

*The 17.31 Acre Tract of Land
Located at
5400 Pan American Boulevard, North Port,
Sarasota County, Florida*

Effective Date – November 12, 2021

*Prepared by Ronald M. Saba, MAI
State-Certified General Real Estate Appraiser 2213
3307 Clark Road, Suite 203
Sarasota, Florida 34231*

*For
Arlena Dominick
Consultant Project Manager
Right of Way Acquisition Support Services
American Acquisition Group*

221C081



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November 19, 2021

Roger L. Hettema, MAI, SRA
State-Certified General Appraiser 45
Ronald M. Saba, MAI
State-Certified General Appraiser 2213

Arlena Dominick
Consultant Project Manager
Right of Way Acquisition Support Services
American Acquisition Group

Dear Ms. Dominick:

As requested, I have performed an appraisal of the 17.31 acres of vacant land located at 5400 Pan American Boulevard in North Port, Florida. This report has been performed in accordance with current USPAP Standards. The purpose of the appraisal is to provide an opinion of the market value of fee simple interest. The report is intended to be used by the client for the negotiation of a possible purchase of the subject property.

The attached appraisal report contains the basic data, definitions, descriptions, and analyses used to formulate my opinion of value. Based on the known factors creating and affecting value, it is my opinion the value of the subject property, as of November 12, 2021, was \$2,828,000.

You are encouraged to read and understand the Limiting Conditions and General Assumptions which govern the use and interpretation of this appraisal report. This letter, by itself, does not constitute an expression of value on my part. It merely transmits the enclosed appraisal report to you. It must remain attached to the report, which contains twenty-two pages, plus related exhibits, for the value opinion set forth to be considered valid.

It has been my pleasure to serve you in this matter and I trust that you will contact me should you have any questions concerning this appraisal report

Respectfully submitted,

RONALD M. SABA, MAI
State-Certified General Appraiser RZ2213

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Certification

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 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. I have no bias with respect to the subject property or the parties involved with this assignment.
- I have not performed an appraisal or provided any other services on the subject property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal. Specifically, this appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP), and the State of Florida.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I, Ronald M. Saba, have completed the requirements under the continuing education program of the Appraisal Institute.
- State-Certified General Appraiser: The use of this report is subject to the requirements of the State of Florida relating to review by the Real Estate Appraisal Sub-committee of the Florida Real Estate Commission.
- No one other than the signatories to this report provided significant professional assistance in its preparation.
- I have made a personal inspection of the property that is the subject of this report.

Date Signed: November 19, 2021



RONALD M. SABA, MAI
State-Certified General Appraiser RZ2213

GENERAL ASSUMPTIONS

This appraisal report has been made with the following General Assumptions.

No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated. Responsible ownership and competent property management are assumed.

The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included to assist the reader in visualizing the property. It is assumed that there are no hidden or unapparent conditions of the property, subsoil or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the appraisal report. It is assumed that the appropriate governing authority will allow the property to be used or developed in accordance with zoning and use regulations. It is assumed that all required licenses, Certificates of Occupancy, consents or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based. If any of the foregoing does not happen, is changed, or is prohibited by subsequent action on the part of a governing authority, the values herein may be adversely affected, and this appraisal may be rendered null and void or require revision.

It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report. The sketches in this report, which are approximate only, and the photographs are included to assist the reader in visualizing the property. All data, cost estimates and statements are, in most cases, gathered from reliable sources and from reputable local or area business concerns, but in no sense guaranteed. If a survey has been included, or relied upon, it is assumed to be correct. No responsibility is assumed in the contrary and should an error in the survey sufficiently alter the subject property, this appraisal is considered null and void.

Real estate investment has an element of risk involved. Performance and success are dependent upon many factors, such as management capability, market liquidity at time of eventual sale, or subsequent events of a local, national or world character. Consequently, this estimate of market value does not absolutely fix or set the price at which the property will sell.

GENERAL LIMITING CONDITIONS

This appraisal report has been made with the following General Limiting Conditions.

1. The allocation if any, of the total valuation in this report between land and improvements applies only under the conditions stated in this report. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with the proper written qualifications, and only in its entirety.
3. This report is valid only in its entirety. The reader must ascertain that a full and complete copy is being reviewed. The client is directed not to copy and disseminate parts of this report. Doing so renders all value conclusions null and void.
4. The appraiser herein, by reason of this appraisal, is not required to give further consultation, testimony or be in attendance in court with reference to the property in question unless arrangements have been previously made.
5. Neither all nor any part of the contents of this report (especially any conclusion as to value, the identity of the appraiser or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales or other media without the prior written consent and approval of the appraiser.
6. Please refer to the appraisal for the Environmental Hazards Statement and American Disabilities Act Statement.
7. The current owner of record is taken from the Sarasota County Tax Roll. This is not from a recent abstract of title and thus is the apparent owner. It should not be used for legal purposes without verification. The reader is advised to obtain an abstract of title if this issue is in question.
8. The subject maps are for illustrative purposes and should not be construed to represent the exact legal boundaries of the subject property. The reader should refer to the legal description for the legal identification of the subject property for analysis purposes. Likewise, the maps depicting the comparable market data are an aid to the reader in locating these properties. These maps may not represent the exact legal boundaries of these properties.

SUBJECT PHOTOS - LOT 4



Front View from Pan American Boulevard



Rear View from Southern Boundary of the Site

STREET SCENES



Pan American Boulevard, Looking North



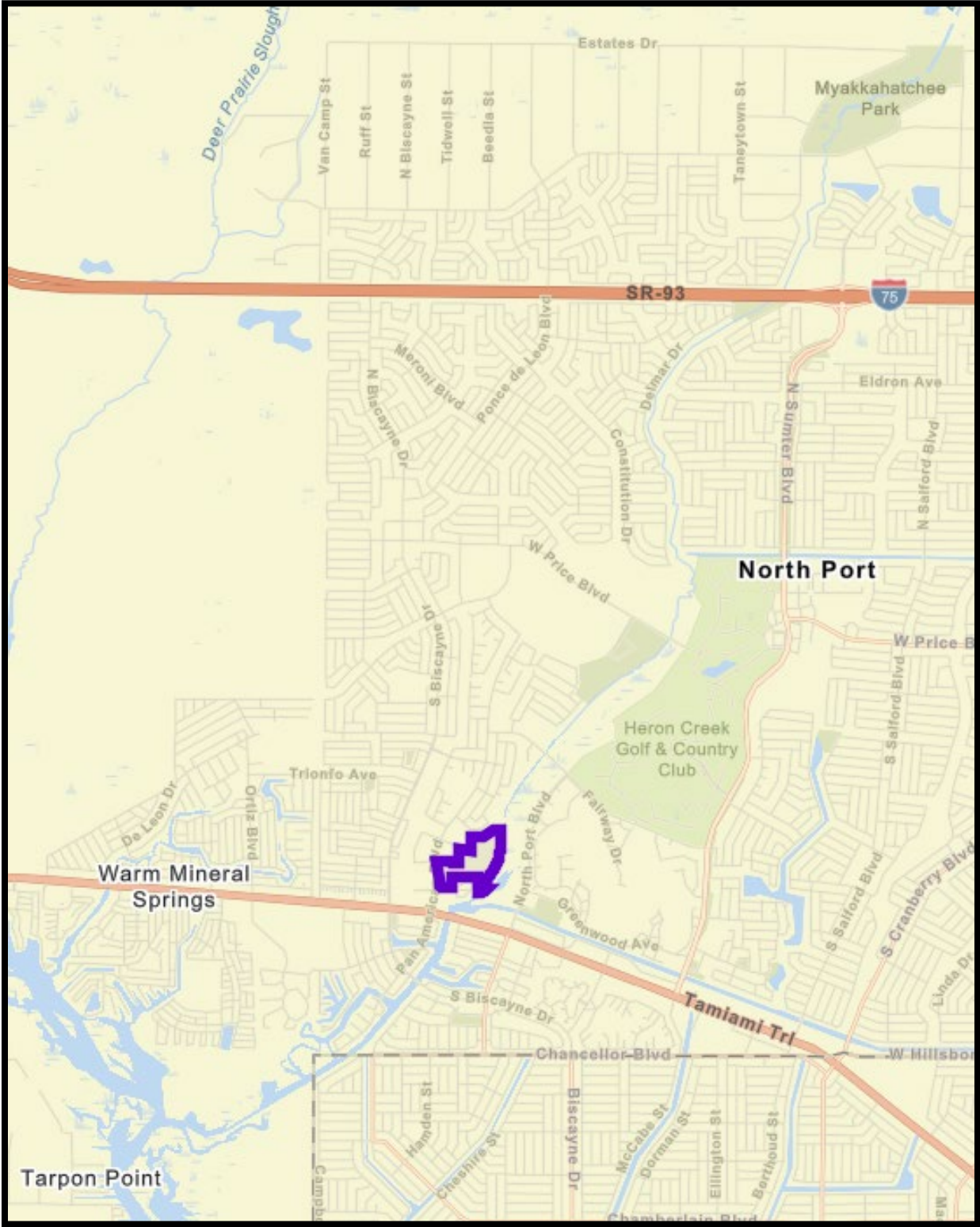
Pan American Boulevard, Looking South

MYAKKAHATCHEE CREEK



Looking north from the southern boundary line of the subject

SUBJECT MAPS



Location Map



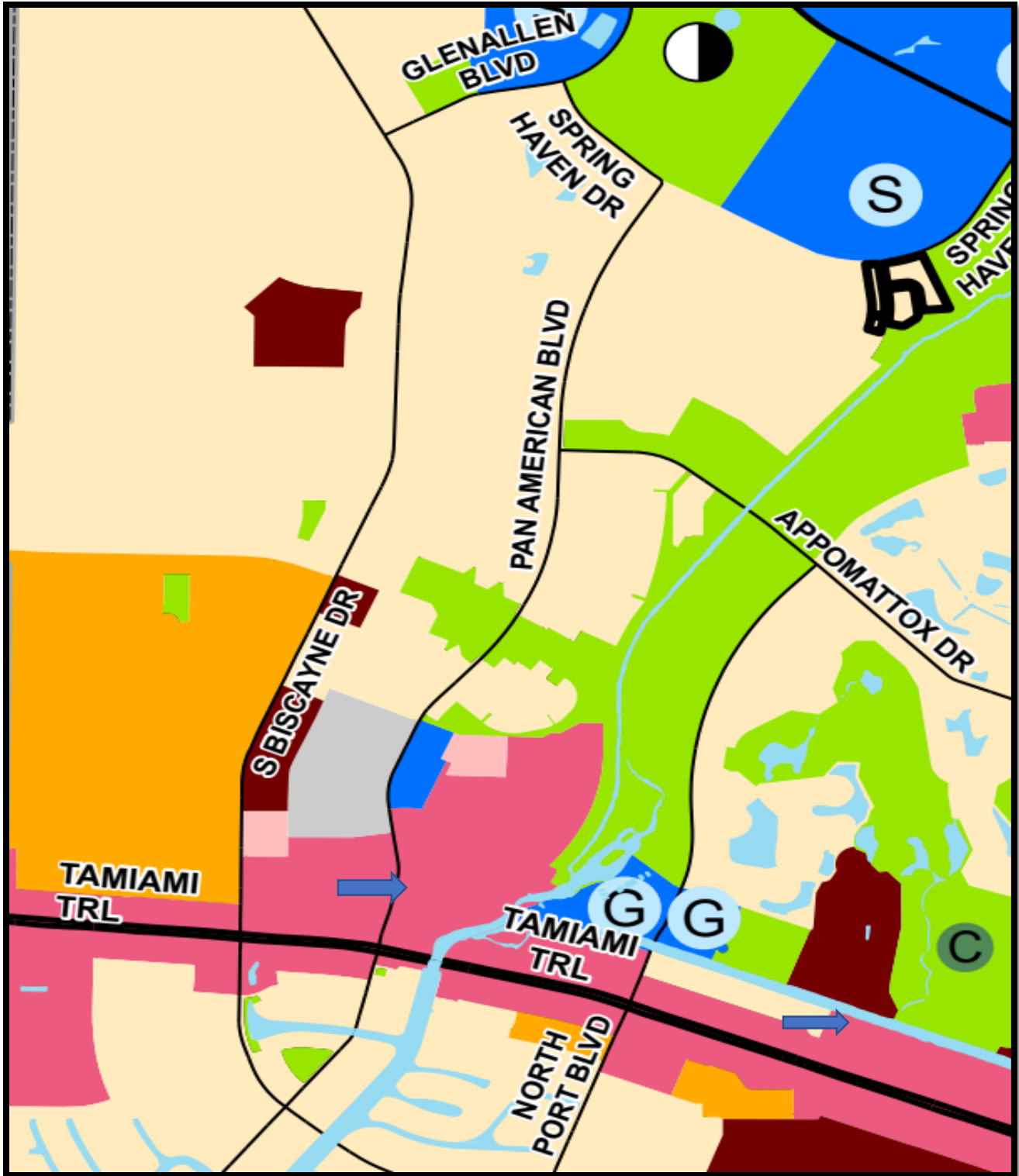
Neighborhood Map

(Subject is the southern portion of the property, see boundary survey)



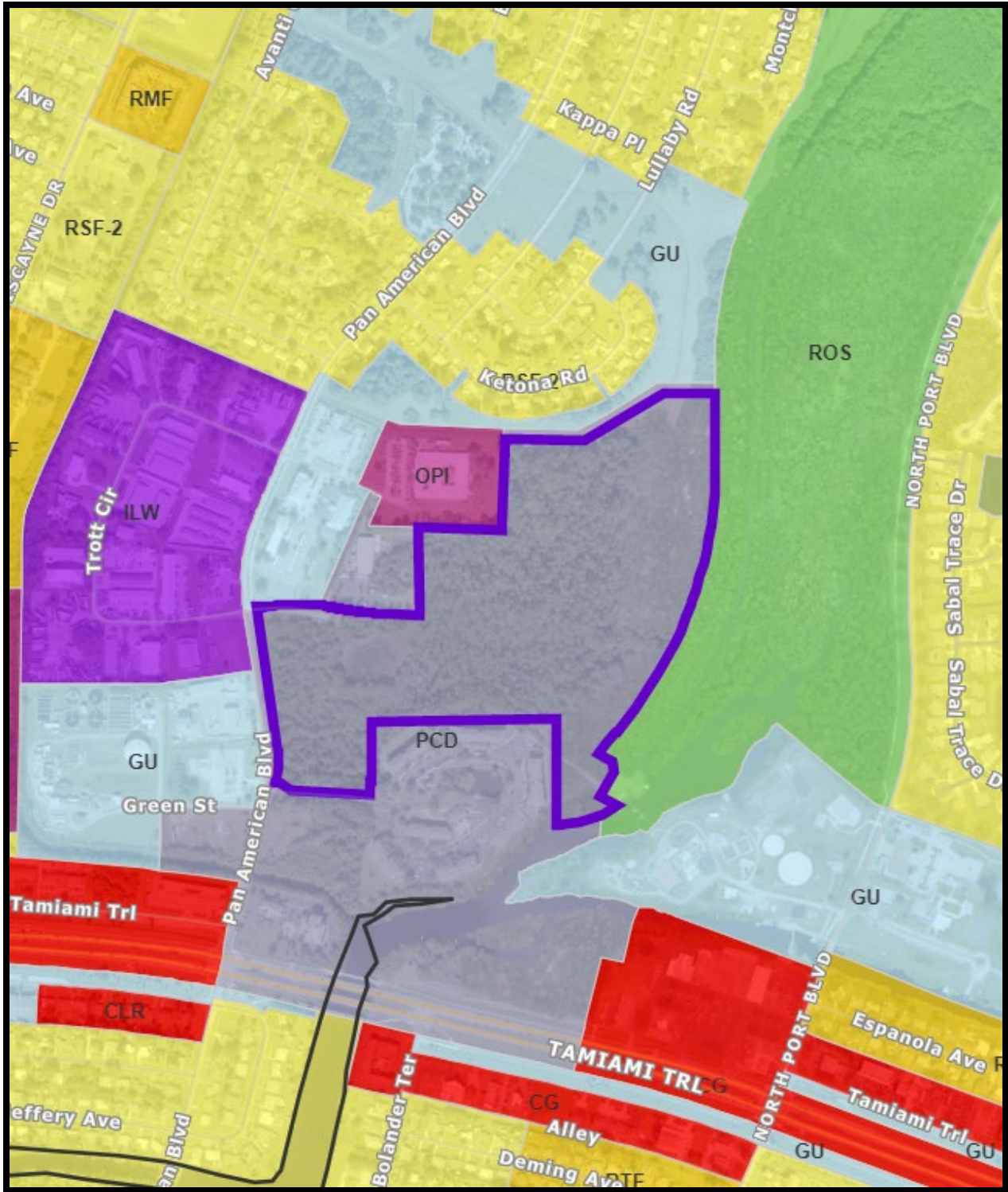
Aerial

(Subject is the southern portion of the property, see boundary survey)



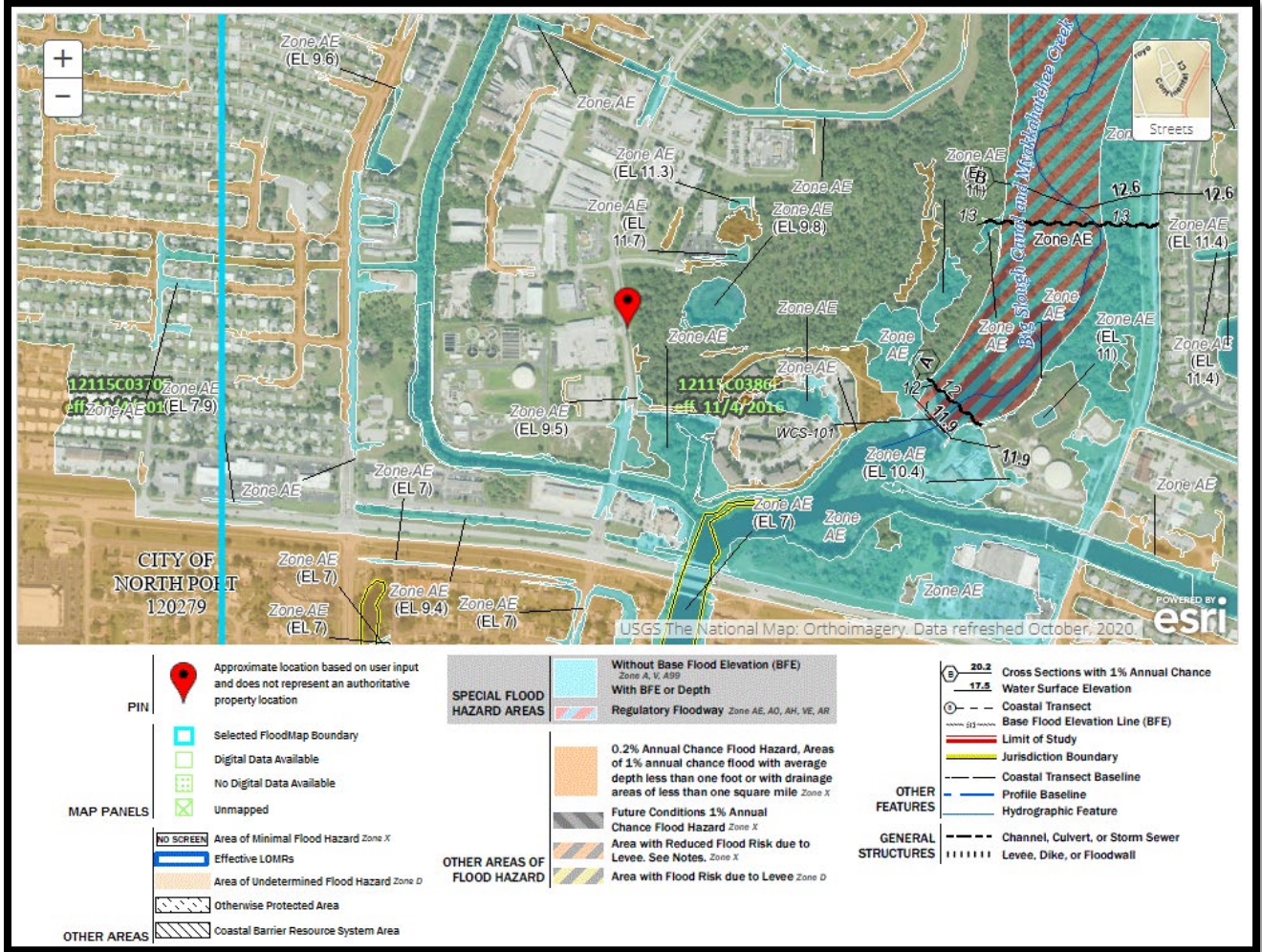
ACTIVITYCENTER (TDR RECEIVING ZONE-EXCEPT AC 3)

Future Land Use Map



Planned Community Development

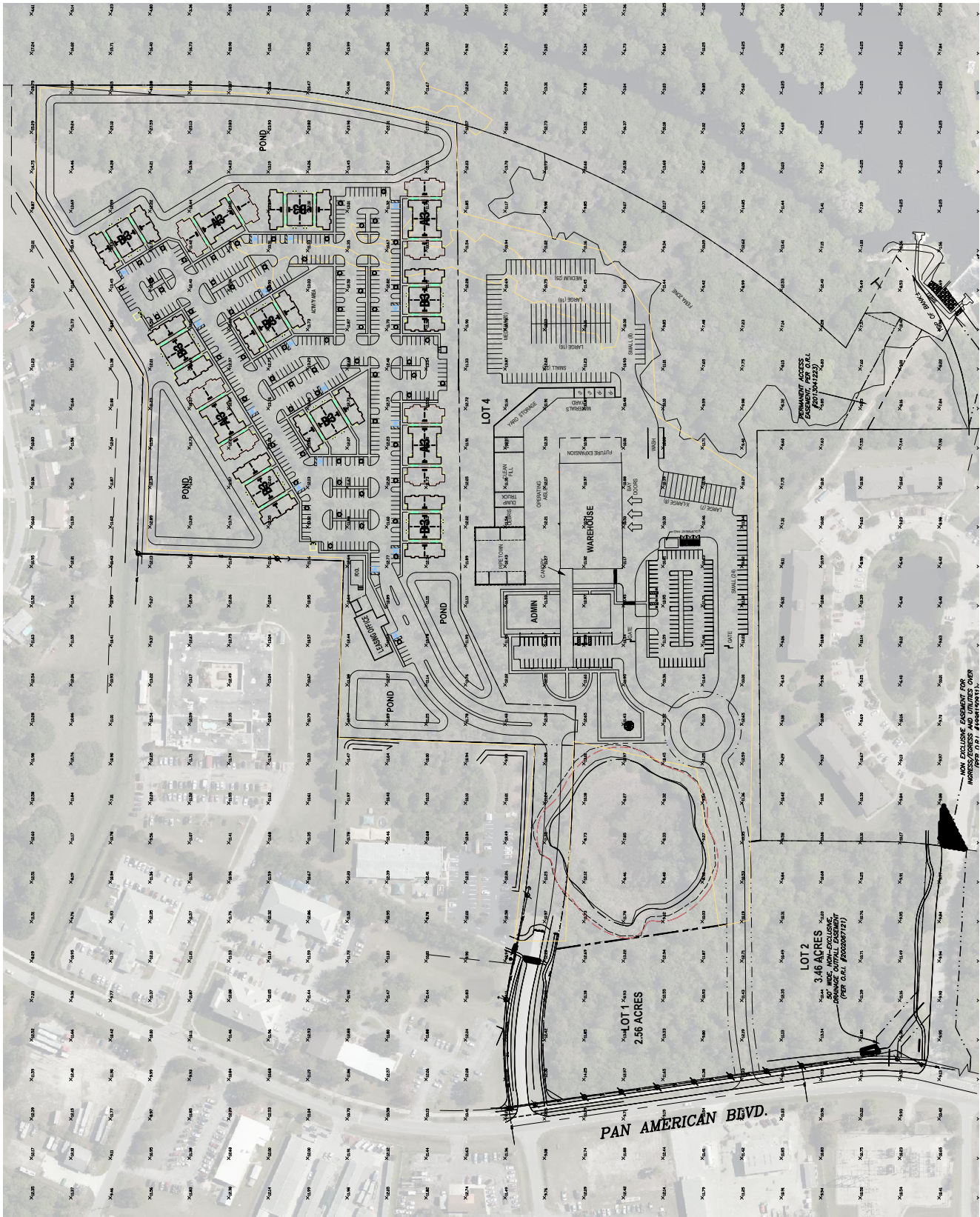
PCD
Zoning Map



Flood Zone Map

Zone AE

12115C0386F, Eff. 11/4/2016



PAN AMERICAN BLVD.

LOT 1
2.56 ACRES

LOT 2
3.46 ACRES
50' WIDE NON-EXCLUSIVE
EASEMENT FOR INGRESS/EGRESS
(PER C.A. #20020712)

LOT 4

WAREHOUSE

ADMIN

POND

POND

POND

NON-EXCLUSIVE EASEMENT FOR
INGRESS/EGRESS AND UTILITIES OVER
(PER C.A. #20020712)

SUBJECT PROPERTY

The subject of this analysis is the vacant tract of land located at 5400 Pan American Boulevard in North Port, Florida. The subject is located on the eastern boundary of Pan American Boulevard and western boundary of Myakkahatchee creek, roughly two blocks north of Tamiami Trail. The subject is a portion of the of the site (Lot 4 on the survey), is irregular in shape and contains a total of 17.31 acres of land, zoned PCD (Planned Community Development), with an Activity Center 1 future Land Use Designation by the City of North Port.

The subject site is currently vacant and is owned in fee simple. Therefore, the opinion of value expressed in this appraisal report is the market value of the fee simple interest.

APPRAISAL FILE NUMBER 221C081

APPARENT OWNER OF RECORD

5400 Group LLC
c/o SVN Commercial Ashley Bloom
2024 Constitution Boulevard
Sarasota, FL. 34231

Source: Sarasota County Tax Roll -- 2021 (See Limiting Conditions)

CLIENT AND INTENDED USER

This report is intended for use only by the client and identified other known intended users by name or type for the negotiation of a possible purchase of the subject property. This report is not intended for any other use or by others than the client and other named intended users.

Client

Arlena Dominick
Consultant Project Manager
Right of Way Acquisition Support Services
American Acquisition Group

Other Intended Users

City of North Port Government
City of North Port Commission

SCOPE OF WORK

This is a narrative appraisal report of the subject property. The appraisal is being performed and reported as provided for in the most recent update to the Uniform Standards of Professional Appraisal Practice referring to Standards Rule 2-2. The Uniform Standards set the requirements to communicate analyses, opinions and conclusions in a manner that will be meaningful and not misleading in the marketplace. The subject property data such as size, location, quality, and zoning are considered. Market data, including comparable land sales

dating from a period of December 2019 forward were searched in the preparation of this appraisal report. The data is used to consider the highest and best use of the subject property and to conclude an opinion of the subject's market value and the value opinion of the acquisition from the subject property. The acquisition of the strip of land will not affect the development potential of the subject property.

The appraiser lacks the knowledge and experience with respect to the detection and measurement of hazardous substances. Therefore, this assignment does not cover the presence or absence of such substances as discussed in the General Assumptions and Limiting Conditions section, and in a separate section titled "Environmental Hazards." However, any visual or obviously known hazardous substances affecting the property will be reported and an indication of their impact on value will be discussed.

The documentation necessary to arrive at my opinion of value is considered in this appraisal report. Photographs, arials, survey, and maps of the subject site have been provided as additional descriptive materials for this assignment. The market data has been collected, confirmed, and analyzed. Comparable sales were chosen for their similar highest and best uses, as outlined within the report. All sales are analyzed and compared to the subject property based on their similarities and dissimilarities. The Sales Comparison Approach is the technique considered and judged in reaching a final opinion of market value for the fee simple interest acquired from the subject property.

The following independent investigations and analyses are undertaken in performing the appraisal, as follows:

- The effective date of this analysis is November 12, 2021, the date of inspection.
- The area and neighborhood data are based on physical inspection of the surrounding neighborhood, as well as information available from Wyattopia (Census Data) and Stellar MLS.
- The site description is based on physical inspection of the property and consultation of the Sarasota County Tax and City of North Port Zoning Maps. The dimensions and size of the subject are based on a boundary survey provided by the seller. A copy of the survey is in the beginning of the report.
- The highest and best use analysis incorporates the four criteria described later in the report. Comparable land sales sharing the same highest and best use are selected and used. The value conclusion in this report is consistent with the subject property being used in accordance with its highest and best use.
- The subject's market area is North Port, with specific emphasis placed on parcels of land with similar zoning and in activity center future land use designation. These comparables are considered to have similar locational influences as the subject property.
- The land sales were assembled from the office database system, which is constantly updated, and through researching recent activity within the subject's market area. The sales information was verified with either the seller, buyer, listing or sales agents, and researching public records. An extensive search was performed for comparable sales in the North Port area and few similar, arm's length sales were located
- The valuation technique used is the Sales Comparison Approach, and a detailed description of this approach is presented in the report.

PURPOSE, FUNCTION, AND INTENDED USE OF THE APPRAISAL

The purpose of the appraisal is to provide an opinion of the fee simple market value of the subject property. The report is intended to be used by the client for the negotiation of a possible purchase of the subject property.

PROPERTY RIGHTS APPRAISED

The opinion of market value for the subject property and the interest conveyed assume the “fee simple estate” which is defined as:

“...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.”¹

EFFECTIVE DATE OF APPRAISAL AND REPORT PREPARATION DATE

The effective date of this appraisal is November 12, 2021, the date of inspection of the subject property. The effective date establishes the date upon which research, analyses, and conclusions are based. The date this appraisal was prepared is the date the certification was signed.

DEFINITION OF MARKET VALUE

“Market Value” is hereby defined and qualified as:

The most probable price in terms of money which a property should bring in competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, 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:

- a. buyer and seller are typically motivated;*
- b. both parties are well informed or well advised, and each acting in what they consider their own best interest;*
- c. a reasonable time is allowed for exposure in the open market;*
- d. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- e. the price represents the normal consideration for the property sold unaffected by special or creative financing amounts or sales concessions granted by anyone associated with the sale.²*

1 The Appraisal of Real Estate, Twelfth Edition, (Chicago, IL; 2001), page 69

2 Federal Register, vol. 55, no. 63, August 22, 1990, pages 34228 and 34229.

CONFORMANCE STATEMENT

This appraisal conforms to my understanding of the appraisal standards and guidelines set forth by the Uniform Standards of Professional Appraisal Practice (USPAP), and the Appraisal Institute. This report complies with the Appraisal Standards of the State of Florida. Ronald M. Saba is a State-Certified General Appraiser RZ2213.

LEGAL DESCRIPTION

The subject property is legally described as follows:

Portion of:

Parcel Description: PORTION OF SECTIONS 29, 30, 31 & 32-39-21 AS DESC IN OFFICIAL RECORDS INSTRUMENT NO 2011088438, LESS COM AT PT OF INT OF ELY R/W OF PAN AMERICAN BLVD & NLY R/W OF TAMiami TRL TH N 13-27-52 E ALONG SAID ELY R/W OF PAN AMERICAN BLVD A DISTANCE OF 734.41 FT TH NELY ALONG CURVE TO LEFT 84.31 FT TO N LINE OF NE 1/4 OF SEC 31-39-21 TH S 89-31-55 E ALONG SAID NORTH LINE A DISTANCE OF 1480.25 FT TO SW COR OF AFORESAID SEC 29 TH N 23-08-36 E A DISTANCE OF 66.20 FT FOR POB TH S 61-10-59 E ALONG SLY LINE A DISTANCE 140.57 FT M/L TO MHWL FO MYAKKAHATCHEE CREEK TH SWLY ALONG MHWL A DISTANCE OF 169.74 FT M/L TH N 61-10-59 W A DISTANCE OF 90.30 FT M/L TH N 28-49-01 E A DISTANCE OF 120 FT TH N 01-54-18 W A DISTANCE OF 52.35 FT TO POB, SUBJ TO 12,361 SF ACCESS ESMT TO NORTH PORT ROAD & DRAINAGE DISTRICT DESC IN ORI 2013041223, CONTAINING 48.5 C-AC M/L

TAX INFORMATION

Property ID #: 0996001000

Land Value:	\$1,344,000
Total Assessment:	\$1,258,194
Real Estate Taxes (2021):	\$26,109.02

ZONING AND OTHER LEGAL RESTRICTIONS

The subject property is zoned PCD (Planned Community Development), by the City of North Port. The purpose of the PCD (Planned Community Development) District is to provide an area for coordinated development of industrial, commercial, service, residential and government uses within a park-like setting. The establishment of this district provides a mechanism to attract major employers to the city, which can contribute to the diversification of the economic base in a manner consistent with the city's, adopted Comprehensive Plan. Generally, PCD land uses include manufacturing, wholesaling, and warehousing, construction services, transportation activities, retail trade and service, residential and government uses. It is the intent of these regulations to facilitate the harmonious interaction of land uses, not individually provided for in other industrial, commercial, service, residential or government use districts through grouping of similar uses.

The permitted principal uses and structures include any use permitted by right or as a conditional use in the CG (Commercial General) district, GU (Government Use) district, ILW (Light Industrial Warehousing) district, or the OPI (Office, Professional, Institutional) district and any permitted uses or conditional uses in any of the residential districts described elsewhere in the regulations, shall be permitted, provided that the proposed use is

shown to be consistent with the city's Comprehensive Plan and the standards and criteria set forth further below regulating development in PCD Districts.

All prohibited uses and structures as set forth in the regulations governing CG, ILW, GU, OPI and all residential and agricultural land use districts and described elsewhere in the regulations are prohibited.

Each lot or parcel of land for use as non-residential within a PCD district shall be a minimum land area of at least ½ acre. For lands proposed as planned residential, the following minimum requirements shall apply:

- A. Multifamily, cluster housing or townhouses. No minimum lot size shall be required; provided, however, that no structure shall be located closer to any peripheral property line than two times the height of such structure, that maximum density shall be maintained in accordance with §53-81 of these regulations and that 30% of the total gross residential acreage be provided as usable open space. Usable open space shall include active and passive recreation areas, such as playgrounds, golf courses, waterways, lagoons, flood plains, nature trails, and other similar open spaces.
- B. Single-family dwellings and duplexes. All detached single-family dwellings and duplexes shall be platted in accordance with Chapter 177 of Florida Statutes, and each lot shall have a minimum land area of 7,500 square feet.
- C. Other nonresidential uses. All other nonresidential uses permitted by right or by special exception within this residential land use group shall have a minimum land area of 15,000 square feet. Each lot or parcel of land within a PCD District proposed for use as nonresidential shall have a minimum frontage of one hundred feet on an approved public or private street. Each lot or parcel of land proposed as detached single-family dwellings or duplexes shall have minimum frontage of fifty feet on an approved public or private street. No minimum lot frontage is required for residential land uses proposed as multifamily, cluster housing, or townhouses.

Concurrency Statement

The State of Florida enacted the "Growth Management Act" in 1985, to manage the future growth within the state. The Act requires all counties and municipalities to enact "Comprehensive Plans" to manage future growth within their boundaries. These comprehensive plans include standards for water, sewer, roads, trash, drainage, parks, and mass transit. Future development must meet "concurrency" standards dictated by the County, City and State.

Comprehensive Land Use Plan Designation

The subject property is in an area designated as Activity Center 1. The description and key findings of this area from the City of North Port is in the addendum.

HISTORY OF THE SUBJECT PROPERTY

The Uniform Standards of Professional Appraisal Practice require that any prior sales of the subject over the previous three years be considered and analyzed. The Supplemental Appraisal Standards for Board of Trustees Land Acquisitions require that a five-year history be presented. Also, any current sales agreement, option, or listing of the subject property must be considered and analyzed.

The subject property has been listed through Ashley Bloom, Senior Advisor with SVN Florida Commercial Real Estate Advisors for an undisclosed price. According to Mr. Bloom, the property is no longer on the market as they are holding it for the City’s use. The 19.88 acres to the north are under contract with an affordable housing developer for \$3,168,000 (\$3.66 per sf). The contract has about one week of due diligence left as of the effective date of this analysis and will close in December if it proceeds. Based on the analysis presented in the report, this pending contract is at market levels.

SITE DESCRIPTION

The following description of the subject site, including the dimensions and land area, is based on physical inspection of the property, consulting the Sarasota County Tax and the City of North Port Zoning Maps, and the boundary survey. The dimensions and land area are believed to be correct, but a survey would most accurately depict the exact dimensions of the site. Should a survey be available later showing different dimensions, wetlands, or size than that depicted, I reserve the right to review and modify the analyses and value opinions accordingly.

Location:	The subject is located on the east side of Pan American Boulevard and north of Tamiami Trail in North Port, Florida.
Size:	17.31 Acres
Shape:	Irregular
Frontage:	Frontage on Myakkahatchee Creek along its eastern boundary
Access:	
Primary:	Access drive from Pan American Boulevard
Secondary:	None
Easements & Encroachments:	Permanent access easement in the southwestern corner of the site from adjacent property (Willow Creek Senior Community Apartments) to the dam structure on the creek.
Topography:	Natural vegetation of pines, palmettos, palms, pepper tree bushes and oaks.
View:	Industrial and medium density residential
Drainage:	Appears to be adequate
Utilities and Proximity:	
Electric:	Florida Power & Light
Water:	Central-City of North Port
Sewer:	Central-City of North Port
Telephone:	Verizon

Police & Fire Protection: City of North Port

Flood Zone: HUD Zone AE

Zone AE and A1-A30

Zones AE and A1-A30 are the flood insurance rate zones that correspond to the 1-percent annual chance floodplains that are determined in the Flood Insurance Study by detailed methods of analysis. In most instances, Base Flood Elevations derived from the detailed hydraulic analyses are shown at selected intervals within this zone. Mandatory flood insurance purchase requirements apply.

Community-Panel Map #: 12115C0386F (11/4/2016)

Nuisances and/or Hazards Affecting Value: None noted

Oil, Gas and Mineral Rights Included in Value: N/A

ENVIRONMENTAL HAZARDS STATEMENT

The presence of hazardous materials in the improvements, if any, and within the soil requiring environmental clean-up and/or protection may adversely affect the value of the property. There are no apparent signs that hazardous materials may exist, and I have no knowledge of such materials on the subject property.

This is not a statement that such materials do not exist, and they may be present on the subject site. Therefore, the client is urged to retain an environmental engineer in this field, to provide an appropriate environmental audit. If hazardous environmental conditions were discovered on or in the subject land, their existence could adversely affect (lower) the market value concluded herein. If an environmental audit (which is not usually conducted until after a purchase contract is signed), reveals the existence of any hazardous materials and/or conditions, I reserve the right to alter, amend, revise, or rescind the value conclusions in the appraisal. This appraisal has been ordered by the client and this report has been prepared assuming no such conditions exist. Any results requiring amendment of the appraisal may result in an additional appraisal fee depending on the amount of additional work required.

AREA AND NEIGHBORHOOD ANALYSIS

The subject property is in Sarasota County which is in the southwestern region of the State of Florida. Before the current economic recession, the State of Florida had been one of the fastest growing states in the United States. Florida is currently the third most populous state in the country. The primary factor, which fueled Florida's growth, is its warm semi-tropical climate making it one of the most desirable states in which to reside.

Sarasota County's attractive physical characteristics and climate have attracted large numbers of new residents, especially retirees in the past. This fueled Sarasota's service and retail-related economy. The industrial sector of the economy is small and geared toward construction and other light manufacturing industries.

Because of the general economic recession, the county experienced a lack of demand in all sectors of real estate. What is now called the "Great Recession" from 2007 to 2009 caused values to decline significantly after an artificially high boom which saw prices rise sharply from the end of 2004 into 2006. Since 2010 the residential sectors with competitively priced homes are selling with the supply of listings dropping. Home prices after taking their hits initially have shown steady improvement and growth over the last few years. There have been

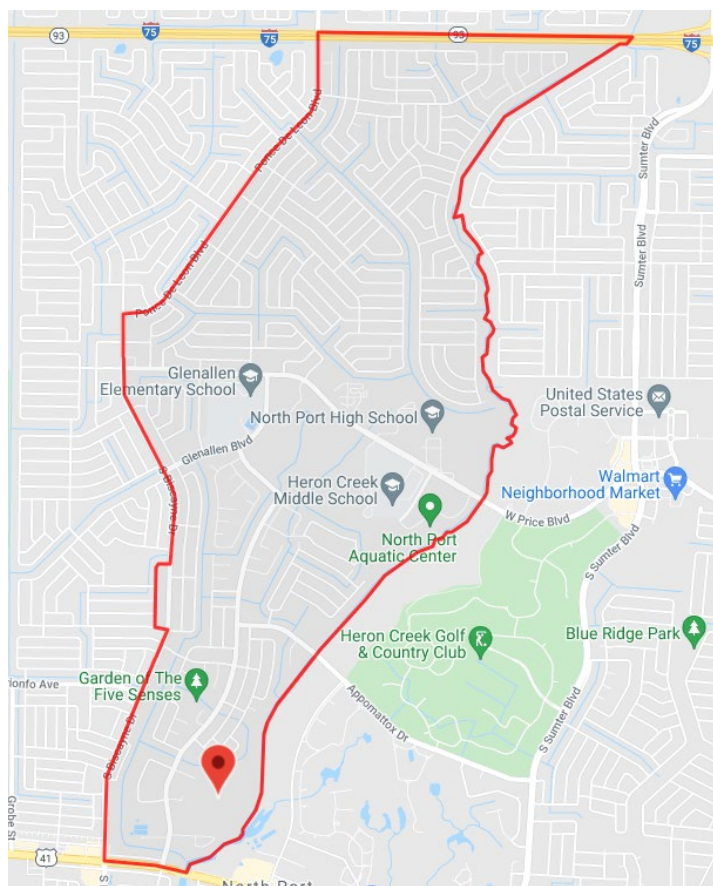
several large investors that bought up subdivision lots and entitled land in the expectation of future growth that is now happening in record numbers. Residential pricing appears to have returned to the pre-boom levels of 2003 to early 2004 and in some areas the prices have increased above those levels. Another reason new home prices are rising is due to the increased land costs as new developments come on the market. Two positive developments for Sarasota County are the return of tourism in record levels exceeding pre-recession numbers setting new records each of the last three years and the record number of retirees (many of them baby boomers) settling in Sarasota County. For example, from mid-2013 to mid-2014 7,000 new residents were added to the population in Sarasota County. In the past, 3,000 in one year was thought to be a good number. Most of the area's residential developers have had record years each surpassing the previous year since 2012.

The commercial market, which was hit hard as well (following the residential crash by about a year) is now doing very well fueled by the substantial recovery in the residential market. Prime locations in the high traffic corridors and population centers are showing marked improvement. Outside of these areas' vacancies in most forms of office and commercial properties have stabilized with moderate declines each year over the last three years.

Overall, Sarasota is in a good recovery mode and the prospects for the next five years and beyond is very good.

Presented next is demographic data of Sarasota County the subject's Census Tract neighborhood (27.22), metro area and state of Florida provided by the U.S. Census Bureau:

Note: census tract 27.22 (neighborhood) boundaries are presented in the following map:

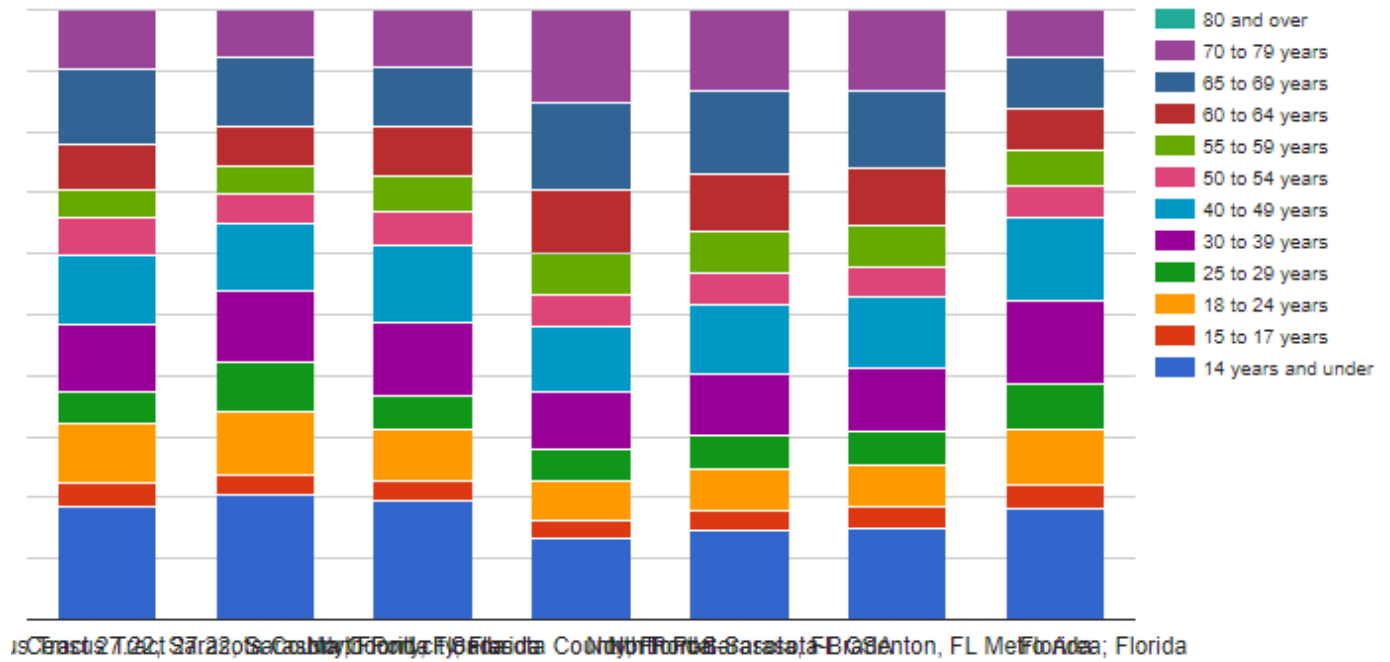


Total Population	Total Population
Block Group 2, Census Tract 27.22, Sarasota County, Florida	6,015
Census Tract 27.22, Sarasota County, Florida	9,283
North Port city, Florida	66,410
Sarasota County, Florida	419,496
North Port-Sarasota, FL CSA	1,021,679
North Port-Sarasota-Bradenton, FL Metro Area; Florida	803,709
Florida	20,901,636

Population Density (Per Square Mile)	Population Density
Block Group 2, Census Tract 27.22, Sarasota County, Florida	1,471.844
Census Tract 27.22, Sarasota County, Florida	1,154.251
North Port city, Florida	637.576
Sarasota County, Florida	430.009
North Port-Sarasota, FL CSA	289.762
North Port-Sarasota-Bradenton, FL Metro Area; Florida	414.372
Florida	292.725

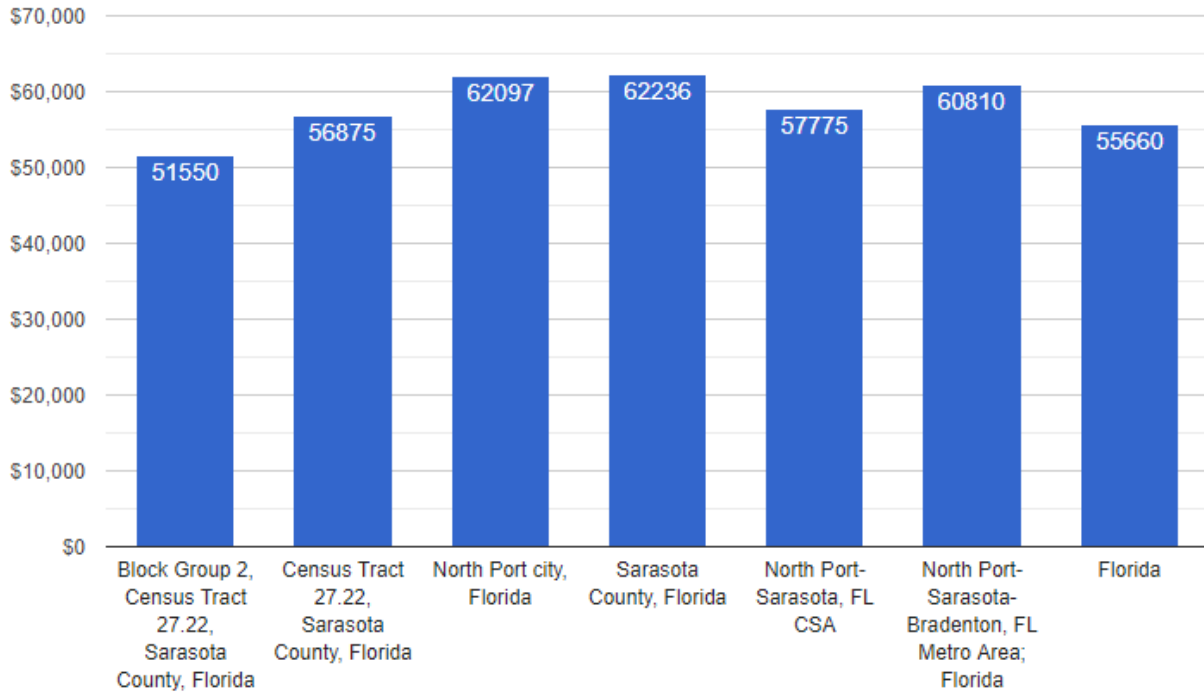
Population by Age (Broader Groups)

Source: 2015-2019 American Community Survey, U.S. Census Bureau (c) 2021, Wyatttopia, Inc.



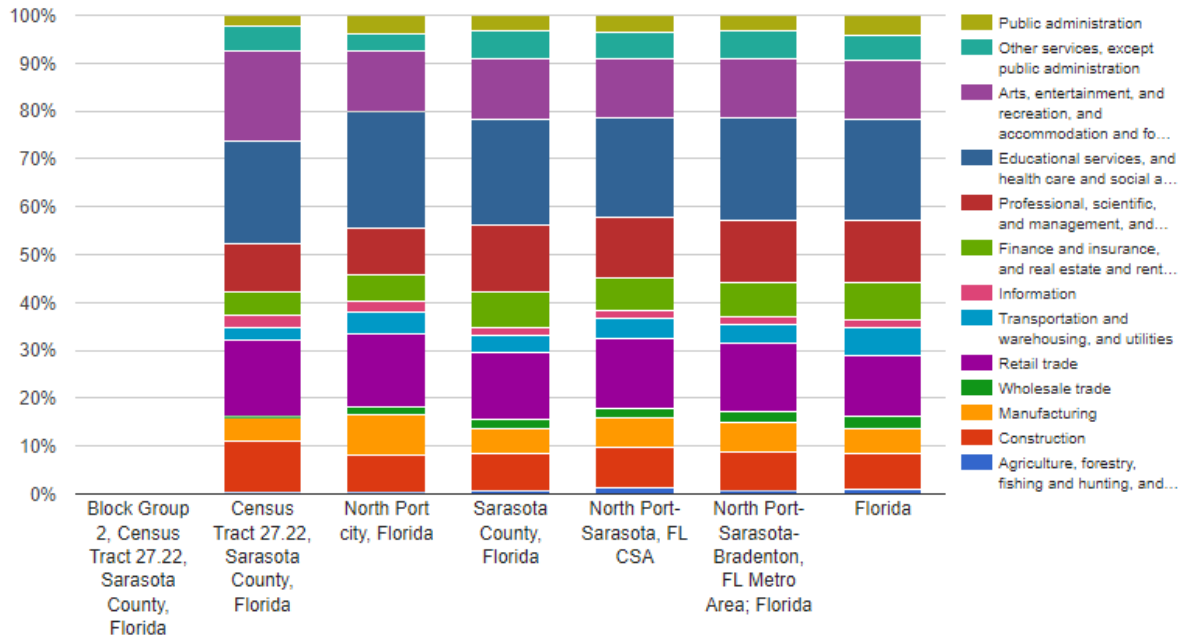
Median Household Income in the Past 12 months

Source: 2015-2019 American Community Survey, U.S. Census Bureau (c) 2021, Wyattopia, Inc.



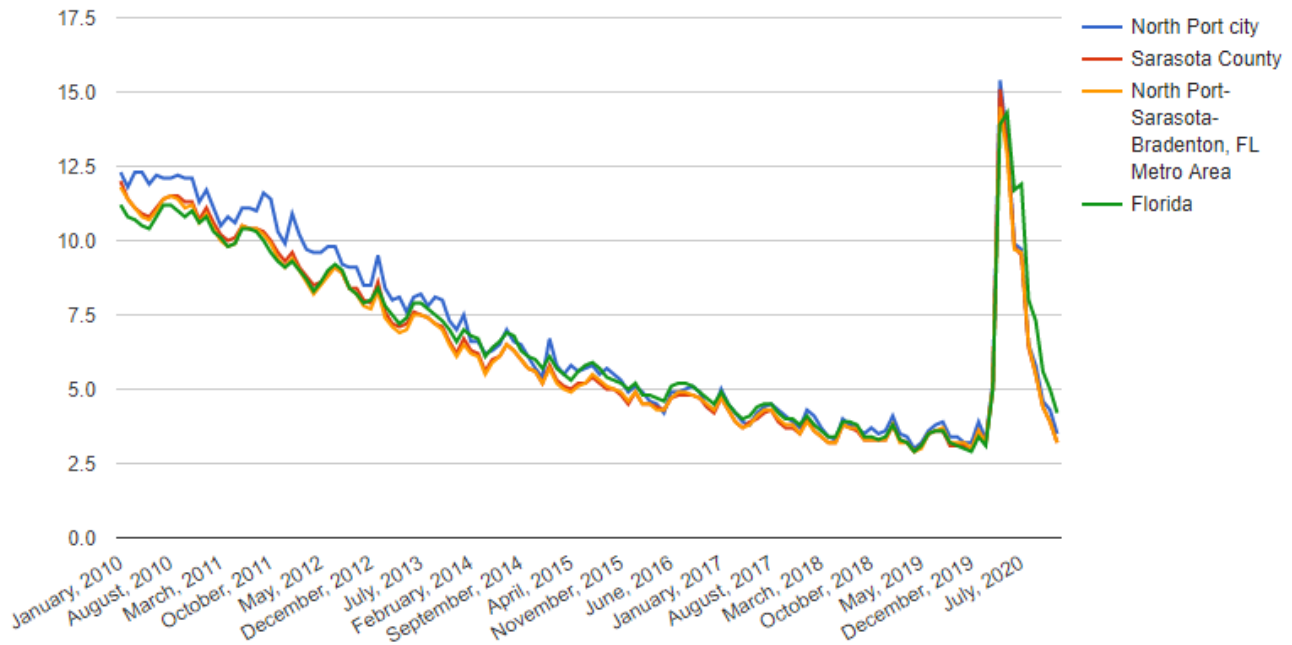
Industry by Occupation for Civilian Employed, 16 Years or Older

Source: 2015-2019 American Community Survey, U.S. Census Bureau (c) 2021, Wyattopia, Inc.



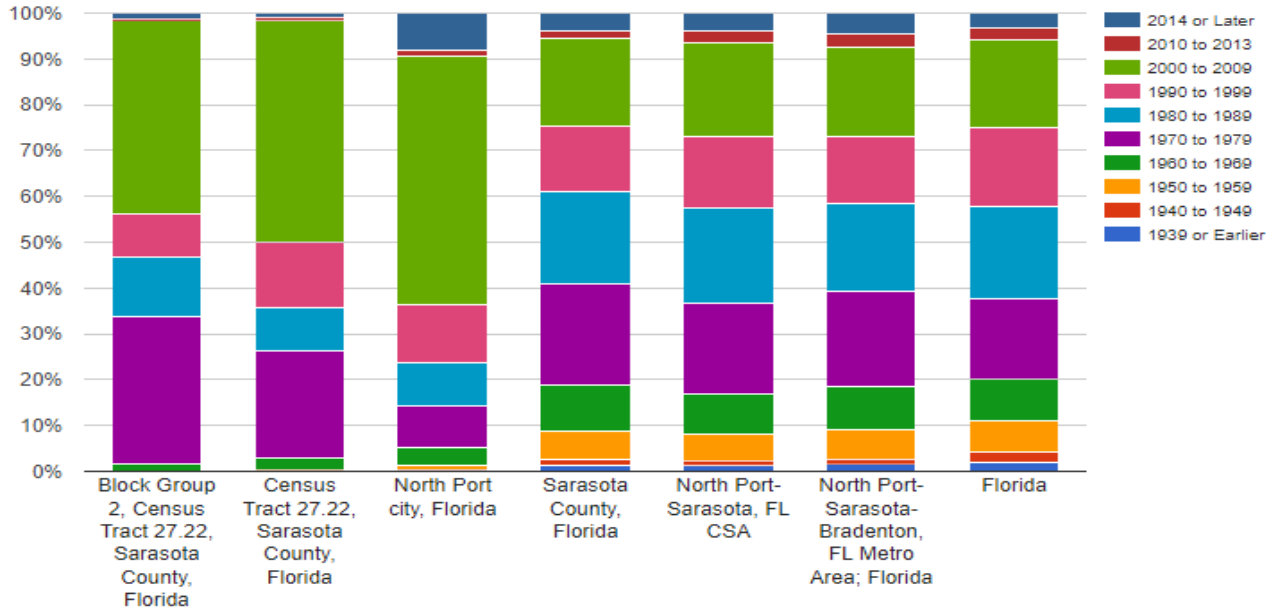
Unemployment Rate

Source: Bureau of Labor Statistics (c) 2021, Wyattopia, Inc., Used by permission



Year Structure Built

Source: 2015-2019 American Community Survey, U.S. Census Bureau (c) 2021, Wyattopia, Inc.



In conclusion, the subject neighborhood is in the stable portion of its life cycle as shown in the CoStar Property specific demographics within a five-mile radius of the subject property as follows:

Population			
	1 mile	3 mile	5 mile
2010 Population	7,218	30,460	53,799
2021 Population	8,009	34,125	61,122
2026 Population Projection	8,497	36,288	65,175
Annual Growth 2010-2021	1.0%	1.1%	1.2%
Annual Growth 2021-2026	1.2%	1.3%	1.3%
Median Age	49.6	56.5	51.2
Bachelor's Degree or Higher	16%	19%	19%
U.S. Armed Forces	3	28	33
Income			
	1 mile	3 mile	5 mile
Avg Household Income	\$73,335	\$74,436	\$79,696
Median Household Income	\$58,939	\$59,462	\$63,984
< \$25,000	713	2,225	3,048
\$25,000 - 50,000	869	4,201	6,270
\$50,000 - 75,000	666	3,398	5,905
\$75,000 - 100,000	565	2,488	4,366
\$100,000 - 125,000	318	1,255	2,349
\$125,000 - 150,000	254	841	1,585
\$150,000 - 200,000	193	525	1,109
\$200,000+	92	580	1,086

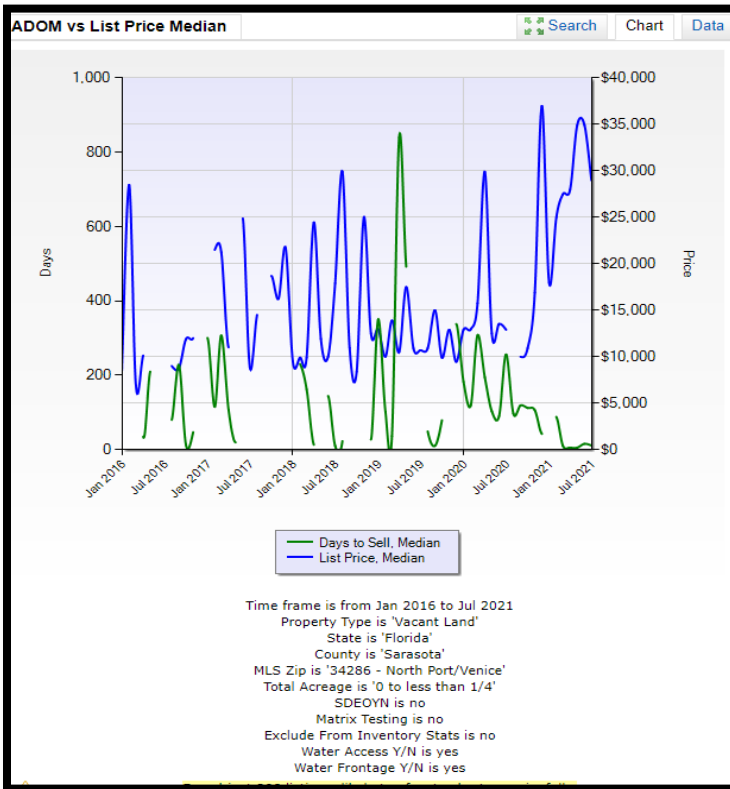
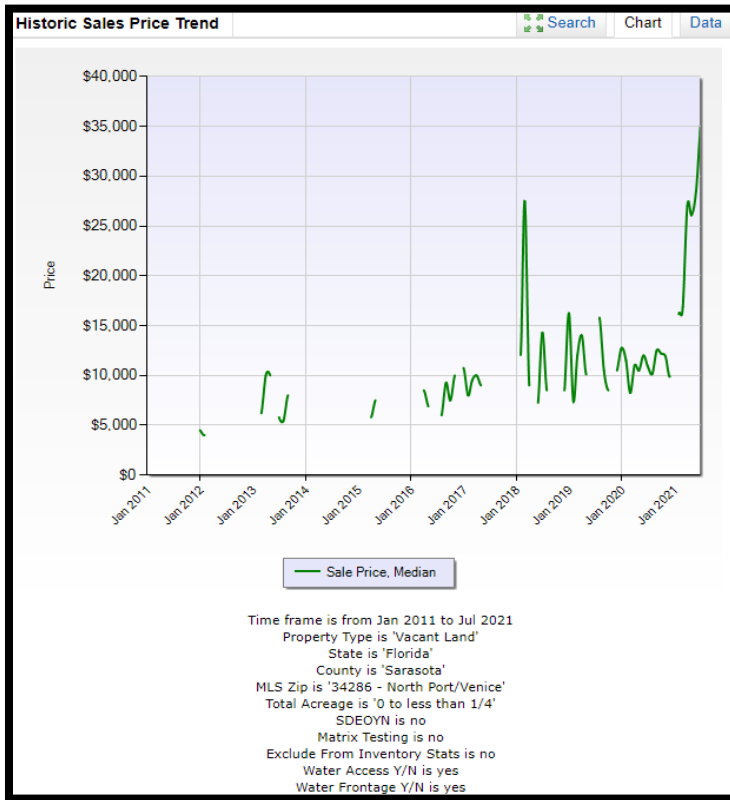
Households			
	1 mile	3 mile	5 mile
2010 Households	3,250	13,641	22,347
2021 Households	3,671	15,513	25,717
2026 Household Projection	3,899	16,504	27,428
Annual Growth 2010-2021	0.5%	0.6%	0.8%
Annual Growth 2021-2026	1.2%	1.3%	1.3%
Owner Occupied Households	2,684	12,961	21,897
Renter Occupied Households	1,215	3,543	5,531
Avg Household Size	2.2	2.2	2.4
Avg Household Vehicles	2	2	2
Total Specified Consumer Spending (\$)	\$99.9M	\$434.8M	\$770.2M

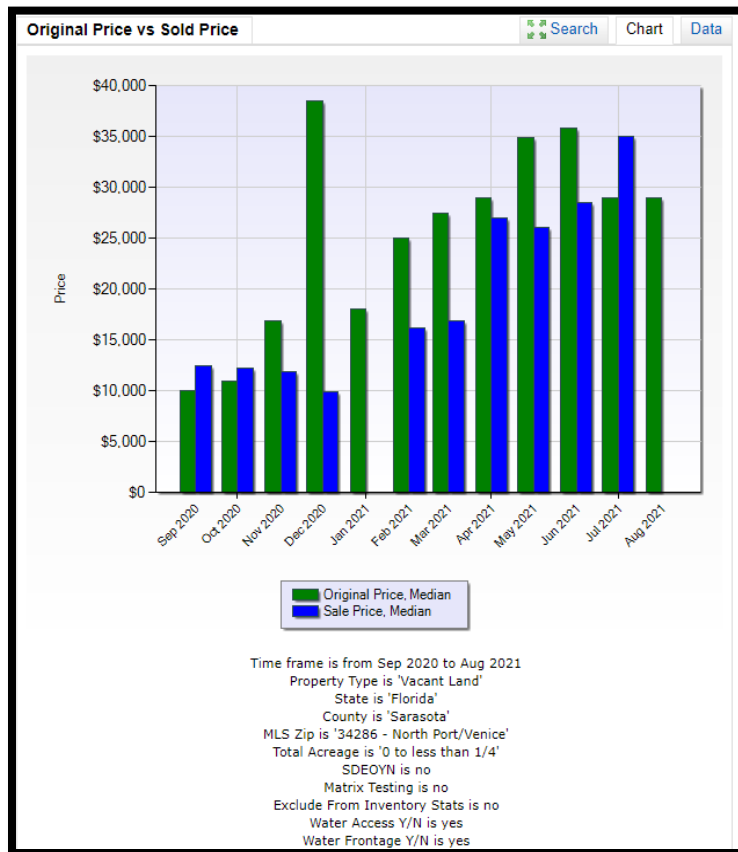
Housing			
	1 mile	3 mile	5 mile
Median Home Value	\$170,594	\$181,719	\$200,742
Median Year Built	1982	1991	1999

The overall long-term outlook for the neighborhood and its market values is favorable.

MARKET ANALYSIS

The following chart is vacant land sales trend and ADOM vs. list price ratios in Sarasota County according to Stellar MLS.





As shown in the charts above prices of vacant land in Sarasota have increased dramatically in 2021, with sales closing near list prices.

HIGHEST AND BEST OR MOST PROBABLE USE

Highest and Best Use is defined as:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.³

There are four specific criteria examined in relation to the subject's highest and best use, as follows:

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

The highest and best use of the site must meet these four criteria. Examining these criteria in sequential order is important, as normally the various use alternatives are reduced in each step of the process. As such, the initial range of possible uses is gradually narrowed to a single highest and best use, accounting for all physical, legal,

3 The Appraisal of Real Estate, 13th Edition, (Chicago, IL, 2008), page 277-278

and financial factors, and providing the most probable value with acceptable risk factors. This analysis provides several critical conclusions impacting the market value of the property. A discussion of each of these criteria is presented, followed by an analysis specifically relating these factors to the subject property.

Highest and Best Use, as Vacant

PHYSICALLY POSSIBLE:

The various factors analyzed include size, shape, accessibility, soil and subsoil conditions, and availability of utilities, topography, drainage, elevation, environmental sensitivity, road frontage and depth. These physical characteristics dictate which uses can be placed on a site.

The subject site comprises of 17.31 acres and is of sufficient size for a variety of developmental possibilities. It is accessible from Pan American Boulevard by a proposed access drive and contains frontage on the Myakkahatchee Creek. It is irregular in configuration, which does not appear to negatively affect the development potential of the site.

Central water and sewer are available to the site from the City of North Port. There is no apparent soil or subsoil conditions which have an adverse impact on developability (see Environmental Hazards Statement). Given the various physical characteristics of the site, there are a wide variety of potential development alternatives.

LEGALLY PERMISSIBLE:

The next step in the highest and best use analysis relates to legal permissibility. The possible uses of the site can be influenced by several legal factors, such as zoning, building codes, private or deed restrictions, environmental regulations, or contractual obligations (leases). This step also indicates whether it is legally permissible to develop the subject site. Each of these will now be addressed in relation to the subject site.

The subject site is zoned PCD (Planned Community Development), by the City of North Port. This zoning allows a coordinated development of commercial, industrial, and single family/multifamily development. The subject property is not located in a heavily retail developed intersection but is considered a secondary location; based on the development occurring in similar locations multi-family, office parks and industrial use is considered to be legally permissible use of the site. There are no oppressive building codes, deed restrictions, or environmental regulations that restrict development of the subject site. There is no apparent land lease on the site, so development is not restricted by any contractual obligations. New construction on the site will require the payment of impact fees which are set by the county.

FINANCIALLY FEASIBLE:

The test of financial feasibility relates to the costs of development as compared to the value after the development is completed. For a use to be financially feasible, the property's value after development must exceed the total cost of development (including land) by an amount sufficient to provide an acceptable return on investment (entrepreneurial profit). There can be more than one financially feasible alternative for a given site.

Based on the location, size, and zoning of the subject property the most financially feasible use is multifamily residential, office park or industrial use. In looking to the Market Analysis section of this report, development is occurring or in the planning stages. Due to the growth of the area the development of the subject site appears to be financially feasible but is beyond the scope of the analysis.

MAXIMALLY PRODUCTIVE:

This is the final element of highest and best use. The range of possible uses has been narrowed, and this analysis concludes the estimate of the best (most profitable) use of the site. This is the use which produces the greatest net return to the land, or the highest value in relation to a similarly high entrepreneurial profit. It is possible to have more than one maximally productive use if the levels of risk and resulting rates of return are comparable.

The maximally productive use of a site is sometimes very subjective because it is often directly related to the entrepreneurial skills of an individual investor/developer. However, appraisals are designed to reflect prudent, normal management with no unusual situations. Should an unusual situation be presented, the resulting value would be an investment value (as opposed market value).

The maximally productive use of the subject property is to develop the tract with a multifamily residential development, office park or industrial use that maximizes the site in accordance with the zoning code.

CONCLUSION -- HIGHEST AND BEST USE, AS VACANT:

In conclusion, the highest and best use, as vacant, is to develop the subject site with a multifamily residential development office park or industrial use.

EXPOSURE TIME

Exposure time may be defined as follows: *“the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.”*⁴

An exposure time of the comparables is 3 months to 2.0 years. Based on these comparables, my value conclusion suggests that the subject would have been exposed to the marketplace for a period of 3 months to 2.0 years.

DISCUSSION OF THE APPRAISAL PROCESS

The purpose of the appraisal is to report my opinion of the fee simple market value of the subject site as of the effective date of appraisal. The value is estimated using the Sales Comparison Approach, the most common technique used to estimate land value. This approach indicates a value by comparing the subject site with sales of comparable sites possessing similar utility, appeal, and highest and best use. This approach is usually a good barometer of the market since it relies on recent sales exposed to the same market influences as the subject. The limitation of this approach is the occasional lack of comparable, arms-length transactions (sales) within the marketplace. A more detailed explanation of this approach is presented next, providing the basis for the land value estimate.

LAND VALUATION -- SALES COMPARISON APPROACH

The land value is based on the analyses and conclusions reached in the highest and best use analysis and estimated through the Sales Comparison Approach (also called the Market Approach). This approach involves

4 USPAP 2009-2010 Edition, The Appraisal Foundation, Statement 6

an analysis of recent sales of sites considered like the subject. The comparables selected for comparison to the subject are the most comparable properties within the market area. The sales meet the criteria as set forth in the definition of market value and have similar physical and functional characteristics. They also share a similar highest and best use.

The best comparables available are selected, but no two parcels of land are identical. The elements of comparison include:

- Property Rights
- Financing Terms
- Conditions of Sale
- Market Conditions (Date of Sale)
- Physical Characteristics
- Availability of Utilities
- Zoning

Differences may exist which have an impact on the sale price and value, and adjustments for these differences must be applied. The adjustments are based on market study and analysis, and each adjustment is explained and supported by market studies (when sufficient data is available). The comparable sales are always adjusted to the subject.

If a particular feature is superior to the subject property, a negative adjustment is made, lowering the comparable's sales price to the subject's level. Conversely, a feature that is inferior to the subject requires a positive adjustment, bringing the comparable's sales price up to the subject's level. Comparable sales may have some features that are inferior and others that are superior to the subject. In these cases, a net adjustment is established after combining all the individual adjustments (except for changes in market conditions over time). The net adjustment is then applied to the unit of comparison after first adjusting for changes in market conditions over time. This results in an indication of the raw land value for the subject, as if vacant. Simply stated, the adjusted sales price for the comparable is my estimate of the price it would have sold for had it possessed attributes like the subject land. Once all the sales are adjusted, the comparability of each sale is assessed. The sales that are most like the subject are given primary weight in arriving at a final estimate of value.

The unit of comparison utilized in this analysis is the price per square foot of land area. This is the most typical unit of comparison used by buyers and sellers of this type of land in this marketplace. The comparable sales are analyzed and adjusted on this basis, resulting in a range of adjusted values per acre of land area. The per square foot value of the subject site will be estimated, and this will be applied to the subject's land area to conclude the final market value estimate of the land, as though vacant.

The following steps are undertaken in the land valuation section.

- Land Sales Adjustment Chart
- Analysis and discussion of adjustments
- Reconciliation and value conclusion

The sales adjustment chart is presented next, with the comparable land sale write-ups located in the addendum.

VACANT LAND SALES COMPARISON CHART

File: 220C030
Plate: Land Sales

VALUE PARAMETERS	SUBJECT	LAND SALE #	LAND SALE #	LAND SALE #
SALES PRICE (TOTAL)		L 10 21 5068 1	L 10 20 5022 2	L 10 21 5069 3
PROPERTY RIGHTS CONVEYED	Fee Simple			
ADJUSTMENT		\$2,813,800	\$2,100,000	\$2,500,000
FINANCING TERMS		Fee Simple \$0	Fee Simple \$0	Fee Simple \$0
ADJUSTMENT		Conventional \$0	Cash \$0	Conventional \$0
CONDITIONS OF SALE		Armt's Length \$0	Armt's Length (\$800,000)	Armt's Length \$0
ADJUSTMENT				
CASH EQUIVALENT SALES PRICE		\$2,813,800	\$1,300,000	\$2,500,000
C. E. SALES PRICE (Per SF)		\$3.77	\$3.54	\$3.17
DATE OF SALE	November 12, 2021	January-20	August-19	January-19
ADJUSTMENT		0%	6%	18%
MKT CONDITIONS ADJ PRICE (PER SF)		\$3.77	\$3.75	\$3.74
LOCATION	5400 Pan American Boulevard (Portion Of) Roughly two blocks North of Tamiari Trail North Port, Sarasota Co.	1322 N. Main Street Northeast quadrant of N. Sunter Boulevard and West Price Boulevard North Port, Sarasota Co.	1651 West Price Avenue, Intersection with Citizans Parkway, West of Toledo Blade Boulevard North Port, Sarasota Co.	1250 Sun Market Place Southeast Quadrant of S. Toledo Blade Boulevard and E. Price Boulevard North Port, Sarasota Co.
ADJUSTMENT				
SIZE (SF)	754,024	746,539	367,646	789,743
ACRES	17.31	17.14	8.44	18.13
ADJUSTMENT		0%	0%	0%
ZONING	PCD, City of North Port	PCDN, City of North Port	PCDN, City of North Port	PCDN, City of North Port
FUTURE LAND USE	Activity Center 1, City of North Port	Activity Center 2, City of North Port	Activity Center 5, City of North Port	Activity Center 5, City of North Port
ADJUSTMENT		0%	0%	0%
UTILITY	Average	Average	Average	Average
ADJUSTMENT		0%	0%	0%
AVAILABILITY OF UTILITIES				
-WATER	Central	Central	Central	Central
-SEWER	Central	Central	Central	Central
ADJUSTMENT		0%	0%	0%
NET ADJUSTMENT		\$3.77	\$3.75	\$3.74
INDICATED VALUE/UNIT				
	Indicated Value Number of Units (SF) Value	Per SF		
			\$3.75	\$3.75
			754,024	754,024
			\$2,827,590	\$2,827,590
		Rounded To	\$2,828,000	\$2,828,000

Summary and Analysis of Comparable Land Sales

The three sales and are considered the best available comparables for comparison purposes to the subject site. The sales are analyzed to estimate the appropriate adjustments for the following specific elements of comparison:

- Property Rights Conveyed
- Financing Terms
- Conditions of Sale
- Market Conditions (Date of Sale)
- Location
- Features (Size, Zoning,)
- Availability of Utilities
- Land Character Utility

Each of the factors listed above are addressed, with explanations of the appropriate adjustments.

Property Rights Conveyed:

The comparables cited were not encumbered by any land leases, so the transactions involved the conveyance of the fee simple interest. Therefore, no adjustments are applied.

Financing Terms (Cash Equivalency):

Each of the sales was all cash to the seller, involving full payment in cash or conventional financing at market terms. Therefore, no cash equivalency adjustments are applied.

Conditions of Sale:

Sales 1 and 3 revealed no unusual conditions of sale that impacted the sales prices. Therefore, no adjustments are applied. According to the listing broker sale two sold for above market pricing due to the affordable housing credits that were received by the grantee after the purchase. This sale was listed for \$1,300,000 (\$3.54 per sf), which is inline with two larger multi-family land sales in the North Port market at \$3.17 and \$3.77 per sf. Confirmation of this transaction with the grantee was attempted with no success. Therefore, the sale is adjusted (\$800,000) to account for the housing credits.

Market Conditions (Date of Sale):

Sales 1 through 3 occurred from January 2019 through January 2020. Taking into consideration the pending contract of the adjacent 19.88 acres of the subject at \$3.66 per sf and analyzing the sales presented there has been an increase in market conditions. Pairing sales 2 and 3 with sale one indicates a 6% and 18% adjustment accordingly.

Location, Features, Utility and Utilities:

Sales 1 through 3 are like the subject in the remaining parameters presented and no adjustments are applied.

Reconciliation and Opinion of Land Value

After adjusting the three comparable sales for the factors discussed previously, the adjusted value range is \$3.74 to \$3.77 per sf.

After analyzing and reviewing the adjusted values of the comparable sales the adjusted values indicate a narrow range of values. Most emphasis is placed on sale one due to being the most recent, with sales 2 and 3 adding support. Consideration is also given to the pending contract of the adjacent property to the subject at \$3.66 per sf. The market value of the subject site is estimated at \$3.75 per sf. Therefore, the fee simple market value as calculated on the worksheet presented above is: \$2,828,000 (rounded)

ADDENDUM

I. Activity Center 1

Key Findings

Existing Conditions

- AC 1 is comprised of 716 gross acres. By subtracting the 23% of road and drainage rights-of-way, approximately 551 acres remain as 'buildable' area. Based on property appraiser data, 182 acres have been developed, leaving just over 368 acres remaining, or 51%. Development projects in the review process, submitted after the 2005 Sarasota County Property Appraiser update account for a potential 176 additional acres, leaving only 25% of AC 1 for development. UPDATE: Since the completion of the AC 1 report, the second largest piece of undeveloped land has submitted a Development Concept Plan. This now leaves 18% of AC 1 for development.
- As illustrated in the US 41 Corridor Master Plan, improvements to the streetscape including but not limited to: sidewalks with shade trees, pedestrian night lighting, benches, and a landscaped parkway, would make AC 1 more desirable to pedestrians. The City is active in connectivity initiatives by requiring sidewalks and other amenities for new developments. Many sidewalks are located near U.S. 41 instead of businesses, and are not conducive to a pedestrian or safety friendly environment. Although state legislation authorizes cities to use Tax Increment Financing (TIF) for such improvements, County approval is necessary. In North Port's case, Sarasota County Commission did not approve a TIF for US 41 which would be ideal for these and other improvements. Without a change in legislation, the City will be faced with the challenge of identifying other funding mechanisms and grants to finance projects. Improvements will most likely come in phases and possibly on a smaller scale and longer time period. Due to the limited acreage remaining for development, any additional changes in design requirements will take longer to accomplish because they will now be part of a redevelopment initiative.
- Of the buildings constructed in AC 1 from 1958 through the end of 2005, half were built before 1990. Newer structures have greater taxable value per square footage as well as a greater taxable land value than that of older structures. Redevelopment initiatives would not only increase property values but blend old buildings with new Mediterranean style buildings that are now mandatory.

Existing relationship of Land Use to Tax Base

- AC 1 shows an increase in commercial square footage for 2005. This represents the highest increase in taxable value in the entire history of AC 1 with 90% of that being tied to retail use. If this upward trend continues, North Port will see a steady increase in tax revenue, although impact fees will no longer be a revenue source for Capital improvements.

Consistency with Comprehensive Plan

- Currently, fiscal sustainability for AC 1 is from retail use. During the high peaks of retail development the City's tax base peaked as well. It is also apparent that the improved taxable value is double that of the land value. Although properties are increasing in value, the City is receiving less tax dollars now than in the past few years due to the lowering of the tax rate. This action provides a business friendly atmosphere for new and existing developments.

Future Development

- Currently, there is more square footage in the system (under DRC review, under construction, or submitted as development concept or major site plans) than all the square feet built since the incorporation of the City.

- There are several future annexation possibilities that can aid in expanding the City's commercial/industrial land area for AC 1 containing approximately 185 acres. This area has the potential to generate approximately \$600,000 in City taxes.

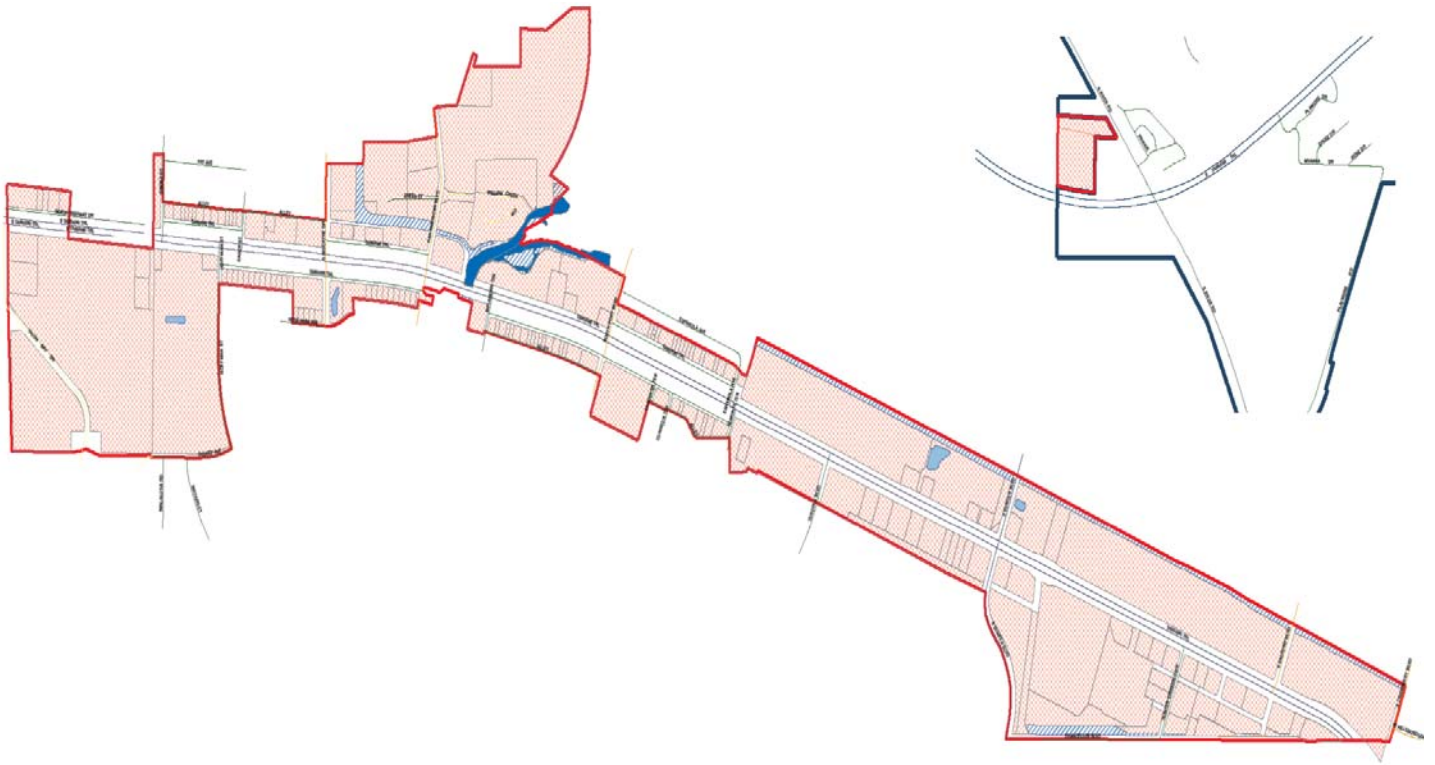
Relationship of Land Use to Jobs, Housing, & the Tax Base Potential

- It is estimated that AC 1 currently has 1,917 employment opportunities.
- Approximately 3,375 additional jobs may be created with the addition of the 2006-2007 square footage currently in review, yet not on the tax rolls. When vacant land and potential annexation areas are added, using current job trends, 10,391 employment opportunities may be possible for AC 1 at buildout.
- Office and medical uses are increasing which will ensure a better mix of employment opportunities.
- The creation of these jobs overall will create a demand for approximately 3,606 housing units at build out (including future US 41 corridor annexations), whether heads-of-household, single worker household, or multi-worker household. Of those units, 619 will very low, 1,129 low income units, and 1,858 will be moderate to near market (workforce) income units. AC 1 allows residents from adjacent neighborhoods to live and work in the same general area which is helpful in terms of commuting costs.

Recommendations

- In order to enhance and diversify the City's tax base, the City should strive to expand AC 1 through voluntary annexations of property in Sarasota County located between Warm Mineral Springs and the Eastern boundary of the West Villages Improvement District (Thomas Ranch).
- As AC 1 builds out, the City will have to consider various redevelopment initiatives to maintain and improve the Activity Center's ability to attract new businesses, and to accomplish the U.S. 41 Corridor Master Plan.
- To enhance the aesthetics of AC 1 and to maintain and enhance this area's sustainability as a location where citizens desire to work, shop, and live, the City shall continue to implement the projects identified in the adopted U.S. 41 Corridor Master Plan which includes, but is not limited to, sidewalks, shade trees, pedestrian lighting, and benches. The City should strengthen Comprehensive Plan language to include these types of amenities to further support the Master Plan.
- Encourage the owners of older buildings in AC 1 to enhance their facades to be consistent with the Mediterranean Architectural standards currently required of new developments in AC 1, and to more efficiently design the site(s).
- Continue to work with Sarasota County government to establish funding mechanisms for the redevelopment and/or enhancement of the U.S. 41 corridor. Such sources may include Tax Increment Financing through a Community Redevelopment Area, Tax Increment Financing with only the City increment, the County Community Reinvestment Program, and grants.
- Support legislative initiatives that allow cities in the "home rule" counties to establish Community Redevelopment Areas (CRA) which would utilize Tax Increment Financing using only the City's increment.
- The City should pursue the purchase of open space land within AC 1 to provide drainage, park and resting areas.

ACTIVITY CENTER 1



II. Existing Conditions

Activity Center 1 (AC 1) is the oldest and most developed Activity Center in North Port. As is typical with older areas, several churches and commercial uses help form the corridor. The availability of City utilities and services, sidewalks and a frontage road system that is well connected to surrounding neighborhoods further enhance the Activity Center. This Activity Center encompasses the primarily commercial area adjacent to U.S. 41 as it runs through the City for a distance of approximately three miles, including land near the intersection of River Road and U.S. 41. This Activity Center has seen significant growth in the last few years.

Landscape/Natural Features

The Myakkahatchee Creek cuts through AC 1 near Pan American Boulevard. The creek flows into the Myakka River and is posted as a Manatee Protection Zone south of U.S. 41.



The City is currently developing a master plan and acquiring properties along the creek north of U.S. 41 for the future development of a linear park that will traverse the

City from north to south (the master plan is not complete at the time of this writing). Access to this future park should be available to citizens through the sidewalk system near the south entrance to the park. The City should consider purchasing vacant land on U.S. 41 near the creek bridge to provide further access to the creek.

Access

This Activity Center is located along U.S. 41 and is connected to I-75 by interchanges at Toledo Blade Boulevard, Sumter Boulevard, and River Road. Sarasota County Area Transit (SCAT) also serves this corridor with 21 stops on both sides of U.S. 41. This Activity Center has frontage road connectivity and a sidewalk system which offers access from surrounding neighborhoods as well as along U.S. 41 connecting to the commercial establishments. As new developments come to the City, they are required to construct sidewalks along U.S. 41 in order to continue the sidewalk initiative.

Initiatives

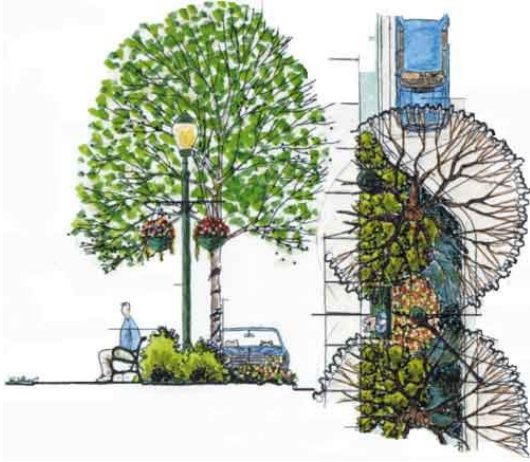
The 1997 Comprehensive Plan identified this Activity Center as an area of concern. Certain elements of blight had begun to emerge at that time (see Findings of Necessity Report, approved by the City and County Commissions). Exacerbating that concern was the realization that the City's other Activity Centers would eventually begin to develop and as a result could possibly speed the spread of blight throughout Activity Center 1 and the adjacent residential areas. The Comprehensive Plan contains adopted policy language that require staff to assess the situation along U.S. 41 and to develop a Master Plan to stop the spread of blight, to enhance the attractiveness of the area, and to create a positive environment for the location of new businesses.

The City has committed resources to enhance the function of this Activity Center since the last Comprehensive Plan, which was adopted in 1997. The City attempted to create a Community Redevelopment Area (CRA) for the entire corridor, unsuccessfully. However, as part of that CRA initiative, the City did develop and adopt a U.S. 41 Corridor Master Plan to guide future development and enhancements to this area. The Master Plan examined existing conditions and made recommendations concerning issues including the eventual widening of U.S. 41, completion and enhancement of the frontage road network, pedestrian and bicycle facilities, drainage and stormwater facilities, transit/trolley facilities, utilities, and urban design and landscaping. Although the Activity Center is not a designated CRA, the City is still utilizing the Master Plan to guide the new development that is occurring today, and is researching other ways to fund the important projects envisioned for this area including, but not limited to a Business Improvement District (BID), Tax Increment Financing utilizing only the City's increment, or possibly approaching the County at a later date to consider a CRA district.



Photo from U.S. 41 Corridor Master Plan
(Desired Outcome)

Style & Amenities

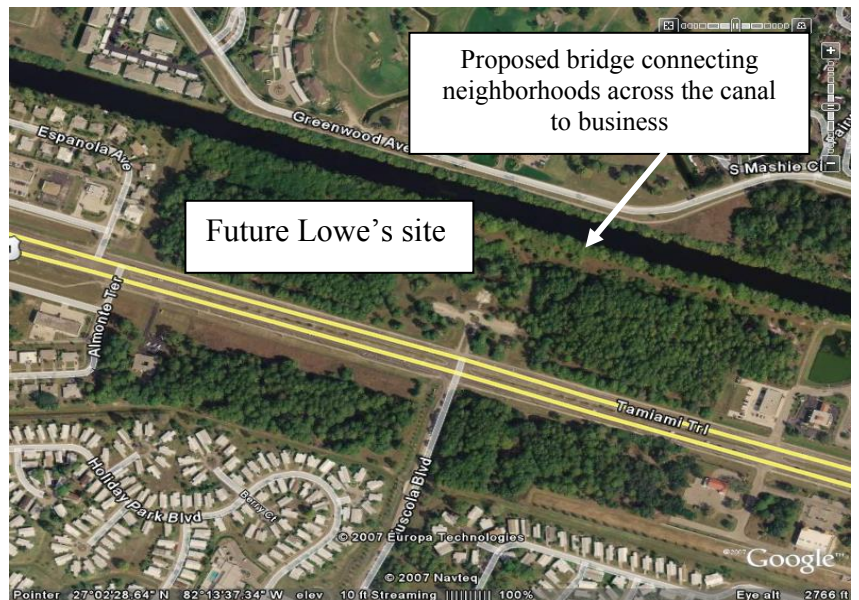


Of the existing structures (not including single family and institutional) in AC 1¹, 50% were built before 1990. Some of these buildings reflect a variety of architectural styles and may present a redevelopment opportunity. Many of the newer structures have been built after 1998 when the City adopted architectural standards and created the Tamiami Trail Architectural Review Board. The standards require new and substantially improved buildings to adhere to a Mediterranean style theme. Redevelopment initiatives would not only facilitate a more unified U.S. 41 but would also increase property value. For example, the Biscayne Plaza building, constructed in 1959, is valued less than the value of the land. Winn Dixie, built in 1979, has a land value equal to that of the structure. Publix, built in 1991 has a land value two times lower than the

structure. North Port Place, built in 2003 has a land value 3 ½ times lower than the structure.

There are areas where limited urban amenities such as evening lighting, outdoor rest areas, benches, and shaded walkway areas can be improved. In 2007, the City will receive \$500,000 from Sarasota County to serve as a catalyst in this effort. These funds will bring enhancements to the corridor including paving, lighting, gateway signage, and bus shelters. Because U.S. 41 is a state highway, this is the only area where state grant funding is available for enhancement type of projects. Off street parking and drainage also remains an issue in AC 1 and is an aspect of the U.S. 41 Corridor Master Plan that is not fully funded.

Although AC 1 has adequate connectivity at this time, the future widening of U.S. 41 to six lanes will have a profound impact as far as pedestrian accessibility. The widening will serve to further split AC 1 in half. In order to maintain a quality of life for homeowners, workers, shoppers, and all who visit AC 1, pedestrian overpasses and trolleys, such as those illustrated in the U.S. 41 Corridor Master Plan may be incorporated into the long range plan for the sustainability of this area. The area around the creek continues to pose a connectivity challenge. It was envisioned that a frontage road and pedestrian bridges would be built on both



sides of US 41. However, in 2007 FDOT pulled the funds for the study of a frontage road bridge. At the very least, pedestrian bridges should be constructed across the creek. These bridges could possibly be designed to accommodate a trolley across each bridge, yet should not preclude frontage roads. There are several segments of sidewalks that were located close to U.S. 41 instead of being placed near the business. The City is working with developers to provide sidewalks, amenities, and connectivity where appropriate. For example, the Lowe's development will be connected by a bridge over the Cocoplum waterway to the residential neighborhoods behind the corridor as shown in the photo above. New development on either side will also be required to construct a sidewalk to connect, thereby continuing the sidewalk initiative.

¹ Based on properties listed on the tax roll through the end of 2005, illustrated throughout this report as the '2006 Property Appraisers data'.

Findings:

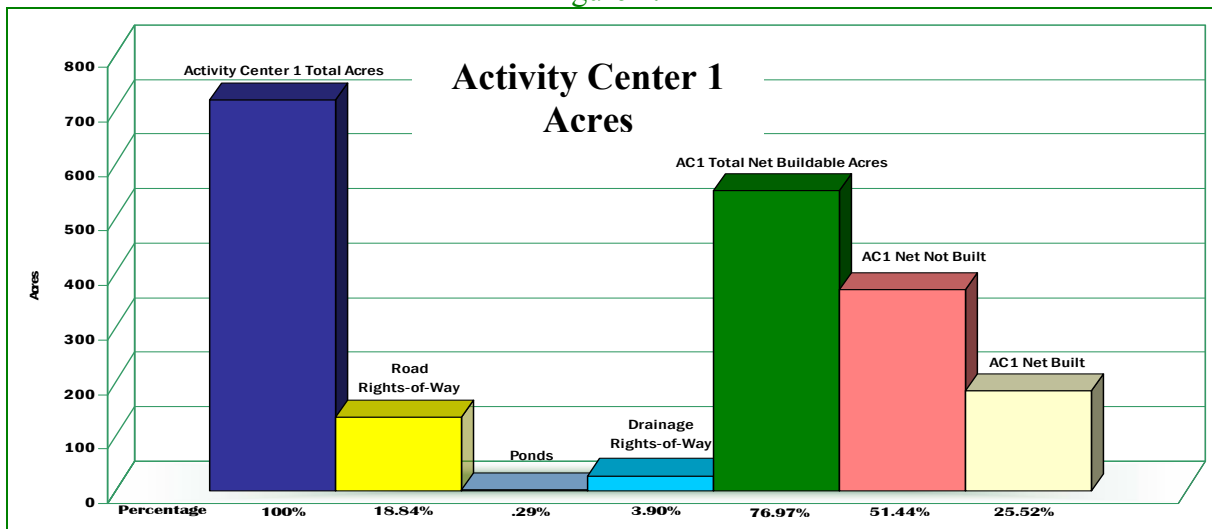
- Improvements to the streetscape including sidewalks, street lighting theme, and a landscaped parkway including shade trees, would make AC 1 more desirable to pedestrians. Many sidewalks are located near U.S. 41 instead of businesses, and are not conducive to a pedestrian or safety friendly environment. The City is active in connectivity initiatives by requiring sidewalks and other amenities for new developments.
- As of 2005, half of the structures in AC 1 were built before the 1990's. Newer structures have greater taxable value per square footage as well as a greater taxable land value than that of older structures.
- Redevelopment initiatives would not only increase property values but blend old buildings with new Mediterranean style buildings that are now mandatory.
- The future widening of U.S. 41 will further split AC 1 in half, making connectivity of this area for shoppers, workers, and visitors more difficult. Vehicular, along with pedestrian/trolley bridges across both sides of the Myakkahatchee Creek should be studied.
- Although Tax Increment Financing would be ideal for the amount of improvements illustrated in the U.S. 41 Master Plan, the City will be faced with the challenge of identifying funding mechanisms and grants. Improvements will most likely come in phases and possibly on a smaller scale.
- Access to the future Myakkahatchee Creek linear park may provide eco-tourism opportunities in the future as well as amenities for citizens.

III. Land Use by Acreage

Acreage Breakdown

Activity Center 1 consists of 716.3 acres. Exhibit A illustrates the location of parcels that are both improved (built) and vacant. This exhibit also breaks down land use by percentage and shows gross and net buildable land ('net buildable acre' means gross land area, measured in acres, minus land area in road rights-of-way, surface stormwater retention/detention, and canals). The data shows that at the end of 2005 (known herein as the 2006 Sarasota County Property Appraisers data), ¼ of AC 1 is built, ¼ is not buildable (i.e. road rights-of-way and drainage), and ½ is yet to be developed. Figure 1.1 demonstrates the acreage currently available for development within this Activity Center. The information used for this report, including developed property and taxable value, utilizes the 2006 Property Appraisers data which includes all property and transactions currently on, or added to the tax rolls, through the end of 2005. There are numerous projects that have been built, are being built, or have submitted project applications to the City since the 2006 Property Appraiser update. This supplemental information, generated by the Planning & Zoning Department is shown in Section V, Future Development, of this report.

Figure 1.1



Information based on 2006 Sarasota County Property Appraiser data

Table 1.1 utilizes the data from Figure 1.1 and shows acres built, not built, and those acres used by roads and drainage right of ways.

Table 1.1

AC 1 Acreage Breakdown	Acres
Buildable Acres	551.3
Acres Not Built	368.5
Acres Built	182.8
Road rights-of way	135
Ponds	2.04
Drainage rights-of-way	27.97
AC 1 Total Acres	716.3

Information based on the 2006 Sarasota County Property Appraiser Data

Comprehensive Plan Acreage Breakdown

The City’s Comprehensive Plan, Goal 2 of the Future Land Use Element relating to the function of Activity Centers states:

To promote an intensive mixture of employment, goods, and services, and residential uses in Activity Centers; to promote a wide variety of residential and employment alternatives; to achieve the highest standards of quality in the urban environment; and to provide a balanced and healthy tax base.

The Future Land Use Element of the City’s adopted Comprehensive Plan includes Figure 1, which establishes a guideline to reflect the desired land use mixture at build-out in order to achieve an economically feasible development pattern relative to taxes received and services provided for each Activity Center. The Comprehensive Plan guideline as shown in Table 1.2 provides the percentages of each land use in AC 1 if development followed Figure 1.

Note: The guidelines shown in Figure 1 of the Comprehensive Plan use overall gross acres at build-out. In order to gain a more precise account of development, Table 1 also shows a column illustrating net acres built. For example, the guideline shows 2% for high density residential. There are currently 14.71 acres of high density residential development built, which constitutes 2.05% of the overall gross acres for AC 1, or 2.66% of the net buildable acres in AC 1. Therefore, AC 1 has met and slightly exceeded the guidelines for that land use.

This data illustrates that, in terms of buildable acres, the City has met the standards for institutional uses (not currently in Figure 1) and high density residential, although the majority of units are elderly. Presently, AC 1 has not met the guidelines in uses such as professional office, industrial, and public greenways (including development in the pipeline), or in commercial acres. Also, no medium density residential has been built to date. Trott Circle is included at the bottom of Table 1.2 for illustration purposes, but is not included in the overall 716 gross acres analysis because it is located outside of the Activity Center boundary as mapped in the 1997 Comprehensive Plan.

Table 1.2

Comprehensive Plan Land Use	Comp Plan Guideline	Current Acres Built	% of Gross 716 Acres	% of Net 551 Acres
Low Density Residential*	0%	8.5	1.19%	1.54%
Medium Density Residential	2%	0	0	0
High Density Residential	2%	14.71	2.05%	2.66%
Professional Office	10%	12.59	1.76%	2.28%
Institutional**	8%	55.25	7.71%	10.00%
Commercial	58%	71.46	9.98%	13.00%
Industrial***	9%	4.51	0.63%	0.81%
Public	11%	15.79	2.2%	3%
* These are older single family units that are planned to be converted to small offices, studio's etc. When complete, the designated 0% will comply with the Figure 1. **Institutional based on current institutional acres and separated from office professional/institutional. For analysis purposes only.				
*** Including Trott Circle	9%	22.01	3.07%	4.00%
Information based on 2006 Sarasota County Property Appraiser data/North Port Comprehensive Plan				

Findings:

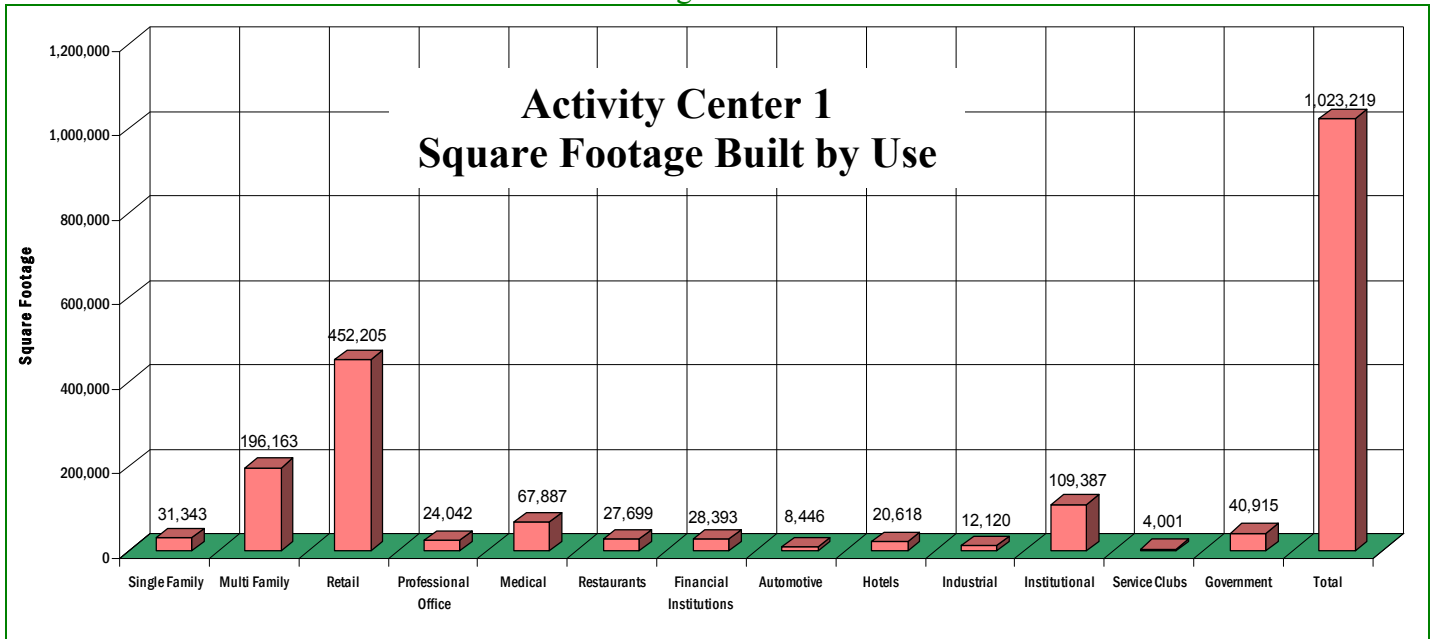
- Activity Center 1 is comprised of 716 gross acres. By subtracting the 23% of road and drainage rights-of-way, approximately 551 acres remain as 'buildable' area. Based on property appraiser's data, 182 acres have been developed, leaving just over 368 acres remaining, or 51%.
- The guidelines set forth in Figure 1 of the Comprehensive Plan should be updated in order to take advantage of technology such as Geographic Information System (GIS) to better illustrate the desired mix of uses, by net buildable acres in lieu of current gross acres. Institutional was not considered in Figure 1 and should be added in the Comprehensive Plan update. High density residential is the only use that has met the desired mix illustrated in Figure 1. Retail constitutes the most square feet built but is still low, as is medium density residential development, and professional office. The City will need to purchase additional land to meet the 9% shortage of public areas. This will become a challenge as more and more land is developed within the Activity Center.
- Trott Circle should be included in AC 1, without altering Figure 1 for the Comprehensive Plan update.

IV. Land Use by Square Footage

Square Footage by Use

According to property appraiser information, 182.8 acres have been developed in AC 1. Figure 1.2 delineates the total square footage built by the uses listed below. As shown, of the 1,023,219 square feet of current development, 74% are made up of retail, institutional (churches), and multi-family (Willow Creek Apartments). The remaining 26% are made up of uses such as hotel, financial institutions, restaurants, automotive uses, and professional offices. In terms of industrial development, although Trott Circle is contiguous, it is not currently included within the boundary of AC 1.

Figure 1.2

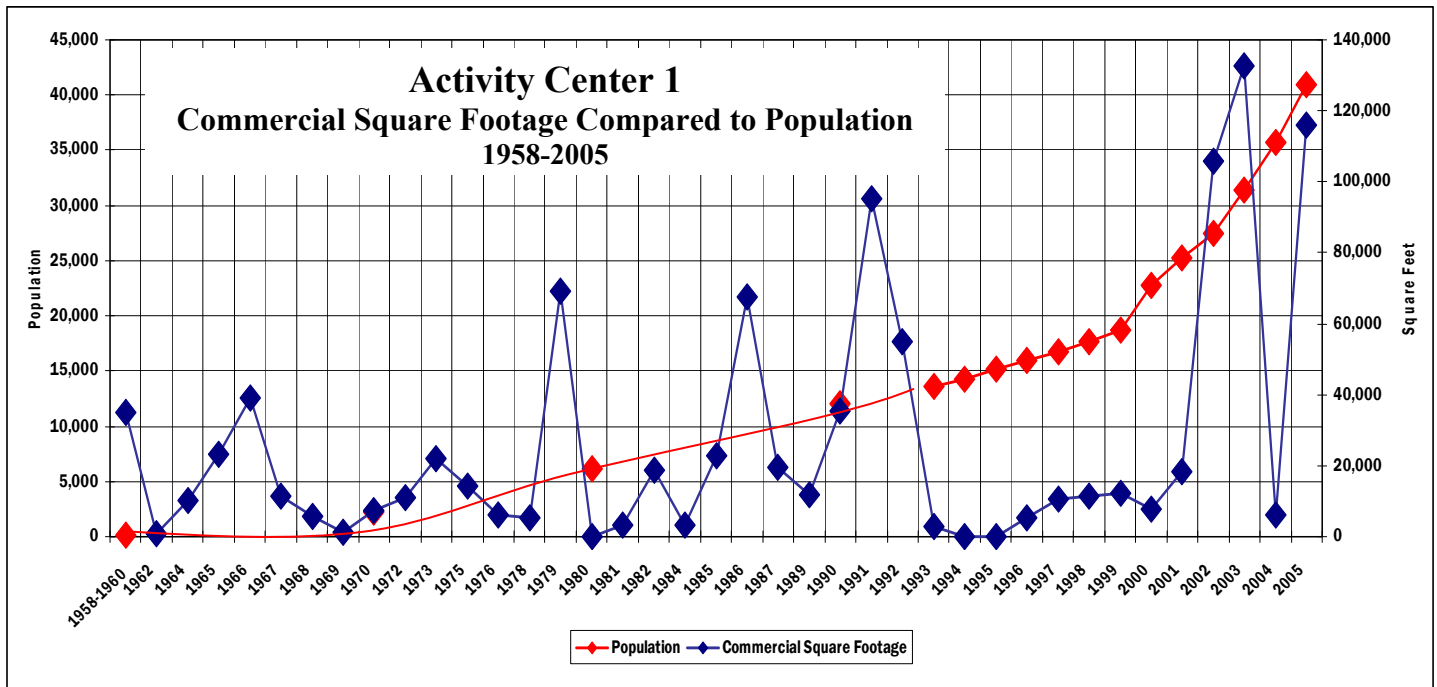


Information based on 2006 Sarasota County Property Appraiser data

Square Footage Trends

Figure 1.3 illustrates the chronological development trend of commercial square footage in relation to population from 1958 to 2005. This figure shows that while population increased at a slow, steady pace through 2000, and more rapidly through 2005, commercial square footage peaks, often due to large scale developments, illustrates that, within North Port, square footage peaks follow population increases. This trend may be a result of the larger market area used by commercial developers to justify their projects to the lending institutions.

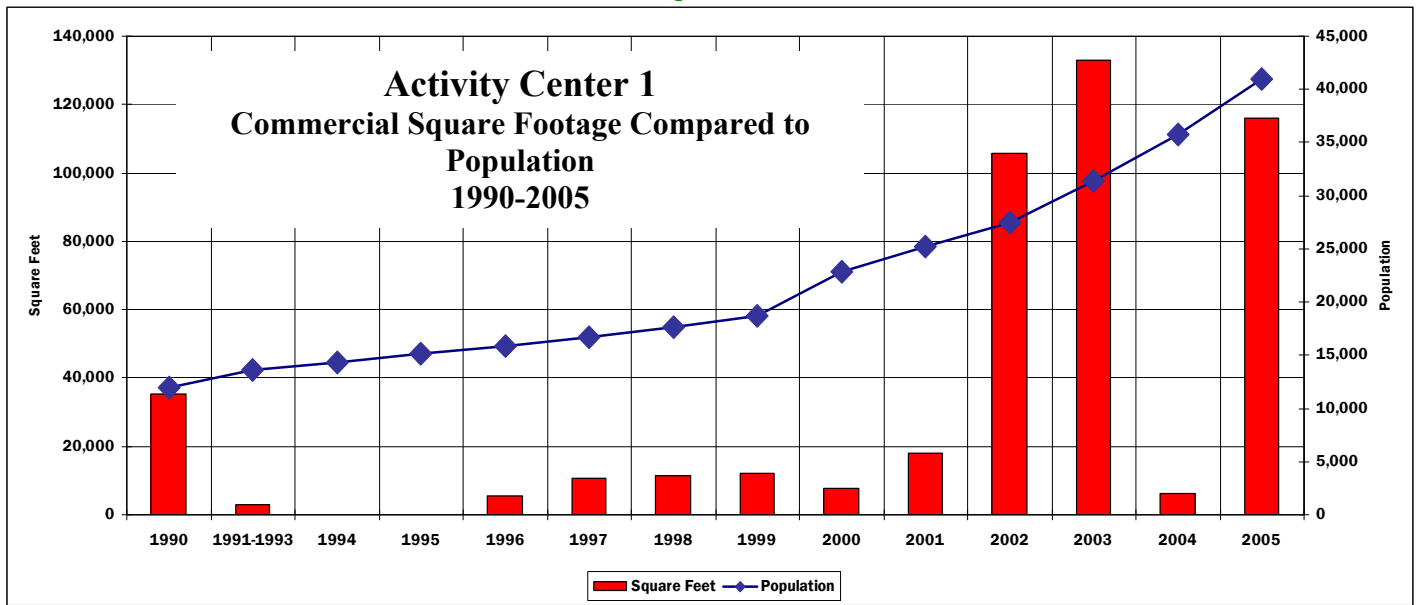
Figure 1.3



Source: U.S. Census, BEBR population data, and 2006 Sarasota County Property Appraiser data

In contrast to the overall population and commercial square footage built since the incorporation of the City, Figure 1.4 shows recent trends from 1990 to 2005 with respect to yearly population increases.

Figure 1.4



Information based on 2006 Sarasota County Property Appraiser data and BEBR population data

Exhibit B maps the locations of development by land use and square footage built from 1958 thru 2005, as well as a figure which shows square footage built by year and use. For example, institutional use in the 1958 and 1980 time frame shows the construction of both San Pedro Catholic Church and a shopping center that is now South Biscayne Baptist Church. The considerable amount of square footage in the 1990 time frame includes, among other uses, the construction of Shoppes of North Port (i.e. Publix Shopping Center). The multi-family square feet built in 2002-2003 show the construction of Willow Creek Apartments, which is currently the only major multi-family residential development in AC 1.

Using these figures, from 1997 thru 2000, there were approximately 7.5 people per commercial square foot built. In contrast, for the years 2001 through 2005, that number more than tripled with approximately 24 people for every square foot built. However, as previously stated, retail/commercial developers consider a market area larger than North Port. This trend will be verified and possibly change when the other Activity Centers are analyzed.

Findings:

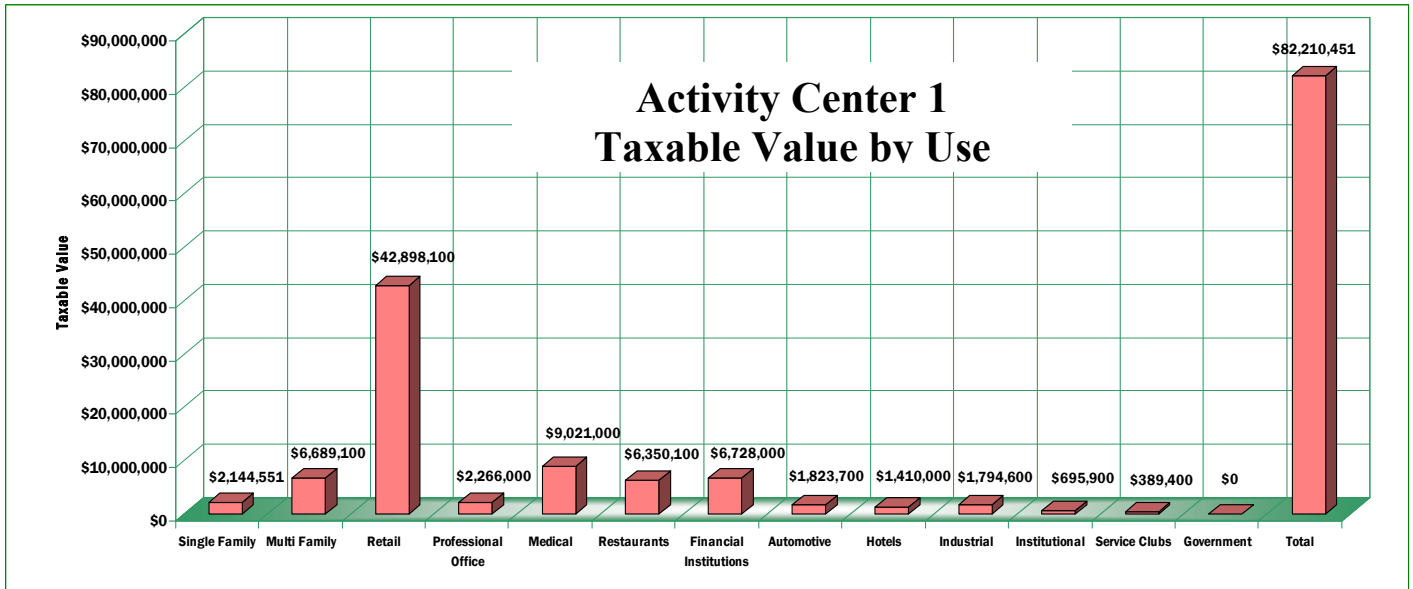
- In the years 1990 to 2000 AC 1 experienced 10 years of economic growth as seen on Exhibit B representing square footage by years. From 2001 to 2005 there was a high concentration of strictly retail and high density residential with no office professional development, (although there are now several office projects in the pipeline since the Property Appraiser update as shown in Section V).
- Currently AC 1 development is just under 50% Commercial Retail in terms of square footage built. With the square footage presently under review (as shown in Section V of this report), that number could rise to 70% of the square footage.
- Commercial development over the decades show peaks of development that follows population increases. Some of the peaks can be attributed in part to major shopping centers and multi-family complex development. Steady growth in AC 1 has lead to the largest spike in square feet since the incorporation of the City, coinciding with the highest residential growth rate. This is in large part due to the spike in residential ‘roof tops’ that market studies and retailers look for in order to locate their business in particular areas, plus the availability of utilities to this corridor.

V. Existing Relationship of Land Use to Tax Base

Taxable Value by Use

The value of property is determined by several factors such as income potential, purchase price, and similar property transactions. Institutional uses such as churches are fully exempt from taxes, and many single family homes qualify for the homestead exemption. City and County public lands are also exempt from taxes. Analysis shows that in AC 1, over \$16 million in property value is non-taxable, most of which are directly tied to non-profit organizations. Figure 1.5 shows the taxable value by use of the property. From this figure, retail has the highest taxable value to date with 50% of AC 1's total \$82,210,451 taxable value.

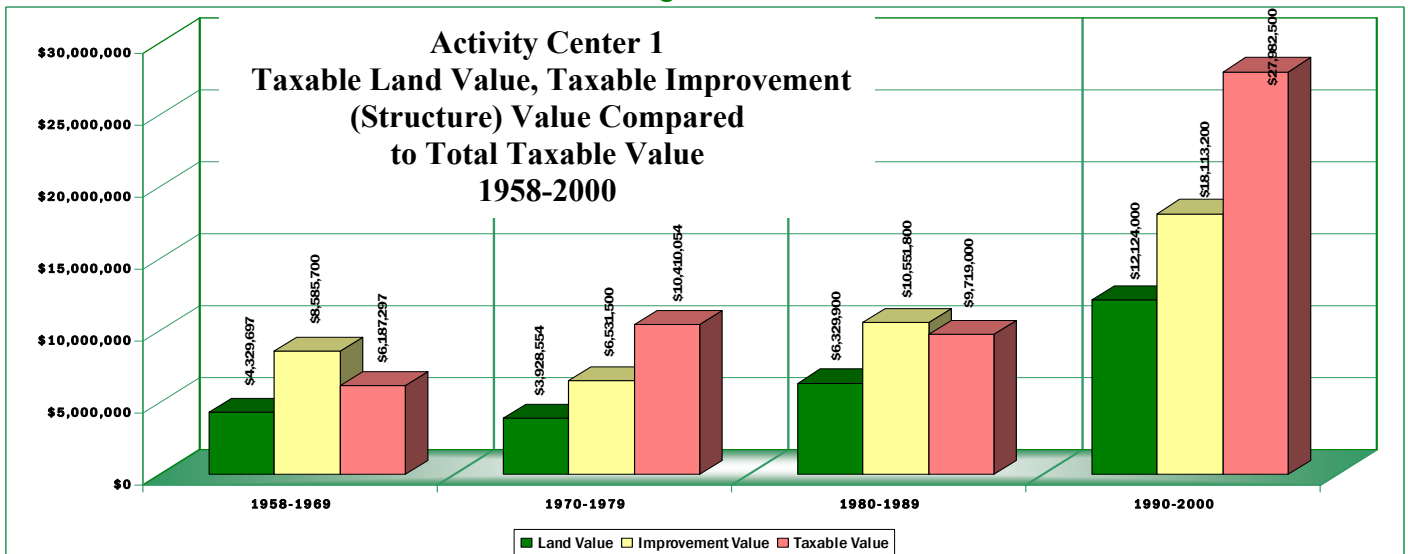
Figure 1.5



Information based on 2006 Sarasota County Property Appraiser data

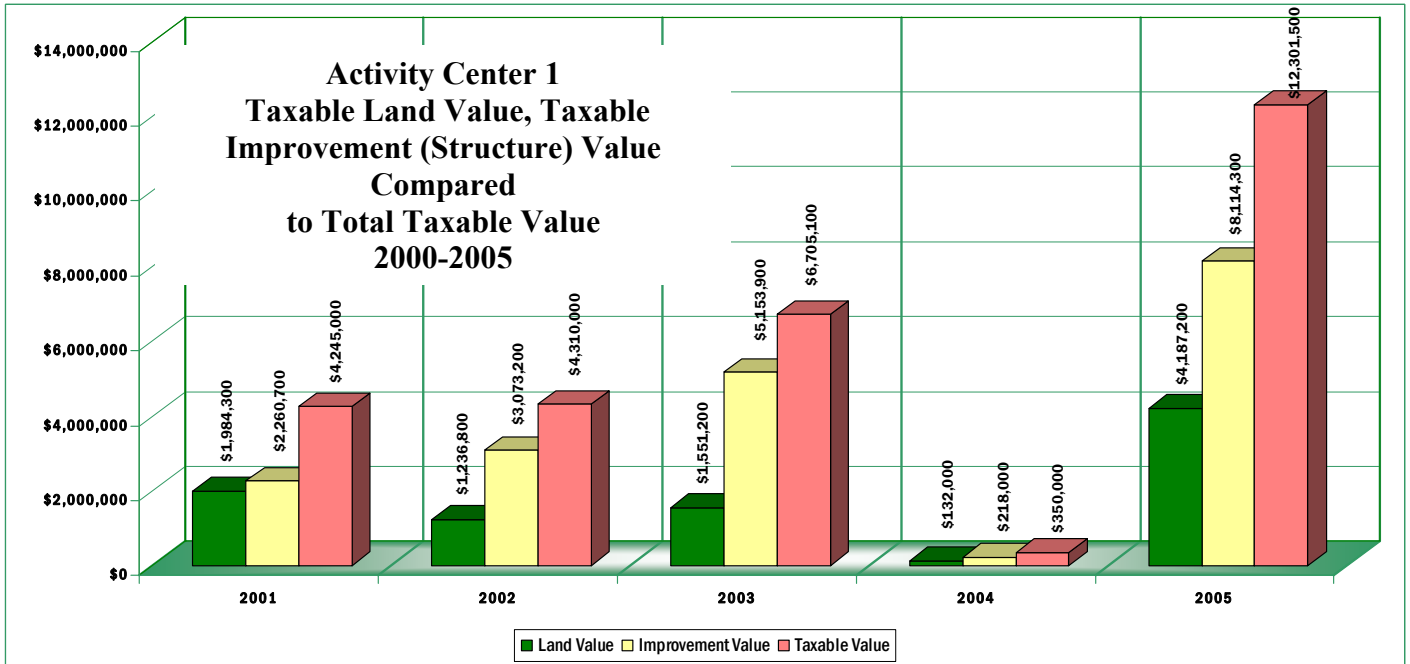
Figures 1.6a and 1.6b show the correlation between land value, improvement value (structure), and the total taxable value by decade built. As seen in Figure 1.6a, the period of 1958-1969, as well as 1980-1989, the improvement value is greater than the taxable value. This is primarily due to institutional structures and single family homes built in those time periods (Churches are tax exempt and single family homes qualify for homestead exemptions).

Figure 1.6a



Information based on 2006 Sarasota County Property Appraiser data

Figure 1.6b

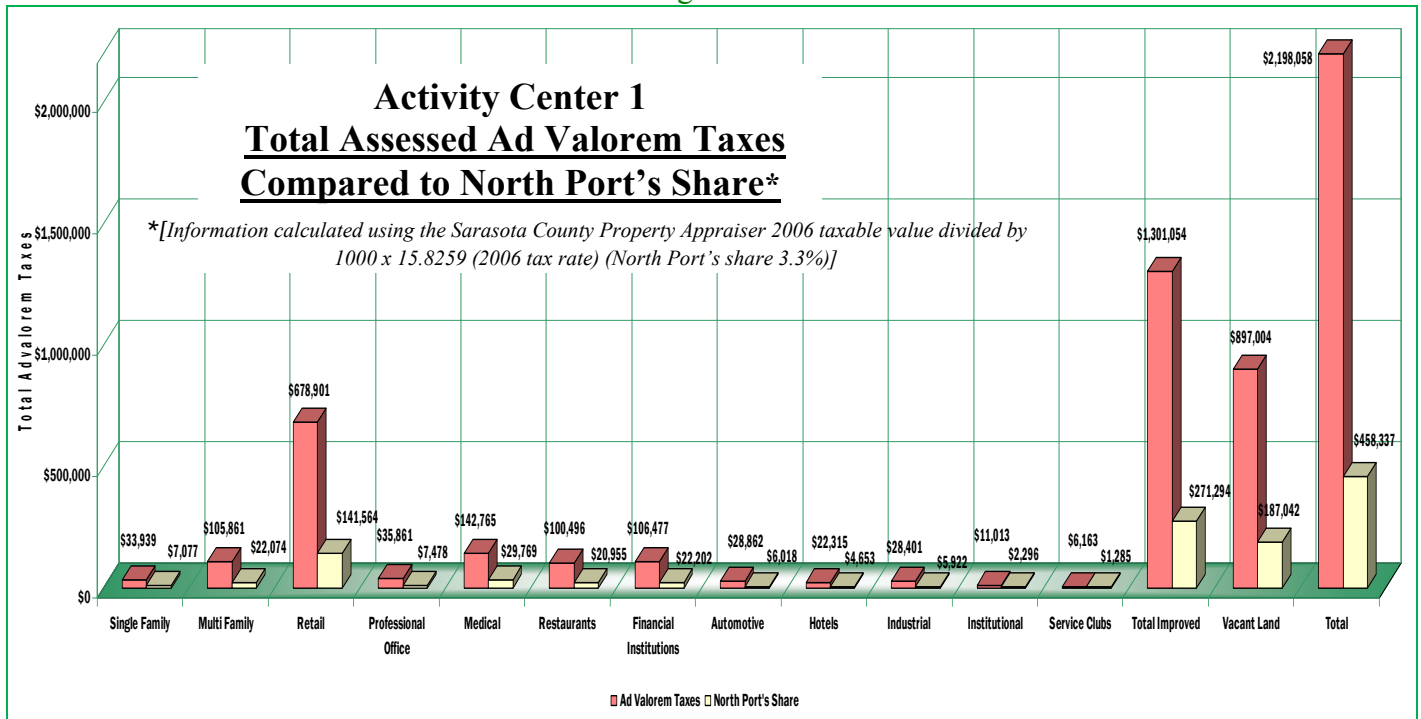


Information based on 2006 Sarasota County Property Appraiser data

Assessed Taxes

Figure 1.7 illustrates the assessed taxes for AC 1 by use, and shows an approximation of the amount of taxes received by the City of North Port based on the 2006 Ad Valorem rate of 3.3%, which was previously 4.9%. The assessed taxes generated for improved parcels are an estimated \$1.3 million, of which the City receives approximately \$271,294, and Sarasota County receives the remainder of the funds, or \$1,029,760. The taxes generated on vacant parcels are approximately \$897,004, of which the City receives approximately 3.3% or \$187,042.

Figure 1.7



Information based on 2006 Sarasota County Property Appraiser data

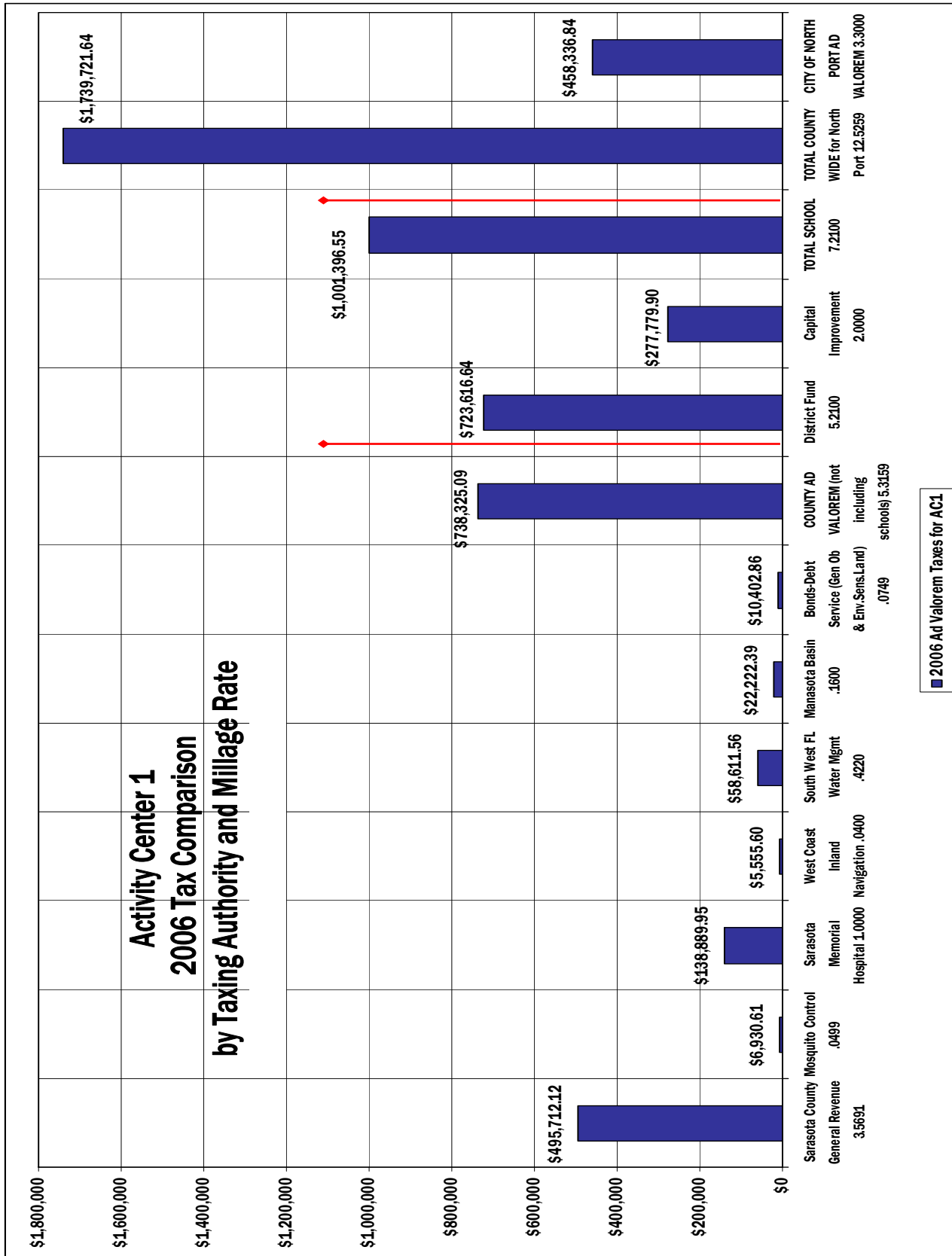
Figure 1.8 illustrates how tax dollars are separated by taxing authority and millage rate for the total Activity Center 1 taxable value (a millage rate is the property tax rate stated in terms of tenths of cents in tax per dollar of property value). Table 1.3 illustrates millage rates from 2002 through 2006. In 2006 the millage rate County wide, including schools, was 12.5259 mills. The City of North Port levied 3.3 mills for a total of 15.8259. Using the total taxable value for AC 1, the County levies over \$1.7 million and North Port \$458,336 in Ad Valorem taxes.

Table 1.3

<p>2002 CODE TAXING AUTHORITY MILLAGE RATE Sarasota County General Revenue 4.2156 Mosquito Control 0.1168 Sarasota Memorial Hospital 0.3740 West Coast Inland Navigation .0400 South West FL Water Mgmt .4220 Manasota Basin .1600 <u>Bonds-Debt Service (Gen Ob & Env.Sens.Land) 0.2205</u> TOTAL COUNTY (not including school) 5.5489 SSCH SCHOOLS District Fund 7.2870 <u>Capital Improvement 2.0000</u> TOTAL SCHOOL 9.2870 ***** TOTAL COUNTY WIDE for NORTH PORT 14.8359 CITY OF NORTH PORT 4.5000</p>	<p>2003 CODE TAXING AUTHORITY MILLAGE RATE Sarasota County General Revenue 4.2116 Mosquito Control 0.1001 Sarasota Memorial Hospital 0.5000 West Coast Inland Navigation .0400 South West FL Water Mgmt .4220 Manasota Basin .1600 <u>Bonds-Debt Service (Gen Ob & Env.Sens.Land) .1891</u> TOTAL COUNTY (not including school) 5.6228 SSCH SCHOOLS District Fund 6.7930 <u>Capital Improvement 2.0000</u> TOTAL SCHOOL 8.7930 ***** TOTAL COUNTY WIDE for NORTH PORT 14.4158 CITY OF NORTH PORT 5.0000</p>	<p>2004 CODE TAXING AUTHORITY MILLAGE RATE Sarasota County General Revenue 4.0932 Mosquito Control .0848 Sarasota Memorial Hospital 0.6000 West Coast Inland Navigation .0400 South West FL Water Mgmt .4220 Manasota Basin .1600 <u>Bonds-Debt Service (Gen Ob & Env.Sens.Land) 0.1639</u> TOTAL COUNTY (not including school) 5.5639 SSCH SCHOOLS District Fund 6.3660 <u>Capital Improvement 2.0000</u> TOTAL SCHOOL 8.3660 ***** TOTAL COUNTY WIDE for NORTH PORT 13.9299 CITY OF NORTH PORT 4.9000</p>
<p>2005 CODE TAXING AUTHORITY MILLAGE RATE Sarasota County General Revenue 3.8808 Mosquito Control .0.0655 Sarasota Memorial Hospital 0.8000 West Coast Inland Navigation 0.0400 South West FL Water Mgmt 0.4220 Manasota Basin .1600 <u>Bonds-Debt Service (Gen Ob & Env.Sens.Land) .0.1476</u> TOTAL COUNTY (not including school) 5.5159 SSCH SCHOOLS District Fund 5.8610 <u>Capital Improvement 2.0000</u> TOTAL SCHOOL 8.8610 ***** TOTAL COUNTY WIDE NPT 14.3769 CITY OF NORTH PORT 4.90</p>	<p>2006 CODE TAXING AUTHORITY MILLAGE RATE Sarasota County General Revenue 3.5691 Mosquito Control .0499 Sarasota Memorial Hospital 1.0000 West Coast Inland Navigation .0400 South West FL Water Mgmt .4220 Manasota Basin .1600 <u>Bonds-Debt Service (Gen Ob & Env.Sens.Land) .0749</u> TOTAL COUNTY (not including school) 5.3159 SSCH SCHOOLS District Fund 5.2100 <u>Capital Improvement 2.0000</u> TOTAL SCHOOL 7.2100 ***** TOTAL COUNTY WIDE for NORTH PORT 12.5259 CITY OF NORTH PORT 3.3000</p>	

Taxable information including Tables and Figures were calculated using the 2006 tax rate of 3.3000% as seen in Table 1.3. The 2007 tax rate of 2.9505 was received after tax information Tables and Figures were calculated in this report. The 2007 tax rate is only used in Section V Future Development, in reference to potential annexation revenues.

Figure 1.8



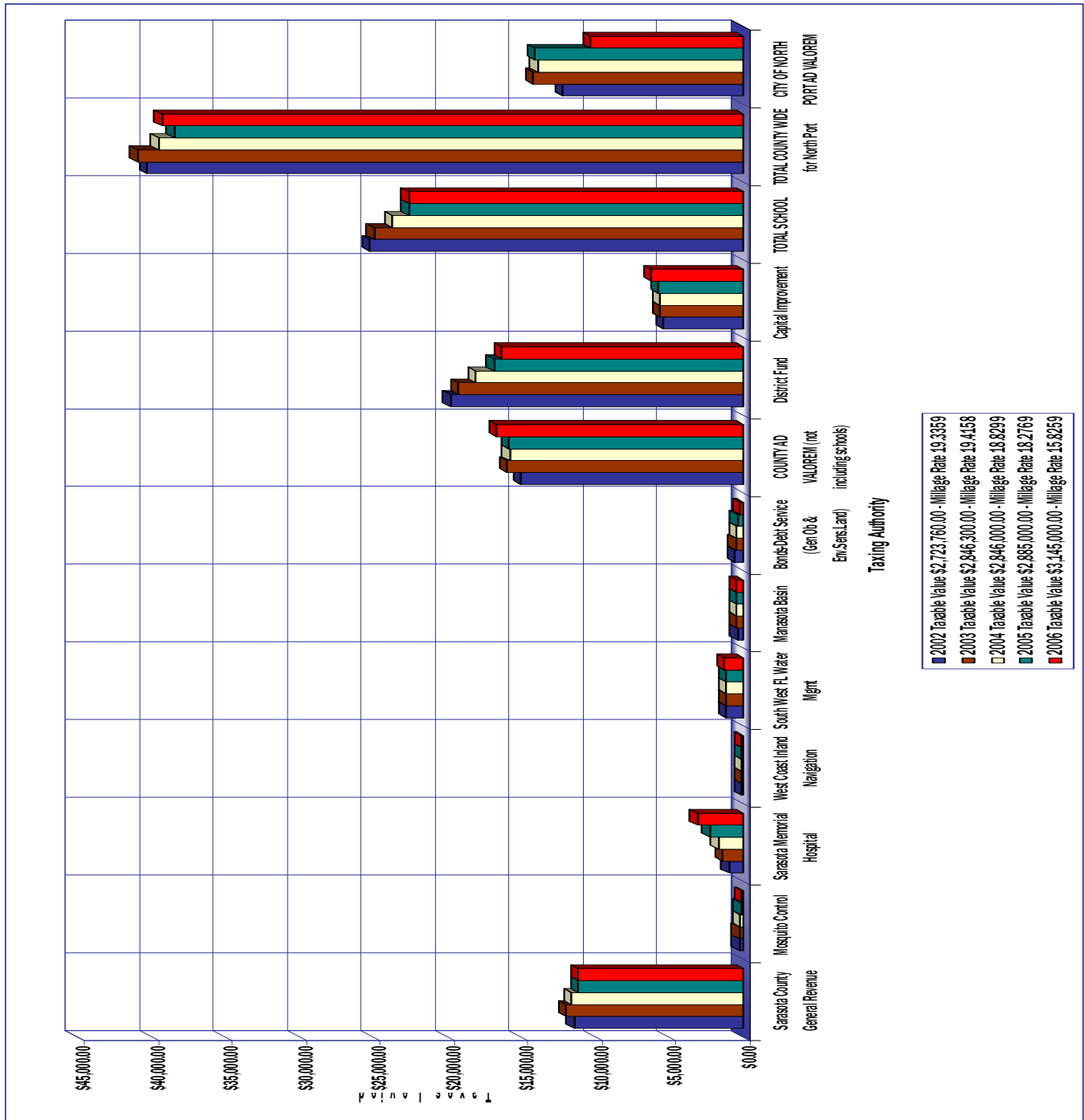
Source: Based on a \$138,889,951 Taxable Value ,Sarasota County Property Appraiser Data/ Sarasota County Tax Collector.

Using the data from Figure 1.8, two examples of how taxes are divided are illustrated in Figures 1.9a using Walgreens, and Figure 1.9b using Shoppes of North Port, i.e. Publix Shopping Center, for comparison. As

shown in both examples, although the taxable value for both properties has increased, the taxes levied from 2002 to 2006 have decreased for North Port. This is due to a City Commission reduction in the City's Ad Valorem tax rate from a millage rate 4.5% to 3.3%. The Shoppes of North Port development has increased in value by over \$1.5 million since 2002 but is paying fewer taxes to the City due to the tax reduction.

Figure 1.9a

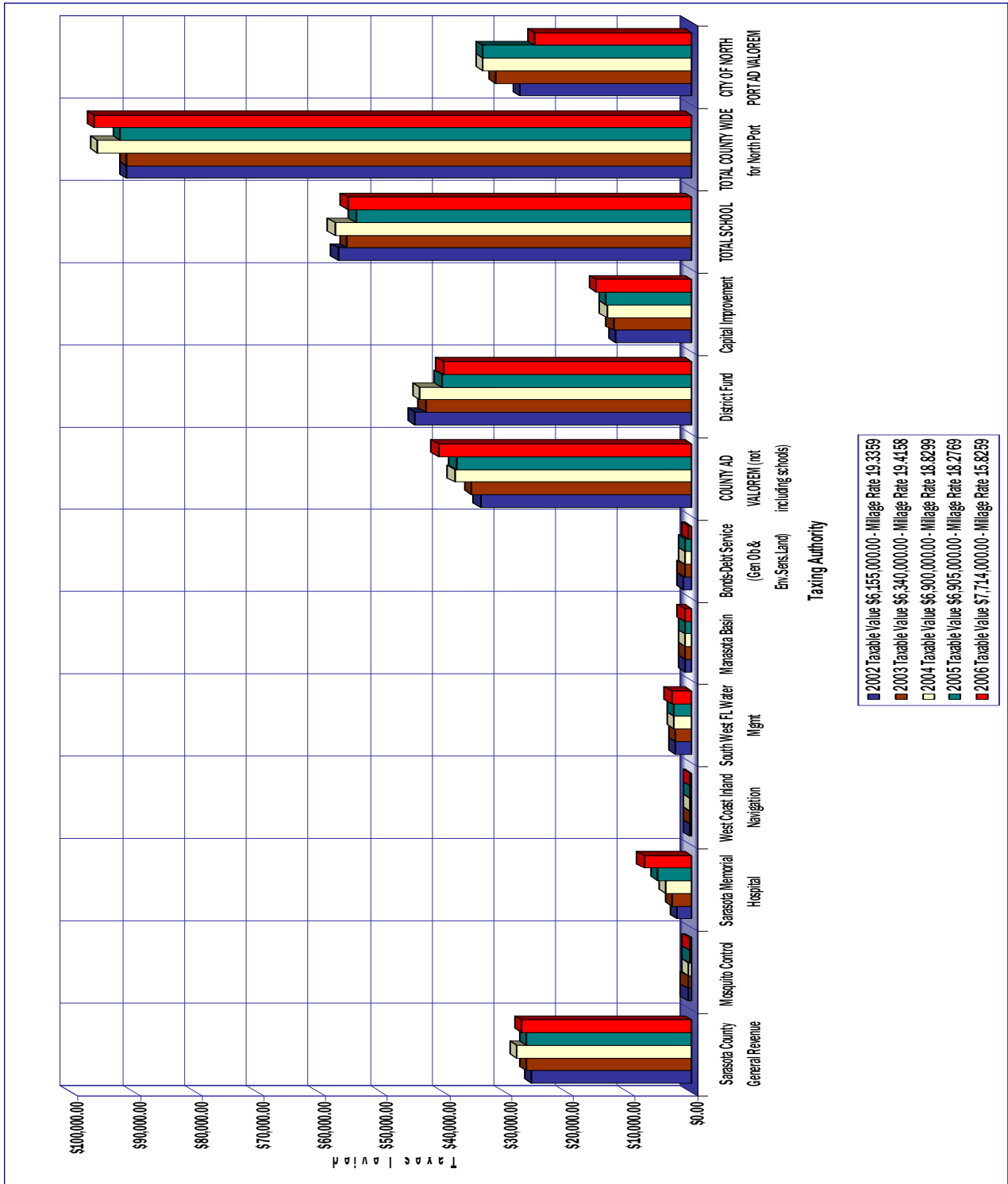
Activity Center 1 Walgreens (U.S. 41) Millage Rate Payment by Year 2002-2006



Source: 2002-2006 code taxing authority millage rate

Figure 1.9b

Activity Center 1 Shoppes of North Port Millage Rate Payment by Year 2002-2006



Source: 2002-2006 code taxing authority millage rate

Impact Fees

Impact fees are charges that are assessed on new development to help pay for the capital facility costs they impose on the community. Essentially, impact fees require that each new residential or commercial project pay its share of the cost of new facilities required to serve that development. Impact fees are most appropriate for communities such as North Port that are experiencing rapid growth.

North Port has had two overall impact fee studies and two transportation specific fee studies since 1999. Community leaders adopted fees balancing public purposes such as local economics, stakeholder input, public needs, and study recommendations. Since the impact fee study in 1999, the City has experienced rapid population growth that is transforming the City into an urban center,² as originally planned in 1973 through today.

Challenges face a platted lands community such as North Port, whereby the majority of the City is platted for single family homes, leaving little overall area for economic development. This scenario becomes problematic for residents because it leaves the tax burden on homeowners. Through the years the City made difficult decisions in order to balance the many public needs such as remaining competitive in the region yet funding capital projects necessary to keep pace with growth. The difficult of striking a balance between competing interests and stakeholders while maintaining a level of service from an operational perspective, has been accomplished.

Based on the data that will be presented in Section V of this report, AC 1 is close to build out, therefore impact fees collected for AC 1 will be a limited funding source for capital improvements in the future.

Other Revenue Sources

Sarasota County and the City of North Port receive dollars from sources other than Ad Valorem taxes. Those sources for North Port include:

- One Cent Sales Tax (surtax)
- General Fund Balance
- Escheated Lots Sales Proceeds

In contrast, Sarasota County collects from the following funding sources such as the following:

- Surtax
- Electric Franchise fee (FPL)
- Fuel taxes
- Tourist development tax (bed tax)
- Communication service tax
- State Revenue sharing
- State fuel tax

Sarasota County is looking into another funding source called the municipal service tax which taxes electric, natural gas, and propane, which they currently do not levy. North Port currently uses this source up to 2% of this tax but can leverage up to 10%.

Findings:

- *Property valued at over Sixteen million dollars has a tax exempt status in AC 1, as of the end of 2005.*
- *AC 1 shows an increase in commercial square footage for 2005. This represents the highest increase in taxable value in the entire history of AC 1 with 90% of that being tied to retail use. If this upward trend continues, North Port will see a steady increase in tax revenue, as well as diversification of the tax base.*

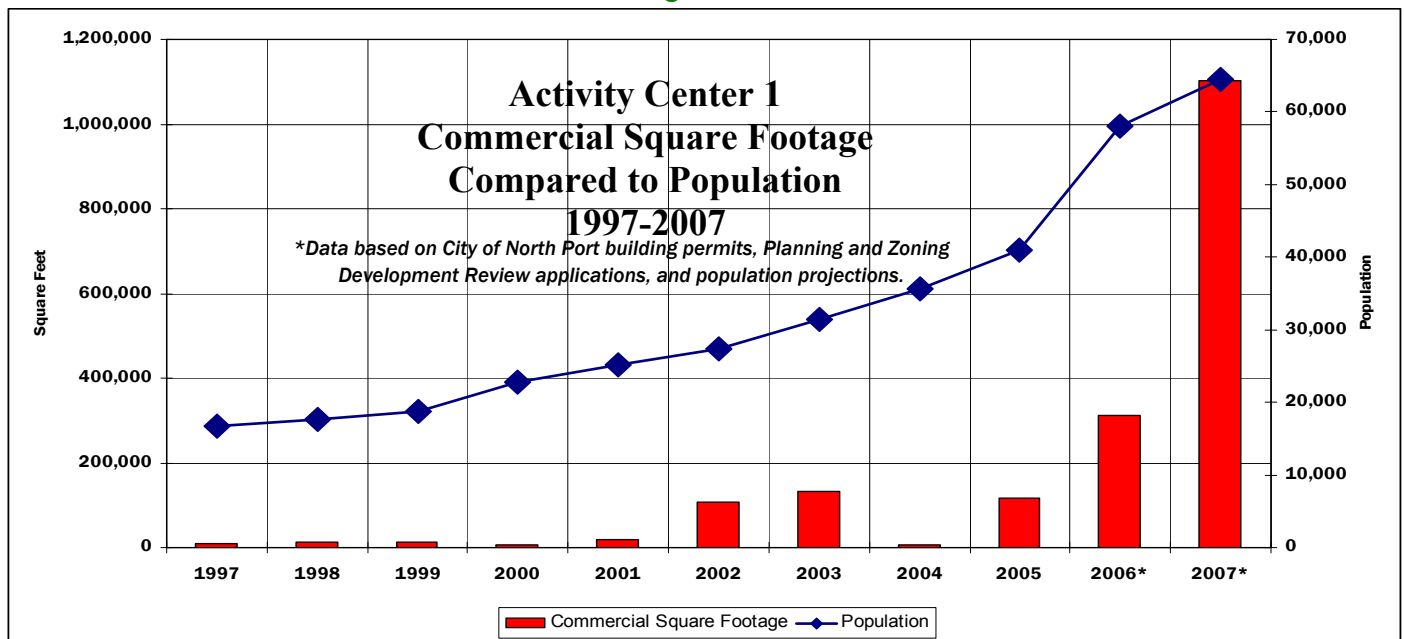
² North Port impact fee update, Duncan and Associates. May 8, 2006.

- Currently, fiscal sustainability for AC 1 is from retail use. During the peaks of retail development the City's tax base peaked as well. In fact, through the end of 2005, 31% of Ad Valorem taxes (North Port's share) were generated by retail development. This figure increases to 52% when compared to developed land only.
- Although properties are increasing in value, the City is receiving less tax dollars today than in the past few years due to the lowering of the tax rate, which in turn provides a business friendly environment for new and existing developments.
- In balancing public needs and staying competitive in the market, the City typically adopted fees lower than that of the recommended amounts from various studies, although with the more rapid population increase, adopted fees have also increased.
- As AC 1 gets closer to build-out, impact fees will become a less significant revenue source for capital improvements than in the past, but the tax base will be improved and diversified.

VI. Future AC 1 Development

Citywide, North Port saw a dramatic increase in single family home permits during the period of 2004 and 2005. With this surge in residential development and the subsequent increase in population, it was expected that an increase in the development of commercial and office square footage would soon follow. In fact, Exhibit C shows that this increase began in 2006 and 2007. Exhibit C is based upon development submittals to the City's Development Review Committee (DRC)³. The exhibit also illustrates parcels that have been constructed and occupied since the last property appraisers update at the end of 2005. As illustrated in Figure 1.10, over 1.1 million square feet of development is in the development review pipeline or has been built since the 2006 property appraisers update. This represents more overall square footage than was built since the incorporation of the City in 1958. This figure also illustrates the square footage built, or being built, as compared to citywide population growth. Although there is a possibility that not all of these projects will continue through the system, or may be delayed due to private business decisions, the impact on employment opportunities as well as the tax base will be examined in subsequent sections.

Figure 1.10

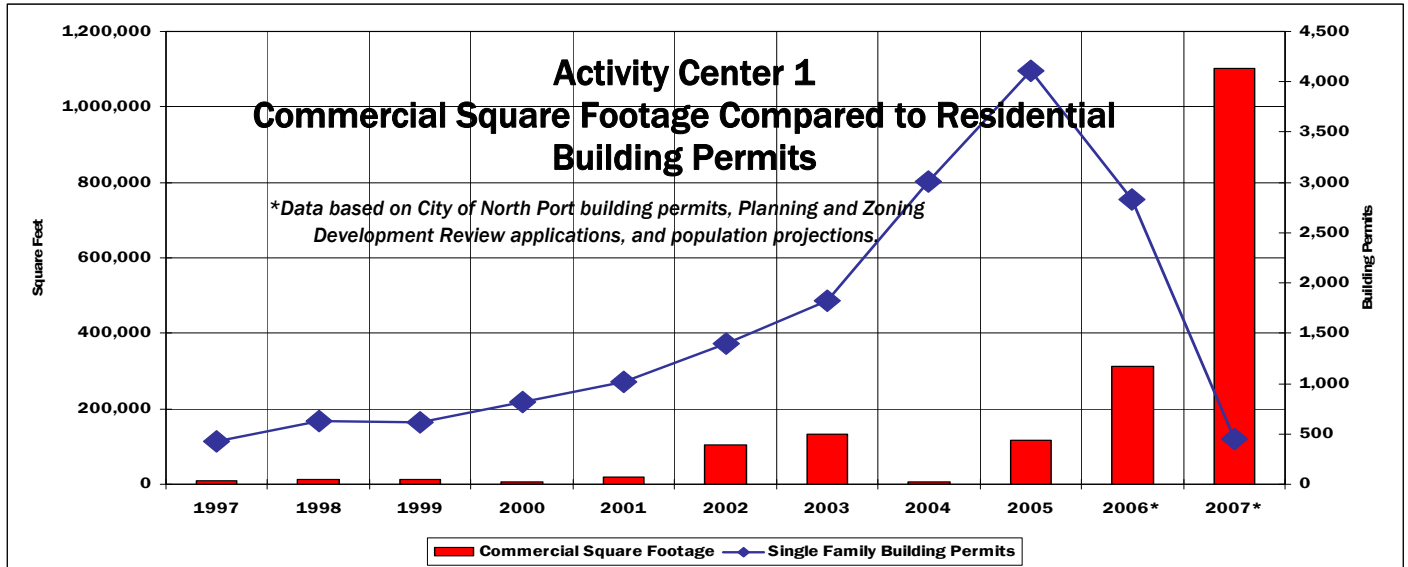


Information based on 2006 Sarasota County Property Appraiser data/ North Port Planning Records

³ Future 75% build-out is based on current activity and DRC applications. ****UPDATE:** At the time of this report, a 46 acre project has submitted a Development Concept Plan, consisting of Office and Residential. This will bring the potential build-out for AC 1 to 82%.

Figure 1.11 is an extension of the previous figure and illustrates commercial square footage as compared to residential building permits from 1997 through July 2007. This figure shows a clear trendline with a spike in commercial development in 2007, presuming all projects continue without delay, but also illustrates the historic spike in residential building permits in 2005. This current spike in commercial square footage may be attributable to the rapid population increase over the last five years. With an estimated population now over 51,000, double that of the 2000 census, market analysis from retailers may now demonstrate that North Port has the economic base to support further business and industrial development with a supporting workforce. As previously illustrated in Figure 1.4, the time period of 2001-2005 showed approximately 24 people per square foot of non-residential development. Now, taking into account development in the pipeline, a slight decrease of approximately 22 people per square foot of development is revealed (the people per square foot will change as other Activity Centers are analyzed).

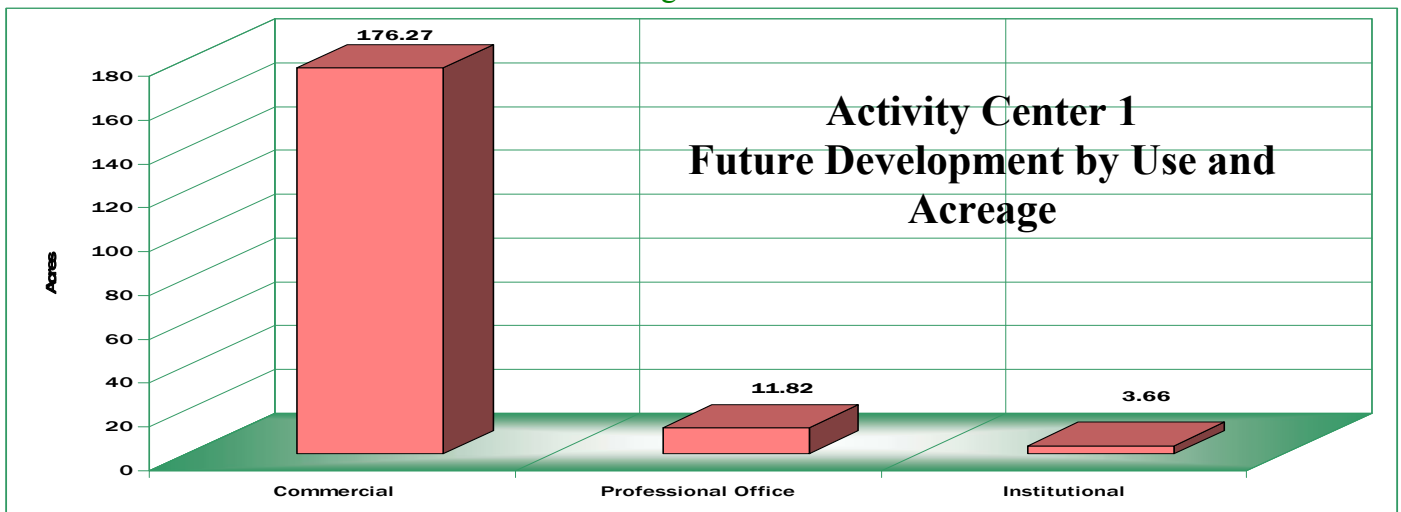
Figure 1.11



Source: Duncan Studies/North Port Impact Fee Ordinances

Figure 1.12, shows a potential of 176 acres of commercial development currently in the ‘pipeline’ along with an additional 12 acres of predominantly multi-story office professional. Children’s First, a day care/learning center for families within certain income levels, makes up the small amount of institutional illustrated in the chart.

Figure 1.12



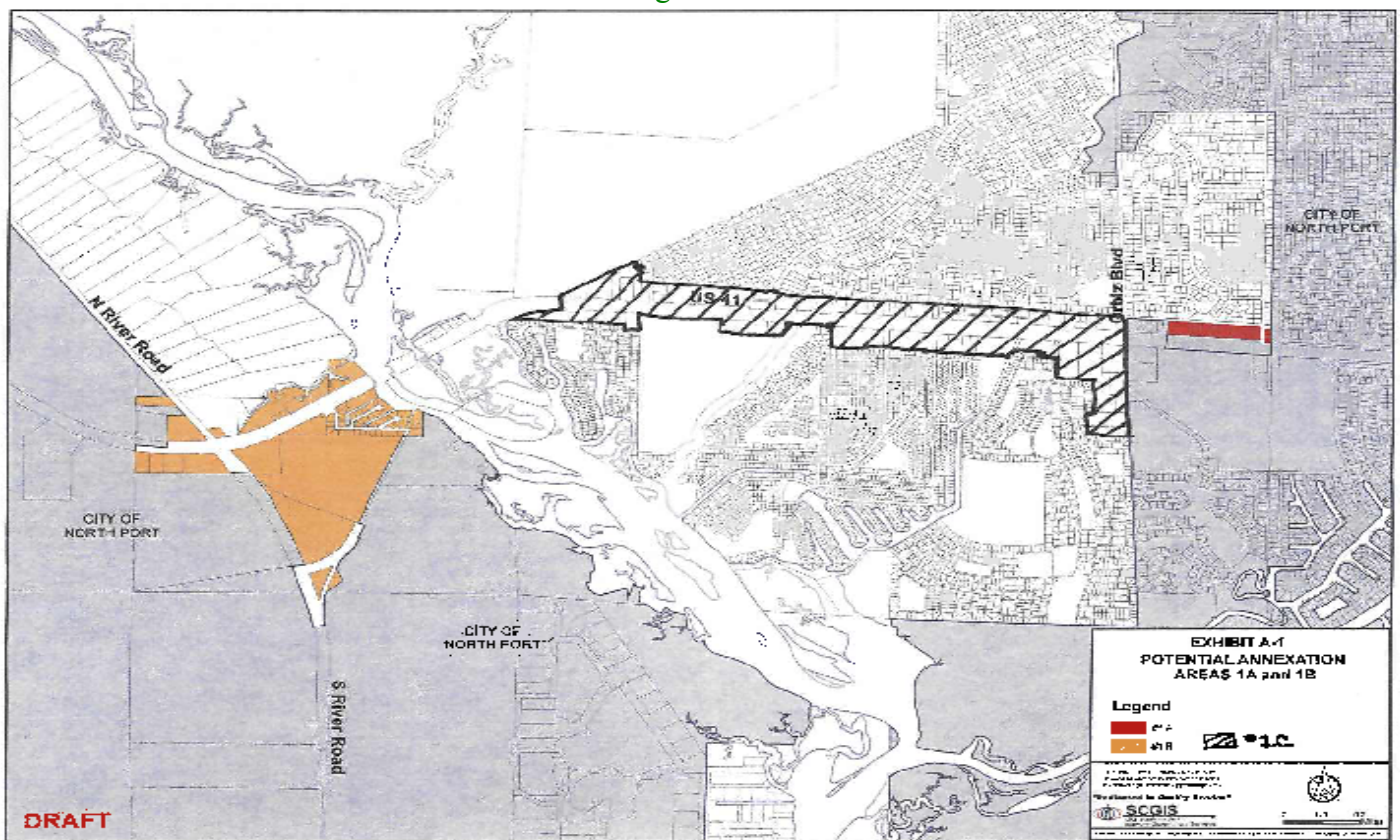
Source: Development review applications, City of North Port building permits

The figure in Exhibit C shows 551.31 buildable acres in AC 1. Of that amount, 182.81 are already built. There are 191.77 potential acres currently under DRC review or built. These developments may take place in 2007-2009. This leaves 176.3 remaining buildable acres for development, if all DRC applications are approved and built. The result, 25% of AC 1 will remain for future development if all current projects continue to completion.

Future Annexation Areas

During the Joint Planning Agreement (JPA) sessions between the City of North Port and Sarasota County, discussions regarding the expansion of the City's future economic base identified several annexation opportunities along the U.S. 41 corridor as illustrated in Figure 1.13 below. By expanding this corridor, the City could bridge the gap between the current City limits near Warm Mineral Springs and the annexed area of Thomas Ranch/West Villages. This would be a logical connection that would also allow the City to continue tax base diversification and continue AC 1 guidelines including architectural requirements, provided the requirements of the recent County Charter changes are satisfied.

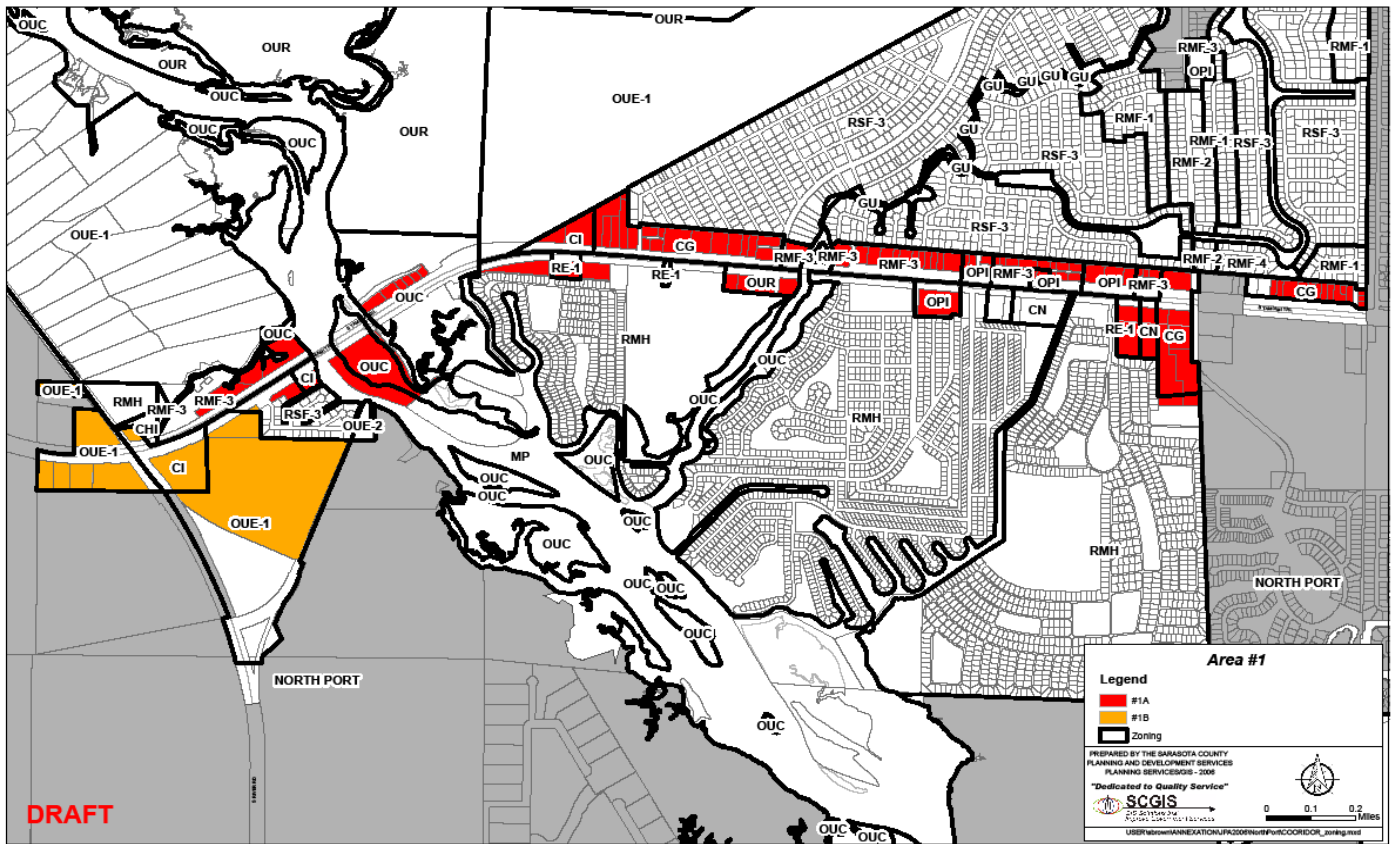
Figure 1.13



Source: Sarasota County GIS division/2007 Joint Planning Agreement Documentation

In order to continue land use trends currently taking place in AC 1, it is desirable that future annexations follow North Port's current planning approach of activity centers implemented by the Planned Community Development (PCD) zoning. This approach would implement the City's vision and standards in the entire corridor between the existing City limits and River Road. The City zoning offers a mixture of uses including both residential and business/office, connectivity to adjacent neighborhoods as well as neighboring commercial/office uses, a unified architectural standard, as opposed to the County zoning within the corridor shown in Figure 1.14. This illustrates that the County zoning currently follows more of a Euclidean type zoning, also known as "Building Block" zoning, which limits flexibility, segregates land uses, does not provide for a unified architectural theme as well as the benefits of connecting to adjacent land uses.

Figure 1.14



Source: Sarasota County GIS division/2007 Joint Planning Agreement Documentation

In terms of revenues to the City, these potential annexation areas, along with remaining buildable acres within the current boundaries of AC 1 were examined. An overall average tax dollar per acre of current development was calculated and used to approximate the amount of possible City tax revenue if all ±185 acres of Figure 1.13 were annexed. A revenue potential of an additional \$530,000 per year in City Ad Valorem was derived. Although annexations bring additional revenues, services including fire, police, and utilities, must be provided to those areas. The remaining vacant land in AC 1, based on current Ad Valorem tax rates, has the potential to generate an additional \$1 million in City tax revenue. All total, (current development, potential development, and potential annexation areas), AC 1 could generate a possible \$2 million⁴ per year in City Ad Valorem taxes.

Findings:

- Taking into account the potential 191 acres coming through the system in 2006/2007, only 32% of AC 1 may remain for development. If developers of the second largest remaining piece of property in AC 1 move forward with a formal application, this would leave only 19% for development.
- Based on Exhibit C, currently, there is more square footage in the system since the 2006 Property Appraiser update (under DRC, under construction, or submitted development concept or major site plans) than all the square feet built since the incorporation of the City.
 - This may be due in part to the fact that AC 1 has accessibility, infrastructure and utilities already in place.
- There are several future annexation possibilities that can aid in expanding the City's commercial/industrial land area for AC 1. In addition, these areas have the potential to generate \$530,000 in City Ad Valorem taxes.
- AC 1 future land use classification and PCD zoning would be desirable for future annexation areas.

⁴ Figures are based on the City's 2007 updated Ad Valorem tax rate of 2.9805%. Figures are general and based on averages from numerous developments currently on the Tax Rolls.

VII. Potential Relationship of Land Use to Jobs & Housing

The residential areas adjacent to this Activity Center are predominantly made up of housing that is considered affordable (0-30% area median income), workforce very low (30-50% area median income), and workforce low (50-80% area median income). Willow Creek Apartments are part of this Activity Center and there are several existing and planned social service facilities on Pan American Boulevard to serve residents and business in the surrounding areas. The residential opportunities within and connected to AC 1 implement the recommendations set forth in the 2007 Housing Report. Those recommendations include the opportunity to live and work in the same general area, with access to public transportation, thereby spending less income on commuting and more time with family. The importance of mixed land uses leads to additional employment opportunities.

Table 1.4 illustrates the impacts that current, upcoming/pipeline, future development, and potential annexation areas have on employment opportunities. Using economic/employment data which calculates average number of employees per square foot of a particular land use, there are currently an estimated 1,924 employment opportunities within AC 1 with over 50% in commercial/retail type uses. When the prospective 1.2 million additional square feet of development are completed, an additional 3,375 jobs may potentially be created. In total, over 70% of jobs will be commercial/retail (500 jobs alone created by Wal-Mart). According to the 2007 Housing Report, retail related jobs pay on average approximately \$7.93-\$11.87 per hour⁵.

Using employment projections to calculate household unit demand (households encompass heads-of-household, single worker household, or multi-worker household), a possible 619 very low income households may be created, and 1,129 low income households may be created⁶.

⁵ Bureau of Labor Statistics, Sarasota-Bradenton-Venice MSA

⁶ Projected unit demand was derived using economic ratio's for areas with heavy commercial component. Less 13% for high income jobs, ratio breakdown includes: 17% very low, 31% low, and 51% workforce.

Table 1.4

Activity Center 1 Potential Employment Opportunities					
	Current Jobs	Possible Jobs w/ Development Under Review	Possible Jobs w/ Remaining Vacant Land	Possible Jobs w/ Annexation Areas	Totals
Commercial/Retail	1,130	2,673	1,774	1,865	7,442
Commercial/Office	86	567	298	310	1,261
Medical/Vet	226	0	98	103	427
Restaurant	79	50	54	52	235
Financial Institution	105	15	50	50	220
Gas/Car Wash	6	0	6	6	18
Hotel	12	0	0	38	50
Industrial	24	0	164	103	291
Institutional	218	32	20	25	295
Govt/other	38	38	38	38	152
Totals	1,924	3,375	2,502	2,590	10,391

Projected Unit Demand by Households and Income					
Income Ranges	Current Unit Demand	Potential Unit Demand w/development under review	Possible Units w/ Remaining Vacant Land	Possible Jobs w/ Annexation Areas	Totals
Very Low Income	115	201	149	154	619
Low Income	209	367	272	281	1,129
Moderate (Workforce) Income	344	603	448	463	1,858
Totals	668	1,171	869	898	3,606

Development trends and assumptions were used to estimate future development, jobs, and households

Economic employment ratio's were used to calculate jobs based on use/possible use and square feet/possible square feet

Income ranges based on a percentage ratio of very low, low, and moderate income per Activity Center. Total jobs converted to households, less 13% for market incomes (over 120% AMI). Institutional uses such as churches utilize many volunteer workers.

Possible jobs under review are contingent on developments continuing to CO

Source: development/employment forecast ratios with assistance from Florida Economic Advisors

As discussed previously, there are several future annexation opportunities. Using current trends throughout this corridor and utilizing the same formula as in Table 1.4, there is a potential of 10,391 jobs in AC 1.

Findings:

- Office, medical, and uses other than retail are needed to ensure a better mix of employment opportunities.
- An estimated 1,924 jobs are currently available in AC 1. With 3,375 additional jobs that may be created with the added 2006-2007 square footage not currently on the tax rolls, this gives a total of 5,299 potential jobs in AC 1. If all vacant land and potential annexation areas are included, a total of 10,391 potential jobs will be created for AC 1.
- A possible 316 very low income households may be created from current and development under review. At build-out, including annexation areas, a possible demand of 619 very low income households may be created.
- The housing stock surrounding AC 1 has the predominant share of units valued at a price that is affordable to a household earning less than 80% of the area median income. (see 2007 Housing Report)
- AC 1 allows residents from adjacent neighborhoods to live and work in the same general area.

LAND SALES

COMPARABLE LAND SALE 1

L10 21 5068

Location: 1322 N. Main Street, Northeast quadrant of N. Sumter Boulevard and West Price Boulevard, North Port

Legal Description: Lot 8, Heron Creek Town Center North

Property ID#: 0979110001

SALES INFORMATION

Date of Sale: January,2020

Recording: Instrument #: 2020007282

Grantor: Heron Creek Associates LLC

Grantee: NX North Port Owner LLC

Sales Price: \$2,813,800

Cash Equivalent Price: \$2,813,800

Cash Equivalent Unit Price: \$3.77 per SF

Property Rights Conveyed: Fee Simple

Conditions of Sale: Arm's-length

Cash Down Payment: \$

Financing: \$36,965,259, conventional

Verified With: Michael Hartenstine, grantor

Verified By: Hetteema, Saba

SITE CHARACTERISTICS

Land Size: 17.14 Acres

Shape/Dimensions: Mostly Rectangular

Zoning: PCDN (Planned Community Development) city of North Port

Land Use Designation: Activity Center 2

Utilities: Central water and sewer

Highest and Best Use: Residential Development

Proposed Use: Independent and Assisted Living, Memory Care Facility

CASH EQUIVALENCY

This transaction was all cash to seller. Buyer paid an undisclosed amount in cash and obtained conventional financing for acquisition and development totaling \$36,965,259 provided by TCF National Bank.



COMPARABLE LAND SALE 2

L10 20 5022

Location: 1651 West Price Avenue, intersection with
Citizen Parkway, North Port, FL.

Legal Description: Lot 1, Maxfield Office Park, Phase II, Sarasota
County

Property ID#: 0984-02-0100

SALES INFORMATION

Date of Sale: August,2019

Recording: Instrument #2019106002

Grantor: American Momentum Bank

Grantee: SP Port LLC

Sales Price: \$2,100,000

Cash Equivalent Price: \$1,300,000

Cash Equivalent Unit Price: \$3.54 per SF

Property Rights Conveyed: Fee Simple

Conditions of Sale: Arm's-length

Cash Down Payment: \$2,100,000

Financing: None recorded, all cash

Verified With: Steve Lannon, Colliers International Southwest
Florida

Verified By: Ronald M. Saba, MAI, Hetteema, Saba

SITE CHARACTERISTICS

Land Size: 8.44 Acres

Shape/Dimensions: Mostly Rectangular

Zoning: PCDN (Planned Community Development),
City of North Port

Land Use Designation: Activity Center 5, City of North Port

Utilities: Central water and sewer

Highest and Best Use: Multi Family Development

Proposed Use: 126 Unit Low Income Apartment Complex

REMARKS

According to Steve Lannon with Colliers International, listing brokers the property sold for above market pricing due to affordable housing credits. Contact with the grantee was unsuccessful. The list price was \$1,300,000. This list price is used as the cash equivalent price of \$3.54 per sf which is consistent in the market area for multifamily housing. See 220C030.

CASH EQUIVALENCY

This transaction was all cash to the seller, with the buyer paying the entire \$2,100,000 purchase price in cash. No cash equivalency adjustment is applied.



COMPARABLE LAND SALE 3

L10 21 5069

Location: 1250 Sun Market Place, Southeast quadrant of S. Toledo Blade Boulevard and E. Price Boulevard, North Port

Legal Description: Tracts C-1 and C-2, Suncoast Plaza II

Property ID#: 0984070080 and 0085

SALES INFORMATION

Date of Sale: January, 2019

Recording: Instrument #: 2019002279

Grantor: Toledo Price Plaza LLC

Grantee: The Flats at Sundown LLC

Sales Price: \$2,500,000

Cash Equivalent Price: \$2,500,000

Cash Equivalent Unit Price: \$3.17 per SF

Property Rights Conveyed: Fee Simple

Conditions of Sale: Arm's-length

Cash Down Payment: \$645,000

Financing: \$1,855,000, Conventional

Verified With: Public records

Verified By: Ronald M. Saba, MAI, Hetteema, Saba & Walch

SITE CHARACTERISTICS

Land Size: 18.13 Acres

Shape/Dimensions: Rectangular

Zoning: PCDN (Planned Community Development) city of North Port

Land Use Designation: Activity Center 5

Utilities: Central water and sewer

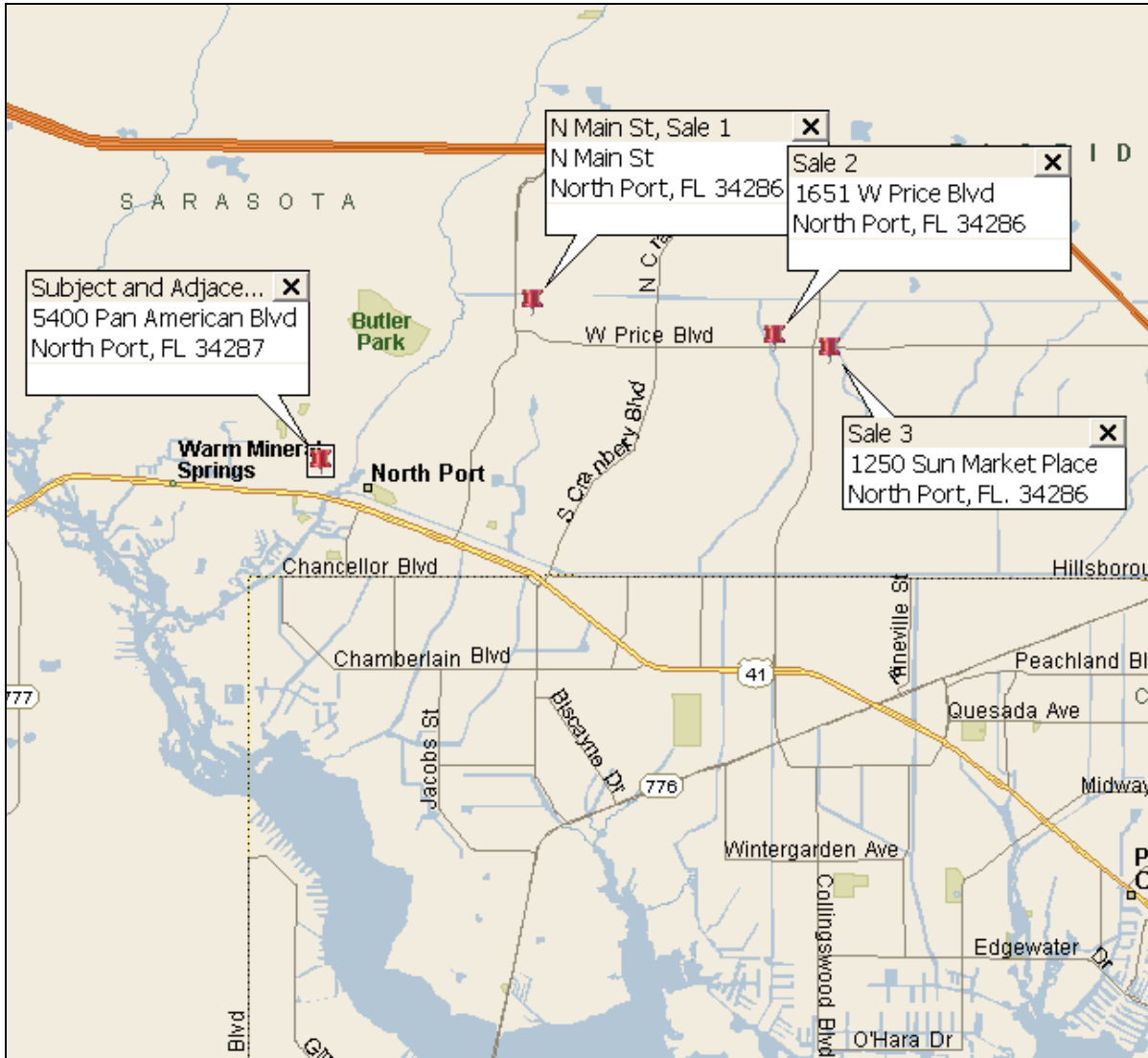
Highest and Best Use: Multi Family Development

Proposed Use: 234 Unit Apartment Complex

CASH EQUIVALENCY

This transaction was all cash to the seller. The buyer paid \$645,000 in cash and obtained conventional financing totaling \$1,855,000.00 provided by Merchants Bank of Indiana.





Land Sales Location Map

QUALIFICATIONS

QUALIFICATIONS

Ronald M. Saba, MAI

Ron is a director with Hettema Saba Commercial Real Estate Valuation Advisory Services. Over the prior 30 years, he has practiced real estate valuation and consulting in various projects ranging from single-tenant commercial buildings, complex special use projects, conservation properties, multiple parcel assignments and right-of-way damage analyses. He has experience in right-of-way projects ranging up to 70 parcels per project. These projects dealt with partial takings for right-of-way purposes, easements, total takings, and severance damage issues. Prior projects include: Tuttle Avenue, Cattlemen Road, Bahia Vista Street, Myrtle Street, Ashton Road, Bee Ridge Road, River Road, Aqua-source utility easements, Desoto Road, Phillippi Creek septic system replacement utility easement, Border Road, Catfish Creek storm water easement project, and, Piper Road Extension Project in Charlotte County.

Email: rsaba@hettemasaba.com

Professional Affiliations/Accreditations:

Designated Member of the Appraisal Institute (MAI), Certificate 10,294
State Certified General Real Estate Appraiser by the Florida Real Estate Commission, RZ2213
Qualified Expert Witness to Sarasota and Charlotte County Circuit Courts
Special Hearing Magistrate, Sarasota County Value Adjustment Board, past
Licensed Real Estate Person – State of Florida

Education:

Florida State University
School of Business Administration, Bachelor of Science in Real Estate and Finance

Appraisal Institute Courses/Seminars

Appraisal Institute Comprehensive Appraisal Examination and Demonstration Appraisal Report

Continuing Education Courses/Seminars:

Uniform Standards of Professional Practice, Florida Law, Business Practices and Ethics, Expert Witness, Litigation, Condemnation, Wetland Valuation, Uniform Appraisal Standards for Federal Land Acquisition and Partial Interest Valuation.

Approved Appraiser/Client:

Florida Department of Environmental Protection
Florida Department of Transportation
Trust for Public Lands
Sarasota County
Conservation Foundation of the Gulf Coast

Charlotte County
School Board of Manatee County
Financial Institutions
Florida Power & Light
Manatee County

Professional and Community Organizations:

Board of Directors, Westcoast Florida Chapter of the Appraisal Institute, past

Region X Alternate, Westcoast Florida Chapter of the Appraisal Institute, past

Association of Eminent Domain Professionals

President, Life of Riley Foundation, which provides awareness and research for pediatric brain tumors and support for their families.



Ron DeSantis, Governor

Halsey Beshears, Secretary



**STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

FLORIDA REAL ESTATE APPRAISAL BD

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

SABA, RONALD MAURE

3307 CLARK ROAD STE 203
SARASOTA FL 34231

LICENSE NUMBER: RZ2213

EXPIRATION DATE: NOVEMBER 30, 2022

Always verify licenses online at MyFloridaLicense.com



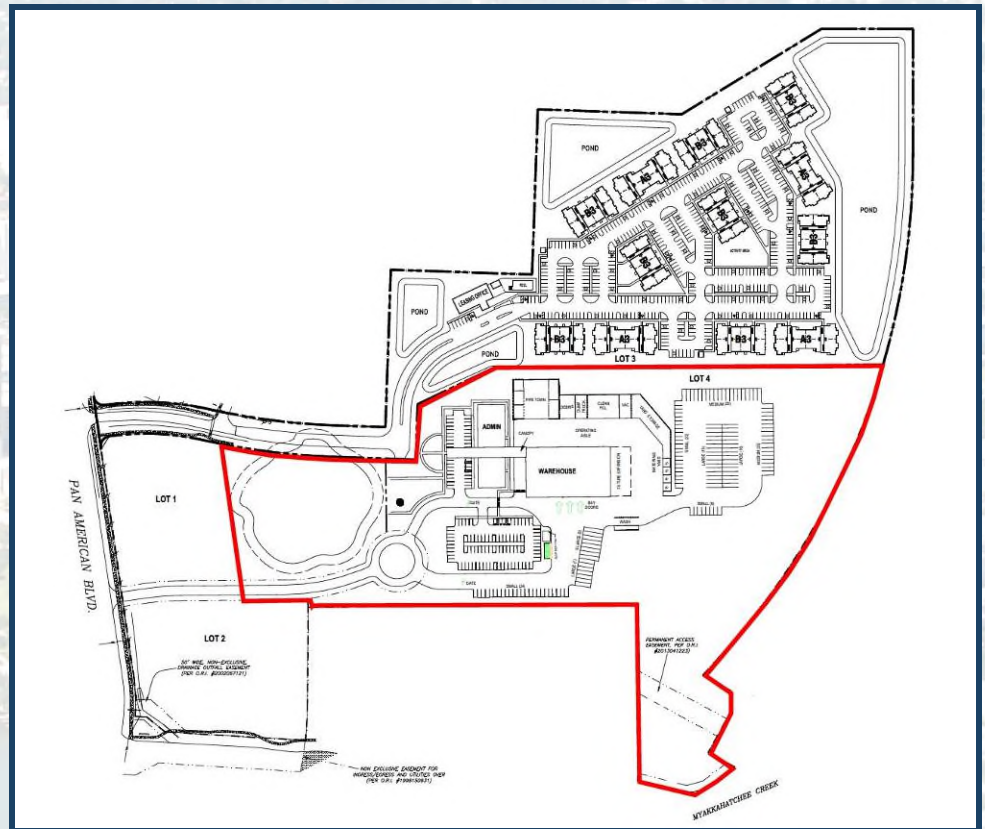
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An Appraisal Report

North Port Land
Lot 4 at 5400 Pan American Blvd
North Port, Sarasota County, FL



Prepared By:

Entreken Associates, Inc.
1100 16th Street North
Saint Petersburg, Florida 33705
EAI File #: 20210293

Prepared For:

Ms. Arlena Dominick
Consultant Project Manager
Right of Way Acquisition Support Services
American Acquisition Group, LLC
825 S Osprey Ave, #305
Sarasota, FL 34236

January 4, 2022

Ms. Arlena Dominick
Consultant Project Manager
Right of Way Acquisition Support Services
American Acquisition Group, LLC
825 S Osprey Ave, #305
Sarasota, FL 34236

Re: An Appraisal Report
Lot 4 at 5400 Pan American Blvd
North Port, FL 34287

Dear Ms. Dominick:

At your request, Entreken Associates, Inc. ("EAI") has prepared an Appraisal Report of the above-referenced property for the purpose of estimating the value of the Fee Simple interest of the real estate asset, as is, as of the effective date of value.

The subject property is located on the east side of Pan American Blvd approximately 800' north of US Highway 41 (Tamiami Trail) in the City of North Port. The subject property is a 17.31+/- acre tract of vacant land to be known as Lot 4 of a larger 43+/- acre site. See the Site Plan in the Addenda for layout. The subject property's parent tract is identified by the Sarasota County Property Appraiser as Parcel Number(s) 0996-00-1000. The subject property is more fully described in the body of this report.

To the best of our knowledge and belief, our analyses, opinions, and conclusions were developed, and this report has been prepared in conformance with the standards and reporting requirements set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), as promulgated by the Appraisal Standards Board of the Appraisal Foundation; the FDIC Market Value Definition; the Appraisal Institute's Code of Ethics and Standards of Professional Practice; Title XI of the Federal Financial Institution Reform, Recovery, and Enforcement Act of 1989 (FIRREA), the Interagency Appraisal and Evaluation Guidelines; as well as our understanding of the appraisal guidelines of American Acquisition Group, LLC.

The intended users of this report are American Acquisition Group, LLC and The City of North Port. The intended use of this report is for The City of North Port to use as a basis for establishing a market value of the subject. No other users or use is intended or authorized by Entreken Associates, Inc. The scope of this assignment is restricted to the specific identified intended use and user noted above. Under no circumstances, shall any of the following parties be entitled to use or rely on the appraisal or this appraisal report: (i) the borrower(s) on any loans or financing relating to or secured by the subject property, (ii) any guarantor(s) of such loans or financing, or (iii) principals, shareholders, investors, members or partners of such borrower(s) or guarantor(s).

After careful consideration of all factors pertaining to and influencing value, the data and analysis thereof firmly supports the following final value opinion(s) for the subject real estate as of the following date(s):

Summary of Values

	As Is Fee Simple Market Value
Effective Date of Value	December 14, 2021
Market Value Indication	\$2,900,000

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analyses, or if Entreken Associates, Inc., can be of additional service, please contact us.

Respectfully submitted,

Entreken Associates, Inc.



Wesley Sanders, MAI, AI-GRS, CCIM
Senior Managing Director
Florida State-Certified General
Real Estate Appraiser No. RZ2911
wsanders@eai-rea.com
727.894.1800 ext. 203

Tampa Bay Office

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<http://entrekenassociates.com>

Florida Keys Office

2409 N Roosevelt Blvd, Ste. 1, Key West, FL 33040
Ph. (305) 767-3410
<https://floridakeysappraisals.com>

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Summary of Salient Facts and Conclusions

Property Information

Client File No.:	None
Address:	5400 Pan American Blvd
City:	North Port
State:	FL
Zip Code:	34287
County:	Sarasota
Latitude & Longitude:	27.04791, -82.23858
Ownership Entity:	5400 Group, LLC
Entreken File No.:	20210293

Site Information

Gross Land Area (Acres):	17.31
Gross Land Area (Sq. Ft.):	754,024
Net Land Area (Acres):	17.3
Topography:	Generally Level
Shape:	The site is irregular in shape
Flood Zone:	X & AE
Zoning Designation:	PCD

Tax Information

Current Assessed Value:	\$1,344,900
Current Tax Obligation:	\$26,109

Highest and Best Use Conclusions

As Vacant:	Mixed-use or residential development
As Improved:	N/a

Summary of Values

	As Is Fee Simple Market Value
Effective Date of Value	December 14, 2021
Market Value Indication	\$2,900,000

Extraordinary Assumptions:

- There are no extraordinary assumptions for this appraisal.

Hypothetical Conditions

- There are no hypothetical conditions for this appraisal.

Projected Exposure and Marketing Time

Exposure time is estimated at 5-7 months for the subject property. Marketing time is estimated at 5-7 months for the subject.

Scope of Work

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s). Therefore, the appraiser must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

Client, Purpose, Intended Use and User

The client of this report is American Acquisition Group, LLC and the intended users of this report are American Acquisition Group, LLC and The City of North Port. The purpose of the appraisal is to estimate market value of the subject property to be acquired by The City of North Port. The intended use of this report is for The City of North Port to use as a basis for establishing a market value of the subject. No other use is intended or authorized by Entreken Associates, Inc. The scope of this assignment is restricted to the specific identified intended use and user noted above. Under no circumstances, shall any of the following parties be entitled to use or rely on the appraisal or this appraisal report: (i) the borrower(s) on any loans or financing relating to or secured by the subject property, (ii) any guarantor(s) of such loans or financing, or (iii) principals, shareholders, investors, members or partners of such borrower(s) or guarantor(s).

Intended User Reliance Language

None.

Report Type

This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a) of the 2018-2019 USPAP Report Definitions. This format provides minimal summary of the appraisal process, subject and market data and valuation analyses. The supporting documentation is retained in our files.

This analysis was prepared in an Appraisal Report with Abbreviated Summary Format. Additional supporting documentation is retained in our workfile and database. The significant elements of scope included the following: Inspection of the subject property. Collection, verification, and analysis of market data through searches of our in-house sales database, and multiple subscription-based sales databases. The most probable buyer for the subject property is a local developer, and the Sales Comparison Approach was used as it is the most applicable for the subject in the current market. It is our opinion that the scope of research and analysis associated with an Appraisal Report is adequate to produce a credible value conclusion that will serve the needs of the client.

Market Area and Analysis of Market Conditions

A complete analysis of market conditions has been made. We maintain and have access to comprehensive databases for this market area and have reviewed the market for sales and listings relevant to this analysis. The market overview is summarized within this report, while additional data is retained in our files and database.

Highest and Best Use

A highest and best use analysis for the subject has been conducted. Physically possible, legally permissible and financially feasible uses were considered, and the maximally productive use was concluded.

Property Identification

The subject has been identified by the legal description and the assessors' parcel number, as well as the provided survey and/or site plan.

Property Rights Appraised

We have appraised the Fee Simple property rights of the subject property.

Subject Inspection

Wesley Sanders, MAI, AI-GRS, CCIM has completed a visual observation of the subject's exterior on December 14, 2021.

Use of Real Estate as of Effective Date of Value

As of the as is effective date of the appraisal, the subject was vacant land.

Appraisal Process

Typically, the cost, sales comparison, and income approaches are used in determining the value of a property. The indicated value developed by these various approaches is weighed by the Appraiser based on the reliability of market data in determining the final value estimate.

Income Capitalization Approach

The income approach measures the present worth of anticipated future benefits (net income) derived from a property. The approach develops the subject property's estimated net income during the remaining economic life of the improvements. It consists of estimated vacancy, gross income, expenses and other charges. The net income is capitalized to arrive at an indication of value. In the case of multi-tenanted properties, or where a property is not fully leased, a discounted cash flow (DCF) analysis may also be appropriate.

Sales Comparison Approach

The sales comparison approach produces a value estimate by comparing the subject property to recent sales of similar properties in the same or competing market areas. Inherent in this approach is the principle of substitution. The comparative process involves judgment as to the similarity of the subject and the comparable sale with respect value factors such as the time of sale, land size, building size and quality of construction. The estimated value through this approach represents the probable price at which the subject property would be sold as of the date of value.

Cost Approach

The cost approach considers the current cost of reproducing a property, less depreciation. The value of the land, as if vacant and available for development, is added to the depreciated cost in arriving at a value conclusion by the cost approach. This approach is based on the assumption that a purchaser is not warranted in paying more for a property than the cost of the land and duplicating the improvements.

Applicable Appraisal Methods

The income capitalization approach was considered and was not developed because while the subject could generate an income stream, it would not maximize the site potential. The sales comparison approach was considered and was developed because there is adequate data to develop a value estimate and this approach reflects market behavior for this property type. The cost approach was considered and was not developed because it is not applicable for the vacant land value.

Conformity

We developed our analyses, opinions and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA); and the requirements of our client as we understand them.

Sources of Information

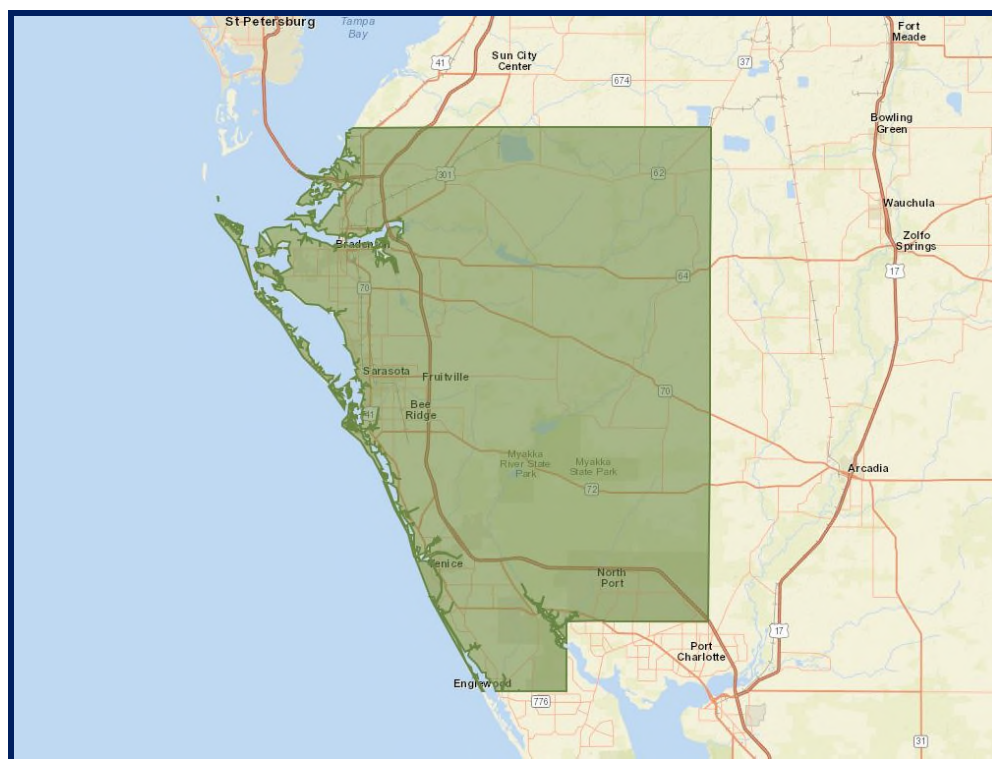
We obtained information from public records, the client, property contact, and a variety of sources as noted throughout the report.

Regional Analysis

North Port-Bradenton-Sarasota Metropolitan Area Analysis

Overview

The subject property is located in Sarasota County, Florida, within the North Port-Bradenton-Sarasota Metropolitan Statistical Area (MSA). The North Port-Bradenton-Sarasota MSA consists of Sarasota and Manatee Counties. It includes the major municipalities of Bradenton, located in Manatee County. It also includes the municipalities of Sarasota and North Port, both located in Sarasota County. Because the subject benefits from the strength of the area, an overview of the market is appropriate, followed by a description of the community in which the subject is located. The North Port-Bradenton-Sarasota MSA is located in west central Florida on the Gulf of Mexico and encompasses 6,137 square miles. The MSA is located along the Interstate 75 corridor, which stretches as far north as Cincinnati and travels southeast to Miami. The interstate highway also travels through Lexington, Kentucky; Chattanooga, Tennessee; Atlanta, Georgia; Ocala, Florida; Tampa, Florida and through Fort Myers, Florida. The area is situated along the Gulf of Mexico and has an excellent highway system, which includes Interstates 4, 75, 175, 275 and 375. The area is located approximately 60 miles south of Tampa and approximately 75 miles north of Fort Myers.



REGIONAL MAP

General Description

Manatee County was founded in 1855. The county seat, Bradenton, was founded in 1903. It totals 14.44 square miles, made up of 12.11 square miles of land and 2.33 square miles of water. The average elevation is 6 feet. Barrier islands along Manatee County, across the Intracoastal Waterway include Longboat Key and Anna Maria Island. Immediately south of Bradenton is Sarasota, part of Sarasota County, with University Parkway being the county line.

Sarasota is the county seat of Sarasota County. The city was incorporated in 1913. The city totals 25.9 square miles with 14.9 square miles being land and 11.0 square miles of water. It is located along the east side of the Sarasota Bay with an elevation of 16 feet. Across Sarasota Bay are the barrier islands Siesta Key, Lido Key, and Longboat Key.

MSA AT A GLANCE - NORTH PORT-SARASOTA-BRADENTON FL

Traditionally, the Sarasota metro and its economy have been defined by a large population of affluent retirees, with individuals aged 60-69 years old comprising 17% of the metro's population. The area's tourism is known for its dynamic art scenes and exceptional beaches including but not limited to the Siesta Keys, Nokomis, and Longboat Key. As for real estate, construction cranes never left the skyline for years, making the future of the economy brighter.



Average Annual Rainfall: 54"
Average Rainfall Days: 8 days
Average Sunshine: 10 days



Annual High Temperature: 81.8 F
Annual Low Temperature: 64.2 F
Average Annual Temperature: 73.0 F



Beaches



Arts



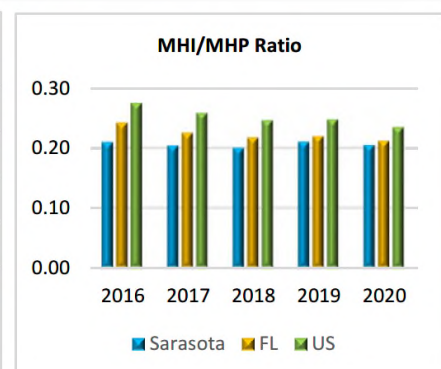
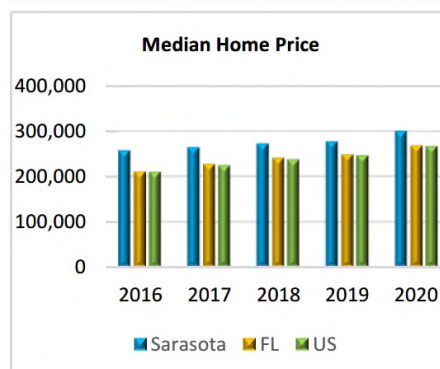
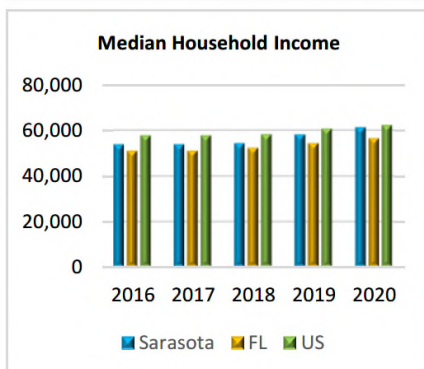
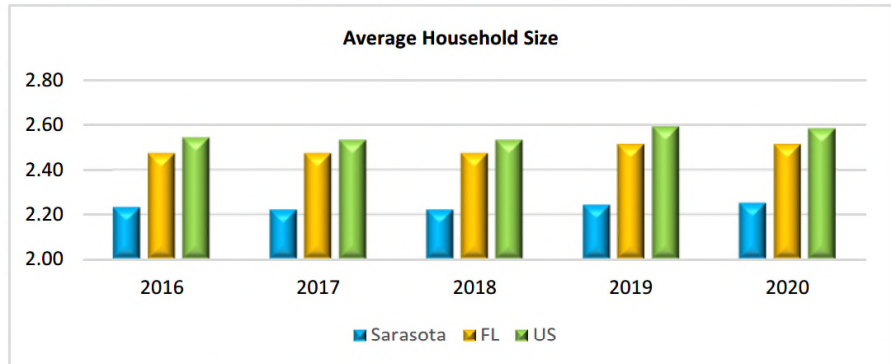
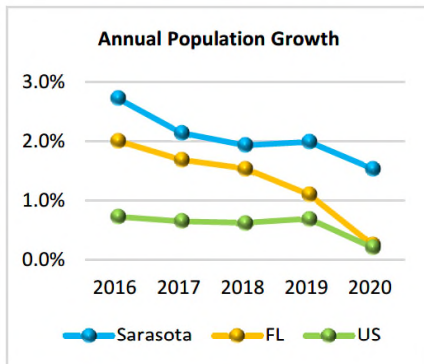
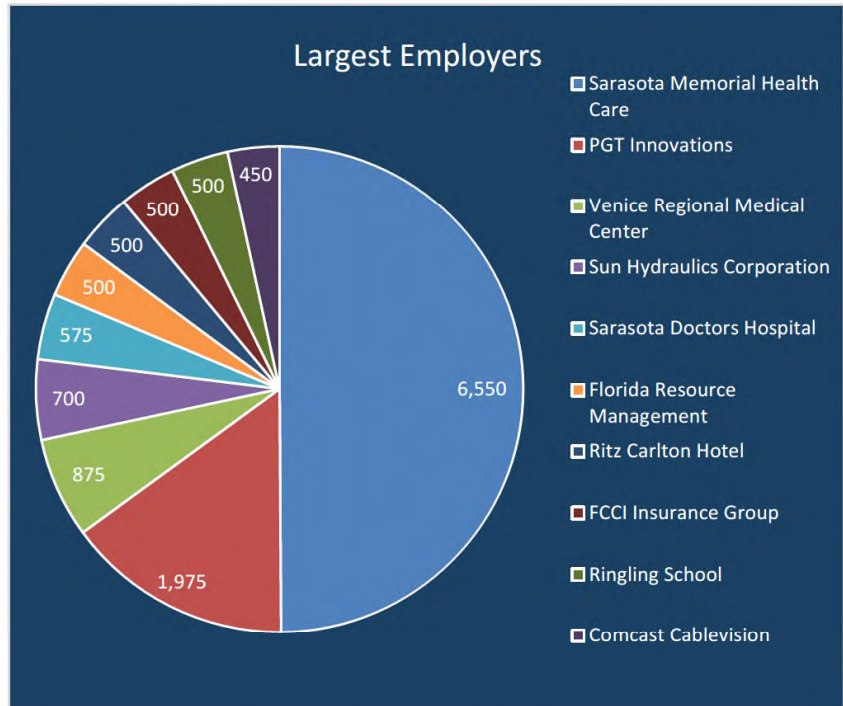
Education

Economic Drivers

Part of the strengths of Sarasota's metro is its size, good schools, arts and infrastructure. Statistics show that the region is attracting more creative minds, supported by migrants of approximately 5,000 from Sarasota alone. The largest universities noted in the area are State College of Florida-Manatee Sarasota, Manatee Technical Institute, and University of South Florida. Several tech-driven companies are also seen to be growing fast, specifically in the healthcare

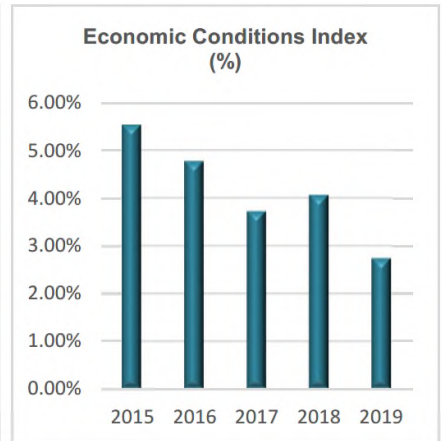
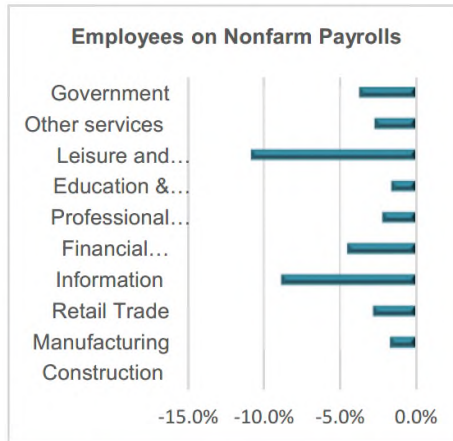
Key Demographics

- In 2021, the Sarasota metro area had approximately 866,000 residents, and currently stands 5th in the metro rankings across Florida.
- The median household income for the area is \$64,997 and is \$6,535 greater than the state average.
- The average household size is 2.25
- The median price of homes that sold is \$432,000.
- Since 2015, the ratio of Median Household Income to Median Home Price has decreased in Sarasota and across Florida, indicating less home affordability, while the same ratio was stable across the US.



Employment

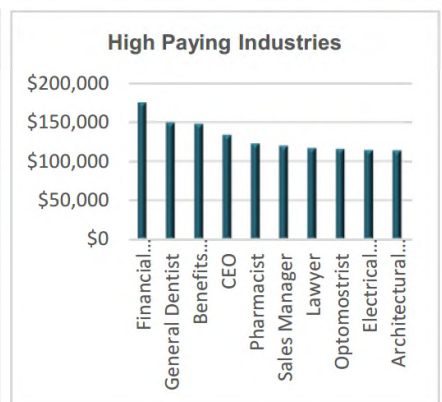
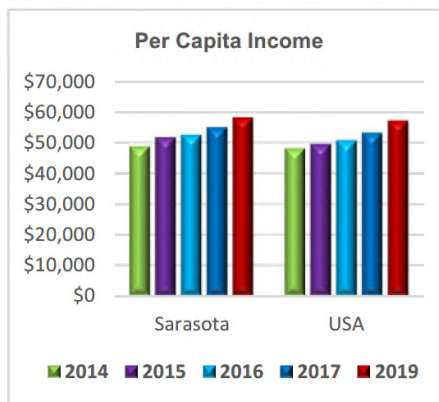
The Sarasota metro's unemployment rate decreased to 3.7% in September 2021 according to the Bureau of Labor and Statistics figures. The losses slowed in mid-2020 as Florida re-opened businesses, but much of leisure, hospitality and tourism industries had ground to a halt. Among the other hardest hit industries were health care, social assistance, retail trade, professional and business services, and construction. Health care job loss may seem unexpected, but the sector lost at least 43,000 jobs nationally, according to the report. Since mid-2020, these industries have recovered, and Florida unemployment now well outpaces the national average.



Income

A typical individual works an average of 31.9 hours per week, which has been at its most reduced since the year 2010. While the number of productive hours was lessened, the average income earned by an individual progressively increased. Sarasota metro finished off at \$64,997 by the end of 2021 and has contributed to the improvement of the residents' household income. Households in all classes are getting increases in their respective earnings, particularly the ones with 45-64 years old.

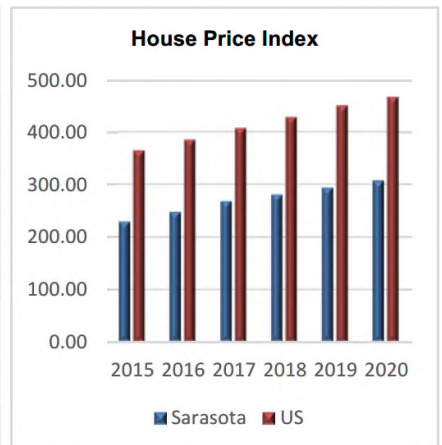
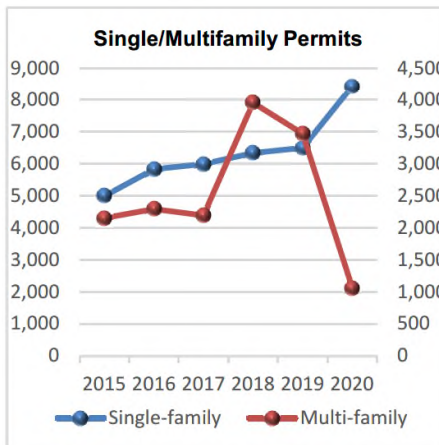
ECONOMIC INDICATORS	2015	2016	2017	2018	2019
Gross Domestic Product (% change)	5.19	3.5	4.0	6.4	6.0
Total Employment (% change)	2.0	3.3	3.1	2.2	1.3
Unemployment Rate (%)	4.5	4.4	3.3	2.9	3.4
Personal Income Growth (\$ in ths)	51.5	51.7	53.7	56.4	58.1
Median Household Income (\$ in ths)	52.7	53.6	54.3	56.1	57.9
Population (# in ths)	767.3	788.3	805.1	820.7	836.9
Net Migration (# in ths)	20.2	21.3	17.4	17.3	18.8
Single-family Permits (# in ths)	4.9	5.8	5.9	6.3	6.5
Multi-family Permits (# in hds)	263	318	237	129	216
House Price Index (1995Q1=100)	217.10	240.67	260.53	276.20	291.30



Housing

Focusing on the housing's economic effect, a more prominent number of homes under development as of 2019 were single-family. There were 6,542 dwelling units built at an average value of \$252,000 per dwelling unit. The units have expanded approximately 2.5% from its lowest number in 2011. The number of multi-family homes increased from 2018, and had 216 complexes in 2019, at a rate of \$290,600 per dwelling unit.

The creation of homes produces a huge impact to Sarasota's commitment to society as it generates new jobs. This will likewise draw in investors, given the economy that the area offers.



Sources: Sarasota EDC, Dept. of Numbers, FRED Economic Research, BLS, Data USA, Texas A&M REC, Census Bureau

North Port-Sarasota-Bradenton Metropolitan Statistical Area (MSA)

The North Port-Sarasota-Bradenton MSA is sometimes considered part of the Greater Tampa Bay area. This area is the 73rd largest metropolitan area in the United States and the 5th largest metropolitan area in the state of Florida. Currently, the area maintains a strong presence in various fields including finance, health care, information technology, higher education and research, and avionics, defense and marine electronics.

Linkages

Interstate 75 traverses north and south through the center of the county. This limited-access highway provides access to Tampa to the north and Fort Myers to the south. Interstate 75 is shadowed by State Route 93. U.S. Highway 41 is a full-access highway that travels north and south through the western portion of the county and hugs the gulf coastline. U.S. Highway 301 is located in the northern portion of the county and provides access to the north to Bradenton. There are several state and county roadways that traverse the county and provide access to suburban and rural areas. Overall, the linkages through the county are considered good with adequate access to neighboring communities and cities.

Transportation

There are six airports located within Sarasota County including the Sarasota-Bradenton International Airport, Venice Municipal Airport, Schwartz Farms Inc. Airport, Lowes Airport, Hidden River Airport and Buchan Airport. Mass transit is provided by the Sarasota County Area Transit, which operates approximately 38 lines throughout the cities of Sarasota, Venice, North Port, the Town of Longboat Key, and other communities of Sarasota County. The bus service currently has 24 routes and operates Orion I and Orion V buses, as well as 10 hybrid BRT buses.

Eight airlines offer service out of Sarasota-Bradenton International Airport (SRQ) to locations primarily in the United States and Canada. The airport serves more than one million passengers per year. The FAA awarded a grant in August 2014 to SRQ of more than \$9.1M to finish construction of a new air traffic control tower, renovate terminals and airfield taxi lanes, and expansion of the U.S. Customs & Border Protection facility.

Port Manatee also serves the area and is located approximately 14 miles north of the Sarasota-Bradenton International Airport near the Manatee-Hillsborough County line. It is one of Florida's largest ports and the closest U.S. deep-water seaport to the Panama Canal. The port offers more than 1 million square feet of public warehouse and office space, featuring refrigerated and freezer space. Port Manatee is a Foreign Trade Zone and offers importers, exporters and manufacturers the ability to defer, reduce or eliminate duties on goods.

Population

Population characteristics relative to the subject property are presented in the following table.

	2021 Population	2026 Population Estimation	2021-2026 Population: Annual Growth Rate
North Port-Bradenton-Sarasota	866,000	942,967	1.72%
Florida	21,733,419	23,197,833	1.31%
USA	333,934,112	345,887,495	0.71%

Employment

The Sarasota unemployment rate was at 3.7% as of September 2021, according to the Bureau of Labor and Statistics figures. The losses from the shutdown in March 2020 slowed by mid-2020 as Florida re-opened businesses, but much of the leisure, hospitality and tourism industries had ground to a halt. Among the other hardest hit industries were health care, social assistance, retail trade, professional and business services and construction. Health care job loss may have seemed unexpected, but the sector lost at least 43,000 jobs nationally, according to the report. Since mid-2020, these industries have recovered, and Florida unemployment now well outpaces the national average.

The following table exhibits current and past unemployment rates as obtained from the Bureau of Labor Statistics. Overall, the Sarasota MSA boasts one of the lowest unemployment rates for metropolitan statistical area. Additionally, the metro had a lower unemployment rate comparative to the nation and state. This illustrates the resilience of the Sarasota MSA economy.

Unemployment Rates									
Area	YE 2016	YE 2017	YE 2018	YE 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020	Sep-21
North Port-Sarasota-Bradenton, FL MSA	4.3%	3.5%	3.3%	3.0%	5.1%	9.7%	5.5%	3.2%	3.7%
Florida	4.5%	3.8%	3.4%	2.9%	5.0%	11.7%	7.3%	4.2%	4.3%
United States	4.7%	4.1%	3.9%	3.6%	4.4%	11.1%	7.8%	6.7%	4.8%

The following table provides the employment by industry for Sarasota MSA.

Employment by Industry North Port-Sarasota-Bradenton MSA		
Industry	Oct-21	Percent of Employment
Mining/Logging/Construction	27,900	8.80%
Manufacturing	17,100	5.39%
Trade, Transportation, Utilities	60,300	19.01%
Information	3,500	1.10%
Financial Activities	15,500	4.89%
Professional and Business Services	50,200	15.83%
Education and Health Services	60,700	19.14%
Leisure and Hospitality	39,200	12.36%
Other Services	14,600	4.60%
Government	28,200	8.89%

Major Employers

The following table indicates the major employers within the Sarasota MSA.

Major Employers North Port-Sarasota-Bradenton MSA	
Company	No. of Employees
Sarasota Memorial Health Care	6,550
PGT Innovations	1,975
Venice Regional Medical Center	875
Sun Hydraulics Corporation	700
Sarasota Doctors Hospital	575
Florida Resource Management	500
Ritz Carlton Hotel	500
FCCI Insurance Group	500
Ringling School	500
Comcast Cablevision	450

COVID-19 Employment impact: The coronavirus pandemic and the unprecedented economic shutdown has had a profound impact in the Sarasota metro, as it has nationwide, in the short-term. Florida's Safer-at-Home order went into effect on April 3rd. The order allowed for loosely defined essential workers to continue working.

What is a critical infrastructure?

According to the Department of Homeland Security, the following are considered essential:

- **Healthcare/Public Health** (i.e. Hospitals and Doctors)
- **Law Enforcement, Public Safety and First Responders** (i.e. Police and Emergency Management Services)
- **Food and Agriculture** (i.e. Farmers and food manufacturers)
- **Energy** (i.e. Natural Gas and Nuclear facilities)
- **Water and Wastewater** (i.e. Water Department)
- **Transportation and Logistics** (i.e. Trucking and shipping)
- **Public Works and Infrastructure** (i.e. Safety inspectors for public facilities including dams, bridges, etc.)
- **Communications and Information Technology** (i.e. maintainers of communications infrastructures, such as wireless, internet and cable providers)
- **Community and Local Government** (i.e. federal, state, local, tribal and territorial employees who support Mission Essential Functions)
- **Critical Manufacturing** (i.e. metals, PPE, supply chain minerals and employees that support other essential services)
- **Hazardous Materials** (i.e. healthcare waste and nuclear facilities)
- **Financial Services** (i.e. banks)
- **Chemical** (i.e. workers supporting the chemical and industrial gas supply chains)
- **Defense Industrial** (i.e. essential services required to meet national security commitments to the federal government and U.S. Military)
- **Commercial Facilities** (i.e. workers who support the supply chain of building materials)
- **Residential/Shelter Facilities** (i.e. workers independent care services)
- **Hygiene Products and Services** (i.e. laundromats, personal and household goods repair and maintenance)

Most states experienced a similar shut-down, which triggered a round of stimulus checks and enhanced unemployment benefits.

Florida Governor Ron DeSantis partially reopened the State on May 4th, 2020 and continued to open more sectors over the next few weeks and months.

Considering the modest tourism industry in Tampa Bay compared to Florida in general, employment rapidly increased after the re-opening. Overall, due to the diverse workforce and strong economy before the COVID-19 outbreak with a 2.9% unemployment in Tampa Bay in February 2020, unemployment has receded to 5.2% as of the end of the fourth quarter.

Median Household Income

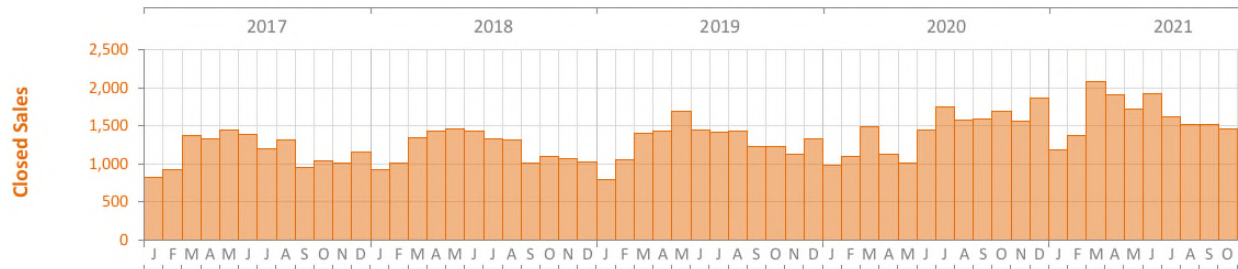
Total median household income for the region is presented in the following table. Overall, the subject's county is similar to the MSA, above the state and below the nation.

	2021 Median Household Income	2021 Average Household Income	2021 Per Capita Income
North Port-Bradenton-Sarasota	64,997	92,589	40,671
Florida	58,462	83,820	32,917
USA	64,730	92,435	35,106

Housing

North Port-Sarasota-Bradenton MSA single family home sales represented an average sale price of \$580,582 for October 2021, which was 18.9% higher than the same period in 2020. As of October 2021, the year to date annual closings rate for the North Port-Sarasota-Bradenton MSA was 16,272, which was 18.4% higher than the same period in 2020.

The chart below shows the October 2021 closed sales for the North Port-Sarasota-Bradenton MSA market.



From the Realtor Association of Sarasota and Manatee- “Make no mistake: prices are going to rise in 2022, and most likely by a lot. There simply aren’t enough homes coming to market to offset the enormous demand for homes.” said 2021 RASM President Alex Krumm, Broker Owner of NextHome Excellence. “It is more critical than ever to set a game plan with your Realtor® to figure out the best way for you to buy or sell. The market is complicated, and it looks like it might get even trickier.” added Krumm.

As of October 2021, year-to-date closed sales of single-family homes and condos/townhomes across the two-county market totaled 24,304 sales, an 18.4 percent increase in single family sales and a 28.4 percent increase in condo/townhome sales from the same period in 2020. For the MSA, new pending sales fell by -9.9 percent. The condo market showed a -23.1 percent decrease in pending sales.

Median sales prices for both single-family homes and condos rose year-over-year. Single family prices in the North Port-Sarasota-Bradenton MSA increased by 18.1 percent to \$415,389. Condo prices increased by 16.5 percent to \$302,900. The median is the midpoint of all sales prices; half the homes sold for more, half for less.

Tourism

Tourism is a driving force in the North Port – Sarasota - Bradenton MSA with destination beaches including Anna Maria Island, Longboat Key, Lido Key and Siesta Key (named America’s best beach in 2011).

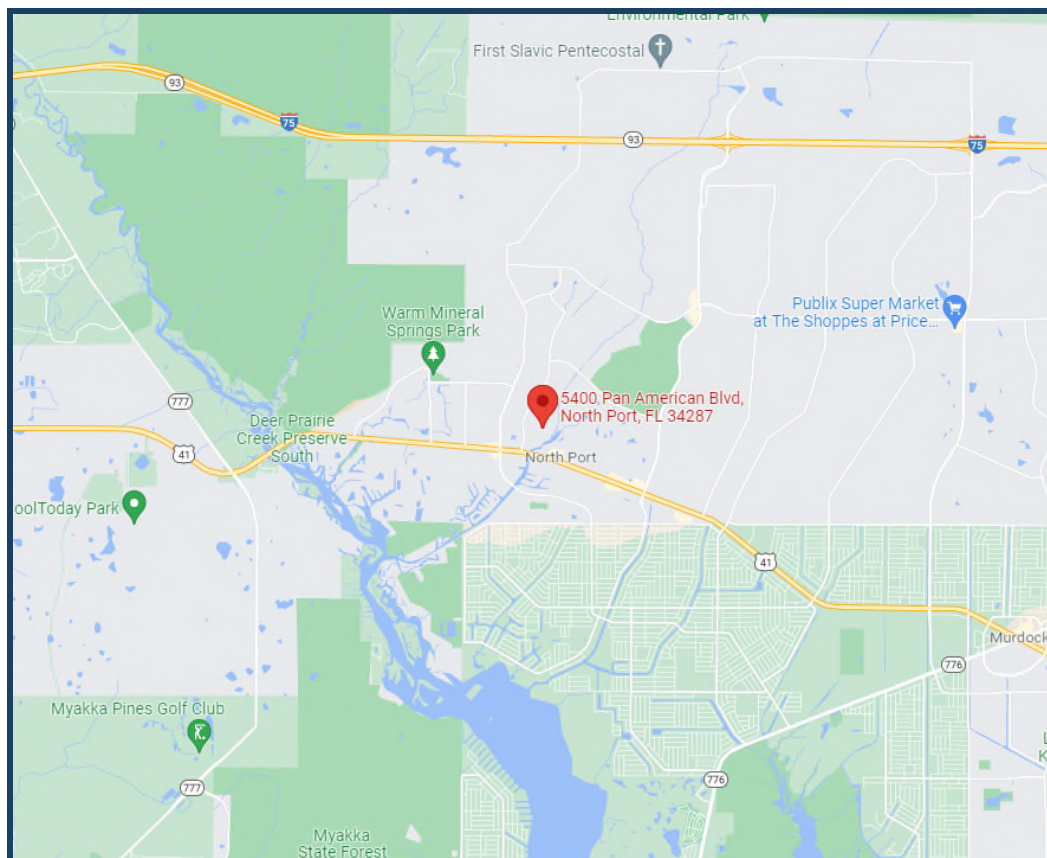
In Fiscal Year 2020 (October 2019 – September 2020), both direct expenditures and economic impact have decreased due to the coronavirus pandemic. There was a 19.3% decrease in visitors, but more than \$1.35 billion in direct expenditures from visitors and \$2.24 billion in total economic impact. With the addition of new hotel inventory, a continued commitment to targeted outreach in key markets, and strong partnerships with industry partners, the MSA is poised to ensure a successful year for tourism in 2021-2022, for which numbers have not yet been published. Tourism is also leading to a surge in retiree population, which is a demand driver for all types of real estate.

Conclusions

Overall, the MSA is experiencing minimal population growth and there are expectations that population will slightly increase in the next five years. The unemployment rate compares favorably to the nation and state. Income levels are expected to increase at a rate higher than the nation and state. The growth of the MSA is expected to be slightly above the nation and state in terms of population. As the national economy begins to improve during the pandemic, it is expected that the MSA will continue to grow with new residential development, which will be followed by supportive commercial uses. As such, the outlook for the region is positive.

Neighborhood Analysis

Due to the summary format of the report, detailed information relative to regional and city trends have been summarized as follows.



NEIGHBORHOOD MAP

Overview

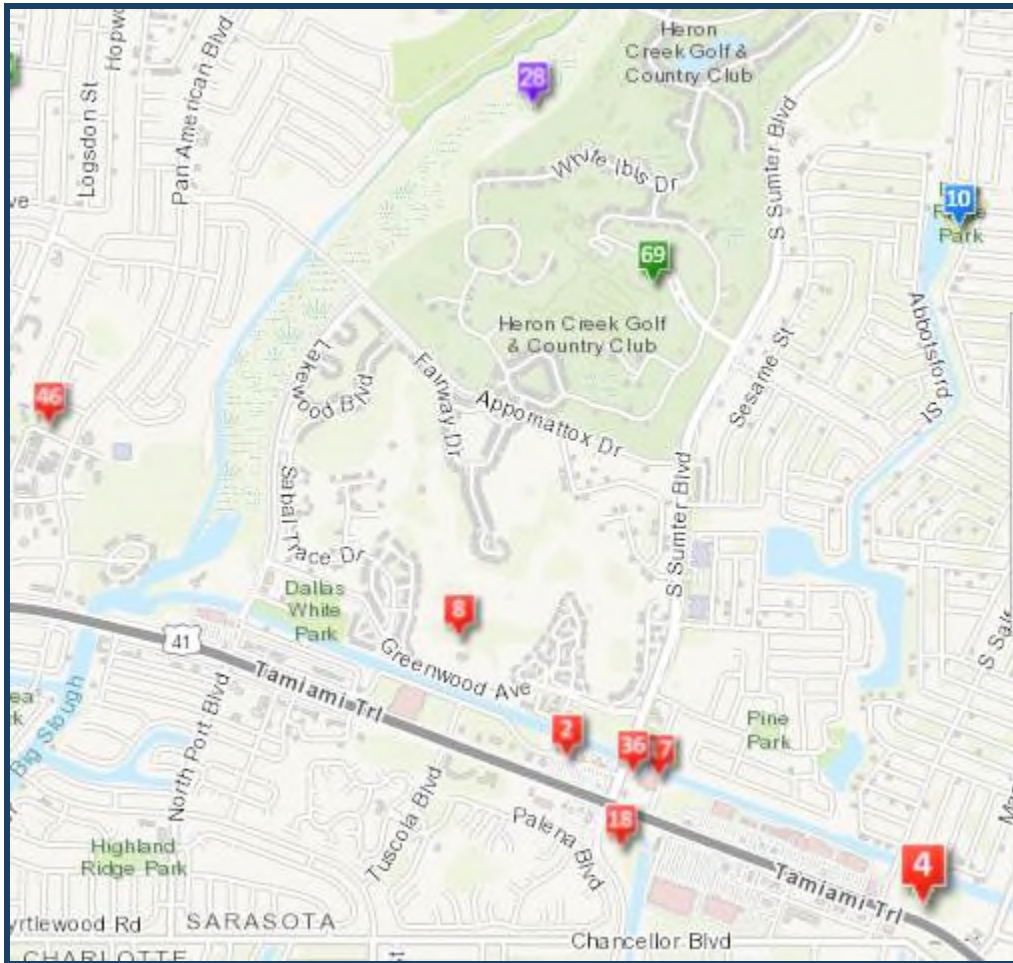
The subject is located in the City of North Port in Sarasota County. The area is classified as urban in nature and primarily an area of growth and development. The site address is 5400 Pan American Blvd and the neighborhood area is bound by I-75 to the north, Toledo Blade Boulevard to the east and the Myakka River to the south and west.

Access/Visibility

Within the immediate area of the subject property, transportation access helps define the character of its development. The subject has good access due to its location just north of US Hwy 41 (Tamiami Trail), with I-75 about 4 miles to the north and Toledo Blade Blvd about 4 miles to the east. The subject is located just west of Sumter Blvd and east of Biscayne Dr, which provide good north/south access to the neighborhood and I-75.

Land Use Patterns

The subject neighborhood is located in the central area of the City of North Port. Since 2016, development within the downtown area is in the growth stage of its life cycle with multiple proposed or under construction projects that include single family residential and apartment projects, office projects, several renovation type projects, commercial projects and mixed use projects. There is ample land available for new commercial and residential development. The intersection of Toledo Blade Boulevard and Price Boulevard was targeted as the focus of growth about a decade or so ago; however, growth in the area had become somewhat stagnant. Much of the land around the intersection was foreclosed upon. More recently though, development has restarted. The primary market area (PMA) is generally described as being residential in nature with supporting commercial retail located along primary thoroughfares. The PMA is approximately 70% developed. The approximate breakdown of land uses is as follows: Single-family 50%, Multifamily 10%, Retail 5%, Office 5%, Industrial 5%, and Vacant Land 25%. The neighborhood is in the growth phase of its life cycle. The following map shows planned and under construction projects in the area of the subject:



- 46: North Port Self Storage, proposed boat and RV storage
- 8: Sabal Trace Subdivision, proposed
- 2: Shoppes of North Port, proposed restaurant
- 36: Cocoplum Village Shops, proposed expansion
- 17: Cocoplum Village Shoppes North, proposed expansion
- 18: Cocoplum Village Shoppes South, proposed expansion
- 4: Texas Roadhouse, proposed

Public Facilities/ Services

Public utilities (sewer, water, trash) are available to most portions of the neighborhood and provided by the City of North Port Utilities, while Florida Power & Light Co. provides electricity. Fire and police protection are adequate to meet the needs of the neighborhood's residents and are provided by the City of North Port. Public transportation is available nearby and adequate medical services are also provided.

Neighborhood Demographics

The following tables present the subject neighborhood demographics for a one-, three- and five-mile radius from the subject property.

Demographic Data

Population characteristics and income levels were obtained from STBOnline for 1, 3, and 5-mile radii near the subject's location. A summary of the information is presented in the following tables.

POPULATION

	1 mile	3 miles	5 miles
2000 Population	5,630	20,577	29,394
2010 Population	6,745	29,243	53,081
2021 Population	7,721	33,342	62,957
2026 Population	8,287	35,520	67,627
2000-2010 Annual Rate	1.82%	3.58%	6.09%
2010-2021 Annual Rate	1.21%	1.17%	1.53%
2021-2026 Annual Rate	1.42%	1.27%	1.44%
2021 Median Age	47.4	56.1	49.4

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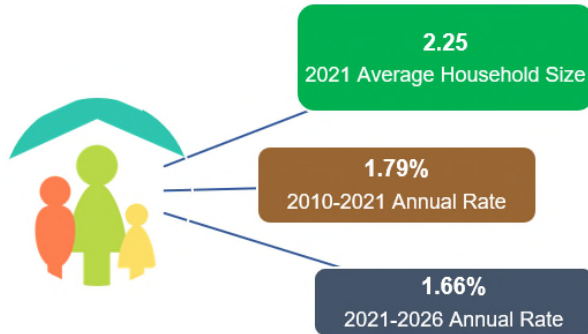
In the identified area, the current year population is 62,957. In 2010, the Census count in the area was 53,081. The rate of change since 2010 was 1.53% annually. The five-year projection for the population in the area is 67,627 representing a change of 1.44% annually from 2021 to 2026.

HOUSEHOLD

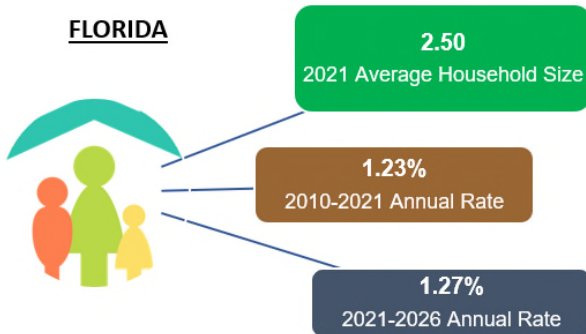
	1 mile	3 miles	5 miles
2021 Wealth Index	75	91	95
2000 Households	2,565	9,414	12,735
2010 Households	3,120	13,251	22,116
2021 Total Households	3,509	14,872	25,937
2026 Total Households	3,767	15,806	27,762
2000-2010 Annual Rate	1.98%	3.48%	5.67%
2010-2021 Annual Rate	1.05%	1.03%	1.43%
2021-2026 Annual Rate	1.43%	1.23%	1.37%
2021 Average Household Size	2.19	2.23	2.42

The household count in this area has changed from 22,116 in 2010 to 25,937 in the current year, a change of 1.43% annually. The five-year projection of households is 27,762, a change of 1.37% annually from the current year total. Average household size is currently 2.42, compared to 2.39 in the year 2010. The number of families in the current year is 17,908 in the specified area.

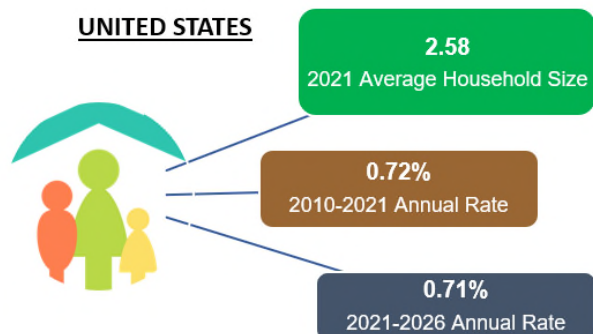
NORTH PORT-SARASOTA-BRADENTON MSA



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INCOME

	1 mile	3 miles	5 miles
Mortgage Income			
2021 Percent of Income for Mortgage	13.0%	15.0%	15.2%
Median Household Income			
2021 Median Household Income	\$55,643	\$56,860	\$61,725
2026 Median Household Income	\$62,811	\$63,100	\$69,048
2021-2026 Annual Rate	2.45%	2.10%	2.27%
Average Household Income			
2021 Average Household Income	\$72,956	\$75,557	\$80,681
2026 Average Household Income	\$85,114	\$86,748	\$92,363
2021-2026 Annual Rate	3.13%	2.80%	2.74%
Per Capita Income			
2021 Per Capita Income	\$31,254	\$33,695	\$33,105
2026 Per Capita Income	\$36,399	\$38,593	\$37,770
2021-2026 Annual Rate	3.09%	2.75%	2.67%

Current median household income is \$61,725 in the area, compared to \$64,730 for all U.S. households. Median household income is projected to be \$69,048 in five years, compared to \$72,932 for all U.S. households.

Current average household income is \$80,681 in this area, compared to \$90,054 for all U.S. households. Average household income is projected to be \$92,363 in five years, compared to \$103,679 for all U.S. households.

Current per capita income is \$33,105 in the area, compared to the U.S. per capita income of \$34,136. The per capita income is projected to be \$37,770 in five years, compared to \$39,378 for all U.S. households.

NORTH PORT-SARASOTA-BRADENTON MSA



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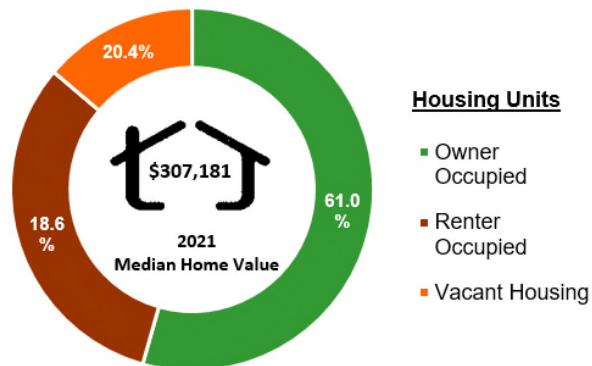


HOUSING

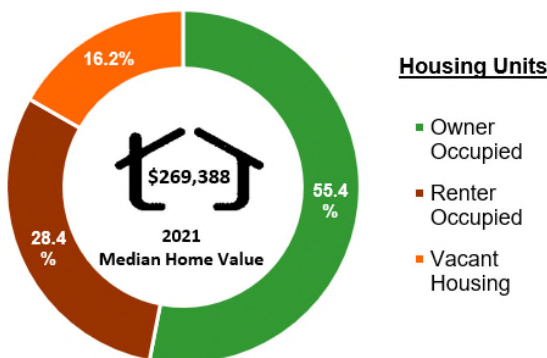
	1 mile	3 miles	5 miles
2021 Housing Affordability Index	172	152	150
2000 Total Housing Units	3,078	11,426	15,159
2000 Owner Occupied Housing Units	2,107	8,307	11,308
2000 Renter Occupied Housing Units	458	1,107	1,427
2000 Vacant Housing Units	513	2,012	2,424
2010 Total Housing Units	4,041	17,197	28,086
2010 Owner Occupied Housing Units	2,096	10,317	17,540
2010 Renter Occupied Housing Units	1,024	2,934	4,576
2010 Vacant Housing Units	921	3,946	5,970
2021 Total Housing Units	4,467	18,844	32,034
2021 Owner Occupied Housing Units	2,416	11,721	21,005
2021 Renter Occupied Housing Units	1,093	3,151	4,932
2021 Vacant Housing Units	958	3,972	6,097
2026 Total Housing Units	4,790	20,007	34,232
2026 Owner Occupied Housing Units	2,666	12,654	22,770
2026 Renter Occupied Housing Units	1,101	3,152	4,993
2026 Vacant Housing Units	1,023	4,201	6,470

Currently, 65.6% of the 32,034 housing units in the area are owner occupied; 15.4%, renter occupied; and 19.0% are vacant. Currently, in the U.S., 57.3% of the housing units in the area are owner occupied; 31.2% are renter occupied; and 11.5% are vacant. In 2010, there were 28,086 housing units in the area - 62.5% owner occupied, 16.3% renter occupied, and 21.3% vacant. The annual rate of change in housing units since 2010 is 6.02%. Median home value in the area is \$223,738, compared to a median home value of \$264,021 for the U.S. In five years, median value is projected to change by 2.97% annually to \$259,033.

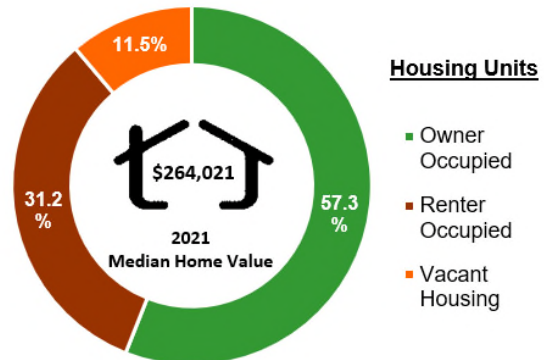
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Neighborhood Uses

The subject neighborhood is located east of the West Villages portion of the City of North Port. Since 2016, development within the area has been in the growth stage of its life cycle with three master-planned communities that include residential or apartments, and a new 8,900 SF retail building at Jacaranda Plaza. Six condominiums, a bank, and retail shops have replaced a parking lot and building on Tamiami Trail and Venice Avenue, while another major retail center has been completed at West Villages. The retail center is called The Marketplace and hosts a 47,000 SF Publix grocery store. Due to the limited supply of vacant land, sites with older improvements that are overall inferior are typically demolished for new development.

Development

The West Villages is a master planned community complex located near the Tamiami Trail corridor in South Sarasota County between the urban centers of the City of Venice and the City of North Port. In 2018, it reportedly sold a total of 1,108 homes and has continued to grow. The West Villages includes over 9,600 acres of land for future development including approximately 25,000 new residential homes, 3-million SF of commercial space, and the newly developed Atlanta Braves spring training facility known as CoolToday Park.



The Atlanta Braves spring training facility is a \$140 million dollar development that opened its doors in March 2019 for spring training. The baseball complex hosts visitors year-round with the addition of a tiki bar and restaurant and conducts year-round events. It is estimated by North Port city officials that the development will have an economic impact of approximately \$1.7 billion dollars over the 30-year lease.

The West Villages Marketplace completed construction on the 105,000 SF Publix-anchored shopping center in 2019. It is located at the southwest corner of Tamiami Trail and West Villages Parkway. Publix, located in West Villages Marketplace, opened its doors in late 2019. The retail center was reportedly 90% leased as of December 2021. Once complete, the retail center will include a mix of casual sit-down and fast-food restaurants, a full service 7-Eleven convenience store, and service-related merchants.

The West Villages Marketplace is the first phase of the West Villages Town Center, portions of which are still currently in the design phase as of 2021.

Blue Heron Park is the first of several West Villages Improvement District parks planned for West Villages and the first to open as of November 2018. The 33-acre park includes two miles of trails, benches, and two dog parks with shade structures and water stations.

Atlantic Housing will begin construction in 2022 on 288 affordable housing units along Pan American Blvd, just north of Tamiami Trail.

The West Villages has approximately 5,500 homes in fourteen neighborhoods as of December 2021. It is one of the highest selling master planned communities in the nation, with approximately 1,108 homes sold in 2018. Once fully developed, the community is planned to include approximately 25,000 homes.

Renaissance, by Mattamy Homes, opened its new clubhouse and amenity center in the fall of 2018. The community is currently developing a new phase within the neighborhood. The Preserve by D.R. Horton has also started construction on a new phase within its gated community.

West Villages also includes the communities of Boca Royal by Neal Communities, Gran Paradiso by Lennar, Grand Palm by Neal Communities, Grand Paradiso by Sam Rodgers, Islandwalk by DiVosta, Oasis by M/I Homes, and Sarasota National by WCI.










From U.S. 41/S. Tamiami Trail: The neighborhoods of West Villages are easily accessible, both north and south of S. Tamiami Trail between River Road and National Boulevard, south of Jacaranda Boulevard.

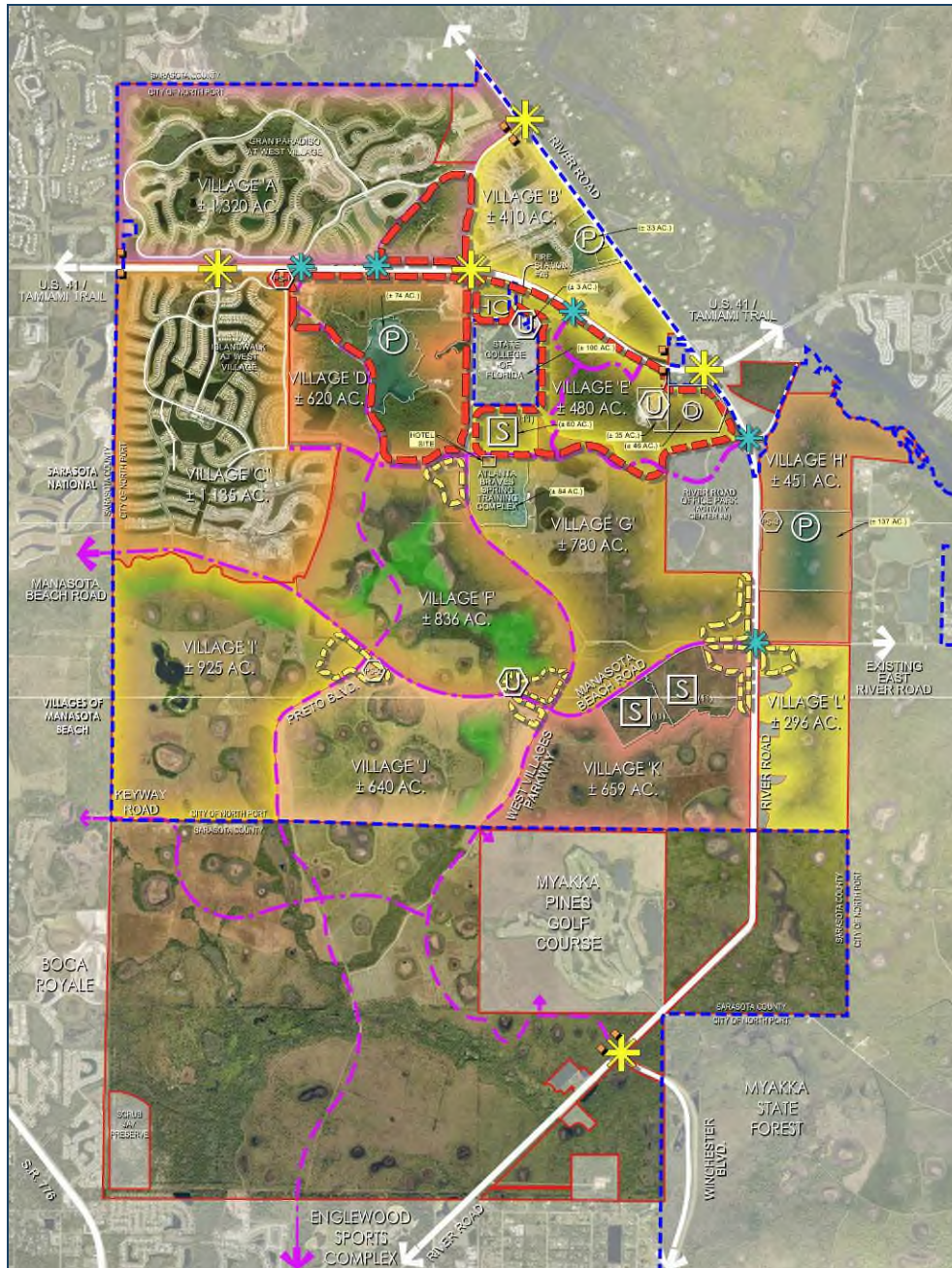


The map below is an overview of the West Village development.

WEST VILLAGES INDEX MAP

LEGEND

	EXISTING ROADWAY		APPROXIMATE SCHOOL LOCATION (K-12) (11)		RECREATIONAL / OPEN SPACE / RECREATIONAL TRAIL SYSTEM		APPROXIMATE TOWN CENTER LOCATION (2)
	4 LANE W/ NEV & 8' SIDEWALKS		SARASOTA MEMORIAL HOSPITAL - HEALTH CARE SERVICES ± 28 AC.		POTENTIAL ROADWAY CONNECTION TO ADJACENT COMMUNITY		EXISTING TRAFFIC SIGNAL
	2 LANE W/ NEV, 8' SIDEWALK, & 5' SIDEWALK		APPROXIMATE UTILITIES / PUBLIC FACILITIES LOCATION (10)		STATE COLLEGE OF FLORIDA		APPROXIMATE FUTURE FULL MEDIAN OPENINGS; TRAFFIC CONTROL T.B.D.
	2 LANE W/ NEV, & 5' SIDEWALKS		APPROXIMATE PARK LOCATION (10)		APPROXIMATE VILLAGE CENTER LOCATION (2)		CITY OF NORTH PORT - CITY LIMITS
	POTENTIAL WEST VILLAGES GATEWAY LOCATIONS		DIocese OF VENICE LOCATION		FIRE/ POLICE STATION LOCATIONS		



Infrastructure

In addition to commercial and residential development, a new wastewater treatment plant that provides irrigation to the neighborhoods has been completed.

As of the fall of 2019, a ten-foot path is being built to connect the Islandwalk neighborhood to Publix center on US-41, and a new traffic signal has been put in at the intersection of Tamiami Trail and West Villages Parkway.

Conclusions

The subject's primary market area is in the City of North Port, which has a variety of commercial, multifamily, and institutional type properties. The subject neighborhood is in a state of rapid growth and development within and around the West Villages area. The area is expected to continue to grow in the foreseeable future. The neighborhood has good access to established and planned residential, commercial, and recreational development within the city and surrounding areas. Overall, the subject neighborhood is in the growth stage of its life cycle and this should continue into the near future.

General

Property Identification

The subject property parent tract is located at 5400 Pan American Blvd within North Port, Sarasota County, Florida. The subject property's parent tract is identified by the Sarasota County Property Appraiser as Parcel Number(s) 0996-00-1000.

Legal Description: The full legal description is located in the addenda, and is abbreviated as: A parcel in portions of Sections 29, 30, 31 and 32, Township 39 South, Range 21 East, Sarasota County, Florida

Inspection Date: December 14, 2021

Date of Report: January 4, 2022

Ownership History: Redus Florida Land, LLC conveyed the subject property to the 5400 Group, LLC, in September of 2016 for \$650,000. The property is currently going through the process to potentially be purchased by the City of North Port. The current owner indicated that there is not a written contract to sell the property, but some sort of prior verbal range or agreement may have been reached to start due diligence by the potential buyer.

**Personal Property/
Non-Realty Items:**

None

Real Estate Taxes:

The 2021 assessment of the subject's parent parcel is summarized in the table below. The assessment was \$1,344,900 with an \$86,706 cap adjustment for non-school tax assessments. The taxes were calculated at \$26,109 using 2021 millage rates and assessed values and include \$6,319 in non-ad valorem assessments. This assessment seems to be in line with the assessments of similar properties in the area. While this assessment is for the parent tract, the subject's portion will likely have a higher assessment, if purchased at the price concluded within this analysis. There were no past due taxes owed as of the inspection date.

Current Real Estate Assessment and Taxes

	School District	All Other	Total
Total Assessed Value	\$1,344,900	\$1,344,900	
Less: Total Cap Adjustment	\$0	-\$86,706	
Total Taxable Value	\$1,344,900	\$1,258,194	
Millage Rate	6.70900	8.55770	15.26670
Assessment Per	\$1,000	\$1,000	
Total Ad Valorem Taxes	\$9,023	\$10,767	\$19,790
Total Non-Ad Valorem Taxes			\$6,319
Total Real Estate Taxes			\$26,109

Highest and Best Use of the Site:

The legally permissible uses are individually approved as the property is zoned PCD, Planned Community Development District by the City of North Port. The most physically possible use is for mixed-use or multifamily development based on the adjacent uses and frontage. As part of the PD, the subject has a proposed use as office warehouse. This use appears to also be physically possible as there is office warehouse across the street. Both uses are financially feasible. Based on land pricing, use as multifamily or office warehouse appear to be equally in demand and have similar pricing in the current market. Therefore, the highest and best use is development of a multifamily or office warehouse use.

Highest and Best Use As Improved: Not applicable

Site Analysis Summary

Location: The subject is located on the east side of Pan American Blvd approximately 800' north of US Highway 41 (Tamiami Trail) in the City of North Port

Physical Description

Gross Land Area: 17.31 acres, or 754,024 square feet, according to the Conceptual Site Plan within the information provided. The subject is a carve out from the larger 43.31+/- acre parent tract, which is Sarasota County Parcel Number 0996001000. The Site Plan for the subject is included in the Addenda of this report.

Usable Land Area: 17.31 acres, or 754,024 square feet, according to public records. The site plan shows approximately 3+/- acres of water retention on the subject; however, the current owner mentioned that little to no water retention on the subject should be required due to it having an easement for up to two acres of water retention on the adjacent site to the north.

Physical Characteristics

Shape: The site is irregular in shape

Topography: Gently Sloping

Utilities: All to the site. Public utilities are located along Pan American Blvd.

Flood Zone

FEMA Flood Zone: X & AE

FEMA Panel: 12115C0386F

FEMA Panel Date: November 4, 2016

Flood Zone Comments: The subject appears to be located primarily in Flood Zone X but has areas along the east side in Flood Zone AE. The Zone X classification is in an area located outside the 100-year designated flood hazard area. Zone AE is areas inundated by the 1% annual chance flood hazard event.

Wetlands: No wetlands were observed during the site inspection. However, we are not experts in the matters of the presence or wetlands and a survey should be used to verify.

Access/Visibility

Primary Road: N/A

Primary Road Frontage: N/A+/- linear feet; the property will have access via Children's way once the site is developed.

Secondary Road: N/A

Secondary Road Frontage: N/A+/- linear feet

Zoning

PCD, Planned Community Development District, by City of North Port; The purpose of the PCD district is to provide an area for coordinated development of industrial, commercial, service, residential, and government uses within a park-like setting. The establishment of this district provides a mechanism to attract major employers to the City, which can contribute to the diversification of the economic base in a manner consistent with the City's adopted Comprehensive Plan. We assume the subject to meet all required zoning and overlay ordinances. Therefore, the subject's proposed office warehouse use is assumed to be a legal, conforming use.

Easements, Encroachments and Deed Restrictions

We were provided with a title report for the subject property. The subject appears to be encumbered with a 12,361 SF access easement in the southeastern portion of the property that is a 56'+/- road to the Myakkahatchee Creek, see the site plan in the Addenda for location, where there is a public kayak launch along the creek bank. This does not appear to negatively impact the subject. It appears utility and drainage easements for the parent tract are located outside the subject. Other typical utility and storm water easements are assumed, once developed.

Soil Conditions

We are not experts in the matters of soil conditions or the geological impact of adverse soils. Based on a visual observation of the site, it appears the soil has sufficient load-bearing capacity for any existing or proposed development. We assume the soil conditions are adequate.

Environmental Issues

We were not provided with a Phase I Environmental Assessment for the subject property. Additionally, we assume there are no known environmental issues that would negatively impact the marketability or development potential of the subject site.

Hazardous Material

No hazardous materials were observed on the subject site. However, we are not experts in the matters of the presence or effects of hazardous materials; therefore, we assume hazardous material is not present on the site.

Site Improvements

None

Site Ratings

Access:	Average
Visibility:	Average
Utility:	Average
Conformity:	The subject site conforms to surrounding sites.

Site Comments

The site has average and typical utility.

Sales Comparison Approach

In the Sales Comparison Approach, the appraiser develops an opinion of value by analyzing similar properties and comparing these properties with the subject property. Application of the sales comparison approach requires the comparing and rating of other comparable properties to the property appraised. The aim of this approach is to develop indications of what the comparable sales would have sold for if they had possessed all of the basic and pertinent physical, functional and external characteristics of the subject property.

The steps involved in the Sales Comparison Approach are summarized as follows:

1. Comparable sales data in the competitive market is obtained and verified, whenever possible;
2. Market-oriented unit(s) of comparison is determined and applied to each of the comparable sales;
3. The elements of comparison that affect the value of the property being appraised are identified and applied to each comparable sale;
4. A net adjustment is applied to each comparable unit sale price to arrive at a range of adjusted sale or unit prices for the subject property; and
5. The adjusted prices are reconciled to an indication of an appropriate value of the subject property.

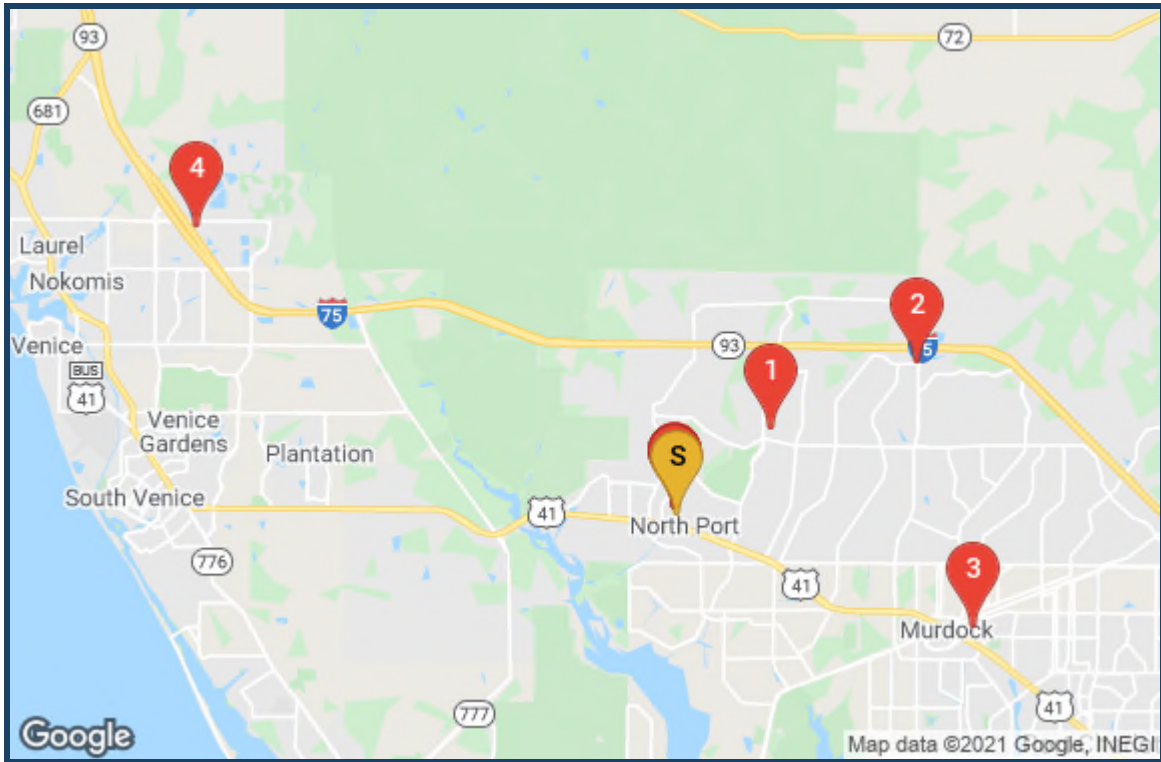
Comparable Sales Data

A thorough search for similar improved sales in terms of property type, location, physical and economic characteristics was completed.

We have researched numerous comparable sales and listings and included five sales of similar properties in the immediate market area or competing nearby markets have been identified and selected for analysis in the value of the subject property. The sales selected represent the best comparables available for this analysis. The most widely used unit of comparison in this market for the subject property type is the sale price per square acre of net usable land area.

The following pages display a map showing their locations and the adjustment process. Given the characteristics of the subject property as well as the information obtained for the comparable data, the comparables were analyzed through the application of a traditional adjustment grid using percentage adjustments.

Comp	Address	City	Date	Acres	Price Per Acre
1	N. Main St.	North Port	1/16/2020	17.14	\$164,166
2	4300 Career Ln	North Port	11/10/2020	14.41	\$166,607
3	19101 Veterans Blvd	Port Charlotte	2/26/2021	26.50	\$139,623
4	3484 Laurel Rd E	Nokomis	11/18/2021	12.10	\$247,934
5	5400 Pan American Blvd	North Port	12/14/2021	19.98	\$158,559



Sales Map






Comparable 5 is adjacent to the subject

The Adjustment Process

The main points of comparison for this analysis includes the transactional elements such as property rights conveyed, financial terms, the conditions and/or motivations surrounding the sale, and changes in market conditions since the sale date. Property level adjustments account for differences in the locational, physical and economics elements of the sales as compared to the subject property. The comparable sales utilized herein were assessed relative to the subject property for the following factors.

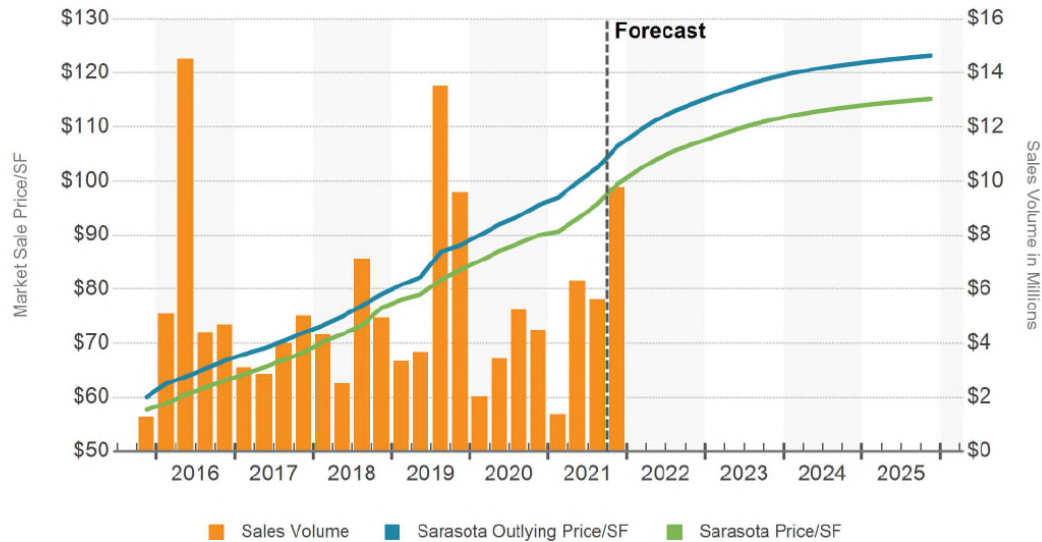
Summary of Adjustments

The following table presents a summary of the adjustments.

		Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
						
Address	5400 Pan American Blvd	N. Main St.	4300 Career Ln	19101 Veterans Blvd	3484 Laurel Rd E	5400 Pan American Blvd
City	North Port	North Port	North Port	Port Charlotte	Nokomis	North Port
State	FL	FL	FL	FL	FL	FL
Date	12/14/2021	1/16/2020	11/10/2020	2/26/2021	11/18/2021	Under Contract
Price		\$2,813,800	\$2,400,000	\$3,700,000	\$3,000,000	\$3,168,000
Acres	17.31	17.14	14.41	26.50	12.10	19.98
Acre Unit Price		\$164,166	\$166,607	\$139,623	\$247,934	\$158,559
Transaction Adjustments						
Property Rights	Fee Simple	Fee Simple 0.0%	Fee Simple 0.0%	Fee Simple 0.0%	Fee Simple 0.0%	Fee Simple 0.0%
Financing		Conventional 0.0%	Conventional 0.0%	Conventional 0.0%	Conventional 0.0%	Assumed Conventional 0.0%
Conditions of Sale		Arm's Length 0.0%	Arm's Length 0.0%	Arm's Length 0.0%	Arm's Length -3.0%	Under Contract 0.0%
Expend. After Sale		\$0	\$0	\$0	\$0	\$0
Adjusted Acre Unit Price		\$164,166	\$166,607	\$139,623	\$240,496	\$158,559
Market Trends Through	12/14/2021	10.0%	5.0%	5.0%	0.0%	0.0%
Adjusted Acre Unit Price		\$180,582	\$174,938	\$146,604	\$240,496	\$158,559
Property Level Adjustments						
Location		Similar	Superior	Similar	Superior	Similar
% Adjustment		0%	-20%	0%	-30%	0%
\$ Adjustment		\$0	-\$34,988	\$0	-\$72,149	\$0
Acres	17.31	17.14	14.41	26.50	12.10	19.98
% Adjustment		0%	0%	10%	-5%	0%
\$ Adjustment		\$0	\$0	\$14,660	-\$12,025	\$0
Topography	Generally Level	Gently Sloping	Gently Sloping	Gently Sloping	Gently Sloping	Gently Sloping /Wooded
% Adjustment		0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0
Shape	The site is irregular in shape	Irregular	Irregular	Irregular	Roughly Rectangular	Irregular
% Adjustment		0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0
Utilities	All to Site	All to Site	Available to Site	Available to Site	Available to Site	All to Site
% Adjustment		0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0
Zoning	PCD	PCDN	CG - Commercial General	CG - Commercial, General	CI - Commercial Intensive	PCD
Use	Office Warehouse	Assisted Living	Retail/Hotel/Fueling Center	Retail/ Office Warehouse	Office Warehouse	Multifamily
% Adjustment		0%	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0
Wetlands/Floodplain	3 Acres +/-; 17%	None; 0%	5.1 Acres +/-; 35.4%	8 Acres +/-; 30%	4 acres +/-; 33.3%	5 Acres +/-; 25%
% Adjustment		-10%	10%	5%	5%	5%
\$ Adjustment		-\$18,058	\$17,494	\$7,330	\$12,025	\$7,928
Adjusted Acre Unit Price		\$162,524	\$157,444	\$168,594	\$168,347	\$166,486
Net Adjustments		-10.0%	-10.0%	15.0%	-30.0%	5.0%

The comparables each represent a sale of properties with similar design and utility to that of the subject that closed since January 2020, plus a property currently under contract. Adjustments were made for changing market trends, if applicable, based on market condition adjustments described by local brokers, sales data, and local and national market surveys. Property pricing, both in residential and commercial, continues to increase, as does land for development. The following table illustrates pricing for office warehouse in the subject's submarket, south Sarasota County.

SALES VOLUME & MARKET SALE PRICE PER SF



Based on the chart, pricing is up 10%+/- in the past year. Land prices generally trail improved properties, but have also increased. Therefore, the closed Sales 1, 2, and 3 are adjusted upward for improving market conditions for vacant land.

All of the sales were reportedly arm's length transactions and sold on a fee simple basis. No adjustments were required for property rights, financing, or condition of sale, for the closed transactions. Comparable 5 was currently under contract. The contract price was provided by the seller, so no adjustment was required.

Each of the sales was compared to the subject in regard to location and physical attributes. Adjustments were made as necessary and illustrated in the Analysis Grid.

The subject is located just east of Pan American Blvd, north of Tamiami Trail in North Port. The property is bordered by a senior living complex to the south, proposed affordable housing apartments to the north, Myakkahatchee Creek on the east side, and limited visibility from Pan American Blvd to the west. Sale 1 is similar in location demand in North Port on Main Street. Sale 2 has superior highway frontage and superior frontage along a secondary street, requiring a downward location adjustment. Sale 3 is in a superior immediate area, but has inferior access due to median restrictions and limited turn-ins. Therefore, no location adjustment was required for Sale 3. Sale 4 has superior visibility along I-75 and frontage on Laurel Road. It is also located in a superior area along Laurel Road in Nokomis, requiring a downward location adjustment. Comparable 5 is adjacent to the subject and part of the same parent tract.

The sales were compared to the subject in terms of size. Adjustments were made based on the economies of scale, as required.

Overall, all of the sales were similar to the subject in Topography, Shape, and Utilities access.

Each sale was proposed to be developed for a variety of uses. The comparables were similar to the subject in that there was demand to develop the parcels in the present. The subject is proposed for office warehouse, which appears financially feasible, but multifamily also appears to be feasible. Overall, all the parcels had uses that were similar in demand, so no zoning/use adjustment was necessary.

The subject has approximately 17.31 acres, and the site plan appears to have 3+/- acres of water retention and access easement on the site. The subject's current owner also mentioned that the subject would have an easement to allow for up to two acres of water retention on the property to the north. This impacts the amount of useable area through additional mitigation costs and/or less developable acreage. Each of the comparables varied in wetland/water retention/easement area, and each comparable was adjusted appropriately.

Sales Comparison Approach Conclusion

The adjusted values of the comparable properties range from \$157,444/Acre to \$168,594/Acre; the mean is \$164,679/Acre. All of the sales were land parcels similar to the subject. The adjusted price of Sale 2 is somewhat of an outlier. Most weight was given to the two most recent closings, which are Sales 3 and 4, and Comparable 5 that is adjacent to the subject and expected to close in January 2022, in arriving at our reconciled per acres market value estimate of \$167,000/Acre.

The following table presents the unit value metrics for the improved sales.

Land Value Ranges				
	5	Unadjusted	Adjusted	%Δ
Low:		\$139,623	\$157,444	13%
High:		\$247,934	\$168,594	-32%
Average:		\$175,378	\$164,679	-6%
Median:		\$164,166	\$166,486	1%
Reconciled Value/Unit Value:			\$167,000	
	Subject Size:		17.31	
	Indicated Value:		\$2,890,770	
Land Value Indication				
Land Area				17.31
Concluded Unit Value				\$167,000
Indicated Market Value				\$2,890,770
Value Conclusion(s)				
Land Value Indication				\$2,890,770
Land Value Indication (Rounded)				\$2,900,000

Final Reconciliation

The process of reconciliation involves the analysis of each approach to value. The quality of data applied, the significance of each approach as it relates to market behavior and defensibility of each approach are considered and weighed. Finally, each is considered separately and comparatively with each other.

Value Indications

Interest:	Fee Simple
Cost Approach:	N/A
Sales Comparison Approach:	\$2,900,000
Income Approach:	N/A

Cost Approach

The Cost Approach was not applicable and was not used in this analysis.

Sales Comparison Approach

The Sales Comparison Approach analyzes similar properties, which have sold in the general area of the subject property. The sales used are recent transactions of reasonably similar properties in the subject's immediate area and nearby competing market areas. The properties are representative of the most recent transactions involving similar properties available for comparison with the subject. This approach provides a reliable value indication for the subject in the current market.

Income Approach – Direct Capitalization

The Income Capitalization Approach was not applicable and was not used in this analysis.

Market Value Conclusion

The Sales Comparison was used in estimating the market value of the Fee Simple interest. Based on the data and analyses developed in this analysis, we have reconciled to the following value conclusions, as of December 14, 2021, subject to the Assumptions and Limiting Conditions.

Reconciled Values:	Premise:	As Is
	Interest:	Fee Simple
	Value Conclusion:	\$2,900,000

Per the Appraisal Standards Board (ASB) of the Appraisal Foundation, "reasonable marketing time" is an estimate of the amount of time it might take to sell a property interest at the estimated Market Value during the period immediately after the effective date of the report. It is not intended to be a prediction of a specific date of sale and, therefore, may be expressed as a range. Exposure time is defined as the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at Market Value on the effective date of report. Based upon the sales presented herein, an exposure period of 5-7 months or less is considered reasonable. Marketing time is also concluded at 5-7 months.

Certification Statement

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, impartial, and unbiased professional analyses, opinions and conclusions.
- We have no present or prospective future interest in the property that is the subject of this report, and have no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this an Appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
- No one provided significant real property appraisal assistance to the person(s) signing this certification.
- We certify sufficient competence to appraise this property through education and experience, in addition to the internal resources of the firm.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Wesley Sanders, MAI, AI-GRS, CCIM has made an exterior inspection of the subject property.

As of the date of this report, Wesley Sanders, MAI, AI-GRS, CCIM has completed the requirements of the continuing education program for Designated Members of the Appraisal Institute. As of the date of this report, Wesley Sanders, MAI, AI-GRS, CCIM has completed the requirements of the Department of Business and Professional Regulation under the provisions of Chapter 475 FS of the Florida Real Estate Appraisal Board.



Wesley Sanders, MAI, AI-GRS, CCIM
Senior Managing Director
Florida State-Certified General
Real Estate Appraiser No. RZ2911

Basic Assumptions and Limiting Conditions

1. By this notice, all persons, companies, or corporations using or relying on this report in any manner bind themselves to accept these contingent and limiting conditions, and all other contingent and limiting conditions contained elsewhere in this report. Do not use any portion of this report unless you fully accept all contingent and limiting conditions contained throughout this document.
2. Throughout this report, the singular term "Appraiser" also refers to the plural term "Appraisers". The terms "Appraiser" and "Appraisers" refer collectively to "Entreken Associates, Inc.", its officers, employees, contractors, and associate appraisers. The masculine terms "he" or "his" also refer to the feminine term "she" or "her".
3. These conditions are an integral part of this appraisal report, and are a preface to any certification, definition, description, fact, or analysis. Moreover, these conditions are intended to establish as a matter of record that the purpose of this report is to provide one or more value opinions for the subject property. All value opinions are prepared solely for the explicitly identified client and other explicitly identified intended users.
4. Value opinions involve only real estate, and inconsequential personal property. Unless explicitly stated otherwise, value conclusions do not include personal property, un-affixed equipment, trade fixtures, business-good will, chattel, or franchise items of material worth.
5. As part of this appraisal, information was gathered and analyzed to form value opinion(s) that pertain solely to one or more explicitly identified effective value dates. The effective value date is the only point in time that the value applies. Information about the subject property, neighborhood, comparables, or other topics discussed in this report was obtained from sensible sources. In accordance with the extent of research disclosed in the Scope of Work section, all information cited herein was examined for accuracy, is believed to be reliable, and is assumed reasonably accurate. However, no guaranties or warranties are made for this information. No liability or responsibility is assumed for any inaccuracy which is outside the control of the Appraiser, beyond the scope of work, or outside reasonable due diligence of the Appraiser.
6. Real estate values are affected by many changing factors. Therefore, any value opinion expressed herein is considered credible only on the effective value date. Every day that passes thereafter, the degree of credibility wanes as the subject changes physically, the economy changes, or market conditions change. The Appraiser reserves the right to amend these analyses and/or value opinion(s) contained within this appraisal report if erroneous, or more factual-information is subsequently discovered. No guarantee is made for the accuracy of estimates or opinions furnished by others, and relied upon in this report.
7. This appraisal is not an engineering, construction, legal, or architectural study. It is not an examination or survey of any kind. Expertise in these areas is not implied. The Appraiser is in no way responsible for any costs incurred to discover, or correct any deficiency in the property. In the case of limited partnerships, syndication offerings, or stock offerings in the real estate, the client agrees that in case of lawsuit (brought by the lender, partner, or part owner in any form of ownership, tenant, or any other party), the client will hold Entreken Associates, Inc., its officers, contractors, employees and associate appraisers completely harmless. Acceptance of, and/or use of this report by the client, or any third party is prima facie evidence that the user understands, and agrees to all these conditions.
8. Unless specifically stated otherwise herein, the Appraiser is unaware of any engineering study made to determine the bearing capacity of the subject land, or nearby lands. Improvements in the vicinity, if any, appear to be structurally sound. It is assumed soil and subsoil conditions are stable and free from features that cause supernormal costs to arise. It is also assumed existing soil conditions of the subject land have proper load bearing qualities to support the existing improvements, or proposed improvements appropriate for the site. No investigations for potential seismic hazards were made. This appraisal assumes there are no conditions of the site, subsoil, or structures, whether latent, patent, or concealed that would render the subject property less valuable. Unless specifically stated otherwise in this document, no earthquake compliance report, engineering report, flood zone analysis, hazardous substance determination, or analysis of these unfavorable attributes was made, or ordered in conjunction with this appraisal report. The client is strongly urged to retain experts in these fields, if so desired.
9. For appraisals of multifamily property, only a portion of all dwellings was observed. A typical ratio of observed dwellings roughly approximates 10% of the total number of units, and this ratio declines as the number of dwellings grows. It is assumed the functionality, physical condition, and interior finish of unseen units are similar to the functionality, physical condition, and interior finish of observed units. If unobserved dwellings significantly differ from those that were viewed in functionality, physical condition, or finish, the Appraiser reserves the right to amend these analysis and/or value opinion(s).
10. If this appraisal values the subject as though construction, repairs, alterations, remodeling, renovation, or rehabilitation will be completed in the future, it is assumed such work will be completed in a timely fashion, using non-defective materials, and proper workmanship. All previously completed work is assumed to substantially conform to plans, specifications, descriptions, or attachments made or referred to herein. It is also assumed all planned, in-progress, or recently completed construction complies with the zoning

ordinance, and all applicable building codes. A prospective value opinion has an effective value date that is beyond or in the future relative to the report preparation date. If this appraisal includes a prospective valuation, it is understood and agreed the Appraiser is not responsible for an unfavorable value effect caused by unforeseeable events that occur before completion of the project.

11. This valuation may or may not include an observation of the appraised property by a signatory to this report. The extent of any observation is disclosed in the Scope of Work section of this report. Any observation by a signatory is not, and should not be misconstrued as a professional property inspection. Comments or descriptions about physical condition of the improvements, if any, are based solely on a superficial visual observation. Electric, heating, cooling, plumbing, water supply, sewer or septic, mechanical equipment, and other systems were not tested. No determination was made regarding the operability, capacity, or remaining physical life of any component in, on, or under the real estate appraised. All building components are assumed adequate and in good working order unless stated otherwise. Private water wells and private septic systems are assumed sufficient to comply with federal, state, or local health safety standards. No liability is assumed for the soundness of structural members since structural elements were not tested or studied to determine their structural integrity. The roof cover for all structures is assumed water tight unless otherwise noted. Comments regarding physical condition are included to familiarize the reader with the property. This document is not an engineering or architectural report. If the client has any concern regarding structural, mechanical or protective components of the improvements, or the adequacy or quality of sewer, water or other utilities, the client should hire experts in an appropriate discipline before relying upon this report. No representations are made herein as to these matters unless explicitly stated otherwise in this report.
12. If this appraisal values an interest that is less than the whole fee simple estate, then the following disclosure applies. The value for any fractional interest appraised plus the value of all other complementary fractional interests may or may not equal the value of the entire fee simple estate.
13. An appraised property that is a physical portion of a larger parcel or tract is subject to the following limitations. The value opinion for the property appraised pertains only to that portion defined as the subject. This value opinion should not be construed as applying with equal validity to other complementary portions of the same parcel or tract. The value opinion for the physical portion appraised plus the value of all other complementary physical portions may or may not equal the value of the whole parcel or tract.
14. No liability is assumed for matters of legal nature that affect the value of the subject property. Unless a clear statement to the contrary is made in this report, value opinion(s) formed herein are predicated upon the following assumptions. (A) The real property is appraised as though, and assumed free from all value impairments including yet not limited to title defects, liens, encumbrances, title claims, boundary discrepancies, encroachments, adverse easements, environmental hazards, pest infestation, leases, and atypical physical deficiencies. (B) All real estate taxes and assessments, of any type, are assumed fully paid. (C) The property being appraised is assumed to be owned under responsible and lawful ownership. (D) It is assumed the subject property is operated under competent and informed management. (E) The subject property was appraised as though, and assumed free of indebtedness. (F) The subject real estate is assumed fully compliant with all applicable federal, state, and local environmental regulations and laws. (G) The subject is assumed fully compliant with all applicable zoning ordinances, building codes, use regulations, and restrictions of all types. (H) All licenses, consents, permits, or other documentation required by any relevant legislative or governmental authority, private entity, or organization have been obtained, or can be easily be obtained or renewed for a nominal fee.
15. The allocation of value between the subject's land and improvements, if any, represents our judgment only under the existing use of the property. A re-evaluation should be made if the improvements are removed, substantially altered, or the land is utilized for another purpose.
16. The Appraiser assumes a prospective purchaser of the subject is aware of the following. (A) This appraisal of the subject property does not serve as a warranty on the physical condition of the property. (B) It is the responsibility of the purchaser to carefully examine the property, and to take all necessary precautions before signing a purchase contract. (C) Any estimate for repairs is a non-warranted opinion of the Appraiser.
17. Any exhibits in the report are intended to assist the reader in visualizing the subject property and its surroundings. The drawings are not surveys unless specifically identified as such. No responsibility is assumed for cartographic accuracy. Drawings are not intended to be exact in size, scale, or detail.
18. Conversion of the subject's income into a market value opinion is based upon typical financing terms that were readily available from a disinterested, third party lender on this report's effective date. Atypical financing terms and conditions do not influence market value, but may affect investment value.
19. All information and comments concerning the location, market area, trends, construction quality, construction costs, value loss, physical condition, rents, or any other data for the subject represent estimates and opinions of the Appraiser. Expenses shown in the Income Approach, if used, are only estimates. They are based on past operating history, if available, and are stabilized as generally typical over a reasonable ownership period.
20. The Appraiser is not required to give testimony or appear in court because of having prepared this report unless arrangements are agreed to in advance. If the Appraiser is subpoenaed pursuant to court order, the client agrees to compensate the Appraiser for their court appearance time, court preparation time, and travel

time at their regular hourly rate then in effect plus expenses. In the event the real property appraised is, or becomes the subject of litigation, a condemnation, or other legal proceeding, it is assumed the Appraiser will be given reasonable advanced notice, and reasonable additional time for court preparation.

21. Entreken Associates, Inc. and the Appraiser have no expertise in the field of insect, termite, or pest infestation. We are not qualified to detect the presence of these or any other unfavorable infestation. The Appraiser has no knowledge of the existence of any infestation on, under, above, or within the subject real estate. No overt evidence of infestation is apparent to the untrained eye. However, we have not specifically inspected or tested the subject property to determine the presence of any infestation. No effort was made to dismantle or probe the structure. No effort was exerted to observe enclosed, encased, or otherwise concealed evidence of infestation. The presence of any infestation would likely diminish the property's value. All value opinions in this communication assume there is no infestation of any type affecting the subject real estate. No responsibility is assumed by Entreken Associates, Inc. or the Appraiser for any infestation or for any expertise required to discover any infestation. Our client is urged to retain an expert in this field, if desired.
22. Effective January 26, 1992, the Americans with Disabilities Act (ADA) - a national law, affects all nonresidential real estate or the portion of any property, which is non-residential. The Appraiser has not observed the subject property to determine whether the subject conforms to the requirements of the ADA. It is possible a compliance survey, together with a detailed analysis of ADA requirements, could reveal the subject is not fully compliant. If such a determination was made, the subject's value may or may not be adversely affected. Since the Appraiser has no direct evidence, or knowledge pertaining to the subject's compliance or lack of compliance, this appraisal does not consider possible noncompliance or its effect on the subject's value. All opinions are those of the signatory Appraiser based on the information in this report. No responsibility is assumed by the Appraiser for changes in market conditions, or for the inability of the client, or any other party to achieve their desired results based upon the appraised value. Some of the assumptions or projections made herein can vary depending upon evolving events. We realize some assumptions may never occur and unexpected events or circumstances may occur. Therefore, actual results achieved during the projection period may vary from those set forth in this report. Compensation for appraisal services is dependent solely on the delivery of this report, and no other event or occurrence.
23. No part of this report shall be published or disseminated to the public by the use of advertising media, public relations media, news media, sales media, electronic devices, or other media without the prior written consent of Entreken Associates, Inc. This restriction applies particularly as to analyses, opinions, and conclusions; the identity of the Appraiser; and any reference to the Appraisal Institute or its MAI, SRPA, or SRA designations. Furthermore, no part of this report may be reproduced or incorporated into any information retrieval system without written permission from Entreken Associates, Inc., the copyright holder.

Addenda

Legal Description

Parent Tract:

A portion of Sections 29, 30, 31 and 32, Township 39 South, Range 21 East, Sarasota County, Florida, and said portion being more particularly described as follows: Commencing at the point of intersection of the Easterly right-of-way line of North Pan American Boulevard with the Northerly right-of-way line of Tamiami Trail (a/k/a U.S. Highway 41 and State Road 45) and the same being shown on the record plat of the 43rd Addition to Port Charlotte Subdivision as recorded in Plat Book 18, Page 26, of the Public Records of Sarasota County, Florida; thence North 13°27'52" East, along the said Easterly line of North Pan American Boulevard, a distance of 390.26 feet to a point; thence continuing North 13°27'52" East, a distance of 344.16 feet to a point of curvature of a circular curve to the left, having a radius of 440.00 feet, a central angle of 08°45'27", a chord bearing of North 09°05'09" East and a chord length of 67.19 feet; thence along the arc of the said curve, an arc length of 67.25 feet to a point hereinafter to be known as the "Point of Beginning"; thence continuing along the arc of the said curve, having a radius of 440.00 feet, a central angle of 12°52'25", a chord bearing of North 01°43'47" West and a chord length of 98.65 feet; thence along the arc of the said curve, a distance of 98.88 feet to a point of tangency of the said curve; thence North 08°10'00" West, continuing along the said Easterly right-of-way line of North Pan American Boulevard, a distance of 695.59 feet to the point of curvature of a circular curve to the right, having a radius of 760.00 feet, a central angle of 01°56'57", a chord bearing of North 07°11'31" West and a chord length of 25.85 feet; thence along the arc of said curve, an arc length of 25.85 feet to a point of cusp with a curve to the left; having a radius of 25.00 feet, a central angle of 91°55'01", a chord bearing of South 52°10'33" East and a chord length of 35.94 feet; thence along the arc of said curve, an arc length of 40.11 feet to a point of reverse curvature of a circular curve to the right, having a radius of 730.00 feet, a central angle of 20°56'12", a chord bearing of South 87°39'58" East and a chord length of 265.27 feet; thence along the arc of said curve, an arc length of 266.75 feet to a point of reverse curvature of a circular curve to the left, having a radius of 1684.74 feet, a central angle of 10°48'08", a chord bearing of South 82°35'56" East and chord length of 317.16 feet and said point also being the Southwesterly corner of parcel of land as recorded in Official Records Instrument #2006018775 of the Public Records of Sarasota County, Florida; thence along the arc of the said curve and the Southerly limits of the aforesaid parcel of land, a distance of 317.63 feet to a point of tangency of the said curve; thence South 88°00'00" East, continuing along the said Southerly limits of the aforesaid parcel of land, a distance of 130.73 feet to the Southeasterly corner of the aforesaid parcel of land; thence North 02°00'00" East, along the Easterly limits of the aforesaid parcel of land, a distance of 400.00 feet to a point on the Southerly limits of the Quality Health Care Property (Parcel A as recorded in Official Records Book 1741, Page 174, of the Public Records of Sarasota County, Florida); thence South 88°00'00" East, along the said Southerly limits of Parcel A, a distance of 357.84 feet; thence North 02°00'00" East along the Easterly limits of the said Parcel A, a distance of 419.70 feet to a point on the Southerly limits of the map or plat entitled "52nd Addition to Port Charlotte Subdivision" as recorded in Plat Book 21, Page 13, of the Public Records of Sarasota County, Florida; thence South 88°00'00" East, along the said Southerly limits, a distance of 364.28 feet; thence North 58°30'00" East, continuing along the said Southerly limits, a distance of 414.77 feet; thence East continuing along the said Southerly limits, a distance of 232.29 feet to a point from which the Southeast corner of Tract E of the said map or plat bears North 50.00 feet distance therefrom and said point also being on the Westerly limits of Parcel D (Reservoir Parcel) as recorded in Official Records Book 2357, Page 359, of the Public Records of Sarasota County, Florida; thence South, along the Westerly limits of the said Parcel D, a distance of 320.35 feet to the point of curvature of a circular curve to the right, having a radius of 1900.00 feet, a central angle of 42°11'51", a chord bearing of South 21°05'55" West and a chord length of 1367.91 feet; thence, along the said arc of said curve, an arc length of 1399.32 feet to a point of tangency of the said curve; thence South 42°11'51" West, along the said Westerly limits, a distance of 59.86 feet to the Southwesterly corner of the said Parcel D; thence South 61°10'59" East, along the Southerly limits of the said Parcel D, a distance of 160.00 feet to a point being described as the approximate mean high water line of the Myakkahatchee Creek; thence Southwesterly along the said approximate mean high water line of the said Myakkahatchee Creek, a distance of 468 feet more or less; thence North 00°28'05" West, leaving the said approximate mean high water line, a distance of 464.48 feet more or less to a point; thence South 89°29'48" West, a distance of 831.14 feet; thence South 00°28'05" West, a distance of 248.05 feet to a point of curvature of a circular curve to the right, having a radius of 875.00 feet, a central angle of 05°54'00", a chord bearing of South 03°25'05" West and a chord length of 90.06 feet; thence along the arc of the said curve, a distance of 90.10 feet to a point on an 80.00 foot wide ingress/egress (access) easement as recorded in Official Records Instrument #1998150931 of the Public Records of Sarasota County, Florida; thence North 88°31'07" West, along the Northerly limits of the said ingress/egress easement, a distance of 355.77 feet to a point; thence North 50°48'24" West, continuing along the said Northerly limits, a distance of 59.39 feet; thence North 86°31'07" West, continuing along the said Northerly limits, a distance of 30.00 feet back to the Point of Beginning.

LESS AND EXCEPT the land described in the Warranty Deed from Redus Florida Land, LLC, a Delaware limited liability company, to the North Port Road and Drainage District recorded in Official Records Instrument #2013041222, of the Public Records of Sarasota County, Florida and more particularly described as follows:

Portions of Sections 29, 31 and 32, Township 39 South, Range 21 East, Sarasota County, Florida, more particularly described as follows: Commencing at the point of intersection of the Easterly right-of-way line of North Pan American Boulevard with the Northerly right-of-way line of Tamiami Trail (US-41) as the same is shown on the record plat of the 43rd Addition to Port Charlotte Subdivision, per plat thereof recorded in Plat Book 18, Page 26, Public Records of Sarasota County, Florida; thence N. 13°27'52" E., along the said Easterly line of North Pan American Boulevard, a distance of 734.41 feet to the point of curvature of a curve to the left, having a radius of 440.00 feet, a central angle of 10°58'41", a chord bearing of North 07°58'31"E. and a chord length of 84.18 feet; thence along the arc of the said curve, and said Easterly right-of-way line, an arc length of 84.31 feet to a point on the North line of the Northeast quarter of Section 31 in aforesaid Township 39 South, Range 21 East; thence S. 89°31'55"E., along said North line a distance of 1480.25 feet to the Southwest Corner of aforesaid Section 29, thence N. 23°08'36" East, a distance of 66.20 feet to the "POINT OF BEGINNING" of the easement on the Southerly line of that certain Parcel "D" as recorded in O.R.2666, Page 618, Public Records of Sarasota County, Florida; thence S. 61°10'59" E., along said southerly line, a distance of 140.57 feet more or less, to a point on the "mean high water line" of the Myakkahatchee Creek; thence Southwesterly along said mean high water line a distance of 169.74 feet more or less; thence North 61°10'59" W., a distance of 90.30 feet more or less; thence N. 28°49'01" E., a distance of 120.00 feet; thence N. 01°54'18" W., a distance of 52.35 feet to the POINT OF BEGINNING.

TOGETHER WITH a non-exclusive easement for stormwater drainage over, across and through the Easement Area Identified in that certain Grant of Easement and Right of Use Agreement (Drainage Easement) dated as of March 25, 2002 and recorded April 26, 2002 as Official Records Instrument #2002067121, of the Public Records of Sarasota County, Florida.

Subject Photographs



Exterior
(Easement to the kayak launch)



Exterior
(Kayak launch)



Exterior



Exterior

SUBJECT PHOTOGRAPHS



Exterior



Exterior



Exterior
(Subject to the left in the wooded area)



Exterior
(Subject to the right in the wooded area)

SUBJECT PHOTOGRAPHS



Exterior



Exterior



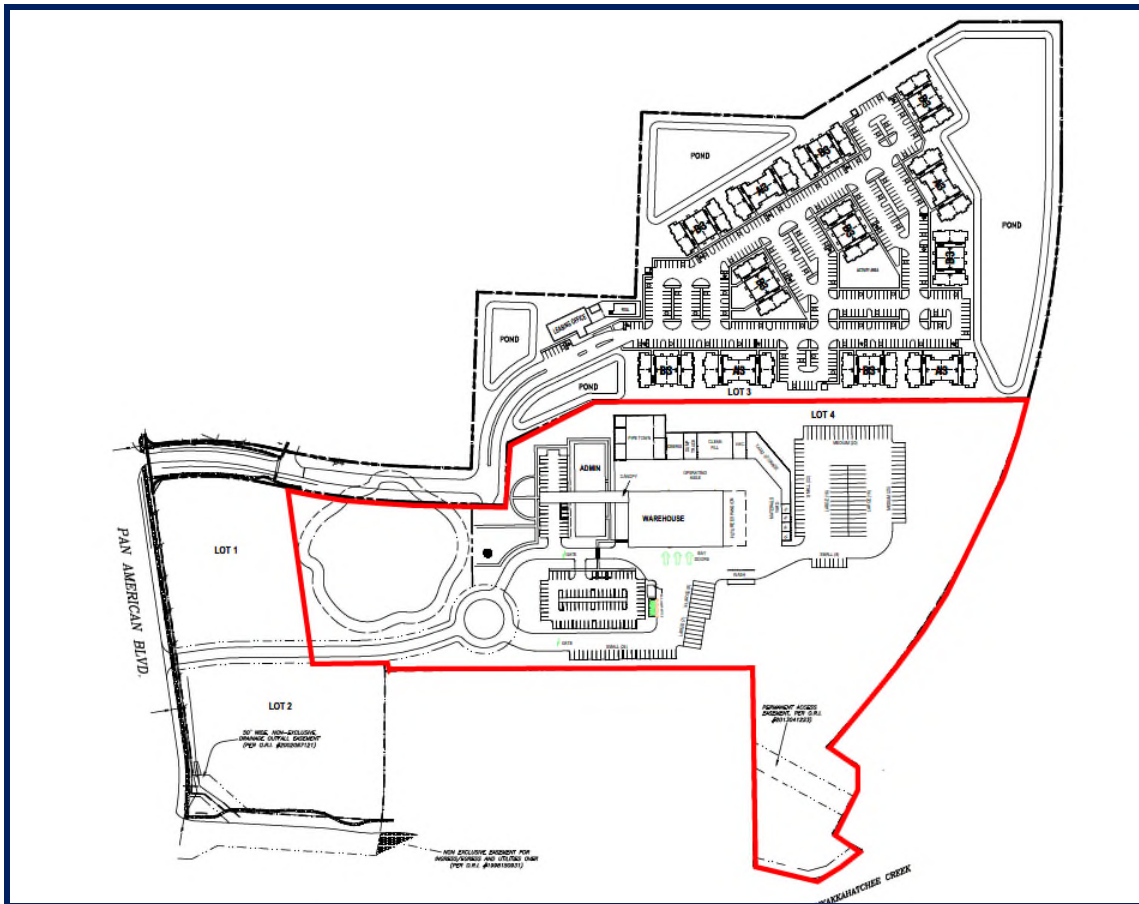
View Looking North on Pan American Blvd
(Subject on Right but not visible from Pan American Blvd)



View Looking East on Children Way
(Subject on Right)

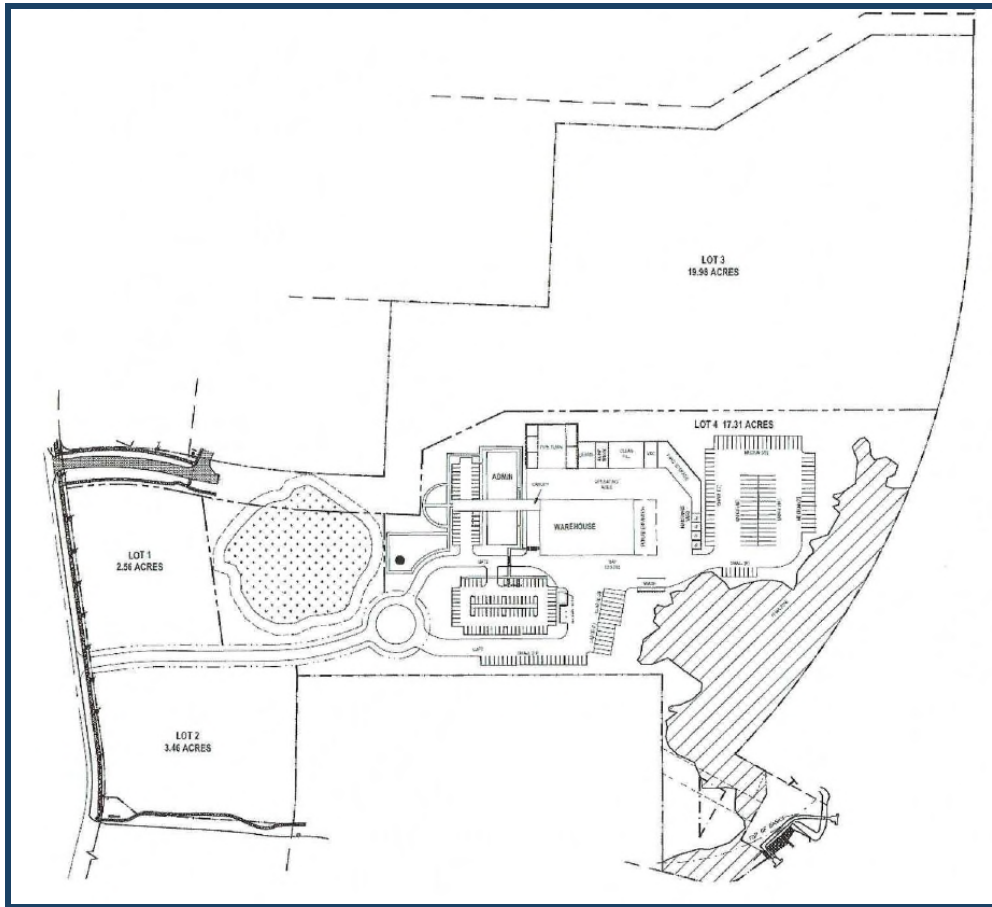


Aerial Map of Parent tract



Site Plan with the Subject outlined in Red

The Access Easement is located in the southeastern portion, noted by the dotted line connecting the creek to the parking lot of the parcel to the south



Site Plan

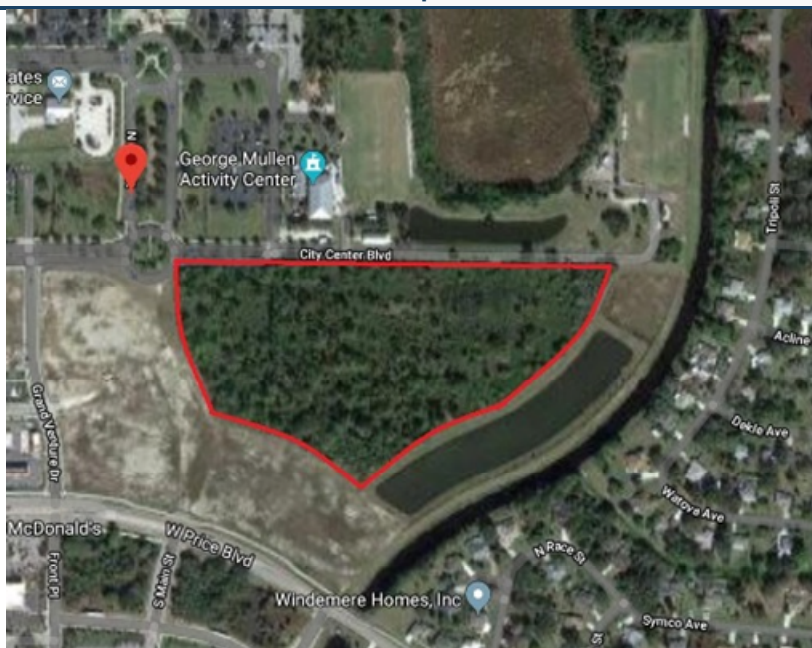
Subject is Lot 4



Flood Map

Comparable Sales

Land Comparable 1



Transaction

ID	19308	Date	1/16/2020
Address	N. Main St.	Actual Price	\$2,813,800
City	North Port	Price	\$2,813,800
State	FL	Price Per Acre	\$164,166
Grantor	Marsh Creek Holdings LTD	Financing	Conventional
Grantee	NX North Port Owner, LLC	Property Rights	Fee Simple
Tax ID	979110001		
Book/Page or Reference	Under Contract		
Sale Verification Source	Conf Source, Public Records		

Site

Acres	17.14	Zoning	PCDN
Land SF	746,618	Flood Zone	Zone AE
Shape	Irregular	Encumbrance Or	None Noted
Utilities	All to Site	Environmental Issues	None Noted
Topography	Gently Sloping		

Sale Comments

This property is proposed for the development of an Assisted Living Facility with 188 beds and 48 cottages and is pending final approval. There is little to no unusable land area. The purchase price was confirmed by a confidential source with knowledge of the transaction.

Land Comparable 2



Transaction

ID	21533	Date	11/10/2020
Address	4300 Career Ln	Actual Price	\$2,400,000
City	North Port	Price	\$2,400,000
State	FL	Price Per Acre	\$166,607
Grantor	Fcb Reo Properties Llc	Financing	Conventional
Grantee	Toledo Blade Partners Llc	Property Rights	Fee Simple
Tax ID	0960010001; 0960010007		
Book/Page or Reference	2020165990		
Sale Verification Source	Broker, Public Records,		

Site

Acres	14.41	Zoning	CG - Commercial General
Land SF	627,488	Flood Zone	Partially in X and AE
Shape	Irregular	Encumbrance Or	None Noted
Utilities	Available to Site	Environmental Issues	None Noted
Topography	Gently Sloping		

Sale Comments

This land property located at 4300 Career Ln, North Port, FL, was sold on November 10, 2020, for a reported price of \$2,400,000. This property was approximately 14.41 acres gross, with 9+/- acres useable. The wetland areas included the drainage easement on the opposite side of the site for the college. The broker mentioned that the price was a market rate price and that the buyer is a developer who is marketing the property for multiple different highway uses such as a fueling station, retail strip-center, possibly even a hotel on a portion.

Land Comparable 3



Transaction			
ID	21529	Date	2/26/2021
Address	19101 Veterans Blvd	Actual Price	\$3,700,000
City	Port Charlotte	Price	\$3,700,000
State	FL	Price Per Acre	\$139,623
Grantor	Centennial Bank	Financing	Conventional
Grantee	BJ's Wholesale Club, Inc	Property Rights	Fee Simple
Tax ID	402208151002; 402208151003		
Book/Page or Reference	4722 / 978		
Sale Verification Source	Broker, Public Records,		

Site			
Acres	26.50	Zoning	CG - Commercial, General
Land SF	1,154,340	Flood Zone	Zone X
Shape	Irregular	Encumbrance Or	FPL Easement on South Side
Utilities	Available to Site	Environmental Issues	None Noted
Topography	Gently Sloping		

Sale Comments

The property located at 19101 Veterans Blvd, Port Charlotte, FL, was sold on February 26, 2021, for a reported price of \$3,700,000. This property totaled approximately 26.5 acres with 18.5 acres of the useable area including both Parcel 1 and 2. The unusable area included a FPL electric transmission line on the south side, a 5+acre pond required for water retention on Parcel 2, and approximately 1.5 acres for water retention and easement on Parcel 1. BJ's Wholesale purchased the entire property to build a retail center. The property was on the market for a number of years for a higher price but was lowered to a more realistic price once the bank that owned it was bought out and the new bank was able to take the write-down. The broker we spoke to indicated the sales price was at market given the size and amount of useable area was on the site at the time of sale. Since the sale, the 6.35 acre, Parcel 2, portion has been re-listed for sale with an entitlement company that is trying to get it pre-approved for a self-storage facility and 1.5 acres of retail.

Land Comparable 4



Transaction			
ID	21528	Date	11/18/2021
Address	3484 Laurel Rd E	Actual Price	\$3,000,000
City	Nokomis	Price	\$3,000,000
State	FL	Price Per Acre	\$247,934
Grantor	Redmon, Alan R Estate;	Financing	Conventional
Grantee	3484 Laurel Road LLC	Property Rights	Fee Simple
Tax ID	387010003		
Book/Page or Reference	2021214245		
Sale Verification Source	Broker, Public Records, MLS		
Site			
Acres	12.10	Zoning	CI - Commercial Intensive
Land SF	527,076	Flood Zone	Partially in X and AE
Shape	Roughly Rectangular	Encumbrance Or	High-Line on South End
Utilities	Available to Site	Environmental Issues	None Noted
Topography	Gently Sloping		

Sale Comments

This 12.1+/- acres property located at 3484 Laurel Rd E, Nokomis, FL, was sold on November 18, 2021, for a reported price of \$3,000,000. This parcel borders I-75 and Laurel Road. It was listed for \$5,000,000, and put under contract for \$4,000,000. The price was further reduced to \$3,000,000 when a survey showed approximately 4 acres of wetlands and easement area on the site, making the useable area approximately 8+/- acres. The broker mentioned that the buyer plans to build a swimming pool supply distribution warehouse on the property. There was a triplex on the property with month-to-month renters at the time of sale. It did not have contributory value, but the rent during the planning phase of the buyer should offset demolition costs.

Land Comparable 5



Transaction

ID	19307	Date	12/14/2021
Address	5400 Pan American Blvd	Actual Price	--
City	North Port	Price	\$3,168,000
State	FL	Price Per Acre	\$158,559
Grantor	5400 Group LLC	Financing	Assumed Conventional
Grantee	Under Contract	Property Rights	Fee Simple
Tax ID	0996-00-1000		
Book/Page or Reference Doc	Listing		
Sale Verification Source	Broker, Third Party, Public Records		

Site

Acres	19.98	Zoning	PCD
Land SF	870,329	Flood Zone	Zone X & AE
Shape	Irregular	Encumbrance Or	None Noted
Utilities	All to Site	Environmental Issues	None Noted
Topography	Gently Sloping /Wooded		

Sale Comments

This sale is Lot 3, approximately 19.98+/- acres, of the 47.11 Acre tract is under contract, including 18+/- acres of buildable land and 5+/- acres of water retention and flood area. The buyer is building 288 affordable housing apartment units. The water retention includes water retention for Lot 4, the 17.31 acre parcel to the south. The transaction is set to close in January 2022.

Definitions

Definitions are from The Dictionary of Real Estate Appraisal, 6th Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP), and Building Owners and Managers Association International (BOMA).

Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant.¹

Amortization

The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund.¹

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.¹

Base Rent

The minimum rent stipulated in a lease.¹

Base Year

The year on which escalation clauses in a lease are based.¹

Building Common Area

In office buildings, the areas of the building that provide services to building tenants but which are not included in the office area or store area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common area are floor common areas, parking space, portions of loading docks outside the building line, and major vertical penetrations.²

Building Rentable Area

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration.²

Certificate of Occupancy (COO)

A formal written acknowledgment by an appropriate unit of local government that a new construction or renovation project is at the stage where it meets applicable health and safety codes and is ready for commercial or residential occupancy.¹

Common Area Maintenance (CAM)

The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property.¹

The amount of money charged to tenants for their shares of maintaining a [shopping] center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security and upkeep.³

Condominium

A multiunit structure, or a unit within such a structure, with a condominium form of ownership.¹

Conservation Easement

An interest in real estate restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may permit farming, timber harvesting, or other uses of a rural nature as well as some types of conservation-oriented development to continue, subject to the easement.¹

Contributory Value

A type of value that reflects the amount a property or component of a property contributes to the value of another asset or to the property as a whole.

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries.¹

Depreciation

1) In appraisal, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date.

2) In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques.¹

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
- The property is subjected to market conditions prevailing as of the date of valuation;
- Both the buyer and seller are acting prudently and knowledgeably;
- The seller is under compulsion to sell;
- The buyer is typically motivated;
- Both parties are acting in what they consider to be their best interests;
- An adequate marketing effort will be made during the exposure time;
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and
- 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.⁴

Easement

The right to use another's land for a stated purpose.¹

Effective Date

1. The date on which the appraisal or review opinion applies. (SVP)
2. In a lease document, the date upon which the lease goes into effect.¹

Effective Gross Income (EGI)

The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income.¹

Effective Rent

Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. (TIs).¹

Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same

¹ Dictionary of Real Estate Appraisal, 6th Edition

² Building Owners and Managers Association (BOMA)

³ International Council of Shopping Centers (ICSC), 4th Edition

⁴ Dictionary of Real Estate Appraisal, 6th Edition



as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately.¹

Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying operating expenses above a stated level or amount.¹

Exposure Time

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

Extraordinary Assumption

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. (USPAP, 2018-2019 ed.)⁵

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.¹

Floor Common Area

In an office building, the areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor.⁶

Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a *full service lease*.¹

Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory.¹

Going-Concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business*.⁷

Gross Building Area (GBA)

- 1) Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
- 2) Gross leasable area plus all common areas.
- 3) For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space.¹

Gross Leasable Area (GLA)

Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces.¹

Gross Up Method

A method of calculating variable operating expenses in income-producing properties when less than 100% occupancy is assumed. Expenses reimbursed based on the amount of occupied space, rather than on the total building area, are described as "grossed up."¹

Gross Retail Sellout

The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of

properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions. Also called the *aggregate of the retail values*, *aggregate retail selling price* or *sum of the retail values*.¹

Ground Lease

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term.¹

Ground Rent

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land.¹

Hypothetical Condition

- 1) A condition that is presumed to be true when it is known to be false. (SVP – Standards of Valuation Practice, effective January 1, 2015)
- 2) A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.)¹

Insurable Value

A type of value for insurance purposes. (Typically this includes replacement cost less basement excavation, foundation, underground piping and architect's fees).¹

Investment Value

The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.¹

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.¹

Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.¹

Liquidation Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a short time period.
- The property is subjected to market conditions prevailing as of the date of valuation.
- Both the buyer and seller are acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider to be their best interests.
- A normal marketing effort is not possible due to the brief exposure time.
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

⁵ USPAP, 2018-2019 ed.

⁶ Building Owners and Managers Association (BOMA)

⁷ Dictionary of Real Estate Appraisal, 6th Edition

Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options and tenant improvements (TIs).¹

Market Value

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:

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

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of the Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.)¹

Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a *double net lease*, *net net lease*, *partial net lease*, or *semi-gross lease*.¹

Operating Expense Ratio

The ratio of total operating expenses to effective gross income (TOE/EGI); the complement of the net income ratio, i.e., $OER = 1 - NIR$ ¹

Partial Interest

Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common, easement, or life interest.¹

Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real property taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant.¹

Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted.¹

Prospective Future Value Upon Completion

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report. ... The prospective market value –as completed- reflects the property's market value as of the time that development is expected to be complete.¹

Prospective Future Value Upon Stabilization

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed

development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report ...The prospective market value – as stabilized – reflects the property's market value as of the time the property is projected to achieve stabilized occupancy. For an income-producing property, stabilized occupancy is the occupancy level that a property is expected to achieve after the property is exposed to the market for lease over a reasonable period of time and at comparable terms and conditions to other similar properties.¹

Rentable Area

For office buildings, the tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring the inside finished surface of the dominant portion of the permanent building walls, excluding any major permanent penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice.¹

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout.¹

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building.¹

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."¹

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel.¹

Triple Net (Net Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called *NNN lease*, *net net net lease*, or *fully net lease*.¹

Value-in-Use

The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually

Qualifications



Qualifications of Wesley R. Sanders, MAI, AI-GRS, CCIM Senior Managing Director

EDUCATION

Bachelor of Science in Economics, Texas A&M University, College Station, TX
Associate in Arts in English, Blinn College, Brenham, TX
Associate in Science in Business, Blinn College, Brenham, TX

REAL ESTATE EDUCATION AND COURSES

Real Estate Appraisal	Advanced Applications	Uniform Standards of Professional Appraisal Practice
Real Estate Principles I and II	Advanced Income Capitalization	Litigation Appraising: Specialized Topics and Applications
Real Estate Brokerage	Real Estate Development	Understanding and Testing DCF Valuation Models
Law of Agency	Hotel Appraising	Report Writing & Valuation Analysis
Law of Contracts	Real Estate Math	Advanced CCIM Education
Commercial Real Estate	Advanced Sales Comparison & Cost Approaches	<i>Numerous other courses and seminars completed</i>
Business Practices and Ethics	Florida State Law Update for R.E. Appraisers	
Highest & Best Use and Market Analysis	Fundamentals of Separating Real Property	
Comprehensive Guide to Real Estate Finance	Litigation Skills for the Appraiser	
Appraisal Review Theory – General		
ARGUS Financial Software Training		

REAL ESTATE EXPERIENCE

Mr. Sanders is a Senior Managing Director of Entreen Associates, Inc., a real estate valuation and consulting firm. In the real estate profession for 20 years, Mr. Sanders has a wide variety of real estate experience. Mr. Sanders is active in the valuation industry with completion and review of over 600 appraisals in the past few years and several thousand over his career. This includes the appraisal of a wide variety of property types, including office buildings, hotel, multifamily (conventional, student-housing, LIHTC, Fannie, Freddie, HUD 221(d) and 223(f), M.A.P. certified), industrial warehouses, gas stations, single and multi-tenant retail centers, net leased properties, self-storage and cold-storage facilities, breweries, subdivisions, proposed and existing condominium high rises, proposed water-front condominium developments, vacant land, parking garages, hotels, and special-use properties. He has extensive experience in feasibility studies, rent studies, and valuing many different types of commercial properties for the purposes of financing, possible sale or purchase, renovation feasibility, ad valorem assessment, corporate and estate planning, and asset disposition.

He testified as a qualified expert in Circuit Court (Second Judicial Circuit, Leon County Florida and Sixth Judicial Circuit, Pinellas County Florida) and Deposed as a qualified expert in Circuit Court (Twelfth Judicial Circuit, Sarasota County Florida). Valuation Trends speaker at the 2014 Annual Conference for the Aggie Real Estate Network in Dallas, TX. He has also lead a seminar on brewery valuation multiple times for the Appraisal Institute. National appraisal and market studies have included properties in over 15 states in the Midwest, Southeast, Northeast, and Puerto Rico.

Since 2014, Wes has closed almost \$30M in commercial real estate sales transactions. He was also directly involved in analyzing, underwriting, submitting offers, or valuations, on over \$1B in properties during the same timeframe. He has been involved with multiple multifamily redevelopment projects, yielding investors significant returns, well above expectations.

PROFESSIONAL DESIGNATIONS AND MEMBERSHIPS

Member, Appraisal Institute (MAI and AI-GRS Designated Member). Served as the Chapter President of the Florida Gulf Coast Chapter of the Appraisal Institute in 2018, Education Committee in 2011, Board of Directors (2012-2014), and as the 2016-2017 Region X Government Relations Committee Chairman after two years as Vice Chairman. Certified General Real Estate Appraiser in Texas, Georgia, and Florida. Previously licensed in multiple other states. Licensed Real Estate Broker in Texas. Member of the National Association of Realtors, North Texas Commercial Association of Realtors, Florida Gulf Coast Commercial Association of Realtors, and a Designated Member of the CCIM Institute. Member of the Aggie Real Estate Network.

 Ron DeSantis, Governor Halsey Beshears, Secretary



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD


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


SANDERS, WESLEY ROY
3720 DELTA STREET
SARASOTA FL 34232

LICENSE NUMBER: RZ2911

EXPIRATION DATE: NOVEMBER 30, 2022

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