AN APPRAISAL OF

A PROPOSED RIGHT-OF-WAY
ABANDONMENT TOTALING
9,763 SQUARE FEET OF LAND
LOCATED AT
XXXX NE CHARLOTTE STREET
STUART, FL 34957

PREPARED FOR

RIO SOUTH DIXIE LLC
601 HERITAGE DRIVE #227
JUPITER, FLORIDA 33458

Date of Valuation: January 3, 2024
Date of Report: January 26, 2024

By:

CRE VALUATION SERVICES
100 SW ALBANY AVENUE
SUITE 200
STUART, FL 34994
(772) 286-8762

CRE Job#6424772149

January 26, 2024
Rio South Dixie LLC

Re: A Proposed Right-of-Way Abandonment
Totaling 9,763 Square Feet of Land
Located at
XXXX NE Charlotte Street
Stuart, FL 34957

We have performed an appraisal on the above referenced property, the conclusions of which are set forth in the attached Summary Report. The type of value sought in our appraisal of the subject was an "As Is" market value opinion of the property using the "Across-the-Fence" sales methodology as of January 3, 2024, subject to the general assumptions and limiting conditions cited herein.

The subject of this appraisal consists of a county-owned Right-of-Way (ROW) totaling 0.22 acres or 9,763 Square Feet of site area located north of the roundabout between NE Dixie Highway and NE Martin Avenue in the Rio Community Redevelopment Area in Stuart, FL. The proposed ROW abandonment is bordered to the north, south, and west by a 2.49-acre or 108,464 square foot vacant land site with frontage along Dixie Highway and NE Martin Avenue within the Rio CRA owned by Rio South Dixie LLC, who is currently proposing a number of mixed-use and commercial developments within the Rio CRA known as Rio Marine Village. To the west of the subject's parent site, Rio South Dixie LLC also owns two heavily wooded vacant land sites measuring 6.46 acres and 5.76 acres. Combined, the three contiguous tax parcels owned by Rio South Dixie LLC total 14.71-acres or 640,768 Square Feet of site area currently awaiting major final site plan review for a development consisting of 145 residential units inclusive of townhomes, apartments, and live/work units. It is noted that a master plan for the proposed development was previously approved in September 2022.

Currently, the subject is not known to be under contract and is not listed for sale.

The subject property is vacant land and is not encumbered by an arm's length lease but as a Right of Way is encumbered. The subject site is being appraised using the "Across-the-Fence" methodology, and therefore, the right of ownership appraised herein is that of the Fee Simple Estate.

This report is intended for use only by Rio South Dixie LLC and use by others is not intended by CRE Valuation Services. This report's intended use is to provide a Market Value opinion of a right-of-way that lies abutting a commercial parcel using the "Across-the-Fence" sales methodology only and is not intended for any other use. The intent of this report is conformance with the Ethical Standards of the Appraisal Institute as well as meeting with the standards of USPAP.

In view of the following facts and data in conjunction with this appraisal, it is the opinion of CRE Valuation Services that the market value "As Is" of the Fee Simple interest in the property as of January 3, 2024, and subject to the general assumptions and limiting conditions, was:

$70,000

Hypothetical Conditions – None

Extraordinary Assumptions – None

Limiting Conditions – We have relied upon the provided Sketch & Legal Description of the proposed Right-of-Way Abandonment completed by GeoPoint Surveying, Inc. with an effective date of August 30, 2023, and a certification date of September 5, 2023. If we are provided with further information regarding the subject site, we retain the right to amend and change our report and value conclusion herein.

Marketing Period –

The estimated reasonable marketing period for the subject at the indicated value is **six** (**6**) months.

Exposure Period –

The estimated reasonable exposure period for the subject at the indicated value is **six** (**6**) months.

COVID-19 Statement: The subject market is not currently suffering any adverse conditions related to the COVID-19 pandemic. Much of the activity in the market has been attributed to an influx of population and high demand for real estate in the Treasure Coast following the pandemic and for the most part the impact has been increases in prices for almost all types of real estate.

Rising Interest Rate Market: We are entering a rising interest rate market. It is expected that this will put upward pressure on Overall Rates and in turn could negatively affect values. However, there is still an influx of population and money to be placed into real estate investments. At this time, we have not experienced, nor has our research indicated, any adverse impacts on Overall Rates or property values. Demand remains high, cash transactions remain a large part of the activity and investors remain bullish on real estate investments in the Treasure Coast. This counters the fundamental trend of slowing economic activity, rising costs of capital and thus higher Overall Rates as a result of recent government intervention in the pricing of money.

After conducting broker interviews and market analysis within the **Stuart, Jensen Beach, and Martin County markets**, we have determined that there has been no negative impact on the subject's immediate neighborhood.

Our firm appreciates the opportunity to have performed this appraisal assignment on your behalf. If we may be of further service, please contact us.

Respectfully submitted,

CRE Valuation Services
Nikolaus M. Schroth, CCIM
State Certified General Real Estate Appraiser RZ3704
Managing Partner

CRE Valuation Services
Thomas J. Johnson MAI, SRA
State Certified General Real Estate Appraiser RZ798
Senior Appraiser

CRE Valuation Services
Nicholas H. Nightingale
State-Registered Trainee Appraiser RI25459

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SUBJECT PROPERTY AT A GLANCE

Subject Parent Parcels

DESCRIPTION:

A PORTION OF A PLATTED STREET IN RIO ST. LUCIE TERRACE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 14B OF THE PUBLIC RECORDS OF MARTIN COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF LOT 8, BLOCK 12, RIO ST. LUCIE TERRACE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 14B OF THE PUBLIC RECORDS OF MARTIN COUNTY, FLORIDA; THENCE S.03°01'44"E. ALONG THE WEST RIGHT-OF-WAY LINE OF NE MARTIN AVENUE, A PUBLIC RIGHT-OF-WAY, ACCORDING TO SAID PLAT, A DISTANCE OF 40.05 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF NE CHARLOTTE AVENUE, ACCORDING TO SAID PLAT; THENCE S.89°51'31"W. ALONG SAID SOUTH RIGHT-OF-WAY LINE, A DISTANCE OF 243.80 FEET; THENCE N.03°50'36"W., A DISTANCE OF 40.08 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF NE CHARLOTTE AVENUE, ACCORDING TO SAID PLAT; THENCE N.89°51'31"E. ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 244.37 FEET TO THE **POINT OF BEGINNING.**

CONTAINING: 9,763 SQUARE FEET OF 0.22, ACRES MORE OR LESS.

SURVEYOR'S NOTES:

1. BEARINGS SHOWN ARE BASED ON THE SOUTH LINE OF SECTION 28, TOWNSHIP 37 SOUTH, RANGE 41 EAST, MARTIN COUNTY, FLORIDA, WHICH BEARS SOUTH 89°51'37" WEST.

   ALL BEARINGS BEING RELATIVE THERETO.

2. THIS SKETCH & DESCRIPTION IS INTENDED TO BE DISPLAYED AT 1" = 60' OR SMALLER.

3. ALL DIMENSIONS, UNLESS OTHERWISE NOTED, ARE SURVEY DIMENSIONS.

NOTE: THIS IS NOT A SKETCH OF SURVEY, BUT ONLY A GRAPHIC DEPICTION OF THE DESCRIPTION SHOWN HEREON. THERE HAS BEEN NO FIELD WORK, VIEWING OF THE SUBJECT PROPERTY, OR MONUMENTS SET IN CONNECTION WITH THE PREPARATION OF THE INFORMATION SHOWN HEREON.

NOTE: LANDS SHOWN HEREON WERE NOT ABSTRACTED FOR RESTRICTIONS, RESERVATIONS, RIGHT-OF-WAY AND EASEMENT OF RECORD.

CHARLOTTE AVENUE-ABANDONMENT
SKETCH & DESCRIPTION

REVISIONS		
Date	Description	Dwn.

Sheet No. 1 of 3 Sheets

Prepared For: RIO SOUTH DIXIE, LLC.

Last Date of Field Survey: N/A

SURVEYOR'S CERTIFICATE

This certifies that a Sketch & Description of the hereon described property was made under my supervision and meets the Standards of Practice set forth by the Florida Board of Professional Surveyors & Mappers in Chapter 5J-17.050, Florida Administrative Code, pursuant to Section 472.027, Florida Statutes.

Luis Ortiz — digitally signed by luis ortiz

Luis J. Ortiz
FLORIDA PROFESSIONAL SURVEYOR & MAPPER NO. LS7006

NOT VALID WITHOUT THE ELECTRONIC AND/OR ORIGINAL SIGNATURE & RAISED SEAL OF A FLORIDA LICENSED SURVEYOR & MAPPER

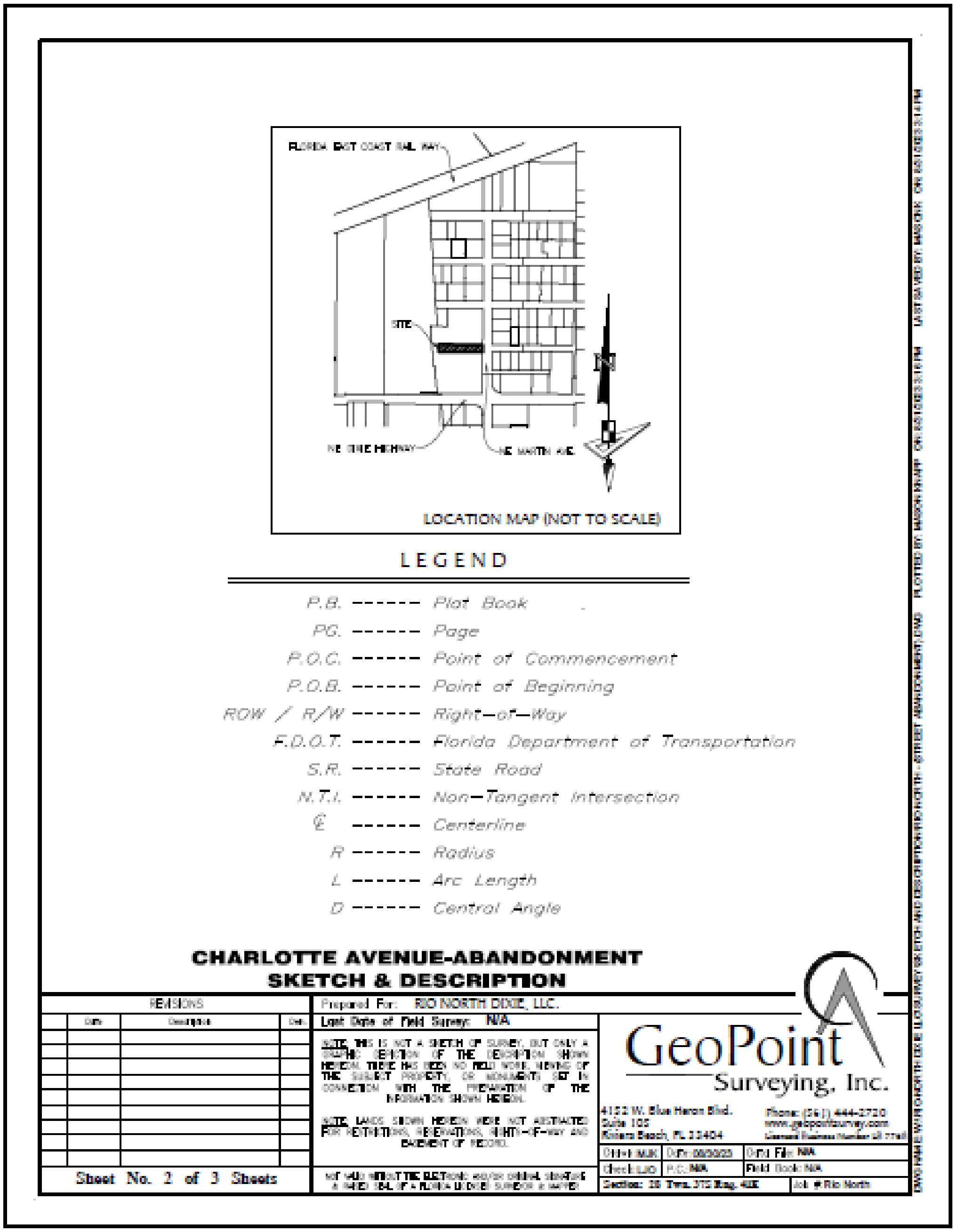
GeoPoint Surveying, Inc.

4152 W. Blue Heron Blvd.
Suite 105
Riviera Beach, FL 33404

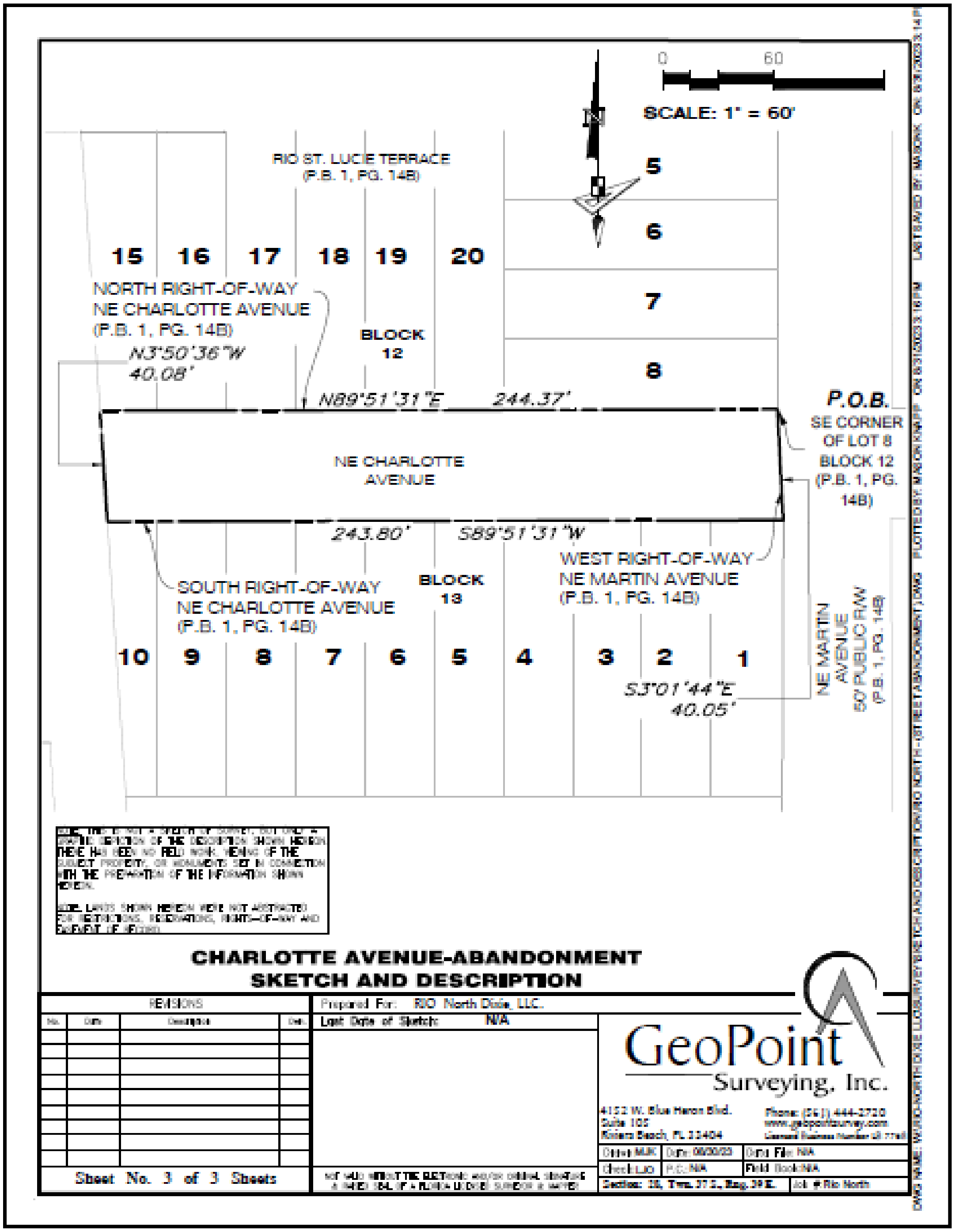
Phone: (561) 444-2720
www.geopointsurvey.com

Drawn: MJK	Date: 08/30/23	Data File: N/A
Check: LJO	P.C.: N/A	Field Book: N/A
Section: 28 Twn. 37S Rng. 41E		Job #: RIO NORTH

Sketch & Description of Proposed ROW Abandonment



Sketch & Description of Proposed ROW Abandonment



Sketch & Description of Proposed ROW Abandonment

View of Proposed Right-of-Way Abandonment

View of Proposed Right-of-Way Abandonment

View Facing South Along NE Martin Ave from Proposed ROW Abandonment

View Facing North Along NE Martin Ave from Proposed ROW Abandonment

Property Data

Property	9,763 SF Right-of-Way
	Proposed Right-of-Way Abandonment XXXX NE Charlotte Street Stuart, FL 34957
Date of Valuation	January 3, 2024
Date of Report	January 26, 2024
Interest Appraised/Type of Value	Fee Simple As Is
Owner of Record	Martin County

Physical Data

Land Area	
Proposed ROW Abandonment	0.22 Acres (9,763 SF)
Parent Parcels:	
28-37-41-000-013-00290-9	5.76 Acres (250,905.6 SF)
28-37-41-000-014-00300-5	6.46 Acres (281,397.6 SF)
28-37-41-001-012-00010-9	2.49 Acres (108,464.4 SF)
Zoning/Land Use Classification	ROW/ROW- Martin County
Parent Parcels	Rio Redevelopment District/CRA Center (Core/General) – Martin County
Highest and Best Use	
"As if Vacant"	Assemble with surrounding parcels for future development.
"As Improved"	N/A; Vacant Land

Market Value Indications

"As Is"

Sales Comparison Approach	$70,000
Cost Approach	N/A
Income Capitalization Approach	N/A
Market Value "As Is"	**$70,000**
Value/(Square Foot)	$7.17

This appraisal report has been made with the following general assumptions:

1. Any legal description or plats reported herein are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings, or other exhibits are included only to assist the intended user to better understand and visualize the subject property, the environs, and the competitive data. We have made no survey of the property and assume no responsibility in connection with such matters.
2. The appraiser has not conducted any engineering or architectural surveys in connection with this appraisal assignment. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the appraiser or the appraiser's staff or was obtained or taken from referenced sources and is considered reliable. No responsibility is assumed for the costs of preparation or for arranging geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
3. No responsibility is assumed for matters legal in nature. Title is assumed to be good and marketable and in leased fee unless otherwise stated in the report. The property is considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as stated.
4. Unless otherwise stated herein, it is assumed there are no encroachments or violations of any zoning or other regulations affecting the subject property and the utilization of the land and improvements is within the boundaries or property lines of the property described and that there are no trespasses or encroachments.
5. CRE Valuation Services assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way.
6. It is assumed the subject property is not adversely affected by the potential of floods, unless otherwise stated herein.
7. It is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any proposed buildings.
8. Unless otherwise stated within the report, the depiction of the physical condition of the improvements described herein is based on visual inspection. No liability is assumed for the soundness of structural members since no engineering tests were conducted. No liability is assumed for the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made. No responsibility is assumed for hidden, unapparent, or masked property conditions or characteristics that were not clearly apparent during our inspection.
9. If building improvements are present on the site, no significant evidence of termite damage or infestation was observed during our physical inspection, unless so stated in the report. No termite inspection report was available, unless so stated in the report. No responsibility is assumed for hidden damages or infestation.
10. Any proposed or incomplete improvements included in this report are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.
11. No responsibility is assumed for hidden defects or for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the appraisal report.

12. Responsible ownership and competent property management are assumed.
13. The appraisers assume no responsibility for any changes in economic or physical conditions which occur following the effective date of value within this report that would influence or potentially affect the analyses, opinions, or conclusions in the report. Any subsequent changes are beyond the scope of the report.
14. The value estimates reported herein apply to the entire property. Any proration or division of the total into fractional interests will invalidate the value estimates, unless such proration or division of interests is set forth in the report.
15. Any division of the land and improvement values estimated herein is applicable only under the program of utilization shown. These separate valuations are invalidated by any other application.
16. Unless otherwise stated in the report, only the real property is considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment.
17. Unless otherwise stated, it is assumed that there are no subsurface oil, gas or other mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered, unless otherwise stated. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.
18. Any projections of income and expenses, including the reversion at time of resale, are not predictions of the future. Rather, they are our best estimate of current market thinking of what future trends will be. No warranty or representation is made that these projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.
19. Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
20. CRE Valuation Services representatives are not experts in determining the presence or absence of hazardous substances, defined as all hazardous or toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. Appraisers are not qualified to detect such substances. The client is urged to retain an expert in this field.
21. We are not experts in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life that may be present on the property. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species. The appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent endangered species impact studies, research, and investigation that may be provided.

22. No environmental impact studies were either requested or made in conjunction with this analysis. The appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research, and investigation that may be provided.
23. The appraisal is based on the premise that there is full compliance with all applicable environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.
24. Neither all nor any part of the contents of this report or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales, or any other media, without the prior written consent and approval of the appraisers. This limitation pertains to any valuation conclusions, the identity of the analyst or the firm and any reference to the professional organization of which the appraiser is affiliated or to the designations thereof.
25. Although the appraiser has made, insofar as is practical, every effort to verify as factual and true all information and data set forth in this report, no responsibility is assumed for the accuracy of any information furnished the appraiser either by the client or others. If for any reason, future investigations should prove any data to be in substantial variance with that presented in this report, the appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or estimates of value.
26. Often real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. If this is such, although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the appraiser may have relied on verification obtained and reported by appraisers outside of our office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
27. The appraiser has not made a specific compliance survey or analysis of the property to determine whether or not it is in conformity with various disability requirements. Since the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements was not considered in estimating the value of the property.
28. This appraisal report has been prepared for the exclusive benefit of the client. It may not be used or relied upon by any other party. Any other party who is not the identified client within this report who uses or relies upon any information in this report does so at their own risk and may be subject to legal action. Written consent must be obtained prior to any third-party use.
29. The dollar amount of any value opinion herein rendered is based upon the purchasing power and price of the US Dollar as of the effective date of value. This appraisal is based on market conditions existing as of the date of this appraisal.
30. The right is reserved by the appraiser to make adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional or more reliable data that may become available. No change of this report shall be made by anyone other than the appraiser or appraisers. The appraiser(s) shall have no responsibility for any unauthorized change(s) to the report.

31. If the client instructions to the appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the property were observed from the street(s) as of the inspection date of the appraisal. Physical characteristics of the property were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the client and other knowledgeable persons. It is assumed the interior of the subject property is consistent with the exterior conditions as observed and that other information relied upon is accurate.
32. The submission of this report constitutes completion of the services authorized. It is submitted on the condition the client will provide reasonable notice and customary compensation, including expert witness fees, relating to any subsequent required attendance at conferences, depositions, and judicial or administrative proceedings. In the event the appraiser is subpoenaed for either an appearance or a request to produce documents, a best effort will be made to notify the client immediately. The client has the sole responsibility for obtaining a protective order, providing legal instruction not to appear with the appraisal report and related work files and will answer all questions pertaining to the assignment, the preparation of the report, and the reasoning used to formulate the estimate of value. Unless paid in whole or in part by the party issuing the subpoena or by another party of interest in the matter, the client is responsible for all unpaid fees resulting from the appearance or production of documents regardless of who orders the work.
33. Use of this appraisal report constitutes acknowledgement and acceptance of the general assumptions and limiting conditions, special assumptions (if any), on which this estimate of market value is based.

Hypothetical Conditions – None

Extraordinary Assumptions – None

Limiting Conditions – We have relied upon the provided Sketch & Legal Description of the proposed Right-of-Way Abandonment completed by GeoPoint Surveying, Inc. with an effective date of August 30, 2023, and a certification date of September 5, 2023. If we are provided with further information regarding the subject site, we retain the right to amend and change our report and value conclusion herein.

CERTIFICATION

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

A viewing of the subject site, the improvements and the market area was conducted on January 3, 2024 by Nikolaus M. Schroth and Nicholas H. Nightingale.

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with the assignment.
- Our engagement in this assignment was not contingent upon developing predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of stipulated result, or the occurrence of a subsequent event directly related to the intended use of this evaluation.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Appraisal Institute and USPAP
- Nicholas H. Nightingale provided 14 hours of real property appraisal assistance to the persons signing this certification, including market research, broker interviews, comparable land sales research, report drafting, and also took part in the viewing of the site.
- I, Nikolaus M. Schroth, the supervisory appraiser of a registered appraiser trainee who contributed to the development or communication of this appraisal, hereby accept full and complete responsibility for any work performed by the registered trainee appraiser named in this report as if it were my own work.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report the undersigned has completed the requirements of the continuing education program of the Appraisal Institute for members.
- We have not performed appraisal services regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

CRE Valuation Services
Nikolaus M. Schroth, CCIM
State Certified General Real Estate Appraiser RZ3704
Managing Partner

CRE Valuation Services
Thomas J. Johnson MAI, SRA
State Certified General Real Estate Appraiser RZ798
Senior Appraiser

CRE Valuation Services
Nicholas H. Nightingale
State-Registered Trainee Appraiser RI25459

Property Appraised

Proposed Right-of-Way Abandonment
An Existing 9,763 SF Right-of-Way
XXXX NE Charlotte Street
Stuart, FL 34957

Property Identification

The subject property is a 0.22-acre or 9,763 SF Right-of-Way located east of the non-signalized intersection between NE Martin Avenue and Charlotte Street in the Rio Community Redevelopment Area in Stuart, Martin County FL. The ROW is improved as a roadway with some wear showing as of the date of our site visit and pedestrian sidewalks on either side of the ROW.

The location of the subject is ranked as being average compared to other properties in the area when considered as part of the whole proposed commercial/mixed-use parcel bounding the proposed ROW abandonment. The subject ROW is located in the Rio CRA and is in a primarily residential portion of the market with uses to the east and north being primarily single-family residential and uses south along Dixie Highway being residential and commercial in nature. The subject's parent parcels, totaling 14.71-acres or 640,768 square feet of unimproved and mostly forested land area contains frontage along Dixie Highway and at the roundabout intersection between NE Dixie Highway and NE Martin Avenue. The subject parent parcels recently received master site plan approval for a 145-unit residential development in September 2022 known as Preserve at Rio Marine Village. A major final site plan is currently in review with Martin County. The development will include townhomes, apartments, and live/work units per the major final site plan currently in review.

Rio South Dixie LLC also owns an 18.12-acre marina property along the south side of Dixie Highway in the Rio CRA as well as a number of small vacant and improved land sites in the area purchased for the proposed development of two (2) live/work buildings, eight (8) multifamily improvements, one (1) townhome building, two (2) restaurant buildings, one (1) mixed-use building, 15 docks and outside boat storage, a marina clubhouse and a pool. The proposed two-phase development is currently in the review stage with Martin County.

The location of the subject is ranked as average compared to other properties in the area. The subject ROW is positioned in a primarily residential portion of the market near to Dixie Highway, a commercial corridor serving the market area, and the subject's parent parcels contain frontage along NE Dixie Highway. The subject as part of the whole would likely be desirable to investors and developers in the market given its positioning within the Rio CRA along a commercial corridor between the Jensen Beach and Stuart markets. The subject parent parcels have received master site plan approval in September 2022 and would likely be highly desirable to investors and developers in the market.

Advantages:

- Located within a Martin County Community Redevelopment Area, which provides superior development potential when compared to regularly zoned properties within the Martin County market.
- The subject parent parcels are currently proposed for the development of 145 units and a major final site plan for the development is currently in review with Martin County.

Challenges:

- Limited larger infill site sales comparable to the subject within Martin County and the City of Stuart, as well as within the community redevelopment areas within the market.

Type of Value, Intended Use & User of Appraisal

The type of value sought in our appraisal of the subject was a market value opinion "As Is" for the fee simple interest in the property of January 3, 2024 utilizing the "Across-the-Fence" sales methodology, subject to the extraordinary assumptions and limiting conditions cited herein.

It is our understanding that this appraisal will be used by our client, Rio South Dixie LLC, to provide a market value opinion for the Right-of-Way using the "Across-the-Fence" sales methodology and is not intended for any other use.

Property Rights Appraised

The subject property is an owner/user property and is not encumbered by any arms-length lease. Therefore, the right of ownership appraised herein are that of the Fee Simple Estate.

Scope of Appraisal / Extent of the Data Collection Process

This appraisal considered all three approaches to value, (1) Sales Comparison Approach, (2) Income Capitalization Approach and the (3) Cost Approach. The procedures and methodologies employed in these approaches are outlined in the Appraisal Process section of this report. Following is a summary of steps completed by the appraisers in this assignment.

1. The subject was viewed on January 3, 2024. The surrounding area and influences were also viewed at this time. Specific information relative to the subject property was provided by the client.
2. Gathered information from various secondary data sources regarding regional and local economic and demographic data specifically relating to the regional, city and neighborhood analyses.
3. Analyzed trends in the market through confirmation of comparable sales. Market participants active in this market were also interviewed.
4. Reviewed a plat involving the subject property.
5. Analyzed the highest and best use of the site "as if vacant" and "as improved". Supply, demand, and absorption potential, as well as construction costs and required yields, were analyzed relative to the subject market and specifically the subject property. Alternative uses were also analyzed relative to their financial feasibility.
6. Confirmed recent comparable land sales throughout the region.
7. Analyzed the data to arrive at conclusions of value via all applicable approaches to value.
8. Reconciled the results of these analyses into a probable range of value, and finally, a market value conclusion as of January 3, 2024 on an "As Is" basis utilizing the "Across-the-Fence" sales methodology.
9. Opined to the exposure time and marketing period inherent in the value opinions.
10. Prepared a Summary Report.

History of the Subject Property

The parcel bounding the subject to the north, south, and west was initially purchased by Rio South Dixie LLC from Habitat for Humanity of Martin County, Inc. for the sum of $635,000 on November 23, 2023. The deal was considered to be at arm's length between unrelated parties.

Rio South Dixie LLC has been assembling properties in the Rio CRA since January 2019 with the intent of a large mixed-use development in the area, inclusive of restaurants, live-work units, residential units, and commercial buildings in tandem with the marina to the south of Dixie Highway and south of the subject site.

The subject property is not currently under contract and is not listed for sale. The subject's parent parcels are currently proposed for the development of 145 residential units on a 14.71-acre site bounded to the north by the Florida East Coast Railway, to the south by NE Dixie Highway, to the east by NE Martin Avenue, and to the west by vacant commercial land and an industrial park. The development received master plan approval in September 2022 and the ownership is currently seeking major site plan approval for the development.

CRE has requested from the property contact copies of all pertinent information related to the property. A copy of the information request is contained in the addendum of this report. CRE reserves the right to amend this report, the scope of work and the engagement letter terms should additional information be provided after the date of Report Date herein.

Competency

The appraisers involved in this assignment have, collectively, considerable experience in appraising commercial properties within the region. The appraisers have historically been engaged in appraisal work in the geographical area of the subject property. The company maintains a database on this area for similar properties. Further, we are versed in the analytical methods typically employed in appraising this property type. In summary, we believe we have adequate knowledge of the property type, geographical location, and analytical methods necessary to comply with the competency requirements of USPAP.

Introduction

The subject proposed ROW abandonment is a mostly rectangular shaped parcel located north of the roundabout between NE Dixie Highway and NE Martin Avenue in the Rio Community Redevelopment Area in Stuart, Florida. Zoned ROW with a future land use of ROW by Martin County, the site contains 0.22 acres or 9,763 square feet with feet of frontage along NE Martin Avenue, which is a local roadway within the neighborhood. The subject is bordered by a 14.71-acre assemblage with frontage along NE Dixie Highway, a commercial corridor serving the Rio CRA and northern Martin County market area. The parcels bordering the subject and subject parent parcels are as follows:

North- Single-Family Residential, Florida East Coast Railway
South- NE Dixie Highway
East- NE Charlotte Street; Single-Family Residential
West- Vacant Commercial Land & Industrial

The Rio CRA has seen limited commercial activity in recent years, however there are currently two large developments proposed by a single developer along the north and south side of Dixie Highway. The subject site, if abandoned, would be assembled along with the 14.71-acre parent site to support the development of a 145-unit residential development. Along the south side of Dixie Highway, a marina redevelopment and mixed-use development are currently proposed and in the review stages in a 2-phase plan. Within the northern Stuart/Jensen Beach market area, there has been some development in recent years, including an industrial park to the northwest of the subject along NE Savannah Road and the Avonlea CPUD/RPUD.

Martin County Neighborhood Analysis

Martin County, Florida is located on Florida's Treasure Coast and contains a total area of 753 square miles (1,950 km^2) of which 543 square miles (1,410 km^2) is land and (27.8%) is water. It is the fifty-third largest county by total area. Martin County contains five incorporated cities including Stuart, Jupiter Island, Sewall's Point, Ocean Breeze and, as of December 2017, Indiantown. Of the five incorporated cities, Stuart is the largest. Unincorporated areas in Martin County include Hobe Sound, Hutchinson Island, Port Salerno, Jensen Beach and Rio.

Neighborhood Access

There are nine (9) airports located in Martin County, two (2) are public, seven (7) are private. The two closest major airports are West Palm Beach International Airport, approximately 30 miles to the south and Melbourne International Airport, approximately 60 miles to the north. Witham Field Airport, one of the two public airports is located in Stuart. In June 2018, the construction of 3,210 square foot U.S. Customs Facility at Witham Field was completed. The project planning began in September 2010 during the Airport Master Planning Process with the Martin County Board of County Commissioners. The facility processes international travelers arriving in Martin County via aircraft and marine vessels and allows Martin County boaters, pilots, residents, and visitors to clear U.S. Customs without having to travel to Fort Pierce or West Palm Beach.

A significant north/south road in the area is U.S. Highway 1 (aka Federal Highway) which is the main north/south road running through Stuart. Another main road, Kanner Highway (State Road 76), is the principal Interstate 95 gateway to the Stuart area. There are two bridges connecting south Martin County to North Martin County- the old Roosevelt Bridge, a draw bridge, and the new Roosevelt Bridge. Both are still operable.

The primary east/west arteries are Salerno Road and Cove Road in the southern part of Stuart, Monterey Road and Indian Street in the central area and East Ocean Boulevard in the north. Indian Street is a four-lane divided highway, which is a collector street for subdivisions like Willoughby and Fisherman's Cove. It runs between Kanner Highway and Saint Lucie Boulevard, east of Stuart. Monterey Road, a four-lane divided arterial roadway between U.S. Highway 1 and Mapp Road, provides access to Martin Downs Boulevard and Florida’s Turnpike. East Ocean Boulevard (A1A) connects Dixie Highway and U.S. Highway 1 with Hutchinson Island and communities along the Atlantic Ocean in northern Martin County. Monterey Road and Indian Street are the only two roads that offer a connection between Stuart and Palm City

These arteries have traffic characteristics that are similar to one another, but all have lower traffic flows than the U.S. Highway 1 corridor. Each of these arteries are developed with a variety of commercial uses including neighborhood shopping centers, smaller strip type and self-standing retail centers, restaurants, professional office buildings, gasoline service stations, and convenience stores. There are also some uses exclusive to the neighborhood like motels, boat yards, churches, and cemeteries.

DeLorme Street Atlas USA® 2015

Data use subject to license.

www.delorme.com

MN (6.8° W)

0 ½ 1 1½ 2 2½ mi

Data Zoom 11-1

Growth Management

The City of Stuart is the primary location of most employment in Martin County. It also has the greatest concentration of residential, commercial and industrial development in the area. Employment consists of a variety of small-to-medium sized commercial ventures with no large-scale employers aside from the school district, hospitals and other institutions. Industries making up Stuart and Martin Counties employment base consist of Aviation tied to Witham Airfield, Boat Manufacturing located primarily in the SPS and Gran Park Industrial areas with ties to the Manatee Pocket and trades and construction which flows with the residential housing market in the area. Banking has made a rebound with the recent economic expansion and Seacoast Bank is the local bank, founded in Martin County in 1926 with a Market Cap of $2.17 billion and growing through acquisitions of other banks. The professional and medical sectors also contribute significantly to employment within the county, as the age and income demographics lend the county to wealth management and medical needs.

Cleveland Clinic, formerly Martin Health Systems, has several hospitals in various locations throughout Martin and Saint Lucie Counties. Its primary campus is located just north of East Ocean Boulevard along the south shore of the St. Lucie River within Downtown Stuart. At the end of 2017, city commissioners approved a development agreement allowing the hospital to raise some of its buildings above the city of Stuart's four-story height limit. Another outpatient facility is located at Salerno Road and Willoughby Boulevard adjacent to the Indian River State College Campus. Tradition in Port St. Lucie is home to Cleveland Clinic's Tradition Medical Center which opened in 2013. Expansions that were completed in 2018 and include expansion of the maternity and neonatal ICU, a 12-bed progressive care unit and a second medical office building that will contain an outpatient surgery center and pharmacy. In the beginning of 2018, a new pediatric unit was added as well. The complete campus contains a total of nine stories and 180 patient rooms and was recently expanded to include the former VGTI building to the south of the campus. An outpatient facility was completed at the corner of Kanner Highway and Indian Street in 2019 and contains 85,872 square feet with 90 exam rooms, 6 procedure rooms and more than 50 offices.

Martin County School District, also referred to officially as the School Board of Martin County, is a public-school district that covers Martin County, Florida. This School District is a top-rated school district in Florida with excellent testing scores and graduation rates. There is a total of 20 schools administered by the Martin County School District which include three public high schools, five middle schools and twelve elementary schools. In 2019 the school district purchased the former TC Palm Building after the paper was sold again and staffing was significant cut in the region.

Martin County historically has embraced a controlled to low growth attitude. Land use and zoning changes are difficult to obtain and preserve requirements are strictly enforced, with no provision for mitigation of wetlands, which encumber much of the remaining vacant land within the urban service boundary. The overall climate is negative for new development but represents a positive for existing properties because of the time and cost involved in planning new construction in Martin County. In the City of Stuart, land use and zoning changes are more easily obtained. Most of the development occurring today in Martin County has been achieved through annexation into the City of Stuart.

Development Activity

Since 2017 there has been a significant uptick in development activity in Martin County, mostly within the city of Stuart. The following are some of the more impactful developments that can be seen in the market today:

- Axis Stuart is a 284-unit Luxury apartment complex on Federal Highway near the Treasure Coast Mall developed by Thompson Thrift development, the project has been completed and is currently in lease-up.
- Farrell Development completed a new storage facility on Jensen Beach Boulevard to the west of the intersection with Savannah Road in 2021. The property includes three self-storage improvements totaling 92,584 SF.
- Sea Walk is a single-family home community developed on a portion of the former Ocean Breeze property west of the railroad tracks. DR Horton was the builder, and the community is developed under the DR Horton Brand. Currently, home sales are occurring within the development and all of the proposed housing units have been developed.
- Sabal Point is a proposed single-family community totaling 68 homes on a 30.26-acre site located approximately 2,500 feet east of Savannah Road at the end of the NE Cedar Street right of way in Jensen Beach. This project was recently approved by Martin County and is currently under construction.
- The West Jensen PUD is in its final phase of single family build out. DR Horton is also the sole builder here, building under their Freedom Homes Brand. The corner of Federal Highway and Goldenrod Road is the last section of the PUD and is proposed for a commercial power center. Space is being advertised but there has been no development to date.
- CarMax completed a new facility in Jensen Beach along Jensen Beach Boulevard in 2018.
- Rooms-to-Go Patio completed a new store just south of the mall on one of the last remaining vacant parcels on the Federal Highway corridor near the mall.
- The Rio Marine Village is a recently approved mixed use project consisting of 192 residential townhomes and apartments as well as some restaurant development on a 15.5-acre site. The project is currently out for bid for construction. Originally, the project called for additional retail development, though this idea has since been scrapped and replaced with more residential units. The proposed project has projected costs of over $1 Billion.
- The Sovana at Stuart is a 182-unit 55+ rental community being developed behind Rooms to Go Patio. The project was approved in 2018 was recently completed in 2022. The development includes one and two-bedroom floorplans that are currently advertised for lease.
- A Home 2 hotel and medical office building was developed at the corner of Baker Road and Federal Highway and completed in 2020.

- The New Avonlea PUD has two projects approved, a 69-unit cottage rental community being developed by New Urban Communities and a 62-lot community to be built by K Hovnanian Homes. Two apartment communities and three commercial parcels remain undeveloped but in the planning stages at this site.
- Savannah Trace apartments was approved by the City of Stuart and the land closing has occurred. A construction loan was secured on the site in September 2021 totaling $41,500,000, and a Notice of Commencement was filed at the same time for the construction of four (4) four-story apartments, two (2) three-story walk-up buildings, and a garage totaling approximately 280 units. The project was renamed River North Apartments. The site is located at the intersection of NE Savannah Road and NE Baker Rd.
- To the north, also along Savannah Road is a 197-unit apartment community in 9 3-story apartment improvements currently under construction. The development is known as The Reserve at Jensen Beach aka Savannah Apartments. The development will also include a pool and clubhouse.
- Langford Landing is a community of 60 single-family homes on the former Langford Estate. The community suffered a slow start, but Meritage Homes recently completed the development.
- The Harbor Chase ALF was completed in 2020 and is in lease-up. The 134-unit facility is located just north of the Roosevelt Bridge.
- A 28-unit townhome project is currently under construction known as the Ocean Glass Residences located along the west side of S Ocean Drive on Hutchinson Island within Jensen beach. Presales have begun on the units, and construction is proposed to be completed by the end of 2023.
- In Downtown Stuart, New Urban Communities developed the 49-unit Azul project, completing the development in 2019 and selling the project in 2020 for $15.5 million or $316,326 per unit. The site is on a land lease with the City of Stuart.
- Pulte Homes has broken ground on the Ocean Cove townhome community on East Ocean Boulevard just before the St. Lucie River and ten cent bridge. The community will feature 80 townhomes for sale as 55+ age restricted community. 22 of the townhouse units have been completed with the remainder currently under construction. Pre-sales and sales of completed units have begun.
- A 60-unit townhome community was recently approved by the City of Stuart planning board along SE Central Parkway in Stuart. The project is located on a 5-acre site.
- The former Sundance Marine sales center at 700 SW Federal Highway was redeveloped as a 115,000 square foot storage facility after plans for a Racetrac gas station were rejected by the city. The CubeSmart storage facility was completed in 2021 and storage units are currently available.
- WaWa has constructed two locations within the City of Stuart, both by demolishing bank buildings. Another WaWa was recently completed in 2021 along SE Federal Highway just north of SE Cove Road next to a Seacoast Bank site.
- Smaller commercial developments within the city include a Culvers, Waters Edge dermatology, Barron Shoppes a small retail center, a car wash at the corner of Monterey Road and two more proposed car washes, Racetrac, Autozone, Taco Bell, Mid Florida Credit Union, Circle K.

- Ouanalao Residences and Resort is an approved 50-unit development situated along the east side of S Ocean Drive in Jensen Beach on Hutchinson Island. The development will include 25 beach cottages and 25 single-family homes. Homeowners within the community have the option of placing their homes into an on-site rental program which will be operated by Mainsail, one of the approved operators by Marriott. The site totals 15.53 acres.
- Majestic Bay Residences and Marina is a fully approved 24-unit townhome development with a 12-slip private marina located on the west side of S Ocean Drive in Jensen Beach on Hutchinson Island.
- The Dubner Estate sold their land holdings in the industrial area along Commerce Avenue and east of Federal to Ted Glasrud. Since the sale, Glasrud has sold several parcels. Hogg technologies expanded their facility to a 110,000 square foot footprint, Market Place Business Centre was constructed consisting of three warehouses 57,000 square feet of area and two residential projects, a 324-unit apartment complex by AHS known as Harbor Grove are all now being constructed on land formerly owned by Dubner. Glasrud is also working on the development of a proposed self-storage facility totaling 95,400 SF on a 7.10-acre site. The development will include 630 self-storage units
- The Bridgeview Apartments is a 212-unit apartment complex being constructed on the 15.88-acre site located at the northwest corner of Kanner Highway and Indian Street.
- A Comfort Suites was constructed in 2020 behind Checkers at the signalized intersection of SE Federal Highway and SE Fischer Street.
- A 270-unit apartment project known as Springtree is located along the west side of US 1 just north of SE Springtree Place. The project is currently in development.
- Konover South has developed Stuart Landings, located at the southeast corner of Miami Street and Federal in front of the Super Walmart. The site, constructed in 2016, is home to an Aldi, Mattress Firm, Aspen Dental and T-Mobile. An additional outparcel is approved for a drive thru out restaurant and additional retail space.
- The Audi/Infinity Campus was expanded to include a Maserati/Alfa Romeo Dealership.
- To the west, between I-95 and Florida's Turnpike in the Treasure Coast Commerce Center, there has been several new industrial buildings constructed. A mix of owner/user and lease space has been developed. In total this amounts to about 100,000 square feet plus in warehouse/flex space. Proposed by FLF Properties is a 96,231 square foot industrial flex project south of Kanner Highway.
- Publix completed another Publix development at the corner of Osprey and Federal Highway after having held the vacant land site for some time.
- The Oaks is a 24-unit single-family home community project located north of SW Martin Downs Blvd on the north side of Mapp Rd in Palm City being developed by DR Horton.
- The Poma Industrial Park, located near Interstate 95 in the western portion of the Palm City market is currently proposed for expansion.

- The Sunrise Grove Commerce Center is a 1,700-acre commerce park catering to larger industrial buildings and tenants is currently proposed for development off SR-714 by Interstate 95 in Palm City.
- Pulte Homes PUD at Christ Fellowship is a 313-unit single-family subdivision on a 321-acre site that was recently approved. The project is located along Pratt Whitney Road approximately 1 mile east of SW Kanner Highway.
- The Sandtrail Business Park is a proposed development for 48,352 SF of industrial improvements on a 4.76-acre site on the south side of SW Sandtrail Rd in Palm City.
- An FP&L Solar Energy center has recently been approved to the west of Citrus Blvd. The project is projected to be completed in 2024 and is located on a 600-acre site.
- A former grocery store was recently demolished to make way for the redevelopment of a Publix at the corner of Cove Rd and US Highway 1.
- The Hunter Lake Development off Salerno Rd consist of 20 single-family home lots on 9.4 acres. The project is currently in the development stages.
- Via Claudia is a 114-lot approved single-family subdivision located on the south side of SE Cove Road situated on a 97-acre parcel.
- Cove Royal is an approved 118-lot residential development on a 97.06-acre parcel on the south side of SE Cove Road.
- Meritage Homes is approved to develop 117 townhomes on an 18.37-acre site at the northeast corner of SE Salerno Rd and SE Willoughby Blvd. The development is known as the Willoughby Townhomes.
- 54 2-story townhomes and 162 duplex units are approved for development on a 47.12-acre site located between SE Cove Rd and Salerno Rd just east of Kanner Highway.
- Kanner Lakes is a 26-acre site approved for 65 residential lots and one commercial parcel on the south side of Kanner Highway just north of Salerno Rd in Stuart.
- A new industrial complex totaling 96,195 SF on an 11.54-acre site is approved at the southeast corner of SW Kanner Highway and SW Jack James Blvd.
- A 33,000 SF studio/office/storage complex consisting of two three-story buildings on 2.9 acres on the west side of SE Shell Ave south of Bridge Rd.
- The Tradewinds at Hobe Sound is an approved 177-unit luxury apartment community between US-1 and Dixie Highway on a 13-acre site. The project is expected to be completed in 2024.

Many projects throughout Martin County have been proposed and are still in the beginning stages, many have not even broken ground yet. Amongst those projects includes a 5.3-square-mile, mixed-use development in western Palm City known as Pineland Prairie (Newfield Development). The proposed project will consist of 4,200 new residence, 150,000 square feet of retail space, an industrial district and approximately 70% of the property will be left as open space. In April 2020, city commissioners voted 4-1 in favor of the project, and a new zoning designation for Martin County was introduced to support the future development of the community. In 2021, site work began, and infrastructure is currently being put in place for the first phase of the development. Knight Kiplinger, the visionary behind the Newfield

Development, recently announced in June 2022 that Mattamy Homes will be the master developer, with home sales set to begin in Fall 2023 and delivery expected to begin in early 2024.

Also proposed in Stuart is the addition of a Costco which initially applied to construct the store in Palm City but subsequently withdrew the application. The new Costco, should the plans be approved, will be located on Kanner Highway, north of Indian Street. The Costco was appealed, and the fate of Costco is likely to be determined in Q1 2023. This development would also include 378 apartment units. The proposed Costco site in Palm City was instead developed with a Tractor Supply Co. and WaWa.

The retail market to the south of the Roosevelt Bridge contains a number of large retail centers that have developed over the past approximate 15-to-20 years. The expansion of the Stuart Centre, located along U. S. Highway No. 1 was taken to completion in 2016. Major anchor tenants currently include a Homegoods, TJMaxx, Office Depot and Petco with several outparcels containing drive thru fast-food restaurants and banks located directly along US Highway 1.

The approximate two-mile stretch of U. S. Highway No. 1, south of the Treasure Coast Square Mall to the Roosevelt Bridge, has experienced the greatest ongoing retail development. 20+/- acres of land at the corner of Goldenrod Road and US 1 in Jensen Beach is proposed for development of 175,000 square feet of retail space by developer Atlantic Retail. Both anchor space and outparcels are available for lease. Windemere Point consists of 9.16 acres and features a 40,200 square foot freestanding LA Fitness. Other tenants include a Dunkin Donuts and an Elements Fitness.

Housing

Residential single-family and multiple-family housing is scattered throughout the whole of the Martin County market. There is a wide variety and mixture of age and quality of housing ranging from older single-family homes to contemporary waterfront residences that cost more than $1,000,000+.

Monthly Market Detail - November 2023
Single-Family Homes
Martin County

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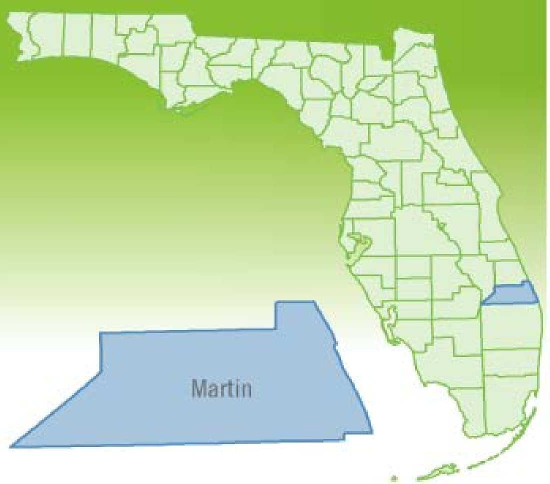


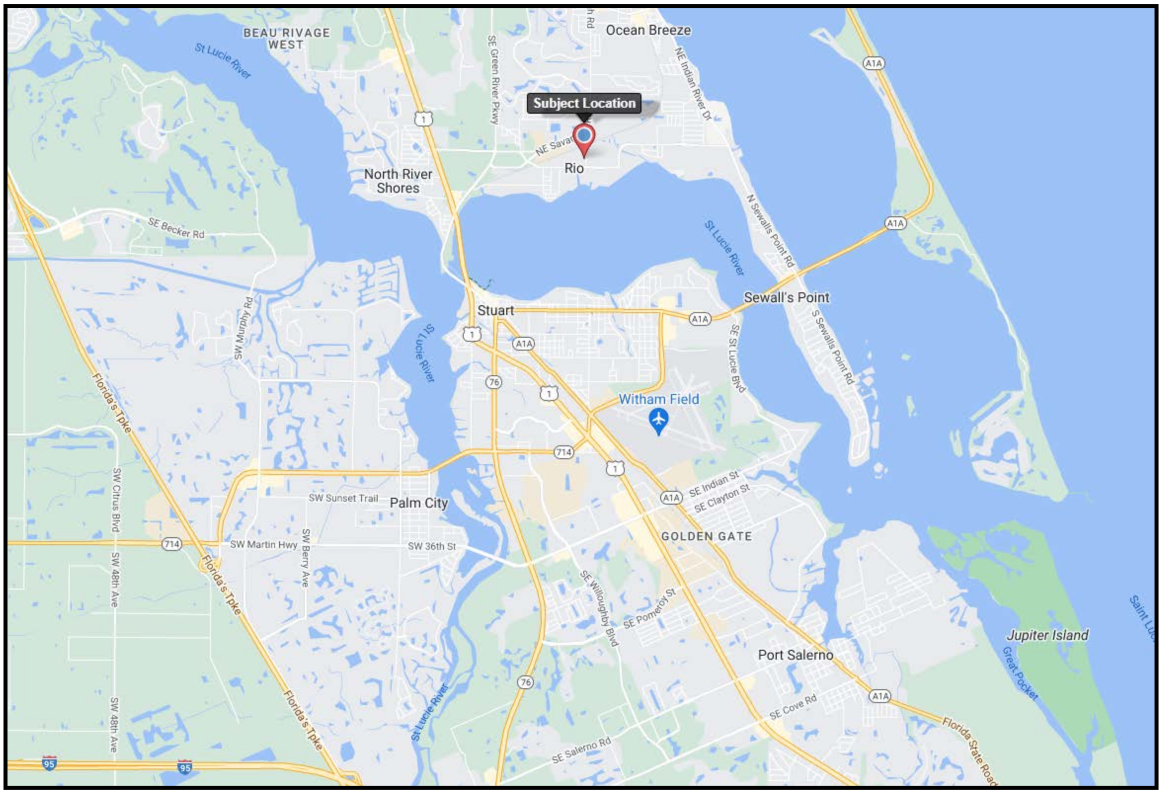
Summary Statistics	November 2023	November 2022	Percent Change Year-over-Year
Closed Sales	132	106	24.5%
Paid in Cash	83	49	69.4%
Median Sale Price	$595,000	$527,500	12.8%
Average Sale Price	$936,333	$660,191	41.8%
Dollar Volume	$123.6 Million	$70.0 Million	76.6%
Median Percent of Original List Price Received	94.6%	95.2%	-0.6%
Median Time to Contract	25 Days	34 Days	-26.5%
Median Time to Sale	65 Days	75 Days	-13.3%
New Pending Sales	124	114	8.8%
New Listings	205	157	30.6%
Pending Inventory	182	180	1.1%
Inventory (Active Listings)	585	520	12.5%
Months Supply of Inventory	3.6	3.1	16.1%

Residential development stalled in the 2008 to 2011 time period following the Great Recession. During that time Tres Belle by Kolter was the only open project with models and homes. The Tres Belle Estates in Stuart FL is a Kolter Homes development of approximately 167 homes located just east of Kanner Highway on Cove Road in Stuart FL. The first homes were completed in 2007 and construction and sales of new homes continue to this date (March 2018). Villa Franka Homes constructed a gated community along Kanner Highway containing 16 custom built single-family homes. The last house was constructed in 2016, however development in the neighborhood is still on going. Banyan Bay was purchased by Chesapeake Partners and finished with a development take down agreement with NVR Ryan Homes. The project is nearing build out.

There is limited housing supply in Martin County outside of the City of Stuart as there is limited land within the urban services boundary suitable for new development. Within residential subdivisions at the upper end of the scale are single-family residences in the newer golf course subdivisions and communities, such as Willoughby Golf Community. Other subdivisions in the neighborhood vary widely in desirability. St. Lucie Estate is the largest single-family residential area in the neighborhood with mid-range prices. Also, in the area are older subdivisions such as Fisherman's Cove, Rustic Hills and Rocky Point.

Conclusion

The subject is located in a residential portion of the northern Stuart market with surrounding uses being primarily residential in nature and uses to the south along NE Dixie Highway being residential and commercial in nature. The subject is bounded to the west by a 14.71-acre assemblage proposed for the development of 145 residential units that's currently in the review stage for major site plan approval after having previously received master site plan approval in September 2022. To the south of the subject, a mixed-use development is currently proposed and in the review stages. The subject's Rio CRA market area should benefit from the proposed developments and other development and redevelopment occurring within the City of Stuart, Jensen Beach, and Martin County markets as a whole.



Market Area Map

General Description: The subject is located within the Rio CRA and in a primarily residential portion of the market, with some commercial uses lying along NE Dixie Highway. The subject market area is positioned between the City of Stuart and Jensen Beach markets in northern Martin County north of the Roosevelt Bridge and the Downtown Stuart market area.

Access: The subject is a portion of NE Charlotte Street, an east/west local roadway that shares a non-signalized intersection with NE Martin Avenue to the east of the subject site. NE Martin Avenue shares a roundabout interchange with NE Dixie Highway, a commercial corridor in the market. NE Dixie Highway continues east then north of the subject and shares an interchange with NE Indian River Drive, a north/south arterial roadway running parallel to the Indian River Lagoon. NE Indian River Drive provides access to the Downtown Jensen Beach market to the northeast of the subject site. To the west, NE Dixie Highway heads south into the City of Stuart market and further south into the Hobe Sound and Martin County markets. Access to NW Federal Highway (US Highway No. 1), the major north/south commercial corridor serving the market, is available via a signalized intersection with NW Wright Blvd to the southwest of the subject.

Land Use Patterns: Historically, the City of Stuart has been considered to be more pro-growth than Martin County's growth department.

Life Stages and Trends: Growth – There have been numerous projects recently constructed in the subject's Stuart/Martin County market and the greater Stuart market area that have shown strong demand. Some development is beginning to occur north of the St. Lucie River, with several redevelopment and development projects currently proposed. In the subject's immediate market area, there are two large residential and commercial developments currently in the review stages.

Public Facilities/Services: The subject has access to municipal water & wastewater services and FP&L electrical services.

Opportunity Zone: The subject is not located within an opportunity zone.

Conclusion: The subject site, as part of the whole, is well positioned along NE Dixie Highway, a commercial corridor serving the subject market, and is located within the Rio CRA, which has favorable land use and zoning designations to promote growth and redevelopment in this portion of the market. There are a number of developments proposed and currently in review within the Rio CRA and the subject site would likely be highly desirable if exposed to the market given its commercial frontage between the Stuart and Jensen Beach markets within a community redevelopment area.

Land Description

Land Area	
Proposed ROW Abandonment	0.22 Acres; 9,763 SF
Parent Parcels	14.71 Acres; 640,768 SF
Primary Road Frontage	NE Dixie Highway
Type of Road	Commercial corridor
AADT	5,900 along NE Dixie Highway
Secondary Road Frontage	NE Martin Avenue
Type of Road	Local
Front Feet (Primary) – Parent Parcels	775' (Approximate)
Front Feet (Secondary) - Parent Parcels	398.8' (Not Inclusive of Subject ROW)
Number of Parcels	Three
Shape	Irregular
Corner	Yes; non-signalized
Topography	Mostly wooded, not at grade
Functional Obsolescence	None noted

Zoning & Land Use

Zoning	ROW
Parent Parcels	Rio Redevelopment District
Future Land Use	ROW
Parent Parcels	CRA Center – CORE/General
Zoning Jurisdiction	Martin County
Is the Property in a CRA	Yes – Rio CRA

Site Ranking

General Site Ranking	Good
Appeal Ranking	Average
Frontage to Depth Ranking	Average
Size/Shape/Dimension Ranking	Average
Access Ranking	Average
Exposure Ranking	Average

Utilities

Water	Municipality
Sewer	Municipality
Electricity	FP&L

General Description / Conclusions

The subject Right-of-Way is located north of the roundabout between NE Dixie Highway and NE Martin Avenue in the Rio Community Redevelopment Area in Stuart, FL. The subject parent parcels contain direct frontage along Dixie Highway and along the roundabout. Overall, the subject as part of the whole 14.71-acre assemblage is considered good when compared to similar sites within the competitive market area. Furthermore, given the nature of the surrounding uses, the location, and all physical characteristics, the subject would be considered to have good appeal if exposed to the market. Generally irregular in shape, the subject's shape does not present a detriment to the site and is generally conducive to development. The subject ROW and parent parcels could get access to municipal water & wastewater services and receive electric through FP&L. The subject site is currently zoned ROW while the parent sites have a Rio Redevelopment District zoning designation with a future land use of CRA Center with a split core and general sub-designation. The subject parent parcel could accommodate uses including accessory dwelling units, other dwelling types, bed and breakfast inns, business and professional offices, limited construction services, hotels and motels, resorts and spas, medical offices, microbreweries and craft distilleries, parking lots, restaurants, limited impact retail and services, and limited and general impact institutional uses. The maximum residential development density under the CRA Center land use is 15 units per acre under both the core and general sub-designations. The subject is located within the Rio CRA, which is intended to revitalize the neighborhood and strengthen the character and economic well-being of the area. The Rio CRA was initially created in 2000 and has seen limited development and redevelopment to date. The subject right-of-way is cleared, mostly paved and mostly at grade and typically level. The subject parent parcels are mostly wooded and not at grade or typically level.

Bird's Eye View – Parent Parcel (Taken from Mapwise GIS)

DESCRIPTION:
A PORTION OF A PLATTED STREET IN RIO ST. LUCIE TERRACE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 14B OF THE PUBLIC RECORDS OF MARTIN COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF LOT 8, BLOCK 12, RIO ST. LUCIE TERRACE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 14B OF THE PUBLIC RECORDS OF MARTIN COUNTY, FLORIDA; THENCE S.03°01'44"E. ALONG THE WEST RIGHT-OF-WAY LINE OF NE MARTIN AVENUE, A PUBLIC RIGHT-OF-WAY, ACCORDING TO SAID PLAT, A DISTANCE OF 40.05 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF NE CHARLOTTE AVENUE, ACCORDING TO SAID PLAT; THENCE S.89°51'31"W. ALONG SAID SOUTH RIGHT-OF-WAY LINE, A DISTANCE OF 243.80 FEET; THENCE N.03°50'36"W., A DISTANCE OF 40.08 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF NE CHARLOTTE AVENUE, ACCORDING TO SAID PLAT; THENCE N.89°51'31"E. ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 244.37 FEET TO THE **POINT OF BEGINNING.**

CONTAINING: 9,763 SQUARE FEET OF 0.22, ACRES MORE OR LESS.

SURVEYOR'S NOTES:

1. BEARINGS SHOWN ARE BASED ON THE SOUTH LINE OF SECTION 28, TOWNSHIP 37 SOUTH, RANGE 41 EAST, MARTIN COUNTY, FLORIDA, WHICH BEARS SOUTH 89°51'37" WEST.

   ALL BEARINGS BEING RELATIVE THERETO.

2. THIS SKETCH & DESCRIPTION IS INTENDED TO BE DISPLAYED AT 1" = 60' OR SMALLER.
3. ALL DIMENSIONS, UNLESS OTHERWISE NOTED, ARE SURVEY DIMENSIONS.

NOTE: THIS IS NOT A SKETCH OF SURVEY, BUT ONLY A GRAPHIC DEPICTION OF THE DESCRIPTION SHOWN HEREON. THERE HAS BEEN NO FIELD WORK, VIEWING OF THE SUBJECT PROPERTY, OR MONUMENTS SET IN CONNECTION WITH THE PREPARATION OF THE INFORMATION SHOWN HEREON.

NOTE: LANDS SHOWN HEREON WERE NOT ABSTRACTED FOR RESTRICTIONS, RESERVATIONS, RIGHT-OF-WAY AND EASEMENT OF RECORD.

CHARLOTTE AVENUE-ABANDONMENT
SKETCH & DESCRIPTION

REVISIONS		
Date	Description	Dwn.

Sheet No. 1 of 3 Sheets

Prepared For: RIO SOUTH DIXIE, LLC.
Last Date of Field Survey: N/A

SURVEYOR'S CERTIFICATE
This certifies that a Sketch & Description of the hereon described property was made under my supervision and meets the Standards of Practice set forth by the Florida Board of Professional Surveyors & Mappers in Chapter 5J-17.050, Florida Administrative Code, pursuant to Section 472.027, Florida Statutes.

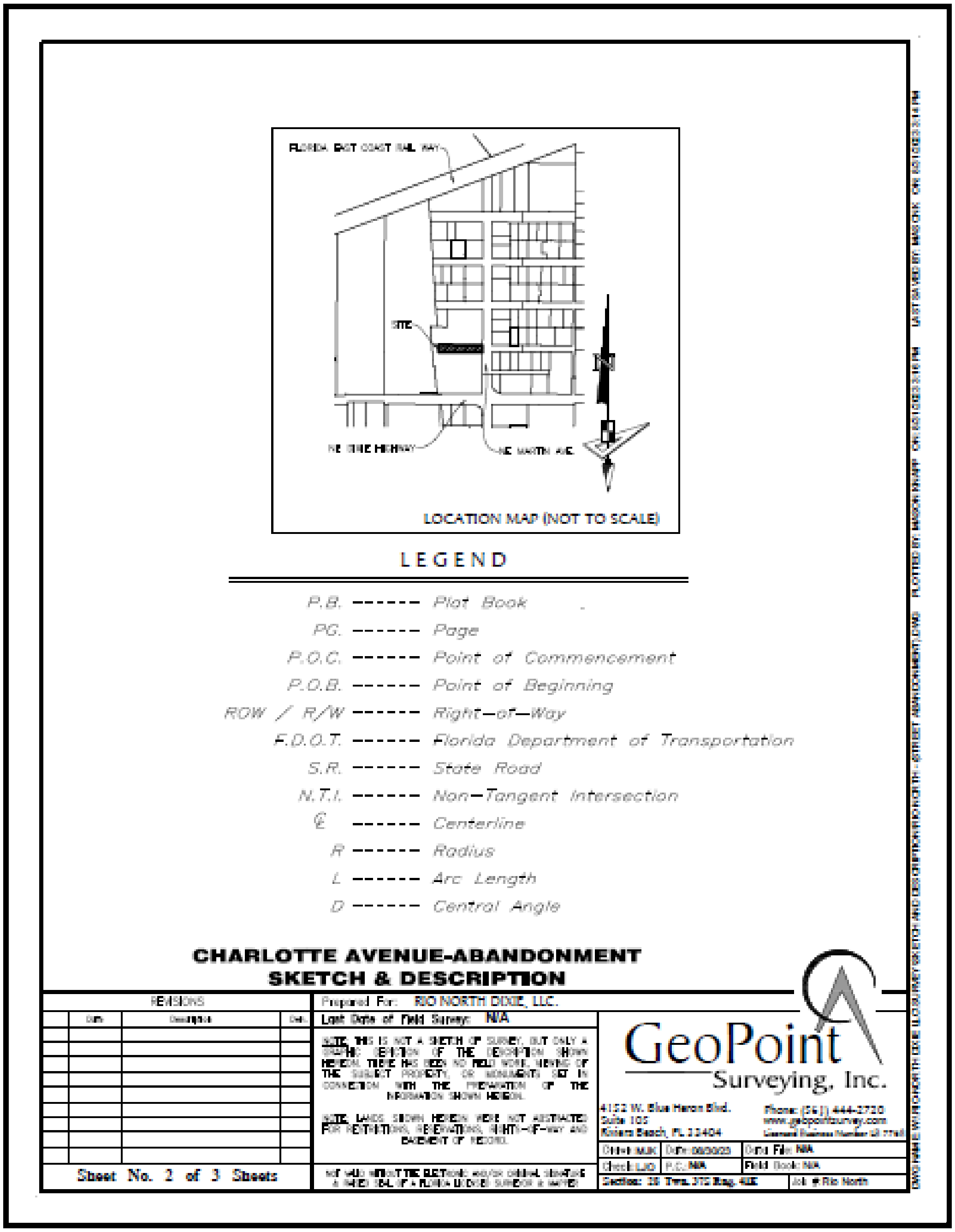
Luis Ortiz

Luis J. Ortiz
FLORIDA PROFESSIONAL SURVEYOR & MAPPER NO. LS7006
NOT VALID WITHOUT THE ELECTRONIC AND/OR ORIGINAL SIGNATURE & RAISED SEAL OF A FLORIDA LICENSED SURVEYOR & MAPPER

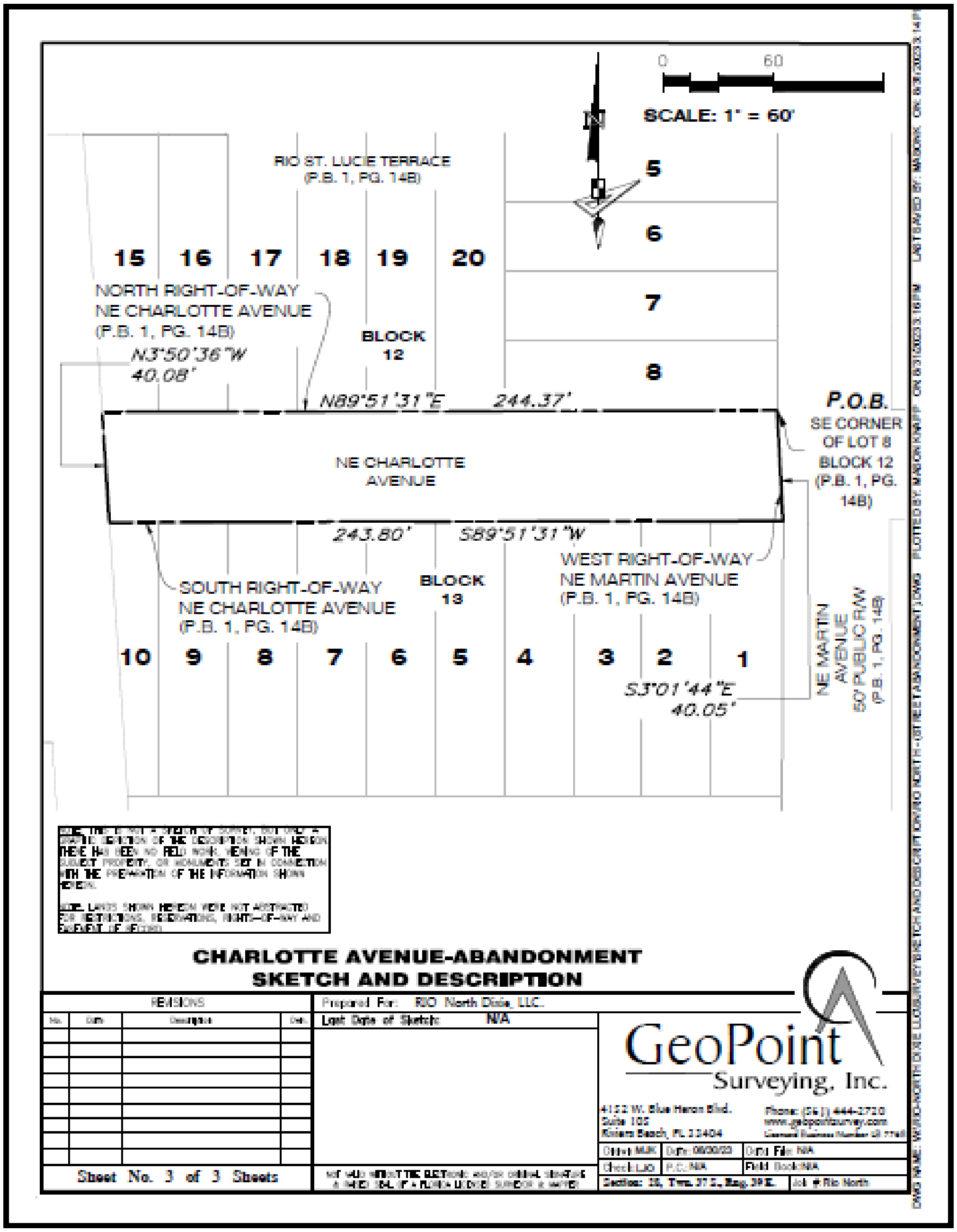
GeoPoint Surveying, Inc.
4152 W. Blue Heron Blvd. Suite 105 Riviera Beach, FL 33404
Phone: (561) 444-2720 www.geopointsurvey.com

Drawn: MJK	Date: 08/30/23	Data File: N/A
Check: LJO	P.C.: N/A	Field Book: N/A
Section: 28 Twn. 37S Rng. 41E		Job #: RIO NORTH

Legal Description of Proposed ROW Abandonment



S&D Proposed ROW Abandonment



Sketch of Proposed ROW Abandonment

Soil/Subsoil Conditions

A current geotechnical analysis describing the soil and subsoil conditions at the subject was not provided. Soil conditions appear to be conducive to development of the subject to its highest and best use. The appraisers assume there are no hidden or unapparent conditions of the property, soil, subsoil, or structures that would render the subject more or less valuable. Proper design and careful installation are needed to overcome any limitations of this soil. The appraisers assume no responsibility for such conditions, or for engineering which might be required to discover such conditions.

Hazards/Nuisances

CRE Valuation Services was not provided a current Environmental Site Assessment (ESA) concerning the subject. No apparent hazards or nuisances, such as smoke and hazardous materials, were noted on or near the subject upon inspection. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraisers. We have no knowledge of the existence of such materials on or in the property. The appraisers, however, are not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, radon, mold and other potentially hazardous materials may affect the value of the property. The value opined 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 such conditions or for any expertise or engineering knowledge required to discover them.

Legal-Government Factors

Legal Description – Subject Proposed ROW Abandonment

DESCRIPTION:
A PORTION OF A PLATTED STREET IN RIO ST. LUCIE TERRACE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 14B OF THE PUBLIC RECORDS OF MARTIN COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF LOT 8, BLOCK 12, RIO ST. LUCIE TERRACE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 14B OF THE PUBLIC RECORDS OF MARTIN COUNTY, FLORIDA; THENCE S.03°01'44"E. ALONG THE WEST RIGHT-OF-WAY LINE OF NE MARTIN AVENUE, A PUBLIC RIGHT-OF-WAY, ACCORDING TO SAID PLAT, A DISTANCE OF 40.05 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF NE CHARLOTTE AVENUE, ACCORDING TO SAID PLAT; THENCE S.89°51'31"W. ALONG SAID SOUTH RIGHT-OF-WAY LINE, A DISTANCE OF 243.80 FEET; THENCE N.03°50'36"W., A DISTANCE OF 40.08 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF NE CHARLOTTE AVENUE, ACCORDING TO SAID PLAT; THENCE N.89°51'31"E. ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 244.37 FEET TO THE **POINT OF BEGINNING.**

CONTAINING: 9,763 SQUARE FEET OF 0.22, ACRES MORE OR LESS.

Development Restrictions/Easements

We assume there are no easements or encumbrances detrimental to development of the site.

Restrictions

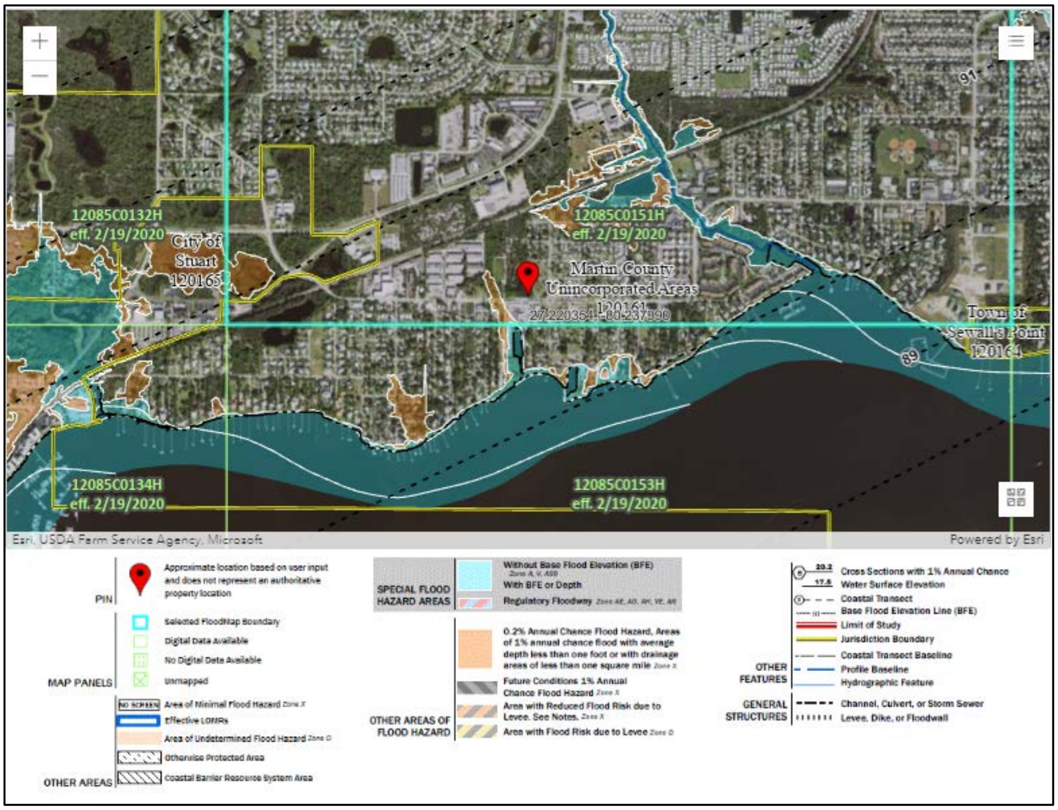
We are unaware of any restrictions that would preclude development and/or mitigate achievable density of the subject; however, updated title work and a survey are recommended to confirm such.

Land Planning and Land Use Law is beyond the scope of this assignment. Any assumptions herein related to the development potential of a particular site, and the implications of such assumptions on value, are subject to amendment should CRE be provided with alternate information from a Land Planner and/or Land Use Attorney.

Zoning / Land Use

We have not been provided with a zoning determination letter specific to the subject property. As such, we have relied upon observations noted during our site visit and Municode. Should a zoning determination letter provide an opinion which contradicts any of the assumptions herein, we retain the right to amend this report and the value estimated herein.

Flood Zone and Census Tract



Census Tract: 0005.01

The above data was taken from publicly available information on FEMA's website and GEO CODE website. We do not warranty this information to be accurate. A surveyor should be consulted before relying upon this information.

Analysis as if Vacant

In formulating an opinion of optimum use of a tract of land, it is important that a careful analysis be made of the property, its size, shape and physical characteristics, topography, zoning, market conditions, and demand for the various legally permitted uses, and other economic factors and conditions.

Legally Permissible

Except for a legally nonconforming property, the first step in determining what is legally permissible is to analyze private restrictions, zoning, building codes, historic district controls and environmental regulations. The subject site is zoned ROW with a future land use of ROW by the local zoning authority. The subject, as part of the assemblage of parcels to the north, south, and west of the subject ROW, would have a Rio Redevelopment District zoning designation with a future land use of CRA Center with a core and general sub-designation. This zoning allows for some limited commercial development including limited retail and services, offices, and medical offices. The zoning allows for a maximum residential development density of 15 units per acre.

Physically Possible

The physical characteristics of a site can affect the uses. These characteristics include: (1) size; (2) shape; (3) terrain or topography; (4) soil condition; (5) utilities; (6) access characteristics; and (7) surrounding land uses. Each of these site characteristics was described and discussed in the Site Analysis section of this report. A number of uses are physically possible on the subject site. The 9,763 SF site has limited development potential, but as part of the whole assembled development site totaling 14.71-acres or 640,768 square feet could accommodate a number of residential or commercial uses. Under the residential density, the assembled site could accommodate up to 220 multifamily dwelling units. It is noted that the site is currently proposed for the development of 145 residential units and received master site plan approval in September 2022. The proposed development is currently in the review stage with Martin County and seeking major final site plan approval.

Financially Feasible

In determining which uses are legally permissible and physically possible, an appraiser eliminates some uses from consideration. Then the uses that meet the first two criteria are analyzed further. If the uses are income-producing, the analysis will study which are likely to produce an income or return equal to or greater than the amount needed to satisfy operating expenses, financial obligations, and capital amortization. All uses that are expected to produce a positive return are regarded as financially feasible. The subject lies in a primarily residential portion of the market in the Rio CRA, which has seen limited development and redevelopment in recent years. Currently, there are two projects proposed within the Rio CRA, including a mixed-use development along the south side of NE Dixie Highway, and the multifamily development along the north side of NE Dixie Highway on the subject's parent parcels.

The most financially feasible use of the subject ROW would be to create an assemblage with the neighboring parcels to maximize residential development potential on the assembled site.

Maximally Productive

Among financially feasible uses, the use that provides the highest rate of return or value (given a constant rate of return) is the highest and best use. Given the legally permissible and physically possible discussions set forth above, the most financially feasible use of the subject ROW would be to assemble the ROW with the neighboring western parcels to maximize future residential development potential on the assembled site.

Conclusion

In our opinion the highest and best use "as if vacant" would be an assemblage of the subject ROW with the neighboring western parcels to maximize future development potential on site.

Analysis as Improved

N/A; The subject site is vacant land.

The subject site has not been assessed as the subject is a Right-of-Way. It is noted that if the Right-of-Way is abandoned, the subject will incur taxes.

Overview

The three traditional approaches to valuing improved properties are:

1. Sales Comparison Approach - a comparison of the property appraised with reasonable similar, recently conveyed properties for which the price, terms and conditions of sale are known.

2. Income Capitalization Approach - the processing of a projected net income into a valuation estimate via one or more capitalization techniques.

3. Cost Approach - an estimate of the replacement cost of all structural improvements as if new, less loss in value attributable to depreciation from all causes plus the value of the land as if vacant.

The Sales Comparison Approach is founded upon the principle of substitution that holds that the cost to acquire an equally desirable substitute property without undue delay ordinarily sets the upper limit of value. At any given time, prices paid for comparable properties are construed by many to reflect the value of the property appraised. The validity of a value indication derived by this approach is heavily dependent upon the availability of data on recent sales of properties similar in location, size, and utility to the appraised property.

The Income Capitalization Approach is based on the principle of anticipation that recognizes the present value of the future income benefits to be derived from ownership in a particular property. The Income Approach is most applicable to properties that are bought and sold for investment purposes and is considered very reliable when adequate income and expense data are available. Since income producing real estate is most often purchased by investors, this approach is valid and is generally considered the most applicable when the property being appraised was designed for, or is easily capable of producing a rental income.

The Cost Approach is based on the premise that the value of a property can be indicated by the current cost to construct a reproduction or replacement for the improvements minus the amount of depreciation evident in the structures from all causes plus the value of the land and entrepreneurial profit. This approach to value is particularly useful for appraising new or nearly new improvements.

The Appraisal Process is concluded by a review and re-examination of each of the approaches to value that was employed. Consideration is given to the type and reliability of data used, the applicability of each approach to the type of property being appraised and the definition of value being sought.

Subject Specific

Each property has a type of buyer or buyers who would be most attracted to the property and have the greatest motivation to pay the highest price for the property. This is not to say specific buyers would pay more for the property than market but rather, to identify the type of buyer who would gain the most utility from a property. The subject is a right-of-way and the typical buyer profile for the subject would be that of an investor or developer. The subject, as part of the whole 14.71-acre assemblage, would likely be desirable to an investor or developer.

The Cost Approach was not developed as the subject is vacant land and the approach is not applicable.

The Sales Comparison Approach is considered the only indicator of value in the valuation of vacant land such as the subject. Therefore, it is the only approach developed herein. The Sales Comparison Approach developed herein utilizes the "Across-the-Fence" sales methodology, whereby the subject site is valued as part of the whole 14.71-acre parent site currently proposed for the development of 145 residential dwelling units. This is discussed further within our Sales Approach herein.

The Income Approach is not developed herein due to the fact that the subject is vacant land and is not leased. Although land leases can be found within the subject market, it has been determined that the subject would not typically be leased or purchased for the income potential of the site for lease.

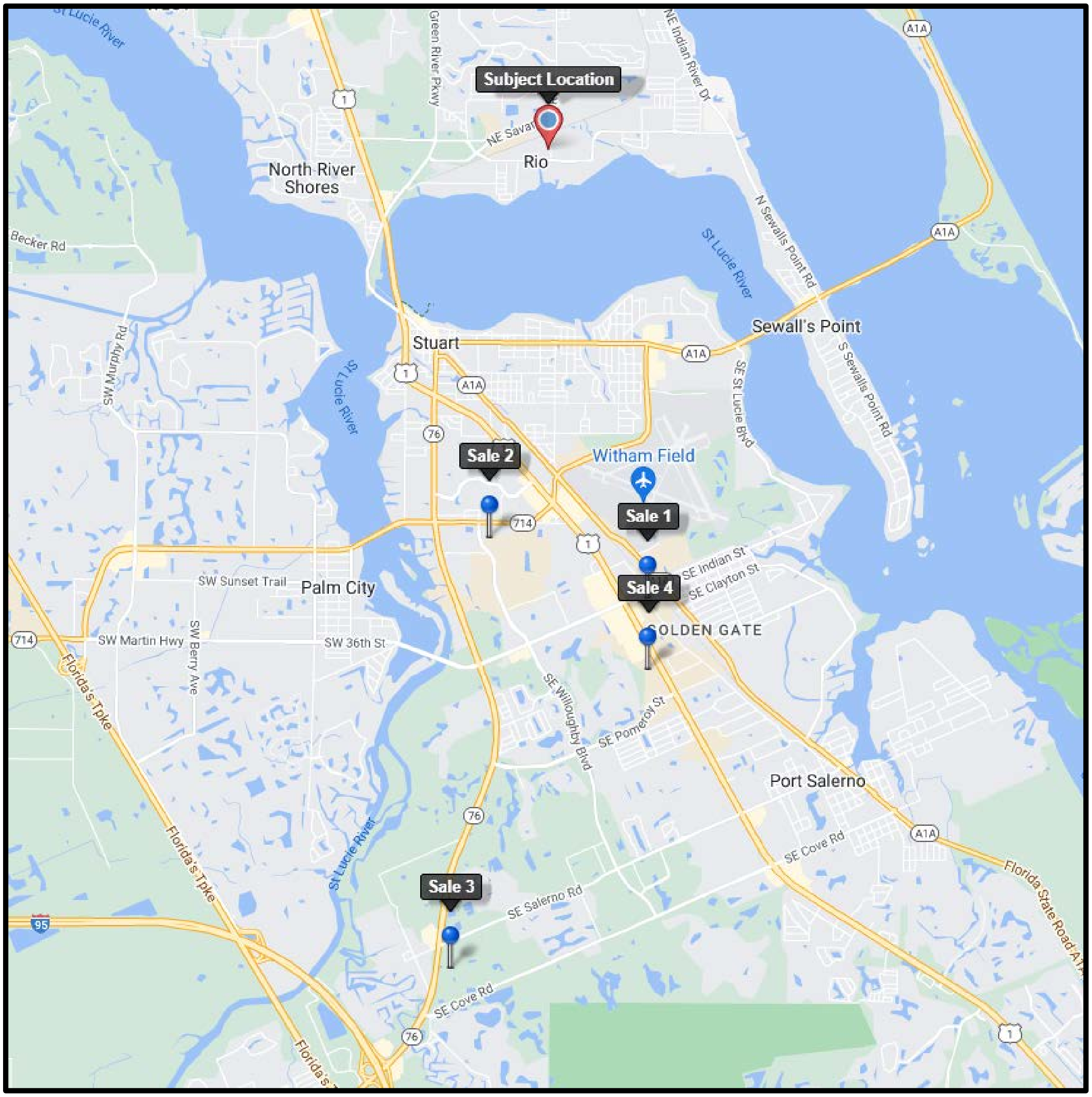
Introduction

The Sales Comparison Approach is premised upon the Principle of Substitution - a valuation principle that states that a prudent purchaser would pay no more for real property than the cost of acquiring an equally desirable substitute on the open market. The Principle of Substitution presumes that the purchaser will consider the alternatives available to him, that he will act rationally or prudently on the basis of his information about those alternatives, and that time is not a significant factor. Substitution may assume the form of the purchase of an existing property with the same utility, or of acquiring an investment which will produce an income stream of the same size with the same risk as that involved in the property in question.

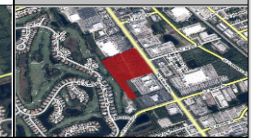
The applicability of this approach is based upon the assemblage of similar market sales and offerings for comparison to the subject. Land sales must be compared based on Highest and Best Use and therefore the Highest and Best Use of the comparable sales must be similar to that of the subject. In the case of the subject as part of the whole 14.71-acre assemblage, we have concluded a Highest and Best Use of residential development to the maximum allowable density. Properties with this Highest and Best Use are best compared on a price per Square Foot basis. Any adjustments to the sales price of market sales to provide indications of market value for the subject must be market-derived; therefore, the actions of typical buyers and sellers are reflected in the comparison process.

The physical unit of comparison can be adjusted to account for dissimilarities between market sales and the subject property. This unit of comparison is then applied to the subject's square footage to indicate a value for the subject.

The sales utilized within this analysis were taken from the subject market area and are considered to be most similar. A map and summary chart of comparable sales is included in the following pages.


Subject Location
Rio
North River Shores
Stuart
Sewall's Point
Witham Field
Sale 2
Sale 1
Sale 4
Sale 3
Palm City
GOLDEN GATE
Port Salerno
St Lucie River
SW Sunset Trail
SW Martin Hwy
SW 36th St
SE Indian St
SE Clayton St
SE Willoughby Blvd
SE Pomeroy St
SE Salerno Rd
SE Cove Rd
Florida's Tpke
Florida State Road A1A
Becker Rd
SW Murphy Rd
SW Berry Ave
Green River Pkwy
NE Indian River Dr
N Sewalls Point Rd
S Sewalls Point Rd
SE St Lucie Blvd

Summary of Comparable Land Sales

Sale No.	Subject	1	2	3	4
Photo					
Name/Address	1105 NE Dixie Highway, 1100 NE Frances St, & XXXX NE Dixie Highway (XXXX Charlotte St)	XXXX SE Commerce Ave	2601 SE Willoughby Blvd	6801 S Kanner Highway	XXXX SE Federal Hwy
PCN#	28-37-41-000-013-00290-9 28 37-41-000-014-00300-5 28- 37-41-001-012-00010-9	38-38-41-002-065-00010-3	16-38-41-000-000-00070-5 16-38-41-000-000-00071-0	55-38-41-000-043-00030-2	38-38-41-025-000-00010-0
City	Stuart	Stuart	Stuart	Stuart	Stuart
County	Martin	Martin	Martin	Martin	Martin
Date of Sale		19-Aug-22	27-May-22	21-Dec-21	3-Aug-21
Land Size (SF)	640,768	410,771	888,624	1,064,811	987,070
Land Size (Ac)	14.71	9.43	20.40	24.44	22.66
Overall Ranking	Average	Average	Average	Average	Good
Zoning/FLU	ROW Rio Redevelopment CRA Center (Core/General)	CPUD; Commercial	B-4; Commercial	General Commercial; Commercial General	CPUD; Commercial
Municipality	Martin County	City of Stuart	City of Stuart	Martin County	City of Stuart
Utilities	Available	Available	Available	Available	Available
Corner	Yes; Non-Signalized	Yes; Non-Signalized	No	No	No
Proposed Dev.	145 Units	N/A	Self Storage/Industrial	Mixed-Use	N/A
Density/Intensity	9.86 DU/Acre	10 DU/Acre	115,345 SF	145 DU & 16,422 SF Retail	10 DU/Acre
Sales Price		$3,500,000	$8,500,000	$8,800,000	$10,500,000
SP/SF ($)		$8.52	$9.57	$8.26	$10.64

Sales Price Per Square Foot Analysis

The Sales Price per Square Foot comparison is a common physical unit of comparison for properties similar to the subject. The sales were analyzed and adjusted for differences in physical characteristics.

Property Rights Conveyed

No data supports a substantive difference between a leased fee or fee simple estates. We are appraising the subject property on a fee simple basis; thus, no adjustments were necessary for property rights conveyed.

Cash Equivalency / Financing

In an analysis of sales, any advantageous financing should be extracted from the sales prices due to the fact that favorable financing agreements can result in inflated value indications. In this particular instance, it is noted that Sale 3 sold with favorable seller financing. In comparison to the other comparable sales, we have determined that no adjustment is required for financing terms to the comparable sales herein.

Conditions Of Sale

No adjustments were considered necessary on this basis.

Market Conditions

Next, an adjustment for changing market conditions was considered. The sales comparable transactions occurred from 3-Aug-21 to 19-Aug-22. We researched the economic data during this time period and concluded market conditions have not changed significantly since the time of the comparable sales thus no adjustments are warranted.

Location

Sale 1 is located at the southeast corner of the non-signalized intersection between SE Commerce Avenue and SE Indian Street in Stuart, Florida. The site has corner frontage, similar to the subject site, and is located along SE Indian Street, an east/west commercial corridor serving the Stuart market area. The comparable is ranked as having similar positioning in the market to the subject herein. Sale 2 is located along SE Willoughby Blvd and contains frontage along Willoughby Blvd and SE Monterey Road, an east/west commercial corridor serving the Stuart market. The comparable lacks corner frontage but has good frontage along both roadways and will have access available to the site from both roadways upon future development. Sale 2 is ranked as having slightly superior location when compared to the subject. Sale 3 is located along S Kanner Highway to the south of SE Salerno Road and north of SE Cove Road in the southern Stuart market in unincorporated Martin County. The comparable site has good frontage along S Kanner Highway, the primary gateway into the Stuart market and a major north/south commercial corridor in the area. Sale 3 is considered to have superior positioning to the subject as it has superior frontage along S Kanner Highway, a more heavily trafficked commercial corridor than the subject's Dixie Highway location. Sale 4 is positioned along SE Federal Highway to the south of SE Indian Street and north of SE Pomeroy Street in the City of Stuart. The comparable has superior frontage along SE Federal Highway, the primary north/south commercial corridor serving the Treasure Coast markets as a whole. Sale 4 is ranked as having very superior positioning to the subject herein. As such, Sale 1 was provided no adjustment for location. Sale 2, 3, and 4 were provided downward adjustments for their superior positioning within the market.

Size

The comparable sales ranged from 410,771 square feet to 1,064,811 square feet with a mean of 837,819 square feet. Often, smaller land sites in the local market sell for higher per square foot prices due to the larger investor pool and, therefore, greater demand, for the same and therefore the opposite is also true. The comparable sites are all larger in-fill land sites within the Stuart/Martin County markets. No adjustment for size is considered necessary to the comparable sales herein.

Comparative Appeal

Sale 1 is a partially cleared and not graded site located on a non-signalized corner parcel. The site was sold with no proposed development plans and no approvals in place. The subject parent parcels are currently in the review stages with Martin County to receive major final site plan approval for a 145-unit residential development that received master site plan approval in September 2022. Sale 1 is ranked as having inferior comparative appeal to the subject as it sold with no approvals or development plans in place. Sale 2 is a mostly cleared and not graded site proposed for the development of a 115,345 SF self-storage facility. At the time of sale, the site had no approvals or permitting in place for development of any type. The purchaser of the site initially sought to do a multifamily development but eventually decided to seek approvals for a self-storage/industrial development totaling 115,345 SF of improvements. The comparable site is considered to have similar development potential to the subject but is ranked as having inferior comparative appeal herein as the sale did not include any proposed development plans or existing approvals or permitting. Sale 3 is a partially improved site and the former location of 76 Golf World, a mini-golf and recreational family facility that was sold in 2021. The buyer on the deal purchased the site for multifamily development however no approvals or permitting was in place for development at sale. Sale 3 is ranked as being inferior to the subject in comparative appeal as it did not sell with any approvals in place and had existing improvements on site that would require demolition before future development could occur. Sale 4 is a heavily wooded and not graded 22.66-acre site located along SE Federal Highway. The site was purchased by an automotive dealership group for the potential development of a new automotive dealership, though no approvals or proposed development plans were included in the deal. Sale 4 is ranked as being inferior to the subject in comparative appeal as the site lacks proposed development and approvals. As such, Sale 1, 2, 3, and 4 were provided upward adjustments for their inferior comparative appeal when compared to the subject parent parcels.

Zoning

As noted, the subject site has a CRA Center future land use designation by the Martin County Growth Department, which allows for a residential development density of up to 15 units per acre. The subject site is currently seeking major site plan approval for a 145-unit residential development, providing the subject's proposed development a density of 9.86 dwelling units/acre. Sales 1, 2, and 4 are zoned within the City of Stuart, which historically has had a more favorable growth outlook than that of the Martin County Growth Department. The City of Stuart zoning designations carried by Sale 1, 2, and 4 are considered to be superior to the subject's Rio Redevelopment zoning and CRA Center future land use by the Martin County Growth Department. Sale 3 was purchased with a PUD-C zoning designation in place by the Martin County Growth Department and had a commercial general future land use. The existing PUD zoning would not allow for any residential development and was initially created in the 1980s for the development of 76 Golf World, a recreational family facility. In August 2023, the ownership received a zoning amendment to General Commercial to allow for future development on site. Sale 3 is ranked as having inferior zoning to the subject herein. As such, Sale 1, 2, and 4 were provided downward adjustments for their superior City of Stuart zoning designations herein. Sale 3 was provided an upward adjustment for its inferior zoning herein.

Utilities

The comparable land sales all have adequate access to municipal water & sewer services and could receive electric services through FP&L. No adjustment for utilities is considered necessary to the comparable sales herein.

Adjustment Summary

When considering the comparables as a whole we believe that they represent the most similar comparison to the subject in the immediate market area, however they still are not truly comparable. The following tables summarize the aforementioned adjustments applied to the sales.

Comparable Sales Adjustment Grid

Comparable Sale Number	Subject Data	1	2	3	4
Address	1105 NE Dixie Highway, 1100 NE Frances St, & XXXX NE	XXXX SE Commerce Ave	2601 SE Willoughby Blvd	6801 S Kanner Highway	XXXX SE Federal Hwy
City	Stuart	Stuart	Stuart	Stuart	Stuart
Date of Sale		19-Aug-22	27-May-22	21-Dec-21	3-Aug-21
Location	Urban	Similar	Superior	Superior	Superior
Land Size (SF)	640,768	410,771	888,624	1,064,811	987,070
Land Size (AC)	14.71	9.43	20.40	24.44	22.66
Density/Intensity	9.86 DU/Acre	10 DU/Acre	115,345 SF	145 DU & 16,422 SF Retail	10 DU/Acre
Comparative Appeal		Superior	Similar	Superior	Superior
Sales Price		$3,500,000	$8,500,000	$8,800,000	$10,500,000
UnAdjusted Price Per SF		$8.52	$9.57	$8.26	$10.64
Transactional Adjustments					
Price / SF		$8.52	$9.57	$8.26	$10.64
Property Rights Conveyed		0.0%	0.0%	0.0%	0.0%
Adjusted Price		$8.52	$9.57	$8.26	$10.64
Financing Terms	Conventional	0.0%	0.0%	0.0%	0.0%
Adjusted Price		$8.52	$9.57	$8.26	$10.64
Conditions of Sale	None	0.0%	0.0%	0.0%	0.0%
Adjusted Price		$8.52	$9.57	$8.26	$10.64
Expenditures Imm. After Sale		0.0%	0.0%	0.0%	0.0%
Adjusted Price		$8.52	$9.57	$8.26	$10.64
Market Conditions	Jan-24	0.0%	0.0%	0.0%	0.0%
Adjusted $/SF - With Transactional Adjustments		$8.52	$9.57	$8.26	$10.64
Physical Adjustments					
Location	Urban	-10.0%	-15.0%	-20.0%	-20.0%
Size	640,768	0.0%	0.0%	0.0%	0.0%
Comparative Appeal	Average	5.0%	5.0%	10.0%	5.0%
Zoning	CRA Center	-10.0%	-10.0%	5.0%	-10.0%
Utilities		0.0%	0.0%	0.0%	0.0%
Total Physical Adjustments		-15.0%	-20.0%	-5.0%	-25.0%
Value Indication Per Square Foot		**$7.24**	**$7.65**	**$7.85**	**$7.98**

Value Ranges	**Before Adjustment**	**After Adjustment**
Minimum Price	**$8.26**	**$7.24**
Maximum Price	**$10.64**	**$7.98**
Mean Price	**$9.25**	**$7.68**
Standard Deviation	**$1.08**	**$0.32**
Median	**$9.04**	**$7.75**

Conclusion

Many of our adjustments have been based on typical market considerations and we believe this provides support for our overall value indication.

After adjustments, the comparable sales ranged from $7.24/Square Foot to $7.98/Square Foot with a mean of $7.68/Square Foot . A value conclusion of $7.50/Square Foot is considered reasonable for the subject given its positioning within the Rio CRA. As such, the subject's Fee Simple Market Value via the Sales Price per Square Foot Analysis utilizing the "Across-the-Fence" sales methodology was concluded to be as follows:

Market Value		
9,763 SF @	$7.50 /SF =	$73,223
Rounded: $70,000		

Introduction

The Cost Approach considers the depreciated cost of replacing or constructing the property in today's market. Depreciation refers to a market-derived estimate and must consider the physical and economic life of the property or component being depreciated. The subject property is divided for valuation purposes in this approach into land and improvements. Land value is estimated by sales comparison, and the improvements are valued by determining their depreciated replacement cost, which are then summed to derive a total property value estimate.

This approach to value is based upon the replacement cost concept, i.e., Principle of Substitution. The concept, from a buyer's standpoint, proposes that a property's value is no more than the cost of producing a substitute with equal utility. The Cost Approach, in applying this concept, assumes that time is not an important element in the buyer's decision, that the buyer is able and willing to produce the substitute, and that land is available for this purpose. A major limitation of this approach, in addition to the limitations implied by these assumptions, is the difficulty of determining the amount of depreciation, especially in older properties.

The Cost Approach was not developed as the subject is vacant land and the approach is not applicable.

Reconciliation

Reconciliation and correlation of value is performed when more than one approach to value is used to value real property and weighs the relative significance, applicability, and defensibility of each value indication and relies most heavily on the one that is most appropriate to the type and definition of value sought. The conclusion drawn in the reconciliation is based on the appropriateness, accuracy, and quantity of evidence in the entire appraisal. These values are summarized in the following table.

Summary of Values		
	Total	PSF
Sales Comparison Approach	$70,000	$7.17
Income Capitalization Approach	N/A	N/A
Cost Approach	N/A	N/A
Market Value	**$70,000**	**$7.17**

In view of the following facts and data in conjunction with this appraisal, it is the opinion of CRE Valuation Services that the market value of the Fee Simple interest in the subject property "As Is" utilizing the "Across-the-Fence" sales methodology as of January 3, 2024, and subject to the general assumptions and limiting conditions, was:

$70,000

Hypothetical Conditions – None

Extraordinary Assumptions – None

Limiting Conditions – We have relied upon the provided Sketch & Legal Description of the proposed Right-of-Way Abandonment completed by GeoPoint Surveying, Inc. with an effective date of August 30, 2023, and a certification date of September 5, 2023. If we are provided with further information regarding the subject site, we retain the right to amend and change our report and value conclusion herein.

Market and Exposure Time

Market Time is best defined as a "reasonable marketing time" which is an estimate of the amount of time it might take to sell a property interest at the estimated Market Value during the period immediately after the effective date of the appraisal. It is not intended to be a prediction of a specific date of sale and, therefore, may be expressed as a range. Exposure time is defined as 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 As-is on the effective date of appraisal.

Based on market and exposure times of comparable sales and interviews with active participants in the local market, the above Market Value opinion could be achieved with a market time and an equal exposure time of approximately six (6) months. This conclusion is predicated on the assumption that the subject is offered at a price near the value opinion set forth herein, and is supported by recent sales of similar properties, a sampling of which has been presented in this report.

EXHIBITS

CLIENT ENGAGEMENT LETTER

CRE VALUATION SERVICES TREASURE COAST

100 S.W. Albany Avenue
Suite 200
Stuart, FL 34994
772-286-8762
admin@CREValuationServicesTC.com

November 30, 2023

RIO South Dixie LLC
~~8985 SE Bridge Road~~
~~Hobe Sound, FL 33455~~

601 Heritage Drive #227
Jupiter, Florida 33458

RE: ROW Abandonment, Charlotte St. Martin County

The purpose of this letter is to submit our bid proposal so you may have the appropriate information to engage CRE Valuation Services of the Treasure Coast for appraisal services.

CRE Valuation Services of the Treasure Coast appreciates the opportunity to provide this proposal for appraisal services to RIO South Dixie, LLC (the "Client") for the above-captioned assignment.

Scope of Work

It is our mutual understanding that the purpose of this assignment is to provide an appraisal report in summary format estimating the Market Value of a section of Right of Way to be acquired by the Client from Martin County.

The report will be prepared in conformance with and subject to the Standards of Professional Practice and Code of Ethics of the Appraisal Institute and the *Uniform Standards of Professional Appraisal Practice* (USPAP) developed by the Appraisal Standards Board of the Appraisal Foundation and Yellow Book standard.

This quote is based on the given information. During the Scope of Appraisal should the assignment's complexities or requirements increase significantly, the fee is subject to change. The report can be completed for a fee of $3,000 in 15 business days. A deposit of 50% is required to begin the assignment and the time frame to complete will be from the time of receipt of deposit and a signed engagement letter.

Additional fees will be charged on an hourly basis for any work which exceeds the scope of this proposal, including performing additional valuation scenarios, additional research and conference calls or meetings with any party which exceed the time allotted for an assignment of this nature. (Hourly reports subject to change annually). To complete this assignment in the designated time, we will require as much of the available information as possible. Any unreasonable delays in the receipt of this information or in the access to the Subject Property will extend the final delivery date of the report as proposed.

HOURLY FEE SCHEDULE

MAI Appraiser:	$350/hr
State Certified Appraiser:	$300/hr
Trainee Appraiser:	$175/hr
Researcher:	$100/hr
Admin:	$ 75/hr

REIMBURSABLE EXPENSES

3rd Party Reports, Industry Research Material, etc, billed at cost plus 10%

The report will be addressed to and shall be solely for the Clients use and benefit. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties.

If this proposal is acceptable, please authorize us to proceed by executing this letter of engagement by signing below.

Thank you for considering us for this assignment and we look forward to the opportunity of working with you. Should you require any additional information or if you have any questions, please contact me at 772-403-3752.

Best Regards,

Nikolaus M. Schroth
Cert. Gen. RZ3704

Name: RIO SOUTH DIXIE LLC

Brian Pawlik / VP - Development 12/18/23

Authorized Signatory Date

PROFESSIONAL QUALIFICATIONS

Nikolaus M. Schroth, CCIM - Managing Partner – Treasure Coast Office

nschroth@crevaluationservicestc.com **– 772-403-3752**

Personal

South Florida Resident, since 1983 - Florida Native

Professional Associations & Designations

State Certified General Appraiser – RZ3704

CCIM – Designee

Member – Appraisal Institute

Broker / Realtor – State of Florida – BK3157525

Member – Martin County Realtors of the Treasure Coast

Member – Urban Land Institute

Education

University of Central Florida

- Bachelor of Science Business Administration (BSBA) with a major in Finance
- Real Estate Finance
- Real Estate Law
- Appraisal Principles
- Appraisal Procedures

Continuing Education

- Appraisal of Industrial & amp; Flex Buildings– McKissock – 7 Hours – 11/2022
- Supervisor Trainee Course – McKissock – 4 Hours – 9/2020
- Commercial Land Valuation – McKissock - 4 Hours – 11/2022
- Florida Appraisal Law & USPAP Update – McKissock – 10 Hours – 11/2022
- Intermediate Income Approach Case Studies for Commercial Appraisers – McKissock – 4 Hours – 11/2022
- Appraisal of Self-Storage Facilities – McKissock – 7 Hours – 11/2022 Seminars Attended

Types of Valuation/Consultation Services Performed

Feasibility Studies, Market Studies, Leasehold & Leased Fee Valuations, Reproduction/ Replacement Cost Estimates, expert witness testimony

<u>Types of Property Appraised</u>

Commercial Office, Retail and Industrial Buildings, Commercial Land, Residential Development Land, Pastureland, Grove Land, Row Crop Land, Organic Farms, Gas Stations and Convenience Stores, Proposed Commercial Office and Retail Buildings, Mobile Home Parks, Restaurants, Proposed Residential Development

<u>Brokerage Experience</u>

Nikolaus has been serving all aspects of the Treasure Coast's real estate needs for the past 12 years. His expertise includes appraising property types such as: Shopping Centers, Industrial & Mixed-Use properties, Service Stations, Marinas, and Churches. His appraisals have been used in establishing a purchase/sale price, portfolio analysis', right-of ways, tax appeals, estate planning and litigation. Nik has developed a keen insight on the ever-changing trends in commercial real estate by embedding himself in the Treasure Coast real estate market through appraisal, sales, and leasing to be able to provide an honest and accurate assessment of the market and to provide clients with a level of commitment that is second to none.

<u>Work Experience</u>

2005 to 2006- Researcher – Johnson & Parrish of the Treasure Coast

2006 to 2014 – Trainee Appraiser – Johnson & Parrish of the Treasure Coast

2006 to 2010 – Sales Associate – Southcoast Incorporated

2014 to 2015 – Certified Appraiser – Thomas Johnson and Associates

2015 to Present – Certified Appraiser & Managing Partner – Thomas Johnson and Associates

2010 to Present – Broker Associate/Vice President – NAI Southcoast Incorporated

2012 to Present – Information Officer – ERFOLG Holdings, Inc.

2014 to Present – Founding Partner/Director Islamorada Beer Company

2020 – Board Member CRB

2018 – President – Stuart Main Street

Development Experience

Gatlin Palms Retail Center – 8,000 Square Feet of retail and a fast food out parcel. Acquired 2016, developed 2019, stabilized 2020.

Avonlea PUD – 13 Acres, acquired 2015, approved 2018, developed 62 townhome lots and sold to national builder and sold a parcel for 123 apartment units.

THOMAS J. JOHNSON, MAI, SRA – Founding Partner – Treasure Coast Office

tjohnson@crevaluationservicestc.com – 561-310-4707

Personal

Resident, Palm Beach County, Florida since 1951

Professional Associations & Designations

State Certified General Appraiser – RZ798

MAI Designation - 8851

SRPA Designation

Member – Appraisal Institute

Broker / Realtor – State of Florida - 135591

Member – Martin County Realtors of the Treasure Coast

Education

University of Central Florida

- Bachelor of Science Business Administration (BSBA) with a major in Real Estate Finance
- Real Estate Law
- Appraisal Principles
- Appraisal Procedures

Continuing Education

- Appraisal Laws & Rules – Appraisal Institute – 3 Hours – 12/1/2022
- USPAP Update – Appraisal Institute – 7 Hours – 12/2022
- Appraising Condos, Co-Ops & PUDs – Appraisal Institute – 7 Hours – 1/2023
- The 50 -Percent FEMA Rule Appraisal – Appraisal Institute – 3 Hours – 1/2023
- Responding to a Reconsideration of Value – McKissock – 3 Hours – 1/2023
- That's a Violation – McKissock – 4 Hours – 12/2022 Types of Valuation/Consultation Services Performed

Types of Valuation/Consultation Services Performed

Appraisals, Appraisal Reviews, Condemnation, Court Testimony, Estate Valuations, Feasibility Studies, Highest and Best Use Studies, Market Studies, Leasehold & Leased Fee Valuations, Tax Assessment Appeals/Impact Studies, Reproduction/ Replacement Cost Estimates

Types of Property Appraised

Residences, Condominiums, Shopping Centers, Industrial Properties, Marinas, Vacant Lots, Acreage, Residential Projects, Mobile Home Parks, Motels, Office Buildings, Warehouses, Restaurants, Churches, Night Clubs, Special Purpose Properties, Apartment Projects, Environmentally Sensitive Properties/Wetlands

Additional Credentials

Member SREA Chapter 200 Experience Review Committee

Chairman SREA Chapter 200 Employee Opportunities Committee

Qualified Expert Witness: Palm Beach County, Martin County, St. Lucie

County, Okeechobee County Circuit Court, and Federal Bankruptcy Court

Special Master to Oversee Tax Appeals for Palm Beach County

Member Board of Directors Appraisal Institute Chapter 200

Ron DeSantis, Governor

Melanie S. Griffin, Secretary

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD

THE CERTIFIED GENERAL APPRAISER HEREIN IS CERTIFIED UNDER THE PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

SCHROTH, NIKOLAUS MARTIN

2055 S KANNER HWY
STUART FL 34994

LICENSE NUMBER: RZ3704

EXPIRATION DATE: NOVEMBER 30, 2024

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Ron DeSantis, Governor

Melanie S. Griffin, Secretary

Florida dbpr

STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD

THE CERTIFIED GENERAL APPRAISER HEREIN IS CERTIFIED UNDER THE PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

JOHNSON, THOMAS J

2055 SOUTH KANNER HIGHWAY
STUART FL 34994

LICENSE NUMBER: RZ798

EXPIRATION DATE: NOVEMBER 30, 2024

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Ron DeSantis, Governor

Melanie S. Griffin, Secretary

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD

THE REGISTERED TRAINEE APPRAISER HEREIN HAS REGISTERED UNDER THE PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

NIGHTINGALE, NICHOLAS HUNTER

950 S KANNER HIGHWAY
BLDG A UNIT 24
STUART FL 34994

LICENSE NUMBER: RI25459

EXPIRATION DATE: NOVEMBER 30, 2024

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