

**A HIGHEST & BEST USE STUDY  
CONCERNING A 18.8 (+/-) ACRE  
VACANT TRACT OF RESIDENTIAL  
LAND LOCATED BETWEEN STATE  
ROAD A1A AND THE INDIAN RIVER IN  
MELBOURNE BEACH, FLORIDA 32951**

PREPARED FOR

MR. DAN WINKLER  
PHOENIX PARK LLC.  
119 SIGNATURE DRIVE  
MELBOURNE, FLORIDA 32951

AS OF

JULY 1, 2017

BY

BOYLE & DRAKE, INC.  
3790 7<sup>th</sup> TERRACE, SUITE 202  
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(772) 778-7577

**BOYLE & DRAKE FILE #22738**

DATE OF REPORT: JULY 18, 2017



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July 18, 2017

Mr. Dan Winkler  
Phoenix Park LLC.  
119 Signature Drive  
Melbourne, Florida 32951

Re: A Highest and Best Use Study for the 18.8 (+/-) acres located between State Road A1A and the Indian River in Melbourne Beach, Florida 32951.

Dear Mr. Winkler:

In accordance with your request, we have prepared a Highest and Best Use analysis for the 18.8 (+/-) acres formally known as the Hamptons in Melbourne Beach, Florida. The site is located on the west side of State Road A1A and is comprised of 18.8 (+/-) gross acres of vacant land. The site was previously developed with 200 (+/-) apartments that were substantially damaged during the 2004 hurricane season and demolished in 2007/2008. The site is zoned RU2-8 and has a future land use designation of RES-8. Both permit development of the subject property with single family and/or multi-family residential uses. The site has 427 (+/-) feet of frontage along the Indian River and 420 (+/-) feet of frontage along State Road A1A.

The intended user of this appraisal report is Mr. Dan Winkler, the client. The intended use of the appraisal report is to estimate the mix of residential lots and/or units which will provide the highest return to the land. The report is intended only for the use in establishing the mix of residential lots and/or units which result in the Highest and Best Use of the subject property. No other uses and/or users are intended.

In order to determine the residential lot and/or unit mix that results in the Highest and Best Use of the subject property, it was necessary to assume that the infrastructure was completed as of a prospective date and that each development scenario used in the cash flow analysis would be approved by the necessary governmental agencies. Your attention is directed to the extraordinary assumptions, hypothetical conditions and limiting conditions used in the assignment. Please be advised that the use of the extraordinary assumptions and hypothetical conditions may affect assignment results.

**Boyle & Drake, Inc.**

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Mr. Dan Winkler,  
Phoenix Park LLC.  
July 18, 2017  
Page ii

A description of the property together with an explanation of the analysis and procedures are contained in the attached report. Should you have any questions regarding this report, please do not hesitate to contact us.

BOYLE & DRAKE, INC.



Mark A. Moore  
State-Certified General  
Real Estate Appraiser RZ3695  
Expiration Date 11/30/2018



Stephen J. Boyle, MAI  
State-Certified General  
Real Estate Appraiser RZ699  
Expiration Date 11/30/2018

DRAFT

**EXECUTIVE SUMMARY**

<b>Property Type/Name:</b>	The subject of this analysis includes 18.8 (+/-) acres of vacant residential land located between the Indian River and State Road A1A in Melbourne Beach, Florida.
<b>Client/Intended User:</b>	Mr. Dan Winkler
<b>Intended Use:</b>	To provide the client and intended user with market data and analysis to estimate the mix of residential lots and/or units which will result in the Highest and Best Use of the subject property.
<b>Purpose of Appraisal:</b>	To determine the mix of residential lots and units which will result in the Highest and Best Use of the subject property.
<b>Interest Appraised:</b>	Fee Simple Estate
<b>Address:</b>	7510 Highway A1A, Melbourne Beach, Florida
<b>Subject Zip Code:</b>	32951
<b>Location:</b>	The subject is located approximately 4 miles(+/-) south of the US Highway 192 along the west side of State Road A1A.
<b>Land Size:</b>	18.8 (+/-) Acres
<b>Zoning:</b>	RU2-8
<b>Land Use:</b>	RES-8
<b>Date of Value for Residual Analysis:</b>	July 1, 2017 (for residual lot/unit values)
<b>Date of Value for Discounted Sellout Analysis (Prospective):</b>	May 1, 2018 (Infrastructure Assumed Completed)
<b>Date of Report:</b>	July 18, 2017

**Front Feet:** 427 (+/-) Feet on the River  
**Site Depth:** 2,255 (+/-) Feet  
**Exposure Time:** 12 to 18 Months (+/-) in bulk

**Extraordinary Assumptions:**

- 1) We have been provided information by Mr. Dan Winkler regarding the property use, zoning, land use, dock information and many other aspects of the subject property. We have assumed this information is accurate. Should any additional information be provided in the future we reserve the right to modify our value conclusion.
- 2) We have assumed the subject is developable to a maximum of 203 per the letter from the planning and zoning board (provided by Dan Winkler) and the information obtained from the Brevard County Land Development Regulations and Code of Ordinances. Should any additional information be provided at a later date we reserve the right to modify our value conclusion.
- 3) Most of the data utilized in this report was obtained from the MLS or the public records of Brevard County. We have assumed the data obtained from the MLS and public records is accurate.
- 4) We have assumed that the completed units at the subject will be marketed and advertised commensurate with typical marketing practices for real estate in the area. Furthermore, we have assumed that the finished units will be commensurate with market standards and similar to the other new projects constructed in the subject market area. We note that should the developer build a product that is not commensurate with the market standards it could result in a slower absorption rate. The developer did not have building plans for us to review during the course of this assignment, and as such we have assumed that the new product constructed on the subject site will be commensurate with other projects constructed in the subject market area (for each product type).

**Hypothetical Conditions:**

- 1) The value conclusion herein are based on the hypothetical condition that the mixture of residential products are approved to be built on the site and that the infrastructure and amenities are completed for the proposed development. As of the date this analysis was completed, a site plan (s) showing the positioning of the buildings and lots was not available and as a result no development costs for either the horizontal and/or vertical construction of the improvements was

available for this analysis. As such, it was necessary to assume that the estimated number of each type of unit(s) are able to be developed on the site, and that the total number of units can be developed on the site. Furthermore, we have assumed that the estimated costs for the development of such a project would be reasonable and would render the development plan financially feasible. Should any costs for the proposed development be provided we reserve the right to modify our value conclusion if necessary.

Please be advised that the use of Extraordinary Assumptions and Hypothetical Conditions may affect assignment results.

DRAFT

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**ADDENDA**

Letter of Engagement

Qualifications

    Stephen J. Boyle, MAI

    Mark A. Moore

**GENERAL INFORMATION**

Effective Date/Date of the Report

The report has an effective date of July 1, 2017 for the lot/unit residual analysis and a prospective date of May 1, 2108 for the Discounted Sellout Analysis used in the Highest and Best Use analysis. The report was completed on July 18, 2017.

Purpose of the Report/Intended Use

The purpose of this report was to provide the client, Mr. Dan Winkler, a Highest and Best Use analysis for the subject 18.8 (+/-) acres. There is no other intended use.

Intended User

The intended user of this report is Mr. Dan Winkler of Phoenix Park LLC. This report is not intended for any other user.

Prior Professional Services

We have not provided prior professional services regarding subject property within the last three years.

Scope of Report

The purpose of this analysis was to provide the client and intended user, Mr. Dan Winkler of Phoenix Park LLC, with a Highest and Best Use analysis for the subject 18.8 (+/-) acres. The subject property consists of 18.8 (+/-) acres of vacant land located at 3500 State Road A1A in Melbourne Beach, Florida. The effective date of this report is July 1, 2017. The report was completed on July 18, 2017.

In this report we have compiled an extensive amount of data regarding the multi-family condominium and single family housing market. We have researched data from the Brevard County public records, Brevard County MLS, Loopnet.com, CoStar and our company database to compile the data and information necessary for a credible and reliable analysis. In addition, we traveled to various projects throughout the area gathering sales information, project data and leasing information.

Once all the data was gathered, the subject property was analyzed with regard to its highest and best use. In the Highest and Best Use analysis portion of this report we considered several different development scenarios for the subject property. We concluded that the Highest and Best Use of the subject is for development of 50 single family homes, 45



riverfront condos, 48 ocean view/partial view condos and 23 townhouses. Based on information provided by Mr. Dan Winkler the development plan detailed above was confirmed with a site engineer who stated that the development plan of 166 units is possible and could be accommodated on the subject site. There were several different development scenarios, which were considered to be financially feasible, but based on the information available as of the completion date of this report, the maximally productive use of the site was considered to be the unit mix shown above. We will discuss the Highest and Best Use alternatives for the subject property in the later pages of this report.

Site information such as zoning, utilities, et cetera, was based upon discussions with representatives of municipal government(s) which have jurisdiction over the subject property. A study of the subject neighborhood was conducted with regard to access, land uses and trends, demographics, and market demand factors for the property type appraised.

As of the date of this analysis was completed, final site plan(s) showing the positioning of the buildings and lots were not available and as a result no development costs for either the horizontal and/or vertical construction of the improvements was available for this analysis. As such, it was necessary to assume that the estimated number of each type of units are able to be developed on the site, and that the total number of units can be developed on the site. Furthermore, we have assumed that the estimated costs for the development of such a project would be reasonable and would render the development plan financially feasible. Should any costs for the proposed development be provided we reserve the right to modify our conclusion if necessary.

We have assumed that the completed units at the subject will be marketed and advertised commensurate with typical marketing practices for real estate in the area. Furthermore, we have assumed that the finished units will be commensurate with market and similar to the other new projects constructed in the subject market area. We note that should the developer build a product that is not commensurate with the market standards it could result in a slower absorption rate and/or lower returns to the land. The developer did not have building plans for us to review during the course of this assignment, and as such we have assumed that the new product constructed on the subject site will be commensurate with other projects constructed in the subject market area (for each product type).

In the following analysis, we will discuss the different development product mixes and lot/unit residuals (based on estimated construction costs) that were used to determine the maximally productive use of the site.

The lot/unit residuals are based on the average finish quality of the comparables analyzed. We recognize that a higher finish quality will typically result in a higher sale price but also result in higher construction costs, which would calculate to a similar residual to the lot/unit.

The lot/unit residuals were developed as of a current date of value. The lot/unit residuals

were used to establish a retail lot/unit value for the unit mixes in the Discounted Sellout Analysis charts. We analyzed several unit mixes and the ones shown in the later pages resulted in the highest returns to the land. The Discounted Sellout Analysis assumes that the infrastructure (roads, utilities, site work and amenities) are completed. Therefore, the Discounted Sellout Analysis is based on a hypothetical condition and a prospective date of value of May 1, 2018. Your attention is directed to the extraordinary assumptions and hypothetical conditions within the report. Please be advised that the use that the use of Extraordinary Assumptions and Hypothetical Conditions may affect assignment results.

Because the assignment was to determine the unit mix that results in the highest return to the land a Sales Comparison Approach and Cost Approach were not necessary for a creditable assignment results.

The applicable data for the analysis utilized in this report was generated from local real estate market and from an inspection of the neighborhood. Due to the substantial number of unit sales analyzed, not all sales data was confirmed (other than thru the public records and the MLS). The scope of the search included research of online services such as the Brevard County Property Appraiser online data, MLS, LoopNet.com, CoStar and our company data base.

**Please be advised that additional Scope of Work comments are provided in the following text.**

**APPRAISAL DEFINITIONS**

Market Value

The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their 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.

Source: (12 C.F.R. Part 34.42(g); 55 *Federal Register* 34696, August 24, 1990, as amended at 57 *Federal Register* 12202, April 9, 1992; 59 *Federal Register* 29499, June 7, 1994) and Interagency Appraisal and Evaluation Guidelines, Federal Register, Volume 75, No. 237 December 10, 2010.

Fee Simple Estate

The Dictionary of Real Estate Appraisal defines Fee Simple Estate as follows:

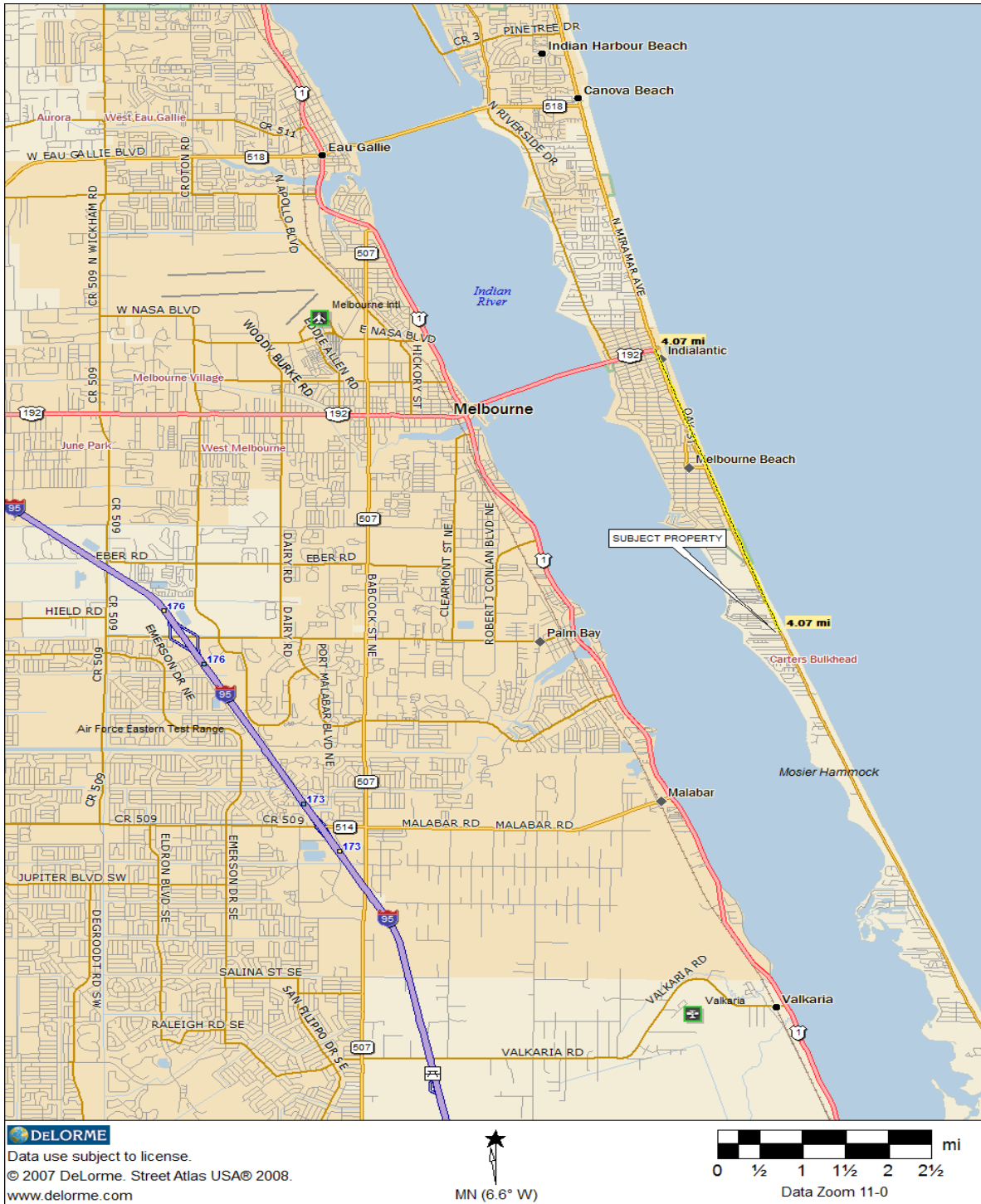
"Absolute ownership unencumbered by any other interest or estate subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

Prospective Opinion of Value

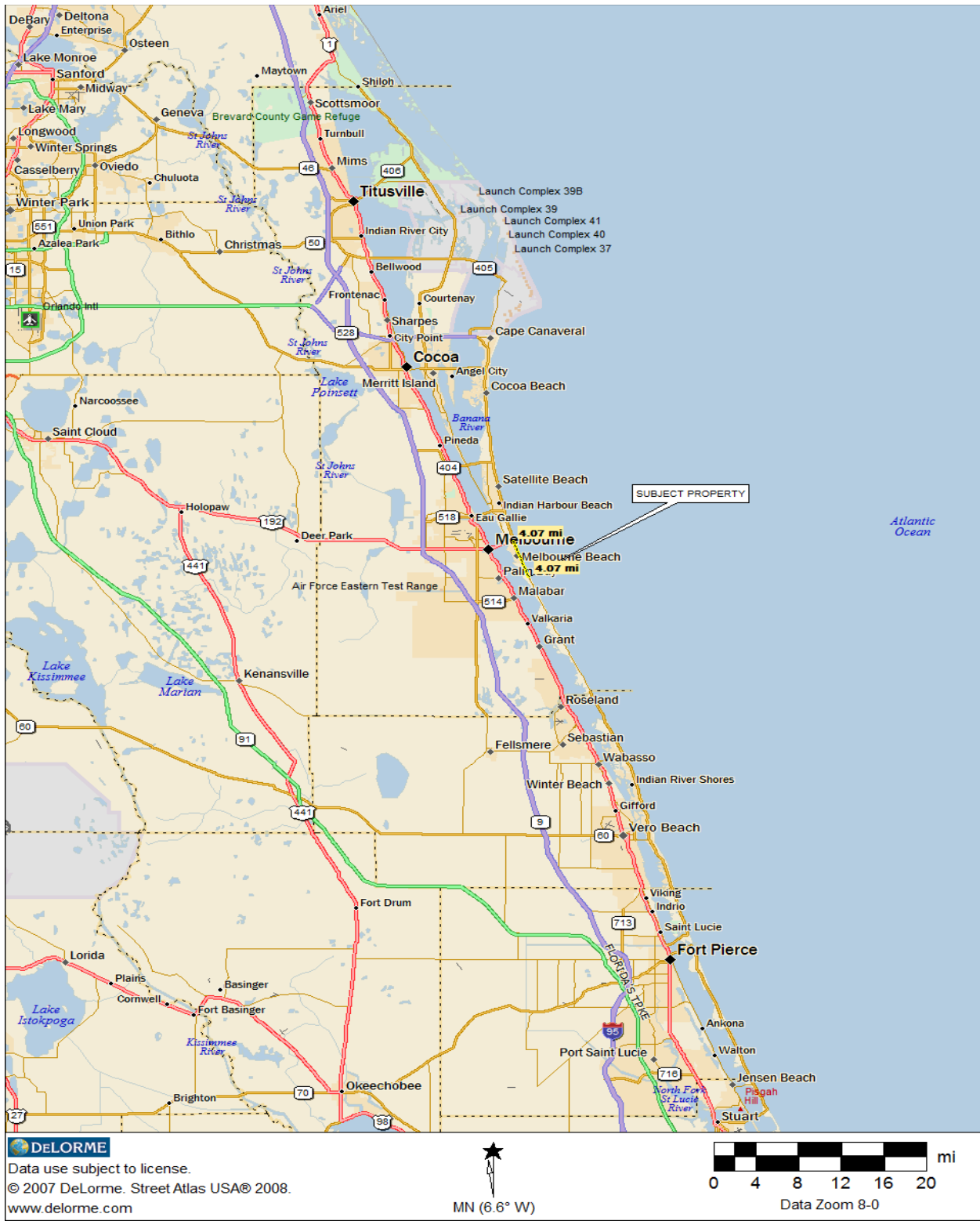
The Dictionary of Real Estate Appraisal defines Prospective Opinion of Value as follows:

“A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective as some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.”

### SUBJECT LOCATION MAP



**SUBJECT LOCATION MAP**





**SUBJECT AERIAL**



Aerial from 2017



Aerial from 2006





**PROPERTY DATA**

Location

The subject of this analysis is 18.8 (+/-) acres located between State Road A1A and the Indian River in Melbourne Beach, Florida. The physical address of the subject property is approximately 3500 State Road A1A Melbourne Beach, Florida. The site is approximately 4 miles south of US Highway 192.

Size

The subject includes two parcels of record. The total site area is approximately 18.8 (+/-) acres.

Zoning/Land Use

The subject property is zoned RU2-8 The zoning permits 8 units per acre.



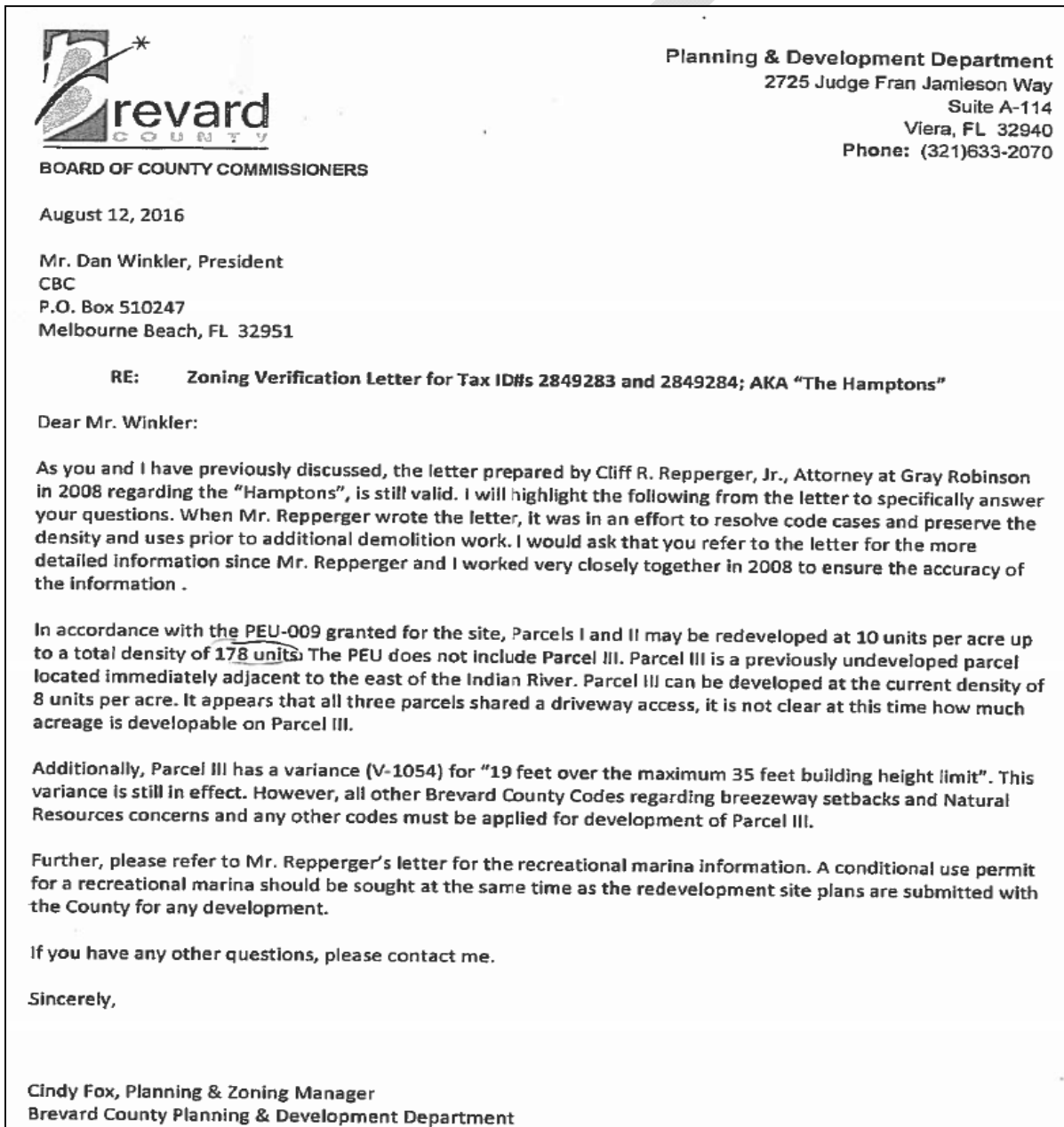
Future Land Use

The Future Land Use designation is RES-8, Medium Density Residential. The land use permits 8 units per acre.





As discussed, the subject property was previously improved with approximately 200 rental apartments. These improvements were substantially damaged in the 2004 hurricane season. The improvements were demolished in 2008. The following letter was provided by the client. The letter is from the Brevard County Planning and Zoning department which states that there can be a total of 203 units constructed on the subject site. The letter states that 178 units can be built on parcel 2849283 (15.65 acres or 11.37 units per acre) and approximately 25 units can be built on the riverfront parcel (3.15 acres). The letter also discusses the height variance.



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The information provided indicates that approximately 203 units can be constructed on the subject site. We note that, based on the survey provided, the 178 units would be on approximately 15.65 acres. This equates to a density of 11.37 units per acre, which is above the stated 10 units per acre. We do not see this as material as a lower overall density is projected in the Highest and Best Use analysis. Only residential uses are permitted in the subject zoning. Conditional uses in assisted living facilities, community centers, group homes, golf courses, tennis courts, churches, marinas, public uses, and schools. Uses that are not permitted in the zoning and land use include commercial and industrial uses. Single family uses, townhouses, condominiums, etc. are permitted in the subject zoning. Provided below is a summary discussion of development regulations, setbacks, etc.

### Minimum Lot Size, Setbacks, Open Space Requirements

Setbacks, Lot Requirements, Etc for R2-8 Zoning		
Min Lot Width	100 Ft	
Min Lot Depth	100 Ft	
Max Lot Coverage	40%	
Min Living Area	900	
Height	3 Floors (35 Feet)	
<u>Setbacks</u>		
Front	30 Ft	
Rear	25 Ft	20 Ft (if abutting alley)
Side	10 Ft (Interior)	25 Ft (corner)
Min Setback from Water	35 Ft	

Again, we note that the riverfront portion of the subject site has a height variance for 19 feet over the 35 feet height limit and that interior portion of the site can be developed at 10 units per acre, up to 178 units.

### Access

The subject has access from State Road A1A. The access is considered adequate for residential uses.

### Utilities

The subject has the availability of municipal water and sewer. The city of Melbourne provides the municipal water and sewer service to the area.

Topography

The topography of the subject appears to be at or slightly above road grade and sloping downward to the west and the Indian River. There is a small lake at the entrance to the project. The site is already partial improved with an entrance feature left over from the prior development.

Environmental Considerations

The appraisers have not been provided with an environmental audit of the subject site. We are not qualified by training or experience to conduct an environmental inspection of the subject property. We have not observed any unusual topographical features on the properties. There are also no obvious archaeological features.

Easements

Analysis of the overall plat and survey did not indicate any adverse easements affecting the subject. There are typical road right-of-way and drainage/utility easements in the area.

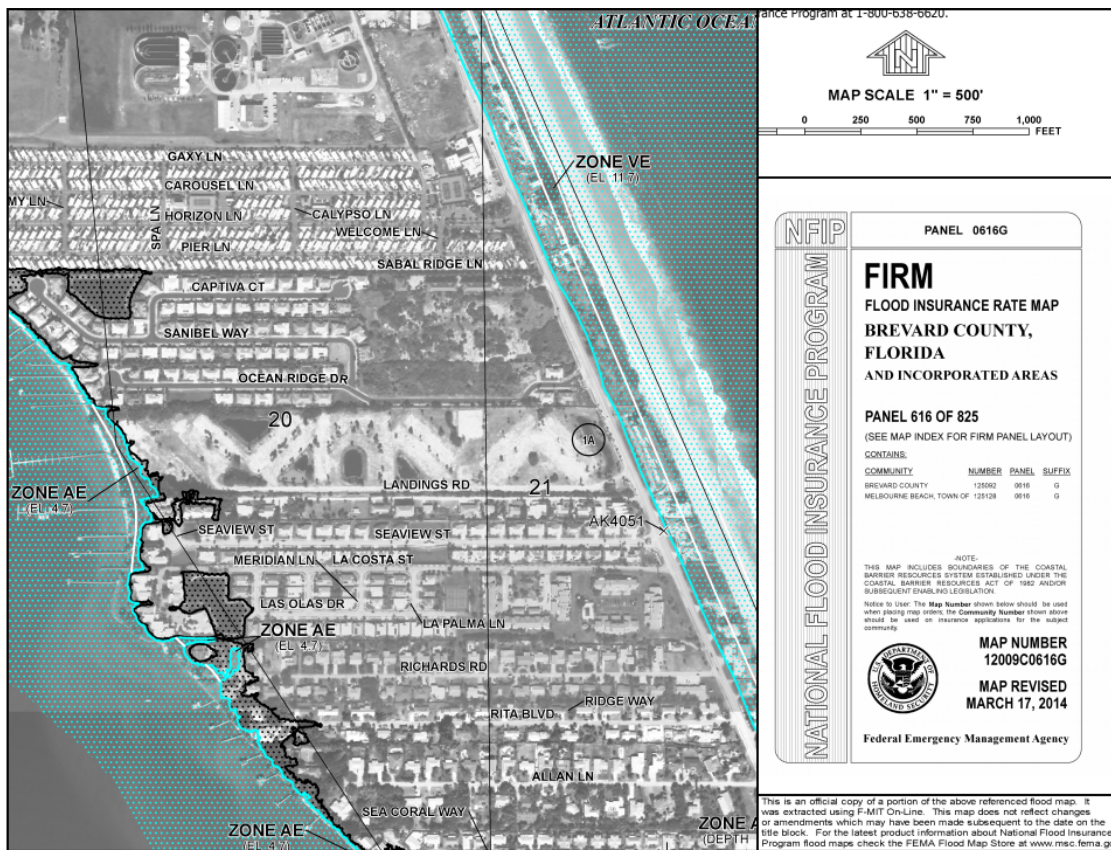
Deed Restrictions

We have not made a title search for deed restrictions nor are we qualified to perform a title search or render an opinion on title.

Abutting Uses

The abutting uses to the subject property are State Road A1A to the east, the Indian River to the west, single family homes and state owned conservation land to the north and the single family homes and townhomes to the south. None of the abutting uses are considered to be adverse to the subject.

Flood Hazard Zone



The subject appears to be in Flood Zone X. The subject appears to be outside of the Flood Hazard areas of AE and VE. The Flood Zone Map is shown above (12009C0616G – March, 17, 2014). A full survey should be referenced for the specific Flood Zone information.

Anticipated On-Site and Off-Site Improvements

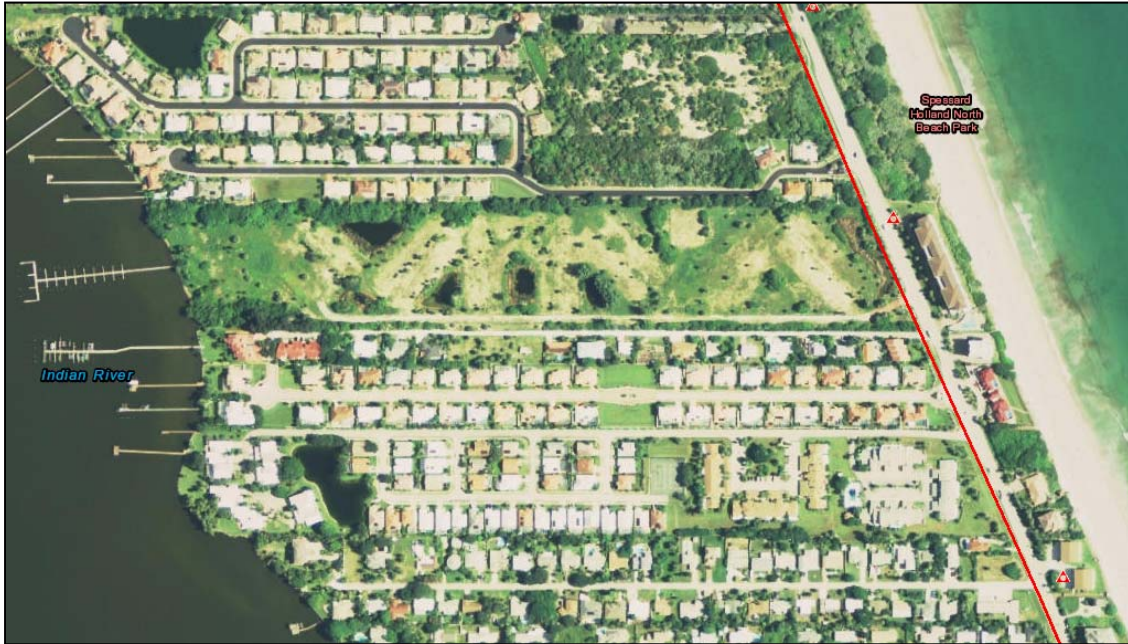
The only anticipated on-site improvements are the eventual development of residential uses. There are no known off-site improvements that will negatively impact the subject.

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## CCCL Line

We note that the subject is westward of the CCCL line (Coastal Construction Control Line).



## Property Taxes

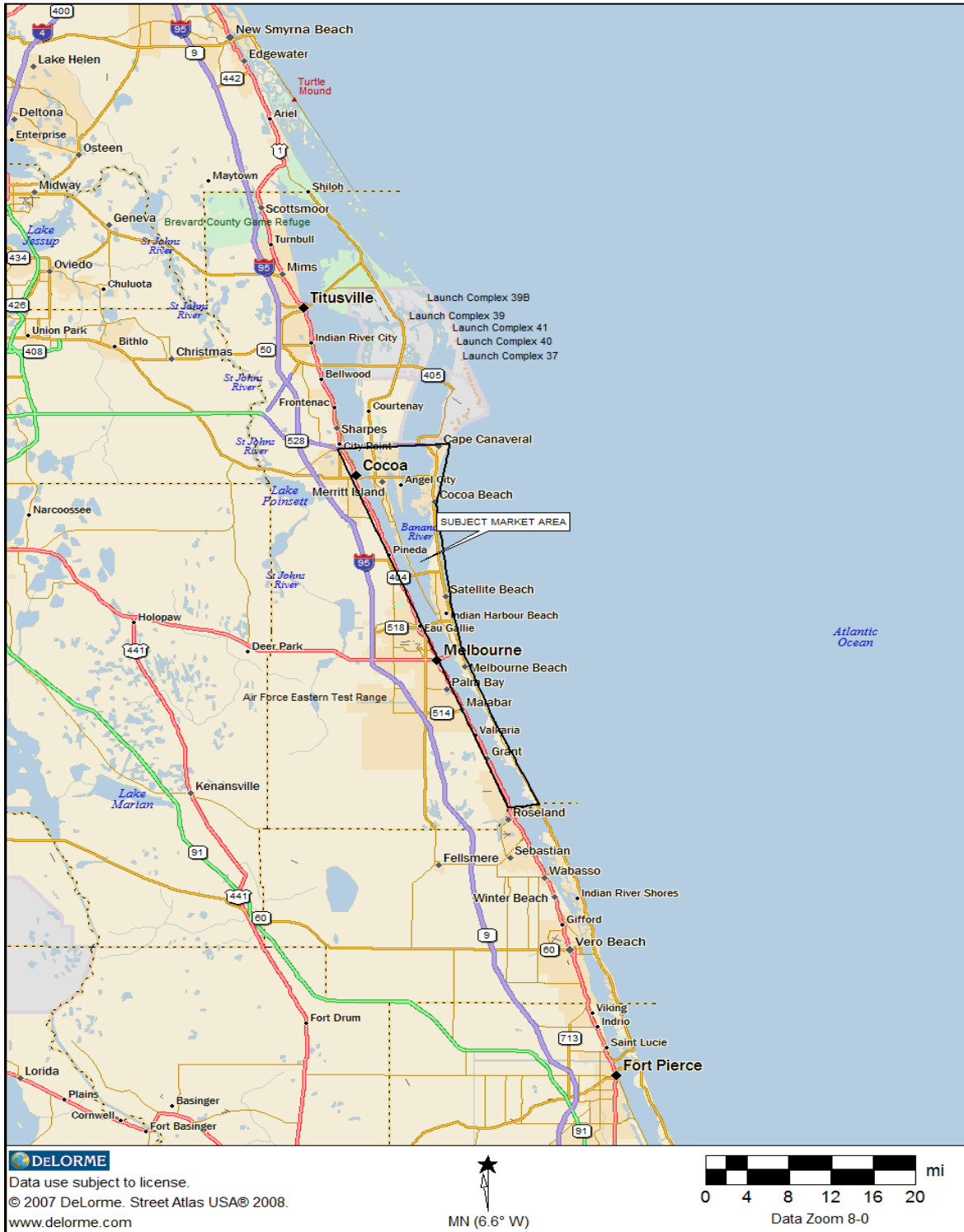
The 2016 property tax information for the subject is summarized in the chart below:

Tax ID	Assessed Land Value	Assessed Improvement Value	Ad Valorem Real Estate Taxes
2849283	\$1,068,000	\$0	\$14,923.09
2849284	<u>\$701,480</u>	<u>\$0</u>	<u>\$10,363.34</u>
TOTAL	\$1,769,480	\$0	\$25,286.43

The assessed value equates to \$94,121 per acre. Based on our general observation, the assessed value is below market.



**MARKET AREA DISCUSSION**



## Boyle & Drake, Inc.

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The subject property is located in an unincorporated area of Brevard County, on the barrier island region known as the South Beaches.

For this analysis, we define the market area by the following boundaries.

North	Cape Canaveral
East	Atlantic Ocean
West	Area just East of US Highway 1
South	Sebastian Inlet

The described market area or neighborhood is located along the 30-mile long barrier island bordered to the north by Cape Canaveral and the Sebastian Inlet to the south. US Highway 1 forms the western boundary of the market area and was included in the analysis due to the presence of several riverfront condominiums in that area. The Atlantic Ocean forms the eastern boundary.

The subject property is located in the southern portion of the neighborhood, approximately 4 south of the US Highway 192 and State Road A1A intersection.

The general portion of the subject immediate neighborhood includes the Town of Melbourne Beach. Essentially, the Town of Melbourne Beach is 100% built up. The Town offers small scale commercial and retail uses, strip centers, banks, a gasoline service station, small office buildings, and the Melbourne Beach Town Hall, Fire Department and Post Office.

South of Ocean Avenue, the neighborhood consists of single-family subdivisions and multi-family residential projects located west of SR A-1-A, and a variety of residential uses along the oceanfront, including older single-family homes, new luxury residential properties, and condominiums.

The oceanfront property east of SR A-1-A has been developed with a mix of upper priced single-family dwellings, small (10 to 30 unit) motels, along with various condominium and townhome buildings ranging in height from 2 to 8 stories. Prior to 1982, almost all of the existing oceanfront development was comprised of single-family residences ranging in age from 30 years to new, along with similarly aged small “mom and pop” motels.

Development in the subject’s area has been limited in recent years due to a down zoning that occurred in 1985. The reason for this down zoning was to limit the population to a safe level for evacuation purposes in the event of a major storm, as well as to protect the barrier island from the effects of over-crowding, and to preserve environmentally sensitive lands.

Because of the proximity to the Indian River Lagoon and the Atlantic Ocean, the South

Beach area contains a significant amount of environmentally sensitive land, of which Governmental agencies have acquired many large parcels for preservation of habitat. Of the remaining sites, County and State regulations impose stringent land development requirements that serve to limit growth.

The Brevard County Environmentally Endangered Lands program has acquired more than 240 acres of land in the South Beaches area. The Archie Carr National Wildlife Refuge is comprised of several large, non-contiguous parcels acquired by the Federal and State governments for preservation.

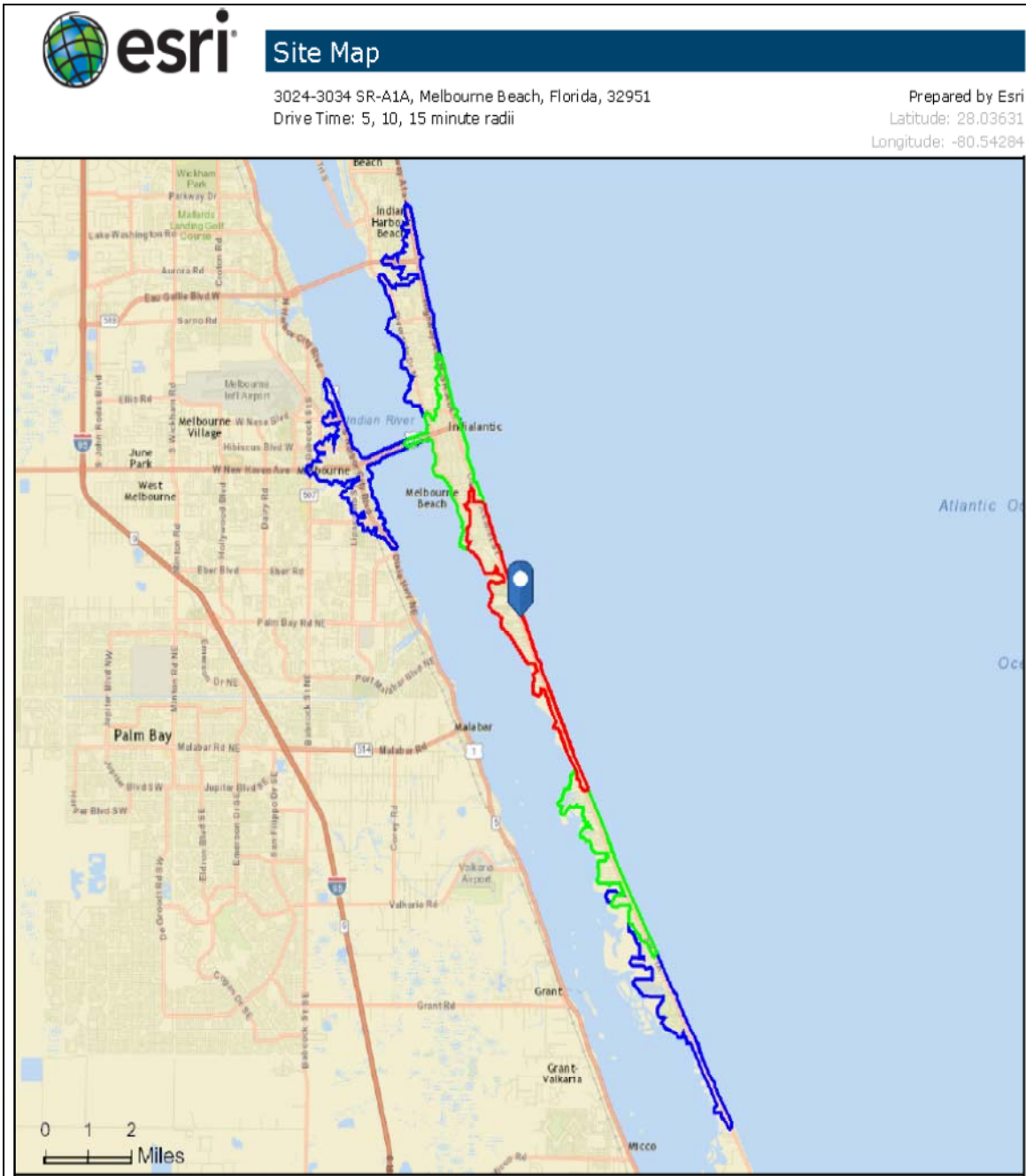
Highway Access

State Road A-1-A is the primary thoroughfare serving the neighborhood. This major north/south arterial extends along the entire length of the barrier island communities. The highway is a two-lane asphalt paved road. As expected for a two-lane roadway, traffic congestion is a problem during the “winter season,” as well as at peak commute times. At present, there are no plans to widen the road to accommodate additional future traffic.



Demographic Study

We have compiled a CCIM demographic report for the subject market area. We have focused on a 5, 10 and 15 minute drive time radius from the subject. The map provided below shows the subject area and the following pages include the executive summary of the demographic survey.





## Executive Summary

3024-3034 SR-A1A, Melbourne Beach, Florida, 32951  
 Drive Time: 5, 10, 15 minute radii

Prepared by Esri  
 Latitude: 28.03631  
 Longitude: -80.54284

	5 minutes	10 minutes	15 minutes
<b>Population</b>			
2000 Population	4,802	11,220	24,963
2010 Population	4,359	10,567	24,444
2017 Population	4,537	11,134	25,452
2022 Population	4,710	11,638	26,425
2000-2010 Annual Rate	-0.96%	-0.60%	-0.21%
2010-2017 Annual Rate	0.55%	0.72%	0.56%
2017-2022 Annual Rate	0.75%	0.89%	0.75%
2017 Male Population	50.0%	50.2%	49.6%
2017 Female Population	50.0%	49.8%	50.4%
2017 Median Age	61.6	57.4	54.5

In the identified area, the current year population is 25,452. In 2010, the Census count in the area was 24,444. The rate of change since 2010 was 0.56% annually. The five-year projection for the population in the area is 26,425 representing a change of 0.75% annually from 2017 to 2022. Currently, the population is 49.6% male and 50.4% female.

### Median Age

The median age in this area is 61.6, compared to U.S. median age of 38.2.

### Race and Ethnicity

	5 minutes	10 minutes	15 minutes
2017 White Alone	96.7%	95.7%	90.4%
2017 Black Alone	0.5%	0.5%	4.4%
2017 American Indian/Alaska Native Alone	0.2%	0.2%	0.3%
2017 Asian Alone	1.4%	1.5%	2.0%
2017 Pacific Islander Alone	0.0%	0.1%	0.1%
2017 Other Race	0.2%	0.5%	0.8%
2017 Two or More Races	1.0%	1.5%	2.1%
2017 Hispanic Origin (Any Race)	3.4%	4.8%	6.1%

Persons of Hispanic origin represent 6.1% of the population in the identified area compared to 18.1% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 27.4 in the identified area, compared to 64.0 for the U.S. as a whole.

### Households

	5 minutes	10 minutes	15 minutes
2000 Households	2,327	5,191	11,440
2010 Households	2,160	5,008	11,414
2017 Total Households	2,231	5,239	11,804
2022 Total Households	2,305	5,455	12,220
2000-2010 Annual Rate	-0.74%	-0.36%	-0.02%
2010-2017 Annual Rate	0.45%	0.62%	0.46%
2017-2022 Annual Rate	0.65%	0.81%	0.70%
2017 Average Household Size	2.03	2.13	2.14

The household count in this area has changed from 11,414 in 2010 to 11,804 in the current year, a change of 0.46% annually. The five-year projection of households is 12,220, a change of 0.70% annually from the current year total. Average household size is currently 2.14, compared to 2.12 in the year 2010. The number of families in the current year is 6,927 in the specified area.

**Data Note:** Income is expressed in current dollars

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022. Esri converted Census 2000 data into 2010 geography.

June 28, 2017



**Executive Summary**

3024-3034 SR-A1A, Melbourne Beach, Florida, 32951  
 Drive Time: 5, 10, 15 minute radii

Prepared by Esri  
 Latitude: 28.03631  
 Longitude: -80.54284

	5 minutes	10 minutes	15 minutes
<b>Median Household Income</b>			
2017 Median Household Income	\$70,204	\$74,879	\$62,317
2022 Median Household Income	\$78,428	\$83,018	\$71,868
2017-2022 Annual Rate	2.24%	2.09%	2.89%
<b>Average Household Income</b>			
2017 Average Household Income	\$108,967	\$117,135	\$99,034
2022 Average Household Income	\$119,494	\$128,924	\$110,615
2017-2022 Annual Rate	1.86%	1.94%	2.24%
<b>Per Capita Income</b>			
2017 Per Capita Income	\$52,936	\$54,742	\$46,482
2022 Per Capita Income	\$57,800	\$60,023	\$51,720
2017-2022 Annual Rate	1.77%	1.86%	2.16%

**Households by Income**

Current median household income is \$62,317 in the area, compared to \$56,124 for all U.S. households. Median household income is projected to be \$71,868 in five years, compared to \$62,316 for all U.S. households

Current average household income is \$99,034 in this area, compared to \$80,675 for all U.S. households. Average household income is projected to be \$110,615 in five years, compared to \$91,585 for all U.S. households

Current per capita income is \$46,482 in the area, compared to the U.S. per capita income of \$30,820. The per capita income is projected to be \$51,720 in five years, compared to \$34,828 for all U.S. households

<b>Housing</b>			
2000 Total Housing Units	3,281	6,545	13,791
2000 Owner Occupied Housing Units	1,879	4,231	8,377
2000 Renter Occupied Housing Units	448	959	3,063
2000 Vacant Housing Units	954	1,355	2,351
2010 Total Housing Units	3,105	6,619	14,715
2010 Owner Occupied Housing Units	1,838	4,144	8,285
2010 Renter Occupied Housing Units	322	864	3,129
2010 Vacant Housing Units	945	1,611	3,301
2017 Total Housing Units	3,202	6,914	15,241
2017 Owner Occupied Housing Units	1,827	4,145	8,087
2017 Renter Occupied Housing Units	404	1,094	3,717
2017 Vacant Housing Units	971	1,675	3,437
2022 Total Housing Units	3,304	7,196	15,782
2022 Owner Occupied Housing Units	1,894	4,305	8,304
2022 Renter Occupied Housing Units	411	1,150	3,917
2022 Vacant Housing Units	999	1,741	3,562

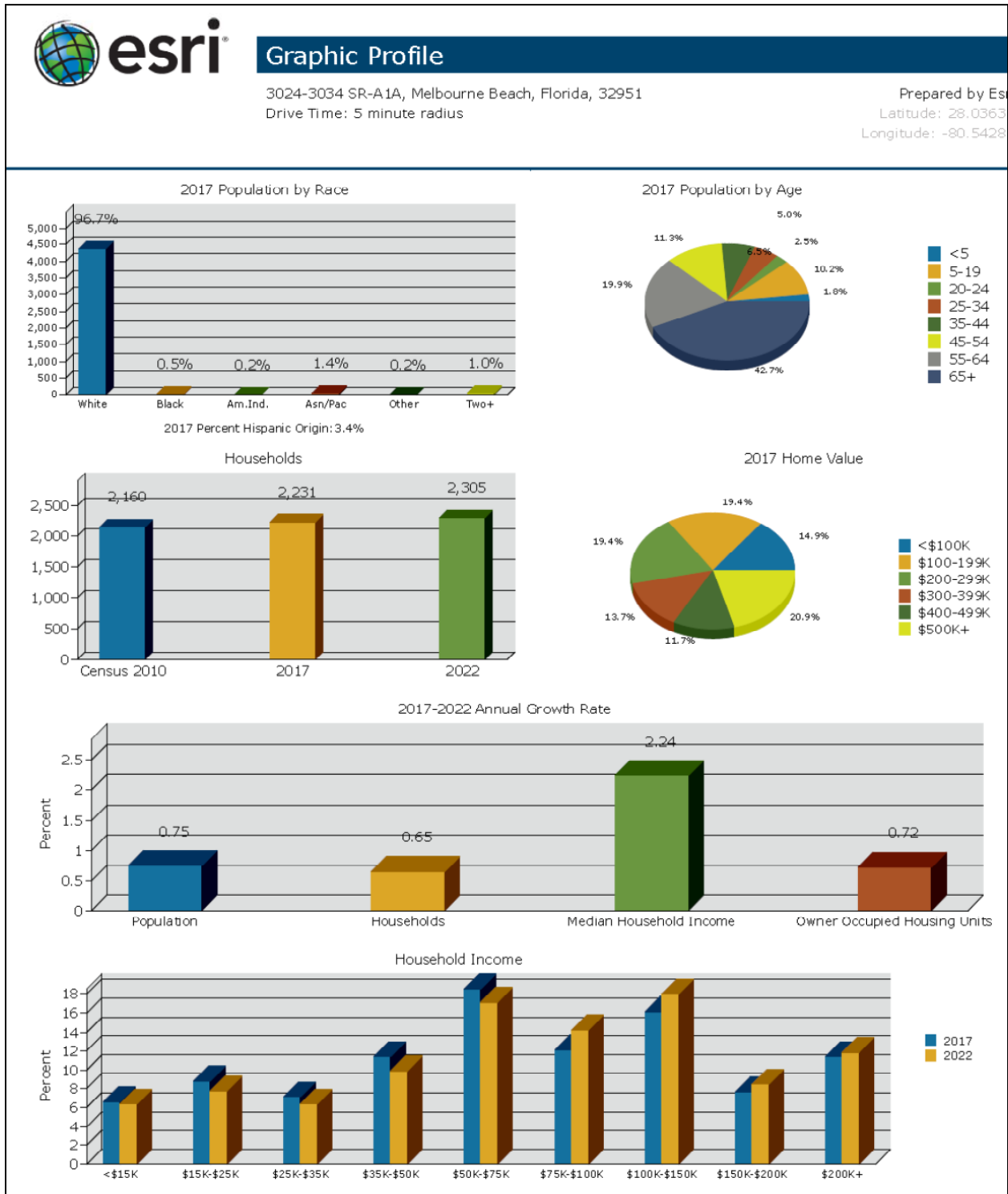
Currently, 53.1% of the 15,241 housing units in the area are owner occupied; 24.4%, renter occupied; and 22.6% are vacant. Currently, in the U.S., 55.6% of the housing units in the area are owner occupied; 33.1% are renter occupied; and 11.3% are vacant. In 2010, there were 14,715 housing units in the area - 56.3% owner occupied, 21.3% renter occupied, and 22.4% vacant. The annual rate of change in housing units since 2010 is 1.57%. Median home value in the area is \$303,529, compared to a median home value of \$207,344 for the U.S. In five years, median value is projected to change by 4.95% annually to \$386,496.

**Data Note:** Income is expressed in current dollars

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022. Esri converted Census 2000 data into 2010 geography.

June 28, 2017

Demographic Area Summary



Demographic Study Conclusions

The three most pertinent categories of a market analysis usually include population, employment and income. The CCIM demographic report discusses population and income and we have provided some additional information regarding employment.

Income

The current median household income is \$62,317 in the subject area, compared to \$56,124 for all U.S. households. Median household income in the subject market area is projected to be \$71,868 in five years, compared to \$62,316 for all U.S. households.

The current average household income is \$99,034 in the subject area, compared to \$80,675 for all U.S. households. Average household income in the subject market area is projected to be \$110,615 in five years, compared to \$91,585 for all U.S. households.

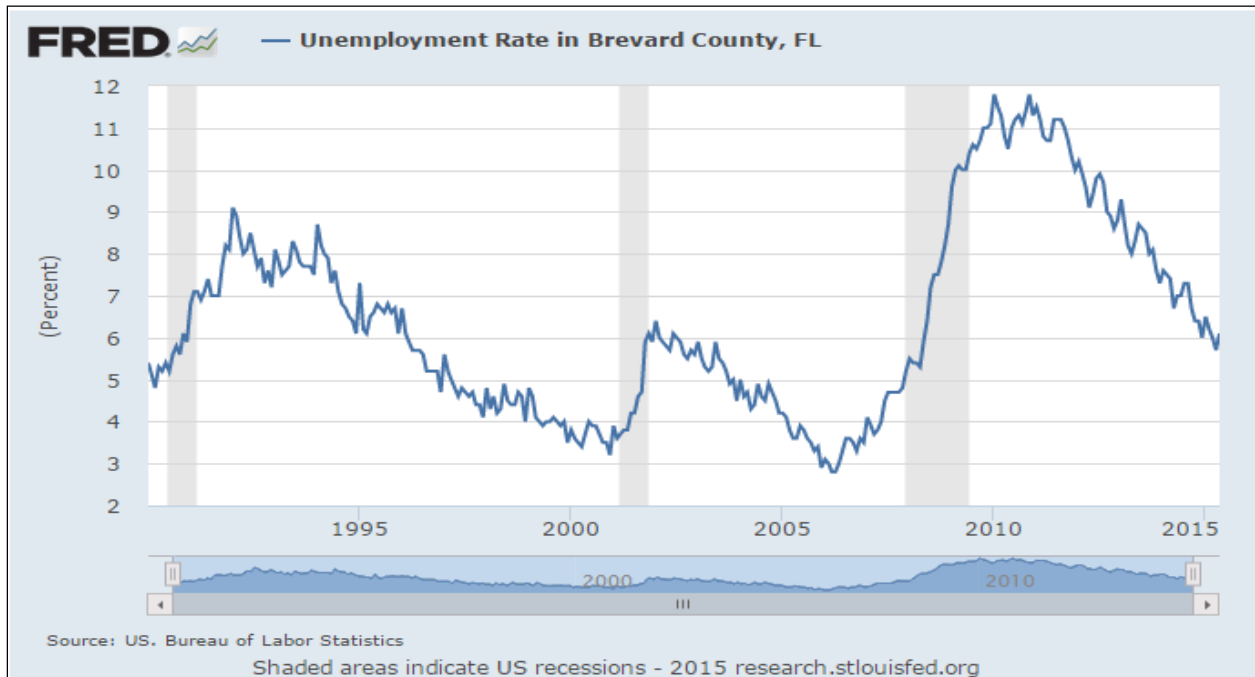
The current per capita income is \$46,482 in the subject area, compared to the U.S. per capita income of \$30,820. The per capita income in the subject market area is projected to be \$51,720 in five years, compared to \$34,828 for all U.S. households.

The subject is above the national average with regards to income statistics.

Population

In the subject market area, the 2017 population is 25,452. In 2010, the census count in the area was 24,444, indicating a rate of change of 0.56% annually. The five-year projection for the population in the area is 26,425 representing a change of 0.75% annually from 2017 to 2022. Currently, the population is 49.6% male and 50.4% female. The area is mostly inhabited by retirees, winter residents and transient occupants. The winter residences account for a large portion of the “vacant housing units” in the market area.

Employment



The current unemployment rate in Brevard County is 6.1%, which is slightly above the national average of 5.3%. Brevard County has historically lagged behind the national average with regards to unemployment. We note that Brevard County has experienced tremendous growth in some areas (Viera, Suntree, Rockledge, West Melbourne, Palm Bay etc.) in recent years and we expect that the unemployment will continue to decline in these areas.

Housing Profile

Population		Households	
2010 Total Population	4,359	2017 Median Household Income	\$70,204
2017 Total Population	4,537	2022 Median Household Income	\$78,428
2022 Total Population	4,710	2017-2022 Annual Rate	2.24%
2017-2022 Annual Rate	0.75%		

Housing Units by Occupancy Status and Tenure	Census 2010		2017		2022	
	Number	Percent	Number	Percent	Number	Percent
Total Housing Units	3,105	100.0%	3,202	100.0%	3,304	100.0%
Occupied	2,160	69.6%	2,231	69.7%	2,305	69.8%
Owner	1,838	59.2%	1,827	57.1%	1,894	57.3%
Renter	322	10.4%	404	12.6%	411	12.4%
Vacant	945	30.4%	971	30.3%	999	30.2%

Owner Occupied Housing Units by Value	2017		2022	
	Number	Percent	Number	Percent
Total	1,829	100.0%	1,894	100.0%
< \$50,000	124	6.8%	31	1.6%
\$50,000-\$99,999	149	8.1%	44	2.3%
\$100,000-\$149,999	128	7.0%	54	2.9%
\$150,000-\$199,999	226	12.4%	118	6.2%
\$200,000-\$249,999	225	12.3%	168	8.9%
\$250,000-\$299,999	130	7.1%	249	13.1%
\$300,000-\$399,999	250	13.7%	345	18.2%
\$400,000-\$499,999	214	11.7%	266	14.0%
\$500,000-\$749,999	179	9.8%	252	13.3%
\$750,000-\$999,999	107	5.9%	166	8.8%
\$1,000,000+	97	5.3%	201	10.6%
Median Value		\$274,038		\$382,029
Average Value		\$364,543		\$492,186

Census 2010 Housing Units	Number	Percent
Total	3,105	100.0%
In Urbanized Areas	3,105	100.0%
In Urban Clusters	0	0.0%
Rural Housing Units	0	0.0%

According to the demographic study, the average value of a housing unit is \$364,543 and is projected to be \$492,186 in five years in the subject market area. This indicates a compounded rate of 7% appreciation per year.

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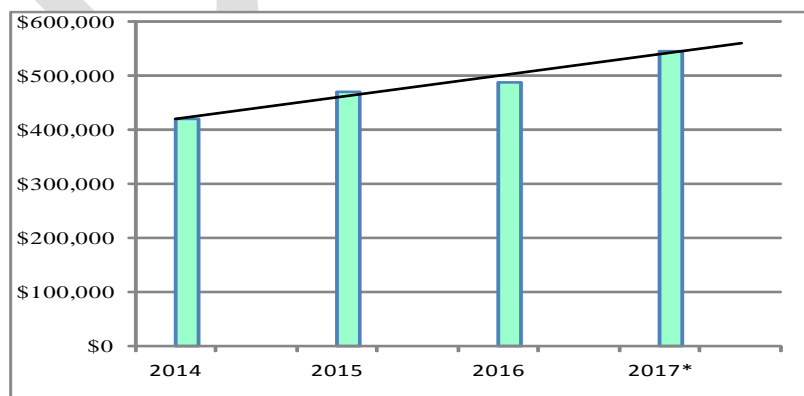
According to the demographic study information there are approximately 3,202 total housing units in the five minute drive time radius of the subject. There are reportedly 1,827 (57.1%) owner occupied units are 404 (12.6%) renter occupied units. According to the survey, 30.3% of the homes are vacant in the five mile radius of the subject. It is our opinion that this survey is mistaking some absentee owners (winter residents) with vacant homes. Many of the owners in the area use their properties as vacation homes and do not occupy the properties more than 4 to 5 months out of the year and their “permanent residence” is registered with the Census Bureau elsewhere. The area has historically be known as a vacation destination however there are limited hotels in the area.

### Residential Market Statistics

We have compiled a broad statistical analyses based on MLS data to illustrate to the reader a more accurate depiction of the current market conditions. We have focused our research on the three most prominent product types in the area, condominiums, single family homes, and townhouses. We note that subsequent to the presentation of the MLS data we will provide a more detailed analysis on the most comparable subdivisions for the planned product at the subject.

### Single Family Housing Data

<b>All "Barrier Island" Single Family Home Sales 2014 thru 2017 - Brevard County</b>									
<u>Year</u>	<u>Number of Sales</u>	<u>Min Sale Price</u>	<u>Avg Sale Price</u>	<u>Max Sale Price</u>	<u>% Change in Avg Sale Price</u>	<u>Size (SF)</u>	<u>Avg Price/SF</u>	<u>% Change Price/SF</u>	<u>Avg Days on Market</u>
2014	700	\$56,900	\$419,597	\$3,750,000	N/A	2,738	\$148.02	N/A	84
2015	869	\$90,300	\$469,482	\$4,000,000	11.89%	2,756	\$164.99	11.46%	77
2016	815	\$105,000	\$488,934	\$2,630,000	4.14%	2,779	\$175.94	6.67%	69
2017*	720	\$155,000	\$545,945	\$2,753,808	11.66%	2,767	\$184.52	4.87%	67



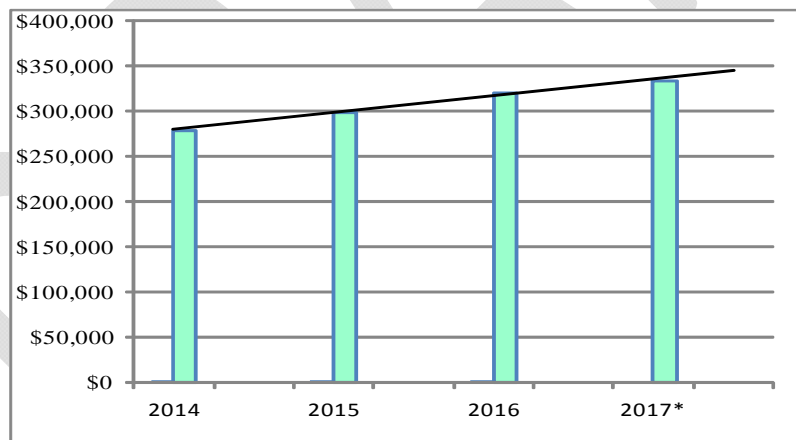


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As shown the single family housing data shows that the current average sale price of a home in the subject market area is \$545,945. The sales data ranged from \$155,000 to \$2,753,808. The average of \$545,945 shows an increase of 11.66% from the prior year. The average sale price equates to \$185 per square foot and the average house size was 2,767 square feet. We note that the sales data above includes only single family constructed after 2004. The average exposure time was 67 days on market.

### Townhouse Data

All "Barrier Island" Townhome Sales 2014 thru 2017 - Brevard County									
Year	Number of Sales	Min Sale Price	Avg Sale Price	Max Sale Price	% Change in Avg Sale Price	Size (SF)	Avg Price/SF	% Change Price/SF	Avg Days on Market
2014	58	\$141,000	\$278,997	\$675,000	N/A	2,234	\$123.88	N/A	82
2015	77	\$153,000	\$299,064	\$558,250	7.19%	2,279	\$135.35	9.25%	61
2016	73	\$178,000	\$319,569	\$725,000	6.86%	2,259	\$141.46	4.51%	73
2017*	52	\$258,000	\$334,315	\$491,750	4.61%	2,201	\$152.46	7.77%	47



As shown, the MLS townhouse sales data shows that the current average sale price of a townhome in the subject market area is \$334,315. The sales data ranged from \$258,000 to \$491,750. The average of \$334,315 shows an increase of 4.61% from the prior year. The average sale price equates to \$152 per square foot. The average townhome size was 2,201 square feet. We note that the sales data above includes only townhouses constructed after 2004. The average exposure time was 47 days on market.

In the following pages we will detail the condominium sales in the area. We note that this

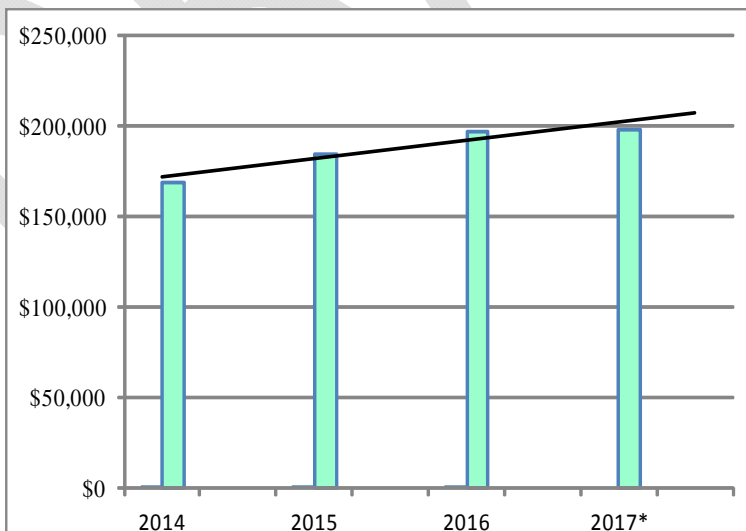
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data has been further broken down into categories.

### Condominium Market Data

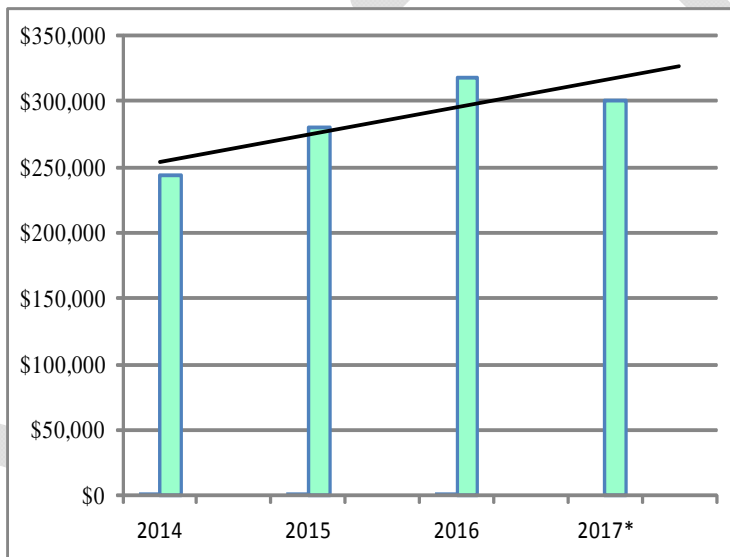
In the condominium analysis we considered sales on the barrier island as well as the mainland in the initial research as to exemplify that the majority of the sales are in older buildings. There were an abundance of condominiums developed in the subject market area from 1980 to 2000. As shown below there is expected to be a total of 1,814 condominium sales in the overall subject market area including the mainland and most areas of south and central Brevard County.

All Condominium Sales 2014 thru 2017 - Brevard County									
Year	Number of Sales	Min Sale Price	Avg Sale Price	Max Sale Price	% Change in Avg Sale Price	Size (SF)	Avg Price/SF	% Change Price/SF	Avg Days on Market
2014	1604	\$30,000	\$169,285	\$975,000	N/A	1,285	\$131.74	N/A	78
2015	1860	\$29,900	\$184,952	\$1,250,000	9.25%	1,324	\$139.69	6.03%	69
2016	1864	\$30,000	\$196,523	\$1,745,000	6.25%	1,293	\$151.99	8.81%	65
2017*	1814	\$30,000	\$198,246	\$2,226,900	27.38%	1,315	\$150.76	19.28%	59



Provided below we have culled the data to included only sales of units constructed from 2004 to current.

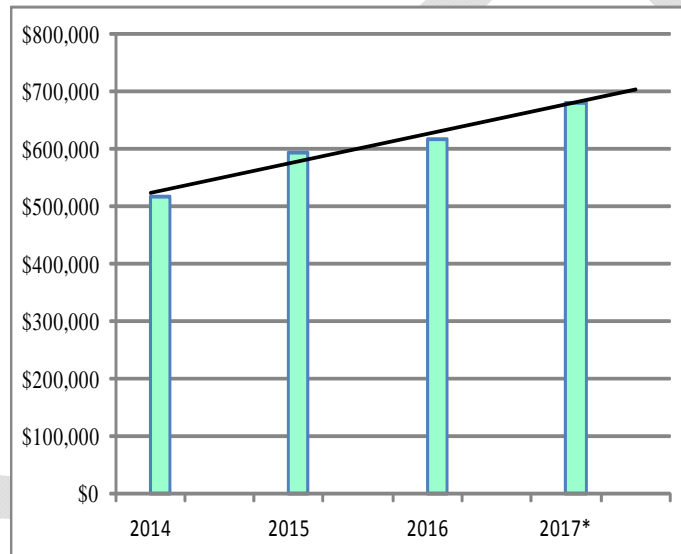
<b>Condominium Sales 2014 thru 2017 for Buildings Constructed after 2004 - Brevard County</b>									
<u>Year</u>	<u>Number of Sales</u>	<u>Min Sale Price</u>	<u>Avg Sale Price</u>	<u>Max Sale Price</u>	<u>% Change in Avg Sale Price</u>	<u>Size (SF)</u>	<u>Avg Price/SF</u>	<u>% Change Price/SF</u>	<u>Avg Days on Market</u>
2014	294	\$43,000	\$243,365	\$975,000	N/A	1,764	\$137.96	N/A	86
2015	321	\$25,000	\$279,822	\$1,250,000	14.98%	1,855	\$150.85	9.34%	92
2016	338	\$42,500	\$318,875	\$1,745,000	13.96%	1,811	\$176.08	16.73%	103
2017*	318	\$85,000	\$300,299	\$2,226,900	-5.83%	1,792	\$167.58	-4.28%	72



There is expected to be a total of 318 sales of condominium units in 2017. The average sale price of the 2004 and newer product is \$300,299. The range of the sales was from \$85,000 to \$2,226,900 with the upper end of the range being set by a oceanfront condo unit. The average sale price per square foot was \$168 and the average days on market was 72. On the following page we have provided the data further culled to oceanfront or riverfront (and oceanview/riverview) condominium sales in buildings constructed after 2004.

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Oceanfront/Riverfront Condominium Sales 2014 thru 2017 - Brevard County - Built after 2004										
Year	Number of Sales	Min Sale Price	Avg Sale Price	Max Sale Price	% Change in Avg Sale Price	Size (SF)	Avg Price/SF	% Change Price/SF	Avg Days on Market	Average Year Built
2014	64	\$208,800	\$515,486	\$2,150,000	N/A	2,433	\$166.20	N/A	64	2006
2015	96	\$230,000	\$595,385	\$2,500,000	15.50%	2,669	\$223.07	34.22%	105	2006
2016	111	\$249,500	\$615,688	\$2,050,000	3.41%	2,580	\$238.64	6.97%	127	2009
2017*	78	\$262,500	\$679,706	\$2,753,808	10.40%	2,619	\$259.53	8.75%	145	2007



There should be a total of 78 oceanfront/riverfront or oceanview/riverview condominium sales in 2017 located within buildings that were constructed after 2004. We note that the average date of construction indicates that most projects were constructed from 2006 thru 2009 and there have been very few new projects constructed in the subject area over the last several years. The 78 sales that are expected in 2017 are showing an average of \$679,706 per unit. This shows an increase of 10.4% from 2016 to 2017. The average price per square foot is \$259 which shows an increase of 8.75% from 2016. We note that the average unit size has ranged from 2,433 to 2,669 square feet in these newer waterfront projects compared to the overall condo data which showed average unit sizes in the range of 1,285 to 1,324 square feet.

Conclusion of Overall Data

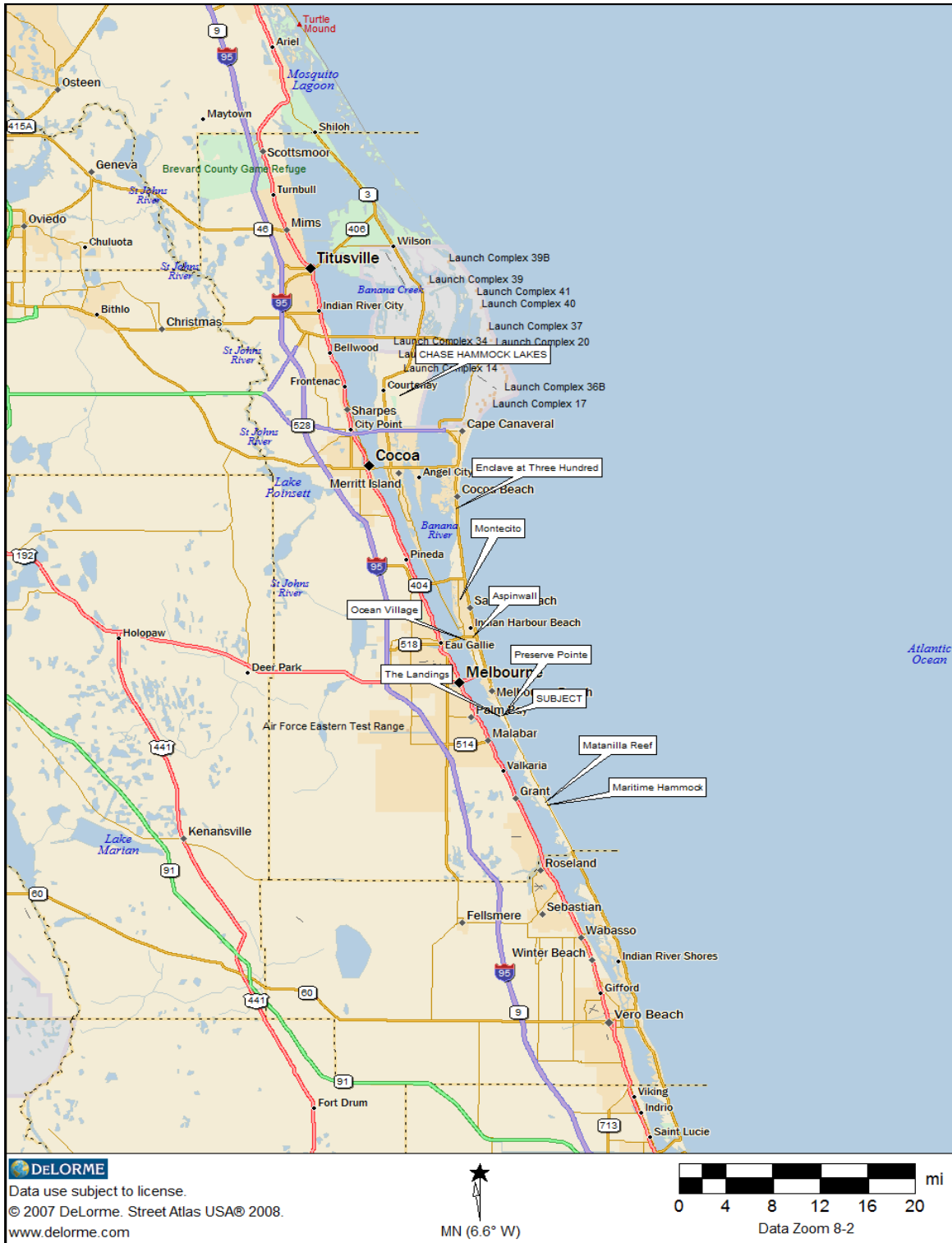
Overall the subject market area has shown increasing prices and sales velocity over the past several years. Since 2014 the average sale price of a single family home in the market area has increased by approximately 30% and similar increases have been seen for waterfront condominiums and approximately 20% increase for the townhouse units. The chart provided below summarizes the 2017 sales data to date. We reiterate that the single family sales and townhouse data includes all barrier island sales that were constructed after 2004. The 2017 sales data for the condominiums includes all riverview or oceanview condominiums constructed after 2004 on the barrier island and mainland. Only the condominium statistics also include mainland product (with river view of direct river frontage).

<b>2017 Sale Statistics (Barrier Island 2004 or Newer)</b>					
<b>Type</b>	<b>Number of Sales</b>	<b>Average Sale Price</b>	<b>Price/SF</b>	<b>Avg Size</b>	<b>Avg DOM</b>
Single Family	720	\$545,945	\$184.52	2,767	67
Townhouse	52	\$334,315	\$152.46	2,201	47
Condo (River/Ocean View)	78	\$679,706	\$259.53	2,619	145

As shown the condominium market is showing the highest price per unit and price per square foot due to the view amenity. We note that the average size of the three main product types ranges from 2,201 for a townhouse to 2,767 for a single family residence. The average condo size was 2,619 square feet.

We recognize that this data is influenced by different view factors, locations, amenities of the project, etc. and therefore we have provided a more detailed analysis of comparable projects in the subject market area. First we will discuss the single family and townhouse product and following will be a detailed discussion of the condominium projects.

Townhouse and Single Family Project Location Map



# Boyle & Drake, Inc.

## Single Family

### Chase Hammock Lakes



Chase Hammock Lakes is located in Merritt Island, Florida. Most of the homes in this subdivision were constructed from 2004 thru 2008. The average sale price in this project is \$455,500 with an average price per square foot of \$142. There are limited amenities in this project.

Account	Subdivision Name	SF	Date	Sale Price	Price/SF	Year Built
2323207	CHASE HAMMOCK LAKES	2557	03/13/2014	\$375,000	\$146.66	2004
2323209	CHASE HAMMOCK LAKES	3055	05/15/2014	\$445,000	\$145.66	2004
2323174	CHASE HAMMOCK LAKES	2987	06/19/2014	\$440,000	\$147.30	2004
2323203	CHASE HAMMOCK LAKES	3745	07/24/2014	\$551,000	\$147.13	2006
2323170	CHASE HAMMOCK LAKES	3194	03/09/2015	\$505,000	\$158.11	2004
2323202	CHASE HAMMOCK LAKES	3633	05/14/2015	\$410,000	\$112.85	2005
2323163	CHASE HAMMOCK LAKES	2638	06/01/2015	\$395,500	\$149.92	2004
2323182	CHASE HAMMOCK LAKES	3251	07/31/2015	\$520,000	\$159.95	2007
2323202	CHASE HAMMOCK LAKES	3633	11/18/2015	\$410,000	\$112.85	2005
2323214	CHASE HAMMOCK LAKES	3767	05/10/2016	\$527,000	\$139.90	2006
2323160	CHASE HAMMOCK LAKES	3204	06/30/2016	\$400,000	\$124.84	2004
2323209	CHASE HAMMOCK LAKES	3055	04/13/2017	\$487,500	\$159.57	2004
	Average =	3,227		\$455,500	\$142	



Montecito

Montecito is a large residential project located on the west side of S Patrick Drive in Satellite Beach, Florida. The project was developed in 2005 and was stagnant during the economic downturn. In recently years the project has been selling townhouse and single-family product and we have provided a summary of the more recent townhouse and single family sales within this project. An aerial is provided below:





Single Family Sales (Montecito)

Account	Subdivision Name	SF	Acreage	Date	Sale Price	Year Built	Price/SF
2629819	MONTECITO PHASE 1B	1866	0.15	01/17/2014	\$350,000	2014	\$187.57
2628978	MONTECITO PHASE 1A	2778	0.14	02/17/2014	\$320,000	2006	\$115.19
2629005	MONTECITO PHASE 1A	2105	0.14	02/28/2014	\$322,000	2007	\$152.97
2629841	MONTECITO PHASE 1B	3489	0.14	03/19/2014	\$410,000	2008	\$117.51
2628961	MONTECITO PHASE 1A	3147	0.16	03/21/2014	\$421,100	2014	\$133.81
2628971	MONTECITO PHASE 1A	3040	0.14	03/22/2014	\$425,000	2010	\$139.80
2628954	MONTECITO PHASE 1A	2778	0.15	03/24/2014	\$375,000	2006	\$134.99
2629820	MONTECITO PHASE 1B	3175	0.15	03/26/2014	\$431,300	2014	\$135.84
2629801	MONTECITO PHASE 1B	1855	0.15	03/28/2014	\$315,000	2009	\$169.81
2629826	MONTECITO PHASE 1B	2796	0.14	04/10/2014	\$400,000	2009	\$143.06
2628957	MONTECITO PHASE 1A	2264	0.15	04/30/2014	\$384,800	2014	\$169.96
2629850	MONTECITO PHASE 1B	3489	0.14	05/12/2014	\$380,000	2009	\$108.91
2629818	MONTECITO PHASE 1B	2633	0.15	05/28/2014	\$387,300	2014	\$147.09
2629017	MONTECITO PHASE 1A	3309	0.14	06/20/2014	\$462,500	2007	\$139.77
2629827	MONTECITO PHASE 1B	2264	0.14	07/07/2014	\$337,000	2010	\$148.85
2628952	MONTECITO PHASE 1A	2778	0.15	07/07/2014	\$360,500	2006	\$129.77
2628969	MONTECITO PHASE 1A	3327	0.13	07/09/2014	\$430,000	2014	\$129.25
2628975	MONTECITO PHASE 1A	3341	0.14	07/25/2014	\$464,000	2007	\$138.88
2629006	MONTECITO PHASE 1A	3100	0.14	07/29/2014	\$380,000	2006	\$122.58
2628983	MONTECITO PHASE 1A	2105	0.14	08/07/2014	\$342,200	2006	\$162.57
2628989	MONTECITO PHASE 1A	3100	0.14	09/25/2014	\$421,000	2006	\$135.81
2628963	MONTECITO PHASE 1A	3068	0.16	10/08/2014	\$434,900	2014	\$141.75
2628965	MONTECITO PHASE 1A	1866	0.14	10/20/2014	\$321,300	2014	\$172.19
2629812	MONTECITO PHASE 1B	1716	0.14	10/21/2014	\$337,500	2010	\$196.68
2628959	MONTECITO PHASE 1A	3374	0.15	10/31/2014	\$457,500	2007	\$135.60
2629824	MONTECITO PHASE 1B	1981	0.14	11/07/2014	\$345,000	2011	\$174.15
2628996	MONTECITO PHASE 1A	3050	0.14	11/13/2014	\$420,000	2009	\$137.70
2629002	MONTECITO PHASE 1A	1716	0.14	12/18/2014	\$300,000	2009	\$174.83
2629828	MONTECITO PHASE 1B	2415	0.14	12/22/2014	\$400,000	2013	\$165.63
2628955	MONTECITO PHASE 1A	3592	0.15	01/30/2015	\$440,000	2007	\$122.49
2628983	MONTECITO PHASE 1A	2105	0.14	04/14/2015	\$332,000	2006	\$157.72
2629821	MONTECITO PHASE 1B	1849	0.15	04/15/2015	\$397,500	2013	\$214.98
2628953	MONTECITO PHASE 1A	2105	0.15	04/24/2015	\$279,000	2006	\$132.54
2628995	MONTECITO PHASE 1A	2778	0.14	05/27/2015	\$440,000	2005	\$158.39
2629816	MONTECITO PHASE 1B	3296	0.21	05/28/2015	\$439,900	2008	\$133.46
2628958	MONTECITO PHASE 1A	2455	0.15	06/25/2015	\$365,000	2011	\$148.68
2629017	MONTECITO PHASE 1A	3309	0.14	08/05/2015	\$482,000	2007	\$145.66
2629822	MONTECITO PHASE 1B	2705	0.15	08/20/2015	\$335,000	2012	\$123.84
2629809	MONTECITO PHASE 1B	1861	0.14	08/27/2015	\$320,000	2010	\$171.95
2628981	MONTECITO PHASE 1A	2088	0.16	09/25/2015	\$330,000	2010	\$158.05
2629833	MONTECITO PHASE 1B	1906	0.15	10/06/2015	\$234,100	2012	\$122.82
2628955	MONTECITO PHASE 1A	3592	0.15	12/14/2015	\$470,000	2007	\$130.85
2629838	MONTECITO PHASE 1B	1716	0.15	12/15/2015	\$327,500	2010	\$190.85
2629827	MONTECITO PHASE 1B	2264	0.14	01/08/2016	\$345,000	2010	\$152.39
2629833	MONTECITO PHASE 1B	1906	0.15	02/26/2016	\$325,000	2012	\$170.51
2629814	MONTECITO PHASE 1B	1716	0.14	03/11/2016	\$337,000	2010	\$196.39
2628952	MONTECITO PHASE 1A	2778	0.15	03/18/2016	\$410,000	2006	\$147.59
2629811	MONTECITO PHASE 1B	3144	0.14	04/19/2016	\$463,900	2008	\$147.55
2629801	MONTECITO PHASE 1B	1855	0.15	04/28/2016	\$350,000	2009	\$188.68
2628988	MONTECITO PHASE 1A	3231	0.15	05/04/2016	\$457,900	2011	\$141.72
2628971	MONTECITO PHASE 1A	3040	0.14	05/16/2016	\$465,000	2010	\$152.96
2628999	MONTECITO PHASE 1A	1866	0.12	06/29/2016	\$324,000	2012	\$173.63
2629820	MONTECITO PHASE 1B	3175	0.15	10/13/2016	\$465,000	2014	\$146.46
2629021	MONTECITO PHASE 1A	3276	0.14	10/13/2016	\$477,000	2007	\$145.60
2628978	MONTECITO PHASE 1A	2778	0.14	11/11/2016	\$434,900	2006	\$156.55
2628991	MONTECITO PHASE 1A	2778	0.14	11/16/2016	\$420,000	2006	\$151.19
2629000	MONTECITO PHASE 1A	3020	0.17	12/16/2016	\$450,000	2011	\$149.01
2628980	MONTECITO PHASE 1A	3100	0.14	12/28/2016	\$410,000	2009	\$132.26
2628977	MONTECITO PHASE 1A	3276	0.14	01/30/2017	\$377,000	2006	\$115.08
2629817	MONTECITO PHASE 1B	2181	0.25	03/01/2017	\$405,000	2008	\$185.69
2628969	MONTECITO PHASE 1A	3327	0.13	03/23/2017	\$470,000	2014	\$141.27
61	Total Sales	2656			\$388,748		\$150.32
1.45	sales per month						

## Boyle & Drake, Inc.

As shown there have been a total of 61 single family sales since 2014, which shows an average sales velocity of 1.45 sales per month. The average sale price for a single family home in Montecito is \$388,172 and the average price per square foot was \$150. There have been 80 townhouse sales in Montecito since 2014, which equates to 1.13 sales per month. The average sale price is \$285,283 with an average price per square foot of \$150.11. We will discuss the townhome sales in this project in the later pages of this report.

### Ocean Village



Ocean Village is located just south of the Eau Gallie Causeway on the west side of N Riverside Drive. Ocean Village is a new subdivision which was developed in 2015. Vintage Homes is selling new single family product in this subdivision in the range of 2,200 to 4,000 square feet. The chart on the following page shows the sales activity within this subdivision since 2015. There are limited amenities in this project.

# Boyle & Drake, Inc.

Account	Subdivision Name	SF	Acre	Sale Date	Sale Price	Year Built	Price/SF
2747889	OCEAN VILLAGE	2,715	0.18	01/29/2015	\$439,000	2014	\$161.69
2747882	OCEAN VILLAGE	3,416	0.17	01/29/2015	\$485,000	2015	\$141.98
2747884	OCEAN VILLAGE	4,072	0.17	06/26/2015	\$647,500	2014	\$159.01
2747881	OCEAN VILLAGE	3,074	0.17	06/30/2015	\$486,600	2015	\$158.30
2747890	OCEAN VILLAGE	2,264	0.18	07/24/2015	\$380,100	2015	\$167.89
2747891	OCEAN VILLAGE	2,727	0.18	07/30/2015	\$449,800	2015	\$164.94
2747892	OCEAN VILLAGE	2,589	0.18	09/01/2015	\$410,000	2015	\$158.36
2747886	OCEAN VILLAGE	2,599	0.26	09/29/2015	\$462,400	2015	\$177.91
2747888	OCEAN VILLAGE	2,365	0.18	10/13/2015	\$399,000	2015	\$168.71
2747879	OCEAN VILLAGE	2,727	0.17	11/12/2015	\$530,300	2015	\$194.46
2747893	OCEAN VILLAGE	2,264	0.18	12/09/2015	\$418,000	2015	\$184.63
2747896	OCEAN VILLAGE	3,825	0.18	12/21/2015	\$516,900	2015	\$135.14
3011594	OCEAN VILLAGE	3,074	0.19	01/05/2016	\$461,500	2016	\$150.13
3011595	OCEAN VILLAGE	2,589	0.19	01/05/2016	\$488,000	2016	\$188.49
2747895	OCEAN VILLAGE	2,727	0.18	01/15/2016	\$440,500	2015	\$161.53
3011593	OCEAN VILLAGE	2,727	0.19	01/25/2016	\$437,300	2016	\$160.36
2747877	OCEAN VILLAGE	2,750	0.17	03/22/2016	\$469,000	2016	\$170.55
3011587	OCEAN VILLAGE	2,715	0.18	03/31/2016	\$466,900	2016	\$171.97
3011591	OCEAN VILLAGE	4,072	0.19	04/19/2016	\$437,700	2016	\$107.49
3011589	OCEAN VILLAGE	2,546	0.17	04/26/2016	\$415,400	2016	\$163.16
2747885	OCEAN VILLAGE	2,685	0.24	06/02/2016	\$570,000	2014	\$212.29
3011592	OCEAN VILLAGE	2,264	0.19	07/21/2016	\$439,900	2016	\$194.30
3011619	OCEAN VILLAGE	2,750	0.17	08/16/2016	\$439,000	2016	\$159.64
3011620	OCEAN VILLAGE	2,264	0.19	09/22/2016	\$396,000	2016	\$174.91
2747894	OCEAN VILLAGE	2,750	0.18	10/11/2016	\$485,000	2015	\$176.36
3011622	OCEAN VILLAGE	3,100	0.20	10/21/2016	\$418,600	2014	\$135.03
3011617	OCEAN VILLAGE	3,074	0.17	10/27/2016	\$458,100	2016	\$149.02
3011596	OCEAN VILLAGE	2,589	0.17	11/07/2016	\$416,000	2016	\$160.68
3011621	OCEAN VILLAGE	2,727	0.20	11/08/2016	\$416,200	2016	\$152.62
3011586	OCEAN VILLAGE	3,416	0.18	11/22/2016	\$449,900	2016	\$131.70
2747887	OCEAN VILLAGE	3,254	0.18	11/29/2016	\$510,000	2015	\$156.73
3013507	OCEAN VILLAGE	2,750	0.20	01/11/2017	\$323,000	2016	\$117.45
3011623	OCEAN VILLAGE	2,700	0.24	01/18/2017	\$483,200	2014	\$178.96
3013508	OCEAN VILLAGE	2,727	0.18	01/18/2017	\$450,900	2016	\$165.35
3011624	OCEAN VILLAGE	2,750	0.21	02/22/2017	\$440,000	2014	\$160.00
3013506	OCEAN VILLAGE	2,750	0.20	03/29/2017	\$543,100	2016	\$197.49
3013509	OCEAN VILLAGE	2,264	0.17	04/11/2017	\$562,400	2016	\$248.41
Number of Sales							
38							
1.26666667 Sales per Month		2,828		\$460,600		\$165.34	

As shown there have been 38 sales since 2015, which equates to 1.26 sales per month. The current average home size in the subdivision is in the range of 2,828 square feet. The average price per square foot is \$165. The average home sale price is \$460,600. There are limited amenities in this project.



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We note that the developer of the subdivision appears to have a lot take down agreement with Vintage Homes (Mercedes Homes). We note a bulk lot sale from the developer (Riverside Drive Development Group LLC) to Mercedes Premier Homes LLC. for \$1,570,000 in January of 2017 for 11 lots. The bulk sale included 11 finished lots within the Ocean Village subdivision. The sale price equates to **\$142,727** per finished lot.

### Enclave at Three Hundred

The Enclave at Three Hundred is a small subdivision located on the west side of S Atlantic Avenue in Cocoa Beach, Florida. The subdivision offers no amenities but some of the homes have ocean views from the second floor.



Account	SF	Acreag	Sale Date	Sale Price	Buil	Price/SF
2538419	3555	0.16	11/09/2015	\$580,000	2007	\$163.15
2539360	3555	0.16	06/08/2015	\$618,300	2015	\$173.92
2539361	3791	0.16	12/29/2015	\$590,000	2015	\$155.63
2538420	3555	0.16	07/14/2016	\$645,700	2007	\$181.63
2539358	3500	0.16	12/30/2016	\$541,500	2016	\$154.71
2539359	3500	0.16	08/11/2016	\$633,100	2016	\$180.89
2538422	3462	0.16	02/02/2017	\$609,500	2008	\$176.05
2539362	3801	0.27	01/22/2016	\$660,000	2014	\$173.64
2538414	3506	0.22	03/29/2017	\$750,000	2007	\$213.92
9 Sales						
Since 2015	3,581			\$625,344		\$175

The average sale price was \$625,344 or \$175 per square foot.

Maritime Hammock and Matanilla Reef

Maritime Hammock and Matanilla Reef are located within the Aquarina PUD in Melbourne Beach, Florida. The Matanilla Reef project was developed in 2016 and has achieved 4 sales since opening. The Maritime Hammock project was constructed in 2004/2005.



The sales from each project are shown in the following charts.



Maritime Hammock

Account	Subdivision Name	SF	Acreage	Sale Date	Sale Price	Year Built	Price/SF
2964508	MARITIME HAMMOCK	2945	0.27	05/29/2015	\$609,900	2014	\$207.10
2964510	MARITIME HAMMOCK	2950	0.22	03/01/2016	\$649,900	2016	\$220.31
2964503	MARITIME HAMMOCK	2784	0.17	05/30/2014	\$549,900	2014	\$197.52
3 Sales		2893			\$603,233		\$208.31

Matanilla Reef

Account	Subdivision Name	SF	Acreage	Sale Date	Sale Price	Price/SF
3013060	MATANILLA REEF AT AQUARINA	2755	0.13	07/22/2016	\$719,900	\$261.31
3013064	MATANILLA REEF AT AQUARINA	3120	0.11	8/15/2016	\$756,800	\$242.56
3013056	MATANILLA REEF AT AQUARINA	2755	0.16	02/06/2017	\$846,395	\$307.22
3013062	MATANILLA REEF AT AQUARINA	3120	0.12	04/13/2017	\$759,400	\$243.40
3013063	MATANILLA REEF AT AQUARINA	3153	0.12	6/15/2017	\$783,900	\$248.62
5 Sales 2016-2017		Average =	2,981		\$773,279	\$260.62

We have focused on the Matanilla Reef project as it represents new construction. There have been a total of 5 sales in this project since opening in 2016. The units sold to date are three stories and have ocean views from the second and third floor. The average sale price is \$773,297 or \$200 per square foot.



# Boyle & Drake, Inc.

## Townhouse Product

Provided below is a discussion of some of the townhouse projects offering new product.

## Harbor Beach Club

Harbor Beach Club is located north of the Eau Gallie Causeway along the north side of Steven Patrick Drive. The project consisted of 16 completed townhomes and 24 townhome pads. The project was purchased in bulk in April of 2016 for \$3,200,000. Since the purchase the buyer has been selling the completed units and those sales are shown in the chart below. The buyer plans to sell the 16 completed units and then construct similar product on the 24 townhome pads. Construction is already underway for the first few units of new product.





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Account	Subdivision Name	SF	Sale Date	Sale Price	Year Bui	Price/SF
2747591	HARBOR BEACH CLUB	2,350	06/17/2016	\$299,900	2007	\$127.62
2747590	HARBOR BEACH CLUB	2,350	10/14/2016	\$300,000	2007	\$127.66
2747589	HARBOR BEACH CLUB	2,350	08/15/2016	\$288,000	2007	\$122.55
2747588	HARBOR BEACH CLUB	2,350	07/06/2016	\$269,900	2007	\$114.85
2747587	HARBOR BEACH CLUB	2,350	03/21/2017	\$290,000	2007	\$123.40
2747584	HARBOR BEACH CLUB	2,350	06/29/2016	\$299,900	2007	\$127.62
2747576	HARBOR BEACH CLUB	2,350	03/23/2017	\$327,500	2007	\$139.36
		2,350		\$296,457		\$126.15

As shown the average sale price is \$296,457 per unit and \$126 per square foot. The average unit size is 2,350 square feet. We expect the new product will be similar in size, but we expect the newer units to command a premium. At a price of \$150 per square foot, the indicated value of the completed units would be \$350,000 per unit. According to the marketing website the new townhomes are to be priced in the range of \$329,000 to \$389,000.

### Preserve Pointe

Preserve Pointe is located just north of the subject along the west side of State Road A1A. These units were constructed in 2003. The units are larger than typical at 2,994 square feet and the average sale price is \$385,000. There have been three recent sales in this project. The sales are shown in the chart below:





Account	SF	Date	Sale Price	Year Built	Price/SF
2853735	2994	10/3/2016	\$462,500	2003	\$154.48
2853737	2994	2/2/2016	\$438,500	2006	\$146.46
2853738	2994	5/26/2015	\$449,000	2006	\$149.97
Avg =	2994		\$450,000		\$150

Montecito

We have already discussed Montecito in the single family product discussion. Provided below is a summary of the recent townhome sales in Montecito. Vintage Estates Homes is currently building townhome product in the range of 1,416 to 2,233 square feet. The pricing is from \$200,000 to \$350,000. The Vintage Homes website does not specify the availability of any single family homes. It appears the only remaining product in this project is the new townhomes in Phase 2. There are limited amenities in this project.

# Boyle & Drake, Inc.

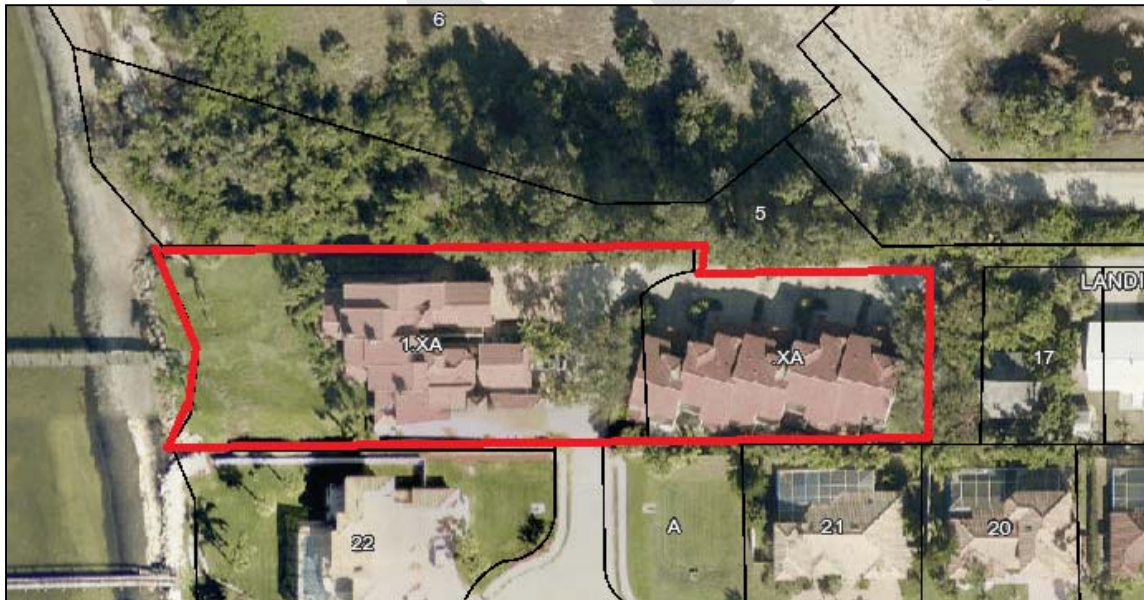
Account	Subdivision Name	SF	Date	Sale Price	Year Built	Price/SF
2631286	MONTECITO	1559	01/27/2014	\$215,000	2010	\$137.91
2631236	MONTECITO	1925	02/04/2014	\$251,500	2013	\$130.65
2631344	MONTECITO	1947	03/07/2014	\$390,000	2014	\$200.31
2631256	MONTECITO	1565	03/14/2014	\$215,000	2007	\$137.38
2631283	MONTECITO	1559	05/28/2014	\$220,000	2010	\$141.12
2631350	MONTECITO	1925	08/27/2014	\$390,000	2014	\$202.60
2631226	MONTECITO	2070	08/29/2014	\$272,000	2010	\$131.40
2631346	MONTECITO	2177	09/05/2014	\$276,400	2014	\$126.96
2631343	MONTECITO	2177	09/10/2014	\$271,000	2014	\$124.48
2631347	MONTECITO	2177	09/11/2014	\$277,000	2014	\$127.24
2631342	MONTECITO	2177	09/15/2014	\$272,600	2014	\$125.22
2631310	MONTECITO	1629	09/22/2014	\$226,000	2009	\$138.74
2631215	MONTECITO	1128	09/26/2014	\$190,000	2008	\$168.44
2631219	MONTECITO	2092	09/26/2014	\$256,000	2008	\$122.37
2631251	MONTECITO	2034	10/21/2014	\$232,500	2006	\$114.31
2631248	MONTECITO	1393	11/25/2014	\$197,500	2006	\$141.78
2631344	MONTECITO	1947	11/25/2014	\$271,000	2014	\$139.19
2631282	MONTECITO	2029	12/26/2014	\$264,000	2010	\$130.11
2631290	MONTECITO	1551	12/30/2014	\$390,000	2015	\$251.45
2631293	MONTECITO	2029	12/30/2014	\$390,000	2015	\$192.21
2631349	MONTECITO	2133	01/09/2015	\$272,600	2014	\$127.80
2631345	MONTECITO	1947	01/23/2015	\$255,000	2014	\$130.97
2631348	MONTECITO	2133	01/23/2015	\$268,700	2014	\$125.97
2631303	MONTECITO	1393	01/27/2015	\$204,000	2008	\$146.45
2631352	MONTECITO	2133	01/29/2015	\$262,000	2014	\$122.83
2631249	MONTECITO	1393	03/16/2015	\$197,500	2006	\$141.78
2631354	MONTECITO	2165	03/31/2015	\$390,000	2015	\$180.14
2631316	MONTECITO	1603	04/09/2015	\$226,000	2009	\$140.99
2631351	MONTECITO	2248	05/07/2015	\$255,000	2014	\$113.43
2631236	MONTECITO	1925	05/29/2015	\$265,000	2013	\$137.66
2631293	MONTECITO	2029	05/29/2015	\$286,500	2015	\$141.20
2631217	MONTECITO	2119	06/09/2015	\$207,000	2008	\$97.69
2631210	MONTECITO	1122	06/24/2015	\$192,000	2007	\$171.12
2631288	MONTECITO	2029	07/01/2015	\$294,400	2015	\$145.10
2631297	MONTECITO	1393	07/06/2015	\$197,500	2008	\$141.78
2631289	MONTECITO	1553	07/15/2015	\$247,000	2015	\$159.05
2631290	MONTECITO	1551	07/20/2015	\$254,000	2015	\$163.77
2631350	MONTECITO	1925	08/18/2015	\$267,000	2014	\$138.70
2631296	MONTECITO	1393	08/25/2015	\$190,000	2008	\$136.40
2631237	MONTECITO	2133	09/03/2015	\$279,000	2013	\$130.80
2631250	MONTECITO	1565	09/04/2015	\$228,000	2006	\$145.69
2631312	MONTECITO	2015	10/15/2015	\$267,500	2009	\$132.75
2631355	MONTECITO	2165	10/29/2015	\$280,000	2015	\$129.33
2631357	MONTECITO	1947	10/30/2015	\$271,600	2015	\$139.50
2631239	MONTECITO	2022	11/12/2015	\$258,000	2007	\$127.60
2631356	MONTECITO	1947	11/13/2015	\$277,300	2015	\$142.42
2631291	MONTECITO	1553	11/18/2015	\$245,000	2015	\$157.76
2631358	MONTECITO	2165	11/18/2015	\$277,000	2015	\$127.94
2631354	MONTECITO	2165	11/23/2015	\$284,400	2015	\$131.36
2631292	MONTECITO	1553	12/04/2015	\$255,000	2015	\$164.20
2631231	MONTECITO	2133	12/11/2015	\$270,000	2010	\$126.58
2631359	MONTECITO	2165	12/30/2015	\$285,800	2015	\$132.01
2631275	MONTECITO	2063	01/21/2016	\$298,000	2008	\$144.45
2631332	MONTECITO	1553	02/22/2016	\$228,000	2011	\$146.81
2631281	MONTECITO	2015	02/22/2016	\$258,000	2009	\$128.04
2631227	MONTECITO	2133	02/26/2016	\$280,000	2010	\$131.27
2631222	MONTECITO	2070	04/08/2016	\$280,000	2010	\$135.27
2631349	MONTECITO	2133	05/25/2016	\$289,000	2014	\$135.49
2631257	MONTECITO	2034	06/23/2016	\$291,000	2007	\$143.07
2631244	MONTECITO	2022	07/19/2016	\$287,000	2007	\$141.94
2631220	MONTECITO	1128	08/05/2016	\$214,000	2008	\$189.72
2631278	MONTECITO	1629	08/11/2016	\$231,000	2009	\$141.80
2631287	MONTECITO	2029	09/19/2016	\$300,000	2010	\$147.86
2631323	MONTECITO	2177	09/27/2016	\$299,900	2011	\$137.76
2631358	MONTECITO	2165	11/16/2016	\$285,000	2015	\$131.64
2631301	MONTECITO	1565	11/23/2016	\$201,000	2008	\$128.43
2631213	MONTECITO	1122	02/03/2017	\$219,000	2007	\$195.19
2631344	MONTECITO	1947	03/30/2017	\$295,000	2014	\$151.52
Number of Sales						
70						
1.67 per Month		1,862	Avg	\$263,724		\$145.73





Montecito has shown an average sale price \$263,724 per unit and \$146 per square foot. We note a high sales velocity in this project. The current sales velocity is approximately 1.67 units per month.

The Landings of Melbourne Beach



The Landings of Melbourne Beach is located just south of the subject along the Indian River the project consists of 8, two story townhouse units. There has been only one recent sale in this project at \$240,000. The sold unit was 1,835 square feet indicating a price per square foot of \$131. We note this project was constructed in 1996 and is considered dated.



Aspinwall (TH)



Aspinwall is located just northeast of Ocean Village and includes attached townhome product. The project was developed in 2014 and is selling 2,068 to 2,303 square foot townhomes on the south side of Eau Gallie Boulevard. The average sale price was \$256,534 or \$129 per square foot for an average unit size of 2,033 square feet.





Account	Sub	SF	Sale Date	Sale Price	Year Built	Price/SF
2746418	ASPINWALL	2029	03/04/2014	\$252,700	2014	\$124.54
2746415	ASPINWALL	2283	03/28/2014	\$257,400	2014	\$112.75
2746414	ASPINWALL	2030	03/31/2014	\$245,600	2014	\$120.99
2746413	ASPINWALL	2283	04/15/2014	\$281,300	2014	\$123.22
2746420	ASPINWALL	2030	06/13/2014	\$245,000	2013	\$120.69
2746416	ASPINWALL	1302	06/24/2014	\$205,000	2014	\$157.45
2746488	ASPINWALL	2023	07/09/2014	\$244,500	2008	\$120.86
2746417	ASPINWALL	2283	07/11/2014	\$249,000	2014	\$109.07
2746496	ASPINWALL	2296	08/15/2014	\$268,300	2014	\$116.86
2746497	ASPINWALL	2045	08/25/2014	\$250,900	2014	\$122.69
2746447	ASPINWALL	2283	09/04/2014	\$266,000	2010	\$116.51
2746446	ASPINWALL	2030	09/10/2014	\$239,000	2010	\$117.73
2746440	ASPINWALL	2030	09/18/2014	\$245,000	2011	\$120.69
2746424	ASPINWALL	2283	09/30/2014	\$258,000	2012	\$113.01
2746402	ASPINWALL	2284	10/23/2014	\$261,500	2007	\$114.49
2746452	ASPINWALL	2023	10/23/2014	\$240,000	2009	\$118.64
2746476	ASPINWALL	1302	11/26/2014	\$220,300	2014	\$169.20
2746477	ASPINWALL	2030	12/11/2014	\$274,200	2014	\$135.07
2746478	ASPINWALL	2283	12/16/2014	\$276,700	2014	\$121.20
2746912	ASPINWALL	2030	02/17/2015	\$255,000	2012	\$125.62
2746387	ASPINWALL	2029	02/20/2015	\$245,000	2007	\$120.75
2746485	ASPINWALL	2024	03/13/2015	\$250,000	2009	\$123.52
2746491	ASPINWALL	2288	03/26/2015	\$279,900	2008	\$122.33
2746391	ASPINWALL	2029	03/31/2015	\$224,900	2007	\$110.84
2746394	ASPINWALL	2284	04/10/2015	\$224,900	2007	\$98.47
2746402	ASPINWALL	2284	05/11/2015	\$224,900	2007	\$98.47
2746440	ASPINWALL	2030	05/20/2015	\$253,000	2011	\$124.63
2746390	ASPINWALL	2284	07/24/2015	\$240,000	2007	\$105.08
2746407	ASPINWALL	2023	10/09/2015	\$279,000	2009	\$137.91
2746911	ASPINWALL	1302	11/25/2015	\$213,500	2012	\$163.98
2746398	ASPINWALL	2284	12/24/2015	\$243,000	2007	\$106.39
2746473	ASPINWALL	1276	02/25/2016	\$229,000	2008	\$179.47
2746493	ASPINWALL	2270	03/18/2016	\$295,000	2007	\$129.96
2746483	ASPINWALL	2023	04/25/2016	\$270,000	2009	\$133.47
2746461	ASPINWALL	1276	05/21/2016	\$195,000	2008	\$152.82
2746415	ASPINWALL	2283	08/12/2016	\$309,500	2014	\$135.57
2746479	ASPINWALL	2296	08/25/2016	\$307,000	2013	\$133.71
2746470	ASPINWALL	1276	12/13/2016	\$249,900	2008	\$195.85
2746413	ASPINWALL	2283	01/09/2017	\$335,000	2014	\$146.74
2746477	ASPINWALL	2030	03/03/2017	\$329,000	2014	\$162.07
2746410	ASPINWALL	2283	04/13/2017	\$285,000	2013	\$124.84
# of Sales						
42		2,033		\$256,534		\$128.98
1.05	per Month					

# Boyle & Drake, Inc.

## Avon By the Sea - Townhomes of Villas By The Sea

Avon by the Sea is a small townhouse project in Cocoa Beach, Florida. The project was constructed in 2001. The average sale price is \$235,840 or \$141 per square foot.



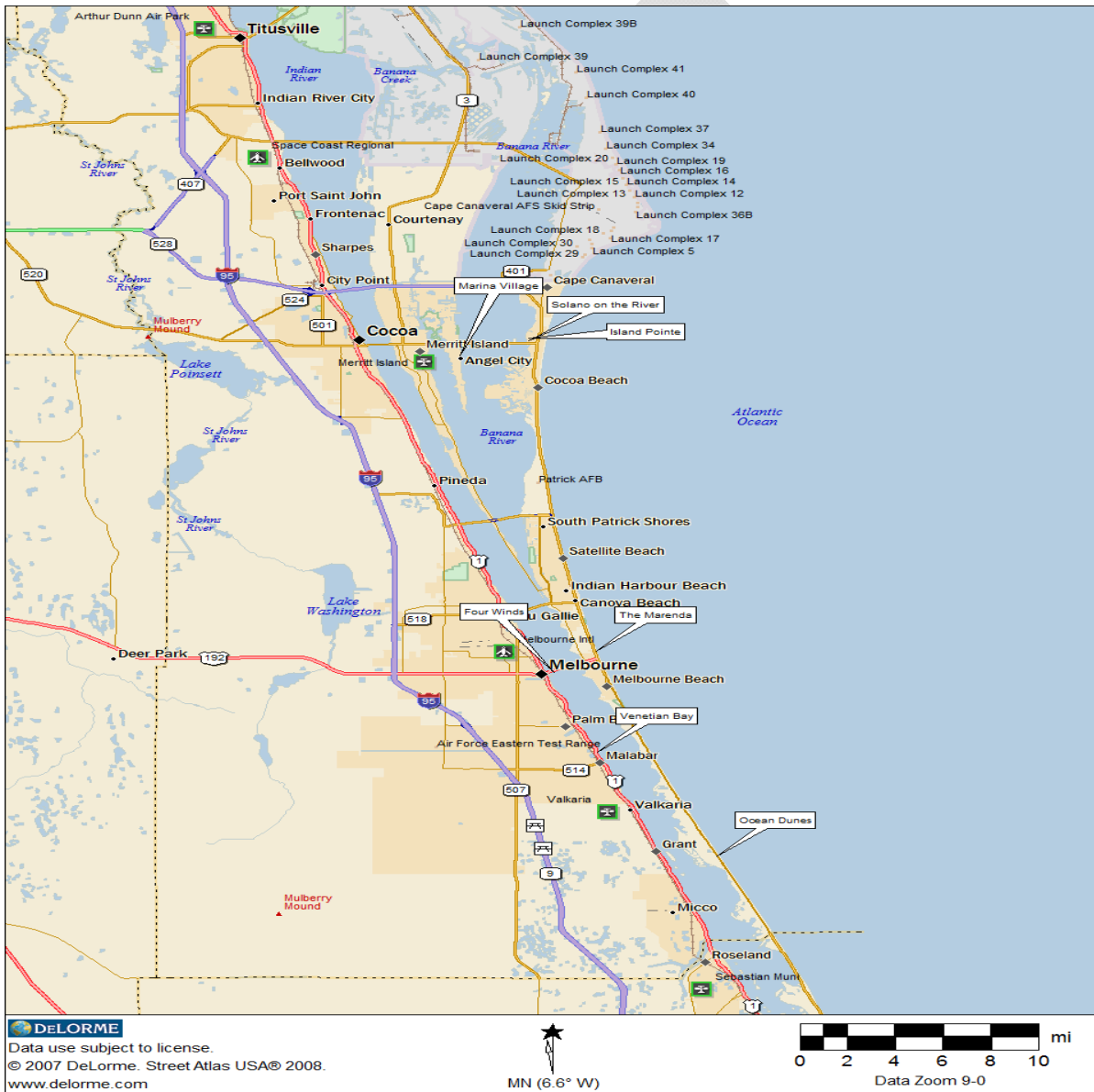
Account	Property Site Address	SF	Acreage	Sale Date	Sale Price	Year Bui	Price/SF
2454814	5201 OCEAN BEACH BLVD UNIT 18 COCOA BEACH FL 32931	1674	0.07	03/07/2016	\$205,100	2002	\$122.52
2454814	5201 OCEAN BEACH BLVD UNIT 18 COCOA BEACH FL 32931	1674	0.07	10/31/2016	\$255,000	2002	\$152.33
2454817	5201 OCEAN BEACH BLVD UNIT 21 COCOA BEACH FL 32931	1674	0.07	01/14/2015	\$240,000	2002	\$143.37
2454818	5201 OCEAN BEACH BLVD UNIT 22 COCOA BEACH FL 32931	1674	0.07	02/14/2014	\$198,300	2002	\$118.46
2454797	5201 OCEAN BEACH BLVD UNIT UNIT 1 COCOA BEACH FL 32931	1674	0.08	02/16/2017	\$310,000	2000	\$185.19
2454807	5201 OCEAN BEACH BLVD UNIT UNIT 11 COCOA BEACH FL 32931	1674	0.08	05/18/2015	\$215,000	2001	\$128.43
2454810	5201 OCEAN BEACH BLVD UNIT UNIT 14 COCOA BEACH FL 32931	1674	0.07	12/30/2016	\$245,000	2001	\$146.36
2454819	5201 OCEAN BEACH BLVD UNIT UNIT 23 COCOA BEACH FL 32931	1674	0.07	03/30/2015	\$240,000	2001	\$143.37
2454820	5201 OCEAN BEACH BLVD UNIT UNIT 24 COCOA BEACH FL 32931	1674	0.07	06/10/2014	\$200,000	2001	\$119.47
2454823	5201 OCEAN BEACH BLVD UNIT UNIT 27 COCOA BEACH FL 32931	1674	0.07	12/19/2016	\$250,000	2001	\$149.34
9 Sales		1674			\$235,840		\$141



Condominium Data

For the condominium data we considered only the newer projects (built after 2004) and the projects located with direct river frontage or ocean views. We note that many of the condominium projects in the area are oceanfront and as a result some of the direct oceanfront data is discussed herein. In the final reconciliation of data we will discuss the expected price points for the subject units directly on the river or with ocean views.

Location Map

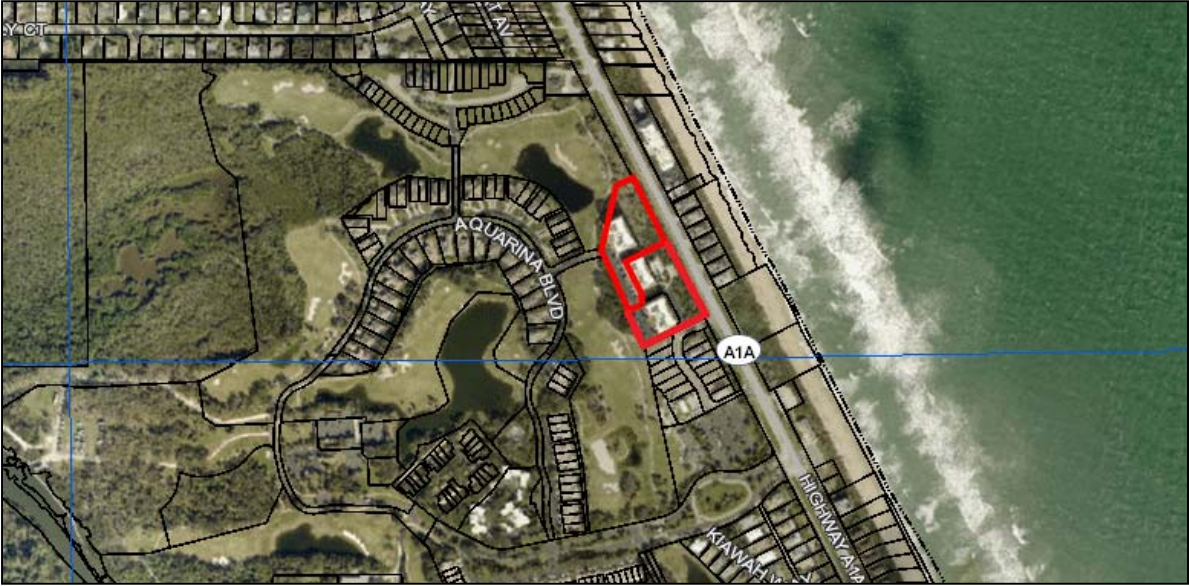


**Boyle & Drake, Inc.**

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Ocean Dunes

Ocean Dunes is located just north of the entrance to the Aquaria subdivision in Melbourne Beach, Florida. The property is comprised of three buildings with eight stories each (seven living floors above parking). The sales from Ocean Dunes are summarized in the chart on the following page.



## Boyle & Drake, Inc.

Account	Property Site Address	SF	Sale Date	Sale Pr	Price/SF	Year Bu
2965050	110 WARSTEINER WAY UNIT 803 MELBOURNE BEACH FL 32951	2007	01/15/2014	\$430,000	\$214.25	2009
2965021	130 WARSTEINER WAY UNIT 803 MELBOURNE BEACH FL 32951	2007	05/09/2014	\$460,000	\$229.20	2009
2965032	110 WARSTEINER WAY UNIT 401 MELBOURNE BEACH FL 32951	2400	06/18/2014	\$385,000	\$160.42	2009
2965022	130 WARSTEINER WAY UNIT 804 MELBOURNE BEACH FL 32951	2384	06/30/2014	\$480,000	\$201.34	2009
2964769	140 WARSTEINER WAY UNIT 704 MELBOURNE BEACH FL 32951	2384	08/28/2014	\$513,000	\$215.18	2007
2965043	110 WARSTEINER WAY UNIT 604 MELBOURNE BEACH FL 32951	2384	09/10/2014	\$460,000	\$192.95	2009
2965013	130 WARSTEINER WAY UNIT 603 MELBOURNE FL 32951	2007	09/17/2014	\$400,000	\$199.30	2009
2965051	110 WARSTEINER WAY UNIT 804 MELBOURNE BEACH FL 32951	2384	11/17/2014	\$600,000	\$251.68	2009
2964997	130 WARSTEINER WAY UNIT 203 MELBOURNE BEACH FL 32951	2007	11/18/2014	\$298,000	\$148.48	2009
2964761	140 WARSTEINER WAY UNIT 504 MELBOURNE BEACH FL 32951	2384	12/01/2014	\$440,000	\$184.56	2007
2964773	140 WARSTEINER WAY UNIT 804 MELBOURNE BEACH FL 32951	2384	02/05/2015	\$400,000	\$167.79	2007
2965028	110 WARSTEINER WAY UNIT 301 MELBOURNE BEACH FL 32951	2400	03/24/2015	\$360,000	\$150.00	2009
2964760	140 WARSTEINER WAY UNIT 503 MELBOURNE BEACH FL 32951	2007	05/19/2015	\$505,000	\$251.62	2007
2964756	140 WARSTEINER WAY UNIT 403 MELBOURNE BEACH FL 32951	2007	05/26/2015	\$405,000	\$201.79	2007
2964767	140 WARSTEINER WAY UNIT 702 MELBOURNE BEACH FL 32951	2216	07/11/2015	\$505,000	\$227.89	2007
2964749	140 WARSTEINER WAY UNIT 204 MELBOURNE BEACH FL 32951	2384	10/07/2015	\$315,000	\$132.13	2007
2965017	130 WARSTEINER WAY UNIT 703 MELBOURNE BEACH FL 32951	2007	11/20/2015	\$465,000	\$231.69	2009
2965030	110 WARSTEINER WAY UNIT 303 MELBOURNE BEACH FL 32951	2007	12/10/2015	\$400,000	\$199.30	2009
2964754	140 WARSTEINER WAY UNIT 401 MELBOURNE BEACH FL 32951	2400	02/03/2016	\$468,000	\$195.00	2007
2964768	140 WARSTEINER WAY UNIT 703 MELBOURNE BEACH FL 32951	2007	03/25/2016	\$478,000	\$238.17	2007
2965042	110 WARSTEINER WAY UNIT 603 MELBOURNE BEACH FL 32951	2007	06/29/2016	\$535,000	\$266.57	2009
2965013	130 WARSTEINER WAY UNIT 603 MELBOURNE FL 32951	2007	01/12/2017	\$528,500	\$263.33	2009
		2,190		\$446,841	\$206	

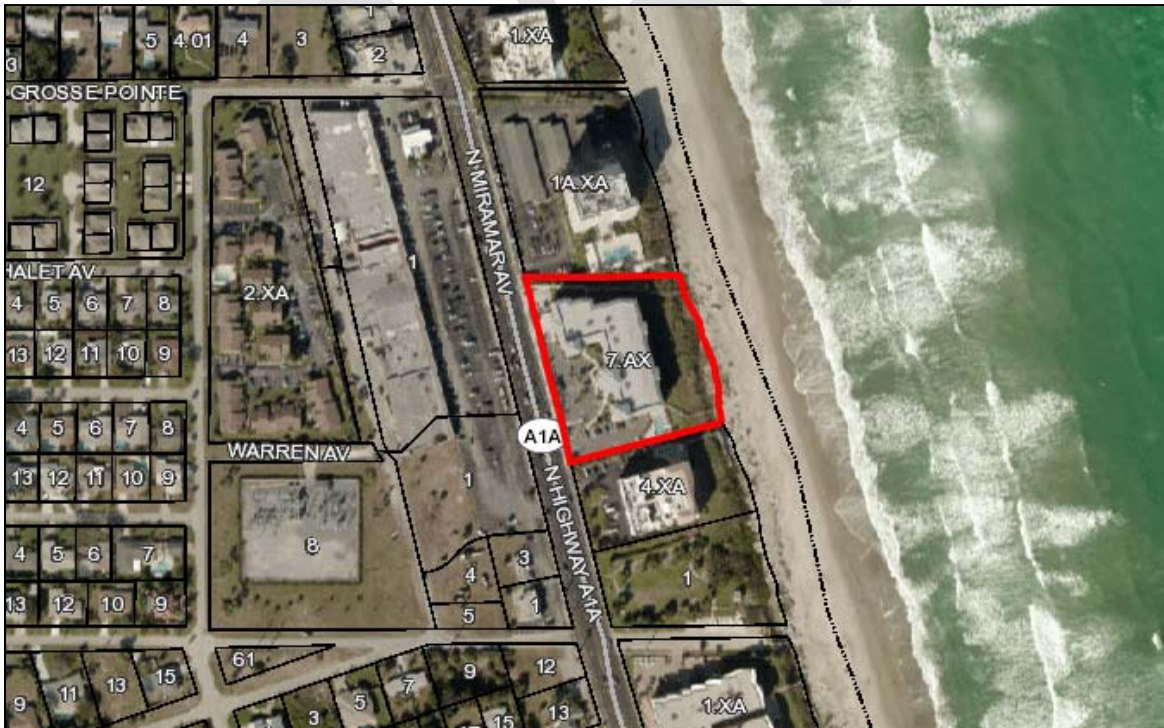
The average sale price for the 22 sales in Ocean Dunes is \$446,841 per unit and \$206 per square foot. These buildings are seven stories of living area and generally speaking the higher floor command a premium based on the ocean view. We note that these buildings are on the west side of State Road A1A and are not direct oceanfront condos.



# Boyle & Drake, Inc.

## The Marena (Oceanfront)

The Marena is an Oceanfront condominium project which is located on the west side of N Miramar Avenue, north of the US Highway 192 causeway in Melbourne Beach, Florida. The project was developed in 2016 and is mostly sold out. The sales from this project are summarized in the chart on the following page. The average sale price was \$658,283 or \$280 per square foot. The average unit size was 2,356 square feet.



# Boyle & Drake, Inc.

Account	Property Site Address	SF	Sale Date	Sale Price	Price/SF
3012654	755 N HIGHWAY A1A UNIT 102 INDIALANTIC FL 32903	2,452	08/08/2016	\$480,000	\$195.76
3012655	755 N HIGHWAY A1A UNIT 103 INDIALANTIC FL 32903	2,780	05/02/2016	\$847,000	\$304.68
3012656	755 N HIGHWAY A1A UNIT 104 INDIALANTIC FL 32903	2,182	08/19/2016	\$620,000	\$284.14
3012656	755 N HIGHWAY A1A UNIT 104 INDIALANTIC FL 32903	2,182	04/20/2017	\$660,000	\$302.47
3012657	755 N HIGHWAY A1A UNIT 105 INDIALANTIC FL 32903	2,182	05/06/2016	\$645,000	\$295.60
3012658	755 N HIGHWAY A1A UNIT 106 INDIALANTIC FL 32903	2,182	08/01/2016	\$629,000	\$288.27
3012659	755 N HIGHWAY A1A UNIT 107 INDIALANTIC FL 32903	2,182	06/17/2016	\$631,000	\$289.18
3012661	755 N HIGHWAY A1A UNIT 109 INDIALANTIC FL 32903	2,553	05/16/2016	\$880,000	\$344.69
3012662	755 N HIGHWAY A1A UNIT 201 INDIALANTIC FL 32903	2,686	05/05/2016	\$481,000	\$179.08
3012663	755 N HIGHWAY A1A UNIT 202 INDIALANTIC FL 32903	2,452	02/26/2016	\$490,000	\$199.84
3012664	755 N HIGHWAY A1A UNIT 203 INDIALANTIC FL 32903	2,780	03/14/2016	\$840,000	\$302.16
3012665	755 N HIGHWAY A1A UNIT 204 INDIALANTIC FL 32903	2,182	02/25/2016	\$590,000	\$270.39
3012666	755 N HIGHWAY A1A UNIT 205 INDIALANTIC FL 32903	2,182	02/16/2016	\$580,000	\$265.81
3012667	755 N HIGHWAY A1A UNIT 206 INDIALANTIC FL 32903	2,182	02/03/2016	\$570,000	\$261.23
3012668	755 N HIGHWAY A1A UNIT 207 INDIALANTIC FL 32903	2,182	04/19/2016	\$630,000	\$288.73
3012669	755 N HIGHWAY A1A UNIT 208 INDIALANTIC FL 32903	2,182	02/05/2016	\$630,000	\$288.73
3012671	755 N HIGHWAY A1A UNIT 301 INDIALANTIC FL 32903	2,686	04/28/2016	\$500,000	\$186.15
3012672	755 N HIGHWAY A1A UNIT 302 INDIALANTIC FL 32903	2,452	02/16/2016	\$490,000	\$199.84
3012673	755 N HIGHWAY A1A UNIT 303 INDIALANTIC FL 32903	2,780	02/08/2016	\$870,000	\$312.95
3012674	755 N HIGHWAY A1A UNIT 304 INDIALANTIC FL 32903	2,182	03/08/2016	\$600,000	\$274.98
3012675	755 N HIGHWAY A1A UNIT 305 INDIALANTIC FL 32903	2,182	02/22/2016	\$600,000	\$274.98
3012675	755 N HIGHWAY A1A UNIT 305 INDIALANTIC FL 32903	2,182	04/20/2016	\$632,000	\$289.64
3012676	755 N HIGHWAY A1A UNIT 306 INDIALANTIC FL 32903	2,182	06/10/2016	\$640,000	\$293.31
3012677	755 N HIGHWAY A1A UNIT 307 INDIALANTIC FL 32903	2,182	02/26/2016	\$650,000	\$297.89
3012678	755 N HIGHWAY A1A UNIT 308 INDIALANTIC FL 32903	2,182	02/11/2016	\$650,000	\$297.89
3012679	755 N HIGHWAY A1A UNIT 309 INDIALANTIC FL 32903	2,553	04/15/2016	\$940,000	\$368.19
3012680	755 N HIGHWAY A1A UNIT 401 INDIALANTIC FL 32903	2,686	05/12/2016	\$500,000	\$186.15
3012681	755 N HIGHWAY A1A UNIT 402 INDIALANTIC FL 32903	2,452	02/19/2016	\$534,900	\$218.15
3012682	755 N HIGHWAY A1A UNIT 403 INDIALANTIC FL 32903	2,780	02/17/2016	\$950,000	\$341.73
3012683	755 N HIGHWAY A1A UNIT 404 INDIALANTIC FL 32903	2,182	02/03/2016	\$650,000	\$297.89
3012684	755 N HIGHWAY A1A UNIT 405 INDIALANTIC FL 32903	2,182	04/05/2016	\$640,000	\$293.31
3012685	755 N HIGHWAY A1A UNIT 406 INDIALANTIC FL 32903	2,182	03/16/2016	\$630,000	\$288.73
3012686	755 N HIGHWAY A1A UNIT 407 INDIALANTIC FL 32903	2,182	02/05/2016	\$680,000	\$311.64
3012687	755 N HIGHWAY A1A UNIT 408 INDIALANTIC FL 32903	2,182	02/19/2016	\$680,000	\$311.64
3012688	755 N HIGHWAY A1A UNIT 409 INDIALANTIC FL 32903	2,553	04/08/2016	\$1,000,000	\$391.70
		2,356		\$658,283	\$279.93

# Boyle & Drake, Inc.

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## Solano on the River

Solano on the River is located in Cocoa Beach, north of the County Road 520 Causeway on the west side of State Road A1A. The project was developed in 2004. The recent sales in this project are shown on the chart on the following page.





Account	Property Site Address	SF	Sale Date	Sale Price	Year Built	Price/SF
2457779	7008 SEVILLA CT UNIT 304 CAPE CANAVERAL FL 32920	2,055	03/25/2014	\$250,000	2004	\$121.65
2458365	7108 MARBELLA CT UNIT 303 CAPE CANAVERAL FL 32920	2,187	03/31/2014	\$338,000	2005	\$154.55
2458368	7108 MARBELLA CT UNIT 403 CAPE CANAVERAL FL 32920	2,187	05/15/2014	\$285,000	2005	\$130.32
2457775	7008 SEVILLA CT UNIT 206 CAPE CANAVERAL FL 32920	2,187	06/01/2014	\$315,000	2004	\$144.03
2457910	7028 SEVILLA CT UNIT 503 CAPE CANAVERAL FL 32920	2,055	06/23/2014	\$289,900	2004	\$141.07
2457898	7028 SEVILLA CT UNIT 203 CAPE CANAVERAL FL 32920	2,055	11/05/2014	\$390,000	2004	\$189.78
2457911	7028 SEVILLA CT UNIT 504 CAPE CANAVERAL FL 32920	2,187	11/07/2014	\$390,000	2004	\$178.33
2458027	7048 SEVILLA CT UNIT 402 CAPE CANAVERAL FL 32920	2,055	12/05/2014	\$280,000	2004	\$136.25
2457908	7028 SEVILLA CT UNIT 501 CAPE CANAVERAL FL 32920	2,187	12/15/2014	\$350,000	2004	\$160.04
2458371	7108 MARBELLA CT UNIT 503 CAPE CANAVERAL FL 32920	2,187	02/11/2015	\$400,000	2005	\$182.90
2457774	7008 SEVILLA CT UNIT 205 CAPE CANAVERAL FL 32920	1,918	05/01/2015	\$265,000	2004	\$138.16
2458348	7128 MARBELLA CT UNIT 302 CAPE CANAVERAL FL 32920	2,055	08/12/2015	\$325,000	2005	\$158.15
2457905	7028 SEVILLA CT UNIT 402 CAPE CANAVERAL FL 32920	2,055	05/24/2016	\$330,000	2004	\$160.58
2457897	7028 SEVILLA CT UNIT 202 CAPE CANAVERAL FL 32920	2,055	06/14/2016	\$325,000	2004	\$158.15
2457776	7008 SEVILLA CT UNIT 301 CAPE CANAVERAL FL 32920	2,187	08/25/2016	\$375,000	2004	\$171.47
2457896	7028 SEVILLA CT UNIT 201 CAPE CANAVERAL FL 32920	2,187	08/31/2016	\$385,000	2004	\$176.04
2457792	7008 SEVILLA CT UNIT 505 CAPE CANAVERAL FL 32920	1,918	10/14/2016	\$326,400	2004	\$170.18
2457907	7028 SEVILLA CT UNIT 404 CAPE CANAVERAL FL 32920	2,187	10/24/2016	\$415,000	2004	\$189.76
2457770	7008 SEVILLA CT UNIT 201 CAPE CANAVERAL FL 32920	2,187	11/17/2016	\$372,000	2004	\$170.10
2458350	7128 MARBELLA CT UNIT 304 CAPE CANAVERAL FL 32920	2,187	04/03/2017	\$410,000	2005	\$187.47
20 Sales		2,114		\$340,815		\$160.95
0.6666667	Sales per Month					

As the chart shows, the average sale price in this project has been \$340,815 since 2014. We note that the average price per square foot is \$161 with an average unit size of 2,114 square feet. We note that the average price per square foot has increased by 8% from 2014 to 2016. The most recent sales have been in the range of \$170 to \$190 per square foot.

### Four Winds

Four Winds is located just south of the State Road 192 causeway, on the mainland near the Chart House. The property was constructed in 2006 and sold out within the first three months with prices from \$800,000 to \$2,250,000. There have been only two recent sales in this project (shown below). We note that the units in this project are larger than the typical units at 4,000 + square feet. We note very few sales in this project in the recent past. The two most recent sales are shown in the chart below:





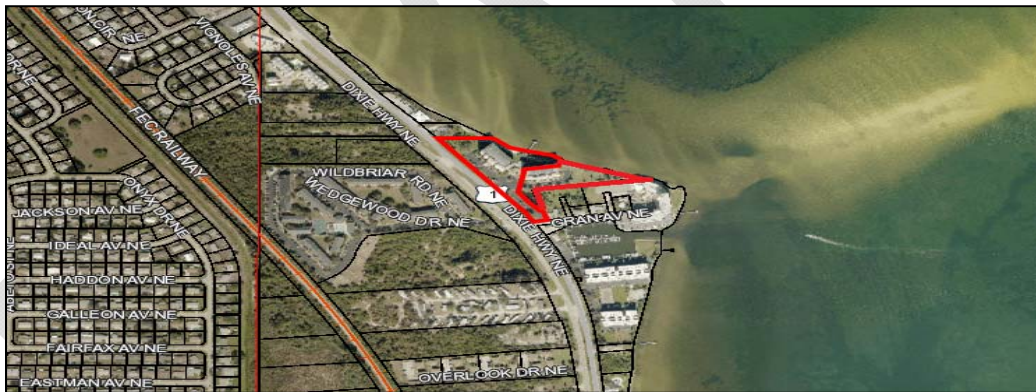
Account	Property Site Address	SF	Sale Date	Sale Price	Year Built	Price/SF
2864678	2300 FRONT ST UNIT 401 MELBOURNE FL 32901	4030	11/20/2009	\$1,515,000	2006	\$375.93
2864675	2300 FRONT ST UNIT 300 MELBOURNE FL 32901	4104	04/30/2013	\$900,000	2006	\$219.30
		4067		\$1,207,500		\$297.61

Four Winds was not included in the final reconciliation chart as there have been no recent sales in this project.

Venetian Bay



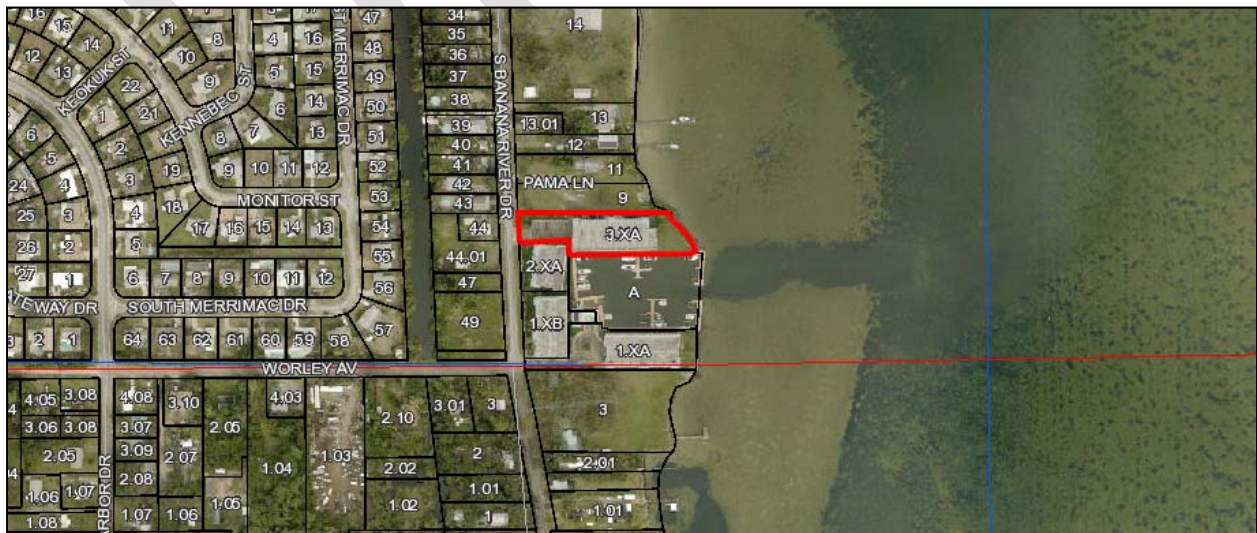
Venetian Bay is on the mainland, in Palm Bay, near Yellow Dog Café. This property was constructed in 2004 and most all of the units have river views. The sales for this project are shown in the chart below. The average resale price has been \$332,117 or \$142 per square foot.



Account	SF	Acreage	Sale Date	Sale Price	Condo Name	Year Built	Price/SF
2862056	2159	0.05	06/30/2016	\$323,900	VENETIAN BAY CONDO	2004	\$128.83
2862057	2418	0.06	07/09/2015	\$311,500	VENETIAN BAY CONDO	2004	\$130.15
2862061	2159	0.05	05/22/2014	\$281,000	VENETIAN BAY CONDO	2004	\$146.02
2862075	1849	0.04	09/14/2016	\$270,000	VENETIAN BAY CONDO	2004	\$130.15
2862061	2159	0.05	05/22/2014	\$281,000	VENETIAN BAY CONDO	2004	\$135.25
2861516	2159	0.09	02/23/2015	\$292,000	VENETIAN BAY CONDO	2004	\$129.03
2861522	2418	0.10	06/10/2015	\$312,000	VENETIAN BAY CONDO	2004	\$132.01
2861509	2159	0.09	07/09/2015	\$285,000	VENETIAN BAY CONDO	2004	\$128.83
2862057	2418	0.06	07/09/2015	\$311,500	VENETIAN BAY CONDO	2004	\$135.21
2861520	1849	0.08	12/04/2015	\$250,000	VENETIAN BAY CONDO	2004	\$141.44
2861528	2418	0.10	12/21/2015	\$342,000	VENETIAN BAY CONDO	2004	\$175.80
2861540	3686	0.10	04/11/2016	\$648,000	VENETIAN BAY CONDO	2004	\$156.33
2861532	2418	0.10	06/30/2016	\$378,000	VENETIAN BAY CONDO	2004	\$150.02
2862056	2159	0.05	06/30/2016	\$323,900	VENETIAN BAY CONDO	2004	\$146.02
2862075	1849	0.04	09/14/2016	\$270,000	VENETIAN BAY CONDO	2004	\$135.25
2861511	2159	0.09	09/26/2016	\$292,000	VENETIAN BAY CONDO	2004	\$135.25
2,321				\$332,117			\$142
11 Sales							



Marina Village



## Boyle & Drake, Inc.

Marina Village has shown an average sale price of \$284,714 per unit and \$136 per square foot. This project was constructed in 2005/2006. The overall location of this project is considered inferior to the subject. We do note that this project features a protected marina as an amenity to the project. The chart provided below summarizes the sales in this project.

Account	SF	Sale Date	Sale Price	Condo Name	Year Built	Price/SF
2460025	2,310	02/27/2014	\$325,000	MARINA VILLAGE	2006	\$140.69
2458490	2,279	03/19/2014	\$250,000	MARINA VILLAGE	2005	\$109.70
2458529	2,310	03/19/2014	\$250,000	MARINA VILLAGE	2005	\$108.23
2458493	1,743	04/18/2014	\$211,000	MARINA VILLAGE	2005	\$121.06
2458497	1,743	05/21/2014	\$280,000	MARINA VILLAGE	2005	\$160.64
2458488	1,743	06/26/2014	\$259,000	MARINA VILLAGE	2005	\$148.59
2459204	1,743	06/26/2014	\$259,000	MARINA VILLAGE	2005	\$148.59
2459427	1,754	06/26/2014	\$259,000	MARINA VILLAGE	2005	\$147.66
2458500	1,743	07/15/2014	\$200,000	MARINA VILLAGE	2005	\$114.74
2461581	2,238	09/22/2014	\$332,500	MARINA VILLAGE	2007	\$148.57
2459568	1,743	11/05/2014	\$202,200	MARINA VILLAGE	2006	\$116.01
2458527	2,310	05/21/2015	\$255,000	MARINA VILLAGE	2005	\$110.39
2460021	2,310	06/03/2015	\$250,000	MARINA VILLAGE	2006	\$108.23
2460025	2,310	06/23/2015	\$335,000	MARINA VILLAGE	2006	\$145.02
2460031	2,279	06/26/2015	\$280,000	MARINA VILLAGE	2006	\$122.86
2460029	2,310	07/15/2015	\$365,000	MARINA VILLAGE	2006	\$158.01
2458484	2,279	12/02/2015	\$350,000	MARINA VILLAGE	2005	\$153.58
2458485	1,743	12/11/2015	\$238,000	MARINA VILLAGE	2005	\$136.55
2460020	2,281	06/20/2016	\$359,000	MARINA VILLAGE	2006	\$157.39
2458495	2,989	10/04/2016	\$400,000	MARINA VILLAGE	2005	\$133.82
2461577	1,754	11/23/2016	\$265,000	MARINA VILLAGE	2007	\$151.08
2459540	2,281	04/11/2017	\$339,000	MARINA VILLAGE	2006	\$148.62
	2,100		\$284,714			\$135.91

Island Pointe

Island Pointe is a riverfront condominium project on the west side of Tropical Trail, just north of the 520 Causeway in Cocoa Beach, Florida. The project was developed in 2005/2006. There have been 19 re-sales since 2015 at an average sale price of \$380,100 or \$155 per square foot.



The sales from within the Island Pointe project are summarized in the chart below:

Account	Subdivision Name	SF	Sale Date	Sale Price	Condo Name	Year Bu	Price/SF
2460245	ISLAND POINTE P.U.D.	1,894	02/18/2015	\$261,900	ISLAND POINTE CONDO	2006	\$138.28
2459166	ISLAND POINTE P.U.D.	2,048	02/19/2015	\$225,000	ISLAND POINTE CONDO	2005	\$109.86
2460264	ISLAND POINTE P.U.D.	2,270	02/26/2015	\$315,000	ISLAND POINTE CONDO	2006	\$138.77
2460299	ISLAND POINTE P.U.D.	2,693	03/03/2015	\$445,000	ISLAND POINTE CONDO	2006	\$165.24
2458420	ISLAND POINTE P.U.D.	2,122	05/18/2015	\$359,000	ISLAND POINTE CONDO	2005	\$169.18
2460300	ISLAND POINTE P.U.D.	3,655	07/15/2015	\$500,000	ISLAND POINTE CONDO	2006	\$136.80
2460307	ISLAND POINTE P.U.D.	2,693	07/29/2015	\$460,000	ISLAND POINTE CONDO	2006	\$170.81
2460255	ISLAND POINTE P.U.D.	1,894	08/26/2015	\$283,300	ISLAND POINTE CONDO	2006	\$149.58
2460249	ISLAND POINTE P.U.D.	2,693	12/22/2015	\$340,000	ISLAND POINTE CONDO	2006	\$126.25
2460239	ISLAND POINTE P.U.D.	2,693	04/09/2016	\$355,000	ISLAND POINTE CONDO	2006	\$131.82
2459164	ISLAND POINTE P.U.D.	2,407	05/31/2016	\$450,000	ISLAND POINTE CONDO	2005	\$186.95
2460244	ISLAND POINTE P.U.D.	2,270	06/02/2016	\$375,000	ISLAND POINTE CONDO	2006	\$165.20
2460289	ISLAND POINTE P.U.D.	2,693	07/29/2016	\$400,000	ISLAND POINTE CONDO	2006	\$148.53
2459170	ISLAND POINTE P.U.D.	2,048	08/08/2016	\$286,200	ISLAND POINTE CONDO	2005	\$139.75
2460232	ISLAND POINTE P.U.D.	2,323	08/12/2016	\$370,000	ISLAND POINTE CONDO	2006	\$159.28
2459158	ISLAND POINTE P.U.D.	2,048	09/15/2016	\$171,600	ISLAND POINTE CONDO	2005	\$83.79
2459160	ISLAND POINTE P.U.D.	2,470	10/24/2016	\$465,000	ISLAND POINTE CONDO	2005	\$188.26
2460301	ISLAND POINTE P.U.D.	3,366	01/12/2017	\$630,000	ISLAND POINTE CONDO	2006	\$187.17
2459164	ISLAND POINTE P.U.D.	2,407	02/21/2017	\$550,000	ISLAND POINTE CONDO	2005	\$228.50
2459173	ISLAND POINTE P.U.D.	2,048	03/30/2017	\$360,000	ISLAND POINTE CONDO	2005	\$175.78
19 Sales		2,437		\$380,100			\$154.99

Conclusion

Provided in the chart below is a summary of the previously discussed data.

<b>Single Family</b>				
Project Name	Price per SF	Year Built	Average Size	Retail Value (Avg)
Chase Hammock Lakes	\$142	2005	3,227	\$455,500
Montecito	\$150	2016	2,667	\$388,748
Ocean Village	\$165	2016	2,828	\$460,600
Enclave at Three Hundred	\$161	2016	3,581	\$625,344
Maritime Hammock	\$175	2012	2,893	\$601,744
Matanilla Reef	\$260	2016	2,981	\$773,279
Average			3,030	<b>\$550,869</b>
<b>Townhome Projects</b>				
Harbor Beach Club	\$150	2007	2,350	\$296,457
Preserve Pointe	\$150	2003	2,994	\$450,000
The Landings	\$130	1996	1,835	\$240,000
Montecito	\$145	2015*	1,862	\$263,724
Aspinwall	\$130	2014	2,033	\$256,534
Avon by the Sea	\$140	2002	1,674	\$235,840
Average			2,215	<b>\$301,343</b>
<b>Condo Projects (Waterfront/Waterview)</b>				
Ocean Dunes	\$205	2009	2,190	\$446,841
The Marena (OF)	\$280	2016	2,356	\$658,283
Island Pointe	\$155	2006	2,437	\$380,100
Solano on the River	\$161	2004	2,114	\$340,815
Venetian Bay	\$142	2004	2,321	\$332,117
Marina Village	\$136	2005	2,100	\$284,714
Average			2,253	<b>\$407,145</b>

In the following pages we will utilize the data above to analyze the Highest and Best Use of the subject property.



**HIGHEST AND BEST USE**

Definition of Highest and Best Use

“The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value.”

In summary, in addition to being reasonably probable, the highest and best use must meet four implicit criteria, i.e., the highest and best use must be:

- Legally Permissible
- Physically Possible
- Financially Feasible
- Maximally Productive

Provided below is a detailed analysis of the Highest and Best Use for the subject property as vacant.

Legally Permissible

Legally permitted uses are strongly controlled by local zoning ordinances. The subject zoning and land use permit residential uses. The subject is zoned RU2-8, which permits eight units per acre. The land use designation is RES-8, which also permits 8 units per acre. The prior use of the site was a 200 (+/-) unit apartment complex known as the Hamptons. The improvements were damaged during the 2004 hurricane season and the improvements were demolished in 2008. As a result, the majority of the property has been granted 10 unit per acre density. The river front parcel was not developed in the past and is developable to the density of 8 units per acre. We note that the riverfront parcel has a variance to be developed to 54 feet above parking while the balance of the site is developable to 35 feet above parking.

According to the letter from the Brevard County planning department (which was provided in the prior pages of this report) the subject is developable to approximately 203 total units on the 18.8 acres. This indicates a density of 11 (+/-) units per acre. The permitted density is above the legally permissible density by zoning and land use and therefore the density of 11.16 units per acre is considered a legal non-conforming use. In addition, the density associated with the various portions of the property may exceed the maximum zoning density for the acres that the buildings occupy as long as the maximum number of units is



## **Boyle & Drake, Inc.**

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not exceeded on the entire site. An example would be the development of 45 riverfront condominium units on the riverfront parcel (approximately 14.5 units per acre) and 93 smaller lot single family units on the balance of the parcel (5.9 units per acre) for a total density of 138 or 7.34 units per acre. This typically requires a Planned Development approval (PD approval).

### Physically Possible

The subject site shape and topography are adequate for residential development. The prior use of the subject was a 200 unit apartment complex and therefore it appears possible to develop the subject property with residential uses. The site has approximately 435 (+/-) front feet along State Road A1A and 427 (+/-) front feet along the Indian River. The site has adequate frontage and depth for development.

It appears to be physically possible to develop the subject property with approximately 203 units. We note however that the recent buyer preferences have been for large condominium units and larger townhomes and as such it may not be possible to develop the subject property with the 203 units while meeting current development regulations and market standard, which could result in a lower development density. Information provided by the client, Mr. Dan Winkler, indicated that the site has been analyzed by an engineer and they estimated that at least 165 units of various product types could be built of the subject site. It appears possible to develop the subject property with more units.

Provided in the following pages we will discuss the various product mixes and the resulting return to the land. The residential product mix that results in the highest return to the land was considered to be the Highest and Best Use of the site.

### Financially Feasible

In the previously discussed market analysis, it was evident that there is adequate demand for new residential units in the subject market area. It appears to be financially feasible to build new residential product on the subject property. Generally speaking, construction costs for new single family and multi-family product has been in the range of \$100 to \$200 per square foot. The upper end of the range is set by the oceanfront condominiums project, which generally have more complicated construction techniques and higher end finishing's. The lower end of the range is set by the attached townhome product constructed with more basic finishes. In the following analysis, we will discuss the different development product mixes and lot/unit residuals (based on estimated construction costs) that were used to determine the maximally productive use of the site.

The lot/unit residuals are based on the average finish quality of the comparables analyzed. We recognize that a higher finish quality will typically result in a higher sale price but also

result in higher construction costs, which would calculate to a similar residual to the lot/unit.

Maximally Productive

The only legally permissible use at the subject site is residential uses. As discussed the subject has a legal non-conforming density of approximately 203 units. Based on our estimate of developable site area we concluded that approximately 165 to 175 units could be developed on the site while meeting market standards and including an array of product types. Based on our experience, a variety of non-competing product types in a project typically results in a higher overall absorption.

Following we will describe the Discounted Sellout Analyses which were considered to determine the Maximally Productive use of the site.

The discounted sellout method involves the estimate of the present value of a series of future dollar receipts generated by the sales of individual lots and/or units. The steps involved are as follows:

1. Determine the present retail value for each of the individual lots and/or units based on competing product in the local market.
2. Estimate the absorption period or time required selling the individual lots and/or units.
3. Deduct the costs necessary for marketing, managing, overhead and holding costs for the lots/units during the sellout period and deducting a profit on the lot/unit sales (if profit is not built into the discount rate).
4. Discount the future receipts to present value at an appropriate discount rate.

Provided below is the analysis that was utilized to determine the individual retail values for the subject's lots/units. The retail value of the lots/units profit is based on a residual analysis technique.

Residual Lot Analysis

<b>Single Family</b>						
Project Name	Price per SF	Year Built	Average Size	Retail Value (Avg)	Estimated Residual Lot Value	Ratio of Lot to Home Price
Chase Hammock Lakes	\$142	2005	3,227	\$455,500	\$106,168	23.3%
Montecito	\$150	2016	2,667	\$388,748	\$101,079	26.0%
Ocean Village	\$165	2016	2,828	\$460,600	\$132,916	28.86%
Enclave at Three Hundred	\$161	2016	3,581	\$625,344	\$161,861	25.88%
Maritime Hammock	\$175	2012	2,893	\$601,744	\$209,164	34.76%
Matanilla Reef	\$260	2016	2,981	\$773,279	\$282,599	36.55%
Average			3,030	<b>\$550,869</b>	<b>\$165,631</b>	29.2%
<b>Townhome Projects</b>						
Harbor Beach Club	\$150	2007	2,350	\$296,457	\$89,065	30.0%
Preserve Pointe	\$150	2003	2,994	\$450,000	\$113,473	25.2%
The Landings	\$130	1996	1,835	\$240,000	\$54,500	22.71%
Montecito	\$145	2015*	1,862	\$263,724	\$66,458	28.18%
Aspinwall	\$130	2014	2,033	\$256,534	\$72,246	27.39%
Avon by the Sea	\$140	2002	1,674	\$235,840	\$61,420	23.94%
Average			2,215	<b>\$301,343</b>	<b>\$76,194</b>	26.2%
<b>Condo Projects (Watefront/Waterview)</b>						
Ocean Dunes	\$205	2009	2,190	\$446,841	\$100,083	22.4%
The Marenada (OF)	\$280	2016	2,356	\$658,283	\$173,166	26.3%
Island Pointe	\$155	2006	2,437	\$380,100	\$61,412	16.16%
Solano on the River	\$161	2004	2,114	\$340,815	\$83,231	24.42%
Venetian Bay	\$142	2004	2,321	\$332,117	\$69,398	20.90%
Marina Village	\$136	2005	2,100	\$284,714	\$62,580	21.98%
Average			2,253	<b>\$407,145</b>	<b>\$91,645</b>	22.0%

Based on the residual analysis the various product types show residuals in the range of \$54,500 for a townhouse unit to \$282,599 for a single-family lot. We note that the residuals were based on the end unit sale prices less construction costs, less marketing costs, less holding costs, and less profit (based on a percentage of construction cost). An example of the residual analysis is shown below: A residual analysis for each project is contained in the addenda of this report.

RESIDUAL LOT ANALYSIS			
<u>Inputs</u>			
Retail/SF	Avg Size		Retail Home Value
\$165	2828	=	\$466,620
Retail Value		\$466,620	
Cost to Complete	\$100	\$282,800	
Sales Cost	6%	\$16,968	
Profit	10%	\$28,280	
Holding Costs	2%	\$5,656	
Total		\$333,704	
Lot			
Return		\$132,916	= 28%

Based on the previous analysis we have concluded at the following lot residual values for the subject project.

River View Condominiums: \$150,000  
 Ocean View Condominiums: \$100,000  
 Single Family Houses: \$175,000 (smaller lot) \$200,000 (larger lot)  
 Townhouses: \$75,000

We have estimated that approximately 166 units can be constructed on the subject site. We have arrived at a unit mix of 45 riverfront condominiums, 48 ocean view condominiums, 23 non ocean view condominiums (townhouses) and 50 single family lots. We have found this to be the highest return to the land. We will detail this conclusion in the following pages.

Absorption

With regards to the absorption of product we focused on the newer projects selling condos, townhomes and/or single family homes. We note that several of the newer projects still have ongoing construction and are realizing an absorption rate of 1 unit (+/-) per month per product type.

Absorption Analysis					
<u>Overall MLS Statistics</u>					
2017 MLS Sales Statistics					
SF Sales	720		60		
TH Sales	52		4.33		
Condo Sales	78		6.50		
Total Sales	850				
<b><u>Absorption Analysis (Comparable Subdivisions)</u></b>					
Project	Sales (2014 to 2017)		Sales/Mth		
Montecito					
SF	62		1.48		
TH	60		1.43		
Ocean Village					
	38		0.90		
Matanalla Reef					
	6		0.14		
Aspinwall					
	42		1.00		
Venetian Bay					
	11		0.26		
Solano on the River					
	20		0.48		
Total Sales in Comparable Subdivisions over last 30 Months:					
	239		6		
<b><u>Absorption Conclusion</u></b>					
	SF	TH	OV Condo	RF Condo	Total/Year
1st Year	6	8	6	6	26
2nd Year	9	10	9	9	37
3rd Year	13	5	13	13	44
4th Year	14	0	14	14	42
5th Year	8	0	6	3	17
Total =	50	23	48	45	166

We have estimated 26 sales in the first year in the subject subdivision based on the unit mix of 50 SF homes, 23 townhouses, 48 ocean view or preserve view condominiums and 45 river view condominiums. The estimated absorption of 26 sales represents 3% of the total market sales (26/850) based on MLS data. The subject absorption estimate of 26 sales in the first year is considered reasonable as we have assumed some pre-sales could be achieved during the construction period. In year two we have estimated absorption of 37 sales and 44 sales in year three. As the townhouse product sells out in year three the total absorption declines to 42 sales in year 4 and 17 sales in the first half of year 5.

Expenses

Expenses must be deducted from the total sellout estimate as a necessary cost to market the subject units. The expense estimates herein are derived from other projects where actual



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expense figures could be obtained. Following is a sample of recent projects.

Project	Developer/ Builder	Marketing/ Closing	G&A	Size Acres	No.Lots/ Units	Comments
Fountains at Amber Lakes, VB	Chase	1.0%	1.0%	38.00	50	Land Dev. - Lot sold to builders
Palladin Place 2, VB	Atlantic Con.	1.0%	0.5%	19.4	55	Land Dev. - Lot sold to builders
Ashbury, VB	Clark Co.	1.0%	0.5%	56.25	195	Land Dev. - Lot sold to builders
Sunrise, Vero Beach	Genoni	1.5%		38.03	136	Land Dev. - Patio lot to builders
	<b>Average:</b>	<b>1.1%</b>	<b>0.7%</b>			
SouthPointe, SLC	Proctor	5.5%	0.8%	3.02	28	Townhomes
Brae Burn, VB	DiTocco	6.0%	0.5%	17.61	41	Large SF
Eagle Trace Phase 2	Mizner	6.5%	0.5%	19.14	50	SF Land/Bld Developer
Boulevard Tennis, VB	Salt Mine	7.0%	1.8%	17.47	98	Tennis Club - TH
River Preserve	Malvin	3.9%	0.4%	31.28	101	Riverfront SF & MF condo
Timberlake	GHO Homes	4.3%		13.15	102	Townhomes
Olso Grove, VB	Waypointe	6.0%	0.5%	19.69	115	Townhomes
The Falls, Jensen Beach	Renar	4.8%		131.40	130	Single Family
Mariner Cove TH, SLC	Waypointe	6.0%	0.5%	38.9	220	Townhomes
Portofino Court TH, PSL	Prime HB	4.8%	0.4%	20.98	254	Townhomes
Pinecrest, VB	MPZ Devel.	5.0%		335.845	750	Single Family - Patio lots
	<b>Average:</b>	<b>5.4%</b>	<b>0.7%</b>			

The expenses included herein are an average for those developments. These expense estimates are discussed as follows.

### Sales and Marketing Expenses

For retail lot and unit sales, this expense item includes sales commissions and/or salaries as well as related closing costs and the overhead of the sales program, and typically ranges from 4% to 7% of gross sales for the development. We have used 5% for a retail sales program representing the marketing costs. We note that typical commissions paid to brokerage offices are in the range of 5% to 6% in the subject's market area and therefore we have estimated 5% sales and marketing expense is reasonable.

### Closing Costs

Typical seller closing costs include title insurance and documentary taxes on the deed. Other costs would be paid by the buyer if a mortgage is included. The typical percentage cost is 1% to 1.2%. We have allocated 1% for closing costs.

### General and Administrative Expenses

For retail lot sales, this expense item is generally in the area of 0.5% to 1.0% of sellout and includes general and administrative expenses, payroll, accounting, insurance, professional fees and other miscellaneous expense items necessary to run a project. For a retail lot sale program, the general and administrative expense is minimal and we have

estimated this item at 0.5%.

### Holding Costs

This expense item includes real estate taxes on the lots, maintenance fees which would include the homeowners association, maintenance on the unsold inventory, and other miscellaneous holding costs, but exclude financing and interest carry.

We have estimated the holdings costs at 2% per period. This cost assumes that the units will be reassessed as completed units throughout the sellout period after they are sold.

### Developers Profit

For retail lot sales, a profit of 10% to 15% is considered reflective of developer's expectations for multiple product projects selling on a retail basis. This is based on conversations with developers and a comparison of other investments. A rate of approximately 10% would be reasonable.

### Discussion of Discount Rate

After all expenses are subtracted from total sellout, the residual is the net proceeds to be received from the lot/unit sales. This income stream must be discounted to reflect the fact that the proceeds will be received periodically throughout the absorption period.

A discount rate is an anticipated rate of return on capital used to discount future payments or receipts to present value. In this particular instance, a profit has already been accounted for in the cost of sales. Therefore, the discount rate would reflect the opportunity cost of capital (interest rate on mortgage and equity capital).

Realty Rates Survey

RealtyRates.com DEVELOPER SURVEY - 2nd Quarter 2017*						
Southeast - Subdivisions & PUDs						
	Actual Rates			Pro-Forma Rates		
	Min	Max	Avg	Min	Max	Avg
<b>Site-Built Residential</b>	14.05%	33.08%	21.84%	13.49%	31.76%	20.96%
-100 Units	14.05%	28.52%	20.86%	13.49%	27.38%	20.03%
100-500 Units	14.40%	31.37%	21.97%	13.83%	30.12%	21.09%
500+ Units	14.75%	32.80%	22.35%	14.16%	31.49%	21.46%
Mixed Use	15.11%	33.08%	22.17%	14.50%	31.76%	21.28%
<b>Manufactured Housing</b>	14.33%	35.29%	22.99%	13.76%	33.88%	22.07%
-100 Units	14.33%	30.69%	22.06%	13.76%	29.46%	21.18%
100-500 Units	14.69%	33.76%	23.26%	14.10%	32.41%	22.33%
500+ Units	15.05%	35.29%	23.66%	14.45%	33.88%	22.71%
<b>Business Parks</b>	14.33%	32.80%	21.87%	13.76%	31.49%	20.99%
-100 Acres	14.33%	28.52%	21.00%	13.76%	27.38%	20.16%
100-500 Acres	14.69%	31.37%	22.11%	14.10%	30.12%	21.23%
500+ Acres	15.05%	32.80%	22.49%	14.45%	31.49%	21.59%
<b>Industrial Parks</b>	14.27%	28.18%	19.75%	13.70%	27.05%	18.96%
-100 Acres	14.27%	24.50%	19.00%	13.70%	23.52%	18.24%
100-500 Acres	14.62%	26.95%	19.96%	14.04%	25.88%	19.16%
500+ Acres	14.98%	28.18%	20.29%	14.38%	27.05%	19.47%

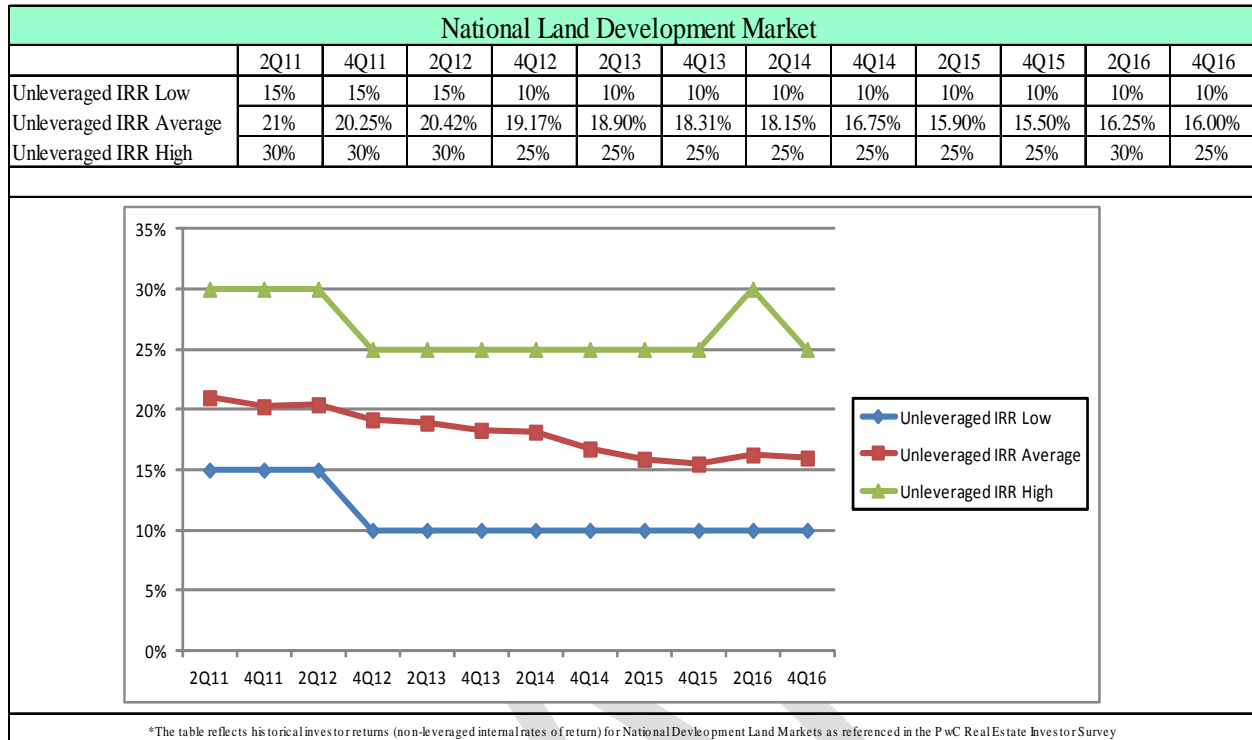
\*1st Quarter 2017 Data

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The survey suggests discount rates of 15.11% to 33.08% with an average of 22.17% for the mixed use subdivisions. After deducting the 10% profit, the indicated average discount rate is 12.17%. We note that the developments with a lower number of units show lower discount rates.

The Internal Rate of Return (IRR) analysis can also be used to estimate a discount rate. Generally profit is not deducted when estimating an IRR. The PwC survey includes profit in the discount rate. A summary of the PwC survey is shown below:

PwC Survey



The PwC survey showed unleveraged IRR average of 16% for the end of 2016. The PwC survey shows a gradual decline as the economy improved. The 4<sup>th</sup> quarter average rate was 16%, down from the previous quarter of 16.25%. The lowest rate has been 10% since 4<sup>th</sup> quarter 2012. Given the small size of the subject we conclude at 16% as reasonable. This is similar to the minimum rates quoted by Realty Rates survey (shown below). This analysis does not deduct profit as an expense.

Considering the information from both surveys and based on the smaller size of the subject project, the favorable location on the barrier island and the lack of developments offering new product, we have concluded at a Discount Rate of 15% in this analysis.

Inflation/Appreciation

We have considered a 2% inflator in this analysis for each period after period 1. We considered a 4% annual appreciation rate applicable for the Discounted Sellout Analysis as the market has shown average increases in the range of 4.6% to 11.66% from 2016 to 2017. We expect the appreciation trend of approximately 4% to continue over the 4.5 year sellout.

Cost to Complete

We have not considered a cost to complete the project amenities or the infrastructure in this analysis as it is assumed complete. The Highest and Best Use analysis is looking at the product mix that results in the Highest Return to the land. As such, no cost to complete was considered. We note that the discounted sellout included the lot/unit residual values in the retail sellout and as such the cost to complete the units was not applicable.

Discounted Sellout Analysis

In the following pages we have considered several different development scenarios to analyze the product mix that provides the highest return to the land as of a prospective date and based on the hypothetical condition that the infrastructure and amenities are completed for all of the various scenarios.

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HIGHEST AND BEST USE ANALYSIS - Discounted Sellout Analysis											
Discount Period		1	2	3	4	5	6	7	8	9	Totals
Months in Period	6	May-18	Nov-18	May-19	Nov-19	May-20	Nov-20	May-21	Nov-21	May-22	
Discounting Intervals/Year	2										
Total Acres	18.8										
Total Townhouses to Sell	23	23	19	15	10	5	0	0	0	0	
Units Sold This Period		4	4	5	5	5	0	0	0	0	23
Total Lots/Units Sold		4	8	13	18	23	23	23	23	23	
Average # of Units Owned During This Period		21.0	17.0	12.5	7.5	2.5	0	0	0	0	
Average Units Price Inflator	2.0%	\$75,000	\$76,500	\$78,030	\$79,591	\$81,182	\$82,806	\$84,462	\$86,151	\$87,874	
Inflator per period	102.0%										
Gross Sales		\$300,000	\$306,000	\$390,150	\$397,953	\$405,912	\$0	\$0	\$0	\$0	\$1,800,015
Total Single Family Houses to Sell	50	50	47	44	40	35	29	21	13	5	
Houses Sold This Period		3	3	4	5	6	8	8	8	5	50
Total Lots/Units Sold		3	6	10	15	21	29	37	45	50.0	
Average # of Lots Owned During This Period		48.5	45.5	42	37.5	32	25	17	9	2.5	
Average House Price Inflator	2.0%	\$200,000	\$204,000	\$208,080	\$212,242	\$216,486	\$220,816	\$225,232	\$229,737	\$234,332	
Inflator per period	102.0%										
Gross Sales		\$600,000	\$612,000	\$832,320	\$1,061,208	\$1,298,919	\$1,766,529	\$1,801,860	\$1,837,897	\$1,171,659	\$10,982,392
Total Condos to Sell (OV/Preserve View)	48	48	45	42	38	33	27	20	13	6	
Lots/Units Sold This Period		3	3	4	5	6	7	7	7	6	48
Total Lots/Units Sold		3	6	10	15	21	28	35	42	48	
Average # of Units Owned During This Period		46.5	43.5	40	35.5	30	23.5	16.5	9.5	3	
Average Lot Price Inflator	2.0%	\$100,000	\$102,000	\$104,040	\$106,121	\$108,243	\$110,408	\$112,616	\$114,869	\$117,166	
Inflator per period	102.0%										
Gross Sales		\$300,000	\$306,000	\$416,160	\$530,604	\$649,459	\$772,857	\$788,314	\$804,080	\$702,996	\$5,270,469
Total Condos to Sell (Riverfront)	45	45	42	39	35	30	24	17	10	3	
Units Sold This Period		3	3	4	5	6	7	7	7	3	45
Total Lots/Units Sold		3	6	10	15	21	28	35	42	45	
Average # of Lots Owned During This Period		43.5	40.5	37	32.5	27	20.5	13.5	6.5	1.5	
Average Unit Price Inflator	2.0%	\$150,000	\$153,000	\$156,060	\$159,181	\$162,365	\$165,612	\$168,924	\$172,303	\$175,749	
Inflator per period	102.0%										
Gross Sales		\$450,000	\$459,000	\$624,240	\$795,906	\$974,189	\$1,159,285	\$1,182,471	\$1,206,120	\$527,247	\$7,378,457
Total Gross Retail Sales		\$1,650,000	\$1,683,000	\$2,262,870	\$2,785,671	\$3,328,479	\$3,698,671	\$3,772,644	\$3,848,097	\$2,401,902	\$25,431,333
Sales & Holding Costs											
Sales Commissions & Marketing	5.0%	\$82,500	\$84,150	\$113,144	\$139,284	\$166,424	\$184,934	\$188,632	\$192,405	\$120,095	\$1,271,567
Closing Costs	1.0%	\$16,500	\$16,830	\$22,629	\$27,857	\$33,285	\$36,987	\$37,726	\$38,481	\$24,019	\$254,313
Misc. & Administrative	0.5%	\$8,250	\$8,415	\$11,314	\$13,928	\$16,642	\$18,493	\$18,863	\$19,240	\$12,010	\$127,157
Real Estate Taxes	2%	\$0.00	\$33,000	\$33,660	\$45,257	\$55,713	\$66,570	\$73,973	\$75,453	\$76,962	\$508,627
Real Estate Taxes/Unit at Full Assessment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Inflator		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
HOA Fees/Unit	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Total Sales & Holding Costs		\$140,250	\$143,055	\$192,344	\$236,782	\$282,921	\$314,387	\$320,675	\$327,088	\$204,162	\$2,161,663
Net Cash Flow Subtotal		\$1,509,750	\$1,539,945	\$2,070,526	\$2,548,889	\$3,045,558	\$3,384,284	\$3,451,969	\$3,521,009	\$2,197,740	\$23,269,670
Entrepreneur's Profit Percent of Gross Sales	10.0%	\$165,000	\$168,300	\$226,287	\$278,567	\$332,848	\$369,867	\$377,264	\$384,810	\$240,190	\$2,543,133
Net Proceeds (Net Cash Flow)		\$1,344,750	\$1,371,645	\$1,844,239	\$2,270,322	\$2,712,710	\$3,014,417	\$3,074,705	\$3,136,199	\$1,957,550	\$20,726,537
Discount Factor @	15.0%	0.930232558	0.865332612	0.80496057	0.74880053	0.696558632	0.64796152	0.602754901	0.5607022	0.5215835	
Present Value of Cash Flow as of May 2018		\$1,250,930	\$1,186,929	\$1,484,540	\$1,700,018	\$1,889,562	\$1,953,226	\$1,853,293	\$1,758,474	\$1,021,026	\$14,097,998

The Valuation Above Assumes that all Infrastructure and Amenities are Completed

## Product Mix:

Townhouses:	23
Single Family:	50
Oceanview Condo:	48
Riverview Condo:	45

# Boyle & Drake, Inc.

HIGHEST AND BEST USE ANALYSIS - Discounted Sellout Analysis														
Discount Period		1	2	3	4	5	6	7	8	9	10	11	12	Totals
Months in Period	6	May-18	Nov-18	May-19	Nov-19	May-20	Nov-20	May-21	Nov-21	May-22	Nov-22	May-23	Nov-23	
Discounting Intervals/Year	2													
Total Acres	18.8													
Total Townhouses to Sell	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Units Sold This Period		0	0	0	0	0	0	0	0	0	0	0	0	0
Total Lots/Units Sold		0	0	0	0	0	0	0	0	0	0	0	0	0
Average # of Units Owned During This Period		0.0	0.0	0	0	0	0	0	0	0	0	0	0	0
Average Units Price Inflator	2.0%	\$75,000	\$76,500	\$78,030	\$79,591	\$81,182	\$82,806	\$84,462	\$86,151	\$87,874	\$89,632	\$91,425	\$93,253	
Inflator per period	102.0%													
Gross Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Single Family Houses to Sell	68	68	65	62	58	53	47	40	33	26	33	26	18	18
Houses Sold This Period		3	3	4	5	6	7	7	7	8	8	8	2	68
Total Lots/Units Sold		3	6	10	15	21	28	35	42	50	58	66	68	
Average # of Lots Owned During This Period		66.5	63.5	60	55.5	50	43.5	36.5	29.5	22	29	22	17	
Average House Price Inflator	2.0%	\$175,000	\$178,500	\$182,070	\$185,711	\$189,426	\$193,214	\$197,078	\$201,020	\$205,040	\$209,141	\$213,324	\$217,591	
Inflator per period	102.0%													
Gross Sales		\$525,000	\$535,500	\$528,280	\$928,557	\$1,136,554	\$1,352,499	\$1,379,549	\$1,407,140	\$1,640,323	\$1,673,130	\$1,706,592	\$435,181	\$13,448,305
Total Condos to Sell (OV/Preserve View)	32	32	29	26	22	17	11	4	0	0	0	0	0	0
Lots/Units Sold This Period		3	3	4	5	6	7	4	0	0	0	0	0	32
Total Lots/Units Sold		3	6	10	15	21	28	32	32	32	32	32	32	
Average # of Units Owned During This Period		30.5	27.5	24	19.5	14	7.5	2	0	0	0	0	0	
Average Lot Price Inflator	2.0%	\$100,000	\$102,000	\$104,040	\$106,121	\$108,243	\$110,408	\$112,616	\$114,869	\$117,166	\$119,509	\$121,899	\$124,337	
Inflator per period	102.0%													
Gross Sales		\$300,000	\$306,000	\$416,160	\$530,604	\$649,459	\$772,857	\$450,465	\$0	\$0	\$0	\$0	\$0	\$3,425,545
Total Condos to Sell (Riverfront)	45	45	42	39	35	30	24	17	10	3	10	3	0	0
Units Sold This Period		3	3	4	5	6	7	7	7	3	0	0	0	45
Total Lots/Units Sold		3	6	10	15	21	28	35	42	45	45	45	45	
Average # of Lots Owned During This Period		43.5	40.5	37	32.5	27	20.5	13.5	6.5	1.5	10	3	0	
Average Unit Price Inflator	2.0%	\$150,000	\$153,000	\$156,060	\$159,181	\$162,365	\$165,612	\$168,924	\$172,303	\$175,749	\$179,264	\$182,849	\$186,506	
Inflator per period	102.0%													
Gross Sales		\$450,000	\$459,000	\$624,240	\$795,906	\$974,189	\$1,159,285	\$1,182,471	\$1,206,120	\$527,247	\$0	\$0	\$0	\$7,378,457
Total Gross Retail Sales		\$1,275,000	\$1,300,500	\$1,768,680	\$2,255,067	\$2,760,202	\$3,284,640	\$3,012,484	\$2,613,260	\$2,167,570	\$1,673,130	\$1,706,592	\$435,181	\$24,252,306
Sales & Holding Costs														
Sales Commissions & Marketing	5.0%	\$63,750	\$65,025	\$88,434	\$112,753	\$138,010	\$164,232	\$150,624	\$130,663	\$108,378	\$83,656	\$85,330	\$21,759	\$1,212,615
Closing Costs	1.0%	\$12,750	\$13,005	\$17,687	\$22,551	\$27,602	\$32,846	\$30,125	\$26,133	\$21,676	\$16,731	\$17,066	\$4,352	\$242,523
Misc. & Administrative	0.5%	\$6,375	\$6,503	\$8,843	\$11,275	\$13,801	\$16,423	\$15,062	\$13,066	\$10,838	\$8,366	\$8,533	\$2,176	\$121,262
Real Estate Taxes	2%	\$0.00	\$25,500	\$26,010	\$35,374	\$45,101	\$55,204	\$65,693	\$60,250	\$52,265	\$43,351	\$33,463	\$34,132	\$8,704
Real Estate Taxes/Unit at Full Assessment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Inflator		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
HOA Fees/Unit	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Sales & Holding Costs		\$108,375	\$110,543	\$150,338	\$191,681	\$234,617	\$279,194	\$256,061	\$222,127	\$184,243	\$142,216	\$145,060	\$36,990	\$2,061,446
Net Cash Flow Subtotal		\$1,166,625	\$1,189,958	\$1,618,342	\$2,063,386	\$2,525,585	\$3,005,446	\$2,756,423	\$2,391,133	\$1,983,326	\$1,530,914	\$1,561,532	\$398,191	\$22,190,860
Entrepreneur's Profit Percent of Gross Sales	10.0%	\$127,500	\$130,050	\$176,868	\$225,507	\$276,020	\$328,464	\$301,248	\$261,326	\$216,757	\$167,313	\$170,659	\$43,518	\$2,425,231
Net Proceeds (Net Cash Flow)		\$1,039,125	\$1,059,908	\$1,441,474	\$1,837,880	\$2,249,565	\$2,676,982	\$2,455,175	\$2,129,807	\$1,766,569	\$1,363,601	\$1,390,873	\$354,673	\$19,765,630
Discount Factor @	15.0%	0.930232558	0.865332612	0.80496057	0.74880053	0.696538632	0.64796152	0.602754901	0.5607022	0.5215835	0.4851939	0.4513432	0.4198541	
Present Value of Cash Flow as of May 2018		\$966,628	\$917,173	\$1,160,330	\$1,376,205	\$1,566,954	\$1,734,581	\$1,479,869	\$1,194,187	\$921,413	\$661,611	\$627,761	\$148,911	\$12,755,622

The Valuation Above Assumes that all Infrastructure and Amenities are Completed

## Product Mix:

Townhouses: 23  
 Single Family: 68 (smaller lots)  
 Oceanview Condo: 30  
 Riverview Condo: 45

# Boyle & Drake, Inc.

HIGHEST AND BEST USE ANALYSIS - Discounted Sellout Analysis															
Discount Period	1	2	3	4	5	6	7	8	9	10	11	12	13	Totals	
Months in Period	6	May-18	Nov-18	May-19	Nov-19	May-20	Nov-20	May-21	Nov-21	May-22	Nov-22	May-23	Nov-23	May-24	
Discounting Intervals/Year	2														
Total Acres	18.8														
Total Townhouses to Sell	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Units Sold This Period	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Lots/Units Sold	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0.0
Average # of Units Owned During This Period		0.0	0.0	0	0	0	0	0	0	0	0	0	0	0	0
Average Units Price Inflation	2.0%	\$75,000	\$76,500	\$78,030	\$79,591	\$81,182	\$82,806	\$84,462	\$86,151	\$87,874	\$89,632	\$91,425	\$93,253	\$95,118	
Inflation per period		102.0%													
Gross Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Single Family Houses to Sell	73	73	70	67	63	58	52	45	38	31	23	15	31	23	
Houses Sold This Period		3	3	4	5	6	7	7	7	8	8	8	7	0	73
Total Lots/Units Sold		3	6	10	15	21	28	35	42	50	58.0	66.0	73.0	73.0	
Average # of Lots Owned During This Period		71.5	68.5	65	60.5	55	48.5	41.5	34.5	27	19	11	27.5	23	
Average House Price Inflation	2.0%	\$175,000	\$178,500	\$182,070	\$185,711	\$189,426	\$193,214	\$197,078	\$201,020	\$205,040	\$209,141	\$213,324	\$217,591	\$221,942	
Inflation per period		102.0%													
Gross Sales		\$525,000	\$535,500	\$728,280	\$928,557	\$1,136,554	\$1,352,499	\$1,579,549	\$1,407,140	\$1,640,323	\$1,673,130	\$1,706,592	\$1,523,134	\$0	\$9,633,402
Total Condos to Sell (OV/Preserve View)	16	16	13	10	6	1	0	0	0	0	0	0	0	0	0
Lots/Units Sold This Period		3	3	4	5	1	0	0	0	0	0	0	0	0	16
Total Lots/Units Sold		3	6	10	15	16	16	16	16	16	16	16	16.0	16.0	
Average # of Units Owned During This Period		14.5	11.5	8	3.5	0.5	0	0	0	0	0	0	0	0	0
Average Lot Price Inflation	2.0%	\$100,000	\$102,000	\$104,040	\$106,121	\$108,243	\$110,408	\$112,616	\$114,869	\$117,166	\$119,509	\$121,899	\$124,337	\$126,824	
Inflation per period		102.0%													
Gross Sales		\$300,000	\$306,000	\$416,160	\$530,604	\$108,243	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,661,007
Total Condos to Sell (Riverfront)	45	45	42	39	35	30	24	17	10	0	0	0	0	0	
Units Sold This Period		3	3	4	5	6	7	7	10	0	0	0	0	0	45
Total Lots/Units Sold		3	6	10	15	21	28	35	45	45	45	45	45.0	45.0	
Average # of Lots Owned During This Period		43.5	40.5	37	32.5	27	20.5	13.5	5	0	0	0	0	0	
Average Unit Price Inflation	2.0%	\$150,000	\$153,000	\$156,060	\$159,181	\$162,365	\$165,612	\$168,924	\$172,303	\$175,749	\$179,264	\$182,849	\$186,506	\$190,236	
Inflation per period		102.0%													
Gross Sales		\$450,000	\$459,000	\$624,240	\$795,906	\$974,189	\$1,159,285	\$1,182,471	\$1,723,029	\$0	\$0	\$0	\$0	\$0	\$7,368,119
Total Gross Retail Sales		\$1,275,000	\$1,300,500	\$1,768,680	\$2,255,067	\$2,218,966	\$2,511,784	\$2,562,020	\$3,130,168	\$1,640,323	\$1,673,130	\$1,706,592	\$1,523,134	\$0	\$23,565,383
Sales & Holding Costs															
Sales Commissions & Marketing	5.0%	\$63,750	\$65,025	\$88,434	\$112,753	\$110,949	\$125,589	\$128,101	\$156,508	\$82,016	\$83,656	\$85,330	\$76,157	\$0	\$1,178,269
Closing Costs	1.0%	\$12,750	\$13,005	\$17,687	\$22,551	\$22,190	\$25,118	\$25,620	\$31,302	\$16,403	\$16,731	\$17,066	\$15,231	\$0	\$235,654
Misc. & Administrative	0.5%	\$6,375	\$6,503	\$8,843	\$11,275	\$11,095	\$12,559	\$12,810	\$15,651	\$8,202	\$8,366	\$8,533	\$7,616	\$0	\$117,827
Real Estate Taxes	2%	\$0.00	\$25,500	\$26,010	\$35,374	\$45,101	\$44,380	\$50,236	\$51,240	\$62,603	\$32,806	\$33,463	\$34,132	\$30,463	\$0
Real Estate Taxes/Unit at Full Assessment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Inflation		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
HOA Fees/Unit	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Sales & Holding Costs		\$108,375	\$110,543	\$150,338	\$191,681	\$188,614	\$213,502	\$217,772	\$266,064	\$139,427	\$142,216	\$145,060	\$129,466	\$0	\$2,003,058
Net Cash Flow Subtotal		\$1,166,625	\$1,189,958	\$1,618,342	\$2,063,386	\$2,030,372	\$2,298,282	\$2,344,248	\$2,864,104	\$1,500,896	\$1,530,914	\$1,561,532	\$1,393,667	\$0	\$21,562,326
Entrepreneur's Profit Percent of Gross Sales	10.0%	\$127,500	\$130,050	\$176,868	\$225,507	\$221,899	\$251,178	\$256,202	\$313,017	\$164,032	\$167,313	\$170,659	\$152,313	\$0	\$2,356,538
Net Proceeds (Net Cash Flow)		\$1,039,125	\$1,059,908	\$1,441,474	\$1,837,880	\$1,808,474	\$2,047,104	\$2,088,046	\$2,551,087	\$1,336,863	\$1,363,601	\$1,390,873	\$1,241,354	\$0	\$19,205,787
Discount Factor @	15.0%	0.930232558	0.865332612	0.80496057	0.74880053	0.696558632	0.64796152	0.602754901	0.5607022	0.5215835	0.4851939	0.4513432	0.4198541	0.3900620	
Present Value of Cash Flow as of May 2018		\$966,628	\$917,173	\$1,160,330	\$1,376,205	\$1,259,708	\$1,326,444	\$1,258,580	\$1,430,400	\$697,286	\$661,611	\$627,761	\$521,188	\$0	\$12,203,313

The Valuation Above Assumes that all Infrastructure and Amenities are Completed

## Product Mix:

Townhouses:	0
Single Family:	73
Oceanview Condo:	48
Riverview Condo:	45

\*This analysis has a longer absorption as we do not foresee it possible to obtain more than 16 single family home sales per year in the later periods.

# Boyle & Drake, Inc.

HIGHEST AND BEST USE ANALYSIS - Discounted Sellout Analysis																		
Discount Period		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Totals
Months in Period	6	May-18	Nov-18	May-19	Nov-19	May-20	Nov-20	May-21	Nov-21	May-22	Nov-22	May-23	Nov-23	May-24	Nov-24	May-25	Nov-25	
Discounting Intervals/Year	2																	
Total Acres	18.8																	
Total Townhouses to Sell	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Units Sold This Period		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Lots/Units Sold		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Average # of Units Owned During This Period		0.0	0.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Average Units Price Inflator	2.0%	\$75,000	\$76,500	\$78,030	\$79,591	\$81,182	\$82,806	\$84,462	\$86,151	\$87,874	\$89,632	\$91,425	\$93,253	\$95,118	\$97,020	\$98,961	\$100,940	
Inflator per period	102.0%																	
Gross Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Single Family Houses to Sell	93	93	90	87	83	78	72	65	58	51	58	51	43	51	58	50	43	
Houses Sold This Period		3	3	4	5	6	7	7	7	8	8	8	8	8	8	3	0	93
Total Lots/Units Sold		3	6	10	15	21	28	35	42	50	58	66	74	82	90	93	93	
Average # of Lots Owned During This Period		91.5	88.5	85	80.5	75	68.5	61.5	54.5	47	54	47	39	47	54	48.5	43	
Average House Price Inflator	2.0%	\$175,000	\$178,500	\$182,070	\$185,711	\$189,426	\$193,214	\$197,078	\$201,020	\$205,040	\$209,141	\$213,324	\$217,591	\$221,942	\$226,381	\$230,909	\$235,527	
Inflator per period	102.0%																	
Gross Sales		\$325,000	\$335,500	\$728,280	\$928,557	\$1,136,554	\$1,352,499	\$1,379,549	\$1,407,140	\$1,640,323	\$1,673,130	\$1,706,592	\$1,740,724	\$1,775,539	\$1,811,049	\$692,726	\$0	\$19,033,162
Total Condos to Sell (OV/Preserve View)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Units Sold This Period		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Lots/Units Sold		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Average # of Units Owned During This Period		0.0	0.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Average Lot Price Inflator	2.0%	\$100,000	\$102,000	\$104,040	\$106,121	\$108,243	\$110,408	\$112,616	\$114,869	\$117,166	\$119,509	\$121,899	\$124,337	\$126,824	\$129,361	\$131,948	\$134,587	
Inflator per period	102.0%																	
Gross Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Condos to Sell (Riverview)	45	45	42	39	35	30	24	17	10	3	10	3	0	3	10	10	0	
Units Sold This Period		3	3	4	5	6	7	7	7	3	0	0	0	0	0	0	0	45
Total Lots/Units Sold		3	6	10	15	21	28	35	42	45	45	45	45	45	45	45	45	45
Average # of Lots Owned During This Period		43.5	40.5	37	32.5	27	20.5	13.5	6.5	1.5	10	3	0	3	10	10	0	
Average Unit Price Inflator	2.0%	\$150,000	\$153,000	\$156,060	\$159,181	\$162,365	\$165,612	\$168,924	\$172,303	\$175,749	\$179,264	\$182,849	\$186,506	\$190,236	\$194,041	\$197,922	\$201,880	
Inflator per period	102.0%																	
Gross Sales		\$450,000	\$459,000	\$624,240	\$795,906	\$974,189	\$1,159,285	\$1,182,471	\$1,206,120	\$527,247	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,378,457
Total Gross Retail Sales		\$975,000	\$994,500	\$1,352,520	\$1,724,463	\$2,110,743	\$2,511,784	\$2,562,020	\$2,613,260	\$2,167,570	\$1,673,130	\$1,706,592	\$1,740,724	\$1,775,539	\$1,811,049	\$692,726	\$0	\$26,411,619
Sales & Holding Costs																		
Sales Commissions & Marketing	5.0%	\$48,750	\$49,725	\$67,626	\$86,223	\$105,537	\$125,589	\$128,101	\$130,663	\$108,378	\$83,656	\$85,330	\$87,036	\$88,777	\$90,552	\$34,636	\$0	\$1,320,581
Closing Costs	1.0%	\$9,750	\$9,945	\$13,525	\$17,245	\$21,107	\$25,118	\$25,620	\$26,133	\$21,676	\$16,731	\$17,066	\$17,407	\$17,755	\$18,110	\$6,927	\$0	\$264,116
Misc. & Administrative	0.5%	\$4,875	\$4,973	\$6,763	\$8,622	\$10,554	\$12,559	\$12,810	\$13,066	\$10,838	\$8,366	\$8,533	\$8,704	\$8,878	\$9,055	\$3,464	\$0	\$132,058
Real Estate Taxes	2%	\$0	\$19,500	\$19,890	\$27,060	\$34,489	\$42,215	\$50,236	\$51,240	\$52,265	\$43,351	\$33,463	\$34,132	\$34,814	\$35,511	\$36,221	\$13,855	\$0
Real Estate Taxes/Unit at Full Assessment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Inflator	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
HOA Fees/Unit	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Sales & Holding Costs		\$82,875	\$84,533	\$114,964	\$146,579	\$179,413	\$213,502	\$217,772	\$222,127	\$184,243	\$142,216	\$145,060	\$147,962	\$150,921	\$153,939	\$58,882	\$0	\$2,244,988
Net Cash Flow Subtotal		\$892,125	\$909,968	\$1,237,556	\$1,577,884	\$1,931,330	\$2,298,282	\$2,344,248	\$2,391,133	\$1,983,326	\$1,530,914	\$1,561,532	\$1,592,762	\$1,624,618	\$1,657,110	\$633,845	\$0	\$24,166,631
Entrepreneur's Profit Percent of Gross Sales	10.0%	\$97,500	\$99,450	\$135,252	\$172,446	\$211,074	\$251,178	\$256,202	\$261,326	\$216,757	\$167,313	\$170,659	\$174,072	\$177,554	\$181,105	\$69,273	\$0	\$2,641,162
Net Proceeds (Net Cash Flow)		\$794,625	\$810,518	\$1,102,304	\$1,405,437	\$1,720,255	\$2,047,104	\$2,088,046	\$2,351,934	\$1,950,813	\$1,506,817	\$1,535,933	\$1,566,652	\$1,597,985	\$1,629,944	\$623,454	\$0	\$22,730,819
Discount Factor @	15.0%	0.930232558	0.865332612	0.80496057	0.74880053	0.696558632	0.64796152	0.602754901	0.5607022	0.5215835	0.4851939	0.4513432	0.4198541	0.3905620	0.3633135	0.3379660	0.3143870	
Present Value of Cash Flow		\$739,186	\$701,367	\$887,311	\$1,052,392	\$1,198,259	\$1,326,444	\$1,258,580	\$1,318,735	\$1,017,512	\$730,613	\$693,253	\$657,765	\$624,112	\$592,181	\$210,706	\$0	\$13,008,396

The Valuation Above Assumes that all Infrastructure and Amenities are Completed

## Product Mix:

Townhouses:	0
Single Family:	93
Oceanview Condo:	0
Riverview Condo:	45

\*This analysis has a longer absorption as we do not foresee it possible to obtain more than 16 single family home sales per year in the later periods.

Maximum Productivity

As shown the maximumally productive use of the site is a mxiture of townhome, single family and condomimums. The highest return to the land was based on 23 towhomes, 50 single family homes 45 rivefront condominiums and 48 oceanview condos. We have only provided a few samples of the Discounted Sellout Analyses that were considered in this market study report. The highest return to the land included the preivously discussed product mix with a projected sellout of 4.5 years. With this product mix it is our opinion that the maximum sales velocity could be achieved.

Highest and Best Use Conclusion

In this report we discussed an analyzed several different devleopment scenrios and it appears that the highest return to the land comes from the product mix described below:

Townhouses:	23
Oceanview Condos:	48
Single Family Homes:	50
Riverview Condos:	45



**CERTIFICATION**

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, conclusions and recommendations.
3. I have no present or prospective interest in the property that is the subject of this report; and I have no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion (estimate), the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. I made a personal inspection of the subject property. Mark A. Moore worked on the research and analysis. Stephen J. Boyle, MAI supervised the appraisal process and assisted in report writing. No other person, other than signatures of this report, provided significant real property appraisal assistance in the preparation of this report.
8. The reported analyses, opinions, and conclusion were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation.
9. The reported analyses, opinions, and conclusion were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the State of Florida relating to review by the Department of Professional Regulation, Real Estate Appraisal Board.

11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. As of the date of this report, I have completed the requirements of the continuing education program of the State of Florida.
13. I have completed the continuing education requirement for the Appraisal Institute.
14. I have not provided prior appraisal and/or professional services regarding the subject property over the past three years.



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Stephen J. Boyle, MAI  
State-Certified General Real Estate Appraiser RZ699  
Expiration Date 11/30/18

DRAFT

**CERTIFICATION**

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, conclusions and recommendations.
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9. The reported analyses, opinions, and conclusion were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the State of Florida relating to review by the Department of Professional Regulation, Real Estate Appraisal Board.

**Boyle & Drake, Inc.**

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11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. As of the date of this report, I have completed the requirements of the continuing education program of the State of Florida.
13. It is noted that Boyle & Drake Inc. has not provided prior appraisal and/or professional services regarding the subject property over the past three years.



Mark A. Moore  
State-Certified General Real Estate Appraiser RZ3695  
Expiration Date 11/30/18

DRAFT

**LIMITING CONDITIONS**

This appraisal report, any letter of transmittal, and any certificate of value are expressly subject to the following assumptions and limiting conditions; and any special assumptions and limiting conditions contained herein, which are included herein by reference.

1. The legal description is assumed to be correct.
2. The appraiser assumes no liability for matters of a legal nature affecting the subject property or the title thereof.
3. The appraiser renders no opinion as to the title of the property, which is assumed to be good and marketable.
4. Existing encumbrances and liens, if any, have been disregarded, unless specified in this report, and the property is appraised as if free and clear in fee simple title.
5. Subsurface (gas, oil or mineral) rights were not considered in this appraisal, unless otherwise stated.
6. The appraiser has made no survey of the property and assumes no responsibility in connection with such matters. The appraisal concerns the property as described in this report, and areas and dimensions as shown by any identified surveys or plans are assumed to be correct, unless otherwise stated.
7. The physical condition of the subject property is based on visual inspection of the appraiser. The appraiser, unless otherwise specified in this report, assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors. Condition of heating, cooling, ventilating, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements, unless otherwise stated. General inspection of the property revealed no evidence of termites, roof leaks, faulty wiring or plumbing, or other (hidden) physical conditions detrimental to value, unless specified in report, and appraiser assumes no responsibility for any such conditions not readily apparent.
8. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl's, petroleum leakage, or agricultural chemicals, which may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no



knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions.

9. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss of value. No responsibility is assumed for any such conditions nor for any expertise or engineering knowledge required to discover them.

On all appraisals subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.

10. The appraiser has not considered any equipment and furnishings, except these specifically indicated and typically associated as part of real property.
11. Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
12. This appraisal expresses the appraiser's opinions and employment to complete the appraisal is in no way contingent upon reporting a predetermined value or conclusion.
13. Unless otherwise stated, the value estimated in this appraisal represents the opinion of market value (or value defined) as of the date of appraisal. Market value is affected by national, regional and local economic conditions and consequently will vary as future changes affect conditions.
14. No responsibility is assumed for any deviations from projections, such as cash flows and absorption rates. Since projections (models) based on estimates and assumptions, inherently subject to uncertainty and variation depending upon evolving events, they are not represented as results that will be actually achieved.
15. The property is appraised as though under responsible ownership and competent management, which is assumed.
16. Information, estimates, and opinions obtained by or furnished to the appraiser and contained in the report were received from sources considered reliable and are believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser can be assumed by the appraiser, and these items not

guaranteed by the appraiser.

17. All information furnished regarding property for sale or rent, financing, or projections of income and expenses is from sources deemed reliable. No warranty or representation is made regarding the accuracy thereof, and it is submitted subject to errors, omissions, change of price, rental or other conditions, prior sale, lease, financing, or withdrawal without notice.
18. All direct and indirect information supplied by the client, agents of the client, or the lawyer of the client concerning the subject property is assumed to be true and accurate, but may be modified by the appraiser as appropriate to the definition of value or purpose of the appraisal, consistent with other standards specified herein.
19. The appraiser reserves the right to change and revise valuations in this report, if any undisclosed information or errors, especially those of a mathematical or typographical nature, come to his attention at a later date.
20. The appraiser, by submission of this report, is not required to give testimony in court or any governmental hearing (or engage in post-appraisal consultation) with reference to the property appraised, unless prior arrangements have been made.
21. Disclosure of the contents of the appraisal report is governed by the bylaws and regulations of the professional organization(s) with which the appraiser is affiliated.
22. Possession of this report does not carry with it the right of publication, nor may it be used for any purpose by anyone but the client to whom it is submitted, without the prior written consent and approval of the appraiser, and in any event, only in its entirety. Furthermore, neither all nor any of the contents of this report (particularly any value conclusions, identity of the appraiser or firm with which he is associated, or any references to professional organization of which he is a member) shall be disseminated to the public through advertising, public relations, sales, or news media, or any other public means of communication without the prior written consent and approval of the appraiser, except as required by law.
23. This appraisal is completed based on the real estate ownership interest(s) identified. The appraiser and firm are not responsible/liable in any manner as a result of appraisal being used in connection with any real estate syndication activity. This activity is defined as a general or limited partnership, joint venture, unincorporated association or similar organization, formed for the purpose of, and engaged in, investment or gain from an interest in real property, including but not limited to a sale, exchange, trade or development of such real property, on behalf of others, or which is required to be registered with the United States Securities and Exchange Commission or any state

regulatory agency which regulates investment made as a public offering. The report may not be used (or reproduced) in any manner for any syndication purposes without the appraiser having received a signed indemnity agreement from client. Furthermore, the appraiser/firm shall not be liable to any third parties regarding any security or tax regulations.

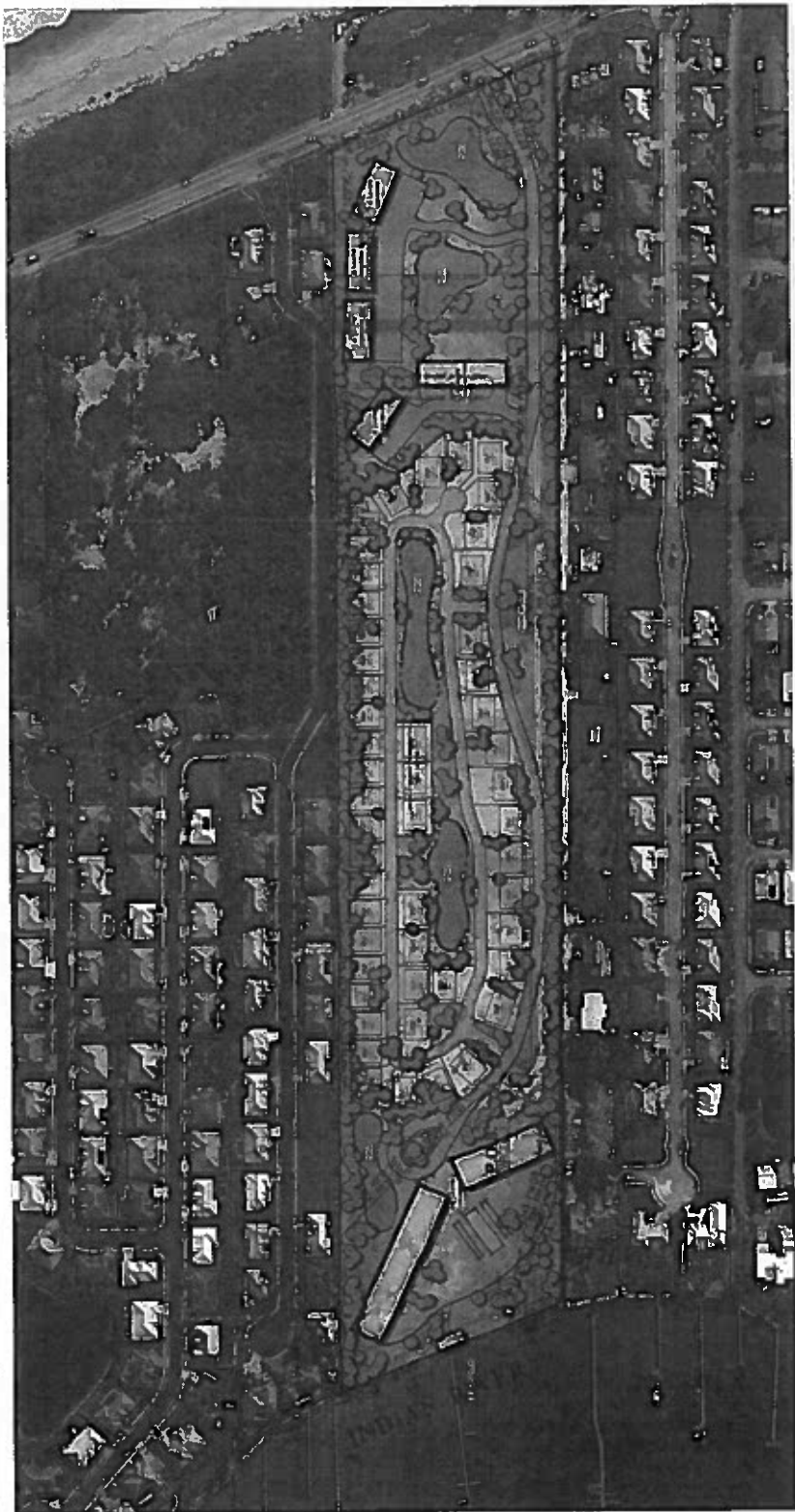
24. The report shall not be used in any of the client's reports or financial statements, or in any documents filed with any governmental agency, unless prior to making any such reference in any report or statement or any document filed with the Securities and Exchange Commission or other governmental agency, the appraiser is allowed to review the text of such reference to determine the accuracy and adequacy of such reference to the appraisal report prepared by the appraiser; in the appraiser's opinion the proposed reference is not untrue or misleading in light of the circumstances under which it is made; and written permission for these uses has been obtained by the client from the appraiser. The only exception to this condition is an appraisal report used in connection with estate tax reporting.
25. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We 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 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 has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.
26. Acceptance of and/or use of this appraisal report constitutes acceptance of the preceding Assumptions & Limiting Conditions. The appraiser's duties, pursuant to employment to prepare the appraisal, are completed upon delivery/acceptance of the appraisal report.

**ADDENDA**

# **PROPERTY DATA**

NO.	DESCRIPTION
1	EXISTING
2	PROPOSED
3	REMOVED
4	ADJUSTED
5	AS SHOWN
6	AS NOTED
7	AS PER
8	AS PER
9	AS PER
10	AS PER
11	AS PER
12	AS PER
13	AS PER
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94	AS PER
95	AS PER
96	AS PER
97	AS PER
98	AS PER
99	AS PER
100	AS PER

APPROVAL # 2  
 FLORIDA REG. NO. 11211



NORTH  
 0 100 200  
 GRAPHIC SCALE  
 SCALE 1" = 100'  
 HALF INCH = 1' = 200'



## MONTECITO

### RESIDUAL LOT ANALYSIS

<u>Inputs</u>			
Retail/SF	Avg Size	=	Retail Home Value
\$150	2667		\$400,050
Retail Value			\$400,050
Cost to Complete	\$95		\$253,365
Sales Cost	6%		\$15,202
Profit	10%		\$25,337
Holding Costs	2%		\$5,067
Total			\$298,971
Lot			
Return		=	25%

## Chase Hammock

### RESIDUAL LOT ANALYSIS

<u>Inputs</u>			
Retail/SF	Avg Size	=	Retail Home Value
\$145	3227		\$467,915
Retail Value			\$467,915
Cost to Complete	\$95		\$306,565
Sales Cost	6%		\$15,202
Profit	10%		\$25,337
Holding Costs	2%		\$5,067
Total			\$352,171
Lot			
Return		=	25%

## MATANALLA REEF

### RESIDUAL LOT ANALYSIS

<u>Inputs</u>			
Retail/SF	Avg Size	=	Retail Home Value
\$260	2981		\$775,060
Retail Value			\$775,060
Cost to Complete	\$140		\$417,340
Sales Cost	6%		\$15,202
Profit	10%		\$25,337

Holding Costs	2%	\$5,067		
Total		\$462,946		
Lot				
Return		\$312,114	=	40%

## MARITIME HAMMOCK

RESIDUAL LOT ANALYSIS				
<u>Inputs</u>				
Retail/SF	Avg Size		Retail Home Value	
\$208	2893	=	\$601,744	
Retail Value			\$601,744	
Cost to Complete	\$115	\$332,695		
Sales Cost	6%	\$15,202		
Profit	10%	\$25,337		
Holding Costs	2%	\$5,067		
Total		\$378,301		
Lot				
Return		\$223,443	=	37%

## ENCLAVE

RESIDUAL LOT ANALYSIS				
<u>Inputs</u>				
Retail/SF	Avg Size		Retail Home Value	
\$175	3581	=	\$626,675	
Retail Value			\$626,675	
Cost to Complete	\$110	\$393,910		
Sales Cost	6%	\$15,202		
Profit	10%	\$25,337		
Holding Costs	2%	\$5,067		
Total		\$439,516		
Lot				
Return		\$187,159	=	30%

## Ocean Dunes

### RESIDUAL LOT ANALYSIS

<u>Inputs</u>			
Retail/SF	Avg Size	=	Retail Home Value
\$205	2190	=	\$448,950
Retail Value			\$448,950
Cost to Complete		\$135	\$295,650
Sales Cost		6%	\$17,739
Profit		10%	\$29,565
Holding Costs		2%	\$5,913
Total			\$348,867
Lot Return			\$100,083 = 22%

## The Marendra

### RESIDUAL LOT ANALYSIS

<u>Inputs</u>			
Retail/SF	Avg Size	=	Retail Home Value
\$280	2356	=	\$659,680
Retail Value			\$659,680
Cost to Complete		\$185	\$435,860
Sales Cost		6%	\$26,152
Profit		10%	\$43,586
Holding Costs		2%	\$8,717
Total			\$514,315
Lot Return			\$145,365 = 22%

## Island Pointe

### RESIDUAL LOT ANALYSIS

<u>Inputs</u>			
Retail/SF	Avg Size	=	Retail Home Value
\$155	2437	=	\$377,735
Retail Value			\$377,735
Cost to Complete		\$110	\$268,070
Sales Cost		6%	\$16,084
Profit		10%	\$26,807
Holding Costs		2%	\$5,361
Total			\$316,323
Lot Return			\$61,412 = 16%

## Four Winds

### RESIDUAL LOT ANALYSIS

<u>Inputs</u>			
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Retail/SF	Avg Size	=	Retail Home Value
\$300	4000		\$1,200,000
Retail Value			\$1,200,000
Cost to Complete	\$200		\$800,000
Sales Cost	6%		\$48,000
Profit	10%		\$80,000
Holding Costs	2%		\$16,000
Total			\$944,000
Lot Return			\$256,000 = 21%

### Marina Village

RESIDUAL LOT ANALYSIS			
<u>Inputs</u>			
Retail/SF	Avg Size	=	Retail Home Value
\$136	2100		\$285,600
Retail Value			\$285,600
Cost to Complete	\$95		\$199,500
Sales Cost	6%		\$11,970
Profit	10%		\$19,950
Holding Costs	2%		\$3,990
Total			\$235,410
Lot Return			\$50,190 = 18%

## HARBOR BEACH CLUB

### RESIDUAL LOT ANALYSIS

<u>Inputs</u>			
Retail/SF	Avg Size		Retail Home Value
\$150	2350	=	\$352,500
Retail Value			\$352,500
Cost to Complete	\$95	\$223,250	
Sales Cost	6%	\$13,395	
Profit	10%	\$22,325	
Holding Costs	2%	\$4,465	
Total		\$263,435	
Lot			
Return		\$89,065	= 25%

## Preserve Pointe

### RESIDUAL LOT ANALYSIS

<u>Inputs</u>			
Retail/SF	Avg Size		Retail Home Value
\$150	2994	=	\$449,100
Retail Value			\$449,100
Cost to Complete	\$95	\$284,430	
Sales Cost	6%	\$13,395	
Profit	10%	\$22,325	
Holding Costs	2%	\$4,465	
Total		\$324,615	
Lot			
Return		\$124,485	= 28%

## THE LANDINGS

### RESIDUAL LOT ANALYSIS

<u>Inputs</u>			
Retail/SF	Avg Size		Retail Home Value
\$130	1835	=	\$238,550
Retail Value			\$238,550
Cost to Complete	\$85	\$155,975	
Sales Cost	6%	\$13,395	
Profit	10%	\$22,325	
Holding Costs	2%	\$4,465	
Total		\$196,160	
Lot			
Return		\$42,390	= 18%

## AVON BY THE SEA

### RESIDUAL LOT ANALYSIS

<u>Inputs</u>			
Retail/SF	Avg Size		Retail Home Value
\$140	1674	=	\$234,360
Retail Value			\$234,360
Cost to Complete	\$85		\$142,290
Sales Cost	6%		\$13,395
Profit	10%		\$22,325
Holding Costs	2%		\$4,465
Total			\$182,475
Lot			
Return		\$51,885	= 22%

## ASPINWALL

### RESIDUAL LOT ANALYSIS

<u>Inputs</u>			
Retail/SF	Avg Size		Retail Home Value
\$130	2068	=	\$268,840
Retail Value			\$268,840
Cost to Complete	\$85		\$175,780
Sales Cost	6%		\$13,395
Profit	10%		\$22,325
Holding Costs	2%		\$4,465
Total			\$215,965
Lot			
Return		\$52,875	= 20%

## MONTECITO

### RESIDUAL LOT ANALYSIS

<u>Inputs</u>			
Retail/SF	Avg Size		Retail Home Value
\$145	1862	=	\$269,990
Retail Value			\$269,990
Cost to Complete	\$90		\$167,580
Sales Cost	6%		\$13,395
Profit	10%		\$22,325
Holding Costs	2%		\$4,465
Total			\$207,765
Lot			
Return		\$62,225	= 23%



# **QUALIFICATIONS**

## **Qualifications of the Appraiser**

### **Stephen J. Boyle, MAI**

*State Certified General Real Estate Appraiser RZ 669*

#### **Professional Affiliations & Licenses**

MAI Designation, Appraisal Institute  
State of Florida Certified General Appraiser #RZ699

#### **Formal Education**

Graduated with a Bachelor of Science in Business Administration,  
University of Central Florida, 1979; majoring in Finance.

#### **Expert Witness**

Qualified as an expert witness in the 19th Judicial District

#### **Real Estate and Appraisal Education**

Right-of-way Evaluation and Acquisition, and Real Estate Appraisal Principles  
Florida Department of Transportation  
Real Estate Appraisal Principles - American Institute of Real Estate Appraisers  
Basic Valuation Procedures - American Institute of Real Estate Appraisers  
Residential Valuation - American Institute of Real Estate Appraisers  
Capitalization Theory and Techniques, Part A - American Institute of Real Estate Appraisers  
Capitalization Theory and Techniques, Part B - American Institute of Real Estate Appraisers  
Standards of Professional Practice - American Institute of Real Estate Appraisers  
Case Studies in Real Estate Valuation - American Institute of Real Estate Appraisers  
Report Writing and Valuation Analysis - American Institute of Real Estate Appraisers  
Multiple Seminars and Continuing Education Course ( See Attached List)  
Internal Revenue Code Section 1031  
1031 Exchanges/An Investors Dream-A Comprehensive Study of the Creative Possibilities

#### **Other Real Estate Courses Taken**

Principles of Real Estate Analysis  
Real Estate and Urban Development  
Investment Analysis  
Financial Analysis

## **Boyle & Drake, Inc.**

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### **Appraisal Instruction**

Author of "Helpful Hints to Writing a Convincing Appraisal"

Provided to the South Florida Water Management District

Author of "Communicating with your Appraiser"

Provided to various Boards of Realtors and other organizations

### **Real Estate and Appraisal Experience**

Owner of Boyle & Drake, Inc., August 1996 to current

Owner of Boyle Appraisal Service, November 1993 to July 1996

Employed as a Review Appraiser for Midlantic National Bank, May 1992 to November 1993

Employed as an Independent Contractor to Perform Appraiser and Consulting Services

Callaway & Price, Inc., May 1985 to May 1992

Employed as Appraiser/Researcher - Callaway & Price, Inc., July 1984 to May 1985

Employed as Real Estate Salesman, September 1983 through July 1984

Employed as Right-of-Way Specialist

Florida Dept. of Transportation; April 1980 to June 1981

### **Types of Property Appraised, Market Studies and Feasibility Studies**

Appraisal, appraisal review and consulting services have been performed on the following types of property in Florida for individuals, corporations, banks, attorneys, governmental agencies, savings and loans, mortgage companies and developers:

Acreage (1,000 + acres)	High-Rise Condominiums	Restaurants
Agricultural (Vacant & Improved)	(Proposed)	Residential Properties
Apartment Complexes	Income Properties	Shopping Centers
Automobile Dealerships	Industrial Parks	Special Purpose Properties
Beachfront Properties	Office Buildings	Special Master for SLC (Tax Appeals)
Commercial Buildings	Marinas	Subdivisions
Condominiums	Market Studies (Residential Developments)	Vacant Land, All Types
Convenience Stores	Mitigation Banks	Warehouse Buildings
Estates	Mobile Home Parks	Waterfront Commercial Properties
Feasibility Studies (Res. Developments)	Motels/Hotels	Wetlands & other Environmental Sensitive Properties
Golf Courses	Multi-family Projects	
Groves	Planned Unit Developments	
	R.V. Parks	
	Retail Buildings	

## **Boyle & Drake, Inc.**

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### **Appraisal Review Experience**

Appraisal review services are performed for various banks including Wells Fargo and other governmental agencies. The following is a partial list of clients:

Florida Communities Trust	St. Lucie County
FL Department of Environmental Protection	Martin County
South Florida Water Management District	Brevard County

### **EXPERT TESTIMONY & COURT EXPERIENCE**

Paul Berg  
Clem Vocolle & Berg PA  
3333 20<sup>th</sup> Street  
Vero Beach, Florida 32960  
772-562-8111

Ralph Evans, Esq.  
Stewart, Evans, Stewart & Emmons  
2920 Cardinal Drive  
Vero Beach, Florida 32963  
(772)231-1800

Alexander J. Kranz, Atty.  
1989 SE Federal Highway  
Stuart, Florida 34994  
(772)223-0307

Norman A. Green  
1245 20<sup>th</sup> St.  
Vero Beach, Fl 32960  
(772) 569-1001

Andrew Rafkin  
Broad & Cassell  
1 N. Clematis Street, Suite 500  
West Palm Beach, Florida 33401  
561-366-5315

Guy Shir  
Kahan & Shir  
1800 NW Corporate Blvd. Suite 102  
Boca Raton, Florida 33431  
561-999-5999

Alan P. Whitehead  
Frese Hansen et al  
930 S. Harbor City Boulevard, Suite 505  
Melbourne, Florida 32901  
321-984-3300

**GENERAL REFERENCES FOR APPRAISAL SERVICES**

**Wells Fargo**

Mark Bennett, MAI  
225 Water Street  
Enterprise Tower, 2<sup>nd</sup> Floor  
Jacksonville, Florida 32202-0016  
(904) 489-5421

**Comerica Bank**

J. Robert Kinney, MAI  
1508 W. Mockingbird Lane, Bay 1  
Dallas, Texas 75235  
214-589-5043

**SunTrust Bank, Inc.**

Ron Floyd, Real Estate Credit  
Administration  
401 E. Jackson Street, 10th Floor  
Tampa, Florida 33602  
813-224-2458

**Seacoast National Bank & Trust**

Darin Sprague  
815 Colorado Ave.  
Stuart, Florida 34994  
(772)-288-6081

**T D Bank**

Stephen G. Hart, MAI  
Review Appraiser  
1 E. Broward Blvd.  
Ft. Lauderdale, Florida 33310  
(561)-352-2338

**Bank of America**

Mr. Wayne Miller, MAI  
Commercial Credit  
400 N. Ashley Dr., 7th Floor  
Tampa, Florida 33602  
(813)-968-7283

**Northern Trust Bank**

Adam Bolinger, VP  
755 Beachland Blvd.  
Vero Beach, Florida 32963  
(772)-492-1115

**South Florida Water Management  
District**

Eric Barkhurst, Review Appraiser  
3301 Gun Club Road  
West Palm Beach, Florida 33406  
(561)-687-6695

**REVIEW APPRAISAL  
REFERENCES:**

**Florida Communities Trust**

Caroline Sutton, Community Program  
Administrator  
2555 Shumard Oak Boulevard  
Tallahassee, Florida 32399  
(850)922-2207

**Florida Department of Environmental  
Protection**

Mike Herran, Director  
Bureau of Appraisal  
3900 Commonwealth Boulevard  
Tallahassee, Florida 32399  
(904)488-9025

**Martin County**

Assistant County Attorney  
Fred W. VanVonno  
2401 S.E. Monterey Road  
Stuart, Florida 34996  
(772)-288-5440

Additional references available upon  
request

## Boyle & Drake, Inc.

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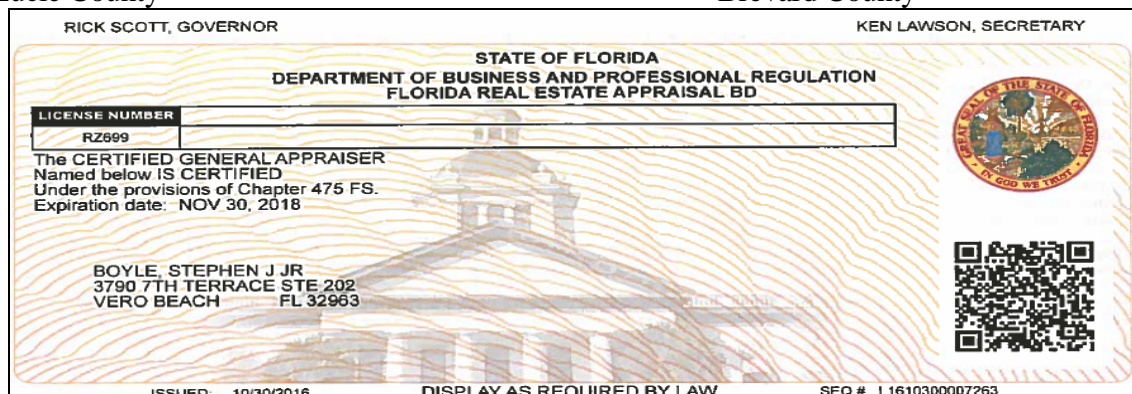
The following is a partial list of banks, governmental agencies, for which Boyle & Drake, Inc. has performed appraisal or consulting services:

### Banks & Financial Institutions:

Atlantic States Bank	Northern Trust Bank
Bank of America	Palm Beach National Bank
BankAtlantic	PNC
Bank of Boston	Port St. Lucie National Bank
Bank One	Recall Management Corp. (Fleet Bank)
Beal Service Corporation	RBC
Citi Bank	Republic Bank
Citrus Bank	Republic Securities
Colonial Bank	Riverside National Bank
Comerica Bank	Seacoast National Bank & Trust
Farm Credit of South Florida	SunTrust
First Fidelity	SouthTrust Bank
Harris Trust	TD Bank
Huntington Bank	US Trust
Marine Bank and Trust	Wells Fargo
New York Community Bank	

### Governmental Agencies:

Department of Transportation	City of Ft. Pierce
The Department of Environmental Protection (DEP)	Martin County
Florida Communities Trust (FCT)	City of Stuart
Federal Aviation Administration	US Fish & Wildlife Service
Internal Revenue Service (IRS)	Freddie Mac
St. John's Water Management District	Fannie Mae
South Florida Water Management District	Town of Jupiter
Indian River County	Trust for Public Land
Florida Inland Navigation District (FIND)	The Nature Conservancy
City of Vero Beach	The Conservation Fund
St. Lucie County	Brevard County





## QUALIFICATIONS OF THE APPRAISER

# MARK A. MOORE

*State-Certified General Real Estate Appraiser RZ 3695*

*BOYLE & DRAKE INC.  
3790 7<sup>th</sup> Terrace, Suite 202  
Vero Beach, Florida 32960  
(772)-778-7577  
MarkM@BoyleDrake.com*

### State Licenses

State-Certified General Real Estate Appraiser (RZ 3695)  
Expiration Date November 30, 2016

Licensed Real Estate Broker (BK 3187505)  
Expiration Date: September 30, 2016

Licensed Community Association Manager (CAM 42329)  
Expiration Date: September 30, 2016

### Academic Education

Bachelor of Science in Resource Economics & Entrepreneurship  
**University of Florida** (Graduated - August 2005)

### Real Estate Education

Real Estate Finance  
Real Estate Statistics and Modeling  
Florida Real Estate Law  
Real Estate Income Approach (1 & 2)  
Real Estate Sales Comparison Approach  
General Report Writing & Case Studies  
U.S.P.A.P. (15 Hour & 7 Hour)

Real Estate Appraisal Principals & Procedures  
Real Estate Market Analysis & Highest and Best Use  
Real Estate Site Valuation & Cost Approach  
Real Estate Sales Associate & Brokers Course  
Real Estate Investment Analysis  
Residential Appraisal Writing

### Professional Experience

**Boyle and Drake Inc.**  
3790 7<sup>th</sup> Terrace Suite 202  
Vero Beach, Florida 32960

October 2007 to Present

**Adam Preuss Appraisal Services, Inc.**  
936 U.S. Highway 1, Suite A, Sebastian, FL 32958  
*Residential & Commercial Real Estate Appraiser*

March 2007 to October 2007

**Types of Properties Appraised**

Warehouse  
Vacant Land  
Insurance Replacement Cost Reports  
Residential Developments  
Ranch Land  
Conservation Easements  
Industrial Flex Space  
Government Owned Land  
Row Crop Land  
Rental Apartments  
Insurable Value Reports  
Right-of-Way Takings  
Office Condominiums

Office Rental Space  
Strip Mall Market Rent Analysis  
Apartment Rent Analysis  
Restaurant  
Marinas  
Condemnation  
Wetlands  
Citrus Groves  
Shopping Malls  
Golf Courses  
Schools  
Retail  
Marinas

- Mr. Moore has over 10 years of real estate appraisal and real estate brokerage experience.

**State-Certified General Real Estate Appraiser License**

