

**APPRAISAL REPORT**

**PROPOSED MULTI-MODAL PARCEL  
COURT STREET AT MYRTLE AVENUE  
CLEARWATER, FLORIDA**

**DATE OF VALUE**

**MARCH 2, 2021**

**PREPARED FOR:**

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

**E-MAIL: ROBERT.BRZAK@MYCLEARWATER.COM**

**PREPARED BY:**

**JAMES M. MILLSPAUGH, MAI  
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March 5, 2021

Mr. Robert Brzak  
City of Clearwater  
Real Estate Services Coordinator  
100 S. Myrtle Avenue, Suite 220  
Clearwater, Florida 33756  
E-Mail: Robert.Brzak@Myclearwater.Com

**Re :** Proposed Multi-Modal Parcel  
Court Street at Myrtle Avenue  
Clearwater, Florida

Dear Mr. Brzak:

At your request, I have made an appraisal of the fee simple value of the above site value. The property and methods utilized in arriving at the final value estimate are fully described in the attached report, which contains 25 pages and Addenda.

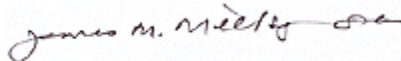
This Appraisal Report has been made in conformance with and is subject to the requirements of the Code of Professional Ethics and Uniform Standards of Professional Practice (USPAP) of the Appraisal Institute and the Appraisal Foundation. The Appraisal Report and final value estimate are subject to all 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 market value of the referenced underlying site value as of March 2, 2021, was:

**THREE MILLION SIX HUNDRED THOUSAND DOLLARS**  
**\$3,600,000**

Respectfully submitted,

JAMES MILLSPAUGH & ASSOCIATES, INC.



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James M. Millspaugh, MAI  
JMM:sg

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

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EXISTING CONDITIONS  
PROPOSED MULTI-MODAL PARCEL  
COURT STREET AT MYRTLE AVENUE  
CLEARWATER, FLORIDA

DATE OF PHOTOGRAPHS: MARCH 2, 2021



SITE VIEW FROM COURT/MYRTLE INTERSECTION



SITE VIEW FROM EAST/FRANKLIN STREET

IDENTIFICATION OF THE PROPERTY:

The subject is located at the northwest corner of Court Street and Myrtle Avenue with frontage on the Pinellas Trail (East Avenue) and Franklin Street. It is legally described as follows:

Lots 1-9 Inclusive, plus the N 35' of Lot 10, Magnolia Park  
Subdivision, Plat Book 1, Page 70.

CENSUS TRACT LOCATION/ZIP CODE: #259/33756

FLOOD ZONE LOCATION: Pinellas County, Florida  
Map #12103C0108H  
Effective Date: May 17, 2005

This general locale is located in an X zone that is not a special flood hazard district. The eastern ½ of the site is located in an area of minimal flooding having a 0.2% annual chance flood hazard, area of 1% annual chance flood with average depths less than one foot or with drainage areas of less than 1 square mile. The impact of the district rating is negligible and/or measured by sale of property located within.

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. Given the past use of these parcels for citrus shipping and exposure to the railroad line and spur tracks any transfer at a minimum would require a level one environmental audit.

OBJECTIVE AND INTENDED USE/USERS OF THE APPRAISAL REPORT:

The objective of the appraisal report is to estimate a current market value of the fee simple estate of the subject property “as if vacant” and as of March 2, 2021. It is my understanding that the intended use of the report is to provide guidance to the City of Clearwater in their potential negotiations with the Pinellas Suncoast Transit Authority (PSTA) for purchase of these sites and that the intended users are the city and PSTA representatives and no others.

### EXPOSURE PERIOD ESTIMATE:

This is the past period of time required to have sold the subject at my market value estimate on the appraisal date. This rather unique appraisal requirement is to clarify the timeline of the data and report for any reader. The downtown market had been stagnant after the 2008-2009 national financial meltdown and began to show improvement after 2012. Currently, the largest buyers here that include public and church entities are active in securing locations for future use. This group of buyers has been the driving force for the past three to four decades while the private sector has been far less active then and currently. Clearly, however, the central core location has always attracted the greatest demand and with the economy, low interest rates, rising population and job growth, the exposure period would be far shorter than the past five years or so at say six to twelve months.

### STATEMENT OF OWNERSHIP AND RECENT SALE HISTORY:

The parcel is owned by the City of Clearwater that acquired the Court/Myrtle segment in two transactions during 2011 for \$475,000 (recorded O.R. Book 17392, Page 2117) and \$1,750,000 (recorded O.R. Book 17391, Page 0932). Both segments were improved with office/storage uses on the \$475,000 site and a one and two-story office building on the \$1,750,000 site. This assemblage for 59,730 SF then, reflected an average price of \$37.25 PSF with the prime corner being at \$42.58 PSF ( $\$1,750,000/41,100 = \$42.58$ ) and the interior/narrow parcel being at \$475,000/\$25.50 PSF ( $\$475,000/18,630 = \$25.50$  PSF). The improved parcel located at 701 Franklin Street SE corner of and Pinellas Trail and Franklin was purchased in August 2019 at \$525,000 (recorded O. R. Book 20645, Page 0404). There have been no subsequent transfers of the subject property that would impact the current market value. I appraised the first two segments in August 2017 and the most recent improved section in July 2019.

### SCOPE OF THE APPRAISAL:

The extent of my research effort for the sale of similar property has focused on the greater downtown Clearwater district while I have considered vacant Land Sales throughout Pinellas County. Specifically, I have researched the Pinellas Clerk's and Property Appraiser's data, the local MLS files, various business periodicals, local Internet sources and my newspaper clipping files. I have inspected the noted district, viewed the comparable sales and verified the

details with a related party. The report will include a Land Sales Comparison Approach that is the only reliable valuation methodology for vacant land. While the 701 Franklin Street segment is improved with a dock high warehouse, the ‘as if vacant’ scenario precludes any value for these improvements.

<sup>1</sup>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.

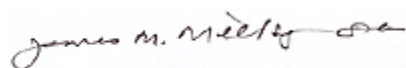
The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The Appraiser(s) has (have) not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance 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 referenced underlying site value as of March 2, 2021, was:

**THREE MILLION SIX HUNDRED THOUSAND DOLLARS**  
**\$3,600,000**



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James M. Millspaugh, MAI  
State-Certified General Real Estate Appraiser 0000058

### AREA DESCRIPTION:

The downtown core district extends from Myrtle to the bayfront and from Drew to Chestnut Streets. While the main composition in early 2021 continues to be governmental and institutional/church in nature with a dwindling supply of private office/retail, several bright spots have occurred during the past several years.

They include the new Eye Clinic sponsored by a leading physician at Chestnut/S. Ft. Harrison directly across from the subject, a major redevelopment of the Capitol Theatre on Cleveland Street, plus a new Walgreen's at Myrtle/Chestnut-Court, a conversion of the former AmSouth Bank building at Osceola/Cleveland to 51 residential condos known as Skyview plus street-level office/retail space and the past success of the Dolphin Tale exhibit held in the Harborview Center and operated by the Clearwater Marine Aquarium. This entity also had acquired the SW corner of Osceola and Pierce Street for potential support of a downtown aquarium proposed for the city hall parcel with that proposal not advancing after receiving substantial objections and not being found feasible. Other promising news has included the total sell-out of the Water's Edge condo complex and the Station Square condos on Cleveland Street after both going through foreclosures. Further, the Nolen complex viewing Prospect Lake on Cleveland Street was completed during 2018 and sold to an investor once the lease-up was well underway. This proximate activity has also prompted a near full occupancy of retail space on Cleveland between Ft. Harrison and Osceola while excess space to the east along Cleveland continues to languish on the market but has been mostly purchased by COS members for future retail use. The South Ft. Harrison retail space continues to have only average occupancy and a 10,000 SF modern office building located near Chestnut had received little or no purchase interest. The three office towers continue to have improving occupancy after suffering through the County's former consolidation efforts. Two of these buildings were acquired in 2016 from the long-term owner's estate.

The City has invested major funds here during the past decade after the bridge re-alignment shifted beach traffic off Cleveland Street. They have included the waterfront marina, streetscaping on Cleveland with upgraded lighting/signage throughout, the Prospect Lake master drainage pond and adjacent Nolen mixed-use complex, development support for the Marriott and various Cleveland Street businesses. All of these investments/efforts are beginning to recreate the district as a traditional city center and one close to the important beach tourist market that is also progressing through a major public and private upgrade. The 2019 tourism business had



been at a historical high point as evidenced by some 1,500 new hotel rooms being completed during 2015-2019 with most of the remaining major development sites having been acquired during 2018. Two of these sites (278 rooms) are currently under development for two hotels and a 50 slip marina along the bayfront and two smaller hotel sites (below 100 rooms each) are pending development once the market stabilizes after the pandemic.

The non-bluff multifamily market has included a successful townhome complex on S. Ft. Harrison near Druid, a failed townhome complex at the Publix Center, a failed mid-rise on S. Myrtle, the failed Station Square Condos and a failed multi-story conversion at MLK, Jr. Blvd and Cleveland. This complex (The Strand) was acquired in late 2016 and is now known as 1100 APEX that is well into a lease-up with roughly 70% occupancy in early 2021 lease-up and the Garden Trail Apartments were completed at N. Garden and Seminole. Further, a fairly long list of multi-family sites exists around downtown with one being a major bluff site north of Drew Street and one at the marina north of the Seminole Street boat ramps with it currently under development as Marina Bay 880 condos. An 80-unit affordable apartment building was added on MLK Jr. Avenue just north of court street with that developer currently proposing another at the former Clearwater fire station #45 located at 701 Franklin Street. There is also a pending 172-unit affordable apartment complex to be located across from the 80-unit on MLK Jr. Avenue that is being developed by one of the most successful apartment developers in the larger downtown core.

While the downtown core then shows growing recent promise, the district in general has some notable weak spots that may require the longer-term (2-5 years or beyond) foreseeable future to experience a stable supply/demand. Overall, it appears the governmental/institutional demand will continue to be a positive and driving influence for the district plus notable shifts of business/personal demand from tax heavy centers around the US. The downtown is also now noted as an **Opportunity Zone** with attractive tax benefits.

The Imagine Clearwater strategic plan primarily includes enhancement to the public spaces west of the bluff to benefit City-owned and proximate privately owned parcels to the east in the downtown core district. The plan accentuates that “the waterfront must be anchored by a dynamic new open space”. These would include the Civic Gateway grand entry adjacent to the previous Harborview Center along Cleveland on a monumental stairway leading to “The Green”, “Coachmen Garden” and “The Estuary” all connected by “The Bluff Walk”. The hoped-for impact should be similar to Straub Park in St. Petersburg near the new pier and waterfront

marina basin and cross-bay ferry plus the riverfront in downtown Tampa near the convention center. If successful, this municipal infrastructure should have a positive impact on the downtown core.

#### SITE DATA:

The Court/Myrtle parcel includes some 202' of Court frontage, 300' along Myrtle and 196.2' along Franklin while the 701 Franklin Street includes 58.6' Franklin frontage plus 185.4' along the Pinellas Trail with some 11,050 SF. Total land area per these public dimensions is 70,780 SF or 1.62 acres MOL that surrounds one separate ownership at Court/Pinellas Trail.

The site is basically level, even with surrounding lands, is well above the roadway crowns and does not appear to have any extraordinary drainage problems beyond what is considered typical for this locale that has adequate storm drainage and street improvements. The sites have all public (water, sewer and natural gas) and private (telephone, electricity and cable television) utilities available at no off-site costs. Court Street is a three-lane one-way to the west, Myrtle is a four-lane, Franklin Streets is a two-lane that dead-ends to the east at Prospect and East is a one-way north road paralleling the active railroad right-of-way plus the recreational Pinellas Trail. Franklin dead-ends at S. Ft. Harrison. Traffic counts from the 2017 MPO map indicate 16,900 on Myrtle south of Cleveland Street, 19,500 (Chestnut), 17,000 (Court), 14,862 on S. Ft. Harrison south of Druid Road and 13,100 on Drew Street. Busier streets here include Missouri Avenue south of Court at 26,000 and Gulf to Bay east of Highland at 52,000. Myrtle has been designated US 19-A as a bypass to the core district and carries among the heaviest traffic in the core district where it has four traffic signals at Chestnut, Court, Cleveland and Drew Streets.

Surrounding improvements include the new Walgreens across Court with a 7-Eleven to the west and a recently completed strip store at the SE corner of Myrtle and Court. To the east of Court (east boundary of the core district) is variety of one-two story older retail/office buildings and several vacant development parcels. To the north and west are City buildings (2-3 story) for the Police Department and Municipal Services. Directly west of the Court/Myrtle segment are One Day Spas service building that would complete this block's assemblage with COS parking garage beyond. Other than the inconsistent use of this small building and the hold-out status, there are no obvious detrimental adjacent or proximate uses impacting the subject or the described area.

ASSESSMENT AND TAX DATA:

<u>Pinellas County Parcel #</u>	<u>2020 Assessment</u>	<u>2020 Assessment</u>
15-29-15-54450-011-0030	\$1,117,920	\$1,397,400
15-29-15-54450-011-0020	\$ 505,308	\$ 631,635
15-29-15-54450-011-0010	<u>\$ 247,000</u>	<u>\$ 360,000</u>
Totals	\$1,870,228	\$2,389,035

The warehouse parcel included the improvements at roughly \$130,000 during 2020.

ZONING AND LAND USE DATA:

The subject sites and the entire CBD are zoned D for Downtown and classified for CBD for Central Business District on the Comprehensive Land Use Plan. The zoning intention is to create a mixed-use development of residential, retail, office, beverage sales, restaurants, hotels/motels, etc. amongst public/institutional uses which would customarily be found in a downtown area. The regulation creates a wide latitude of density, height and uses for larger assembled properties and the city has created multi-family density pools that are also available. The subject is located in the Downtown Core District where no height restriction exists and density is at 75 multi-family units per acre or 95 hotel units per acre with a maximum FAR of 4.0.

DESCRIPTION OF THE IMPROVEMENTS:

These comprise a 40' x 140' dock-high masonry warehouse of 5,600 SF that was built in 1966 and is in very good condition. The space is demised into a northern 1,800 SF section that includes a 550 SF office with two-piece restroom and storage mezzanine with no stairway access. There is also a loading dock at the south end of this building.

HIGHEST AND BEST USE: (Defined in the Addenda)

After a thorough inspection of the core district (Myrtle to Bayfront and Drew to Chestnut), it is obvious that continued assemblage of the subject total block is the most logical as it could fully benefit from the liberal zoning regulations. As is, the subject includes some 70,780 SF or 1.62 acres while adding the Court/Trail corner of some 6,969 SF would yield a 77,749 SF or 1.78 acres total. While the gross units allowable are not substantially different, the utility of a rectangular site with four street frontages is the most desired. As now described, the 70,780 SF at a 75 PA multi-family density would allow 121 units ( $1.62 \times 75 = 121$ ) or hotel units at 153 ( $1.62 \times 95 = 153$ ) while the maximum FAR of 4.0 would allow up to roughly 283,000 SF ( $70,780 \times 4.0 = 283,120$ ). As such, the lack of total block control limits the site value to some extent.

Alternative low-rise/suburban styled buildings below three to four stories do not conform with the trend and to date have had minor success due to the long-term occupancy and rental factors. The surrounding public and institutional users also favor the assemblage concept with the Church of Scientology representing the largest user. Further, many of their high-profile members continue to be attracted to Clearwater and tend to seek locations within the Church of Scientology sphere of activity loosely defined by the FLAG/Hotel buildings and the former Sand Castle Hotel on the bayfront at Drew Street. Associated members have acquired a partial assemblage located at Drew/Myrtle for a record-setting price for a non-waterfront parcel located on the outer edge of the core. The price point was well beyond the local market history, however, the buying entity sought control for its future potential use. The same routine was employed at the former Salvation Army complex located at North Ft. Harrison and Jones Street just north of Drew Street extending to the bayfront. It was assembled at great cost, was offered for sale to the open investment market but was transferred to the Church of Scientology and today over fourteen years later remains vacant.

Another example of a recent assemblage is for the new Walgreens store at Myrtle and Court/Chestnut Street. The site originally was to include a full block from Myrtle to East and Chestnut to Court, but one party refused to sell. The full block had extraordinary potential, but was only purchased for a one-story retail pharmacy building that is considered to indicate then lack of true major development potential in this section of the Clearwater core. The site, however, was on the edge surrounded by low-rise retail, office/storage buildings and a large supply of vacant sites east of Myrtle and north of Court Street.



Another ongoing assemblage exists at Court to Chestnut and S. Ft. Harrison to S. Garden where one entity controls the majority of the total block except public streets, alley and existing parking areas. If successfully granted or purchased by the developer, the reported interest is for a high-rise mixed-use complex fully benefiting from the zoning regulation. The parcel then is considered likely the main block in the downtown core and if successful may represent a lynchpin for downtown Clearwater during the foreseeable and/or long-term future.

#### LAND VALUE ESTIMATE:

This process includes valuing the site by direct comparison to as similar as possible parcels that have sold during the recent past. The general land market was basically dormant from 2009 to 2012 and has since been more active unless there was an oversupply of existing building space as has been the status in downtown Clearwater. Aside from Clearwater Beach, the most active location in Clearwater has been along Gulf to Bay Boulevard where medical office and retail space demand have been the most active. The following transactions are considered to be a good cross-section of examples to value the subject as they are of similar size and offer relatively equal utility. The sales are described below on separate detail sheets and then analyzed below in relation to the subject. Unless otherwise noted they sold for cash or terms equivalent and did not require adjustment for cash equivalency. The most common unit of comparison is the overall price PSF of land.



DeLorme Street Atlas USA® 2014



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LAND SALE #1

Location: East side of East Avenue from Chestnut to Court Street, Clearwater

Legal Description: Lots 1, 2, Parts of 3, 8, 9 and 10, Block 14, Magnolia Park Subdivision,  
Plat Book 3, Page 43

Date of Sale: December 2015

Sales Price: \$1,875,000 + \$80,000 + \$892,000 = \$2,847,000

Size: 139.765' x 319.843' plus 18,990 SF = 63,694 SF

Price PSF: \$44.70

Grantor/Grantee: East Development Associates et al./PV Court, LLC.

Recording Data: O.R. Book 19032, Page 0542 and O.R. Book 19032, Page 0545

Sale Confirmed With: D. Brinson, Broker

Zoning: D, Downtown, Clearwater

Comments: This marginally improved property (older masonry warehouses of roughly 26,400 SF) were purchased as part of an assemblage for development of a Walgreens drugstore. An added parcel fronting the signalized Myrtle/Court corner was also acquired at \$892,000/\$46.97 PSF to form the total parcel. The redevelopment interest of this complex began in 2012 and had included the total block, however, business negotiations and public zoning rules delayed the redevelopment and excluded the NW quarter of Chestnut/Myrtle. The buyer of the Walgreens site subsequently demolished the existing improvements to allow development of a 16,510 SF building plus a 63 space parking lot with total land and demolition cost approximating \$45.00 PSF.

LAND SALE #2

Location: Court, Chestnut, S. Ft. Harrison and Garden assemblage

Legal Description: Lots 28-33, Lot 34 and 52 S. of Court Street plus Lots 47-51, Court Square Subdivision, Plat Book 5, Page 53

Date of Sale: September 2017, January 2018 and April 2018

Sales Price: \$4,650,000 aggregate

Size: 43,775 SF platted plus vacations to potentially total 72,450 SF MOL

Price PSF: \$64.18-\$106.23 PSF

Grantor/Grantee: Besim Enterprises, et al./IBP Funding

Recording Data: O.R. Book 19788, Page 2678, Book 19920, Page 0869, Book 20000, Page 2284

Sale Confirmed With: K. Fuller, Broker et al.

Zoning: D, Downtown, Clearwater

Comments: This assemblage required roughly three years to complete and included an older one story restaurant with parking, a three-story historic office building with parking and an older gasoline station. The latter had contamination/code violation problems that delayed the final closing. The City favored the effort due to the prime location that appeared ideal for a multi-story mixed-use complex with parking deck, ground-level retail, hotel and potential upper floor condos. The street/alley vacations are key to the concept and enticed the developers to proceed for what would be the first high rise after the Water's Edge complex at Cleveland and Osceola in the mid-2000s. The ultimate size of the parcel can be increased by highly likely vacations of an alleyway and dead-end street (Markley) that totals 12,275 SF plus an excess Court Street remnant and parking area of some 16,400 SF. There is also some potential for reducing the 100' right-of-way for S. Garden Avenue that is considered the least likely of the vacations.

LAND SALE #3

Location: 708 Chestnut Street, Clearwater

Legal Description: Part of Lots 6, 7 and 8, Block 14, Magnolia Park Subdivision, Plat Book 1, Page 70

Date of Listing: April 2018

Listing Price: \$750,000 (\$650,000 Allocated to land)

Size: 112' X 150' Average: 16,866 SF

Price PSF: \$38.54

Grantor/Grantee: FRSTM Corp./Chestnut and Myrtle, LLC.

Recording Data: O.R. Book 20007, Page 1504

Data Confirmed With: R. Cassano, Grantee Rep.

Zoning: D. Downtown Clearwater

Comments: This marginally improved parcel was a holdout corner parcel to the new Walgreens that wraps around the property. While the 16,380 SF masonry retail/storage buildings were reportedly purchased for redevelopment, the underlying site value appears to approximate a fair value and therefore create only a moderate value for these improvements. The site was of ample size to allow a new development. The adjacent Walgreens site was acquired during 2015 at an average of roughly \$45.00 PSF price.

LAND SALE #4

Location: Northeast corner of S. Ft. Harrison Avenue and McClennan Street,  
Clearwater

Legal Description: Lots 5-7 inclusive, Block A, Belleview Court, Plat Book 10, Page 43

Date of Sale: October 2018, June 2019

Sale Price: \$780,000 Assemblage

Size: 100' x 172' plus 50' x 50'; 19,700 SF

Price PSF: \$39.60

Grantor/Grantee: Multiple/Ft. Harrison Property Co., LLC.

Recording Data: O.R. Book 20299, Page 2070; Book 20312, Page 1386; Book 20562,  
Page 0384

Data Confirmed With: Public Records

Zoning: Commercial on S. Ft. Harrison, MDR – Median Density Residential on  
McLennan, Clearwater

Comments: This was an assemblage of obsolete office and residential buildings located directly across from the Belleair Country Club golf course near the southern fringe of Morton Plant hospital campus. The property was purchased to develop a high-profile office space in a costly masonry four-story building with grade level parking and storm retention along McClennan. The site frontage also borders the Pinellas Trail connection. As in most assemblages the back and corner parcels sold at the highest PSF figures. Further, Clearwater zoning rules allows overflow parking on adjacent residential zoned land. The proposed building will include roughly 8,000 SF supported by a 24 space surface parking lot.

LAND SALE #5

Location: 2975 Gulf to Bay Boulevard, Clearwater

Legal Description: West 153.92' of Lot 2, east 46.08' of Lot 3, east 70' of Lot 15 and Lots 16-17, W. M. Brown's Subdivision of Bayview Plat Book 1, Page 13 plus adjacent submerged lands in Tampa Bay

Date of Sale: November 2019

Sale Price: \$12,050,000

Size: L-shaped uplands 7.37 acres plus 6.5 acres submerged lands

Price PSF: \$37.53

Price Per Unit: \$30,200

Grantor/Grantee: Kirkpatrick Trust/ D. D. Gulf to Bay, LLC.

Recording Data: O.R. Book 20780, Page 2197

Data Confirmed With: D. Kirkpatrick, Grantor Rep.

Zoning: US 19, Regional Center, Clearwater

Comments: This parcel was marginally improved with a 1950s era trailer park where the tenants had been relocated prior to this transaction. There was an east-west road right-of-way that was to be vacated with the buyer required to seek the vacation. The site has been planned for a 399 unit apartment complex housed in two on-grade buildings separated by a parking garage. The wide section of the lot allowed excellent views of old Tampa Bay.

LAND SALE #6

Location: Northeast corner of Court Street/Myrtle Avenue at 800 Court Street,  
Clearwater

Legal Description: S. 100' of Lot 14, Aiken Subdivision, Plat Book 14, Page 45

Date of Sale: January 2020

Sales Price: \$850,000 Allocated at \$550,000 for land

Size: 100' x 115'; 11,500 SF

Price PSF: \$47.83

Grantor/Grantee: 800 Court Street Investments, LLC./SH 800 Court, LLC.

Recording Data: O.R. Book 20882, Page 2649

Sale Confirmed With: B. Tones, Grantee Rep.

Zoning: DC, Downtown Clearwater, Town Lake Character District – 75 PA Multi-Family, 40 PA hotel, 75' height and maximum 2.5 FAR

Comments: This parcel was improved with a former converted gas station to one and one-half story office building of roughly 3,080 SF that was acquired for continued office use after extensive updating. The price allocation reflected a shell value of the structure and site improvements at roughly \$100.00 PSF. The land value was set by an independent appraisal of the underlying land.



LAND SALE #7

Location: Northeast corner of Main Street and Milwaukee Avenue, Dunedin

Legal Description: Part of Lots 1-3, Grace Witter Dunkel Subdivision, Plat Book 37 Page 43

Date of Sale: April 2017

Sales Price: \$1,500,000

Size: Three parcels: 2.316 Acres MOL; 100,885 SF

Price PSF: \$14.87

Grantor/Grantee: Pizzuti Dunedin, LLC./Gateway Dunedin, LLC

Recording Data: O.R. Book 19575, Page 2276

Sale Confirmed With: K. Prior, Broker

Zoning: DC, Downtown Core, Dunedin

Comments: This parcel comprises three segments of the former Gateway parcel that included the referenced corner, the southwest corner of Milwaukee and Skinner Boulevard and a separate smaller lot located east of the Milwaukee corner. Clearly, the full development here requires addition of city-owned parcels that front Skinner and Main Street and a detached parcel fronting Milwaukee. This purchase was made by a local developer with a successful track record that subsequently offered the parcels for sale/lease with one segment being developed with the surgery center and the city having contemplated developing the city hall on sections they owned. As of late 2020, early 2021, the developer has a firm contract for this city-owned parcels at \$1,675,000 or \$19.86 PSF. The developer is proposing a mixed-use complex including 78± apartments, ground level retail/office plans and 80± unit boutique hotel supported by below grade parking.

LAND SALE #8

Location: 466-470 Main Street, Dunedin

Legal Description: Lot 9, L.B. Skinner's Subdivision, Plat Book 4, Page 19, Plus 3.5' x 135' strip at the SE corner

Date of Sale: August 2018

Sales Price: \$740,000; \$625,000 Allocated to land

Size: 103' x 120' average; 14,358 SF

Price PSF: \$43.53

Grantor/Grantee: Munro Family/DKCC, LLC.

Recording Data: O.R. Book 20165, Page 1475

Sale Confirmed With: S. Klein, Broker

Zoning: DC – Downtown Core, Dunedin

Comments: This marginally improved property was purchased for re-development of a historic structure into some form of retail/restaurant concept. The older residence had been partially redeveloped with enforced flooring and preliminary interior framing, plumbing and wiring in an approximate 1,200 SF structure with 510 SF wraparound front/side porches. There was also a two-story garage/apartment located off the back alley that was in good condition with a tenant in place. The site was large enough to include required parking and storm retention. Prior to this transaction, a private foreign developer had acquired the northwest corner of Main and Douglas at \$1,500,000/\$45.45 PSF in May 2016 (recorded at O. R. Book 19199, Page 2594). That 33,000 SF site that was improved with a city-leased parking lot has yet to be developed in early 2021 but is on the market along with the adjacent former Ocean Optics office building/site for sale at \$9,800,000. The Courtyard at Main Street site plan has received major city approvals to include 18 2-level condos, 25,647 SF two-story retail, 3-levels of 20,178 SF offices plus a 4-level parking garage of 91,240 SF plus a 7,490 SF courtyard. The \$9,800,000 includes 77,122 SF of land plus a 20,178 SF three-story office building.

LAND SALE #9

Location: 719 Douglas Avenue, Dunedin

Legal Description: Parts of Lot 1 and 2 plus vacated Court Drive, Talbot's Subdivision, Plat Book 11, Page 94

Date of Sale: March 2020

Sale Price: \$525,000

Size: 82.5' x 150'; 12,375 SF

Price PSF: \$42.42

Grantor/Grantee: 1<sup>st</sup> United Methodist Church/Jemila Homes, LLC.

Recording Data: O.R. Book 20954, Page 0637

Data Confirmed With: R. Welborn, Broker

Zoning: DC, Downtown Core, Dunedin

Comments: This marginally improved property (1910-built residence with apartment) was purchased for speculative development of a vacation rentals facility. The site was listed for sale at \$499,000 in early March 2020, received six valid cash offers and sold to the highest bidder.

LAND SALES RECAP CHART

Sale #	Date Of Sale	Sales Price	Site Size In SF	Price PSF
1	12/15	\$2,847,000	63,694	\$44.70
2	9/17	\$4,650,000	72,450	\$64.18
3	4/18	(\$650,000)	16,866	\$38.54
4	10/18	\$780,000	19,700	\$39.60
5	4/19	\$12,050,000	321,037	\$37.53
6	1/20	(\$550,000)	11,500	\$47.83
7	4/17	\$1,500,000	100,885	\$14.87
8	8/18	(\$625,000)	14,358	\$43.53
9	3/20	\$525,000	12,375	\$42.42
Subject	--	--	37,240	--

(Allocated Price)

LAND SALES ANALYSIS AND CONCLUSIONS:

This is the best known available data it to value the subject site currently. Land Sales #1, #2, #3 and #6 are located in downtown with #1-#3 being in the core. The Walgreens site (#1) is the most proximate and similar to the subject as it also excluded one segment. The market has improved from that point in late 2015, early 2016 and as such this sale requires upward adjustment. The “hold-out” sale of that potential assemblage (#3) sold for a lower price point due in part to the less prominent Chestnut frontage (going off the beach) and to the reduced utility of a smaller parcel.

Sale #2 has a notably superior location across from the courthouse and adjacent to the COS activity center then and expected along the north side of Court Street. The site has further opportunities for a gaining a larger size but in reality, that increase would likely have a marginal value impact. In any event, the \$64.18 PSF metric is superior to the subject by some 15%-20% that would indicate the subject value at 82.5% or \$52.95 PSF. This site is essentially assembled similar to the subject but can gain additional land area if favored by the city. From these most proximate examples then, the subject site appears realistic in the \$50.00-\$55.00 PSF price range.

Sale #4 is located outside of the core but gained prominence due to its exposure to the Belleair Country Club Golf Course and an excellent upper floor views to Clearwater Harbor and Gulf of Mexico beyond. Its prominence is reasonably similar but inferior to Land Sale #6 that is located directly across from the subject but not in the core district. These smaller examples are reasonably close in price to the smaller sales in downtown Dunedin where the zoning intensity is less than Clearwater but the popularity/demand is greater. The larger parcel sale in downtown Dunedin #7 had lower price points and again reduced zoning intensity but greater overall demand.

Sale #5 is shown due to its high allowed FAR (2.5) but also includes a Tampa Bay frontage with a PSF price point for a notably large site at \$37.53 PSF or \$30,200 per apartment unit. Judging from this apartment example then, it would appear that the subject parcel as an apartment site requiring structured parking would likely be valued near \$25,000 per unit for the 121 units or near \$3,000,000 (121 units @ \$25,000 per unit = \$3,025,000) that in turn would indicate a PSF metric at \$42.38 PSF. In reality, the site prominence/main corridor impact would appear to be suitable for a more intense use than apartments.

After review of this diverse range of values, it is my conclusion that the proximate sales referenced have the greatest influence and support a value within the \$50.00-\$52.50 PSF range.

70,780 SF @ \$50.00 PSF = \$3,539,000

70,780 SF @ \$52.50 PSF = \$3,715,950

**ROUNDED TO \$3,600,000**

## **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 historical data from Real Estate Data Services for Pinellas County, monthly CD data from First American Real Estate Solutions (FARES), online service from Tampabayrealtor.com, the weekly Business Journal (Tampa Bay), the monthly Maddux Report, the University of Florida Bureau of Economic and Business Research, the St. Petersburg Times, the Marshall Valuation Service Cost Data, and national surveys on lodging, food service, office, industrial parks, mini-storage and shopping center markets.

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



