

APPRAISAL REPORT

APPRAISAL OF

Single Family Home
813 NW 7th Terrace
Hallandale Beach, Florida 33009

PREPARED FOR

Community Redevelopment Agency
City of Hallandale Beach
400 South Federal Highway
Hallandale Beach, Florida 33009

PREPARED BY

THE ERNEST JONES COMPANY
1890 North 68th Avenue
Hollywood, Florida 33024

The Ernest Jones Company

REAL ESTATE APPRAISERS · CONSULTANTS

Lawrence R. Pendleton, MAI

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June 6, 2014

Diana M. Wolfson, MSM
Community Redevelopment Agency
City of Hallandale Beach
400 S Federal Highway
Hallandale Beach, Florida 33009

Ms. Wolfson:

As requested, we have personally inspected and appraised the single-family residential property located at 813 NW 7th Terrace, within the municipal limits of the City of Hallandale Beach, Broward County, Florida. The purpose of this assignment is to give our opinion of the market value of the fee simple interest of the Subject Property as of June 2, 2014 which was the date of inspection. The intended use of the appraisal will be to assist the Hallandale Beach CRA in determining market value for a possible acquisition. The only intended users are the Hallandale Beach Community Redevelopment Agency (CRA). We have prepared the appraisal in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Foundation effective January 1, 2014.

It is our opinion and conclusion that the market value of the fee simple interest of the herein described Subject Property, as of June 2, 2014, is **\$68,000**.

This transmittal letter is followed by the certification of the appraisal and the Appraisal Report #140602-1RS containing 25 pages further describing the subject property and containing the reasoning and pertinent data leading to the estimated value. Your attention is directed to the "Scope of Work" section of this report which details the steps taken in reaching our value opinion.

Respectfully submitted,

THE ERNEST JONES COMPANY



LAWRENCE R. PENDLETON, MAI
PRESIDENT
STATE-CERTIFIED GENERAL REAL
ESTATE APPRAISER #RZ725

CERTIFICATION

This report was made for and certified only to the Hallandale Beach Community Redevelopment Agency. In accordance with USPAP Standards Rule 2-3; The undersigned do hereby 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 are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.

We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved.

We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

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 opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

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 & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*.

The following person(s) signing this report has(have) made a personal inspection of the property that is the subject of this report on June 2, 2014, which is also the effective date of valuation:
Lawrence R. Pendleton

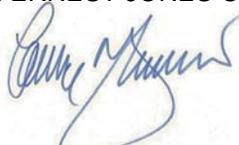
No one provided significant real property appraisal assistance to the person(s) signing this certification.

The use of this report is subject to the requirements of the Appraisal Institute and the State of Florida relating to review by duly authorized representatives of the Appraisal Institute, and the Florida Real Estate Appraisal Board.

As of the date of this report, Lawrence R. Pendleton, MAI, has completed the continuing education program of the Appraisal Institute.

Lawrence R. Pendleton has the necessary education, knowledge and experience to perform this assignment in a competent manner.

THE ERNEST JONES COMPANY



LAWRENCE R. PENDLETON, MAI
PRESIDENT
STATE-CERTIFIED GENERAL REAL
ESTATE APPRAISER #RZ725

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CONDITIONS OF THE APPRAISAL

GENERAL UNDERLYING ASSUMPTIONS

Legal Matters:

The legal description used in this report is assumed to be correct, but it may not necessarily have been confirmed by survey. No responsibility is assumed in connection with a survey or for encroachments or overlapping or other discrepancies that might be revealed thereby. Any sketches included in the report are only for the purpose of aiding the reader in visualizing the property and are not necessarily a result of a survey.

No responsibility is assumed for an opinion of legal nature, such as to ownership of the property or condition of title.

The appraisers assume the title to the property to be marketable; that, unless stated to the contrary, the property is appraised as an unencumbered fee which is not used in violation of acceptable ordinances, statutes or other governmental regulations.

Unapparent Conditions:

The appraisers assume that there are no hidden or unapparent conditions of the property, subsoil or structures which would render it more or less valuable than otherwise comparable property. The appraisers are not experts in determining the presence or absence of hazardous substances, defined as all hazardous or toxic materials, waste, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property.

The appraisers assume no responsibility for the studies or analysis which would be required to conclude the presence or absence of such substances or for loss as a result of the presence of such substances. The client is urged to retain an expert in this field, if desired. The value estimate is based on the assumption that the subject property is not so affected.

Information and Data:

Information, estimates, and opinions furnished to the appraisers and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraisers can be assumed by the appraisers.

All mortgages, liens, encumbrances, and servitudes have been disregarded unless so specified within the appraisal report. The subject property is appraised as though under responsible ownership and competent management.

Zoning and Licenses:

It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconforming use has been stated, defined and considered in the valuation.

It is assumed that the subject property complies with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined and considered in the valuation.

CONDITIONS OF THE APPRAISAL (CONT.)

GENERAL UNDERLYING ASSUMPTIONS (CONT.)

It is assumed that the information relating to the location of or existence of public utilities that has been obtained through a verbal inquiry from the appropriate utility authority, or has been ascertained from visual evidence is correct. No warranty has been made regarding the exact location or capacities of public utility systems.

It is assumed that all licenses, consents or other legislative or administrative authority from local, state or national governmental or private entity or organization have been, or can be, obtained or renewed for any use on which the value estimate contained in the valuation report is based.

Flood Insurance Zone

The Flood Insurance Zone has been obtained from the Flood Insurance Rate Map published by the Federal Emergency Management Agency. The map number and effective date from which the flood zone information was taken is indicated in the appraisal. In some cases, the subject property is located close to the boundary of two different flood zones and it is not possible to determine within which zone the subject property is located. In such a case, the most hazardous zone will be indicated. If there is any question, the appraisers urge that an elevation survey be obtained from a professional land surveyor to determine exactly what flood hazard exists.

GENERAL LIMITING CONDITIONS

The appraisers will not be required to give testimony or appear in court due to preparing the appraisal with reference to the subject property in question, unless prior arrangements have been made.

Possession of the report does not carry with it the right of publication. Out-of-context quoting from or partial reprinting of this appraisal report is not authorized. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of media for public communication without the prior written consent of the appraisers signing this appraisal report.

Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers or the firm with which they are connected, or any reference to the Appraisal Institute or to the appraisal designations) 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 author.

The distribution of the total valuation in this report, between land and improvements, is applicable only as a part of the whole property. The land value, or the separate value of the improvements, must not be used in conjunction with any other appraisal or estimate and is invalid if so used.

CONDITIONS OF THE APPRAISAL (CONT.)

GENERAL LIMITING CONDITIONS (CONT.)

No environmental or concurrency impact studies were either required or made in conjunction with this appraisal report. The appraisers, thereby, reserve the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental or concurrency impact studies, research or investigation.

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraisers 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 appraisers have no direct evidence relating to this issue, possible noncompliance with the requirements of ADA in estimating the value of the property has not been considered.

An appraisal related to an estate in land that is less than the whole fee simple estate applies only to the fractional interest involved. The value of this fractional interest plus the value of all other fractional interests may or may not equal the value of the entire fee simple estate considered as a whole.

The appraisal report related to a geographical portion of a larger parcel is applied only to such geographical portion and should not be considered as applying with equal validity to other portions of the larger parcel or tract. The value of such geographical portions plus the value of all other geographical portions may or may not equal the value of the entire parcel or tract considered as an entity.

If the appraisal is subject to any proposed improvements or additions being completed as set forth in the plans, specifications, and representations referred to in the report, then all work being performed is presumed to be in a good and workmanlike manner. The appraisal is further subject to the proposed improvements or additions being constructed in accordance with the regulations of the local, county, and state authorities. The plans, specifications, and representations referred to are an integral part of the appraisal report when new construction or new additions, renovations, refurbishing, or remodeling applies.

If this appraisal is used for mortgage loan purposes, the appraisers invite attention to the fact that (1) the equity cash requirements of the sponsor have not been analyzed, (2) the loan ratio has not been suggested, and (3) the amortization method and term have not been suggested.

The intended use of this report is not for use in conjunction with a syndication of real property. This report cannot be used for said purposes and, therefore, any use of this report relating to syndication activities is strictly prohibited and unauthorized. If such an unauthorized use of this report takes place, it is understood and agreed that The Ernest Jones Company has no liability to the client and/or third parties.

Acceptance of and/or use of this appraisal report constitutes acceptance of the foregoing General Underlying Assumptions and General Limiting Conditions. The appraisers' duties, pursuant to the employment to make the appraisal, are complete upon delivery and acceptance of the appraisal report. However, any corrections or errors should be called to the attention of the appraisers within 60 days of the delivery of the report.

SUMMARY OF SALIENT FACTS & CONCLUSIONS

Property Address:	813 NW 7 th Terrace, Hallandale Beach, FL 33009	
Type of Property:	750 SF CBS Single Family Home	
Property Ownership:	The Broward County Public Records list title in the name of Norma Covington	
Property History:	No sales within past three years	
Parcel ID Number:	5142-21-34-0210	
Legal Description:	Lot 21, Block 1, THOMPSON & STIRRUP ADDITION, as recorded in Plat Book 32 Page 3, Public Records of Broward County.	
Taxes & Current Assessment:	\$1184.70 - 2013 Gross Taxes	\$56,090 -2014
Purpose of the Appraisal:	Opinion of Current Market Value	
Property Rights Appraised:	Fee Simple	
Intended Use:	Purchase Decisions	
Intended User(s):	Hallandale Beach CRA	
Reasonable Exposure Time:	6-12 months	
Improvements Size (SF):	750 SF of livable area, 814 Adjusted SF (BCPA)	
Lot Size:	±5,520 SF per county records	
Zoning:	CF	
Flood Zone:	FEMA Flood Zone X, Map 12011 C0316F Revised 08/18/92	
Highest and Best Use:	Currently as improved	
Effective Valuation Date:	June 2, 2014	
Last Inspection Date:	June 2, 2014	
Date of the report:	June 6, 2014	
Report Format:	Appraisal Report (Intended to comply with the reporting requirements set forth under Standards Rule 2-2 of the Uniform Standards of Professional Appraisal Practice -effective January 1, 2014.)	

Opinion of Value By:

Sales Comparison Approach: \$68,000

Cost Approach N/A

FINAL VALUE OPINION: \$68,000

DEFINITIONS

Market value - A current economic definition agreed upon by agencies that regulate federal financial institutions in the United States of America is ¹ : 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 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 acting in what they consider their own best interests;
- c. A reasonable time is allowed for exposure in the open market;
2. Payment is made in terms of cash in U.S. Dollars or in terms of financial arrangements comparable thereto; and
3. 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.

Highest & Best Use - 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. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.¹

Market Area - The defined geographic area in which the Subject competes for the attentions of market participants; the term broadly defines an area containing diverse land uses.

Fee Simple Estate - absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of eminent domain, escheat, police power, and taxation. An inheritable estate

¹ 12 CFR 225.62

¹The Dictionary of Real Estate Appraisal, Fourth Edition. The Appraisal Institute.

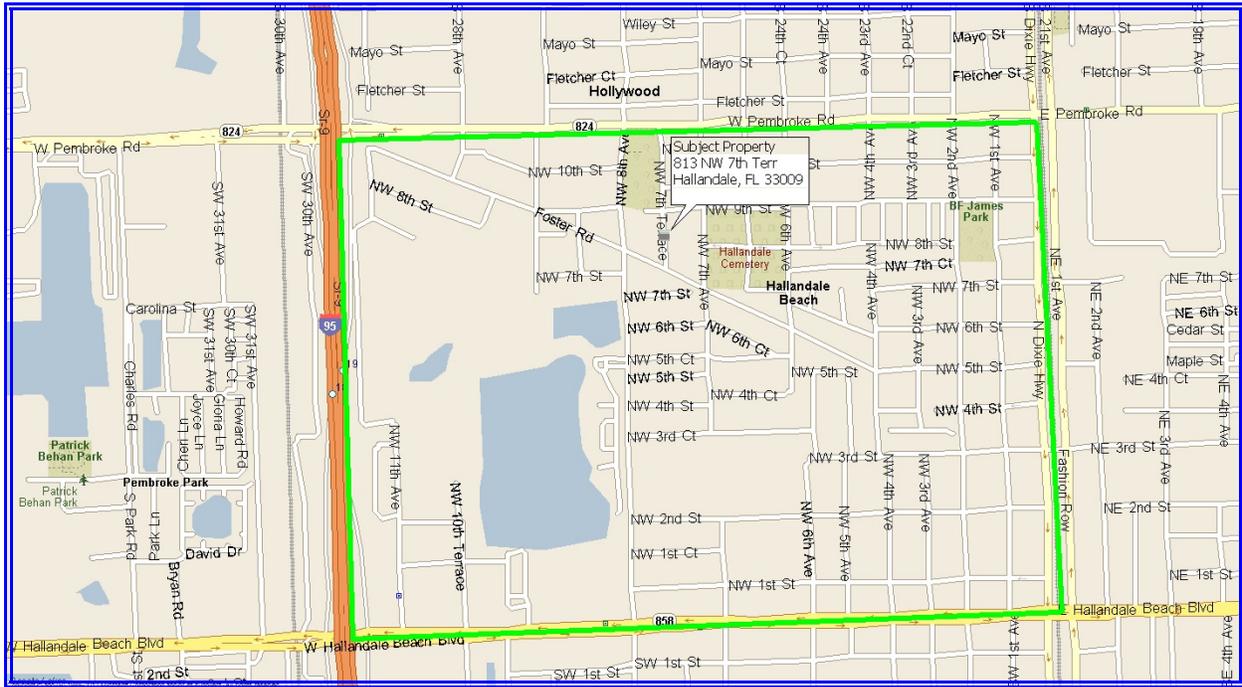
SCOPE OF WORK

Our client, the Hallandale Beach CRA, has requested a current market value opinion of the subject property. **The following steps were taken in performing this assignment and preparing this report:**

- The Subject Property site and the interior/exterior of the improvements was inspected by Lawrence R. Pendleton, MAI on June 2, 2014.
- A highest & best use analysis was developed which revealed the maximally productive use of the subject is as improved with a residence.
- We researched the Broward County Public Records and www.mlxchange.com for sales of single family properties in the market area. The data was confirmed with public records, published data and parties involved with the transaction, when possible. Each sale was inspected from the curbside and photographed.
- The primary and secondary market data collected was used to develop the Sales Comparison Approach. This approach was reconciled into our final value opinion of the subject. The Income Capitalization Approach was not applicable. Based on the age of the building, the Cost Approach was not deemed appropriate as well.

MARKET AREA ANALYSIS

LOCATION MAP



In *The Appraisal of Real Estate, Twelfth Edition*, a Market Area is defined as:

“The defined geographic area in which the Subject competes for the attentions of market participants; the term broadly defines an area containing diverse land uses.”

We have inspected the areas surrounding the Subject Property, examined the land uses, locational attributes and identified external factors that may impact market value to determine appropriate delineation of a market area. The Subject Property is located along the west side of NW 7th Terrace, just north of Foster Road. The market area in which the Subject Property lies is generally bounded by **Hallandale Beach Blvd** to the south, **Interstate 95** to the west, **Pembroke Road** to the north and **Dixie Highway** to the east. The boundaries outlined above are within the City of Hallandale Beach. This market area is located roughly half-way between the downtown Miami central business district and the Port of Miami to the south and the downtown Fort Lauderdale central business district, Port Everglades, and the Hollywood/Ft. Lauderdale International Airport to the north.

MARKET AREA ANALYSIS (CONT)

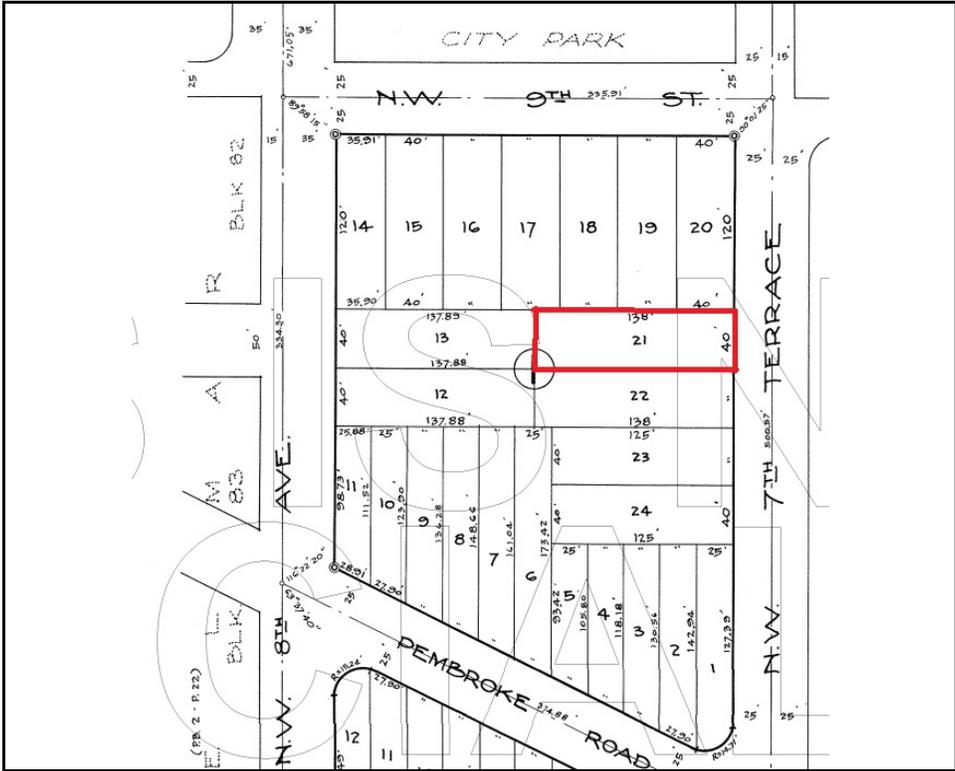
The market area was primarily developed throughout the 20th century and is mostly built out although some parcels of developable land remain. The retail and services shopping areas in Hallandale Beach are predominantly located along Federal Highway, the primary commercial corridor in the area, and Hallandale Beach Boulevard. Most of the land use in the market area follows the typical South Florida pattern of commercial uses along the major thoroughfares with supportive residential pockets in between. The major corridors have a mix of retail, office, and light industrial uses. Residential subdivisions are prevalent east and west of the Subject.

The subject property is located just north of Foster Road which is a residential connector running west from Dixie Highway. Dixie Highway acts as a north-south connector between Hallandale Beach Boulevard, Pembroke Road, Hollywood Boulevard, and Sheridan Street. To the north of the Subject is a City park and recreation facility. To the south of the Subject along Foster Road, there are a mixture of some neighborhood commercial and multi-family uses, as well as a cemetery. To the west of the Subject is primarily low density multifamily and single family residential buildings.

NW 7th Terrace at the Subject is low trafficked, two-lane thoroughfare that runs north south with some sidewalks, storm sewers, and pole-mounted street lights. There is a stop sign for vehicular traffic at Foster Road and at NW 9th Avenue. Immediately adjacent on the south side of the subject is a driveway for the adjacent City facility.

Considering the market area and surrounding neighborhood, the Subject is typically suited for its location in the area. It is provided with the necessary public utilities, services, and transportation. Electricity is provided by Florida Power & Light. Water, sewer and trash services are available as well as police and fire rescue services. There are several schools within the market area and a major hospital is located within a ten minute drive. The subject market area is convenient to the interstate system allowing relatively easy tenant commute. In summary, the subject property and its current use are typical of the area with neither the subject or the neighborhood having characteristics which are detrimental to the other.

SITE ANALYSIS



SITE ANALYSIS (Cont.)

No survey of the site was supplied. The following data pertains to the physical features of the site and is based on the plat, personal inspection and data published with the Broward County Property Appraiser.

Site area:	5,520 SF	Shape:	Rectangular
Dimensions:	±40.00' x 138.1'	Topography:	Level, at road grade
Frontage:	40' on NW 7 th Terrace	Access:	Direct from street
FEMA flood zone:	X	Utilities:	All available
Site Improvements:	Concrete walks and drives, trees, shrubs, grass and fencing.	Easements/ Encroachments:	No adverse conditions apparent, typical utility easements assumed
Site exposure:	Typical interior residential lot	View Amenity:	Residential
Site Parking:	Concrete driveway for 2 cars	Soil/Subsoil:	Appears to be adequate for the existing building.
Functional Adequacy:	The subject site has an adequate size and shape to allow for functional development of a single family residence commensurate with the local market.	Environmental Conditions:	We know of no environmental study of the subject property. There is fuel and used oil storage on site. The presence of hazardous environmental conditions may impact our value opinion.

IMPROVEMENTS ANALYSIS

We made an interior inspection on June 2, 2014. The subject is a 1-story CBS single-family residence, which has two bedrooms and one bathroom on a rectangular 5,520 square foot interior lot. The home was built in 1954 and has not been extensively upgraded or remodeled. Based on the public records, the house contains \pm 750 SF square feet of living area along with 49 SF utility room, a rear open porch of 35 SF and a front covered entry porch of 85 SF. Overall, the interior of the subject is in average condition.

Foundation and Slab:	Presumed to be reinforced concrete slab	Support Structure & Frame:	Load bearing 8" concrete block
Exterior Walls:	Concrete block covered with paint and stucco	Windows:	Awning/single-hung windows in metal frames
Roof Construction:	Wood trusses, plywood deck, composition shingle covering	Interior Walls:	Painted drywall and/or plaster on wood studs
Floor Coverings:	Tile, carpet	Interior Ceiling:	Painted drywall/plaster
Lighting:	Incandescent light fixtures	Doors:	Wood exterior doors, hollow core interior doors
Heating/Cooling:	Individual air conditioning units of unknown tonnage	Electrical:	Assumed adequate with circuit breakers
Plumbing:	Plumbing fixtures are average quality, tub/shower in bath	Insulation:	Unknown, presumed to be adequate
Kitchen Equipment:	Refrigerator, range/oven, mica cabinets and counters	Additional Features:	Ceiling fans
Car storage:	Open parking for two cars	Other improvements:	Fenced rear yard

On the following pages we have provided photographs of the subject property.

IMPROVEMENT PHOTOGRAPHS



Front View Subject



Rear View



View of South Side



View of North Side

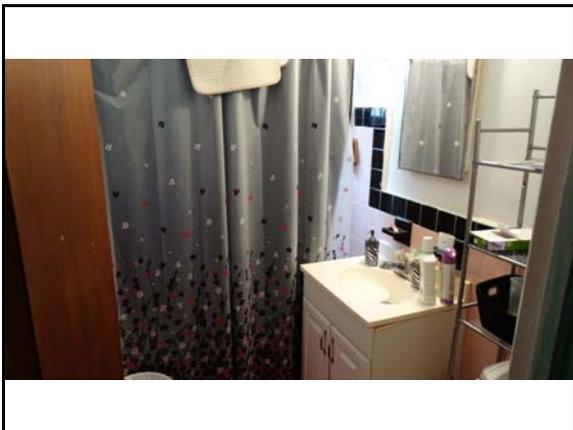
IMPROVEMENTS PHOTOGRAPHS (CONT)



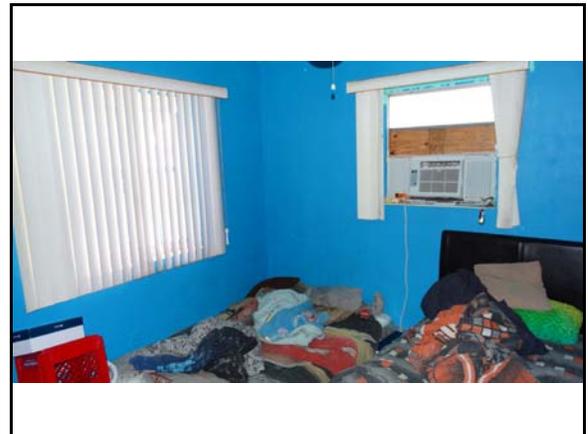
View of Living room



View of kitchen



View of Bath



View of typical bedroom

IMPROVEMENTS PHOTOGRAPHS (CONT)



NW 7th Terrace Looking north



NW 7th Terrace looking south

THE VALUATION PROCESS

There are three traditional approaches to the valuation of real estate:

The first is the **Cost Approach**. In the Cost Approach, the cost to develop a property is compared with the value of the existing property or similarly developed property. The appraiser estimates the cost to construct a replacement for, the existing structure and site improvements (including direct costs, indirect costs, and an appropriate entrepreneurial incentive), and then deducts all accrued depreciation from the replacement cost of the structure. The land value is added to this figure, resulting in an indication of value of the fee simple estate in the property.

The **Sales Comparison Approach** is the process in which a market value estimate is derived by analyzing the market for similar properties and comparing these properties to the subject property. Data is analyzed from properties that have recently sold. A major premise of the Sales Comparison Approach is that the market value of a property is directly related to the prices of comparable, competitive properties. The comparative analysis performed in the approach focuses on similarities and differences among properties and transactions that affect value. These may include differences in the property rights appraised, the motivations of buyers and sellers, financing terms, market conditions at time of sale, size, location, physical features, and, if the properties produce income, economic characteristics.

The third is the **Income Capitalization Approach**. Income-producing real estate is typically purchased as an investment, and from an investor's point of view, earning power is the critical element affecting property value. One basic investment premise is that the higher the earnings the higher the value. An investor who purchases income-producing real estate is essentially trading present dollars for the right to receive future dollars. The Income Capitalization Approach to value consists of methods, techniques and mathematical procedures that an appraiser uses to analyze a property's capacity to generate benefits (i.e., usually the monetary benefits of income and reversion), and convert these benefits into an indication of present value.

Only the Sales Comparison Approach was utilized in forming a value opinion of the subject property. The Income Capitalization Approach was not applicable and Cost Approach was deemed not to be reliable based on the age of improvements.

SALES COMPARISON APPROACH

The valuation of single-family residences is typically accomplished by the Sales Comparison Approach. This approach involves the direct comparison of the subject property with other similar residences that have been sold within a reasonable time period from the effective date of the appraisal, in order to derive a value indication for the subject property. This approach is based primarily on the Principle of Substitution, which holds that a prudent purchaser would pay no more for real property than the cost of acquiring an equally desirable substitute on the open market.

The basic steps in the process involve:

Research the market to identify similar/almost similar properties for which pertinent sales, listings, or pending transactions data is available. Qualify the prices as to terms, motivating forces, and a bona fide nature.

Compare each of the comparable property's important attributes to the corresponding ones of the property being appraised under the general categories of market conditions, location, physical characteristics and conditions of sale.

Consider all dissimilarities and their probable effect on the price of each sale property and derive individual market value indications for the property being appraised. From the pattern developed, formulate an opinion of market value for the property being appraised.

In this approach, sales of similar properties in the market are analyzed and compared with the subject property. After thorough analysis, appropriate units of comparison are selected that are commonly utilized in the subject property's market; then these units of comparison are used to arrive at a valid value indication. A summary of the market data and analysis is presented on the following pages.

SALES COMPARISON APPROACH (CONT)



Comparable Sale 1



Comparable Sale 2

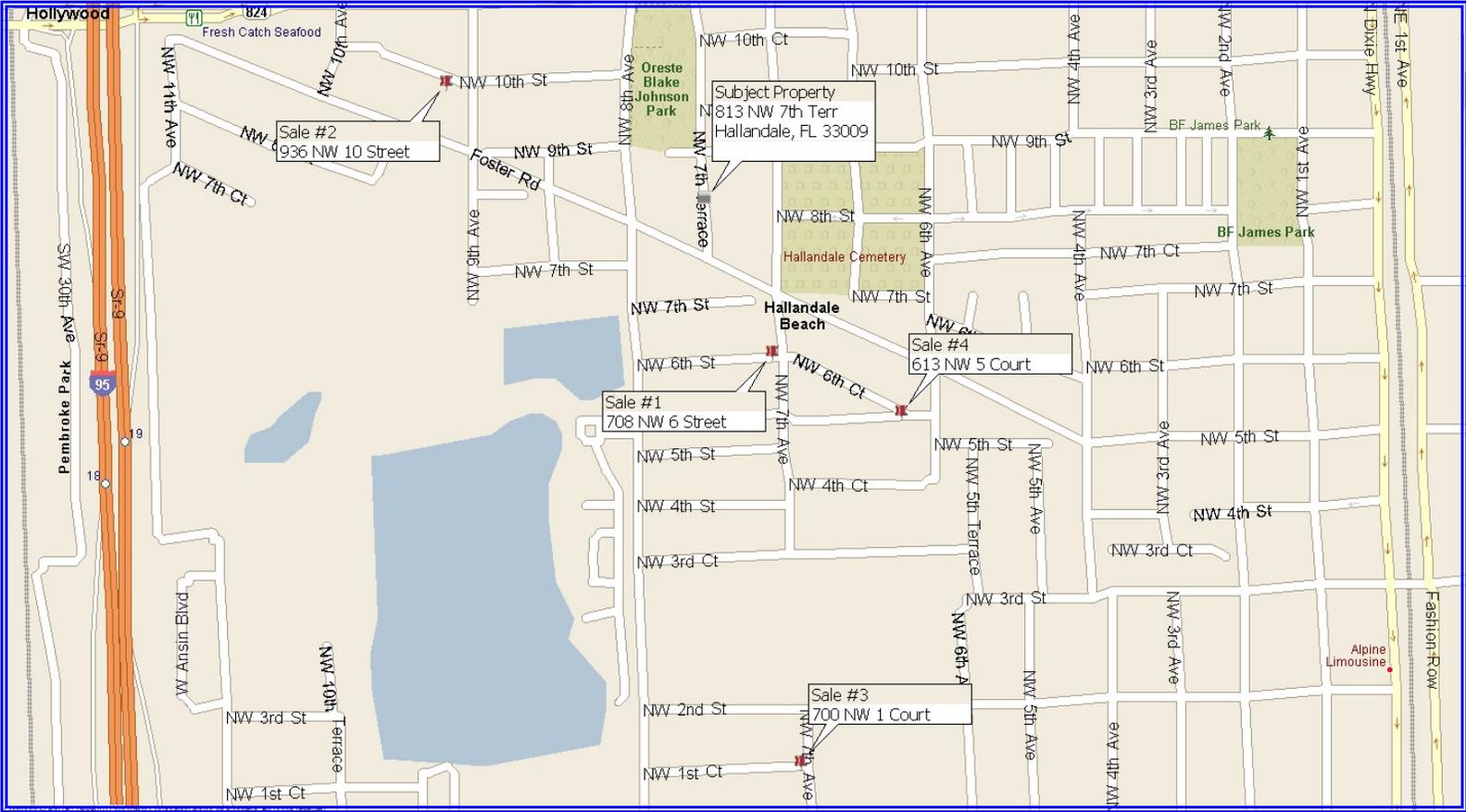


Comparable Sale 3



Comparable Sale 4

COMPARABLE IMPROVED SALES MAP



COMPARABLE IMPROVED SALES CHART

	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
Location	813 NW 7 Terr, Hallandale Beach	708 NW 6 Street, Hallandale Beach	936 NW 10 Street, Hallandale Beach	700 NW 1 st Court, Hallandale Beach	613 NW 5 th Court, Hallandale Beach
Sale date (Valuation Date)	6-2-2014	1/2014	5/2013	12/2013	5/2014
CIN		112068739	111663414	112122560	Pending
Consideration- *market adjusted		\$72,000	\$90,000	\$84,500	\$72,000
Prior Sales	N/A	1/2014 -\$57,000	11/2012 -\$37,000 11/2012 -\$28,500	No arm's length sales past 3 Years	No arm's length sales past 3 Years
Site size	5,520 SF	4,400 SF	6,000 SF	5,491 SF	4,000
Location	Residential	Residential	Residential	Residential	Residential
Year built	1954	1983	1955	1965	1961
Condition	Average	Average	Good	Average	Avg-Good
Floor plan	2 BR / 1 BTH	2 BR / 1 BTH	3 BR / 1 BTH	2 BR / 1 BTH	2 BR / 1 BTH
Interior finishes	Avg-Fair	Average	Good	Avg-Fair	Good
Living Area	750 SF	810 SF	954 SF	1,048 SF	750 SF
Car storage	Open Parking	Open Parking	Open Parking	1 Car carport	Open Parking
Additional Features	Fenced rear yard	None	Fenced rear yard, Central a/c	Fenced rear yard	Fenced yard
ANALYSIS AND QUALITATIVE ADJUSTMENTS					
Sales price per SF of GBA		\$88.89	\$94.34	\$80.63	\$96.00
Location		\$0	\$0	\$0	\$0
Site Size		+\$1,000	\$0	\$0	+\$1,000
Features & car storage		\$0	\$0	(\$1,000)	\$0
Interior Condition/Finishes		(\$1,000)	(\$5,000)	+\$1,000	(\$5,000)
Size/Floor plan		(\$3,600)	(\$15,200)	(\$17,900)	\$0
Adjusted price per SF of Living		\$84.44	\$73.17	\$63.55	\$90.67
Adjusted price Subject		\$68,400	\$69,800	\$66,600	\$68,000

Analysis

We have presented a summary of four sales which were considered to be comparable to the subject property. All transacted within 13 months of the valuation date of this report and all of the sales were located near the subject in the same Hallandale Beach CRA district.

All are **arm's length** with no known concessions. The subject property is in average condition and has not been significantly upgraded. The four sales are in average to good condition, so differences in the interior features and level of updating were relevant. All four sales have **locations** within the subject area, we found no difference for location.

All four sales have similar **amenities** found in this market which typically only include some fencing and patios/porches. One sale had a carport and the others had similar on-site open parking.

Considering interior condition we adjusted Sales #1, #3 and #4 downward for the superior interior features/condition. We also adjusted Sale #2 up for the inferior interior condition.

Sales #1 and #4 had very small sites that were deemed inferior to the subject, and were adjusted upwards.

Three of the four sales required downward adjustments for the larger improvement size.

SALES COMPARISON APPROACH (CONT)

Once the preceding adjustments were made, the four sales indicated adjusted prices for the subject of \$66,600 to \$69,800. The average price of the subject indicated by the four sales is \$68,200. We have placed the most weight on Sales #1 and #4 in this analysis and; therefore, developed the opinion that a reasonable price for the subject would be \$68,000.

It is thus our opinion that the data supports a market value as of June 2, 2014 of:

\$68,000

(SIXTY - EIGHT THOUSAND DOLLARS)

Final Value Opinion

LAWRENCE R. PENDLETON, MAI
Qualifications

Presently:

President, The Ernest Jones Company
Hollywood, Florida

Education:

University of Florida - Warrington School of Business
Bachelor of Science Degree, 1972
Major - Real Estate and Urban Land Studies

Courses/Seminars:

University of Florida

Real Estate Law, Real Estate Finance,
Real Estate Management, Real Estate Investment Analysis
Urban Land Utilization, Real Estate Appraising
Valuation of Special Purpose Properties

Appraisal Institute / Society of Real Estate Appraisers

Course 101-Principles of Real Estate Value
Course 201-Valuation of Income-Producing Properties
Course R-2-Residential Case Study
Course 202-Applied Income Property Valuation
Litigation Valuation
Standards of Professional Practice (SPP)
Course 430-SPP Part C
Comprehensive Examination
National Association of Independent Fee Appraisers
Course 1-Techniques of Capitalization
Course 2-Residential Real Estate Valuation

Seminars

Narrative Report Writing
Americans w/Disabilities Act(ADA)
Uniform Residential Appraisal Report
Rates, Ratios and Reasonableness
Appraising Nursing Homes
Valuation of Wetlands
Environmental Considerations
National USPAP
Analyzing Operating Expenses
Business Practices & Ethics
Houses to Hotels: The Income Approach
Forecasting Revenue

Cash Equivalency
Understanding Limited Appraisals
How to Verify Market Data
Florida Commercial Construction
Special Purpose Properties/Limited Markets
Regression Analysis
Appraising 2-4 family properties
Subdivision Valuation
Small Hotel/Motel Valuation
Assessment Appeals in Florida
Lease Abstracting & Analysis

LAWRENCE R. PENDLETON, MAI
Qualifications

Affiliations:

The Appraisal Institute:
MAI Designated Member #9442

State of Florida:
Licensed Real Estate Broker Since 1973, BK #68118
National Association of Realtors, Realtor member
South Broward Board of Realtors, Realtor member
State-Certified General Real Estate Appraiser #RZ725

Experience:

Chief Appraiser
The Ernest Jones Company
1972 to Present

Appraised various types of properties including:

Vacant Land	Subdivisions
Shopping Centers	Apartment Buildings
Hotels/Motels	Condominium Complexes/Conversions
Nursing Homes	Hospitals
Medical Buildings	Residences
Condominium units	Automotive Buildings
Car Dealerships	Office Buildings
Industrial Buildings	Self-Storage Facilities
Cold Storage Plants	Special Purpose Properties
Gasoline Stations	Churches
Schools	Camps
Mobile Home Parks	Golf Courses, Country Clubs
Cellular Towers	Marinas

Course Instructor:

Barry College, Miami, Adjunct
Professor of Real Estate Appraising
Instructor for Residential and Capitalization Courses

Instructor -University of Pittsburgh, PA
Residential Real Estate Appraising , NAIFA

Instructor - Freehold, New Jersey
Residential Real Estate Appraising, NAIFA

University of Missouri, St. Louis
NAIFA Instructor's Certification, 1977
(National Instructor 1977-1980)

University of Illinois, Champaign - Urbana
Appraisal Institute/SREA Instructor's Clinic, 1987

Instructor - Miami, Florida
Appraisal Institute/SREA Course 101, 1988

LAWRENCE R. PENDLETON, MAI
Qualifications

Lenders:

Admiralty Bank	Atico Savings Bank
BankAtlantic	Biscayne Bank
BB&T	Citrus Bank
Chase	Carolina First Bank
Citibank	City National Bank
Equitable Bank	Executive Bank of Fort Lauderdale
First Southern Bank	Floridian Community Bank
Hancock Bank	Gulf Coast Bank
Hemisphere National Bank	Home Federal Bank
Horizon Bank	Independent Bankers
InterBank Savings & Loan	International Finance Bank
Mercantile Bank	M&T Bank (NY)
National Bank of St. Petersburg	Ocean Banks
Optimum Bank	Park National Bank
PNC Bank	Premier Community Bank
Regent Bank	Riggs National Bank (Washington, DC)
River Oaks Bank (Illinois)	St. Paul Insurance Company
SunTrust	Space Coast Credit Union
State Bank of India	TransAmerica Small Business Capital
Teachers Insurance Company of America	TransAtlantic Bank
TD Bank	Tropical Credit Union
US Century Bank	Wachovia
Wells Fargo Bank	Zions First National Bank

Companies:

Amerada Hess Corporation	Broward County PBA
Burger King Corporation	Coca-Cola Bottling Company
Dade County PBA	Employee Transfer Corporation
Merrill Lynch Relocation Management	Prudential Real Estate
Knights of Columbus	The Jockey Club
DeMatteo Monness, LLC	Glenview Capital
Southern States Utilities	Shell Oil Company (Motiva)
Suburban Propane	Seminole Tribe of Florida
Triarc- R.C. Cola	Star Enterprise (Texaco)
Victoria's Secret	Western Electric
YMCA	

LAWRENCE R. PENDLETON, MAI
Qualifications

Government & Municipal:

Federal Deposit Insurance Corporation (FDIC)
Federal National Mortgage Association (FNMA)
Federal Home Loan Mortgage Corporation (FHLMC)
National Oceanic & Atmospheric Administration (NOAA)
Miami-Dade County - H.U.D.
City of North Miami
City of Hialeah
Trust for Public Lands
City of Aventura
City of Hialeah Gardens
City of Hollywood
Town of Hallandale Beach
City of Miramar
North Bay Village
City of Oakland Park
City of Parkland
Broward County, Florida
Orange County, Florida
Village of Miami Shores
Volusia County, Florida
State of Florida
City of Miami Gardens
Town of Davie
City of Miami Springs
Town of Sunny Isles Beach
St Johns Water Management District
South Florida Water Management District
School Board of Broward County
School Board of Palm Beach County
United States Postal Service

Litigation Experience:

Has previously qualified as an expert witness on Real Estate Evaluation in Federal Bankruptcy & State District Courts

International Experience:

Completed assignments throughout the Bahama Islands, Puerto Rico, Costa Rica, Dominican Republic and Nicaragua

Recertification:

I am currently certified under the Appraisal Institute Continuing Education Program