

APPRAISAL REPORT

**VACANT COMMERCIAL PARCEL
N. GARDEN AVENUE NORTH OF CEDAR STREET
CLEARWATER, FLORIDA 33755**

DATE OF VALUATION

JUNE 15, 2022

PREPARED FOR

**MS. SUZANNE KRAMER
CITY OF CLEARWATER
REAL ESTATE SERVICES COORDINATOR
CLEARWATER, FLORIDA 33756**

E-MAIL: SUZANNE.KRAMER@MYCLEARWATER.COM

PREPARED BY

**JAMES M. MILLSPAUGH, MAI
JAMES MILLSPAUGH & ASSOCIATES, INC.
110 TURNER STREET
CLEARWATER, FL 33756-5211**

JAMES MILLSPAUGH & ASSOCIATES, INC.
REAL ESTATE APPRAISERS & CONSULTANTS
LICENSED REAL ESTATE BROKER

110 TURNER STREET, CLEARWATER, FLORIDA 33756-5211 PHONE: (727) 461- 2648 FAX: 442-8922
E-MAIL: jim@millspaugh-appraisals.com | WEBSITE: www.millspaugh-appraisals.com

June 27, 2022

Ms. Suzanne Kramer
City Of Clearwater
Real Estate Services Coordinator
Clearwater, Florida 33756
E-Mail: suzanne.kramer@myclearwater.com

RE: Appraisal Report
Vacant Commercial Parcel
N. Garden Avenue North of Cedar Street
Clearwater, Florida 33755

Dear Ms. Kramer:

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

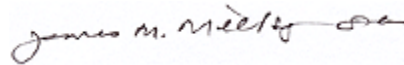
This Appraisal Report has been made in conformance with and is subject to the requirements of the Code of Professional Ethics and Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Institute and the Appraisal Foundation. The Appraisal Report and final value estimate are subject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

I have made a careful and detailed analysis of the subject property and after analyzing the market data researched for this report, I estimate that the current market value of the referenced real property only and subject to the stated limitations, definitions and certifications set forth in the attached appraisal report as of June 15, 2022, was:

EIGHTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS
(\$87,500)

Respectfully submitted,

JAMES MILLSPAUGH & ASSOCIATES, INC.



James M. Millspaugh, MAI
JMM:sg

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

TABLE OF CONTENTS

INTRODUCTION

Title Page	
Letter of Transmittal	
Table of Contents	
Site Photographs	

DESCRIPTIONS, ANALYSES AND CONCLUSIONS

Identification of the Property	1
Census Tract Location/Zip Code	1
Flood Zone Location	1
Environmental Audit Data	1
Objective and Intended Use/Users of the Appraisal	1
Exposure Period Estimate	2
Statement of Ownership and Recent Sales History	2
Scope of the Appraisal	2
Definition of Market Value	3
Standard Contingent and Limiting Conditions	3
Certification	6
Area Description	7
Site Data	7
Assessment and Tax Data	9
Zoning and Land Use Data	9
Highest and Best Use	10
Land Value Estimate	10

ADDENDA

Qualifications of the Appraiser	
Standard Definitions	

EXISTING CONDITIONS

VACANT COMMERCIAL PARCEL
N. GARDEN AVENUE NORTH OF CEDAR STREET
CLEARWATER, FLORIDA 33755

DATE OF PHOTOGRAPHS: JUNE 15, 2022



PARCEL VIEW FROM N. GARDEN AVENUE



N. GARDEN AVENUE STREET SCENE LOOKINGT NORTH TOWARD SUBJECT ON
RIGHT

IDENTIFICATION OF THE PROPERTY:

It fronts the east side of N. Garden Avenue approximately 200' north of Cedar Street just north of the Old Bay Character district in The Downtown Core. It is legally described in brief as part of Lots 36-37, J. J. Eldridge Subdivision, Plat Book H-1, Page 85 and described by the Property Appraiser as Parcel #09-25-15-25542-004-0360.

CENSUS TRACT LOCATION/ZIP CODE: #261/33755

FLOOD ZONE LOCATION: Pinellas County, Florida
Map No. 12103C0106J
Effective Date: 8/24/21

The subject and surrounding district are located in a zone X described as an “area of minimal flooding” where flood insurance is not required.

ENVIRONMENTAL AUDIT DATA:

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

OBJECTIVE AND INTENDED USE/USERS OF THE APPRAISAL:

The objective is to estimate the current market value in fee simple estate of the subject real property only as of June 15, 2022 (date of inspection and photographs). It is my understanding that the intended use of the report is for guidance to the City of Clearwater in their pending negotiation to sell the property in the open market and the intended users are the City representatives and no others.

EXPOSURE PERIOD ESTIMATE:

This is the past period of time required to have sold the subject at my value estimate as of the date of appraisal. The pace of land sales here for assemblage of large parcels has been ongoing for the past decade or so with the most recent 2± years being the most active. This parcel is surrounded by an ownership entity, that recently received formal site plan approval and clearly has evidenced a logical demand to acquire this parcel. As such, a realistic exposure period would be in the 1 to 3 months range.

STATEMENT OF OWNERSHIP AND RECENT SALES HISTORY:

The site was acquired via a Certificate of Title by the City in December 2018 with there being no subsequent transfers that would impact the current market value.

SCOPE OF THE APPRAISAL:

The extent of my research effort has focused on the surrounding market area for vacant lot sales with a review of data for the Old Bay Character district and proximate locales. Specifically, I have researched the Clerk's and Property Appraiser's data, local MLS file data and my newspaper clipping files. I have thoroughly inspected this locale, viewed the Comparable Land Sales and verified the details with a related party. The report will include a Land Sales Comparison Approach that is the most reliable for this property type.

DEFINITION OF MARKET VALUE:

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

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

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

STANDARD CONTINGENT AND LIMITING CONDITIONS:

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

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

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

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

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

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

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

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

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

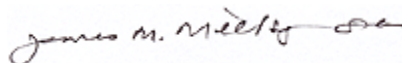
The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The Appraiser(s) has (have) not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance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

CERTIFICATION

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

1. As of the date of this report, I, James M. Millspaugh, have completed the requirements under the continuing education program of the Appraisal Institute.
2. I have personally inspected the subject property and have considered all factors affecting the value thereof, and to the best of my knowledge and belief, the statements of fact contained in this appraisal report, upon which the analyses, opinions and conclusions expressed herein are based, are true and correct, subject to all attached Contingent and Limiting Conditions.
3. I have no present or contemplated future interest in the real estate that is the subject of this appraisal report.
4. I have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved.
5. My fee for this appraisal report is in no way contingent upon my findings. The undersigned further certifies that employment for this appraisal assignment was not based on a requested minimum valuation or an approval of a loan.
6. This appraisal report sets forth all of the limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analyses, opinions, and conclusions contained in this report.
7. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Uniform Standards of Professional Practice of the Appraisal Institute and the Appraisal Foundation and may be subject to peer review. Further, I have met USPAP's competency provision and am capable of completing this appraisal assignment.
8. No one other than the undersigned prepared the analyses, conclusions and opinions concerning the real estate that are set forth in this appraisal report.
9. In my opinion, the estimated market value of the subject real property only in fee simple estate as of June 15, 2022, was:

EIGHTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS
(\$87,500)



James M. Millspaugh, MAI
State-Certified General Real Estate Appraiser RZ58

AREA DESCRIPTION:

This locale has attracted major interest for future redevelopment of mixed-uses that began in earnest during the past decade. The Garden Trail Apartments, Habitat For Humanity residences and recently a 90± unit waterfront condo at the Seminole Street Boat Ramp have been linchpins for the redevelopment plus extensive single-family activity along the Clearwater Harbor waterfront. Based upon the extensive land acquisitions including land surrounding the subject parcel, the new ownership has intentions for the entire district as does the City of Clearwater that redeveloped the Seminole Boat Ramps and acquired the historic North Ward School for additional public use. The other major city complex located here is the natural gas facility on Myrtle Avenue north of Jones Street.

This existing and future development has replaced/renewed what had been a long decaying suburban district that no longer has a heavy crime problem and related bad reputation. As such, there appears to be no lingering detrimental influences for the area or the subject property.

SITE DATA:

The site is somewhat irregular in shape and is comprised of 2 partial lot sections. It includes a 41.3' N. Garden frontage, 125' north and 120.7' south side dimensions and back 65.7' width. These calculate to a total site size of 6,470 SF or 0.1485 acres MOL as reported by the public data with no provided site survey.

Surrounding uses include older scattered housing to north and west, public playground to the west and recently acquired parcels to the south and east extending to the Trail and Blanche B. Littlejohn alleyway. If approved and when built, this complex would likely benefit the locale in general and has added logical assemblage demand for the subject parcel that has all public and private utilities and is served by narrow two-lane roadways that extend north and east Of Myrtle Avenue (US Alternate 19). As such, there are no known detrimental influences for the subject or the locale.

The site then is in demand but suffers from a small and irregular shape that restricts but allows individual uses per the zoning regulations.

 AIRS Aerial Image Retrieval System Pinellas County Main W



0 50 100ft 27°58'36"N 82°47'38"W

Detailed description: This is a screenshot of a web-based aerial image retrieval system. The interface includes a search bar at the top with the text '1009 N. Garden Avenue', a search button with a magnifying glass icon, and a button to show search results. Below the search bar is a zoom control with '+' and '-' buttons. The main area is an aerial photograph of a residential neighborhood. A green rectangular overlay is placed on a lawn in the center of the image. At the bottom left, there is a scale bar showing 0, 50, and 100 feet. At the bottom right, the coordinates '27°58'36"N 82°47'38"W' are displayed. The page header includes the system name 'AIRS Aerial Image Retrieval System' and the location 'Pinellas County Main W'.

ASSESSMENT AND TAX DATA:

<u>Pinellas County Parcel #</u>	<u>2021 Assessment</u>
Improved: 09-29-15-25542-004-0360	\$37,121

The figure reflects \$6.75 PSF with no taxes due to the city ownership.

ZONNING AND LAND USE DATA:

The site is zoned C for commercial with a CG- General Commercial land use designation. The subject then would allow a maximum residential density of 24 units PA with a .55 FAR and .9 ISR plus 40 units PA for lodging units. Minimum standard development uses per zoning with staff approval includes community gardens (no size requirements), funeral homes, government uses, indoor recreation, medical clinic, mixed-use, offices, overnight accommodations, parks and recreational facilities, places of worship, restaurants, retail sales/services, social/community centers, telecommunication towers, vehicle sales/display and veterinary offices. Most require a 10,000 SF minimum site, with vehicle sales/display, places of worship, and overnight accommodations requiring a 40,000 SF site and retail plazas 15,000 SF. All except community gardens and telecommunication towers have a 25' height and setbacks of 25' front, 10' side and rear. Parking varies according to use with most of these concepts being qualified for the subject site. Retail plazas can have a medical marijuana treatment center and several uses cannot exceed five acres.

Approval of Level I Flexible Standard Development (FLS) planning application (Approved by the Community Development Coordinator/Planning & Development Director) expands the uses to include accessory dwellings, alcoholic beverage sales, auto service stations, bars, brew pubs, educational facilities, microbreweries, nightclubs, off-street parking, public transportation facilities, retail plaza, schools and utility/infrastructure facilities. Many of the uses such as veterinary office, vehicle sales/display, social/community services, nightclubs, microbreweries, auto service and alcohol beverage sales are prohibited here due to the adjacent residential land.

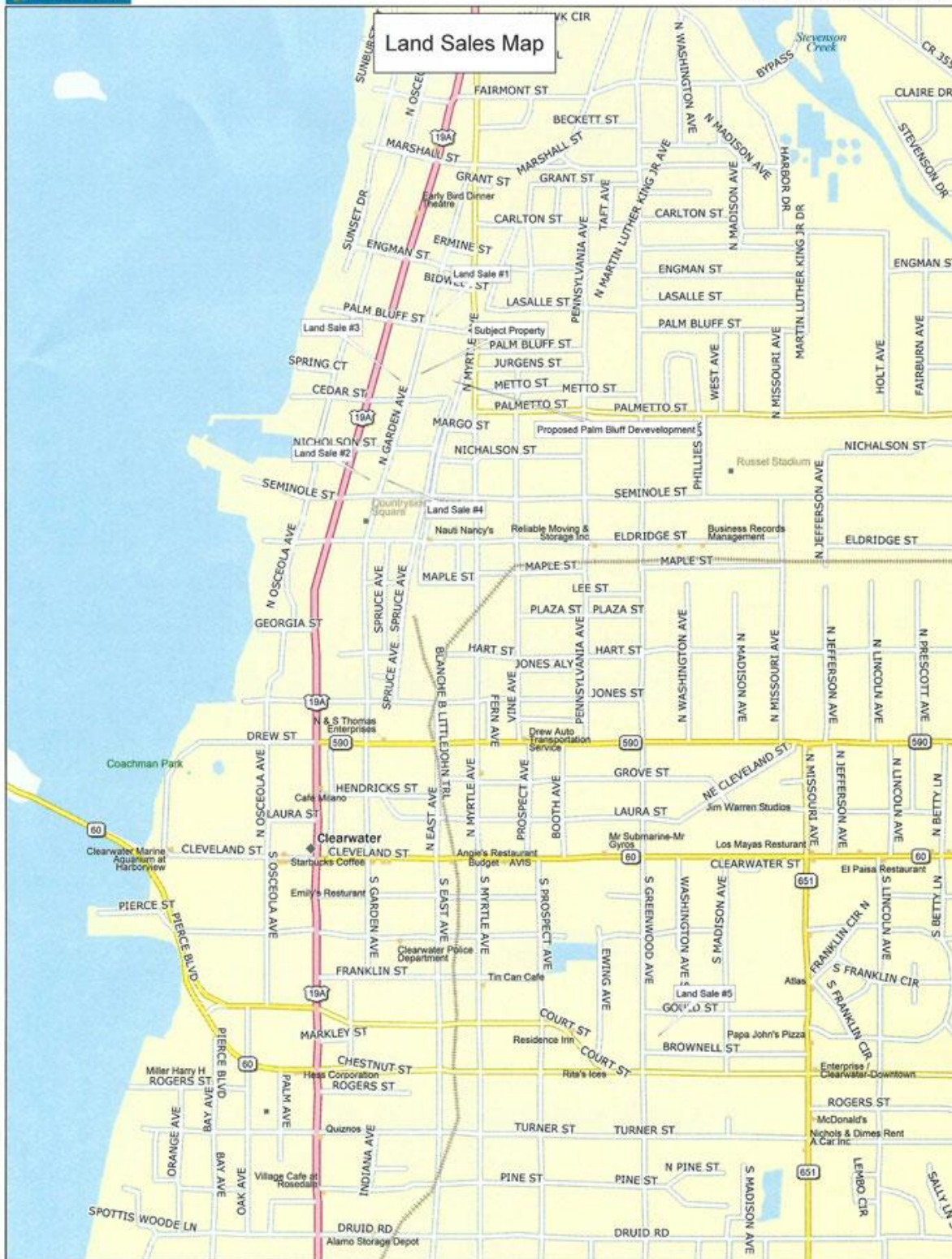
Approval of a Level II Flexible Development (FLD) planning application (approved by the Community Development Board at a public hearing) expands the uses to be requested; however, several additional uses are allowed with most noted having the adjacent residential restriction. The added uses include self-storage, off-street parking (screening required), limited vehicle services, light assembly and comprehensive infill redevelopment (CIRP). The use category of CIRP allows for innovative uses of land which are not listed as permitted but allowed by the underlying future land use.

HIGHEST AND BEST USE: (Defined in Addenda)

After a site and area inspection, it is apparent that assemblage of this parcel with several others located along N. Garden Avenue represents this concept. While the site can be developed individually per development rules, a larger site would yield a better structure consistent with the approved 60-unit condo/office project on the adjacent east parcel of 94,189 SF assembled by the Palm Bluff Development Group, LLC. noted as FLD 2021-12023 site plan approval. Total building area approved was noted at 57,992 SF reported to be in 2 mid-rise 3-4 story buildings.

LAND VALUE ESTIMATE:

This process values the site by comparison to proximate land sales that have been primarily acquired for future development. These are the best known to me in the N. Garden Avenue corridor where modern development to date has included single-family and apartment units. Those sites located in the downtown Old Bay Character District had a 35 PA base density with bonuses for mixed-use at 50 PA. Unless otherwise noted, these sites sold for cash or terms equivalent and did not require adjustment for cash equivalency. The most reliable metric is the price PSF.



Data use subject to license.

© DeLorme. DeLorme Street Atlas USA® 2014.

www.delorme.com



Scale 1 : 12,800

1" = 1,066.7 ft Data Zoom 14-0

LAND SALE #1

Location: 1201 N. Garden Avenue, Clearwater

Legal Description: S. 50' of Lot 19 plus S. 48' of Lot 21, Palm Bluff, 1st Addition, Plat Book 5, Page 14

Date of Sale: January, 2021

Sale Price: \$70,000

Size: 49' x 112'

Price PSF: \$12.76

Price Per Unit: \$23,333

Grantor/Grantee: A. Janicki/B. Tran

Recording Data: O.R. Book, 21343 Page 1574

Sale Confirmed With: Property Leader RE, Broker - MLS

Zoning: C, Commercial Clearwater

Comments: This small retail zoned parcel backs up to a dollar store with typical retail/office allowed uses but restricted by a small site size located outside of the Old Bay Character District. The zoning then would allow 3 units.

LAND SALE #2

Location: Northwest corner of Seminole Street and N. Garden, Clearwater

Legal Description: Lot 6-10, Block 2, E.P. Merritts Subdivision, Plat Book 7, Page 6

Date of Sale: August, 2021

Sales Price: \$1,450,000

Size: 125' x 357' Average; 43,780 SF

Price PSF: \$33.12

Price Per Unit: \$41,429

Grantor/Grantee: Clearwater Corridor, LLC./Kona Vista Group, LLC.

Recording Data: O.R. Book 21706, Page 0690

Sale Confirmed With: L. Donald, Broker

Zoning: D, Downtown Old Bay Character District, Clearwater

Comments: This cleared parcel is located across from the Garden Trail Apartment complex with a 35 PA zoning density, 35' height and 0.5 FAR. The zoning maximum then would allow 35 units or 50 if developed as mixed-use.

LAND SALE #3

Location: 1002 N. Garden Avenue, Clearwater

Legal Description: Lot 31, Block C, J. J. Eldridge Subdivision, Plat Book 1, Page 85

Date of Sale: August, 2021

Sale Price: \$205,000

Size: 63' x 125' MOL; 7,875 SF

Price PSF: \$26.03

Price Per Unit: \$34,167

Grantor/Grantee: J. E. Seymour, Sr./Teal Crest Properties, LLC.

Recording Data: O.R. Book, 21664 Page 1190

Sale Confirmed With: Keller Williams Realty, Broker

Zoning: D, Downtown Old Bay Character District, Clearwater.

Comments: This parcel is located near the northern boundary of the Old Bay Character District where density is at 35 PA with a 35' height and 0.5 FAR. The zoning then would allow 6 units without mixed-uses.

LAND SALE #4

Location: 807-809 N. Garden Avenue Clearwater

Legal Description: Lot 3 plus S. 25' of Lot 2, plus part of vacated alley to the east, Block 1, E.P. Merritt Subdivision, Plat Book 7, Page 6

Date of Sale: September, 2021

Sale Price: \$542,600

Size: 95' x 157' average 14,669 SF

Price PSF: \$36.99

Price Per Unit: \$49,327

Grantor/Grantee: Howard Jimmie/Oceanic Property Holdings

Recording Data: O.R. Book 21706, Page 0726

Sale Confirmed With: L. Donald, Broker

Zoning: D – Downtown Old Bay Character District, Clearwater

Comments: Both sections were improved with older residences to be demolished for redevelopment. The zoning allows a 35 PA density plus 35' height and a 0.5 FAR. The zoning maximum then would allow 11 units without mixed-uses.

LAND SALE #5

Location: East side of Dr. Martin Luther King, Jr. Avenue and north side of Brownell Street, Clearwater

Legal Description: Lot 1, Block 4 and Lot 1, Block 1, Moase and Harrison Subdivision, Plat Book H-2, Page 88

Date of Sale: December, 2021

Sale Price: \$140,000

Size: 47.6' x 140' plus 45' x 143'; 13,099 SF

Price PSF: \$10.69

Grantor/Grantee: J. Kehrer/MLK Brownell Land Trust

Recording Data: O.R. Book 21867, Page 0608

Sale Confirmed With: RE/MAX ACR Elite Group, Inc. - MLS

Zoning: D – Downtown Clearwater, Town Lake Character District

Comments: These 2 small lots together are “L” shaped wrapping around the intersection just north of Court/MLK Jr. Avenue. They are treed and grassed and bordered by older residences. The small size and irregular shape resulted in a moderate land price for a future assemblage in an area where most recent parcels have been purchased in the \$15.00-\$20.00 PSF range for assemblage purposes.

LAND SALES RE-CAP CHART

Sale #	Date Of Sale	Sales Price	Size In SF	Price PSF
1	1/21	\$ 70,000	5,488	\$12.76
2	8/21	\$1,450,000	43,780	\$33.12
3	8/21	\$ 205,000	7,875	\$26.03
4	9/21	\$ 542,600	14,669	\$36.99
5	12/21	\$ 140,000	13,099	\$10.69
Subject	--	--	6,470	--

LAND SALES ANALYSIS AND CONCLUSIONS:

At the 24 PA density this parcel would allow 3 multi-family units (0.1485 acres @ 24 PA = 3.56) as opposed to the 35 PA for sites in the downtown core area for Land Sales #2, #3 and #4 that sold from \$26.03-\$36.99 PSF. Sale #1 was not in the Downtown Core and had limited individual use similar to the subject but was of conventional shape. As such, it sold at \$12.76 PSF while Sale #5 located in another core district only sold at \$10.69 PSF due to its irregular shape. The subject abuts several other smaller parcels and backs up to the Palm Bluff Development Group parcel where assemblage then is very logical.

From this data and given the lower density classification for the zoning outside of the core, I would value the subject at from \$12.00-\$15.00 PSF due to the assemblage likelihood versus Land Sales #1 and #5.

6470 SF @ \$12.00 PSF = \$77,640

6,470 SF @ \$15.00 PSF = \$97,050

ROUNDED TO \$87,500

ADDENDA

QUALIFICATIONS OF THE APPRAISER
JAMES M. MILLSPAUGH, MAI

APPRAISAL EXPERIENCE:

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

APPRAISAL PLANT DATA:

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

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

APPRAISAL EDUCATION:

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

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

VIII: Single Family Residential Appraisal - 1973

I-B: Capitalization Theory and Techniques - 1974

II: Urban Properties - 1975

IV: Condemnation - 1978

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

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

301: Special Applications of Appraisal Analysis – 1980

JAMES M. MILLSPAUGH, MAI

(Qualifications Continued)

RECENT SEMINARS ATTENDED: Sponsored by The Appraisal Institute

Valuation of Wetlands, 2004.

Commercial Highest and Best Use – Case Studies., 2005.

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

Condominiums, Co-Ops and PUDS, 2007.

Analyzing Distressed Real Estate, 2007.

Appraisal Curriculum Overview, Two-Day General, 2009.

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

Valuation of Detrimental Conditions, 2010.

Analyzing Tenant Credit Risk/Commercial Lease Analysis, 2011.

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

Marketability Studies: Advanced Considerations and Applications, 2013.

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

Critical Thinking in Appraisals, 2014.

Litigation Appraising, 2015.

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

Business Practice and Ethics, 2017.

Parking and its Impact on Florida Properties, 2018.

Solving Land Valuation Puzzles, 2018.

Insurance Appraisals, 2018.

Evaluating Commercial Leases, 2019.

Artificial Intelligence, AVMs and Blockchain, 2019.

Appraising Donated Real Estate Conservation Easements, IRS, 2020.

Florida State Law Update, 2020.

National USPAP Update, 2020.

EDUCATION:

Bachelor of Science in Business Administration, University of Florida

Associates of Arts, St. Petersburg Junior College

PROFESSIONAL AFFILIATIONS AND CERTIFICATION

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

Member: Pinellas Realtors Organization, National Association of Realtors

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

STANDARD DEFINITIONS

HIGHEST AND BEST USE:

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximal productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an assets existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards For Federal Land Acquisitions)

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

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

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

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

REPRODUCTION COST: The estimated cost to construct, at current prices as of the effective date of the appraisal, 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 the deficiencies, super-adequacies, and obsolescence of the subject building.

2. Appraisal Institute, The Dictionary of Real Estate Appraisal - Sixth Edition, 2015. pages 109, 90, 128, 197 and 198.

