



APPRAISAL REVIEW

1702 Harrison Street
Hollywood, Broward County, FL 33020

PREPARED FOR

Ms. Raelin Storey
Assistant City Manager
City of Hollywood
2600 Hollywood Blvd.
Hollywood, FL 33020

PREPARED BY

Joseph J. Blake and Associates, Inc.
5201 Blue Lagoon Drive
Suite 270
Miami, FL 33126



November 26, 2024

Ms. Raelin Storey
Assistant City Manager
City of Hollywood
2600 Hollywood Blvd.
Hollywood, FL 33020

Re: 1702 Harrison Street
Hollywood, FL 33020

Dear Ms. Storey:

As requested, we have prepared an appraisal review of the appraisal of the property referenced above. The intended user of this appraisal review is the City of Hollywood. The intended use of this appraisal review is for internal decision-making purposes.

The subject of the reviewed appraisal report represents a 21,141 SF site located in Hollywood, Florida.

The purpose of the Appraisal Review is to analyze the appraisal for compliance with the federal and national guidelines, and to communicate any deficiencies to the appraiser to bring the report into compliance, as applicable. The review appraiser will support his opinion with supporting evidence of any deficiencies or concerns. Upon completion of the review, the reviewer provides an Executive Summary discussing the credibility of the reviewed report and will provide their own opinion of value.

The appraisal review did not use or rely upon unsupported conclusions relating to bias, such as characteristics relating to race, color, religion, national origin, gender, marital status, familial status, age, receipt of public assistance income, disability, group homogeneity, or any other prohibited basis.

It is not uncommon for appraisal reports to contain minor errors. Although we have accepted the concluded value, we are not attesting to the fact that the appraisal under review is without any errors, only that none are so individually or collectively significant as to reduce the credibility of the appraisal to an unacceptable level.

Respectfully submitted,

JOSEPH J. BLAKE AND ASSOCIATES, INC.

Joseph Hatzell, MAI
Partner
Florida-State-Certified General Real Estate Appraiser
RZ1302
Expires: November 30, 2026
jhatzell@josephblake.com

PROPERTY INFORMATION:

Property Name: Vacant Land
 Address: 1702 – 1716 Harrison Street
 City, State, Zip: Hollywood, FL 33020

SALE INFORMATION:

Owner: BTI Parcel BQOBZ LLC
 Purchaser: N/A
 Pending Purchase Price & Prior Sale: N/A & Sold 6/29/2022 \$3,000,000
 Listing: \$5,500,000, as reported in Vance Appraisal

APPRAISAL INFORMATION:

Appraisal Firm: Vance Real Estate Service
 Appraiser(s): Jesse B. Vance Jr., MAI & Claudia Vance MAI
 Certifications(s): FL Cert. Gen RE Appraiser #RZ85 Exp 11/30/2024 & FL Cert. Gen RE Appraiser #RZ183 Exp 11/30/2024
 Date of Report: 9/1/2024
 Date of Value: 9/1/2024
 Appraisal Type and Format: Narrative Appraisal
 Valuation Approaches Omitted: Cost and Income Approaches
 Appraisal Engaged By: The City of Hollywood Florida

REVIEW INFORMATION:

File No.: 24-305-02
 Review Date: 11/22/2024
 Review Report Date: 1/22/2024
 Review Appraiser(s): Joseph W. Hatzell, MAI
 Certification(s): FL Cert. Gen RE Appraiser #RZ1302 Exp 11/30/2026
 Initial/Final Appraisal Grade: 4/5 (1=Poor, 2=Fair, 3=Average 4=Good 5=Excellent)

EFFECTIVE DATE(S) AND VALUE CONCLUSION(S)

Type of Value	Effective Date	Appraiser's Conclusion	Reviewer's Conclusion
Appraisal Reviewed As-Is Market Value (Fee Simple)	9/1/2024	\$4,968,000	Accepted
Our Conclusion As Is Market Value (Fee Simple)	11/25/2024	\$5,000,000	

Appraisal Report Extraordinary Assumption(s): An extraordinary assumption is defined here as an assumption related to a specific assignment, as of the effective date of value that is believed to be true but cannot be certain. It is assumed to be true for the purpose of developing a credible analysis. The appraisal report utilizes the following extraordinary assumption(s):

The appraisers have listed no extraordinary assumptions.

Appraisal Report Hypothetical Condition(s): A hypothetical condition is defined here as a condition that is contrary to what may actually exist physically, legally or economically, but is possible. It is applied to develop a credible analysis. The appraisal report utilizes the following hypothetical condition(s):

The appraisers have listed no hypothetical conditions.

Review Report Extraordinary Assumptions:

Unless stated otherwise in the body of this review report, the analyses, opinions, and conclusions in this review are based on the data, analyses, and conclusions contained in the appraisal report that is the subject of this review.

Other Reviewer Considerations:

1. Subject property size should be verified.
2. Sales data was taken as accurate and not reverified.

RISK ASSESSMENT:

Positive Risk Factors

- 1) The general surrounding area is seeing new construction taking place on parcels where the previous improvements have been removed.
- 2) The subject's PD zoning does not have a limit on allowable FAR (Floor Area) and the zoning notes there is essentially no limit on the height or density as both are determined by City Commission and there currently is capacity in the unit pool, allowing for a high probability of receipt of approval for greater than the 72 units currently approved for the site.
- 3) According to Cameron Palmer of the City of Hollywood, similar sites were approved as follows:
 - a) Block 57, Zoned PD
 - i) 3.6 acres, 856 units (237 units per acre) + 143,300 SF of retail space and 38,600 SF office space
 - b) La Piazza, Zoned YC
 - i) 2.17 acres, 378 units (174 units per acre) + 6,919 SF of retail, 1,107 SF office space
 - c) Star Tower, Zoned PD
 - i) 1.17 acres, 248 units (211 units per acre) + 7,753 SF of retail
- 4) The three recently approved developments suggest there is developer demand for mixed-use sites, with residential units above retail and/or office space.

Negative Risk Factors:

1. Development of the property to maximum density will require several years of planning and construction and could be subject to changing market conditions and or demand.
2. Land values in the area have accelerated over the past several years. This combined with recent increases in construction costs and interest rates puts pressure on feasibility.

PROPERTY DESCRIPTION:	YES	NO	N/A
1. Region/vicinity analysis is adequate (considering scope of assignment):	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Site description is adequate:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Improvement description is adequate:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Improvement conformance with zoning is considered:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Comments: The appraisers note that it is assumed that there are typical power and utility easement surrounding the property. Also, it is noted that no environmental assessment was available.

COMPETITIVE MARKET ANALYSIS:	YES	NO	N/A
1. Competitive properties are identified and adequately described:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Historical performance of the market is presented and analyzed:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Estimates of future market supply and demand are reasonable:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Position of the subject property within the market is considered:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Improvements are consistent with highest and best use:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Comments: The appraiser indicates that the property would be potentially developed as an office or parking structure. A brief overview of the office market and parking market outlook might further expand the potential future market for the site's development.

SITE VALUATION:	YES	NO	N/A
1. Appropriate units of comparison are analyzed:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Value conclusion is consistent with subject acquisition price:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Value conclusion is adequately supported by market data:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments: Five land sales are utilized in the report. Sales data appears to be accurate but has not been verified by the reviewer. No current listings are included. The appraiser's adjustments appear reasonable. It is noted that a time adjustment resulted in an upward adjustment for each sale, with adjustments ranging from 1.25% to 15%. However, the appraiser noted that increased financing costs is negatively affecting prices, which has resulted in a decline in the volume of sales. Information to support the adjustments was based on inflation of 4.7% in 2021; 8% in 2022; 6.4% in 2023; and 2.9% in July 2024. We note the rate of inflation is not a direct correlation with land values.

A significant slowdown in the real estate market occurred in 2023 which would most likely substantially reduce or eliminate any time appreciation after that time. The sales were purchased for: Hotel (Sale 1); Office (Sale 2); Hold for future Development (Sale 3); Mixed Use Residential/Retail (Sales 4 and 5). The appraisers indicate that the most discussed uses of the property due to its size and location are future mixed use, or parking. None of the comparable sales were purchased for construction of parking; sales for mixed-use development were provided. Discussion as to any impact on the property value due to its potential development uses vs the sales comparables uses would be helpful.

SEPARATE VALUE CONCLUSION

We have relied on the property information including physical data, sales history, zoning, etc. as presented in the appraisal report under review. We have accepted this information as credible and have used that information in developing the reviewer's opinions and conclusions. The effective date of the reviewer's opinion of value is November 25, 2024. The following is a summary of the additional information that was relied on and the reasoning for the reviewer's opinion of value and/or review opinion related to the work under review.

The subject is currently approved under the PD zoning, with a stated 72 units plus 4,000 SF of retail. The resulting density equates to (72 / 0.485331 acres) 148 units per acre.

According to Cameron Palmer, Principal Planner for the City of Hollywood, similar sites in the neighborhood were approved as follows:

- a) Block 57, Zoned PD
 - i) 3.6 acres, 856 units (237 units per acre) + 143,300 SF of retail space and 38,600 SF office space
- b) La Piazza, Zoned YC
 - i) 2.17 acres, 378 units (174 units per acre) + 6,919 SF of retail, 1,107 SF office space
- c) Star Tower, Zoned PD
 - i) 1.17 acres, 248 units (211 units per acre) + 7,753 SF of retail

Based on these recent approvals we conclude a typical investor would have a reasonable expectation of developing a similar property; the above three properties have an average approved density of approximately 207 units per acre, plus retail/office space. At 207 units per acre, the subject would accommodate (0.485331 acres) x 207 units/acre) 100 units.

According to the Cameron Palmer, "there is no hard and fast limit for the subject property, and the applicant can in theory request any number of units they want, it is market feasibility that would be the ultimate deciding factor as to what is viable." Based on the sought and received approvals for the other noted properties, it appears the typical purchaser would have a reasonable expectation of approval for a greater density than is currently approved.

The appraisal report under review noted various comparable land sales, some of which were purchased for the construction of residential housing. Comparable Sale 4 was purchased for the construction of 248 units plus commercial space. The price/unit equates to \$27,016/unit. Density is 304 units per acre for the 0.815-acre site. Comparable 5 was purchased for the construction of 466 apartments plus commercial space. The price/unit equates to \$49,356/unit. Density is 193 units/acre for the 2.42-acre site.

From an analysis of development trends, and recent approvals from the City of Hollywood, it appears a mixed-use development with ground floor retail and apartments above would represent the highest and best use of the site. This conclusion generally matches the conclusion stated in the appraisal under review.

We researched recent land sales in the subject's area, to determine a reasonable range paid by developers for residentially zoned parcels. We include Sales 4 and Sale 5 from the report under review, plus five additional sales; the sales are summarized on the following chart.

LAND SALES SUMMARY

Comp	Address City	Price Date	Zoning Zoning Type	Grantor Grantee	No. of Proposed Units Price Per Proposed Unit	Allowable FAR Price per FAR	Land SF Price Per Land SF
1	401 N Federal Hwy Hollywood	\$23,000,000 08/20/2021	FH-2, RAC Multifamily	Hollywood on the Golf LLC Alta Hollywood LLC	466 \$49,356	4.45 \$45.52	113,540 \$202.57
2	410 N Federal Hwy Hollywood	\$6,700,000 03/29/2022	PD, RAC Commercial	Jed Equities LLC 1817 Taylor St Development LLC	182 \$36,813	4.75 \$39.72	35,516 \$188.65
3	2001 Hollywood Boulevard Hollywood	\$15,250,000 08/27/2021	Central RAC - ND- Multifamily	Suntrust Office Parking Lot, LLC Downtown Hollywood Holdings,	300 \$50,833	3.00 \$51.73	98,276 \$155.18
4	2215 Hollywood Blvd Hollywood	\$9,500,000 04/25/2022	RC-1 Multifamily	Hollywood Construction & The Calta Group Hollywood, LLC	180 \$52,778	2.75 \$49.35	70,000 \$135.71
5	2100 North Federal Highway Hollywood	\$6,500,000 02/21/2023	FH-2 Multifamily	VMN Group BARDI VP LLC	200 \$32,500	3.00 \$33.61	64,469 \$100.82
6	1840 Fletcher St Hollywood	\$2,250,000 08/02/2022	PR- Pembroke Rd Commercial	DJ FL Capital Group, LLC All Star International	47 \$47,872	3.00 \$45.80	16,375 \$137.40
7	1123 NE 4th Avenue Fort Lauderdale	\$3,000,000 01/12/2023	CB Commercial	1123 NE 4th Avenue Fl LLC RUTRO, LLC	60 \$50,000	1.31 \$35.63	64,468 \$46.53

The comparables show a price/unit range from \$32,500/unit to \$52,778/unit. A typical purchaser would anticipate developing a mixed-use building, most likely with ground floor retail and residential apartments above. The most recent sale is located north of the subject, in Fort Lauderdale, and sold in 2023 for \$50,000/unit. The development will include 60 residential units, ground floor commercial space and 120 parking spaces.

We analyzed each sale noted on the chart above for physical and economic factors.

We note that market had seen increasing prices through the first quarter of 2022, and then with the increase in interest rates, saw little appreciation thereafter. The subject's immediate neighborhood is in a state of redevelopment, with new construction bringing additional residents, which attracts new businesses which in turn makes the neighborhood more attractive, putting demand for additional residential units. Regardless of other economic trends, this puts upward pressure on land values in the subject's immediate neighborhood. However, higher interest rates since first quarter 2022 put downward pressure on land values. We consider the two factors to offset each other.

We have made a 5% upward adjustment to the land sales through 3/1/2022 and then a 0% adjustment from that date to the date of value.

Comparable Sales 5 and 6 were adjusted upward for location, since they front on streets with lower traffic flow than the subject.

Adjustments were not needed for density or zoning, since the sales were all for residential use, all had the ability to add ground floor retail space, and all have generally similar floor area ratios as would be anticipated for the subject site.

Adjustments for site work were not needed. In some instances, demolition was needed; however, in the subject's market it is common for older, existing improvements to be used on an interim basis, to generate income that offsets holding costs during the planning period.

The comparable sales were all a shape that would not inhibit development.

The following chart summarizes adjustments made to each comparable, to arrive at a value conclusion.

Land Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6	Comp 7	
Address	1702 Harrison Street	401 N Federal Hwy	410 N Federal Hwy	2001 Hollywood Boulevard	2215 Hollywood Blvd	2100 North Federal Highway	1840 Fletcher St	1123 NE 4th Avenue	
City	Hollywood	Hollywood	Hollywood	Hollywood	Hollywood	Hollywood	Hollywood	Fort Lauderdale	
State	FL	FL	FL	FL	FL	FL	FL	FL	
Date		8/20/2021	3/29/2022	8/27/2021	4/25/2022	2/21/2023	8/2/2022	1/12/2023	
Price		\$23,000,000	\$6,700,000	\$15,250,000	\$9,500,000	\$6,500,000	\$2,250,000	\$3,000,000	
No. of Proposed Units	100	466	182	300	180	200	47	60	
Price per Unit		\$49,356.22	\$36,813.19	\$50,833.33	\$52,777.78	\$32,500.00	\$47,872.34	\$50,000.00	
Transactional Adjustments									
Property Rights	Fee Simple Estate	Fee Simple Estate	0%	Fee Simple Estate	0%	Fee Simple Estate	0%	Fee Simple Estate	0%
Financing	Cash to Seller	Cash to Seller	0%	Cash to Seller	0%	Cash to Seller	0%	Cash to Seller	0%
Conditions of Sale	Arm's Length	Redevelopment	0%	Arm's length	0%	Project	0%	Redevelopment	0%
Market Trends Through	3/1/2022	5%	2.61%	0.00%	2.52%	0.00%	0.00%	0.00%	0.00%
Adjusted Price per Unit		\$50,644.42	\$36,813.19	\$52,114.33	\$52,777.78	\$32,500.00	\$47,872.34	\$50,000.00	
Subsequent Trends Ending	11/25/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Adjusted Price per Unit		\$50,644.42	\$36,813.19	\$52,114.33	\$52,777.78	\$32,500.00	\$47,872.34	\$50,000.00	
Property Adjustments									
Location	Good	Similar	Similar	Similar	Similar	Inferior	Inferior	Similar	
% Adjustment		0%	0%	0%	0%	20%	5%	0%	
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$6,500.00	\$2,393.62	\$0.00	
Land Acres	0.49	2.61	0.82	2.26	1.61	1.48	0.38	1.48	
% Adjustment		0%	0%	0%	0%	0%	0%	0%	
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Zoning	PD	FH-2, RAC	PD, RAC	Central RAC - ND-3	RC-1	FH-2	PR- Pembroke Rd Mixed-Use	CB	
Allowable FAR	0.00	4.45	4.75	3.00	2.75	3.00	3.00	1.31	
% Adjustment		0%	0%	0%	0%	0%	0%	0%	
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Topography	Level and at street grade	Level and at street grade	Level and at street grade	Level and at street grade	Level and at street grade	Level and at street grade	Level and at street grade	Level and at street grade	
% Adjustment		0%	0%	0%	0%	0%	0%	0%	
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Required Site Work	Demolition	Demolition	Typical Clear and Grade	Demolition	Demolition	Demolition	Demolition	Typical Clear and Grade	
% Adjustment		0%	0%	0%	0%	0%	0%	0%	
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Shape	Rectangular	Rectangular	Rectangular	Irregular	Rectangular	Rectangular	Rectangular	Irregular	
% Adjustment		0%	0%	0%	0%	0%	0%	0%	
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Adjusted Price per Unit		\$50,644.42	\$36,813.19	\$52,114.33	\$52,777.78	\$39,000.00	\$50,265.96	\$50,000.00	
Property Adjustments (Net)		0%	0%	0%	0%	20%	5%	0%	
Property Adjustments (Gross)		0%	0%	0%	0%	20%	5%	0%	

Five of the seven sales presented have an unadjusted price/unit that ranges from \$47,872/unit to \$52,778/unit. After adjustments those same sales suggest a value in the range of approximately \$50,000/unit to \$52,777/unit. The other two sales suggest a value in the range of approximately \$37,000/unit to \$39,000/unit. The preponderance of evidence suggests a value of approximately \$50,000/unit.

The subject parcel, with 21,141 SF or 0.49 acres, is at the lower end of size for the sale comparables possibly limiting the development potential. However, we note that much larger buildings have been constructed on similarly sized parcels in urban areas, in the South Florida market.

For instance, The Crosby, located at 601 North Miami Avenue in Miami is being constructed on a 24,000 SF site. The building will include 450 residential units in a 33-floor building and will have ground floor retail space.

501 First is under construction at 201 SE 1st Avenue in Miami. That building contains 472 units in a 42-story building with ground floor retail space. The site contains 21,522 SF of land. Both these buildings suggest that construction of a mixed-use residential tower would be physically possible on the subject site.

This does not suggest that the subject site would be improved with a 33 or 42-story building. Rather it suggests that construction of a mixed-use building would be possible on the subject site.

The subject currently has in-place approvals for the construction of 72 units; plus, retail/office space. According to the City of Hollywood, the site's zoning allows for unlimited density or maximum floor area. We presented data on recently approved sites in the local market, and conclude the typical purchaser would have a reasonable expectation that 100 units plus ground floor retail could be constructed on the site. The value from this analysis is based on that market-derived conclusion.

Based on an analysis of the sales presented, we conclude to the following value for the subject:

Land Value Conclusion	\$50,000.00 /Unit
Multiplied by Subject Size	100 Units
Indicated Land Value	\$5,000,000

Our value conclusion, is very similar to the value conclusion reached in the appraisal report that is under review.

COST APPROACH:

	YES	NO	N/A
1. Replacement cost analysis is adequate:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Developer profit is reasonable:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Depreciation analysis is adequate:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Value conclusion is adequately supported:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Comments: N/A

INCOME APPROACH:

	YES	NO	N/A
1. Income and expenses estimates are consistent with property history:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Income analysis is adequate:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Vacancy analysis is adequate:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Expenses analysis is adequate:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. Capitalization rate analysis is adequate:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Discounted Cashflow Inputs/Assumptions are Reasonable:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7. Conclusion is adequately supported:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Comments: N/A

SALES COMPARISON APPROACH:

	YES	NO	N/A
1. Appropriate units of comparison are analyzed:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Sale analysis is adequate:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Value conclusion is consistent with pending or past subject sale:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Value conclusion is adequately supported.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Comments: N/A

RECONCILIATION:

	YES	NO	N/A
1. Final conclusions and analyses are reasonable:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. As Is value is appropriately analyzed:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Absorption discounts are appropriate:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Discount for non-market leases is appropriate:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. Excess land is properly considered:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Personal property value is properly considered:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

APPRAISAL REVIEW COMMENTS

The reconciliation as presented is appropriate for the fee simple as is value.

It is not uncommon for appraisal reports to contain minor errors. Although we have accepted the concluded value, we are not attesting to the fact that the appraisal is without any errors, only that none are so individually or collectively significant as to reduce the credibility of the appraisal to an unacceptable level.

The subject parcel, with 21,141 SF or 0.49 acres, is at the lower end of size for the sale comparables possibly limiting the development potential. However, we note that much larger buildings have been constructed on similarly sized parcels in urban areas, in the South Florida market.

The appraisal under review reported a value conclusion of \$4,968,000. Based on a review of recent approvals in the City of Hollywood, and based on information from the Cameron Palmer, Principal Planner for the City of Hollywood, a typical investor could anticipate a development with 100 units. This equates to \$49,680/apartment unit. This falls in the range of the comparable sales presented.

Independently, we have presented land sales to arrive at a value conclusion for the subject site. The appraisal report under review analyzed comparable sales on the price/SF of land area. Our analysis focused on the price/unit.

Our analysis results in a value conclusion that is very similar to the value conclusion from the appraisal under review. Our independent analysis of the subject on a price/unit basis adds credibility to the value conclusion reached by the appraisers for the appraisal under review.

USPAP APPRAISAL REPORTING REQUIREMENTS:

	<u>YES</u>	<u>NO</u>	<u>N/A</u>
1. Appraisal report is appropriately written (not misleading):	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Contains sufficient information to support institution's decision to engage in transaction:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Extraordinary assumptions are reasonable and clearly disclosed:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Identifies real estate appraised:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Identifies real property interest appraised:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. States purpose of appraisal:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. States proper definition of Market Value:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. States effective date of appraisal:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. States date of report:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Describes scope of appraisal process:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Sets forth assumptions and limiting conditions:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Summarizes data and appraisal procedures:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Identifies Highest & Best Use:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Explains exclusion of any valuation approach:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Includes signed certification:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

USPAP APPRAISAL REPORTING REQUIREMENTS:

ADDITIONAL REQUIREMENTS:

	YES	NO	N/A
	YES	NO	N/A
1. Appraisal fulfills terms of engagement letter:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Appraisal engaged by qualified financial institution:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Appraisal values property in its current condition:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Statement that appraisal conforms to USPAP standards:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Analyzed discounts for proposed construction, absorption, or non-market leases:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Appraiser is appropriately state certified or licensed:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Appraisal report format and content is appropriate and complete:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Data and/or adjustments are adequate:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Methods and techniques are appropriate:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Analysis, opinions, and conclusions are reasonable:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments: No engagement letter was provided to determine if the appraisal fulfills the terms of the engaged assignment by the client.

PURPOSE OF REVIEW/INTENDED USER & USE: In the context of the assignment scope and requirements, the purpose of this review is to develop opinions about the completeness, accuracy, adequacy, relevance and reasonableness of the report under review. From this, opinions are developed about the appropriateness of the analyses, the credibility of the opinions and conclusions, and whether the report is appropriately written and not misleading. The report under review is also examined for conformity to USPAP. The intended user of this review is the City of Hollywood Florida staff. The intended use of this review is to check if the reviewed appraisal value conclusion is reasonable for internal decision making.

SCOPE OF REVIEW: The scope of this review included the following procedures:

1. Reading and analyzing the appraisal report;
2. Checking quality and appropriateness of market data in the appraisal;
3. Checking for omitted data or techniques;
4. Checking reasonableness of analysis and conclusions;
5. Checking for conformity to USPAP;
6. Checking mathematics for accuracy;
7. Conducting additional research, confirmation, and analysis, as necessary, to support the value conclusions presented under Reviewer's Value Estimate(s) on the front page of this appraisal review assignment;
8. Independently providing a value estimate for the subject site via the presentation of additional data and analysis
9. Unless otherwise noted, the undersigned have not inspected the subject property or comparables.

CERTIFICATION

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

- The statements of fact contained in this review report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the assumptions and limiting conditions stated in this review report, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest or bias in the property that is the subject of the work under review and I have no personal interest or bias with respect to the parties involved.
- I have not performed services on the subject property within the 3-year period immediately preceding this assignment.
- I have no bias with respect to the property that is the subject of the work under review or to the parties involved in this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this review report.
- My compensation for completing this assignment is not contingent upon the development of reporting of predetermined assignment results or assignment results that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal review.
- My analyses, opinions, and conclusions were developed and this review report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have not made a personal inspection of the subject property of the work under review.
- No one provided significant appraisal review assistance to the person signing this certification.
- The reported analyses, opinion, and conclusions in this review report were developed, and this review report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this review report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this review, I have completed the requirements of the continuing education program for Designated Members of the Appraisal Institute.
- The reported analysis, opinion, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the State of Florida.

JOSEPH J. BLAKE AND ASSOCIATES, INC.



Joseph Hatzell, MAI

Partner

Florida-State-Certified General Real Estate Appraiser

RZ1302

Expires: November 30, 2026

jhatzell@josephjblake.com

QUALIFICATIONS OF THE APPRAISER

JOSEPH W. HATZELL, MAI

Mr. Hatzell holds the position of Partner with the Miami office of Joseph J. Blake and Associates, Inc., at 5201 Waterford District Drive, Suite 270, Miami, Florida.

FORMAL EDUCATION

Pennsylvania State University - State College, Pennsylvania
Bachelor of Science in Real Estate

REAL ESTATE AND APPRAISAL EDUCATION

Course Name	Provider
Real Estate Principles and Practices	Pennsylvania State University
Real Estate Law	Pennsylvania State University
Real Estate Finance	Pennsylvania State University
Real Estate Appraisal	Pennsylvania State University
Construction and Building Techniques	Pennsylvania State University
Real Estate Appraisal Principles	Appraisal Institute
Basic Valuation Principles	Appraisal Institute
Capitalization Theory and Techniques, Part A & B	Appraisal Institute
Standards of Professional Practice, Part A & B	Appraisal Institute
Case Studies in Real Estate Valuation	Appraisal Institute
Report Writing and Valuation Analysis	Appraisal Institute
Demonstration Report	Appraisal Institute
Comprehensive Exam	Appraisal Institute
Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book)	McKissock

PROFESSIONAL AFFILIATIONS

Affiliation	Number
Appraisal Institute, Designated Member	No. 11394
Florida State-Certified General Real Estate Appraiser	No. RZ 1302

Former Education Chair, South Florida Chapter of the Appraisal Institute
Member - Rho Epsilon Real Estate Fraternity

APPRAISAL EXPERIENCE

Clients served by Mr. Hatzell include banks, savings and loans, institutional investors, development companies, real estate syndicators and various other entities. Responsibilities include preparation of full narrative appraisal and market study reports for a wide variety of property types and purposes, including, but not limited to business parks, office buildings, industrial buildings, shopping centers, traditional and low-income multi-family projects, and vacant land. He has appraised commercial property in the State of Florida since 1989.

CERTIFICATION



Ron DeSantis, Governor

Melanie S. Griffin, Secretary



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD

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



HATZELL, JOSEPH W

5201 BLUE LAGOON DRIVE SUITE 270
MIAMI FL 33126

LICENSE NUMBER: RZ1302

EXPIRATION DATE: NOVEMBER 30, 2026

Always verify licenses online at MyFloridaLicense.com

ISSUED: 08/19/2024

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