

RETROSPECTIVE APPRAISAL REPORT

**30' SECTION OF ROGERS STREET
ADJACENT TO PART OF LOTS 2-3 OF
WILLIAM BROWN'S SUBDIVISION OF BAYVIEW FLORIDA
PLAT BOOK 1, PAGE 13, HILLSBOROUGH COUNTY
AT 2963 GULF TO BAY BOULEVARD
CLEARWATER, FLORIDA 33759**

DATE OF VALUATION

FEBRUARY 21, 2022

PREPARED FOR

**MS. SUZANNE KRAMER
REAL ESTATE SERVICES COORDINATOR
CITY OF CLEARWATER ENGINEERING DEPARTMENT
110 S. MYRTLE AVENUE, SUITE 220
CLEARWATER, FLORIDA 33756**

SENT VIA E-MAIL: SUZANNE.KRAMER@MYCLEARWATER.COM

PREPARED BY

**JAMES M. MILLSPAUGH, MAI
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110 TURNER STREET
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September 23, 2022

Ms. Suzanne Kramer
Real Estate Services Coordinator
City Of Clearwater Engineering Department
110 S. Myrtle Avenue, Suite 220
Clearwater, Florida 33756
Sent Via E-Mail: suzanne.kramer@myclearwater.com

Re: Retrospective Real Estate Appraisal Services
30' Section of Rogers Street Adjacent to Part of Lots 2-3 Of
William Brown's Subdivision of Bayview Florida
Plat Book 1, Page 13, Hillsborough County
At 2963 Gulf To Bay Boulevard
Clearwater, Florida 33759

Dear Ms. Kramer:

At your request, I have made a retrospective appraisal report of the market value of the fee simple estate of the above referenced real property only. The property and methods utilized in arriving at the final value estimate are fully described in the attached report, which contains 17 pages and Addenda.

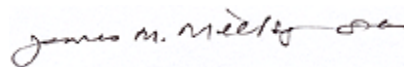
This Appraisal Report has been made in conformance with and is subject to the requirements of the Code of Professional Ethics and Uniform Standards of Professional Practice (USPAP) of the Appraisal Institute and the Appraisal Foundation. The Appraisal Report and final value estimate are subject to all attached Contingent and Limiting Conditions.

I have made a careful and detailed analysis of the subject property and after analyzing the market data researched for this report, I estimate that the market value of the referenced real property only and subject to the stated limitations, definitions and certifications set forth in the attached retrospective appraisal report as of February 21, 2022, was:

TEN THOUSAND DOLLARS
(\$10,000)

Respectfully submitted,

JAMES MILLSPAUGH & ASSOCIATES, INC.



James M. Millspaugh, MAI
JMM:sg

JAMES M. MILLSPAUGH, MAI
State-Certified General Real Estate Appraiser RZ58

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EXISTING CONDITIONS

30' SECTION OF ROGERS STREET
ADJACENT TO PART OF LOTS 2-3 OF
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PLAT BOOK 1, PAGE 13, HILLSBOROUGH COUNTY
AT 2963 GULF TO BAY BOULEVARD
CLEARWATER, FLORIDA 33759

DATE OF PHOTOGRAPHS: FEBRUARY 21, 2022



SITE VIEW LOOKING EAST BEYOND 2963 OFFICE BUILDING ON LEFT



SITE VIEW LOOKING WEST

IDENTIFICATION OF THE PROPERTY:

The subject is located 348.44' south of Gulf To Bay Boulevard to the south of Water's Edge office building footprint roughly 500' west of Bayview Avenue. It is legally described in the Addenda exhibits drawn by Stantec Consulting Services, Inc. of Tampa, Florida, referenced as Project No. 215614892 dated 2/19/19 as Part B, together with the adjacent S. 20' of the Rogers Street right-of-way.

CENSUS TRACT LOCATION/ZIP CODE:

#254.05/33759

FLOOD ZONE LOCATION:

Pinellas County, Florida
Map #12103C0129H
Effective Date: 8/24/21

The site and adjacent bluff lands are located in a zone X which is not a special flood hazard area and is defined as an area of minimal flooding.

ENVIRONMENTAL AUDIT DATA:

The appraisal has been performed without benefit of an environmental audit and presumes that no problems exist, however, I reserve the right to review and/or alter the value reported herein should a subsequent audit reveal problems.

OBJECTIVE AND INTENDED USE/USERS OF THE APPRAISAL REPORT:

The objective of the appraisal report is to estimate the retrospective market value of the subject property as of the February 21, 2022 (Date of inspection and photographs). Is my understanding that the intended use of the report is for guidance to the city of Clearwater in negotiating a sale of the property to the adjacent owner as part of an assemblage for a proposed apartment complex and the intended users are the City of Clearwater and buyer representatives and no others.

EXPOSURE PERIOD ESTIMATE:

This is the past period of time required to have sold the subject at my value estimate on the appraisal date. Given the brisk development cycle for multi-family apartment development in this locale that has extended back roughly five years, this period would have been within a typical one-year contract period.

STATEMENT OF OWNERSHIP AND RECENT SALE HISTORY:

There have been no subsequent transfers of the property that would impact the current market value, however, the 2963 owner gave a quitclaim deed for its potential interest in the 10' section of the parcel to the DD Gulf To Bay, LLC., on March 16, 2021, recorded at O. R. Book 21435, Page 2577. Per the owner representative, Mr. David McComas, they sold the agreement at a \$50,000 consideration that included constructing a monumental fence along the north side of the 10' strip at an approximate \$25,000 cost to the 2963 ownership. As such, the land sold at roughly \$25,000 net or \$10.69 PSF ($\$25,000/2,338 = \10.69 PSF).

SCOPE OF THE APPRAISAL:

The extent of my research effort has included primarily the sale of proximate land having the same zoning/land use regulations and highest and best use. Further, consideration has been given to the physical site characteristics that would ordinarily not allow individual use of the subject except for addition to an assembled site plan as previously proposed here. Specifically, I have researched the Property Appraiser's and Clerk's data, local MLS, business periodicals, internet sources and my newspaper clipping files together with my personal data banks of similar transactions. I have inspected the sale data and confirmed the transactions with a related party. I have previously appraised the 2975 Gulf To Bay site during 2018 and the subject 30' strip in February 2022 at which point it was included in the proposed site plan for the adjacent apartment complex.

¹DEFINITION OF MARKET VALUE:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in the definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

 1 Federal Deposit Insurance Corporation, 12 CFR, Part 323, RIN 3064-AB05, August 20, 1990, Section 323.2, Definitions

STANDARD CONTINGENT AND LIMITING CONDITIONS:

This Appraisal is subject to the following limiting conditions and contingencies:

This Appraisal Report in no way represents a guaranty or warranty of estimated market value as reported herein. The Appraisal Report represents the opinion of the undersigned as to "one figure" based upon the data and its analysis contained herein.

The legal description furnished is assumed to be correct and unless otherwise noted, no survey or title search has been made. No responsibility is assumed by the Appraiser(s) for these, or any matters of a legal nature and no opinion of the title has been rendered. The property is appraised as though under responsible ownership and management. The Appraiser(s) believe(s) that information contained herein to be reliable but assume(s) no responsibility for its reliability.

The Appraiser(s) assume(s) there are no hidden or unapparent conditions of the property, subsoil, or structure which would affect the value estimate. Unless otherwise noted, the Appraiser(s) has not commissioned termite or structural inspection reports on any improvements nor subsoil tests on the land.

The attached photos, maps, drawings, and other exhibits in this report are intended to assist the reader in visualizing the property and have been prepared by the Appraiser(s) or his staff. These exhibits in no way are official representations/surveys of the subject property.

Any distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. Separate valuations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the building, such as the presence of urea-formaldehyde foam insulation, and/or the existence of toxic waste, which may or may not be present on the property, was not observed by the Appraiser; nor does he/she have any knowledge of the existence of such materials on or in the property. The Appraiser, however, is not qualified to detect such substances. The existence of urea-formaldehyde insulation or other potentially hazardous waste material may have an effect on the value of the property. The Appraiser urges the client to retain an expert in the field if desired.

The Appraiser(s) will not be required to appear in court unless previously arranged. The Appraiser's duties pursuant to his employment to make the Appraisal are complete upon delivery and acceptance of the Appraisal Report.

Possession of this report or copy thereof does not carry the right of publication. Neither all nor any part of the contents of this report (especially any; conclusions as to value, the identity of the Appraiser(s), or the firm with which he is connected, or any reference to the Appraisal Institute or to the MAI or SRA designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior written consent and approval of the undersigned.

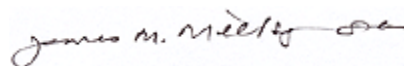
The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The Appraiser(s) has (have) not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance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

CERTIFICATION

The undersigned does hereby certify that, except as otherwise noted in this appraisal report:

1. As of the date of this report, I, James M. Millspaugh, have completed the requirements under the continuing education program of the Appraisal Institute.
2. I have personally inspected the subject property and have considered all factors affecting the value thereof, and to the best of my knowledge and belief, the statements of fact contained in this appraisal report, upon which the analyses, opinions and conclusions expressed herein are based, are true and correct, subject to all attached Contingent and Limiting Conditions.
3. I have no present or contemplated future interest in the real estate that is the subject of this appraisal report.
4. I have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved.
5. My fee for this appraisal report is in no way contingent upon my findings. The undersigned further certifies that employment for this appraisal assignment was not based on a requested minimum valuation or an approval of a loan.
6. This appraisal report sets forth all of the limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analyses, opinions, and conclusions contained in this report.
7. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Uniform Standards of Professional Practice of the Appraisal Institute and the Appraisal Foundation and may be subject to peer review. Further, I have met USPAP's competency provision and am capable of completing this appraisal assignment.
8. No one other than the undersigned prepared the analyses, conclusions and opinions concerning the real estate that are set forth in this appraisal report.
9. In my opinion, the retrospective market value estimate of the subject strip as of February 21, 2022, was:

TEN THOUSAND DOLLARS
(\$10,000)



James M. Millspaugh, MAI
State-Certified General Real Estate Appraiser 0000058

AREA DESCRIPTION:

This eastern section of Clearwater is known as Bayside as it extends east from US 19 to the Tampa Bay shoreline. It is characterized as a crossroads to major employment centers in the Pinellas Gateway and Tampa Westshore districts via the Bayside Bridge and Courtney Campbell Parkway which connects to the Clearwater Beach tourist district along Gulf To Bay Boulevard/SR #60. This route is the major tourist entrance point for the auto and flying travelers heading to Clearwater Beach. The major activity node here forms around the Clearwater Mall at US 19 and declines towards Tampa Bay due to the lack of populous/standard improvements prevented by the actual water surface. Traffic counts plus a potential water view amenity are major positives for the subject in spite of the less populated demographic.

The use trend along Gulf To Bay includes office, retail, restaurants, RV Park, motels plus a large grouping of mobile home parks, many of which including two older trailer parks fronting Gulf To Bay west of Bayview Avenue are under development currently for multi-family apartments. The district had recently attracted the proximate 300,000 SF regional office for BayCare Health Services at Bayview and Drew Street, a major apartment complex fronting Tampa Bay just east of the mall plus four new fast-food restaurants (McDonald's, Tijuana Flats, Starbucks, and Taco Bell). The majority of the existing space here fronting Gulf To Bay is fully occupied with no more than several smaller properties for lease or sale. The COVID-19 pandemic here appears to have had greater impact on multi-tenant office space with vacancy levels increasing during the 2020-2022 period.

The Clearwater sanitary sewer plant located in the SE quadrant of Gulf To Bay and the Bayside Bridge had historically been a detriment while the elevated roadway shielded its exposure along with the public park at the southwest quadrant that enabled open water views into Tampa Bay. This locale has also attracted one of Clearwater's major church complexes at Drew Street and McMullen-Booth Road plus the private Clearwater Christian College sited on old Tampa Bay off the causeway just east of Bayshore Drive was recently acquired for further college use in a newly developed mid-rise building over structured parking.



Clearly then, this crossroads district has historically attracted a wide activity base related to the causeway/bridge, adjacent residential areas in Clearwater and Safety Harbor and its central Tampa Bay area location. Prior to the COVID-19 Pandemic, the re-stabilized real estate market, local, state and federal economies, reduced unemployment and modest interest rates, there had been no expectation for a declining value/demand profile for the subject locale. Given its prime location, any downward demand/value here would be expected to be specific to the property type and not the area in general.

SITE DATA:

The subject is a narrow 30' rectangle having 233.89' and 233.74' east-west dimensions and a total land area of 7,014 SF. It is basically level, even with the former trailer park site but well below the north adjacent office building pad that was graded to provide better visibility from the roadway. The 10' strip had increased the previous Rogers Street width from the otherwise standard 40' in other parts of the subdivision.

The general area slopes from the roadway near the 28' elevation to near 10' along the Tampa Bay shoreline. While being in a storm evacuation zone, the site is not in a flood hazard zone. All public and private utilities are available to this site and locale with Gulf To Bay Boulevard being the area's major east-west traffic route and having a 2019 traffic count of 56,000 just east of US 19 and including modern improvements and center turn lanes. Proximate traffic lights at Hampton Road and McMullen-Booth/Bayside Bridge ease traffic access during the regular days but less so on weekends and holidays.

Surrounding improvements include office/retail space on Gulf To Bay Boulevard, under-construction apartments to the east plus pending on the adjacent site with both having Tampa Bay frontage/views. An older garden complex exists just to the west with another modern complex beyond towards Clearwater Mall.

There are no known detrimental influences adjacent or, in the locale, while the heavy traffic adds to the access/congestion in this crossroads market.

ASSESSMENT & TAX DATA:

This parcel is not individually assessed but as part of the office building site the total land area is estimated at \$15.00 PSF or roughly \$105,000 for the 7,014 SF site.

ZONING AND LAND USE DATA:

The subject and general district south of Drew Street, west of Bayview Avenue, north of the Tampa Bay shoreline and west of Old Coachman Road are zoned US 19 with a Regional Center land use classification. This is a relatively new regulation (early 2017) that is form-based and fairly extensive to serve this nodal type locale with a full range of retail, office, service and attached dwelling uses. The allowed uses require three levels of approvals with the least difficult classified as BCP (building construction permit) subject only to staff approval. The next level is FLS level one that requires approval by the community development coordinator and the third level is the FLD level two that requires community development board approval. There are a total of 41 allowed uses with only 19 requiring the BCP approval process within the Regional Center district. These uses include alcohol beverage sales, bars, ALFs, brew pubs, community gardens, congregate care, educational facilities, indoor recreation/entertainment, light assembly, offices, overnight accommodations, parks and recreation facilities, research and technology, restaurants, retail plazas, retail sales and services, telecommunications towers, veterinary offices and attached dwellings. Uses not allowed include outdoor recreation/entertainment, problematic uses, nursing homes, animal boarding, social and community centers, social/public service agencies, nursing homes and vehicle service/limited while all can be approved by level one or level two requirements.

The subject fronts a type “A” street that requires setbacks of 15’-20’ front, 10’ side and 10’ rear. There is a maximum FAR of 2.5 and height of 150’ that can be lowered by proximity to residential zoning within 50’ of a building at a maximum of 35’. That can be increased by a ratio of added distance. The form-based concepts are heavily reliant on the pattern and form of the improvements with the public goal of creating a consistent development pattern with walkability/transportation corridors as useful as possible. The regulation requires similar parking ratios as previous regulations including 1.5 per unit for attached dwellings, commonly 4 spaces per 1,000 SF for office/retail use and one per unit for overnight accommodations among others with potential reduction incentives.

HIGHEST AND BEST USE: (Defined In Addenda)

This concept would be for assemblage with the adjacent former Bay Breeze Trailer Park for development of a modern apartment complex having Tampa Bay views. This parcel was required to have structured parking to accommodate the most favored 400-unit complex size while other relatively recent complexes at Arbor Shoreline on US 19 and along Gulf To Bay Boulevard have been developed with 3-4 story on grade complexes with no structured parking due to having larger site sizes and no elevation problems. The adjacent two complexes required structured parking and, as such, sold at lower per unit price metrics than other nearby complexes.

The larger the site, the better they are capable of providing support retention, open space, and parking facilities. The submerged lands included had no benefit to the number of units but could provide waterfront common areas. While the subject then is not usable separately, it nonetheless can add to the total size and, therefore, the density of the adjacent parcel. Alternately, the US 19 zoning regulation would allow a larger building that if beyond the 4-6 story range would be more cost prohibitive and likely exceed the 400-unit threshold. In this instance, the grade level parking structure was sufficient to meet the demand without the added platform and high-rise costs.

Clearly, there is likely minimal demand for this section of the site that had been included in the initial approved site plan while the office building owner also had no practical use for the 10' strip and had given a quitclaim deed divesting its interests (recorded O. R. Book 21435, Page 2577) and agreeing to install a monumental quality fence along the northern property line. In reality, the adjacent former mobile home park had adequate land size to build the project without the subject 30' wide section that is reported to have buried utility pipes in an easement. In spite of their original intention to include the subject in this land assemblage they have opted to exclude its use for the new complex.

As such, it is evident that any value for this parcel would be at a nominal level below the examples noted in the following analysis.

LAND SALE #1

Location: SW Corner of Gulf To Bay Boulevard and Cross Boulevard, Clearwater

Legal Description: Part of Lot 2, Baskin's Replat Resub, Plat Book 24, Page 42
(Parcel # 17-29-16-03006-000-0206)

Date of Sale: May 2016

Sales Price: \$1,585,000

Size: 200' x 279' Irregular; 50,108 SF

Price PSF: \$31.63

Grantor/Grantee: AB/PSREG Bayview Owner, LLC./GTB Retail, LLC.

Recording Data: O.R. Book 19224, Page 1735

Sale Confirmed With: A. Everett, Grantor Rep.

Zoning: C, Commercial, Clearwater

Comments: This site represents a commercial out-parcel to the Solaris Key Apartment Complex that extends south to the Tampa Bay shoreline. Typical uses along the roadway are mostly retail with the adjacent site having been recently improved with a new McDonald's after having been a Village Inn for several decades. The 2015 MPO traffic count here was at 48,500 versus 87,500 for US 19 and 60,000 on McMullen-Booth Road. Subsequent to this transaction a 274.2' x 150' site located adjacent west sold in October 2018 at \$1,050,000/\$25.53 PSF for development of a Starbucks (recorded O. R. Book 20297, Page 0216). The site was off the corner and included wetland areas along the western boundary.

LAND SALE #2

Location: South side Gulf To Bay Boulevard, approximately 100' west of Bayview Avenue, Clearwater

Legal Description: Lot 1 less E 50' plus Lot 2 less W 153.92' and Lot 18 plus vacated Rogers Street, WM. Brown's Bayview Subdivision Plat Book H-1, Page 13

Date of Sale: October 2019

Sale Price: \$4,700,000

Size: 197.5' x 877' total 5.45 Acres total including 1.68 Acres submerged, 3.77 Acres upland

Price PSF: \$28.62

Grantor/Grantee: Wilder Corp. of Delaware/ BVT – Bainbridge Bayview Owner LLP.

Recording Data: O.R. Book 20716, Page 1134

Data Confirmed With: M. M. Gfesser, Grantee Rep.

Zoning: US 19, Clearwater

Comments: This site had been cleared of the previous 58-space Bayside Gardens Trailer Park and offered for sale/redevelopment for about one year at \$6,000,000. This buyer had a conditional development approval contract with reported then current plans for a structured parking facility with roughly 265 units that will offer bay views for most apartments. The narrow/deep configuration is ideal for the concept as the east adjacent properties would not block views into Tampa Bay or beyond the Bayside Bridge. The \$17,736 per unit price is considerably below the Arbor Shoreline-Bainbridge purchase made in October 2017 at \$14,000,000/\$38,889 per unit that allowed on grade buildings and parking versus this site that required structured parking that allows a 70/acre density. The Arbor Shoreline site was developed at a 20.6 PA density (recorded O. R. Book 19873, Page 0 811).

LAND SALE #3

Location: 2975 Gulf To Bay Boulevard, Clearwater

Legal Description: West 153.92' of Lot 2, east 46.08' of Lot 3, east 70' of Lot 15 and Lots 16-17, W. M. Brown's Subdivision of Bayview Plat Book 1, Page 13 plus adjacent submerged lands in Tampa Bay

Date of Sale: November 2019

Sale Price: \$12,050,000

Size: L-shaped uplands 7.539 plus 1.95 acres submerged lands (Excludes subject 30' strip)

Price PSF: \$36.69

Price Per Unit: \$30,200

Grantor/Grantee: Kirkpatrick Trust/ D. D. Gulf to Bay, LLC.

Recording Data: O.R. Book 20780, Page 2197

Data Confirmed With: D. Kirkpatrick, Grantor Rep.

Zoning: US 19, Regional Center, Clearwater

Comments: This parcel was marginally improved with a 1950s era trailer park where the tenants had been relocated prior to this transaction. There was an east-west road right-of-way that was to be vacated with the buyer required to seek the vacation. The site has been planned for a 399-unit apartment complex housed in two on-grade buildings separated by a parking garage. The wide section of the lot allowed excellent views of old Tampa Bay.

LAND VALUE ESTIMATE:

The first step is to consider the value of the adjacent parcel recently purchased as Land Sale #3 at \$36.69 PSF. Land Sale #2 was acquired for retail uses at \$31.63 PSF with a slightly shallower depth than the 2963 building but sold in the early stages of the current up-cycle that would now likely exceed \$40.00 PSF. Land Sale #2 had a narrow water frontage in relation to Land Sale #3 but also required structured parking. It sold from an estate in liquidation with far less local interest than the Land Sale #3 with its wide frontage and larger site size. From these examples then and allowing for continued market pressure from multi-family apartment developers, it appears that a likely value for the subject assemblage for this property would be realistic near \$40.00 PSF or \$280,560 (7,014 SF @ \$40.00 PSF = \$280,560).

The next step is to consider the narrow site configuration and realistically what net benefits would result. The 7.7 acres of the initial site plan acquisition for 399 units would indicate a 52 PA density and with a .161 Acres @ 52 PA, equaling less than nine units (.161 @ 52 PA = 8.37) or per city rules 8 units. Therefore, this strip of land would theoretically allow 8 added units at \$30,200 per unit or \$241,600. The zoning maximum would allow these further units but the existing site design would likely make this less practical. Therefore, it is likely that the subject strip would add a value somewhat below the PSF pro-rata figure of \$241,600 SF.

I have also considered the obvious lack of separate use of the subject slip in relation to the proximate conventionally shaped and sized parcels. The following examples are not ideal but illustrate the point that these types of transactions typically sell at a discount in relation to the similar market.

This southerly 15' of Lot 1, Hugh B. Hatch Subdivision located on CR #1 in Dunedin sold in August 1976, for \$2,500. This was an unusable strip of excess land that was sold to one of three adjoining property owners. It's dimensions were 15' x 1,316'. The land, if conventionally shaped, would have been valued at \$10,000 per acre or \$4,540 for the narrow strip. The actual price reflects 55% of the conventional value and was influenced by the fact that the third owner at the end of the strip could have utilized this site for another access road (recorded O. R. Book 4455, Page 11).

A 70' x 572' site located on the north side of Lakeview Road about ¼ mile east of S. Ft. Harrison Avenue, Clearwater, sold in June 1986 for \$126,236 or \$3.15 PSF. It had been railroad owned, was zoned for light industrial and was purchased for speculative office/storage development by the area's most active developer. The site was bounded by the active rail line on one side and a platted but unimproved street on the other. Both adjacent rights of way benefited this site's ultimate development potential. At that point in time, other similar located sites of conventional shape would have been valued at \$6.00 PSF which indicated this usable tract sold at 52.5% of standard due to its narrow configuration (recorded O. R. Book 6255, Page 965).

Another similar scenario included a 34.72' x 112.57' MOL strip of former railroad right of way located south of Ohio Avenue in Palm Harbor where only the adjacent owner could benefit from its purchase. This site was fully improved with this parcel simply representing excess land. The site was purchased for \$5,000/\$1.48 PSF in July 1994 at a point when the full value for the adjacent land use was \$3.50 PSF. This sale then represents 42% of full value (recorded O. R. Book 8728, Page 1775).

Another more recent example in January 1996 included the sale of the vacated Milwaukee Avenue extending north from Main Street in Dunedin to Skinner Boulevard. This 40' x 489' MOL section of land was purchased by one of several adjacent owners to form a larger parcel. The buyer already owned a 3± acre site but was motivated to create more buildable areas in anticipation of future demand. The \$24,000/\$1.07 PSF price reflected an average of 34.6% of adjacent land values for low density residential, office and related concepts (recorded O. R. Book 9213, Page 798).

A downtown Clearwater example included a 15' x 210' parcel located in the southeast quadrant of Drew and Myrtle (Parcel #15-29-15-00000-220-0200) which fronted an unpaved alleyway about 180' south of Drew Street. This site had no individual utility but was located in the development rectangle of the adjacent private school campus where land value was fair at \$5.00 PSF. Both adjacent owners bid for the property and the high bidder at \$7,300 sold the option to the private school at \$3,500 in August 1998. Therefore, the total \$10,800 cost indicated \$3.42 PSF for a site having no substantial benefit to either party. This transaction then reflected 68.4% of the \$5.00 PSF normal value (recorded O. R. Book 10214, Page 1250).

A substandard single-family lot (25' x 91') located at the northwest corner of Engman Street and Douglas Avenue, Clearwater, sold to the adjacent owner for extra yard space in April 2019 at \$2,300 or \$1.02 PSF while typically sized lots were selling near \$4.00 PSF. This reflects 25.6% of normal pricing. This site was a corner that noticeably improved the residence at 1164 Engman Street. The lot was legally described as Lot 66, Block D, Greenwood Park #2, Plat Book 8, Page 16 (recorded at O. R. Book 20487, Page 0255).

Another example included a 76' x 91' site that only fronted the Pinellas Trail but bordered an apartment building and single-family residence that had frontage on Overbrook Avenue and Sunset Point Road in northern Clearwater. The site had an MDR zoning with RU – Residential Urban Land Use (allowed 7.5 PA). Both parties expressed an interest in the site that was 10'-12' above the trail surface. It sold at \$6,006 in January 2020 on a SF basis and was near 75% of typical lot prices in this locale (recorded O. R. Book 20844, Page 2448).

The purchase of the quitclaim deed for the north 10' of the subject is another example that reflects roughly 26.72% ($\$10.69/40.00 = .2672$) of the assembled adjacent site value.

These examples then range from 25.6%-75% with a 50.4% average with it being obvious that the subject strip parcel adds only a nominal value as it was not needed to develop the proposed apartment complex. From my review of the physical aspects plus the non-essential use, I would value this site at the 15% level of the \$241,600 figure or \$36,240 less the \$25,000 paid for the quitclaim deed or \$11,240 that I would round to \$10,000.

ADDENDA

QUALIFICATIONS OF THE APPRAISER
JAMES M. MILLSPAUGH, MAI

APPRAISAL EXPERIENCE:

Appraisal experience in Pinellas County, Florida since 1968 when associated with Ross A. Alexander, MAI of Clearwater. Formed James Millspaugh & Associates, June 1980, in Clearwater. The firm concentrates the majority of its appraisal activities in Pinellas County with experience throughout the Tampa/St. Petersburg/ Clearwater MSA.

APPRAISAL PLANT DATA:

In addition to maintaining its location near the main Pinellas County Courthouse complex for easy access to governmental offices and the official public records maintained in the Clerk's office for in-depth background research, the firm maintains Marshall Valuation Service Cost Data, online real estate transactions from RealQuest as provided by CoreLogic and MLS sales data provided by MFR. MLSMatrix plus national surveys on lodging, food service, offices, industrial parks, mini-storage, shopping center markets, investor return rates and others.

COMMERCIAL APPRAISAL ASSIGNMENTS performed include golf courses, postal facilities, commercial buildings, shopping centers, warehouse/manufacturing buildings, mobile home and R.V. parks, financial institutions, nursing homes, motels, timeshares, restaurants, houses of worship, office buildings, apartment buildings, commercial and residential condominium projects (both proposed and conversions), marinas, theaters, fraternal buildings, school facilities, seaport facilities, railroad corridors, easements, leasehold and leased fee estates, life estates, vacant sites, including environmentally sensitive lands, and condemnation cases involving partial and total takings. Feasibility/market studies have been performed for industrial, office, retail, residential and timeshare markets.

APPRAISAL EDUCATION:

American Institute of Real Estate Appraisers (AIREA) courses successfully completed:

I-A: Basic Principles, Methods and Techniques - 1973

VIII: Single Family Residential Appraisal - 1973

I-B: Capitalization Theory and Techniques - 1974

II: Urban Properties - 1975

IV: Condemnation - 1978

: Standards of Professional Practice - 1992, Parts A & B

Society of Real Estate Appraisers (SREA) courses successfully completed:

301: Special Applications of Appraisal Analysis – 1980

JAMES M. MILLSPAUGH, MAI

(Qualifications Continued)

RECENT SEMINARS ATTENDED: Sponsored by The Appraisal Institute

Valuation of Wetlands, 2004.

Commercial Highest and Best Use – Case Studies, 2005.

Uniform Standards (Yellow Book) for Federal Land Acquisitions, 2007.

Condominiums, Co-Ops and PUDS, 2007.

Analyzing Distressed Real Estate, 2007.

Appraisal Curriculum Overview, Two-Day General, 2009.

Cool Tools: New Technologies for Real Estate Appraisers, 2010.

Valuation of Detrimental Conditions, 2010.

Analyzing Tenant Credit Risk/Commercial Lease Analysis, 2011.

Fundamentals of Separating Real and Personal Property and Intangible Business Assets, 2012.

Marketability Studies: Advanced Considerations and Applications, 2013.

Lessons From the Old Economy: Working in the New, 2013.

Critical Thinking in Appraisals, 2014.

Litigation Appraising, 2015.

Webinars on the FEMA 50% Rule, Wind Turbine Effects on Value and Contamination and The Valuation Process, 2015.

Business Practice and Ethics, 2017.

Parking and its Impact on Florida Properties, 2018.

Solving Land Valuation Puzzles, 2018.

Insurance Appraisals, 2018.

Evaluating Commercial Leases, 2019.

Artificial Intelligence, AVMs and Blockchain, 2019.

Appraising Donated Real Estate Conservation Easements, IRS, 2020.

Florida State Law Update, 2022.

National USPAP Update, 2022.

EDUCATION:

Bachelor of Science in Business Administration, University of Florida
Associates of Arts, St. Petersburg Junior College

PROFESSIONAL AFFILIATIONS AND CERTIFICATION

Member: Appraisal Institute with the MAI designation, Certificate #6087, awarded April, 1980. Mr. Millspaugh is a past President of The Gulf Atlantic Florida Chapter of the AI (formerly Florida Chapter No. 2), served as an admissions team leader for the West Coast Florida Chapter, is the past Chairman for the National Ethics Administration Division of the Appraisal Institute and served as the Region X Member of the Appellate Division of the Appraisal Institute. Mr. Millspaugh is a State-Certified General Real Estate Appraiser (RZ58) and has served as a pro-bono expert witness for the Florida Real Estate Appraisal Board.

Member: Pinellas Realtors Organization, National Association of Realtors

Note: The AIREA and SREA merged into one organization on January 1, 1991, that is now known as the AI - Appraisal Institute.

STANDARD DEFINITIONS

HIGHEST AND BEST USE:

1. **The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.**
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an assets existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)
4. [For fair value determination] The use of a nonfinancial asset by market participants that would maximize the value of the asset or the group of assets and liabilities (for example, a business) within which the asset would be used. (FASB Glossary) The highest and best use of a nonfinancial asset takes into account the use that is physically possible, legally permissible, and financially feasible. (FASB 820-10-35-10B). The highest and best use of a nonfinancial asset establishes the valuation premise used to measure the fair value of the asset, as follows: (a) The highest and best use of a nonfinancial asset might provide maximum value to market participants through its use in combination with other assets as a group (as installed or otherwise configured for use) or in a combination with other assets and liabilities (for example, a business). (b) The highest and best use of the asset might provide maximum value to market participants on a standalone basis. (FASB 820-10-35-10E)

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

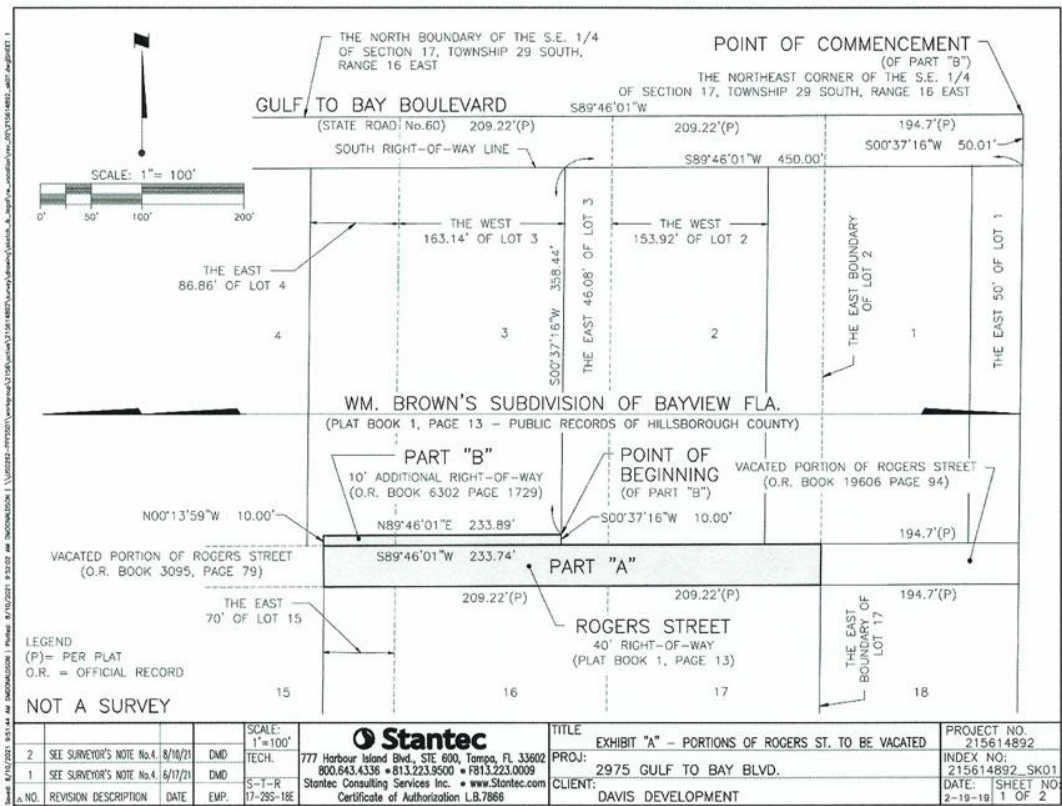
LEASEHOLD ESTATE: The right held by the lessee to use and occupy real estate for a stated term and under conditions specified in the lease.

LEASED FEE INTEREST: The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

REPLACEMENT COST: The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design and layout.

REPRODUCTION COST: The estimated cost to construct, at current prices as of the effective date of the appraisal, a duplicate or replica of the building being appraised, using the same or similar materials, construction standards, design, layout and quality of workmanship and embodying all the deficiencies, super-adequacies, and obsolescence of the subject building.

2. Appraisal Institute, The Dictionary of Real Estate Appraisal - Seventh Edition, 2022. pages 83, 88, 105 and 163.



PART "A" That portion of Rogers Street lying West of the East boundaries of Lots 2 and 17, Wm. Brown's Subdivision of Bayview, Florida, per map or plat thereof as recorded in Plot Book 1, page 13, of the Public Records of Hillsborough County, Florida, of which Pinellas County was formerly a part; and East of that portion of said Rogers Street vacated per Resolution No.69-18 as recorded in Official Record Book 3095, page 79, of the Public Records of Pinellas County, Florida. Together with: PART "B" That portion of Rogers Street conveyed to the City of Clearwater by deed recorded in Official Record Book 6302, page 1729 of the Public Records of Pinellas County Florida, being described as follows: Commence at the Northeast corner of the Southeast 1/4 of Section 17, Township 29 South, Range 16 East; thence South 00°37'16" West, 50.01 feet, to a point on the South right-of-way line of Gulf-to-Bay Boulevard (S.R. 60), said point being the Northeast corner of Lot 1, Wm. Brown's Subdivision of Bayview, Florida as recorded in Plot Book 1, Page 13 of the Public Records of Hillsborough County, Florida of which Pinellas County was formerly a part; thence South 89°46'01" West, 450.00 feet, along said South right-of-way line, to the Northeast corner of the West 163.14 feet of Lot 3, [a] said subdivision; thence South 00°37'16" West, 358.44 feet to the Point of Beginning; thence continue South 00°37'16" West, 10.00 feet, to the Southeast corner of said West 163.14 feet of Lot 3; thence South 89°46'01" West, along the North right-of-way line of Rogers Street, 233.74 feet, to a point on the East boundary of the vacated right-of-way of Rogers Street, as recorded in O.R. [Book] 3095, Page 79, of the Public Records of Pinellas County, Florida; thence North 00°13'59" West, 10.00 feet; thence North 89°46'01" East, 233.89 feet to the Point of Beginning.			
NOTES: - NO INSTRUMENTS OF RECORD REFLECTING EASEMENTS, RIGHTS-OF-WAY OR OWNERSHIP OTHER THAN THOSE INDICATED HEREON WERE PROVIDED TO OR PURSUED BY THE UNDERSIGNED. - PAPER COPIES OF THIS DOCUMENT ARE NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF THE FLORIDA LICENSED SURVEYOR AND MAPPER INDICATED BELOW. ELECTRONIC VERSIONS OF THIS DOCUMENT ARE NOT VALID UNLESS THEY CONTAIN AN ELECTRONIC SIGNATURE AS PROVIDED FOR BY CHAPTER 5J-17.062, FLORIDA ADMINISTRATIVE CODE. - BEARINGS SHOWN HEREON ARE BASED ON THE NORTH BOUNDARY OF THE SOUTHEAST 1/4 OF SECTION 17, TOWNSHIP 29 SOUTH, RANGE 16 EAST, PINELLAS COUNTY, FLORIDA, BEING ASSUMED AS S.89°46'01"W. - REVISIONS: REV No.1: ADDED LABEL FOR VACATED PORTION OF ROGERS STREET. REV No.2: CHANGED TITLE AND SHADED SUBJECT AREA. STANTEC CONSULTING SERVICES INC. CERTIFICATE OF AUTHORIZATION No.L.B.7866			
MARK H. FOSTER, PSM FLORIDA LICENSE No.L.S.5535			

NOT A SURVEY

#	REVISION DESCRIPTION	DATE	EMP	SCALE: N/A	TITLE	PROJECT NO.
2	SEE SURVEYOR'S NOTE No.4	8/19/17	DMD	TECH.	EXHIBIT "A" - PORTIONS OF ROGERS ST. TO BE VACATED	215614892
1	SEE SURVEYOR'S NOTE No.4	6/17/17	DMD	S-T-R 17-295-18E		
					CUSTOMER: DAVIS DEVELOPMENT	DATE: SHEET NO 2-19-19 2 OF 2

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