisal adheres to the Uniform Standards of Professional Appraisal Practice (USPAP), and FAA appraisal and reporting requirements, presented in USPAP defined
- The Intended Use of this appraisal is to estimate market value to assist the Board of County Commissioners and/or their representatives GAI Consultants., Inc. in establishing equity for a potential property equity trade and the appraisal is not intended for another use.
- The Intended User of this report is the Martin County Board of County Commissioners and/or their representatives GAI Consultants, Inc. and the appraisal report is not intended for another user.
- The appraisal and report are subject to the Ordinary Limiting Conditions, Extraordinary Assumptions, Hypothetical Conditions and Certification included within this report.

APPRAISAL REPORT FORMAT

"Appraisal Report" format. *Per Uniform Standards of Appraisal Practice (USPAP 2014-2015) – Standards Rule 2-2, each written real property appraisal report must be prepared under one of the following options and prominently state which options is used: Appraisal Report or Restricted Appraisal Report.*

The appraisal is reported in an above defined "Appraisal Report" format.

APPRAISER COMPETENCY

Per the Competency Rule of Uniform Standards of Professional Practice (USPAP), the appraiser is competent to complete this appraisal due to experience in the subject's market segment and geographic area.

ORDINARY LIMITING CONDITIONS AND UNDERLYING ASSUMPTIONS

1. The opinions value given in this report represents the opinion of the signer as of the DATE SPECIFIED. Real estate is affected by an enormous variety of forces and conditions will vary with future conditions, sometimes sharply within a short time. Responsible ownership and competent management are assumed.
2. This report covers the premises herein described only. Neither the figures herein nor any analysis thereof, nor any unit values derived therefrom are to be construed as applicable to any other property, however, similar the same may be.
3. It is assumed that the title to said premises is good; that the legal description of the premises is correct; that the improvements are entirely and correctly located on the property; but no investigation or survey has been made, unless so stated.
4. The opinion(s) given in this appraisal report is gross, without consideration given to any encumbrance, restriction or question of title, unless so stated.
5. Easements on the subject parcels are unknown. Easements may or may not be recorded or may exist by customary use or other legal means. The appraiser has not nor is he qualified to search legal records as to the existence of other easements.
6. Information as to the description of the premises, restrictions, improvements and income features of the property involved in this report is as has been submitted by the applicant for this appraisal, or has been obtained by the signer hereto. All such information is considered to be correct; however, no responsibility is assumed as to the correctness thereof unless so stated in the report.
7. The physical condition of the improvements described herein was based on visual inspection. No liability is assumed for the soundness of structural members since no engineering tests were made of the same. The property is assumed to be free of termites and other destructive pests.
8. Possession of any copy of this report does not carry with it the right of publication, nor may it be used for any purpose by any but the applicant without the previous written consent of the appraiser or the applicant, and in any event, only in its entirety.
9. Neither all nor part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent of the author; particularly as to the valuation conclusions, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute, or to the SRA or MAI designations.
10. The appraiser herein, by reason of this report is not required to give testimony in court or attend hearings, with reference to the property herein appraised, unless arrangements have been previously made therefore.
11. The Contract for the appraisal/consulting services is fulfilled by the signer hereto upon the delivery of this report duly executed.
12. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and zoning laws unless non-compliance is stated, defined and considered in the appraisal report.
13. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field, if desired.

EXTRAORDINARY ASSUMPTIONS

Source, Appraisal Institute, Dictionary of Real Estate Appraisal, 5th ed.

An assumption, directly related to a specific assignment, which, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.

Note: Based on my inspection it appears a portion of a Martin County owned drainage ditch crosses the southeast corner of the subject, however, I was not provided a survey of the subject for verification of potential encroachments, nor am I aware if an easement is in-place providing legal encumbrance of the ditch on the subject.

My opinion of value assumes the ditch as described above encumbers the subject.

HYPOTHETICAL CONDITIONS

Uniform Standards of Professional Practice (USPAP), 2014-2015, ed.

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

The appraisal assignment requires forming an opinion of Market Value of the Fee Simple Interest in the subject real estate as if an Avigation Easement is in-place. Because as of the date of appraisal an Avigation Easement is not in-place, the assumption of the easement in-place as of the date of appraisal is a "Hypothetical Condition" as defined above.

CERTIFICATE OF APPRAISAL

I certify that, to the best of my knowledge and belief:

- a) The statements of fact contained in this report are true and correct.
- b) The reported analysis, 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.
- c) I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- d) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- e) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- f) My 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.
- g) My analysis, opinion, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- h) I have made a personal inspection of the property that is the subject of this report.
- i) No one provided significant real property appraisal assistance to the person signing this certification.
- j) The reported analyses, opinion, and conclusions were developed, and this report has been prepared, in conformity with the requirement of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute including the Uniform Standards of Professional Appraisal Practice.
- k) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- l) "As of the date of this report, I, Daniel D. Fuller, MAI, SRA, have completed the requirements under the continuing education program of the Appraisal Institute."
- m) This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- n) I have previously appraised this property in the three years prior to this assignment but I have not performed any other services related to this property within the three years prior to being engaged for this assignment.



Daniel D. Fuller, MAI
State-Certified General Real Estate Appraiser RZ567

SUBJECT'S LEGAL DESCRIPTION

The Subject's following legal is from the most recent recorded transfer of subject's title to Martin County, OR Book 2456, Page 1762 of the Public Records of Martin County, Florida –

Lot 2, Block 21, PORT SEWALL A/K/A OFFICIAL MAP OF SEWALL'S POINT LAND COMPANY, according to the Plat thereof on file in the Office of the Clerk of the Circuit Court in and for Palm Beach (Now Martin) County, Florida, recorded in Plat Book 3, Page 8.

HISTORY of SUBJECT'S OWNERSHIP

Owner: Martin County
2401 SE Monterey Rd.
Stuart, FL 34996

Title Transfers – within previous five years: The most recent title transfer occurred – May 26, 2010, Recorded in OR Book 2456, Page 1762, Public Records of Martin County with the transaction price of \$225,000. This was the purchase of the property by Martin County. The transaction occurred under the Martin County / Witham Field / FAA noise mitigation project.

Because of the older date of sale and because the property was improved with a residential structure at the date of sale, and because of the change in market conditions since the previous sale, the 2010 transaction is not applicable to the current appraisal assignment thus the transaction is not further analyzed.

Listings / Contracts - The subject is not listed for sale. There are no sale/purchase contracts on the subject.

Leases – the subject is not leased.

A map locating the subject and photographs of the subject comprise the following Exhibits.



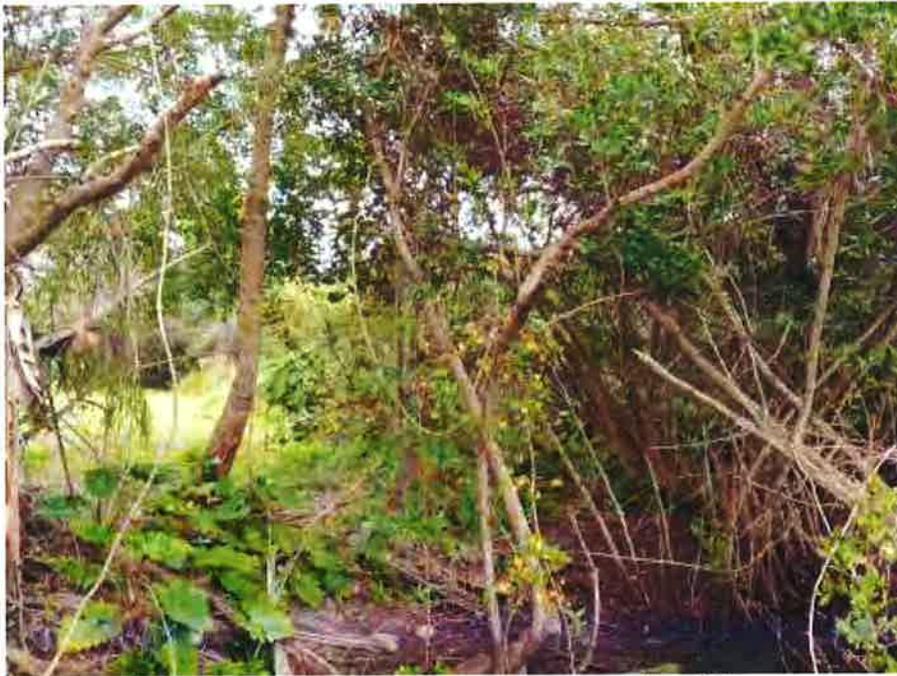
Subject Photographed January 28, 2018



Subject – view at curb cut from SE Indian Street



Subject – view from SE Golfwood Drive – subject's back lot line



Neighborhood drainage ditch which appears to encumber SE corner of subject



Easterly neighborhood scene along SE Indian St.
Note: subject on far-left w/ neighborhood drainage ditch located behind safety rail



Westerly neighborhood scene along SE Indian Street

AREA DATA

The following is a summary of Martin County area data:

- The subject lies with Martin County governmental jurisdiction, immediate south and east of the City of Stuart.
- There are three incorporated cities within Martin County - Stuart, Sewall's Point, and Jupiter Island.
- The City of Stuart is the largest incorporated community in Martin County and is the County seat with the 2012 population estimated at 18,808.
- The cities of Sewall's Point and Jupiter Island are primarily residential communities with significantly less population.
- The 2014 census estimates placed the County's total population at 153,392 with the County's population forecast to grow by approximately 12% to approximately 163,300 by the year 2020, with most of this growth expected to occur in the more rural unincorporated areas of the county.
- The economic base of the County depends upon three major industries: tourism, construction, and agriculture. Currently, the largest industries in the County in terms of employment are retail trades, services and manufacturing. Retail trade and services, account for over 60% of county's total employment, dominant due to the high number of seasonal residents, particularly seniors and winter season visitors.
- Manufacturing is a growing economic sector, with the most important being boat and aircraft manufacturing, printing and publishing, and electronics and communications. Triumph Aerostructures and Turbo Combustor Technology are Martin County's largest manufacturers.
- The Martin County unemployment rate as of December 2017 was 3.6% and yearly average of 4.1%, in line with state averages. The most recent income statistics (2016 per US Census) available indicate a per capita income in Martin County of \$35,892 which is one of the highest in the state. Median household income is estimated at \$52,622; also, well above state averages.
- There are two licensed public-use airports in Martin County, Witham Field and Indiantown Airport. Witham Field is County owned. The Indiantown Airport is privately-owned. Indiantown Airport has one turf runway.

NEIGHBORHOOD DESCRIPTION

Neighborhoods are defined as – “a group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises” - Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010)

Boundaries

The subject is located within a predominately residential neighborhood located immediately south of Witham Field (Martin County Airport).

A map depicting general neighborhood boundaries comprises the following Exhibit.



NEIGHBORHOOD DESCRIPTION (Continued)

The following are the neighborhood's general boundaries and surrounding uses:

- North: The Martin County public golf course followed by Witham Field (Martin County Airport).
- East & South: St. Lucie River and southeast the Indian River.
- West: Medium density Golden Gate residential neighborhood.

Highway Access

Primary highway access is via St. Lucie Boulevard running east-west from Old Dixie Highway, to approximately $\frac{3}{4}$ miles east of the subject where St. Lucie Boulevard turns north paralleling the St. Lucie River eventually connecting to East Ocean Boulevard providing access to the Stuart CBD and barrier island neighborhoods. Within the neighborhood there are inter neighborhood platted streets

St. Lucie Boulevard is an inter County collector street providing access to the subject's neighborhood, but also St. Lucie Boulevard is utilized as a short-cut to access south Stuart and central County neighborhoods south of the city of Stuart, thus traffic volume is heavy, but because a majority of the neighborhood's residential properties front the St. Lucie River, neighborhood occupants tend to ignore the high-volume traffic conditions.

Overall, access to the neighborhood is adequate to support the neighborhood's development level.

Development Levels & Development Types

A majority of the properties within the neighborhood front the St. Lucie River or Willoughby Creek or numerous properties front the Martin County Golf Course and a majority of the immediate neighborhood developed.

Developed properties are primarily detached single family types, ranging from modest size and price range homes located within platted interior neighborhoods fronting the County golf course to upscale / estate residential properties fronting the St. Lucie River.

The neighborhood is convenient to retail and employment centers, plus as mentioned, a large number of the properties front the St. Lucie River with some estate properties provided a view of the convergence of the St. Lucie and Indian Rivers and distant views of the St. Lucie Inlet to the Atlantic Ocean.

North and west of the County golf course there is the Martin County Airport (Witham Field). Witham Field covers 726 acres, extending about one mile in each direction. Witham Field contains typical infrastructure for an airfield of this size, with maximum runway length at 5,826 feet. Plus, there are two runways with of 4,652 feet and 4,998 feet. Runway widths are 100 feet.

NEIGHBORHOOD DESCRIPTION (continued)

In recent years' controversy increased from neighboring residential property owners relating to airport noise with an increase in air traffic; however, this is common to most urban-located airports of this scale. While such complaints are common and unlikely to threaten the operation of Witham Field due to the economic impact of the airport, significant expansion of the airfield is unlikely (i.e. increases in runway length, land acquisition, noise levels, etc.).

But in response to the public response, Martin County implemented a plan to purchase homes near the runways, or insulate homes for sound, funded by FAA and FDOT grants. Therefore, on a long-term basis, the airport is expected to remain as it currently exists, but with slow expansion of commercial operations within the airport boundaries.

However, regardless of the potential negatives caused by Witham Field, because the neighborhood is an estimated 90% developed, over the long-term demand for neighborhood properties are expected to strengthen because of the neighborhood's easy access to retail and employment centers.

CENSUS TRACT
A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tract boundaries normally follow visible features, but may follow governmental unit boundaries and other non-visible features in some instances; they always nest within counties. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time of establishment, census tracts average about 4,000 inhabitants. They may be split by any sub-county geographic entity. (U.S. Census Bureau) - Source: Appraisal Institute, <i>The Dictionary of Real Estate Appraisal</i> , 5th ed. (2010).
Per Martin County Census Maps, the subject is located in Census Tract 9.01

IDENTIFICATION of SUBJECT

The subject consists of a vacant, platted, residentially zoned site, 100 feet wide x 250 feet deep, for a total area of 25,000 square feet.

The subject fronts two streets, St. Lucie Boulevard and SE Golfwood Drive. As discussed, St. Lucie Boulevard is the neighborhood's primary access with the subject addressed at 2492 SE St. Lucie Boulevard. SE Golfwood Drive is a platted neighborhood street servicing a small number of residential sites.

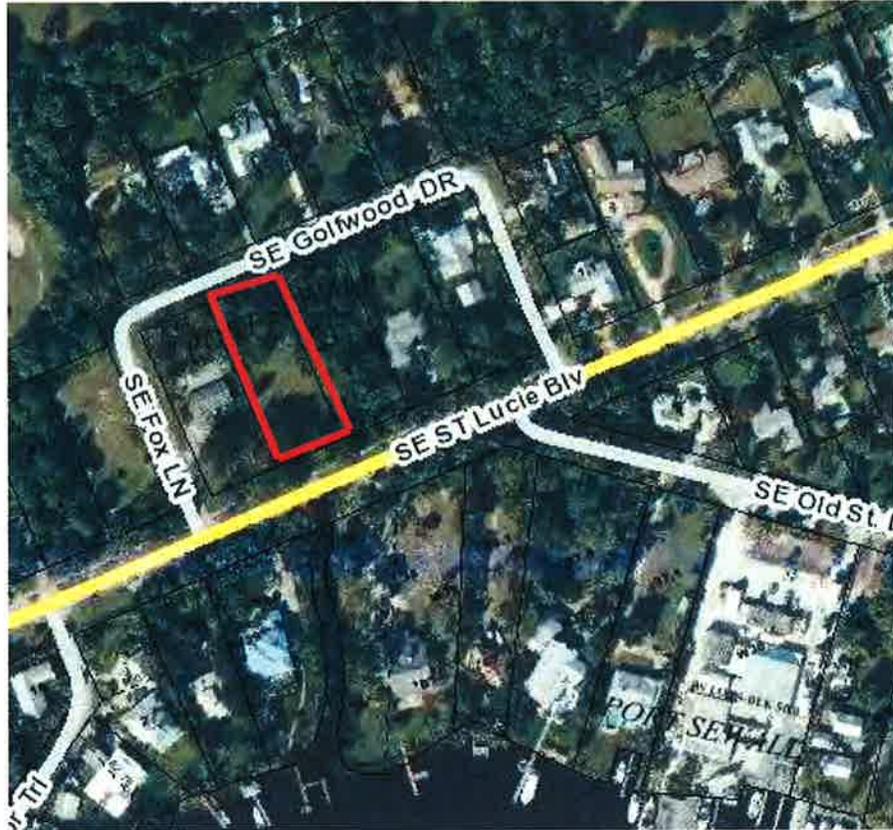
The subject's topography is level, previously improved with a single family residential structure. There are several mature palm trees on subject towards subject's back lot line on SE Golfwood Drive, along with mature trees along the St. Lucie Boulevard frontage and a large oak located within the property.

Also the east property line is heavily wooded with a mix of mature trees, and as previously discussed, there is a County owned drainage ditch along or within the subject's east property line. (See Extraordinary Assumptions.) It is possible the drainage ditch crosses the southeast corner of the subject, but I was not provided a survey of the subject to clarify the subject's boundaries, but while my opinion of value assumes a portion of the ditch is located on the subject, the ditch would fall within building setback lines thus unlikely to significantly affect the functional utility of the site.

There is a curb-cut to St. Lucie Boulevard in the approximate center of the property. Along the St. Lucie Boulevard right of way there is a public sidewalk and streetlights.

The subject can adequately function and support a single family residence in keeping with the typical neighborhood residential design and size.

SITE MAP EXHIBIT (subject in red)



ZONING and LAND USE (Authority - Martin County Commission)

Zoning Designation - R-1C, Single Family Residential

DEVELOPMENT STANDARDS

C A T	Zoning District	Min. Lot Area (sq. ft.)	Min. Lot Width (ft)	Max. Res. Density (upa)	Max. Hotel Density (upa)	Max. Building Coverage (%)	Max. Height (ft)/(stories)	Min. Open Space (%)	Other Req. (footnote)
B	R1-C	15,000	100	(a)		25	25/2	50	—

STRUCTURE SETBACKS

C A T	Zoning District	Front/by story (ft.)				Rear/by story (ft.)				Side/by story (ft.)			
		1	2	3	4	1	2	3	4	1	2	3	4
B	R1-C	30	30	—	—	20	20	—	—	10	10	—	—

Land Use Classification - Low Density Residential development. - The Low Density Residential designation is reserved for land in the Primary Urban Service District. Densities shall not exceed five units per gross acre. In reviewing specific densities, the aim shall be to preserve the stability and integrity of established residential development and provide equitable treatment to lands sharing similar characteristics. Landscaping, screening, buffering and similar design techniques shall be used to assure a smooth transition between residential structure types and densities.

The subject's zoning and land use classifications allow residential development in the subject's case to a density of 1 unit.

The subject also lays within the airport - Sec. 3.33. - Noise compatibility overlay

Within the overlay the subject is within Zone B thus rules applying to properties with Zone B are specifically identified as follows –

3.33.A. *Noise compatibility overlay boundary.*

1. In order to allow uses which are consistent with the 2002 "Airport Noise Compatibility Planning Study" completed under Federal Aviation Regulation Part 150, and updated in 2010, a Noise Compatibility Overlay boundary is hereby created.

The Noise Compatibility Overlay boundary shall be mapped in accordance with Day-Night Average Sound Level (DNL) noise contour lines. DNL lines are measured in decibels and are shown on Figure 5-1 and 5-2 of the Martin County Airport/Witham Field Noise Exposure Map Update, dated September 2010. These lines shall be the basis for locating Zone "A" and Zone "B" of the Noise Compatibility Overlay on the Zoning Atlas.

ZONING AND LAND USE (Continued)

2. The Noise Compatibility Overlay shall be applicable within unincorporated Martin County but, shall not be applicable to parcels located within the Martin County Airport and the Martin County Golf and Country Club zoned PS and the PAF.

3. Parcels located completely inside the geographic area bounded by the 65 DNL line (between the 65 and 70 DNL lines) shall be considered Zone A in the Noise Compatibility Overlay. Zone A shall be represented by a hatching pattern on the Zoning Atlas if it extends beyond the PS and PAF zoning districts.

4. Parcels located completely inside the geographic area bounded by 60 and 65 DNL lines shall be considered Zone B in the Noise Compatibility Overlay. Zone B shall be represented by a hatching pattern if it extends beyond the PS and PAF zoning districts. (Applicable to the subject.)

5. The two zones shall be identified by two different hatching patterns on the Zoning Atlas where both extend south of the PS and PAF zoning districts.

6. The Zoning Atlas shall be amended within six months of Federal Aviation Administration approval of the most recent update to the Noise Exposure Map adopted by the Board of County Commissioners.

7. Where both Zones A and B appear on a parcel, the following shall apply:

a. If more than 50 percent of the parcel is located inside Zone A the entire parcel shall be subject to the requirements of Zone A.

b. If more than 50 percent of the parcel is located outside Zone A the entire parcel shall be subject to the requirements of Zone B.

8. Where only Zone B appears on a parcel, the following shall apply:

a. If more than 50 percent of the parcel is located inside Zone B the entire parcel shall be subject to the requirements of Zone B.

b. If more than 50 percent of a parcel is located outside Zone B none of the parcel shall be subject to the requirements of Zone B.

9. The requirements of the Noise Compatibility Overlay shall not be applicable to Lot W-36 of the Port Sewall Plat.

3.33.B. Permitted uses.

1. *Nothing in [section 3.33](#) shall prohibit the continued use or enjoyment of a use legally established prior to adoption of the Noise Compatibility Overlay on September 11, 2012. Likewise, uses legally established pursuant to the Noise Compatibility Overlay shall be permitted to continue regardless of future changes to the Noise Compatibility Overlay.*

2. *Notwithstanding the permitted uses shown in Tables 3.11.1. thru 3.11.3., uses established after the effective date of this section within Zone B shall be limited solely to single-family detached dwellings, accessory structures associated with single-family residential dwellings and modular homes constructed or modified to meet the sound insulation requirements described in section 3.33.C., LDR.*

ZONING AND LAND USE (Continued)

3.33.C. *Sound insulation.*

1. New construction and substantial improvements to existing habitable residential structures in Zone A shall use design and construction methods sufficient to reduce the noise level 30 decibels between the inside and the outside of the structure.

2. *New construction and substantial improvements to existing habitable residential structures in Zone B shall use design and construction methods sufficient to reduce the noise level 25 decibels between the inside and the outside of the structure. (Applicable to the subject.)*

3. Compliance with the aircraft sound isolation performance standards shall be established by certification from a registered professional architect or engineer that, when constructed in accordance with the approved plans the building shall achieve the specified interior noise levels. The design and construction methods shall be consistent with Advisory Circular No: 150/5000-9A prepared by the U.S. Department of Transportation, Federal Aviation Administration, July 2, 1993.

4. For the purposes of the Noise Compatibility Overlay, "substantial improvement" means any repair, reconstruction, extension or other improvement to a building or structure, including such work conducted over a period of time, the cost of which equals or exceeds 90 percent of the assessed value of such building or structure either before the improvement is commenced or, if the property has been damaged and is being restored, before the damage occurred. For purposes of this definition, "assessed value" shall mean the assessed value of a structure for the current year as determined by the Martin County Property Appraiser.

(Ord. No. 919, pt. 1, 9-11-2012)

Finally, Martin County is expected to place an Avigation Easement on the subject. To summarize, the following easement language was extracted from a deed transferring Martin County's interest in an adjacent lot –

RESERVING UNTO GRANTOR:

A Perpetual Avigation Easement also known as a perpetual air or flight easement, and an aircraft operations and aircraft noise easement for the use of the airspace over, through or adjacent to the Property to preserve for the use and benefit of the public, a right of free and unobstructed flight for aircraft landing upon, taking off from or maneuvering about Witham Field Airport. Such easement shall be for air navigation purposes and shall include, but not be limited to, the right of Grantor and any aircraft, currently or in the future to discharge noise, vibrations, odors, fumes, vapors, air currents, illumination, particulates, smoke, dust or other effects as may be inherent in the operation of aircraft on the Property and its occupants as a result of aircraft landing on, taking off from or maneuvering about Witham Field Airport. This Avigation Easement includes all runways and flight track (including takeoffs, landings and approaches) that aircraft may utilize now, or in the future. The Perpetual Avigation Easement shall not include or authorize aircraft landing, explosion, crash, falling objects or other occurrences causing direct physical injury to persons or direct physical damage to the Property.

AND FURTHER RESERVING UNTO GRANTOR:

A Perpetual Avigation Easement also known as a Perpetual Noise Easement, for the right to discharge noise, vibrations, fumes and other such effects as may be inherent in the operation of aircraft from the surface of the Witham Field Airport, which effects may reach the Property, and shall be for the purpose of aircraft start-up, ground maneuvering, maintenance, and engine run-up, for take-off or landing upon Witham Field Airport.

ZONING AND LAND USE (Continued)

THE GRANTEE SHALL:

Comply with the Federal Aviation Administration's standards governing objects affecting navigable airspace found at 14 C.F.R. Part 77 ("Part 77"), as the same may be amended. In accordance therewith, Grantee shall not construct or permit to remain upon the Property any obstruction, including natural objects and man-made structures, unless application of proposed construction or alteration is made to the Federal Aviation Administration pursuant to Part 77 and the Federal Aviation Administration issues a determination that the object or structure is not a hazard to air navigation. Grantee, at Grantee's expense, shall mark and light any object or structure as may be determined necessary by the Federal Aviation Administration to mitigate any hazard.

Hereinafter not use or permit the use of the Property in such a manner as to (i) create electrical or electronic interference with radio communication or radar or other navigation equipment used for communication between Witham Field Airport and aircraft, (ii) make it difficult for aircraft operations to distinguish between airport lights and others, (iii) result in glare in the eyes of aircraft operators using Witham Field Airport, or (iv) otherwise to endanger the landing, takeoff or maneuvering of aircraft.

BAR AGAINST CLAIMS:

Grantee and its successors in interest are forever barred from bringing or continuing any suit against Grantee under any theory of recovery, arising out of matters covered by this Perpetual Avigation Easement, including but not limited to noise, vibrations, odors, fumes, vapors, air currents, illumination, particulates, smoke, dust or other effects as may be inherent in the operation of aircraft, as well as discomfort, inconvenience, interference with and the use and enjoyment of the Property and any damage to or reduction of market value of the Property due to the operation of aircraft to and from Witham Field.

In the event of any litigation, controversy, claim or dispute between the parties hereto arising out of or relating to the Perpetual Avigation Easement, or the breach thereof, the prevailing party shall be entitled to recover from the losing party all costs, damages and expenses incurred by the prevailing party, including, but not limited to, attorney's fees and costs incurred in connection therewith.

THIS AGREEMENT shall bind and inure to the benefit of the respective heirs, personal representatives, successors and assignees of the parties hereto. This Perpetual Avigation Easement shall be and hereby is made a part of the each conveyance of all or any part of the Property and Witham Field Airport and shall run with the land as to all property burdened and benefited by the Perpetual Avigation Easement.

An owner can expect the noise compatibility overlay building regulations will increase the cost of building on the subject. Additionally, the Avigation Easement is an encumbrance on the owner's use of the subject and while there are provisions in the easement that will likely have little effect on the subject's functional utility or value, there are rights retained by the grantor such as the easement relieves an aircraft operator of liability for noise, vibrations, odors, fumes, vapors, etc. created by aircraft traffic in the air space above the subject which will likely have some negative effect on subject's value.

CONCURRENCY

Concurrency is the comparison of any proposed development's impact on public facilities and the capacity of the public facilities that are, or will be, available to serve the proposed development. Compliance with Concurrency is required of all proposed new development in St. Lucie County. Concurrency is determined when a site plan is submitted to the County Commission for approvals.

It appears the subject can meet Concurrency for a single family improvement.

UTILITIES	
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SERVICE	PROVIDER
Electric	Florida Power & Light
Water	Martin County
Sewer	On-site septic system
Trash	Martin County

1/1/2015 ASSESSMENT AND TAX INFORMATION			
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TAX ID #	JUST / MARKET VALUE & ASSESSED VALUE	*TAXES	*Non-Ad Valorem Assessments
37-38-41-004-021-00020/4 (0.574 ac. assessed)	Land - \$90,000 (\$90/ff)	\$0	\$0

* The subject is governmental owned, thus tax exempt, except leasehold improvements can be assessed as Personal Property.

Note: subject's assessed value calculates to \$900/ff which is 1.4 times higher than my opinion of the subject's value, but within the typical assessment range for the properties located outside of the noise overlay zone and no aviation easement in-place, suggesting the Property Appraiser has not considered these two negatives to value.

FLOOD ZONE DATA		
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FEMA MAP(s)	MAP DATE	FLOOD ZONE
12085C0162G	March 16, 2015	AE (6')
Zone AE – Special Flood hazard areas determined – base elevations identified		

HIGHEST AND BEST USE

The value of real property is directly related to the use to which it can be put. It follows that a particular parcel may have several different value levels under alternative uses. Accordingly, the property appraised herein is appraised under its Highest and Best Use, which is 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 profitability".

"Alternatively, the probable use of land or improved property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value."

In each appraisal of improved property there are two considerations of Highest and Best Use: one for the land considered as though vacant and one for the property as improved. Since the subject is a vacant tract of land, only an analysis of the property's highest and best use "as is" is made.

Highest and Best Use of Land or a Site as though Vacant 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".

Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010)

Highest and Best Use – "as is" – (a vacant residential zoned site)

Physical Use: - as a vacant tract of land, physically the subject has the potential of supporting a wide variety of improvements including residential, etc.

Legal Use: - "as is" the zoning and land use classifications allow an estimated one residential improvement to be developed on the subject. The property's development potential is subject to airport "noise compatibility overlay" regulations with improvement types "*limited solely to single-family detached dwellings, accessory structures associated with single-family residential dwellings and modular homes constructed or modified to meet the sound insulation requirements described in section 3.33.C., LDR*". Plus, again, the subject will be encumbered with an Avigation Easement.

Financially Feasible and Maximally Productive Use: - "as is" the subject can be developed with an estimated one residential unit, subject to the mentioned additional overlay regulations and Avigation Easement. As discussed in the previous Zoning/Land Use section of this report, in my opinion the "noise compatibility overlay" regulations will increase building costs. The Avigation Easement is an encumbrance on the owner's use of the subject and while there are provisions in the easement that will likely have little effect on the subject's functional utility or value, there are rights retained by the grantor which can be expected to negatively affect the subject's value.

HIGHEST AND BEST USE (Continued)

However, there is no other legal use of the subject, therefore, in my opinion the financially feasible and maximally productive use is to improve the subject with a single family residential structure, constructed to meet the "noise compatibility overlay" regulations and Avigation Easement criteria.

Conclusion of Highest and Best Use "as is" – (a vacant residential site) – In my opinion, the highest and best use of the subject "as is" is development a single family residential structure, constructed to meet the "noise compatibility overlay" regulations and Avigation Easement criteria.

MARKET RESEARCH & VALUATION via SALES COMPARISON APPROACH

The Sales Comparison Approach is defined as follows:

SALES COMPARISON APPROACH – *Source, Appraisal Inst., Dictionary of Real Estate Appraisal, 5th ed.*

The process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.

As discussed in the Scope of Work section of this report, research for sales and/or listings of similar properties began within the subject's neighborhood and with research producing two very recent sales, one sale occurring some 32 months ago and one sale closing some 50 months ago, plus one listing is analysis.

Research found only the 50+ months old sale located within the Witham Field Noise Overlay and within an avigation easements in-place, thus the reason the property with the older sale date was analyzed.

Because of the limited number of sales of properties affected by Witham Filed Noise Overlay regulations and Avigation Easements, sales 1-3 and listing 1 are adjusted for being unaffected by the noise overlay and avigation easement. A discussion of the process of measuring the effects of the Noise Overlay Regulations and the Avigation Easement is found in a following Conditions of Sale within this section of the report.

Unit of Comparison

Sale properties are analyzed based on sales price per lot, and sales price per front foot as these are typical market units of comparison.

A summary of the properties analyzed along with a summary of analysis is presented in a following Exhibit, followed by a map locating the properties analyzed.

Adjustment Process

The valuation process begins with identifying differences between the sales properties and the subject. Sale prices may be adjusted to reflect the market perceived value for the differences. At times transaction and/or economic conditions such as non-cash equivalent financing, unusual sale conditions and/or change in market conditions can affect sales prices and adjustments might be required for these occurrences.

The following discussion first addresses transaction/economic conditions beginning with cash-equivalent financing, conditions of sale, and changing market conditions.

Financing

The properties analyzed were all cash sales, thus financing did not affect the sale prices therefore adjustments for cash equivalent financing are not required.

SALES COMPARISON APPROACH (Continued)

Conditions of Sale

A conditions of sale adjustment could be required for a property selling under unusual circumstances, and/or for some reason the sale was not a true arm's-length transaction or did not meet the definition of market value. All of the sales analyzed were researched and verified to be arm's length transactions. Also, all transactions were between private parties, no "short sales" or post-mortgage foreclosure sales,

The sale identified as "Sale with Avigation Easement" was an arm's length transaction, also Realtor listed, but the grantor was Martin County, selling a vacant lot with an Avigation Easement in-place. Also, the property is within the Witham Field Noise Overlay zone which will increase building costs.

County rules for selling excess properties require offers made via sealed bids submitted to the County on a specific time line, which is a somewhat atypical method of presenting an offer, plus in the past approvals from three invested governmental agencies were required and only cash offers were acceptable. The approval process has been streamlined but financing contingencies in the offers are not accepted. As mentioned, while the sealed bid process is somewhat atypical compared to private party transactions, in the case from listing to closing required only four months, June 2013 to November 2103, thus competitive with private party transactions. Therefore, in this case the transaction process, in my opinion, closely paralleled market conditions. However, again, the property is subject to Witham Filed Noise Overlay regulations and the property sold with an Avigation Easement on the property.

Ideally, sales of properties located within similar Noise Overlay zones and with Avigation Easements in-place would be available for analysis to form an opinion of the subject's value, however, with only one closing under these conditions, adjustments for these conditions are required to the sales/listing prices of the other properties analyzed.

Market analysis was performed to estimate the effect, if any, on the sales price. The property within the noise overlay area and with the avigation easement sold from 45% to 58% below the per front foot price of the other closes sales analyzed.

Further research in residential neighborhoods near airports did not support a value loss, however, based on experience in analyzing real estate markets, I am aware that unusual property or market conditions can affect value either positively or negatively. Negative effects on value can be caused by poor floor plans, conditions which typically have the least effect on value, say 10% vs. say land locked properties where the effect on value can be significant as high as 50% to 75%.

Conclusion

In my opinion, Witham Field Noise Overlay regulations which require above typical noise mitigation construction, will increase construction costs yet the additional costs may not be recovered upon resale, possibly identified as value loss from functional obsolescence, however, the added noise barrier construction is expected to increase energy efficiency and possibly improve windstorm protection, thus the potential loss in value for additional building construction may be discovered to be relatively nominal.

SALES COMPARISON APPROACH (Continued)

But, additionally, the Avigation Easement expected to be placed on the subject restricts constructing objects which might interfere with aircraft operations in the air space above the subject, and relieves the aircraft operator of liability for noise, vibrations, odors, fumes, vapors, etc. created by aircraft traffic in the air space above the subject. Plus, the property owner cannot operate equipment which might interfere with the operation of an aircraft and/or place any light or shining objects on the property which also might interfere with the operation of an aircraft, plus there are further defined restrictions, please see an example of the expected avigation easement in an Addendum to this report.

While the Avigation Easement appears to cover a significant number of restrictions, in my opinion many of the restricts are not items most property owners would typically build into a property, but there is a degree of loss of the free use of an ownership and some nuisance factor such as the allowed noise and odors, fumes, vapors from aircraft.

Finally, with the previous analysis considered, in my opinion research was inadequate to clearly define the potential value loss for the easement encumbrance, but also as discussed properties with observed negatives will suffer value loss, and in my opinion within the range of observed value loss for various property negatives, the subject falls say within the range of minus 50%. Thus, a Condition of Sales adjustment of minus 50% is applied to the sales prices for sales 1, 2 and 3, and the asking price for listing one, to account for the effects of the subject's location within the noise overlay zone and the expected encumbrance of the Avigation Easement.

Market Conditions (Time)

In the case of a changing market, adjustments may be required to account for changes in the market which may have occurred between the date the sales occurred and the date of the appraisal.

The sales closing in September 2017 and May 2017, sales 1 and 2, in my opinion, represent current market price levels, thus adjustments for changing market conditions are not required. Sale 3, however, closed some 32 months ago, and the sale with the avigation easement in=place closed some 50 months ago as market conditions improved.

Market conditions have improved over the recent years, certainly since 2013, and the MLS broad brush stroke following of sales price changes supports price increases since 2013. Based on the available data, it is my opinion the sales require some adjustment to recognize the strengthening market, and in this case the 2015 sales price was increased by 20%, with the 2013 sales price increased by 30%.

Adjustments for Physical Differences

After considering adjustments for transaction/economic conditions, physical differences between the properties analyzed and the subject are addressed. The primary physical differences between the properties analyzed and the subject are: location within the neighborhood and size.

Physical differences are ideally adjusted based on paired sales analysis, when adequate data is available to extract the difference, but in the case of the subject's market segment, adjustments

SALES COMPARISON APPROACH (Continued)

are unclear due to relatively limited data. For these reasons direct adjustments to the sales prices for different physical features are not applied, instead a qualitative analysis is applied, with each sale compared to the subject in a discussion format and weighted by a property's comparability to the subject to derive a value indication for the subject.

A Sales Summary and Sales Location Map comprise the following Exhibits. A discussion of the comparability of the sales to the subject is included in the Sales Summary with my conclusion of value following the Exhibits.

SALES SUMMARY

TRANSACTION DETAILS	SUBJECT	<u>Sale with Avigation Easement</u>	<u>Sale 1</u>	<u>Listing 1</u>	<u>Sale 2</u>	<u>Sale 3</u>
Location	2492 SE St. Lucie Blvd., Stuart, FL	2500 SE Fox Lane Stuart, FL	3800 SE Bent Banyan Way Entrance to Banyan Tree Estates Stuart, FL	3756 SE Bent Banyan Way Entrance to Banyan Tree Estates Stuart, FL	SE St. Lucie Blvd. - north of Banyan House Condominium Stuart, FL	2114 SE Bay Harbour Ct. Stuart, FL
Grantor	Owner: Martin County	Martin County	Pascale, Leslie/Wonne	Barrett, Thomas	Geisinger, Richard C., Jr.	Barrett, Maureen
Grantee	n/a	Boorman, Shawn	Peragine, Nicholas/Zaneta	n/a	Medalist Building Group, LLC	Slaggs, Jerry
Date of Sale	Date of Appraisal: January 28, 2018	11/13	8/2017	Listed 8/2017	5/2017	5/15
Recorded (O.R Book/Page)	n/a	2689/66	2948/2575	Current asking price	2927/2034	2785/2350
Months Since Sale	n/a	50	4	5 months listing	8	32
Financing	Expected Cash Equivalent	Cash	Cash	Expected Cash Equivalent	Cash	Cash
Previous Sales	n/a	2/2010 sale @ \$320K w/ residence	No recent previous sales.	6/2015 sale @ \$200K -	8/15 sale @ \$155K Prev. reported size 1,525ac = \$2,33/sf	No recent previous sales.
Data Verification	Subject - inspection, client representative	Realtor S. Chasen dala (772) 466-3268 - 6/29/16	Appears to have been FSBO or non-listed Realtor sale, but could not verify	Listing Realtor Martin French (772) 261-0783 - 2/19/18	Realtor J. Rogers (772) 465-3513 - 2/19/18	Seller, M. Barrett (954) 668-6062 - 6/29/16
LEGAL / PHYSICAL CHARACTERISTICS						
Zoning	R-1C, Res. Single family	R-1C, Res. Single family	RS-3, Res. Single family	RS-3, Res. Single family	R-1C, Res. Single family	R-1C, Res. Single family
Land Use Classification	Low Density	Low Density	Low Density	Low Density	Low Density	Low Density
Urban Services Area	Yes	Yes	Yes	Yes	Yes	Yes
Site Area (SF)	25,000	25,265	25,483	25,483	63,598	19,776
Dimensions	100 ft x 250 ft	100 ft x 250 ft	Irregular - 94± ft front Bent Banyan Way with avg width 162 ft x 150 ft depth	Irregular corner - 301.49± ft total front Banyan Way with avg width 155.53± ft x 144± ft depth	172 ft x avg. 379 ft.	"Pie" shape - 88± ft Rd. front avg. width w/ avg. 178± ft depth - Est. avg. width 120 ft
(Road Front Feet)	100	100	162	155	172	120
Comments:	Site SE of Co. golf course & Witham Field. Convenient to retail & employment centers. Nearby water amenity strong neighborhood value influence. Subject within area of Witham Field Noise Overlay construction regulations & expected to be encumbered with Avigation Easement.	Site SE of Co. golf course & Witham Field. Convenient to retail & employment centers. Nearby water amenity strong neighborhood value influence. Property sold with Witham Field Noise Overlay construction regulations in-place & encumbered with Avigation Easement. Listed thru MLS, with closed bid offers.	Property located south of Witham Field but not within Witham Field Noise Overlay Zone. Not encumbered w/ Avigation Esm'l. Located near retail & employment centers. Entrance to 10 lot S/D with modest size but upscale homes.	Property located south of Witham Field but not within Witham Field Noise Overlay Zone. Not encumbered w/ Avigation Esm'l. Located near retail & employment centers. Entrance to 10 lot S/D with modest size but upscale homes. Seller desires to move investment, thus has not significantly increased price for 6/15 purchase at \$200K. Realtor reports nominal interest.	Property located east of Witham Field. Convenient to retail & employment centers. Nearby water amenity strong neighborhood value influence. Subject east of Witham Field but not within noise Overlay zone. Avigation Easements not required. Site partially w/ understorey cleared. Seller achieved division of property into 4 residential lots, but listed and sold as 2 larger lots. Witham Field did not affect value.	Property located in platted S/D some 3/4 miles southeast of Witham Field. Unaffected by Noise overlay or Avigation Easements. Site interior neighborhood cul-de-sac setting. Wooded at time of sale. Sold by FSBO sign on property.
SALES / LISTINGS PRICE ANALYSIS						
Recorded Sale Price	n/a	\$48,000	\$185,000	\$209,900	\$230,000	\$150,000
Price per Front Foot		\$480	\$1,142	\$1,354	\$1,337	\$1,250
Price per SF		\$1.90	\$7.26	\$8.24	\$3.62	\$7.58
Financing Adjustment		\$0	\$0	\$0	\$0	\$0
Adjusted Sale Price		\$48,000	\$185,000	\$209,900	\$230,000	\$150,000
Conditions of Sale Adjustment for Noise Overlay & Avigation Esm'l		0%	-50%	-50%	-50%	-50%
Adjusted Sale Price		\$48,000	\$92,500	\$104,950	\$115,000	\$75,000
Market Conditions Adjustment		30.0%	0.0%	0.0%	0.0%	20.0%
Adjusted Sales Price / Value Indication		\$62,400	\$92,500	\$104,950	\$115,000	\$90,000
Adjusted Sales Price / Value Indication per Front Foot		\$624	\$571	\$677	\$669	\$750
COMPARABILITY TO SUBJECT	SUBJECT	<u>Sale with Avigation Easement</u>	<u>Sale 1</u>	<u>Listing 1</u>	<u>Sale 2</u>	<u>Sale 3</u>
Location/Exposure	Site SE of Co. golf course & Witham Field. Convenient to retail & employment centers. Nearby water amenity strong neighborhood value influence. Good exposure.	Subject's immediate location.	South of Witham Field but no aircraft influences. Convenient to retail & employment centers. Nearby water amenity strong neighborhood value influence. Access & exposure equal to subject's location.	South of Witham Field but no aircraft influences. Convenient to retail & employment centers. Nearby water amenity strong neighborhood value influence. Access & exposure equal to subject's location.	Site east of NE corner Co. golf course & east of Witham Field. Convenient to retail & employment centers. Nearby water amenity strong neighborhood value influence. Good exposure. - superior to subject.	Superior - Site east of Witham Field, unaffected area. Interior very private neighborhood location. Convenient to retail & employment centers. Nearby water amenity strong neighborhood value influence. Superior to subject.
Access	Avg /Gd. 2 street potential access.	Good - extensive 2 street frontage	Average for neighborhood, equal.	Average for neighborhood, equal.	Average for neighborhood, equal.	Average for neighborhood, equal.
Size -	100 ft x 250 ft - 25,000 sf	Subject's size class.	One platted lots 0.585 acres in area - Subject's size class	One platted lots 0.599 acres in area - Subject's size class	Essentially 2 lot tract - (Approx. 1-lot - 86' x 400' & 1 - lot 86' x 327') - Net lots slightly larger than subject	Smaller - interior.
Shape	Rectangle	Rectangle.	Irregular lots but functionally equal to subject	Irregular lots but functionally equal to subject	Irregular lots but functionally equal to subject.	Irregular shape less functional than subject.
Topography	Mostly cleared, assumed adj. creek not a detriment.	Cleared, above natural grade from previous improvement.	Cleared with topo. similar to subject.	Cleared with topo. similar to subject.	Wooded - native topo. - inferior to subject.	Inferior wooded.
Zoning & Deed Restrictions	R-1C - Noise overlay construction required & Avigation Easement encumbrance.	Same with noise overlay & Avigation Easement in-place.	Similar zoning, but superior no noise overlay or Avigation Easement required.	Similar zoning, but superior no noise overlay or Avigation Easement required.	Same zoning, but superior no noise overlay or Avigation Easement required.	Same zoning, but superior - no noise overlay or Avigation Easement required.
NET DIFFERENCE	Subject	Similar to subject within Noise Overlay zone & w/ Avigation Easement in-place at sale. Most similar to subject, except older sale date.	Neighborhood includes more upscale improvements. Property does not lay within noise overlay or require avigation easement. Topography & size similar to subject. Overall, superior to subject.	Neighborhood includes more upscale improvements. Property does not lay within noise overlay or require avigation easement. Topography & size similar to subject. Overall, superior to subject.	Property not located within noise overlay or require avigation easement. Size allowed split into 2 residential sites. Topography & larger size. Location with "peak" of river upwardly affected sales price.	Site has irregular shape & inferior topography. Irreg. shape & small size less functional than subject, plus wooded at time of sale. However, location is superior within cul-de-sac street some distance from airport influence. Thus superior to subject.

 SALES COMPARISON APPROACH (Continued)

Summary and Conclusion of Value

See previous Data Summary Exhibit for detailed comparisons. Conditions of Sale adjustments have been applied for the expected increase in construction costs caused by the subject's Noise Overlay location and the expected Avigation Easement to be placed on the subject vis the grantor, Martin County. Plus, adjustments were applied for improving market conditions.

The following is a summary of adjusted value indications for the subject:

Sale No.	Adjusted Sales Price	Adjusted Sales Price / Front Foot	Net Comparability
Property w/ Avigation Esm't	\$63,400	\$624	Physically very comparable to the subject 7 sold with Avigation Easement in-place, but older sales date – subject's value within the adjusted sales price/value indication of \$624/ff.
1	\$92,500	\$571	Physically superior suggesting subject's value is higher than \$571/ff.
Listing 1	\$104,950	\$677	Across street from sale 1, physically superior to subject & listing price analyzed suggesting subject's value is lower than adjusted listing price of \$677/ff.
2	\$115,000	\$669	Also superior to subject, suggesting subject's value is lower than adjusted sales price of \$669/ff.
3	\$90,000	\$750	Older sales date, and again, somewhat superior to subject, thus subject's value is expected to be lower than adjusted sales price / value indication of \$750/ff.

Other than the lack of noise overlay locations and no avigation easements the properties analyzed are reasonably comparable, and as summarized above it is my opinion the most probable indication of the subject's market value is no higher than say \$624 per front foot as indicated by the property located within the noise overlay zone and with the avigation easement in-place.

At \$624 per front foot x subject's 100 front feet, the subject's total value calculates to \$62,400.

Therefore, it is my opinion the Market Value of the Fee Simple Interest in the subject appraised, recognizing the subject is located within the Witham Field Noise Overlay Zone, and appraised under the previously stated Hypothetical Condition that an Avigation Easement is in-place, as of January 30, 2018, is:

SIXTY-TWO THOUSAND FOUR HUNDRED DOLLARS -\$62,400-

Exposure time: - *Source, Appraisal Institute, Dictionary of Real Estate Appraisal, 5th ed.*

1. The time a property remains on the market.
2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market.

The properties analyzed experienced exposure periods from 4 to less than 12 months. In my opinion, in the subject's case the exposure period, assuming consummation of a sale of the subject at my opinion of value as of the date of appraisal, would have been in the 4 to 12 months' range.

QUALIFICATIONS OF THE APPRAISER
DANIEL D. FULLER, MAI

Education

Indian River Community College, Graduated 1967, A/S Degree

Professional Memberships

Member Appraisal Institute (MAI)#7876 - Appraisal Institute
Senior Real Property Appraiser (SRPA) - Appraisal Institute
Senior Residential Appraiser (SRA) - Appraisal Institute
Florida - State Certified General Real Estate Appraiser RZ567
Registered Florida Real Estate Broker

Work Experience

1992 - Pres. President, Fuller-Armfield-Wagner Appraisal & Research, Inc., Fort Pierce, FL
1987 - 1992 Vice President & Partner, Armfield-Wagner Appraisal & Research, Inc., Fort Pierce, FL
1983 - 1987 Staff Appraiser, Armfield-Wagner Appraisal & Research, Inc., Vero Beach, FL
1981 - 1983 Salesman/Appraiser, Florida Licensed Realtor-Associate, Procino Realty, Ft Pierce, FL
1979 - 1983 Staff Appraiser, Harbor Federal Savings and Loan Association, Fort Pierce, FL
1974 - 1979 Staff Appraiser, St. Lucie County Property Appraiser's Office, Fort Pierce, FL

Real Estate Appraisals made for the following:

Accountants	PNC Bank
Attorneys	Port St. Lucie, City of
Dept. of Natural Resources	RBC Bank
Federal Deposit Ins. Corp.	Resolution Trust Corporation
Federal Home Loan Bank Board	Seacoast Bank
Federal National Mortgage Corp.	St. Lucie County
Florida Community Bank	South Florida Water Management District
Fort Pierce, City of	SunTrust Banks
Gulfstream Business Bank	TD Bank
Harbor Community Bank	TITF
IBERIA Bank	Vero Beach, City of
Indian River County	Wells Fargo
Martin County	

Types of Appraisals Completed

Airplane Hangars	Offices
Automobile Dealerships	Packing Houses
Car Washes	Ranches
Commercial	Recreational Vehicle Parks
Groves	Residential
Industrial	Restaurants
Insurable Value	Retail Shopping Centers
Land Locked Parcels	Service Stations
Mini-Warehouses	Subdivision
Motels	Warehouses
Multi-Family	Wetlands
	Vacant Lands

Qualified as Expert Witness

Circuit Court -
St. Lucie County
Martin County
Indian River County
Okeechobee County
Palm Beach County
U.S. Bankruptcy Court -
West Palm Beach District

Accomplishments

Past President - Society of Real Estate Appraisers - Indian River Chapter 211 (1989 - 1990)
Past Instructor - Indian River Community College - Appraising Income Producing Real Estate
Past Board Member - East Florida Chapter of Appraisal Institute

ADDENDUM A

MARTIN COUNTY AREA DATA

Martin County is located on the southeast coast of Florida, approximately 100 miles north of Miami and 250 miles south of Jacksonville. The county is approximately 20 miles north and south, and extends westerly approximately 34 miles to Lake Okeechobee, which is the second largest fresh water lake located entirely within the national boundaries of the United States. Martin County's total land area is approximately 556 square miles.

Martin County is bordered by the Atlantic Ocean on the east, St. Lucie County on the north, Palm Beach County on the south, and Lake Okeechobee and Okeechobee County on the west. The county is the southernmost county in a region commonly known as the Treasure Coast which is comprised of Martin County, Indian River, and St. Lucie Counties to the north.

The City of Stuart is the county seat. Stuart is located in the northern quarter of the county on the south bank of the St. Lucie River. There are three other small, incorporated areas and several other unincorporated communities scattered throughout the county including Hobe Sound, Palm City, Jensen Beach, Port Salerno, Indiantown, Rio, Sewall's Point, and Jupiter Island.

Per the 2010 U.S. Census, Martin County ranks at 31st in population among Florida's 67 counties. Stuart is the County's largest incorporated community with an estimated population of 18,808, per the 2012 Martin County projections, or approximately 12% of the total county population of 153,392, per 2014 U.S. Census estimates.

The county's population estimate for 2010 was 6.6% over the 2000 census count. The county's population is forecast to grow by approximately 12% to approximately 163,300 by the year 2020, with most of this growth expected to occur in the more rural unincorporated areas of the county.

Economy, Employment and Income

The economic base of the County depends upon three major industries: tourism, construction, and agriculture. Currently, the largest industries in the County in terms of employment are retail trades, services and manufacturing. Retail trade and services, account for over 60% of the total county employment, dominant due to the high number of seasonal residents, particularly seniors and winter season tourists. Martin County has many natural amenities, including beaches, high-quality sport fishing, and a sub-tropical climate that attracts numerous winter visitors and vacationers.

Condominiums, mobile homes, apartments and other residences are available for seasonal occupancy. Trends indicate that a large number of seasonal renters

MARTIN COUNTY AREA DATA (continued)

eventually become full-time residents. The St. Lucie Inlet, providing ocean access through the barrier islands, is also a popular attraction for boaters and fisherman traveling from central areas of the State.

The construction industry has enjoyed demand beyond all previous levels, however in 2008 demand collapsed but beginning in 2014 demand began to show signs of strengthening and considering the buildable land remaining in Martin County it is expected the construction industry will enjoy strong demand for the coming decades.

Agriculture was the dominant land use in Martin County, at one time occupying some 75% of the total County acreage. Agricultural uses were primarily citrus and cattle production, mostly located in the western and southern parts of the County. Commercial flower and vegetable farms were also numerous. However, in the 2004-2007 periods with the citrus economy in an economic downturn and speculative investor demand, a majority of the citrus groves were abandoned and planned for residential development. However, the economic recession beginning in 2008 caused most planning and/or construction on residence project to cease. In recent years many of these properties have been converted to vegetable farming and sugar cane production, and in the most rural neighborhoods cattle grazing on properties previously set to citrus is occurring. Agricultural represents good interim use of acreage tracts, and although historically Martin County has been known as a “no growth” County, slow but steady growth (slow growth compared to neighboring counties) is expected to occur, with eventual redevelopment of the agricultural lands.

Manufacturing is a growing economic sector, with the most important businesses being boat and aircraft manufacturing, printing and publishing, and electronics and communications. Vought Aircraft and Turbo Combustor Technology are Martin County’s largest manufacturers.

According to the 2011 Martin County Profile compiled by Enterprise Florida, top employment generators in Martin County include the following:

MARTIN MEMORIAL HEALTH SYSTEMS	2,700
MARTIN COUNTY SCHOOL DISTRICT	2,456
PUBLIX SUPERMARKETS	1,168
ARMELLINI EXPRESS LINES	684
HOME DEPOT	400
WINN DIXIE	382
LOWES HOME IMPROVEMENT	335
TRIUMPH AEROSTRUCTURES - VOUGHT AIRCRAFT	300
TURBOCOMBUSTER TECHNOLOGY INC	294
SEACOAST NATIONAL BANK	272

*Estimated by the Enterprise Florida/Florida County Profile (2011)

MARTIN COUNTY AREA DATA (continued)

The Martin County unemployment rate as of February 2015 was 5.5% or in line with state averages. The most recent income statistics available indicate a per capita income in Martin County of \$34,057 which is one of the highest in the state. Median household effective buying income is estimated at \$49,846; also well above the state average of \$46,956 per household.

Transportation

Martin County is served by three major highway systems, including U.S. Highway 1, Interstate 95, and the Florida Turnpike. U.S. 1 extends the length of Florida's east coast, and at one time US 1 was the principle Florida east coast highway, linking Jacksonville and Key West. However, with Interstate 95 and the Florida Turnpike running through mid Martin County, combined with the rapid growth in the east coast cities, U.S. 1 has become a primarily intra-regional and inter-county access route.

There are three I-95 interchanges in Martin County. Interstate 95 runs from Miami in southern Florida, to the northeast United States. The Florida Turnpike is a limited access toll road extending from Wildwood in the center of Florida to the Miami area. There is one turnpike interchange in Martin County.

There are two licensed public-use airports in Martin County, Witham Field and Indiantown Airport (formerly Circle T Ranch). Witham Field, located in Stuart, is a 647-acre County owned general aviation airport; Witham Field has four runways and taxiways. The Indiantown Airport is privately-owned. Indiantown Airport has one turf runway. International airports are located in Palm Beach, approximately 40 miles south of Stuart, and in St. Lucie County some 30 miles north of Stuart.

No ports exist in Martin County. The closest ports in the region are the Port of Fort Pierce and the Port of Palm Beach. The County is the location of the only Cross-Florida East/West waterway in the Treasure Coast area. The Cross-Florida Okeechobee Waterway connects the City of Stuart and its environs with the western Gulf City of Fort Myers. This navigable waterway developed by the U.S. Army Corps of Engineers is 156 miles in length and is reasonably well-used by both passenger and freight vessels.

The Florida East Coast Railway has two tracks within the boundaries of Martin County. The main tract which carries freight runs parallel to the eastern coast line from St. Lucie County to the Palm Beach county line. A secondary track runs in the western County. The Seaboard Coast Line runs passenger service in the western County, providing passenger and cargo service between Jacksonville, Miami and the Tampa area.

MARTIN COUNTY AREA DATA (continued)

The Florida High Speed Rail Commission has selected the final route for a high speed rail connection between Miami, Orlando and Tampa. This route would traverse the Florida East Coast right of way through the City of Stuart and permitting and funding is in process by the rail service. However, strong opposition to the rail service is occurring along the proposed route, thus final permitting remains uncertain.

Martin County operates a fixed route bus system, plus the Martin County Council on Aging operates a limited public transportation/shuttle system, primarily aimed at transporting older residents to shopping and other services.

Government

Martin County government operates as a five-member commission with a County administrator. The city of Stuart operates under a city manager form of government and elects a five-member commission citywide. Likewise, the towns of Sewall's Point and Jupiter Island are governed by five-member commissions. The major governing bodies have generally favored development, but in particular the Martin County Commission tends to temper approvals with quality of life and conservation primary considerations in an attempt to protect the County's many natural resources.

County services, including law enforcement, schools, and public utilities are operated adequately, and planning for future growth of the area considers anticipated needs in these areas.

Other Influences

The position of the County Commission on development approvals tends to run with elections and the mood of the residents, creating a historical observed "no growth attitude". However, the County Commissions past slow growth position actually limited foreclosure activity and value declines during the 2008 recession in Martin County.

Summary

The overall economic outlook for Martin County is positive within all of the incorporated or unincorporated areas, by all forecasts, showing a steady growth rate.

Of course, much of the economic growth will depend upon national trends. As in the past, economic highs and lows brought about by national economic policies affect the local economy because of its dependence on tourism and the related construction and service industries.

**AN APPRAISAL OF
2.72-ACRE VACANT TRACT OF LAND
LOCATED AT
2675 SE OLD DIXIE HWY.
(NE CORNER OF SE OLD DIXIE HWY. & SE AVIATION WAY)
STUART, MARTIN CO., FLORIDA**

PREPARED FOR
GAI Consultants, Inc.
c/o Jack E. Thompson, Jr., C.M. LEED AP
618 E. South Street, Suite 700
Orlando, FL 32801

DATE OF APPRAISAL – January 30, 2018

Prepared by:
Daniel D. Fuller, MAI
State-Certified General
Real Estate Appraiser RZ567
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Daniel D. Fuller, MAI, SRA , State-Certified General Real Estate Appraiser RZ567

February 19, 20018

GAI Consultants, Inc.

c/o Jack E. Thompson, Jr., C.M. LEED AP

618 E. South Street, Suite 700

Orlando, FL 32801

RE: 2.72-acres vacant site, 2675 SE Old Dixie Hwy. - NE corner SE Old Dixie Hwy. & SE Aviation Way, Stuart, Martin Co., FL.

Dear Mr. Thompson:

As per our contract for appraisal services, I have inspected the referenced real estate and I have investigated the property's market segment to provide an opinion of the Market Value of the Fee Simple interest in the real estate "as is", as of my date of inspection and date of appraisal, January 30, 2018.

The appraisal adheres to the Uniform Standards of Professional Appraisal Practice (USPAP), Martin County, and FAA appraisal and reporting requirements, presented in USPAP defined "Appraisal Report" format.

- The Intended Use of this appraisal is to estimate market value to assist the Board of County Commissioners and/or their representatives GIA Consultants, Inc., in establishing equity for a potential property equity trade and the appraisal is not intended for another use.
- The Intended User of this report is the Martin County Board of County Commissioners and/or their representatives GIA Consultants, Inc. and the appraisal report is not intended for another user.
- The appraisal and report are subject to the Ordinary Limiting Conditions, Extraordinary Assumptions, Hypothetical Conditions, and Certification included within this report.

Based on the available data, and my analysis of the data as presented in this report, it is my opinion the Market Value of the Fee Simple Interest in the real estate appraised, "as is", as of January 30, 2018, is:

THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS -\$375,000-

I believe my research and analysis are complete, but if there are questions please contact me at your convenience.

Sincerely,



Daniel D. Fuller, MAI

State-Certified General Real Estate Appraiser RZ567

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SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

- Property Type: 2.72-acres acreage tract.
- Property Use "As Is": Vacant.
- Property Address: 2675 SE Dixie Hwy. - NE corner SE Old Dixie Hwy. & SE Aviation Way, Stuart, Martin County, FL

- Purpose of Appraisal: Estimate Market – "as is"
- Property Rights Appraised: Fee simple interest
- Date of Appraisal: January 30, 2018
- Date of Inspection: January 30, 2018
- Inspected by: Daniel D. Fuller, MAI
- Date of Appraisal Report: February 19, 2018
- Report Prepared: February 2018
- Report Format: USPAP defined "Appraisal Report" format

Subject -

- 2.72-acres – ("L" shape)
- 263± ft. fronting Old Dixie Hwy.
- 542± ft. fronting Aviation Way (depth)

- Zoning – "as is": PS, Public Service
- Land Use – "as is": General Institutional
- Census Tract: 9.01
- Flood Zone: Zone X - FEMA Map 12085C0161G – map date 3/16/2015
- Highest and Best Use – "as is": Improve with either a use associated with the airport, or a privatized governmental use.

Market Value, Fee Simple Interest, "as is", as of January 30, 2018, is: **-\$375,000-**

PROPERTY TYPE & USE "AS IS"

- Property Type: 2.72-acres acreage tract.
- Property Use "As Is": Vacant.

SCOPE of WORK

Mr. Jack E. Thompson with GAI Consultants, Inc. engaged my services to provide an opinion of the Market Value* of the Fee Simple Interest** "as is" as of my date of inspection, January 30, 2018.

*Market Value for Federal Land Acquisitions - Uniform Appraisal Standards for Federal Land Acquisitions, Fifth Edition, Section A-9, page 13.

Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal.

**Fee Simple Estate – *Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed.*

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

Forming an opinion of market value as defined requires the following Scope of Work. The property type requires valuation via the Sales Comparison Approach. Valuation via the Cost Approach is not applicable as there are no improvements on the subject. Additionally, market participants do not invest in properties for an income stream thus valuation via the Income Capitalization Approach is also not performed.

Research for sales and/or listings of similar properties initially concentrated in the subject's neighborhood, specifically properties fronting Old Dixie Highway and/or similar collector streets surrounding the County Airport (Witham Field). Research found very limited recent sales and/or listings of similar properties within the subject's immediate neighborhood, thus because of a limited number of sales, especially properties with subject's PS zoning and General Institutional land use classifications. It is noted the zoning and land use classifications restrict development to airport related use, thus reducing the number of market participants and potentially narrowing the legal types of development.

Research extended throughout Martin County locating four closed sales with General Commercial and Industrial land use classifications. The properties analyzed provide an indication of value under typical open market conditions (a hypothetical condition), followed by analysis of the potential effects of the zoning and land use classifications regulations affecting the subject.

The appraisal adheres to the Uniform Standards of Professional Appraisal Practice (USPAP), Martin County, and FAA appraisal and reporting requirements, presented in USPAP defined "Appraisal Report" format.

SCOPE OF WORK (Continued)

- The Intended Use of this appraisal is to estimate market value to assist the Board of County Commissioners and/or their representatives GIA Consultants, Inc., in establishing equity for a potential property equity trade and the appraisal is not intended for another use.
- The Intended User of this report is the Martin County Board of County Commissioners and/or their representatives GAI Consultants, Inc. and the appraisal report is not intended for another user.
- The appraisal and report are subject to the Ordinary Limiting Conditions, Extraordinary Assumptions, Hypothetical Conditions and Certification included within this report.

APPRAISAL REPORT FORMAT

“Appraisal Report” defined - *Per Uniform Standards of Appraisal Practice (USPAP 2014-2015) – Standards Rule 2-2*, each written real property appraisal report must be prepared under one of the following options and prominently state which options is used: Appraisal Report or Restricted Appraisal Report.

The appraisal is reported in an above defined “Appraisal Report” format.

APPRAISER COMPETENCY

Per the Competency Rule of Uniform Standards of Professional Practice (USPAP), the appraiser is competent to complete this appraisal due to experience in the subject’s market segment and geographic area.

ORDINARY LIMITING CONDITIONS AND UNDERLYING ASSUMPTIONS

1. The opinions value given in this report represents the opinion of the signer as of the DATE SPECIFIED. Real estate is affected by an enormous variety of forces and conditions will vary with future conditions, sometimes sharply within a short time. Responsible ownership and competent management are assumed.
2. This report covers the premises herein described only. Neither the figures herein nor any analysis thereof, nor any unit values derived therefrom are to be construed as applicable to any other property, however, similar the same may be.
3. It is assumed that the title to said premises is good; that the legal description of the premises is correct; that the improvements are entirely and correctly located on the property; but no investigation or survey has been made, unless so stated.
4. The opinion(s) given in this appraisal report is gross, without consideration given to any encumbrance, restriction or question of title, unless so stated.
5. Easements on the subject parcels are unknown. Easements may or may not be recorded or may exist by customary use or other legal means. The appraiser has not nor is he qualified to search legal records as to the existence of other easements.
6. Information as to the description of the premises, restrictions, improvements and income features of the property involved in this report is as has been submitted by the applicant for this appraisal or has been obtained by the signer hereto. All such information is considered to be correct; however, no responsibility is assumed as to the correctness thereof unless so stated in the report.
7. The physical condition of the improvements described herein was based on visual inspection. No liability is assumed for the soundness of structural members since no engineering tests were made of the same. The property is assumed to be free of termites and other destructive pests.
8. Possession of any copy of this report does not carry with it the right of publication, nor may it be used for any purpose by any but the applicant without the previous written consent of the appraiser or the applicant, and in any event, only in its entirety.
9. Neither all nor part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent of the author; particularly as to the valuation conclusions, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute, or to the SRA or MAI designations.
10. The appraiser herein, by reason of this report is not required to give testimony in court or attend hearings, with reference to the property herein appraised, unless arrangements have been previously made therefore.
11. The Contract for the appraisal/consulting services is fulfilled by the signer hereto upon the delivery of this report duly executed.
12. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and zoning laws unless non-compliance is stated, defined and considered in the appraisal report.
13. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field, if desired.

EXTRAORDINARY ASSUMPTIONS

EXTRAORDINARY ASSUMPTIONS Defined

Source, Appraisal Institute, Dictionary of Real Estate Appraisal, 5th ed.

An assumption, directly related to a specific assignment, which, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.

1. Information pertaining to the subject's dimensions and size were obtained from County Property Appraiser's Assessment Data and aerial photographs and as reported herein are assumed to accurate.
2. The subject may be under a lease agreement with the Martin County Fair Association for parking. I was not provided a copy of a lease but if there is a lease in-place my opinion of value assumes the lease has a termination clause in favor of Martin County, and a lease is not a negative to the subject's market value.
3. Along the front of the subject some 10 to 30 feet from the Old Dixie east curb there is a sidewalk. It appears the sidewalk is within the subject and not within the street right of way. I am unaware if there is an easement in-place for the sidewalk, but because the subject is titled to Martin County I expect there is no easement. However, sale of the subject to a private party is expected to require an easement or separation of the sidewalk from the subject, resulting in a reduction in the subject's size. My opinion of value assumes an easement is in-place for the sidewalk, thus the subject appraised is remains at 2.72 acres including a sidewalk easement encumbered area.

HYPOTHETICAL CONDITIONS

HYPOTHETICAL CONDITION Defined – Uniform Standards of Professional Practice (USPAP), 2014-2015, ed.

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis.

Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

1. Because did not locate sales of properties with subject's zoning and land use classifications. Thus, analysis is performed utilizing General Commercial and Industrial land use classifications with the properties analyzed providing an indication of value under typical open market conditions. This value conclusion is considered hypothetical and the value is contrary to known facts about subject's legal characteristics.

CERTIFICATE OF APPRAISAL

I certify that, to the best of my knowledge and belief:

- a) The statements of fact contained in this report are true and correct.
- b) The reported analysis, 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.
- c) I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- d) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- e) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- f) My 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.
- g) My analysis, opinion, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- h) I have made a personal inspection of the property that is the subject of this report.
- i) No one provided significant real property appraisal assistance to the person signing this certification.
- j) The reported analyses, opinion, and conclusions were developed, and this report has been prepared, in conformity with the requirement of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute including the Uniform Standards of Professional Appraisal Practice.
- k) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- l) "As of the date of this report, I, Daniel D. Fuller, MAI, SRA, have completed the requirements under the continuing education program of the Appraisal Institute."
- m) This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- n) I have previously appraised this property within the three years prior to this assignment but I have not performed any other services related to this property within the three years prior to being engaged for this assignment.



Daniel D. Fuller, MAI
State-Certified General Real Estate Appraiser RZ567

SUBJECT'S LEGAL DESCRIPTION

The Subject's following legal description is from the Martin County Property Appraiser's Assessment Data and should be used only for appraisal purposes –

(FAIRGROUND PARKING) PORTIONS OF BLOCKS 167 & 171 GOLDEN GATE PARK DESCRIBED AS PARCELS D & E IN LEASE IN OR 646/1275 AND LEASE IN OR 109/376

HISTORY of SUBJECT'S OWNERSHIP

Owner: Martin County
2401 SE Monterey Rd.
Stuart, FL 34996

Title Transfers – within previous five years: Recently, at the request of Martin County representatives, the Martin County Property Appraiser combined two previous tax parcels, otherwise I am unaware of any transfers of the subject's title within the past five years.

Listings / Contracts - The subject is not listed for sale. There are no sale/purchase contracts on the subject.

Leases – The subject may be under a lease agreement with the Martin County Fair Association for parking. I was not provided a copy of a lease but if there is a lease in-place my opinion of value assumes the lease has a termination clause in favor of Martin County, thus the lease is not a negative to the subject's market value.

A map locating the subject and photographs of the subject comprise the following Exhibits.



Subject Photographed January 30, 2018



Subject viewed from Old Dixie Hwy.



SW view across subject



Intersection of Old Dixie Hwy. & SE Aviation Way with subject on left



Subject's frontage on SE Aviation Way



Subject's north property line along neighborhood drainage canal



Neighborhood scene along Old Dixie Hwy.

AREA DATA

The following is a summary of Martin County area data:

- The subject lies with Martin County governmental jurisdiction, immediate east of the southerly most Stuart city limits.
- There are three incorporated cities within Martin County - Stuart, Sewall's Point, and Jupiter Island and soon to be City of Indiantown.
- The City of Stuart is the largest incorporated community in Martin County and is the County seat with the 2012 population estimated at 18,808.
- The cities of Sewall's Point and Jupiter Island are primarily residential communities with significantly less population.
- The 2014 census estimates placed the County's total population at 153,392 with the County's population forecast to grow by approximately 12% to approximately 163,300 by the year 2020, with most of this growth expected to occur in the more rural unincorporated areas of the county.
- The economic base of the County depends upon three major industries: tourism, construction, and agriculture. Currently, the largest industries in the County in terms of employment are retail trades, services and manufacturing. Retail trade and services, account for over 60% of county's total employment, dominant due to the high number of seasonal residents, particularly seniors and winter season visitors.
- Manufacturing is a growing economic sector, with the most important being boat and aircraft manufacturing, printing and publishing, and electronics and communications. Triumph Aerostructures and Turbo Combustor Technology are Martin County's largest manufacturers.
- The Martin County unemployment rate as of December 2017 was 3.6% and yearly average of 4.1%, in line with state averages. The most recent income statistics (2016 per US Census) available indicate a per capita income in Martin County of \$35,892 which is one of the highest in the state. Median household income is estimated at \$52,622; also, well above state averages.
- There are two licensed public-use airports in Martin County, Witham Field and Indiantown Airport. Witham Field is County owned. The Indiantown Airport is privately-owned. Indiantown Airport has one turf runway.

NEIGHBORHOOD DESCRIPTION

Neighborhoods are defined as – “a group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises” - Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010)

Boundaries

The subject is located within a predominately light industrial/governmental properties neighborhood immediately south of Witham Field (Martin County Airport).

A map depicting general neighborhood boundaries comprises the following Exhibit.

NEIGHBORHOOD DESCRIPTION (Continued)

The following are the neighborhood's general boundaries and surrounding uses:

- North: The approximate northerly boundary of the Witham Field (Martin Co. Airport).
- East & South: St. Lucie and southeast the Indian River.
- West: Properties laying west of Old Dixie Hwy., mostly industrial/flex space properties.

Highway Access

Primary highway access is Old Dixie Highway running north-south paralleling U.S 1 from the center of the city of Stuart to south of the Hobe Sound community within southerly Martin County.

East -West highways within the neighborhood include Monterey Road along the north line of Witham Field, and Indian Street located $\frac{1}{4}$ ± miles south of the subject.

Because the FEC rail right of way is adjacent to Old Dixie Highway, there are a nominal number of east-west crossings with the neighborhood.

While the street described generally experience heavy traffic volume, access through the neighborhood is rated as average to good with the primary streets mentioned providing good to average access to all parts of Martin County and/or the interstate highway system interchanges within western Martin County.

Development Levels & Development Types

Along Old Dixie Highway within the subject's immediate neighborhood between Monterey Road and Indian Street properties are predominately governmental owned with most associated with Witham Field. Along the west side of Old Dixie Highway within the immediate neighborhood, the FEC railroad right of way block direct access to properties west of the FEC, but property types are predominately light industrial/flex space properties adjacent to the railroad and intense commercial development fronting U.S. Highway 1, approximately two to three blocks west of the subject.

North of the neighborhood along Old Dixie Highway, light industrial/flex space properties continue along the FEC railroad right of way into the center of the city of Stuart. South of Indian Street development continues along Old Dixie consisting of a mix of secondary commercial types, light industrial and flex space projects.

Properties are generally average quality, many older developed projects, with average maintenance practices. Demand is relatively strong for these properties, although values remain in the moderate range for Martin County.

Southeast of the subject's neighborhood begins a large area of residential development extending from modest multi-family types adjacent to the Old Dixie commercial corridor to upscale properties fronting the St. Lucie and Indian River.

NEIGHBORHOOD DESCRIPTION (Continued)

Development and property types within the subject's neighborhood has remained generally the same for many years and because that part of the neighborhood under predominately private ownership is approximately 90% developed, development and property types are not expected to change. The subject's immediate Old Dixie Highway frontage properties also are not expected to drastically change because of the Whitham Field ownership of a large portion of the properties. Thus, the neighborhood will continue to serve governmental and modest cost light industrial/flex space/ commercial development.

CENSUS TRACT

A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tract boundaries normally follow visible features but may follow governmental unit boundaries and other non-visible features in some instances; they always nest within counties. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time of establishment, census tracts average about 4,000 inhabitants. They may be split by any sub-county geographic entity. (U.S. Census Bureau) - Source: Appraisal Institute, <i>The Dictionary of Real Estate Appraisal</i> , 5th ed. (2010).

Per Martin County Census Maps, the subject is located within Census Tract 9.01

IDENTIFICATION of SUBJECT

The subject consists of a 2.72± acres vacant, Public Service zoned tract of land. The tract is "L" shape with approximately 263 feet of frontage on the east side of Old Dixie Highway and some 543 feet of frontage on the north side of Aviation Way.

The subject is level and cleared except for the east approximate 80 feet which remains wooded, mostly wooded with exotics and heavy ground cover. There is a partial concrete pad in the northwest area of the property which appears to consist of the remnants of a driveway or building. The pad does not contribute value. It also appears a curb cut was in-place to Old Dixie Highway, but blocked with a raised concrete curb when Old Dixie Highway was rebuilt to four lanes with a median. There is a curb cut for Aviation Way.

The subject enjoys good exposure to Old Dixie Highway and Aviation Way. Plus, there is potentially good access from Aviation Way. Future ingress/egress from Old Dixie Highway may be restricted because of traffic volumes on Old Dixie Highway. However, the traffic light-controlled intersection at Old Dixie Highway and Aviation Way ease ingress / egress for the subject.

(Note: along the front of the subject some 10 to 30 feet from the Old Dixie east curb there is a sidewalk. It appears the sidewalk is within the subject and not within the street right of way. I am unaware if there is an easement in-place for the sidewalk, but because the subject is titled to Martin County I expect there is no easement. However, sale of the subject to a private party is expected to require an easement or separation of the sidewalk from the subject, resulting in a reduction in the subject's size. My opinion of value assumes an easement is in-place for the sidewalk, thus the subject appraised is remains at 2.72 acres including a sidewalk easement encumbered area.)

The intersection of Old Dixie Highway and Aviation Way is traffic light controlled. Aviation Way provides access to various private operated aircraft services within the Martin County Airport and the County Public Works Compound is accessed from the north side of Aviation Way, immediately east of the subject. Plus, the County School Board bus and warehouse compound lies south of Aviation Way. Along the west side of Old Dixie Highway there is the Martin County Fair Association property.

In my opinion, the subject can adequately function and support a variety of improvements; size and types.

SITE MAP EXHIBIT (subject in red)



ZONING and LAND USE AUTHORITY - Martin County Commission.

Zoning / Land Use Classifications

Zoning Designation – Sec. 3.423. - PS Public Servicing District.

3.423.A. *Uses permitted.* In this district, a building or structure or land shall be used for only the following purposes, subject to any additional limitations pursuant to [section 3.402](#):

1. The PS Public Servicing District shall embrace those essential services of the County, board of public instruction and sanitary district for the servicing and general welfare of the residents of Martin County.
2. Airport. All uses normal to airport operations and such other uses as may be deemed proper by the Board of County Commissioners.
3. Cemeteries, mausoleums, crematories:
 - a. No premises shall be used or occupied for the purpose of a cemetery in any zone, unless approved after a public hearing by the Board of County Commissioners.
 - b. No land for which a plat has not been recorded shall be used for any burials.
 - c. Graves and/or monuments shall not be closer than 25 feet to the nearest property line.
4. Parks, public recreation buildings, playgrounds and such other uses as may be deemed proper by the Board of County Commissioners.

(Ord. No. 608, pt. 1, 3-19-2002)

Within the PS zoning classification, permitted development types are to be allowed in the Institutional General, Institutional Recreation, and Institutional Public Conservation.

Land Use Classification – General Institutional

General Institutional. The General Institutional category accommodates public and not-for-profit facilities such as schools, government buildings, civic centers, prisons, major stormwater facilities, fire and emergency operation centers, public cemeteries, hospitals, publicly owned water and sewer systems, dredge spoil management sites and airports. Investor-owned regional public water and sewer systems and private cemeteries may be allowed in General Institutional. Lands acquired by the County for General Institutional uses shall be reclassified to the Institutional-General land use designation during the next plan amendment cycle, as will lands or property rights acquired by the Florida Inland Navigation District as future dredge spoil management sites.

Although Institutional use is reserved for the uses cited above, this shall not prohibit for-profit medical offices and other ancillary facilities owned by a nonprofit hospital as long as they are part of a PUD. The impervious area covered by buildings and required parking for such medical offices shall not include more than 12 percent of the site.

Public and/or private development of airport property owned or managed by the County shall be subject to an Airport Zoning District or Planned Unit Development (Airport) zoning district developed to implement this policy. It shall apply only to airports owned or managed by the County.

Privatized government operations shall be allowed in Institutional land use when the land is publicly owned, and the private entity is acting under contract with the government that would normally provide the service.

ZONING and LAND USE (Continued)

All Institutional development must meet all suitability and compatibility standards in the CGMP. Minimum open space requirement shall be 40 percent, maximum building height shall be 40 feet and maximum building coverage shall be 45 percent.

Conclusion

The subject's zoning and land use classification appears to allow the County's airport operations flexibility in development associated with airport operations.

However, the zoning and land use classifications are more restrictive to private ownership.

CONCURRENCY	
Concurrence is the comparison of any proposed development's impact on public facilities and the capacity of the public facilities that are, or will be, available to serve the proposed development. Compliance with Concurrence is required of all proposed new development in St. Lucie County. Concurrence is determined when a site plan is submitted to the County Commission for approvals.	
It appears the subject can meet Concurrence but since the subject is vacant, compliance will only be known when a development plan is submitted for approvals.	

UTILITIES	
SERVICE	PROVIDER
Electric	Florida Power & Light
Water	Martin County
Sewer	Martin County
Trash	Martin County

FLOOD ZONE DATA		
FEMA MAP(s)	MAP DATE	FLOOD ZONE
12085C0161G	March 16, 2015	X
Flood Zone X is an area "determined to be outside the 0.2% annual chance floodplain".		

1/1/2015 ASSESSMENT AND TAX INFORMATION			
TAX ID #	JUST / MARKET VALUE & ASSESSED VALUE	*TAXES	*Non-Ad Valorem Assessments
37-38-41-006-171- 0000/9 (2.56 ac. assessed)	Land - \$423,750 (\$3.75/sf)	\$0	\$0

* The subject is governmental owned, thus tax exempt, except leasehold improvements can be assessed as Personal Property.

Note: historically the subject has been assessed under two parcel #'s with a total area of 2.72 acres. A County's representative requested the Property Appraiser assemble the parcels. The Property Appraiser's assembled parcel is now reported as a 2.56-acres tract. Post-assemblage, the reason for the change in the area assessed is unknown

The Property Appraiser's opinion of "Just" or market value is \$3.75 per square foot or an assessment ratio of 117% compared to my opinion of subject's value "as is". The \$3.75 per square foot assessment likely does not adequately consider the effects of the subject's zoning/land use classifications and other restrictions on users of the property which would not be unusual in the mass appraisal process.

HIGHEST AND BEST USE

The value of real property is directly related to the use to which it can be put. It follows that a parcel may have several different value levels under alternative uses. Accordingly, the property appraised herein is appraised under its Highest and Best Use, which is 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 profitability".

"Alternatively, the probable use of land or improved property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value."

In each appraisal of improved property there are two considerations of Highest and Best Use: one for the land considered as though vacant and one for the property as improved. Since the subject is a vacant tract of land, only an analysis of the property's highest and best use "as is" is made.

Highest and Best Use of Land or a Site as though Vacant 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".

Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010)

Highest and Best Use – "as is" (PS zoning / General Institutional land use classifications)

Physical Use: - as a vacant tract of land, physically the subject has the potential of supporting a wide variety of improvements including industrial markets, flex space buildings, manufacturing properties, retail, office improvements, etc.

Legal Use: - "as is" the zoning and land use classifications generally restrict legal use to public/governmental or not-for profit types.

As per the land use criteria - "public and/or private development of airport property owned or managed by the County shall be subject to an Airport Zoning District or Planned Unit Development (Airport) zoning district developed to implement this policy. It shall apply only to airports owned or managed by the County".

Or, "privatized government operations shall be allowed in Institutional land use when the land is publicly owned, and the private entity is acting under contract with the government that would normally provide the service".

Financially Feasible and Maximally Productive Use: - "as is" the subject has limited development potential. A governmental use typically does not meet the definition of financially feasible and maximally productive, except while a governmental use may not meet the definition of financially feasible, a governmental use supporting a public need may be considered the maximally productive use of lands under governmental ownership.

HIGHEST AND BEST USE (Continued)

At times a use associated with the airport may be financially feasible, assuming the property is leased to an airport user.

Also, a privatized governmental use occupying the subject can be financially feasible.

Of the two-mentioned potential financially feasible uses for the subject, either is expected to meet the test of a maximally productive use.

Conclusion of Highest and Best Use "as is" – (PS zoning / General Institutional land use classifications)

In my opinion, the highest and best use of the subject "as is" under the current zoning and land use classifications, is either a use associated with the airport, or a privatized governmental use.

VALUATION via SALES COMPARISON APPROACH - Valuation "as is"

The following valuation of the subject is under its current zoning and land use classifications, or "as is". Valuation is performed via the Sales Comparison Approach, defined as follows:

SALES COMPARISON APPROACH – *Source, Appraisal Inst., Dictionary of Real Estate Appraisal, 5th ed.*

The process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.

As discussed in the Scope of Work section of this report, research for sales and/or listings of similar properties began within the subject's neighborhood but because of a lack of sales and listings within the subject's immediate neighborhood research extended throughout Martin County.

"As is", legally the subject's use is limited by PS zoning and General Institutional land use classification, but there is potential to increase the intensity of the subject's use by, say, privatization of a governmental use on the property, or a use associated with the airport, but these can be considered special circumstances and not necessarily open market derived. Thus, subject's development potential is expected to be with an industrial type property, perhaps light manufacturing with a retail feature, or a mixed-use improvement, potentially including a modest residential component associated with the airport.

Research did not locate current sales of properties with a similar level of restrictions. In fact, no recent sales were located with any institutional zoning or land use classifications. The most recent sales of properties with institutional zoning or land use classifications I am aware of occurred in 2012 and they were lender sales, post-mortgage foreclosure properties, with price levels and sales circumstances not associated with current market conditions. Thus, these properties were not further analyzed.

Research found two properties with business commercial zoning or land use classifications, and two sales of properties within light industrial markets, with expected development types on the properties analyzed, resembling expected development types for the subject. The subject's restrictive zoning and land use classification are considered in the reconciliation of the properties analyzed and conclusion of subject's value.

Unit of Comparison

Sale properties are analyzed based on sales price per square foot as this unit of comparison is typical for the subject's market segment.

A summary of the properties analyzed along with a summary of analysis is presented in a following Exhibit, followed by a map locating the properties analyzed.

Adjustment Process

The valuation process begins with identifying differences between the sales and listed properties and the subject. Sale and/or listing prices may be adjusted to reflect the market perceived value for the differences. At times transaction and/or economic conditions such as non-cash equivalent

SALES COMPARISON APPROACH (Continued)

financing, unusual sale conditions and/or change in market conditions can affect sales prices and adjustments might be required for these occurrences.

The following discussion first addresses transaction/economic conditions beginning with cash-equivalent financing, conditions of sale, and changing market conditions.

Financing

The properties analyzed were either cash sales or closed with cash equivalent financing, thus financing did not affect the sale prices therefore adjustments for financing are not required.

Conditions of Sale

A conditions of sale adjustment could be required for a property selling under unusual circumstances, and/or for some reason the sale was not a true arm's-length transaction or did not meet the definition of market value. All the sales analyzed were researched and verified to be arm's length transactions, thus adjustments are not required.

Market Conditions (Time)

In the case of a changing market, adjustments may be required to account for changes in the market which may have occurred between the date the sales occurred and the date of the appraisal.

Market conditions have strengthened over the past two to three years but the sales all closed in 2017, thus reflect current market conditions indicating adjustments for changing market conditions are not required.

Adjustments for Physical Differences

After considering adjustments for transaction/economic conditions, physical differences between the properties analyzed and the subject are addressed. The primary physical differences between the properties analyzed and the subject are: location, size, and intensity of use allowed by the zoning and/or land use classifications.

Physical differences are ideally adjusted based on paired sales analysis, when adequate data is available to extract the difference, but in the case of the subject's market segment, adjustments are unclear due to relatively limited data. For these reasons direct adjustments to the sales prices for different physical features are not applied, rather a qualitative analysis is applied, with each sale compared to the subject in a discussion format for the purposes of weighing each property's comparability to the subject to derive an opinion of the subject's value.

While research did not locate sales or listings with the subject's restrictive legal development potential, the potential development types for the properties analyzed are improvement types expected for the subject, thus initial analysis does not consider subject's restrictive zoning and land use classifications, but the subject's zoning and land use classifications are considered in final reconciliation and weighting of each sale as an indication of the subject's value.

SALES COMPARISON APPROACH (Continued)

A Sales Summary and Sales Location Map comprise the following Exhibits. A discussion of the comparability of the sales to the subject is included in the Sales Summary with my conclusion of value following the Exhibits.

SALES SUMMARY AND ANALYSIS

TRANSACTION DETAILS	SUBJECT	Commercial zoned sales		Industrial zoned sales	
		Sale 1	Sale 2	Sale 3	Sale 4
Location	2675 SE Dixie Hwy, NE corner Old Dixie Hwy. & Aviation Way Stuart, FL	348 SE Florida St. - SW corner Florida St. & Dixie Hwy, Stuart, FL	1105 NE Dixie Hwy. - NW corner Old Dixie Hwy. & NE Martin Ave., Jensen Bch., FL	5700 SE Grouper Ave. S, side Cove Rd - 1/2 mi east US 1 Stuart, FL	XXXX NE Industrial SE cor Industrial Blvd. & Pop Tilton PL Jensen Bch., FL
Grantor	Owner: Martin County	DMH Properties, LLC	BSTX, LLC	Port Salerno Industrial Park	Murphy, Joseph, John, William & Bettina
Grantee	n/a	Pomfrey, Robert	Habitat for Humanity Martin Co., Inc.	ACK of Martin County, LLC	First Choice Loading, Inc.
Date of Sale	Date of Appraisal: January 30, 2018	6/2017	2/2017	8/2017	5/2017
Recorded (O.R. Book/Page)	n/a	2929/1871	2908/1105	2945/2372	2929/779
Months Since Sale	n/a	7	13	5	8
Financing	Expected Cash Equivalent	Cash	Fla. Comm. Fund -85% loan to PP	Cash	Cash
Previous Sales	n/a	No recent previous sales	No recent previous sales	No recent previous sales	No recent previous sales
Data Verification	Inspection	List. Realtor C. Klein (772) 288-6646 - 2/19/18	List. Realtor C. Klein (772) 288-6646 - 2/19/18	List. Realtor J. Chamberlin (772) 220-4096 - 2/19/18	List. Realtor Matt Crady (772) 260-1655 - 2/19/18 listing data
LEGAL / PHYSICAL CHARACTERISTICS					
Zoning	PS	B-2, Business General	Mobile Home	M-1, Industrial	M-1, Industrial
Land Use Classification	General Institutional	Commercial	B-1, Commercial	Industrial	Industrial
Urban Services Area	Yes	Yes	Yes	Yes	Yes
Site Area (SF)	118,483	15,246	111,165	100,929	62,901
(acres)	2.72	0.350	2.552	2.317	1.444
Comments:	SW corner of Martin County Airport perimeter. Good traffic light corner w/ good access & exposure. Current zoning/land use classifications limit subject's development potential. Highest & best use - associated with the airport, or a privatized governmental use.	Property comprises SE corner of Old Dixie Hwy. & SE Florida Street, a traffic signaled intersection within the Stuart city limits. Properties in the neighborhood are general older commercial, with a general secondary location. Site cleared.	Former mobile home park with 37 platted lots. MH's removed. Property at NW corner of Old Dixie Hwy. & Martin Ave. NW corner of Old Dixie Town Center round-a-bout. Within Rio CRA Town Center overlay zone. Overlay closely controls development types, design, etc. Land use allows low intensity improvements. Local retail/office improved neighborhood properties.	Note: Property total 3,1874 acres with 0,87 acre unbuildable area along south side surrounding "wet" area. Net Buildable 2.317 acres. Property located within platted industrial park. Average access & interior industrial park exposure.	Interior, corner, industrial neighborhood location. Property heavily wooded.
SALES / LISTINGS PRICE ANALYSIS					
Recorded Sale Price	n/a	\$120,000	\$450,000	\$400,000	\$200,000
Price per SF		\$7.87	\$4.05	\$3.96 (above based on buildable area)	\$3.18
Financing Adjustment		\$0	\$0	\$0	\$0
Adjusted Sale Price		\$120,000	\$450,000	\$400,000	\$200,000
Conditions of Sale Adjustment		\$0	\$0	\$0	\$0
Adjusted Sale Price		\$120,000	\$450,000	\$400,000	\$200,000
Market Conditions Adjustment		0.0%	0.0%	0.0%	0.0%
Adjusted Sale Price		\$120,000	\$450,000	\$400,000	\$200,000
Adjusted Sale Price per SF		\$7.87	\$4.05	\$3.96	\$3.18
	SUBJECT	Sale 1	Sale 2	Sale 3	Sale 4
COMPARABILITY TO SUBJECT					
Location/Exposure	Within Wilham Field airport neighborhood, with good exposure -	Property fronts collector street & neighborhood streets with superior commercial/light industrial neighborhood location. Good exposure. Property location somewhat superior to subject's location.	Property fronts collector street, but lower intensity neighborhood development. Somewhat inferior location. - Good exposure	Property located within small platted industrial park. Exposure is interior industrial park. Location and exposure are inferior to subject's location/exposure.	Property located within small platted industrial park. Exposure is interior industrial park. Location and exposure are inferior to subject's location/exposure.
Access	Good traffic light corner	Similar, good traffic light corner.	Similar w/ 255 ft. of primary street frontage plus 430± ft. of frontage on side street.	Inferior, average industrial park access.	Inferior, average industrial park access.
Size - Acres	2.72	87% smaller than subject, price / sf with higher sf price than applicable to subject, when all else is equal.	Within subject's size class plus addition of site area by interior street abandonment.	Within subject's size class.	46% smaller than subject, price / sf with higher sf price than applicable to subject, when all else is equal.
Shape	"L" shape - reasonably functional	Equal - irregular shape, but functional.	Equal - rectangle, functional.	Equal - irregular shape, but functional.	Equal - functional shape.
Topography	Mostly cleared & filled.	Similar topography.	Similar topography.	Topography is inferior.	Topography is inferior.
Zoning / Land Use Classifications	PS / General Institutional	Superior - broader range of permitted uses under private ownership.	Superior - broader range of permitted uses under private ownership.	Superior - broader range of permitted uses under private ownership.	Superior - broader range of permitted uses under private ownership.
NET DIFFERENCE	Subject	Property significantly smaller increasing price / sf & somewhat superior location, indicating subject's value should be significantly lower than \$7.87 per square foot.	Inferior location - indicates subjects value somewhat higher than sales price of \$4.05/sf.	Property has inferior location, exposure, access and topography. Subject's value "as is" is indicated to be somewhat higher than \$3.96/sf sales price.	Property has inferior location, inferior exposure, access and topography. Subject's value "as is" is indicated to be higher than \$3.18/sf sales price.

 SALES COMPARISON APPROACH (Continued)

Summary and Conclusion of Value

See previous Data Summary Exhibit for detailed comparisons.

The following is a summary of value indications for the subject:

Sale No.	Sales Price (Size – ac)	Sales Price / Square Foot	Net Comparability
Subj.	(2.72 ac)		
1	\$120,000 (0.35 ac)	\$7.87	Very small size & somewhat superior location features have upward effect on sales price / sf. Subject's value should be significantly lower than \$7.87/sf.
2	\$450,000 (2.552 ac)	\$4.05	Sale property has an inferior location, exposure, access, indicating subject's value likely higher than \$4.05/sf sales price.
3	\$400,000 (2.317 ac)	\$3.96	Sale property has inferior location, exposure, access, indicating subject's value likely higher than \$3.96/sf sales price.
4	\$200,000 (1.444 ac)	\$3.18	Property has very inferior location, inferior exposure, access and topography. Subject's value "as is" is indicated to be higher than \$3.18/sf sales price.

The sales are not ideal, however, the properties analyzed are expected to be developed with improvements types expected for the subject.

As indicated by my above summary, sales 2 and 3 are the most comparable but indicate subject's value is likely higher than the \$4.00 per square foot level. The sale 1 sales price per square foot is significantly upwardly affected by its very small size and location indicate subject's value is lower than \$7.87 per square foot. Conversely, sale 4 is an inferior property with subject's value expected to be higher than its sales price/value indication of \$3.18 per square foot.

Therefore, it is my opinion, based on the properties analyzed and assuming subject's value is unaffected by the subject's restricted zoning and land use classifications (a hypothetical condition), subject's value would be say within the range of \$4.25 per square foot or approximately \$500,000.

Adjustment for Subject's Legal Development Potential

However, as previously discussed, in my opinion, further consideration is required to account for subject's inferior legal development potential. Again, the subject's zoning and land use classifications essentially restrict subject's use to a use associated with the airport, which essentially limited the number of potential users.

SALES COMPARISON APPROACH (Continued)

Analysis of the available data, including differences in location and the effect of location on development potential, it is my opinion an appropriate adjustment of say within the range of minus 25% should be applied to the suggested value level, assuming the restrictive zoning and land use classifications are no in-place.

Applying minus 25% to the previously estimated (hypothetical) \$4.25 per square foot or \$500,000 value level calculates to an "as is" value indication of \$3.18 per square foot or a total \$376,777 value indication, rounded - \$375,000-

In summary, based on the available data and my analysis of the data, it is my opinion the Market Value of the Fee Simple Interest in the subject, appraised "as is" under the current zoning and land use classifications as of January 30, 2018 is (rounded):

THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS -\$375,000-

Exposure time: - *Source, Appraisal Institute, Dictionary of Real Estate Appraisal, 5th ed.*

1. The time a property remains on the market.
2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market.

The properties analyzed experienced exposure periods up to 12 months, thus in my opinion, in the subject's case the exposure period, assuming consummation of a sale of the subject at my opinion of value as of the date of appraisal, would have been in the 12 months' range.

QUALIFICATIONS OF THE APPRAISER
DANIEL D. FULLER, MAI

Education

Indian River Community College, Graduated 1967, A/S Degree

Professional Memberships

Member Appraisal Institute (MAI)#7876 - Appraisal Institute
Senior Real Property Appraiser (SRPA) - Appraisal Institute
Senior Residential Appraiser (SRA) - Appraisal Institute
Florida - State Certified General Real Estate Appraiser RZ567
Registered Florida Real Estate Broker

Work Experience

1992 - Pres. President, Fuller-Armfield-Wagner Appraisal & Research, Inc., Fort Pierce, FL
1987 - 1992 Vice President & Partner, Armfield-Wagner Appraisal & Research, Inc., Fort Pierce, FL
1983 - 1987 Staff Appraiser, Armfield-Wagner Appraisal & Research, Inc., Vero Beach, FL
1981 - 1983 Salesman/Appraiser, Florida Licensed Realtor-Associate, Procino Realty, Ft Pierce, FL
1979 - 1983 Staff Appraiser, Harbor Federal Savings and Loan Association, Fort Pierce, FL
1974 - 1979 Staff Appraiser, St. Lucie County Property Appraiser's Office, Fort Pierce, FL

Real Estate Appraisals made for the following:

Accountants	PNC Bank
Attorneys	Port St. Lucie, City of
Dept. of Natural Resources	RBC Bank
Federal Deposit Ins. Corp.	Resolution Trust Corporation
Federal Home Loan Bank Board	Seacoast Bank
Federal National Mortgage Corp.	St. Lucie County
Florida Community Bank	South Florida Water Management District
Fort Pierce, City of	SunTrust Banks
Gulfstream Business Bank	TD Bank
Harbor Community Bank	TITF
IBERIA Bank	Vero Beach, City of
Indian River County	Wells Fargo
Martin County	

Types of Appraisals Completed

Airplane Hangars	Offices
Automobile Dealerships	Packing Houses
Car Washes	Ranches
Commercial	Recreational Vehicle Parks
Groves	Residential
Industrial	Restaurants
Insurable Value	Retail Shopping Centers
Land Locked Parcels	Service Stations
Mini-Warehouses	Subdivision
Motels	Warehouses
Multi-Family	Wetlands
	Vacant Lands

Qualified as Expert Witness

Circuit Court -
St. Lucie County
Martin County
Indian River County
Okeechobee County
Palm Beach County
U.S. Bankruptcy Court -
West Palm Beach District

Accomplishments

Past President - Society of Real Estate Appraisers - Indian River Chapter 211 (1989 - 1990)
Past Instructor - Indian River Community College - Appraising Income Producing Real Estate
Past Board Member - East Florida Chapter of Appraisal Institute

ADDENDUM A

MARTIN COUNTY AREA DATA

Martin County is located on the southeast coast of Florida, approximately 100 miles north of Miami and 250 miles south of Jacksonville. The county is approximately 20 miles north and south, and extends westerly approximately 34 miles to Lake Okeechobee, which is the second largest fresh water lake located entirely within the national boundaries of the United States. Martin County's total land area is approximately 556 square miles.

Martin County is bordered by the Atlantic Ocean on the east, St. Lucie County on the north, Palm Beach County on the south, and Lake Okeechobee and Okeechobee County on the west. The county is the southernmost county in a region commonly known as the Treasure Coast which is comprised of Martin County, Indian River, and St. Lucie Counties to the north.

The City of Stuart is the county seat. Stuart is located in the northern quarter of the county on the south bank of the St. Lucie River. There are three other small, incorporated areas and several other unincorporated communities scattered throughout the county including Hobe Sound, Palm City, Jensen Beach, Port Salerno, Indiantown, Rio, Sewall's Point, and Jupiter Island.

Per the 2010 U.S. Census, Martin County ranks at 31st in population among Florida's 67 counties. Stuart is the County's largest incorporated community with an estimated population of 18,808, per the 2012 Martin County projections, or approximately 12% of the total county population of 153,392, per 2014 U.S. Census estimates.

The county's population estimate for 2010 was 6.6% over the 2000 census count. The county's population is forecast to grow by approximately 12% to approximately 163,300 by the year 2020, with most of this growth expected to occur in the more rural unincorporated areas of the county.

Economy, Employment and Income

The economic base of the County depends upon three major industries: tourism, construction, and agriculture. Currently, the largest industries in the County in terms of employment are retail trades, services and manufacturing. Retail trade and services, account for over 60% of the total county employment, dominant due to the high number of seasonal residents, particularly seniors and winter season tourists. Martin County has many natural amenities, including beaches, high-quality sport fishing, and a sub-tropical climate that attracts numerous winter visitors and vacationers.

Condominiums, mobile homes, apartments and other residences are available for seasonal occupancy. Trends indicate that a large number of seasonal renters

MARTIN COUNTY AREA DATA (continued)

eventually become full-time residents. The St. Lucie Inlet, providing ocean access through the barrier islands, is also a popular attraction for boaters and fisherman traveling from central areas of the State.

The construction industry has enjoyed demand beyond all previous levels, however in 2008 demand collapsed but beginning in 2014 demand began to show signs of strengthening and considering the buildable land remaining in Martin County it is expected the construction industry will enjoy strong demand for the coming decades.

Agriculture was the dominant land use in Martin County, at one time occupying some 75% of the total County acreage. Agricultural uses were primarily citrus and cattle production, mostly located in the western and southern parts of the County. Commercial flower and vegetable farms were also numerous. However, in the 2004-2007 periods with the citrus economy in an economic downturn and speculative investor demand, a majority of the citrus groves were abandoned and planned for residential development. However, the economic recession beginning in 2008 caused most planning and/or construction on residence project to cease. In recent years many of these properties have been converted to vegetable farming and sugar cane production, and in the most rural neighborhoods cattle grazing on properties previously set to citrus is occurring. Agricultural represents good interim use of acreage tracts, and although historically Martin County has been known as a “no growth” County, slow but steady growth (slow growth compared to neighboring counties) is expected to occur, with eventual redevelopment of the agricultural lands.

Manufacturing is a growing economic sector, with the most important businesses being boat and aircraft manufacturing, printing and publishing, and electronics and communications. Vought Aircraft and Turbo Combustor Technology are Martin County’s largest manufacturers.

According to the 2011 Martin County Profile compiled by Enterprise Florida, top employment generators in Martin County include the following:

MARTIN MEMORIAL HEALTH SYSTEMS	2,700
MARTIN COUNTY SCHOOL DISTRICT	2,456
PUBLIX SUPERMARKETS	1,168
ARMELLINI EXPRESS LINES	684
HOME DEPOT	400
WINN DIXIE	382
LOWES HOME IMPROVEMENT	335
TRIUMPH AEROSTRUCTURES - VOUGHT AIRCRAFT	300
TURBOCOMBUSTER TECHNOLOGY INC	294
SEACOAST NATIONAL BANK	272

*Estimated by the Enterprise Florida/Florida County Profile (2011)

MARTIN COUNTY AREA DATA (continued)

The Martin County unemployment rate as of February 2015 was 5.5% or in line with state averages. The most recent income statistics available indicate a per capita income in Martin County of \$34,057 which is one of the highest in the state. Median household effective buying income is estimated at \$49,846; also well above the state average of \$46,956 per household.

Transportation

Martin County is served by three major highway systems, including U.S. Highway 1, Interstate 95, and the Florida Turnpike. U.S. 1 extends the length of Florida's east coast, and at one time US 1 was the principle Florida east coast highway, linking Jacksonville and Key West. However, with Interstate 95 and the Florida Turnpike running through mid Martin County, combined with the rapid growth in the east coast cities, U.S. 1 has become a primarily intra-regional and inter-county access route.

There are three I-95 interchanges in Martin County. Interstate 95 runs from Miami in southern Florida, to the northeast United States. The Florida Turnpike is a limited access toll road extending from Wildwood in the center of Florida to the Miami area. There is one turnpike interchange in Martin County.

There are two licensed public-use airports in Martin County, Witham Field and Indiantown Airport (formerly Circle T Ranch). Witham Field, located in Stuart, is a 647-acre County owned general aviation airport; Witham Field has four runways and taxiways. The Indiantown Airport is privately-owned. Indiantown Airport has one turf runway. International airports are located in Palm Beach, approximately 40 miles south of Stuart, and in St. Lucie County some 30 miles north of Stuart.

No ports exist in Martin County. The closest ports in the region are the Port of Fort Pierce and the Port of Palm Beach. The County is the location of the only Cross-Florida East/West waterway in the Treasure Coast area. The Cross-Florida Okeechobee Waterway connects the City of Stuart and its environs with the western Gulf City of Fort Myers. This navigable waterway developed by the U.S. Army Corps of Engineers is 156 miles in length and is reasonably well-used by both passenger and freight vessels.

The Florida East Coast Railway has two tracks within the boundaries of Martin County. The main tract which carries freight runs parallel to the eastern coast line from St. Lucie County to the Palm Beach county line. A secondary track runs in the western County. The Seaboard Coast Line runs passenger service in the western County, providing passenger and cargo service between Jacksonville, Miami and the Tampa area.

MARTIN COUNTY AREA DATA (continued)

The Florida High Speed Rail Commission has selected the final route for a high speed rail connection between Miami, Orlando and Tampa. This route would traverse the Florida East Coast right of way through the City of Stuart and permitting and funding is in process by the rail service. However, strong opposition to the rail service is occurring along the proposed route, thus final permitting remains uncertain.

Martin County operates a fixed route bus system, plus the Martin County Council on Aging operates a limited public transportation/shuttle system, primarily aimed at transporting older residents to shopping and other services.

Government

Martin County government operates as a five-member commission with a County administrator. The city of Stuart operates under a city manager form of government and elects a five-member commission citywide. Likewise, the towns of Sewall's Point and Jupiter Island are governed by five-member commissions. The major governing bodies have generally favored development, but in particular the Martin County Commission tends to temper approvals with quality of life and conservation primary considerations in an attempt to protect the County's many natural resources.

County services, including law enforcement, schools, and public utilities are operated adequately, and planning for future growth of the area considers anticipated needs in these areas.

Other Influences

The position of the County Commission on development approvals tends to run with elections and the mood of the residents, creating a historical observed "no growth attitude". However, the County Commissions past slow growth position actually limited foreclosure activity and value declines during the 2008 recession in Martin County.

Summary

The overall economic outlook for Martin County is positive within all of the incorporated or unincorporated areas, by all forecasts, showing a steady growth rate.

Of course, much of the economic growth will depend upon national trends. As in the past, economic highs and lows brought about by national economic policies affect the local economy because of its dependence on tourism and the related construction and service industries.