

**APPRAISAL REPORT**

**CLEARWATER GAS SYSTEM STORAGE YARD  
7240 US HIGHWAY 19 NORTH  
NEW PORT RICHEY, FLORIDA**

**DATE OF VALUATION**

**NOVEMBER 24, 2024**

**PREPARED FOR**

**MR. ROBERT KASMER  
CITY OF CLEARWATER  
REAL ESTATE SERVICES COORDINATOR  
100 S. MYRTLE AVENUE, SUITE 220  
CLEARWATER, FLORIDA 33756**

**E-MAIL: [ROBERT.KASMER@MYCLEARWATER.COM](mailto:ROBERT.KASMER@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**

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December 6, 2024

Mr. Robert Kasmer  
City Of Clearwater  
Real Estate Services Coordinator  
100 S. Myrtle Avenue, Suite 220  
Clearwater, Florida 33756  
E-Mail: robert.brzak@myclearwater.com

RE: Appraisal Services  
Clearwater Gas System Storage Yard  
7240 US Highway 19 North  
New Port Richey, Florida

Dear Mr. Kasmer:

At your request, I have made an appraisal of the current market value of the fee simple estate of the above-referenced real property. The property and methods utilized in arriving at the final value estimate are fully described in the attached report, which contains 18 pages and Addenda.

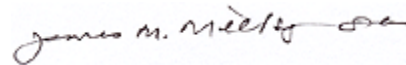
This Appraisal Report has been made in conformance with and is subject to the requirements of the Code of Professional Ethics and Uniform Standards of Professional Practice of the Appraisal Institute and the Appraisal Foundation. The Appraisal Report and final value estimate are subject to all attached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

I have made a careful and detailed analysis of the subject property and after analyzing the market data researched for this report, I estimate that the market value of the referenced real property only and subject to the stated limitations, definitions, and certifications set forth in the attached appraisal report as of November 24, 2024, was:

**SIX HUNDRED FIFTY THOUSAND DOLLARS**  
**(\$650,000)**

Respectfully submitted,

JAMES MILLSPAUGH & ASSOCIATES, INC.



---

James M. Millspaugh, MAI  
JMM:sg

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

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EXISTING CONDITIONS

CLEARWATER GAS SYSTEM STORAGE YARD  
7240 US HIGHWAY 19 NORTH  
NEW PORT RICHEY, FLORIDA

DATE OF PHOTOGRAPHS: NOVEMBER 24, 2024



SITE VIEW LOOKING NORTHEAST FROM AVERY ROAD



COURT STREET SCENE LOOKING NORTH FROM AVERY ROAD

EXISTING CONDITIONS

CLEARWATER GAS SYSTEM STORAGE YARD  
7240 US HIGHWAY 19 NORTH  
NEW PORT RICHEY, FLORIDA

DATE OF PHOTOGRAPHS: NOVEMBER 24, 2024



US HIGHWAY 19 STREET SCENE LOOKING FROM AVERY ROAD MEDIAN CUT  
TOWARDS SUBJECT FRONTAGE ON RIGHT



AVERY ROAD STREET SCENE LOOKING EAST FROM US HIGHWAY 19

IDENTIFICATION OF THE PROPERTY:

The subject fronts the east side of US 19 roughly 150' north of Avery Road, about one-mile north of Main Street and about ¼-mile south of the Cotee River bridge. It is legally described in brief by the Property Appraiser as Lots 4, 5, 6 and Parts of Lot 7, 12 through 17 Inclusive, Block C, Jasmin Court, Plat Book 6, Page 51 and in detail in the Addenda on the July 1995 survey drawn by Casson Engineering Company, labeled Job No. 950161.

CENSUS TRACT LOCATION/ZIP CODE: #309.01/34652

FLOOD ZONE LOCATION: New Port Richey, Florida  
Community Panel #12101C0188F  
Map Revised: 6/05/2020

The subject property and vast majority of the surrounding district are located in an AE special flood hazard area where finished floor elevations must be elevated above 11'. The site survey noted site elevations from roughly 6.4' to 7.4'. Any value impact from this site feature is considered to be reflected through the sale of similarly located property.

ENVIRONMENTAL AUDIT DATA:

The Appraisal has been performed without the 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 of the appraisal report is to estimate the current market value of the fee simple interest of the subject real property only as of November 24, 2024 (date of inspection and photographs). It is my understanding that the intended use of the report is to provide guidance to the City of Clearwater in their potential sale of the property after being declared surplus and the City of Clearwater and/or its representatives are the only intended users of the report.

### EXPOSURE PERIOD ESTIMATE:

This is the past period of time required to have sold the subject at my value estimate as of my inspection date. The past decade or so in the subject district has been mostly inactive for sales here while leasing has been somewhat more active. The downtown has become active with municipal support while the former hospital district south of downtown has been in transition to non-medical space. These notable changes plus the repurposing of the Gulfview Square Mall north of the Cotee River and Ridge Road had also slowed the proximate US Highway 19 corridor prior to the 2019 pandemic. Subsequently, southwest Pasco has experienced notably popular growth related to the growth trend from Pinellas and has become a major bedroom community that has increased demand for the subject locale. As such, it appears that the exposure period would realistically fall in the three to six-month range.

### STATEMENT OF OWNERSHIP AND RECENT SALES HISTORY:

The property is owned by the City of Clearwater Gas System, which acquired title in February 1995 at a \$275,000 consideration (recorded O.R. Book 3478, Page 1702). There have been no subsequent transfers of the property that would impact the current market value, however, a Clearwater representative has noted two LOI's currently that I have reviewed as confidential.

### SCOPE OF THE APPRAISAL:

The extent of my research effort for the sale of similar land and marginally improved properties has focused on the southwestern Pasco district located along US 19 from near the Cotee River south to Pinellas County. I have researched the public records through the Property Appraiser's and Clerks' files, the local MLS data services, several business periodicals, and my newspaper clipping file. I have thoroughly inspected the subject and the surrounding market and have verified the sales data with a party related to the transaction. The report will include a Land Sales Comparison Approach, which is the only reliable methodology for essentially vacant retail parcels. The minor site improvements are not considered to have any contributory value

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 U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

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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.

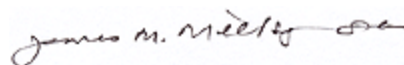
The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The Appraiser(s) has (have) not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance 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 fee simple estate of the subject real property only as of November 24, 2024, was:

**SIX HUNDRED FIFTY THOUSAND DOLLARS**  
**(\$650,000)**



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

### AREA DESCRIPTION:

This segment of US 19 located north of Main Street is segregated from the large populous located east of the Cotee River and mostly includes a low-income demographic profile housed in similarly valued living units. The river frontage is the exception but comprises a small segment of the population. Further, the vast majority of the trade area located west of US 19 is comprised of wetlands and water surfaces. As such, the retail potential here is restricted and most of the tenants are service-based and/or wholesale in nature. This locale includes dozens of former national fast-food buildings and other specialty facilities with the majority now being used for used car lots and/or local service firms. With this profile, it is clear that the value/demand for this locale is well below average for this US 19 retail corridor extending south to Pinellas County.

The 2019 pandemic created a greater demand here in southwest Pasco as a bedroom community for Pinellas and was prompted by major public support for the Main Street district. The Main Street/US Highway 19 intersection attracted a modern gas/convenience store for 7/11 that was developed in 2021-2022 after a September 2021 site purchase at \$1,050,000/\$28.84 PSF at the “hard corner” (recorded O. R. Book 10320, Page 0387). The southeast quadrant had also attracted a small-scale private university (Kaiser) to build a new facility and also attracted a new hotel just to the south. That site was acquired in September 2021 at \$1,250,000/\$23.97 PSF and received parking use from a municipal garage (recorded O. R. Book 10446, Page 3489). As such, the spin-off from downtown has improved the subject locale demand/value with prime frontage parcels having median cuts for southbound traffic being in short supply.

### SITE DATA:

The site is almost rectangular with a 42' x 106' notch out of the southeast corner that fronts Court Drive. Otherwise, it has 256.66' of US 19 frontage, a northern depth of 187.76', and 212.18' of Court Drive frontage. Per a July 1995 Casson Engineering site survey, the parcel includes 1.005 acres MOL or 43,778 SF.

It is basically level, even with adjacent sites, slightly below the US 19 roadway and does not appear to have any extraordinary drainage problems beyond what is considered typical for this locale where the US 19 roadway has a modern storm drainage system. The area is, however, in a flood zone with this site having an elevation around 7' and being within ¼-mile or so from the tidal-based Cotee River. US 19 is a six-lane with a center median/turn lanes, sidewalks, and streetlights. Avery is a right-in, right-out as are most cross streets and simply extends back into residential areas. To the east, however, it connects to Main Street to the south. Court Drive and the others to the east are narrow, two-lane residential roads with minimal improvements. The traffic count on US 19 per the 2023 MPO survey was 62,500 as compared to 67,500-70,000 south of Main to US 19-A and 51,000-55,000 north of the Cotee River. The subject has standard public (water, sanitary sewer, and natural gas) and private utilities that are fairly typical for the district.

Surrounding properties include office/service uses to the south, residential back-up to the east, a car sales lot in an old service station to the north, and car sales, auto service, and retail/service use across US 19. This segment of US 19 from Main Street north to the Cotee River bridge has mostly service/wholesale tenants with most former national franchise facilities occupied by local service firms and/or used car sales lots. One of the largest real estate acquisitions here included a modern 1987-built, auto repair strip center (City Plaza) located at 7400 US Highway 19 that sold in September 2016 for \$750,000/\$37.99 PSF for a 19,774 SF nine-unit facility (recorded O.R. Book 9426, Page 3260). Otherwise, recent new construction has included a carwash and coffee shop, None of the adjacent or proximate uses are considered detrimental to the subject or the area, however, the lower demographic profile of many of the back-up residential areas plus several older motel court operations have restricted the retail success of many past businesses.

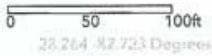
In summary, then, the subject site is well shaped and sized for the district, has good road exposure, and, while not being a corner, does have the back road frontage. As such, I would expect its value to be average for this locale.

12/4/24, 2:04 PM

Mike Wells

Mike Wells

Pasco County Property Appraiser



<https://maps.pascopa.com/?find=32-25-16-0040-00C00-0040>

ASSESSMENT AND TAX DATA:

Pasco County Parcel #32-25-16-0040-00C00-0040

2023 Assessment:	Land	\$194,991
	Extra Features	<u>\$ 1,073</u>
	Just Value	\$196,064

Total taxes and special assessments in private ownership would be \$4,453.67.

ZONING AND LAND USE DATA:

The site and the majority of the US 19 corridor here are zoned HC for Highway Commercial and have the supporting HC land use classification. The zoning allows a wide range of uses including, theatres, offices, schools, university or colleges, auto sales, repair and service, retail/wholesale business not otherwise restricted, manufacturing and/or industrial not otherwise restricted, churches, restricted personal service uses, urban agriculture, medical marijuana sales, brew pubs, beer gardens, tap rooms, breweries, plus any use noted in the County's Comprehensive Plan. Prohibited uses include noxious manufacturing, hospital/sanitarium, motels, and residential. As such, the regulation allows a wide variety of existing uses here plus conditional uses for daycare centers, multi-family apartments, and hotels. Property-specific requirements include no minimum site size, setbacks of 35' front, 5' side, and 10' back plus a buffer in line with adjacent different land uses. Maximum height is five stories or 75'. Representative parking requirements are 1 per 300 SF for auto repair/sales, 1 per 200 SF for office and retail, or 1 per 300 SF for furniture and appliance sales. The restricted personal service uses for medical marijuana facilities and vehicle sales facilities have additional setbacks/site requirements.

DESCRIPTION OF THE IMPROVEMENTS:

These comprise various sections of paving/shell road base and slabs from the previous improvements plus perimeter chain link fencing creating a storage yard. They are considered to have no measurable contributory value above the basic land value.

HIGHEST AND BEST USE: (Defined in Addenda)

As defined in the Addenda, the HC zoning district and its noted uses define the concept that is service-oriented and while retail is allowed, it has not been commonly developed. Many of the past restaurants have not been successful with office concepts being attractive for modern buildings. Interestingly enough, one of the two new developments here includes a small coffee shop across from the subject when the site was acquired at \$678,000/\$24.71 PSF versus the proximate listings noted below priced around \$15.00 PSF (recorded O. R. Book 10,700/Page 139). This new coffee shop concept is located on the “going to work” side of the highway leading to the Pinellas County employment centers. While the new corner parcel sold at \$1,600,000/\$29.62 PSF, which sounds similar to the coffee shop sale, the price exceeds the two “hard corner” sales at Main/US Highway 19. They were somewhat dated but would not generally support the price away from the “hard corner” in the \$25.00-\$30.00 PSF range. The Pasco market has historically been impacted by these extremes and, as such, these examples are not considered justified for the longer-term trend. Auto sales/services are common here but typically for older/smaller facilities. There are two reported LOI’s for gas/convenience store use that require a site in the 1-2 acre range and the traffic counts are attractive but the competition in the district from US 19-A to Hudson is fairly significant and has typically been attracted to signalized intersections. As such, it follows that this locale is best suited for non-retail concepts.

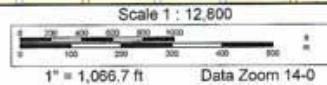
LAND VALUE ESTIMATE:

This approach values the property by comparisons to the best available transactions that in this instance, form a moderate to high price range with the noted extreme price levels likely not relevant but serve some positive impact.



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LAND SALE #1

Location: 6818 US Highway 19, NE corner of Sunset Road and US 19, New Port Richey

Legal Description: South 200' of Lots 32-24, Block 201, City of New Port Richey Subdivision, Plat Book 2, Page 27, Less US Highway 19 (Parcel #5-26-16-0030-20100-0325 and 0335)

Date of Sale: July, 2022

Sale Price: \$710,000

Size: 200' x 271'; 54,014 SF

Price Per PSF: \$13.14

Grantor/Grantee: Extreme Investment Services, LLC./2013 Miller, LLC.

Recording Data: O.R. Book 10665, Page 2424

Sale Confirmed With: S. Zimmerman, Broker-MLS

Zoning: HC, Highway Commercial, New Port Richey

Comments: This older restaurant facility had been in foreclosure and was purchased in this transfer for an investment. The facility was a 1960-built traditional site-down operation with ample parking plus a back vacant lot. The property was sold after the demolition to a car wash developer as part of that trend during the past five years. The site had a median cut with separate turn lanes for Sunset Road. It was sold for this new use in November 2023 by the same broker for \$1,600,000/\$29.62 PSF (recorded O. R. Book 10924, Page 3632).

LAND SALE #2

Location: 7542 US Highway 19, New Port Richey

Legal Description: Portion of Lots 11-15, Inclusive Block F, New Port Richey Estates, Plat Book 3, Page 79, lying 112' East of US Highway 19 (Parcel #32-25-16-0250-00F00-0110)

Date of Sale: July, 2024

Sale Price: \$521,000 allocated to \$400,000 for land

Size: 25,265 SF 200' US 19 frontage, 425' back circular overall teardrop shape

Price Per PSF: \$15.83

Grantor/Grantee: J. R. King, Jr./7542 US Highway Holdings, LLC.

Recording Data: O.R. Book 11049, Page 0155

Sale Confirmed With: EXP Realty, LLC., MLS-Broker

Zoning: HC, Highway Commercial, New Port Richey

Comments: This marginally improved site (1,360 SF built in 1950 plus paved display) has been used by an auto sales company but offers many alternatives. The site does not have a median cut/turn lane and is on a long curve just south of the Cotee River. I would allow \$125,000 for the improvements that are in good condition with adequate upgrades for other uses.

LAND SALE #PC-3

Location: 7226 US Highway 19, New Port Richey, NE corner of Avery Road

Legal Description: Lots 7-13, Inclusive, Block C, Jasmine Court Subdivision, Plat Book 6, Page 51 (Parcel #32-25-16-0040-00C00-0070)

Date of Listing: November, 2024

Listing Price: \$499,000

Size: 220' x 188' MOL; 33,484, .77 Acres

Price PSF: \$14.48

Grantor: T. Tsioukanaras, Trust

Recording Data: Not Recorded

Date Confirmed With: Commercial Assett Partners, MLS-Broker

Zoning: HC, Highway Commercial, New Port Richey

Comments: This vacant parcel has a median cut/drive lane to provide access to southbound US Highway 19 traffic, while the side street provides access to housing and a roadway along the Cotee River to Main Street. The site is pending sale the for development of a gas/convenience store but is contingent on acquiring the adjacent parcel owned and operated by the City of Clearwater natural gas division at #7240. The broker reports that the contract price is below the listing and that the owner priced the site low to prompt a quick sale.

LAND SALE #L-4

Location: 7041 US Highway 19, approximately 800' south of Avery Road,  
New Port Richey (Parcel #32-25-16-0050-02600-0020)

Legal Description: North 200' of Tract 26, Port Richey Land Co. Subdivision, Plat Book 1,  
Page 61

Date of Listing: November 2024

Listing Price: \$750,000

Size: 200' x 230'; 46,000 SF

Price PSF: \$16.30

Grantor: 2013 Miller, LLC.

Recording Data: Not Recorded

Data Confirmed With: Commercial Assett Partners, MLS-Broker

Zoning: HC, Highway Commercial, New Port Richey

Comments: This vacant parcel had been cleared of its 1959-built machine shop facility with some paving remaining currently. This parcel has no median cut for access from southbound traffic. The broker reports no interest in the property.

LAND SALES RECAP CHART

Sale #	Date Of Sale	Sales Price	Site Size In SF	Price PSF
1	7/22	\$710,000	54,014	\$13.14
2	7/24	(\$400,000)	25,625	\$15.83
PC-3	11/24	\$499,000	33,484	\$14.48
L-4	11/24	\$750,000	46,000	\$16.30
Subject	--	--	43,778	--

(Allocated Price)

LAND SALES ANALYSIS AND CONCLUSIONS:

Sale #1 as an investor purchase of a failed restaurant was likely below a fair land value while the car wash acquisition simply did not fit within the historical trend in this market. The parcel has a good corner with median turn lane access that is superior to the subject. The \$13.14 PSF then may be a good figure for the subject as the corner feature likely more than offsets the status of a stressed transaction.

Sale #2 is an allocation that requires a judgment call but is located nearby, is smaller (adjust down), and also does not have a median cut. As such the \$15.83 PSF may be realistic but subject to the allocation.

Sale #PC-3 is located adjacent to the subject but has the corner influence that can easily be at 20% as a roughly \$10.50 PSF for the subject. While I do not have the complete copy of this contract, it is clear that without the subject the buyer has no interest but requires a larger total land area.

Sales #L-4 is a similar size as the subject without this median cut so in reality is a good direct comparison but the broker reports there is no current interest at that price level.

Clearly, the relative price levels from these examples fall in the \$12.00-\$15.00 PSF price range and while the pricey comparisons noted above do not appear realistic they have some influence.

After a thorough review of the data and historical patterns in this market, I would estimate the site value to fall in the \$14.00-\$16.00 PSF range or say at the \$15.00 PSF average.

43,778 SF @ \$15.00 PSF = \$656,670

**ROUNDED AT \$650,000**

## **ADDENDA**

QUALIFICATIONS OF THE APPRAISER  
JAMES M. MILLSPAUGH, MAI

APPRAISAL EXPERIENCE:

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

APPRAISAL PLANT DATA:

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

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

APPRAISAL EDUCATION:

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

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

VIII: Single Family Residential Appraisal - 1973

I-B: Capitalization Theory and Techniques - 1974

II: Urban Properties - 1975

IV: Condemnation - 1978

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

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

301: Special Applications of Appraisal Analysis – 1980

JAMES M. MILLSPAUGH, MAI

(Qualifications Continued)

RECENT SEMINARS ATTENDED: Sponsored by The Appraisal Institute

Valuation of Wetlands, 2004.

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

Analyzing Distressed Real Estate, 2007.

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.

Critical Thinking in Appraisals, 2014.

Litigation Appraising, 2015.

Webinars on the FEMA 50% Rule, Wind Turbine Effects on Value and Contamination and The Business Practice and Ethics, 2017.

Parking and its Impact on Florida Properties, 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, 2024.

National USPAP Update, 2024.

Fundamental Of Appraising Affordable Housing, 2024.

Impact Of Short Term Rentals, 2024.

Fractional Interest Valuation, 2024.

EDUCATION:

Bachelor of Science in Business Administration, University of Florida

Associates of Arts, St. Petersburg Junior College

PROFESSIONAL AFFILIATIONS AND CERTIFICATION

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

Member: Pinellas Realtors Organization, National Association of Realtors

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

## STANDARD DEFINITIONS

### HIGHEST AND BEST USE:

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

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

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

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

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

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

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

