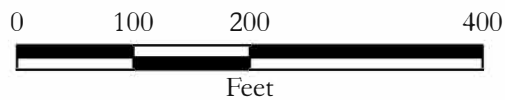






- Subject Parcels
- City Managed Park



Okaloosa County
Owners: Pointe Mezzanine, LLC and Pointe Resort, LLC
 Okaloosa County, Florida

OPTION AGREEMENT FOR SALE AND PURCHASE

Approved for Agenda
Purposes Only
By: [Signature]
Date: 9/23/2025
DEP Attorney

THIS AGREEMENT is made this ____ day of _____, 20__, between POINTE MEZZANINE, LLC, a Florida limited liability company, and POINTE RESORT, LLC, a Florida limited liability company, whose address is 10 Harbor Boulevard, Unit W-525, Destin, FL 32541 as "Seller" and the BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST FUND OF THE STATE OF FLORIDA ("Trustees"), whose address is Florida Department of Environmental Protection, Division of State Lands, 3900 Commonwealth Blvd., Mail Station 115, Tallahassee, Florida 32399-3000, as "Buyer". Buyer's agent in all matters shall be the Division of State Lands of the Florida Department of Environmental Protection ("DSL").

1. **GRANT OF OPTION.** Seller hereby grants to Buyer the exclusive option to purchase the real property located in Okaloosa County, Florida, described in Exhibit "A", together with all timber, transferable development rights, improvements, easements, appurtenances, hereditaments, and riparian and littoral rights, if any (the "Property"), in accordance with the provisions of this Agreement. This Option Agreement becomes legally binding on execution of this Agreement, but exercise of the option is subject to approval by Buyer and is effective only if DSL gives written notice of exercise to Seller.

2. **OPTION TERMS.** The consideration for the option granted by this Agreement is \$100.00 ("Option Payment"). Upon execution of this Option Agreement by DSL, DSL will apply to the Chief Financial Officer for a state warrant in the amount of the Option Payment, which, will be forwarded to the escrow agent to hold for the benefit of Seller. The Option Payment is non-refundable such that Seller shall be entitled to retain the Option Payment regardless of whether Buyer exercises the Option; Provided, however, the Option Payment shall be credited toward the purchase price at closing if Buyer timely exercises the option as discussed below. The option may be exercised during the period beginning with Buyer's approval of this Agreement at a regularly scheduled meeting of the Governor and Cabinet sitting as the Trustees, and ending 120 days after Buyer's approval of this Agreement ("Option Expiration Date"), unless extended by other provisions of this Agreement. If Buyer's funds in the amount of the purchase price (as hereinafter defined in paragraph 3.A.) are not available by the Option Expiration Date the period of exercise of the option may be extended until such funds become available, not to exceed 60 days after the Option Expiration Date, by written notice to Seller. If Buyer's funds are not available at the end of the 60-day extension then this Agreement shall terminate and neither party shall have further obligations under the provisions of this Agreement. If Buyer does not exercise its option by the Option Expiration Date, as extended if applicable, then the escrow agent is directed to release and disburse the Option Payment to Seller the following day. If Buyer does timely exercise its option, then escrow agent shall credit the Option Payment toward the purchase price paid by Buyer at closing.

3.A. **PURCHASE PRICE.** The purchase price for the Property is EIGHTY-THREE MILLION, THREE HUNDRED TWENTY-SIX THOUSAND, FIVE HUNDRED TWENTY AND NO/100 DOLLARS (\$83,326,520.00) ("Initial Purchase Price") which, after credit for the Option Payment, will be paid at closing. Seller hereby authorizes Buyer to issue a state warrant for the Purchase Price directly to an escrow agent who is authorized by law to receive such payment, and who is acceptable to Buyer, and to require the escrow agent to pay Seller's expenses of sale and real estate taxes. The Initial Purchase Price is subject to adjustment in accordance with paragraph 3.B. This Agreement is contingent upon approval of the Final Adjusted Purchase Price, hereinafter defined, by Buyer and upon confirmation that the Final Adjusted Purchase Price is not in excess of the maximum value of the Property as determined in accordance with Section 253.025(8), Florida Statutes ("DSL Approved Value"). The determination of the DSL Approved Value and the Final Adjusted Purchase Price can only be made after the completion and DSL's approval of the survey required in paragraph 6.

3.B. **ADJUSTMENT OF PURCHASE PRICE.** If, prior to closing, DSL determines that the Initial Purchase Price exceeds the DSL Approved Value of the Property, the Initial Purchase Price will be reduced to the DSL Approved Value of the Property (herein the "Final Adjusted Purchase Price"). If the Final Adjusted Purchase Price is less than 95% of the Initial Purchase Price because of the adjustment provided for in this paragraph, Seller shall, in Seller's sole discretion, have the right to terminate this Agreement and neither party shall have any further obligations under this Agreement. If Seller elects to terminate this Agreement, Seller shall provide written notice to DSL of Seller's election to terminate this Agreement within 10 days after Seller's receipt of written notice from DSL of the Final Adjusted Purchase Price. If Seller fails to give Buyer a written notice of termination within the aforesaid time period from receipt of DSL's written notice, then Seller shall be deemed to have waived any right to terminate this Agreement based upon a reduction in the Initial Purchase Price pursuant to the provisions of this paragraph 3.B. The Final Adjusted Purchase Price as calculated in this paragraph 3.B. is subject to further adjustment in accordance with the provisions of this Agreement. The Initial Purchase Price and the Final Adjusted Purchase Price, whichever is

applicable depending on whether or not an adjustment has occurred under the provisions of this paragraph 3.B. are hereinafter referred to as the "Purchase Price".

4. ENVIRONMENTAL SITE ASSESSMENT. Buyer, prior to the exercise of the option and at its sole cost and expense, may conduct an environmental site assessment of the Property to determine the existence and extent, if any, of any Hazardous Materials on the Property. If further investigations, testing, monitoring or environmental site assessments are required by DSL to determine the existence or extent of Hazardous Materials on the Property, Buyer, at its sole option may elect to extend the Option Expiration Date to conduct such procedures at the Buyer's sole cost and expense. For purposes of this Agreement "Hazardous Materials" shall mean any hazardous or toxic substance, material or waste of any kind or any other substance which is regulated by any Environmental Law (as hereinafter defined in paragraph 5.)

5. HAZARDOUS MATERIALS. If the environmental site assessment provided for in paragraph 4 confirms the presence of Hazardous Materials on the Property, Buyer, at its sole option, may elect to terminate this Agreement and neither party shall have any further obligations under this Agreement. Should Buyer elect not to terminate this Agreement, Seller shall, at Seller's sole cost and expense and prior to the exercise of the option and closing, promptly commence and diligently pursue any assessment, clean up and monitoring of the Property necessary to bring the Property into full compliance with Environmental Law to DSL's satisfaction in its sole discretion. "Environmental Law" shall mean all federal, state and local laws, including statutes, regulations, ordinances, codes, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements and other governmental restrictions relating to the protection of the environment or human health, welfare or safety, or to the emission, discharge, seepage, release or threatened release of any contaminant, solid waste, hazardous waste, pollutant, irritant, petroleum product, waste product, radioactive material, flammable or corrosive substance, carcinogen, explosive, polychlorinated biphenyl, asbestos, hazardous or toxic substance, material or waste of any kind into the environment, including, without limitation, ambient air, surface water, ground water, or land including, but not limited to, the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource and Conservation and Recovery Act of 1976, the Hazardous and Solid Waste Amendments of 1984, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Federal Superfund Amendments and Reauthorization Act of 1986, Chapters 161, 253, 373, 376 and 403, Florida Statutes, Rules of the U.S. Environmental Protection Agency, Rules of the Florida Department of Environmental Protection, and the rules of the Florida water management districts now or at any time hereafter in effect. However, should the estimated cost to Seller of clean-up of Hazardous Materials exceed a sum which is equal to 5% of the Initial Purchase Price as stated in paragraph 3.A. Seller may elect to terminate this Agreement and neither party shall have any further obligations under this Agreement. If Hazardous Materials placed on the Property prior to closing are discovered after closing, Seller shall remain obligated hereunder, with such obligation to survive the closing, delivery, and recording of the deed described in paragraph 9 of this Agreement and Buyer's possession of the Property, to diligently pursue and accomplish the clean-up of Hazardous Materials in a manner consistent with all applicable Environmental Laws and at Seller's sole cost and expense.

Further, if neither party elects to terminate this Agreement as provided above, Seller shall indemnify and save harmless and defend Buyer, its officers, servants, agents and employees from and against any and all claims, suits, actions, damages, liabilities, expenditures or causes of action of whatsoever kind arising from Hazardous Materials placed on the Property prior to closing. Seller shall defend, at Seller's sole cost and expense, any legal action, claim or proceeding instituted by any person against Buyer as a result of any claim, suit, or cause of action for injuries to body, life, limb or property for which Hazardous Materials placed on the Property prior to closing are alleged to be a contributing legal cause. Seller shall save Buyer harmless from and against all judgments, orders, decrees, attorney's fees, costs, expenses and liabilities in and about any such claim, suit, investigation or defense thereof, which may be entered, incurred or assessed as a result of the foregoing.

The limitation herein on Seller's contractual obligation to indemnify Buyer as specified in this paragraph 5 shall not be construed to limit Seller's legal liability under any Environmental Law for Hazardous Materials located on the Property or to limit Buyer's legal and equitable remedies against Seller under any Environmental Law for Hazardous Materials located on the Property.

6. SURVEY. Buyer may have the Property surveyed at its expense. If the survey ("Survey"), certified by professional surveyor and mapper licensed by the State of Florida, shows any reduction in acreage from the appraised acreage to the surveyed acreage, any encroachment on the Property or that improvements intended to be located on the Property encroach on the land of others, the same shall be treated as a title defect.

7. TITLE INSURANCE. Buyer may provide a marketable title insurance commitment, to be followed by an owner's marketable title insurance policy (ALTA Form "B" with Florida revisions) from a title insurance company approved by DSL, insuring marketable title to the Property in the amount of the Purchase Price at Buyer's expense.
8. DEFECTS IN TITLE. If the title insurance commitment or Survey furnished pursuant to this Agreement discloses any defects in title which are not acceptable to Buyer, Seller shall, within 90 days after notice from Buyer, remove said defects in title. Seller agrees to use diligent effort to correct the defects in title within the time provided therefor, including the bringing of necessary suits. Defects arising from liens against the Property shall be satisfied at closing from Seller's proceeds. If Seller is unsuccessful in removing the title defects within said time, Buyer shall have the option to either: (a) accept the title as it then is with a reduction in the Purchase Price by an amount determined by DSL, (b) accept the title as it then is with no reduction in the Purchase Price, (c) extend the amount of time Seller has to remove the defects in title, (d) cut out the affected portion of the Property and reduce the Purchase Price by an amount equal to the product of the Purchase Price per acre for the acres being cut out, multiplied by the acreage cut out, or (e) terminate this Agreement, thereupon releasing Buyer and Seller from all further obligations under this Agreement. If Seller fails to make a diligent effort to remove the title defects, Seller shall be in default and the provisions of paragraph 18 of this Agreement shall apply.
9. INTEREST CONVEYED. At closing, Seller shall execute and deliver to Buyer a statutory warranty deed in accordance with the provisions of Section 689.02, Florida Statutes, conveying marketable title to the Property in fee simple free and clear of all liens, reservations, restrictions, easements, leases, tenancies and other encumbrances, except for those that are acceptable encumbrances in the sole discretion of Buyer and do not impair the marketability of the title to the Property.
10. PREPARATION OF CLOSING DOCUMENTS. Upon execution of this Agreement, Seller shall submit to Buyer a properly completed and executed beneficial interest affidavit and disclosure statement as required by Sections 286.23, 375.031(1) and 380.08(2), Florida Statutes. Buyer shall prepare the deed described in paragraph 9 of this Agreement, Buyer's and Seller's closing statements and the title, possession and lien affidavit certified to Buyer and title insurer and an environmental affidavit on DSL forms provided by DSL.
11. DSL REVIEW FOR CLOSING. DSL will approve or reject each item required for closing under this Agreement. If DSL rejects an item for closing which was submitted by the Seller, Seller will have 30 days thereafter to remove and resubmit any rejected item. If Seller fails to timely deliver any items required of Seller, or DSL rejects any item after delivery, the Option Expiration Date shall be extended until DSL approves Seller's documents or until Buyer elects to terminate the Agreement.
12. EXPENSES. Seller will pay the documentary revenue stamp tax and all other taxes or costs associated with the conveyance, including the cost of recording the deed described in paragraph 9. of this Agreement and any other recordable instruments that DSL deems necessary to assure good and marketable title to the Property.
13. TAXES AND ASSESSMENTS. At closing, Seller shall satisfy all real estate taxes and assessments that are or may become a lien against the Property. If Buyer acquires fee title to the Property between January 1 and November 1, Seller shall in accordance with Section 196.295, Florida Statutes, place in escrow with the county tax collector an amount equal to the current taxes prorated to the date of transfer based upon the current assessment and millage rates on the Property. If Buyer acquires fee title to the Property on or after November 1, Seller shall pay to the county tax collector an amount equal to the taxes that are determined to be legally due and payable by the county tax collector.
14. CLOSING PLACE AND DATE. The closing shall be on or before 15 days after Buyer exercises the option; provided, however, that if a defect exists in the title to the Property, title commitment, Survey, environmental site assessment, or any documents required to be provided or completed and executed, the closing shall occur either on the original closing date or within 60 days after receipt of documentation removing the defects, whichever is later. Buyer shall set the date, time and place of closing.
15. RISK OF LOSS AND CONDITION OF PROPERTY. Seller assumes all risk of loss or damage to the Property prior to the date of closing and warrants that the Property shall be transferred and conveyed to Buyer in the same or essentially the same condition as of the date of Seller's execution of this Agreement, ordinary wear and tear excepted. If the condition of the Property is altered, by an act of God or other natural force beyond the control of Seller, however, Buyer may elect, at its sole option, to terminate this Agreement and neither party shall have any further obligations under this Agreement. Seller represents and warrants that there are no parties other than Seller in occupancy or possession of any part of the Property. Seller warrants that there are no facts known to Seller materially

affecting the value of the Property which are not readily observable by Buyer or which have not been disclosed to Buyer.

All wells located on the Property shall be duly abandoned at the Seller's sole cost and expense prior to the exercise of the option unless this requirement is waived by DSL in writing. Seller warrants that any billboards on the property shall be removed prior to closing.

Seller agrees to clean up and remove all abandoned personal property, refuse, garbage, junk, rubbish, trash and debris (hereafter, "trash and debris") from the Property to the satisfaction of DSL prior to exercise of the option by Buyer. If the Seller does not remove all trash and debris from the Property prior to closing, Buyer at its sole option, may elect to: (a) deduct the expense necessary to remove trash and debris from the Seller's proceeds of sale up to but not to exceed 5% of the Initial Purchase Price and proceed to close, with the Buyer incurring any additional expenses necessary to remove all trash and debris and clean up the Property subsequent to closing, (b) extend the amount of time the Seller has to remove all trash and debris from the Property, (c) terminate this Agreement, and neither party shall have any further obligations under the Agreement.

16. RIGHT TO ENTER PROPERTY AND POSSESSION. Seller agrees that from the date this Agreement is executed by Seller, Buyer and its agents, upon reasonable notice, shall have the right to enter the Property for all lawful purposes in connection with this Agreement. Seller shall deliver possession of the Property to Buyer at closing.

17. ACCESS. Seller warrants that there is legal and practical ingress and egress for the Property over public roads or valid, recorded easements for the use and benefit of and as an appurtenance to the Property.

18. DEFAULT. If Seller defaults under this Agreement, Buyer may waive the default and proceed to closing, seek specific performance, or refuse to close and elect to receive the return of any money paid, each without waiving any action for damages, or any other remedy permitted by law or in equity resulting from Seller's default.

19. BROKERS. Seller warrants that no persons, firms, corporations or other entities are entitled to a real estate commission or other fees as a result of this Agreement or subsequent closing, except as accurately disclosed on the disclosure statement required in paragraph 10. Seller shall indemnify and hold Buyer harmless from any and all such claims, whether disclosed or undisclosed.

20. RECORDING. Buyer may record this Agreement, or notice of it, in the appropriate county or counties.

21. ASSIGNMENT. This Agreement may be assigned by Buyer, in which event Buyer will provide written notice of assignment to Seller. Seller may not assign this Agreement without the prior written consent of Buyer.

22. TIME. Time is of essence with regard to all dates or times set forth in this Agreement.

23. SEVERABILITY. If any of the provisions of this Agreement are deemed to be unenforceable and the unenforceability of said provisions does not adversely affect the purpose and intent of this Agreement, in Buyer's sole discretion, the enforceability of the remaining provisions of this Agreement shall not be affected.

24. SUCCESSORS IN INTEREST. This Agreement shall bind and inure to the benefit of Seller and Buyer and their respective heirs, legal representatives and successors. Whenever used, the singular shall include the plural and one gender shall include all genders.

25. ENTIRE AGREEMENT. This Agreement contains the entire agreement between the parties pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations and understandings of the parties. No supplement, modification or amendment to this Agreement shall be binding unless executed in writing by the parties. Notwithstanding the foregoing, the parties acknowledge that the legal description contained in Exhibit "A" was prepared based upon historic chain of title information, without the benefit of a current survey of the Property. The parties agree that if, in the opinion of DSL, it becomes necessary to amend the legal description of the Property to correct errors, to more properly describe the Property, to cut out portions of the Property affected by title defects unacceptable to Buyer or which cannot be timely cured by the Seller, or to otherwise revise the legal description of the Property, the legal description to be used in the Survey (if any) and in the closing instruments required by this Agreement shall be revised by or at the direction of DSL, and shall be subject to the final approval of DSL. Anything to the contrary hereinabove notwithstanding, such a revision of the legal description of the Property shall not require a written amendment to this Agreement. In such event, the Seller's execution and

delivery of the closing instruments containing the revised legal description and the Buyer's acceptance of said instruments and of the final Survey (if any) containing the revised legal description shall constitute a full and complete ratification and acceptance of the revised legal description of the Property by the parties. Seller acknowledges that the Trustees have made various delegations of power for the purpose of land acquisition, and not all representatives of the Trustees or the DSL have authority to act in all situations. Consequently, this Agreement may be terminated by the Trustees pursuant to any provision therefor contained in this Agreement only in writing signed by the person or persons who signed this Agreement on behalf of the Trustees or that person's successor.

26. WAIVER. Failure of Buyer to insist upon strict performance of any covenant or condition of this Agreement, or to exercise any right herein contained, shall not be construed as a waiver or relinquishment for the future of any such covenant, condition or right; but the same shall remain in full force and effect.

27. COUNTERPARTS. This Agreement may be executed in one or more counterparts, but all such counterparts, when duly executed, shall constitute one and the same Agreement.

28. ADDENDUM. Any addendum attached hereto that is signed by the parties shall be deemed a part of this Agreement.

29. NOTICE. Whenever either party desires or is required to give notice unto the other, it must be given by written notice, and either delivered personally, transmitted via facsimile transmission, mailed postage prepaid, or sent by overnight courier to the appropriate address indicated on the first page of this Agreement, or such other address as is designated in writing by a party to this Agreement.

30. CERTIFICATION REGARDING TERRORISM. Seller hereby certifies that to the best of Seller's knowledge, after making all appropriate inquiries, Seller is in compliance with, and shall use all funds derived from the sale of the Property in compliance with all applicable anti-terrorism laws, regulations, rules and executive orders, including but not limited to, the USA Patriot Act of 2001, 18 U.S.C. sections 2339A-C, and U.S. Presidential Executive Orders 12947 and 13224.

31. SURVIVAL. The covenants, warranties, representations, indemnities and undertakings of Seller set forth in this Agreement shall survive the closing, the delivery and recording of the deed described in paragraph 9 of this Agreement and Buyer's possession of the Property.

IF THIS AGREEMENT IS NOT EXECUTED BY THE SELLER, ON OR BEFORE SEPTEMBER 24, 2025, BUYER SHALL BE UNDER NO OBLIGATION TO ACCEPT THIS AGREEMENT. BUYER'S EXECUTION OF THIS AGREEMENT IS SUBJECT TO APPROVAL BY THE BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST FUND OF THE STATE OF FLORIDA. THE EXERCISE OF THE OPTION PROVIDED FOR HEREIN IS SUBJECT TO: (1) CONFIRMATION THAT THE PURCHASE PRICE IS NOT IN EXCESS OF THE DSL APPROVED VALUE OF THE PROPERTY, AND (2) DSL APPROVAL OF ALL DOCUMENTS TO BE FURNISHED HEREUNDER. THE STATE OF FLORIDA'S PERFORMANCE AND OBLIGATION TO PAY UNDER THIS AGREEMENT IS CONTINGENT UPON AN ANNUAL APPROPRIATION BY THE LEGISLATURE AND UPON THE FUNDING OF THE APPROPRIATION THROUGH THE ISSUANCE OF FLORIDA FOREVER BONDS BY THE STATE OF FLORIDA OR OTHER FUNDING AS PROVIDED BY THE LEGISLATURE.

THIS IS INTENDED TO BE A LEGALLY BINDING AGREEMENT WHEN DULY EXECUTED. IF NOT FULLY UNDERSTOOD, SEEK THE ADVICE OF AN ATTORNEY PRIOR TO SIGNING.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE TO FOLLOW]

Alex Embree

Witness as to Seller

Alex Embree

Printed Name of Witness

3836 N. Arnault Rd.

Witness Address

Metairie, LA 70002

Witness Address

Jennifer Carroll

Witness as to Seller

Jennifer Carroll

Printed Name of Witness

318 Westwood Dr.

Witness Address

Mandeville, LA 70471

Witness Address

SELLER

POINTE MEZZANINE, LLC
a Florida limited liability company

Robert J. Guidry
Robert J. Guidry, Manager

9-23-2025
Date signed by Seller

STATE OF Louisiana
Parish Jefferson
COUNTY OF Jefferson

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 23rd day of September, 2025 by Robert J. Guidry as Manager of Pointe Mezzanine, LLC, a Florida limited liability company. Such person(s) (Notary Public must check applicable box):

☒
☐
☐

is/are personally known to me.
produced a current driver license(s).
produced _____ as identification.

(NOTARY PUBLIC SEAL)



Mark S. Embree
Notary Public

MARK S. EMBREE
NOTARY PUBLIC

(Printed, Typed or Stamped Name of
Notary Public) **Parish of Orleans, State of Louisiana**

My Commission is issued for Life
Commission No. Louisiana Notarial Identification No. 2317

My Commission Expires: _____

SELLER

POINTE RESORT, LLC, a Florida limited liability company

By: East Pass Prime Properties, LLC
a Florida limited liability company, as its Manager

Robert J. Guidry, Manager

Date signed by Seller

Witness as to Seller

Printed Name of Witness

Witness Address

Witness Address

Witness as to Seller

Printed Name of Witness

Witness Address

Witness Address

STATE OF Louisiana

Parish
COUNTY OF Jefferson

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 23rd day of September, 2025 by Robert J. Guidry, as Manager of East Pass Prime Properties, LLC, a Florida limited liability company, as Manager of Pointe Resort, LLC, a Florida limited liability company. Such person(s) (Notary Public must check applicable box):

☒
☐
☐

is/are personally known to me.
produced a current driver license(s).
produced _____ as identification.

(NOTARY PUBLIC SEAL)



Notary Public

MARK S. EMBREE
NOTARY PUBLIC

(Printed, Typed or Stamped Name of
Notary Public) **Parish of Orleans, State of Louisiana**

My Commission is issued for Life
Commission No. **Louisiana Notarial Identification No. 23187**

My Commission Expires: _____

BUYER

BOARD OF TRUSTEES OF THE INTERNAL
IMPROVEMENT TRUST FUND OF THE STATE
OF FLORIDA

BY DIVISION OF STATE LANDS OF THE STATE
OF FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION

Witness as to Buyer

Printed Name of Witness

3800 Commonwealth Blvd., MS 115

Witness Address

Tallahassee, Florida 32399-3000

Witness Address

Witness as to Buyer

Printed Name of Witness

3800 Commonwealth Blvd., MS 115

Witness Address

Tallahassee, Florida 32399-3000

Witness Address

STATE OF FLORIDA

COUNTY OF LEON

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization this ____ day of _____, 20____ by Bryan Bradner, Deputy Secretary for Land and Recreation, the State of Florida Department of Environmental Protection, as agent for and on behalf of the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida. He is personally known to me.

(NOTARY PUBLIC SEAL)

BY: _____

NAME: Bryan Bradner

AS ITS: Deputy Secretary for Land and Recreation

Date signed by Buyer

Approved as to Form and Legality

By: _____

Date: _____

Notary Public

(Printed, Typed or Stamped Name of
Notary Public)

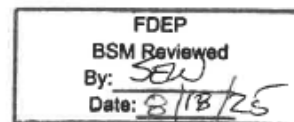
Commission No.: _____

My Commission Expires: _____

EXHIBIT "A"

Lots 1 and 2, Pointe Beach & Yacht Club, according to the map or plat thereof as recorded in Plat Book 30, Page 98, Public Records of Okaloosa County, Florida.

NOTE: This legal description is for appraisal and contract purposes. There may be revisions based on a boundary survey and title insurance commitment of the property.



Gulf Islands National Seashore
Pointe Resort, LLC and Pointe Mezzanine, LLC
Okaloosa County

ADDENDUM
BENEFICIAL INTEREST AND DISCLOSURE AFFIDAVIT
(CORPORATION/PARTNERSHIP)

Before me, the undersigned authority, personally appeared Robert J. Guidry ("affiant"), this 23rd day of September 2025, who, first being duly sworn, deposes and says:

1) That affiant is the Manager of Pointe Mezzanine, LLC, a Florida limited liability company, as "Seller", whose address is 10 Harbor Boulevard, Unit W-525, Destin, FL 32541, and in such capacity has personal knowledge of the matters set forth herein and has been duly authorized by Seller to make this affidavit on Seller's behalf. That Seller is the record owner of the Property. As required by Section 286.23, Florida Statutes, and subject to the penalties prescribed for perjury, the following is a list of every "person" (as defined in Section 1.01(3), Florida Statutes) holding 5% or more of the beneficial interest in the disclosing entity: (if more space is needed, attach separate sheet)

SEE EXHIBIT A, ATTACHED HERETO

2) That to the best of the affiant's knowledge, all persons who have a financial interest in this real estate transaction or who have received or will receive real estate commissions, attorney's or consultant's fees or any other fees, costs, or other benefits incident to the sale of the Property are: (if non-applicable, please indicate "None" or "Non-Applicable")

NONE

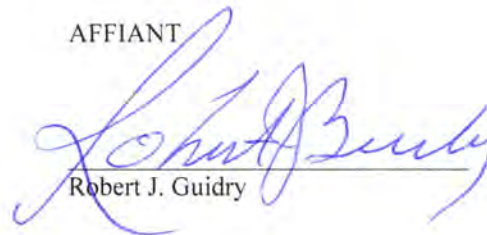
3) That, to the best of the affiant's knowledge, the following is a true history of all financial transactions (including any existing option or purchase agreement in favor of affiant) concerning the Property which have taken place or will take place during the last five years prior to the conveyance of title to the State of Florida: (if non-applicable, please indicate "None" or "Non-Applicable")

<u>Name and Address Of Parties Involved</u>	<u>Date</u>	<u>Type of Transaction</u>	<u>Amount of Transaction</u>
NONE			

This affidavit is given in compliance with the provisions of Sections 286.23, 375.031(1), and 380.08(2), Florida Statutes.

AND FURTHER AFFIANT SAYETH NOT.

AFFIANT

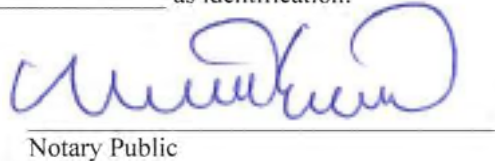

Robert J. Guidry

STATE OF Louisiana
Parish
COUNTY OF Jefferson

SWORN TO AND SUBSCRIBED before me this 23rd day of September, 2025, by Robert J. Guidry, as Manager of Pointe Mezzanine, LLC, a Florida limited liability company. Such person(s) (Notary Public must check applicable box):

☒ is/are personally known to me.
☐ produced a current driver license(s).
☐ produced _____ as identification.

(NOTARY PUBLIC SEAL)

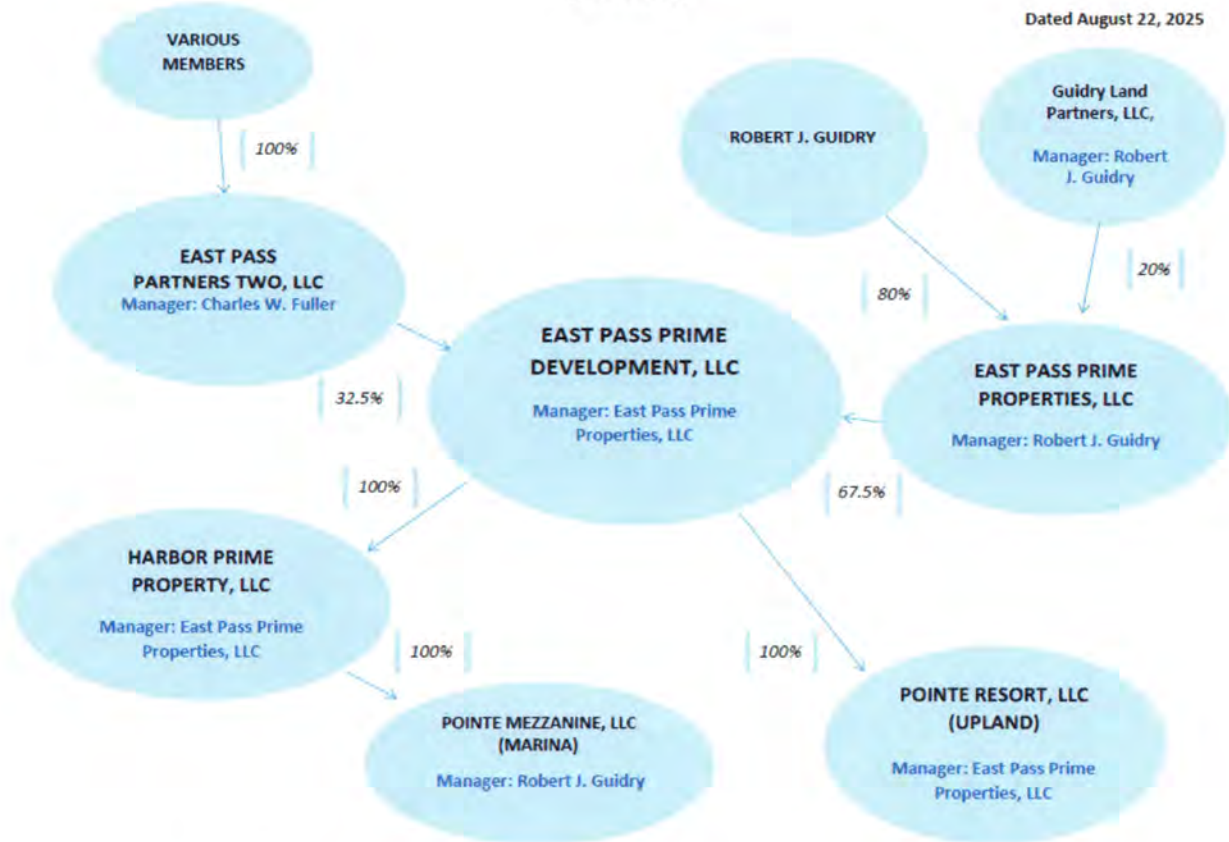

Notary Public

(Printed, Typed or Stamped Name of
Notary Public)
Commission No.: _____
My Commission Expires: _____



MARK S. EMBREE
NOTARY PUBLIC
Parish of Orleans, State of Louisiana
My Commission is issued for Life
Louisiana Notarial Identification No. 23187

Exhibit A



Every Person Holding at Least Five Percent (5%) Beneficial Interest in Point Mezzanine, LLC

<u>NAME</u>	<u>ADDRESS</u>	<u>INTEREST</u>
Robert J. Guidry ¹	10 Harbor Blvd., Unit W-525, Destin, FL 32541	54.0%
Patrick Barcus ²	400 Kelly Plantation Dr., Unit 903, Destin, FL 32541	19.4%
James Elder ³	1735 Indian Creek Drive, Vestavia Hills, AL 35243	7.26%

¹ The ownership interest of **Robert J. Guidry** in Pointe Mezzanine, LLC, as represented herein, is by virtue of Mr. Guidry owning an 80% interest in East Pass Prime Properties, LLC, an entity that owns a 67.5% interest in East Pass Prime Development, LLC, an entity that owns a 100% interest in Harbor Prime Property, LLC, an entity that owns a 100% interest in Pointe Mezzanine, LLC.

² The ownership interest of **Patrick Barcus** in Pointe Mezzanine, LLC, as represented herein, is by virtue of Mr. Barcus owning a 100% interest in Harbor Development, LLC, an entity that owns a 59.7% interest in East Pass Partners Two, LLC, an entity that owns a 32.5% interest in East Pass Prime Development, LLC, an entity that owns a 100% interest in Harbor Prime Property, LLC, an entity that owns a 100% interest in Pointe Mezzanine, LLC.

³ The ownership interest of **James Elder** in Pointe Mezzanine, LLC, as represented herein, is by virtue of Mr. Elder owning a 4% interest in East Pass Partners Two, LLC, an entity that owns a 32.5% interest in East Pass Prime Development, LLC, an entity that owns a 100% interest in Harbor Prime Property, LLC, an entity that owns a 100% interest in Pointe Mezzanine, LLC, together with an 83.33% interest in CCE, LLC, an entity that owns a 22% interest in East Pass Partners Two, LLC, an entity that owns a 32.5% interest in East Pass Prime Development, LLC, an entity that owns a 100% interest in Harbor Prime Property, LLC, an entity that owns a 100% interest in Pointe Mezzanine, LLC.

ADDENDUM
(LIMITED LIABILITY COMPANY/FLORIDA)

A. At the same time that Seller submits the closing documents required by paragraph 9. of this Agreement, Seller shall also submit the following to DSL:

1. Copies of the articles of organization and operating agreement and all amendments thereto,
2. Certificate of Good Standing from the Secretary of State of the State of Florida,
3. All certificates, affidavits, resolutions or other documents as may be required by DSL or the title insurer, which authorize the sale of the Property to Purchaser in accordance with the terms of this Agreement and evidence the authority of one or more of the members of Seller to execute this Agreement and all other documents required by this Agreement, and
4. Copy of proposed opinion of counsel as required by paragraph B. below.

B. As a material inducement to Purchaser entering into this Agreement and to consummate the transaction contemplated herein, Seller covenants, represents and warrants to Purchaser as follows:

1. The execution of this Agreement and the performance by it of the various terms and conditions hereof, including, without limitation, the execution of all agreements, notices and other documents hereunder, have been duly authorized by the requisite authority of Seller.
2. Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Florida and is duly qualified to own real property in the State of Florida.
3. This Agreement, when executed and delivered, will be valid and legally binding upon Seller and enforceable in accordance with its terms and neither the execution of this Agreement and the other instruments to be executed hereunder by Seller, nor the performance by it of the various terms and conditions hereto will violate the Articles of Organization or Operating Agreement of Seller, any provisions of applicable law or any applicable order or regulation of any court or governmental agency, nor will they constitute a breach or default by Seller under any agreement, indenture or other instrument to which Seller is a party or by which Seller is bound.

At the closing, Seller shall deliver to Purchaser an opinion of counsel from an attorney licensed to practice law in the State of Florida and an active member in good standing with the Florida Bar, to the effect that the covenants, representations and warranties contained above in this paragraph B. are true and correct as of the closing date. In rendering the foregoing opinion, such counsel may rely as to factual matters upon such other documents and data as counsel may deem necessary or advisable to render the opinions set forth above.

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SELLER

POINTE MEZZANINE, LLC,
a Florida limited liability company

BY: 

Robert J. Guidry, Manager

(CORPORATE SEAL)

9-23-2025

Date Signed by Seller

BUYER

BOARD OF TRUSTEES OF THE INTERNAL
IMPROVEMENT TRUST FUND OF THE STATE
OF FLORIDA

BY DIVISION OF STATE LANDS OF THE
FLORIDA DEPARTMENT OF ENVIRONMENTAL
PROTECTION

BY: _____

Bryan Bradner, Deputy Secretary
for Land and Recreation

Date signed by Buyer

ADDENDUM
BENEFICIAL INTEREST AND DISCLOSURE AFFIDAVIT
(CORPORATION/PARTNERSHIP)

Before me, the undersigned authority, personally appeared Robert J. Guidry ("affiant"), this 23rd day of September, 2025, who, first being duly sworn, deposes and says:

1) That affiant is the Manager of East Pass Prime Properties, LLC, a Florida limited liability company, which is the Manager of Pointe Resort, LLC, a Florida limited liability company, as "Seller", whose address is 10 Harbor Boulevard, Unit W-525, Destin, FL 32541, and in such capacity has personal knowledge of the matters set forth herein and has been duly authorized by Seller to make this affidavit on Seller's behalf. That Seller is the record owner of the Property. As required by Section 286.23, Florida Statutes, and subject to the penalties prescribed for perjury, the following is a list of every "person" (as defined in Section 1.01(3), Florida Statutes) holding 5% or more of the beneficial interest in the disclosing entity: (if more space is needed, attach separate sheet)

SEE EXHIBIT A, ATTACHED HERETO

2) That to the best of the affiant's knowledge, all persons who have a financial interest in this real estate transaction or who have received or will receive real estate commissions, attorney's or consultant's fees or any other fees, costs, or other benefits incident to the sale of the Property are: (if non-applicable, please indicate "None" or "Non-Applicable")

NONE

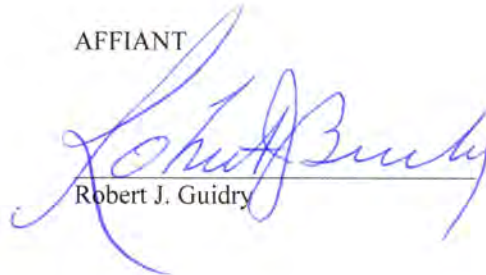
3) That, to the best of the affiant's knowledge, the following is a true history of all financial transactions (including any existing option or purchase agreement in favor of affiant) concerning the Property which have taken place or will take place during the last five years prior to the conveyance of title to the State of Florida: (if non-applicable, please indicate "None" or "Non-Applicable")

<u>NAME AND ADDRESS OF PARTIES INVOLVED</u>	<u>DATE</u>	<u>TYPE OF TRANSACTION</u>	<u>AMOUNT OF TRANSACTION</u>
NONE			

This affidavit is given in compliance with the provisions of Sections 286.23, 375.031(1), and 380.08(2), Florida Statutes.

AND FURTHER AFFIANT SAYETH NOT.

AFFIANT

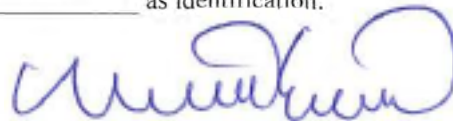

Robert J. Guidry

STATE OF Louisiana
Parish
COUNTY OF Jefferson

SWORN TO AND SUBSCRIBED before me this 23rd day of September, 2025, by Robert J. Guidry, as Manager of East Pass Prime Properties, LLC, a Florida limited liability company, the Manager of Pointe Resort, LLC, a Florida limited liability company. Such person(s) (Notary Public must check applicable box):

☒ is/are personally known to me.
☐ produced a current driver license(s).
☐ produced _____ as identification.

(NOTARY PUBLIC SEAL)



Notary Public

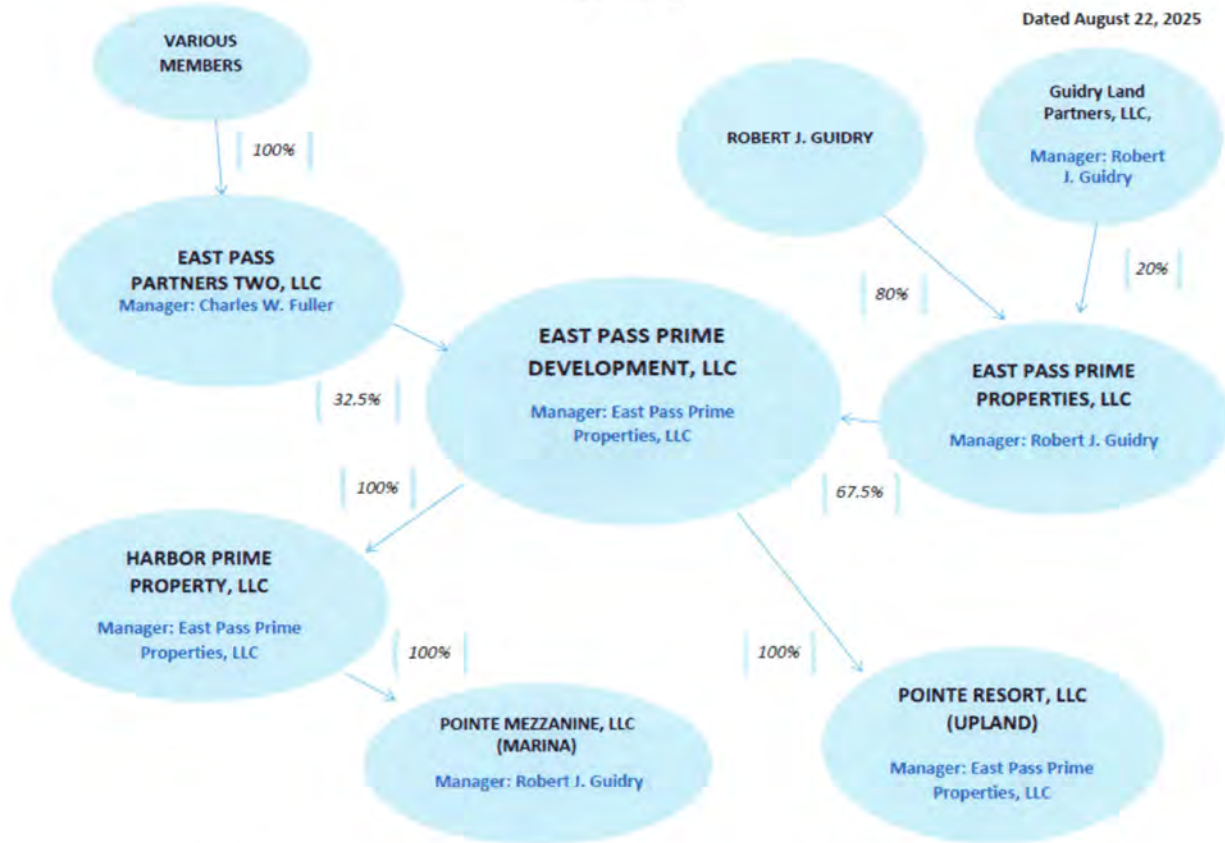
(Printed, Typed or Stamped Name of
Notary Public)

Commission No.: _____

My Commission Expires: _____

MARK S. EMBREE
NOTARY PUBLIC
Parish of Orleans, State of Louisiana
My Commission is issued for Life
Louisiana Notarial Identification No. 23187

Exhibit A



Every Person Holding at Least Five Percent (5%) Beneficial Interest in Point Resort, LLC

<u>NAME</u>	<u>ADDRESS</u>	<u>INTEREST</u>
Robert J. Guidry ¹	10 Harbor Blvd., Unit W-525, Destin, FL 32541	54.0%
Patrick Barcus ²	400 Kelly Plantation Dr., Unit 903, Destin, FL 32541	19.4%
James Elder ³	1735 Indian Creek Drive, Vestavia Hills, AL 35243	7.26%

¹ The ownership interest of **Robert J. Guidry** in Pointe Resort, LLC, as represented herein, is by virtue of Mr. Guidry owning an 80% interest in East Pass Prime Properties, LLC, an entity that owns a 67.5% interest in East Pass Prime Development, LLC, an entity that owns a 100% interest in Pointe Resort, LLC.

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ADDENDUM
(LIMITED LIABILITY COMPANY/FLORIDA)

A. At the same time that Seller submits the closing documents required by paragraph 9. of this Agreement, Seller shall also submit the following to DSL:

1. Copies of the articles of organization and operating agreement and all amendments thereto,
2. Certificate of Good Standing from the Secretary of State of the State of Florida,
3. All certificates, affidavits, resolutions or other documents as may be required by DSL or the title insurer, which authorize the sale of the Property to Purchaser in accordance with the terms of this Agreement and evidence the authority of one or more of the members of Seller to execute this Agreement and all other documents required by this Agreement, and
4. Copy of proposed opinion of counsel as required by paragraph B. below.

B. As a material inducement to Purchaser entering into this Agreement and to consummate the transaction contemplated herein, Seller covenants, represents and warrants to Purchaser as follows:

1. The execution of this Agreement and the performance by it of the various terms and conditions hereof, including, without limitation, the execution of all agreements, notices and other documents hereunder, have been duly authorized by the requisite authority of Seller.
2. Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Florida and is duly qualified to own real property in the State of Florida.
3. This Agreement, when executed and delivered, will be valid and legally binding upon Seller and enforceable in accordance with its terms and neither the execution of this Agreement and the other instruments to be executed hereunder by Seller, nor the performance by it of the various terms and conditions hereto will violate the Articles of Organization or Operating Agreement of Seller, any provisions of applicable law or any applicable order or regulation of any court or governmental agency, nor will they constitute a breach or default by Seller under any agreement, indenture or other instrument to which Seller is a party or by which Seller is bound.

At the closing, Seller shall deliver to Purchaser an opinion of counsel from an attorney licensed to practice law in the State of Florida and an active member in good standing with the Florida Bar, to the effect that the covenants, representations and warranties contained above in this paragraph B. are true and correct as of the closing date. In rendering the foregoing opinion, such counsel may rely as to factual matters upon such other documents and data as counsel may deem necessary or advisable to render the opinions set forth above.

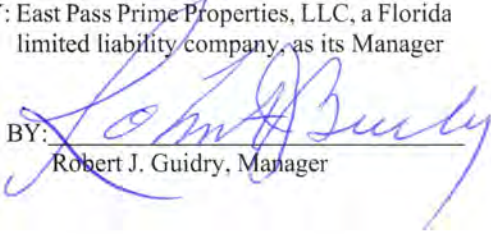
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SELLER

POINTE RESORT, LLC,
a Florida limited liability company

BY: East Pass Prime Properties, LLC, a Florida
limited liability company, as its Manager

BY:


Robert J. Guidry, Manager

(CORPORATE SEAL)

9-23-2025

Date Signed by Seller

BUYER

BOARD OF TRUSTEES OF THE INTERNAL
IMPROVEMENT TRUST FUND OF THE STATE
OF FLORIDA

BY DIVISION OF STATE LANDS OF THE
FLORIDA DEPARTMENT OF ENVIRONMENTAL
PROTECTION

BY:

Bryan Bradner, Deputy Secretary
for Land and Recreation

Date signed by Buyer

APPRAISAL REPORT OF

**POINTE RESORT DEVELOPMENT SITE 50
and 51 Gulf Shore Drive Destin, Okaloosa
County, Florida 32541**

URS File Number – 252224



For
Mr. Joseph Winkeler
Manager
Pointe Mezzanine, LLC and Pointe Resort, LLC
PO Box 7098
Destin, FL 32540

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Appraiser Qualifications

Addendum

April 16, 2025

Mr. Joseph Winkeler
Manager
Pointe Mezzanine, LLC and Pointe Resort, LLC
PO Box 7098
Destin, FL 32540

**RE: Pointe Resort Development Site 50 and 51 Gulf Shore Drive,
Destin, Florida, 32541**

Dear Mr. Winkeler:

As requested, a detailed investigation, analysis and appraisal have been made of the market value of the fee simple estate of the referenced property, in as-is condition as of the appraisal date.

The subject is a prime condominium development site containing approximately 3.945 acres and located on Norriego Point, a peninsula forming the east side of East Pass and encompassing Destin Harbor. East of the subject site is Snorkel Beach and to the west lies the Waterview Tower Condominium. With the angle of the peninsula, condominium towers constructed on the subject site would have direct views of the Gulf of America over the Pass and the jetty at Eglin Beach Park, as well as of Choctawhatchee Bay.

With 79 units planned and permitted, the subject is virtually the final site remaining on Destin Harbor for upscale development and should be in high demand by developers and by the market. Destin and the stretch of beach along 30-A have among the highest prices being paid for vacant lots and residences in the state. Long established Naples, in southwest Florida, has somewhat higher prices.

We have prepared a complete appraisal and are submitting this appraisal in a narrative appraisal report format. Included within the accompanying appraisal report are exhibits and documented data in support of the value conclusions. All material collected during our analysis has been retained in our files and is available for inspection upon request.

This appraisal has been prepared in compliance with the Uniform Standards of Professional Appraisal Practice and governmental regulations, as well as the client's appraisal and reporting requirements.

The opportunity to have been of service is appreciated. Should you have any questions or comments, or require additional information, please do not hesitate to contact us.

Very truly yours,



H. Linwood Gilbert, Jr., MAI
State-Certified General Real Estate Appraiser RZ0940

810 SOUTH STERLING AVENUE, TAMPA, FLORIDA 33609 | WWW.URBANREALTYSOLUTIONS.COM | P 813-876-1808 | F 813-3

URBAN REALTY SOLUTIONS

REAL ESTATE ADVISOR

CERTIFICATION

This is to certify that, upon request for valuation by Mr. Joseph Winkeler, Manager, Pointe Mezzanine, LLC and Pointe Resort, LLC, we have personally inspected, collected and analyzed various data, and appraised the market value of the fee simple estate of the subject property, located at 50 and 51 Gulf Shore Drive, Destin, Florida 32541.

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*. This certificate is also a certification under Florida Real Estate License Law Chapter 475.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives
- We have made a personal inspection of the property that is the subject of this report. Also, we made an inspection of selected comparable properties.

- No one provided significant real property appraisal assistance to the persons signing this certification.
- As of the date of this report, H. Linwood Gilbert, Jr., MAI, has completed the continuing education program for Designated Members of the Appraisal Institute.
- The undersigned appraisers, based on education, work experience and the previous appraisal of properties similar to the subject, are competent and qualified to appraise the property.

This certificate is in accordance with the Uniform Standards of Professional Appraisal Practice Standard Rule 2-3 and with the Appraisal Institute's Supplemental Standards of Professional Practice. It is also a certification under Florida Real Estate Appraisal Board of the Division of Real Estate of the Department of Business and Professional Regulation.

The reader should review the Assumptions and Limiting Conditions, to which this analysis is subject, included at the end of the report.

In our opinion, the slips proposed for the fee simple estate of the subject property, located at 50 and 51 Gulf Shore Drive, Destin, Florida 32541, had a market value, in as-is condition as of the appraisal date of March 15, 2025, of approximately FIFTY FIVE MILLION THREE HUNDRED THOUSAND DOLLARS (\$55,300,000).

This value does not include value of the marina or boat docks as a whole, which would be in addition to the upland value.



H. Linwood Gilbert, Jr., MAI
State-Certified General Real Estate Appraiser RZ0940

URBAN REALTY SOLUTIONS

REAL ESTATE ADVISORS

EXECUTIVE SUMMARY

Property Name: Pointe Resort Development Site

Property Classification: Condominium and Marina Development

Address:	50 and 51 Gulf Shore Drive Destin, Okaloosa County, Florida 32541
Location:	Northerly and southerly sides of Gulf Shore Drive, near the northwesterly terminus.
Municipal Jurisdiction:	City of Destin
County:	Okaloosa County
Section, Township and Range:	00/02S/24W
Census Tract:	12091023303
Metropolitan Statistical Area:	Crestview-Fort Walton Beach
Property Ownership:	Pointe Resort, LLC and Pointe Mezzanine, LLC
Property Rights Appraised:	Fee simple estate
Legal Description:	Please see Legal Description section.
County Identification No.:	00-2S-24-3050-0000-0010 00-2S-24-3050-0000-0020
Purpose of Appraisal:	Estimate market value as- is
Appraisal Date:	March 15, 2025
Date of Report:	April 16, 2025
Report Type:	Summary narrative
Intended User of Appraisal:	Client, Pointe Mezzanine, LLC and Pointe Resort, LLC
Intended Use of Appraisal:	Asset management and possible sale
Property Assessment 2024:	\$10,473,506
Tax Millage Rate 2024:	11.84660 mils

Ad Valorem Taxes 2024:	\$0.00
Non - Ad Valorem Taxes:	\$0.00
Personal Property Tax 2024:	NA
Total Property Taxes:	\$124,075 Gross \$119,112 Net
Neighborhood:	The subject is a site for a proposed condominium development with an existing wet slip marina in Destin Harbor, located on a secondary traffic collector characterized by residential and marina development of various intensities. The immediate market or neighborhood surrounds the traffic artery and extends for approximately two miles west to east, but customers and clients come from a broader market area.
Land Use Plan:	HDR, High Density Residential District
Zoning District:	HDR, High Density Residential
Site Data:	The subject upland area is situated at the westerly terminus of Gulf Shores Drive. Upon completion of the upland development the subject will front approximately 580 feet on both the northerly and southerly sides of Gulf Shore Drive. The southerly depth will be approximately 410 feet at its greatest extent and the northerly depth will be approximately 20 to 30 feet at its greatest extent. The upland site is irregular in shape and contains approximately 171,824.74 square feet or 3.945 acres. The submerged area, leased from the State of Florida, is estimated at 105,411 square feet or 2.42 acres. The submerged area is situated along the northerly side of the upland site, extending the length of the road frontage, with a maximum horizontal depth, across the top of the water, of approximately 185 feet. The upland site is generally level to slightly sloping and drainage appears adequate. Onsite parking is available on the vacant

ground. Public right-of-way parking is not available.

Flood Zone Data:

Soil is sandy, typical for the area, and it is assumed that no adverse subsoil conditions exist. Municipal potable water and wastewater disposal are available to the site, as are electric and telephone services. There are no known impediments to development. Drainage and utility easements appear typical. "VE and AE", Special Flood Hazard Areas, per FEMA Map Panel 12091C0469J, dated March 9, 2021.

Improvement Data:

The subject property is a premiere site fronting East Pass and proposed to be developed with the Pointe Beach and Yacht Club, an upscale condominium with docks providing 50 wet slips and four flexible dockage areas.

Data source for description of improvements includes site plans prepared by Kimley Horn Engineers, building plans prepared by DAG Architects and descriptions by the developer. The building will contain seven residential floors and offer 79 units in total. Architectural renderings below convey the size and quality of the proposed development.

Pricing of units is projected to range from approximately \$3.9 million to \$7.6 million and total some \$383,000,000 in gross sales revenues.

The proposed materials and amenities are designed to appeal to the top of the market. Proposed site improvements consist of typical concrete and asphalt paving for parking, circulation and delivery, concrete sidewalks, stormwater detention areas, upscale landscaping, overhead lighting, underground drainage, and underground laterals for municipal water and sewer.

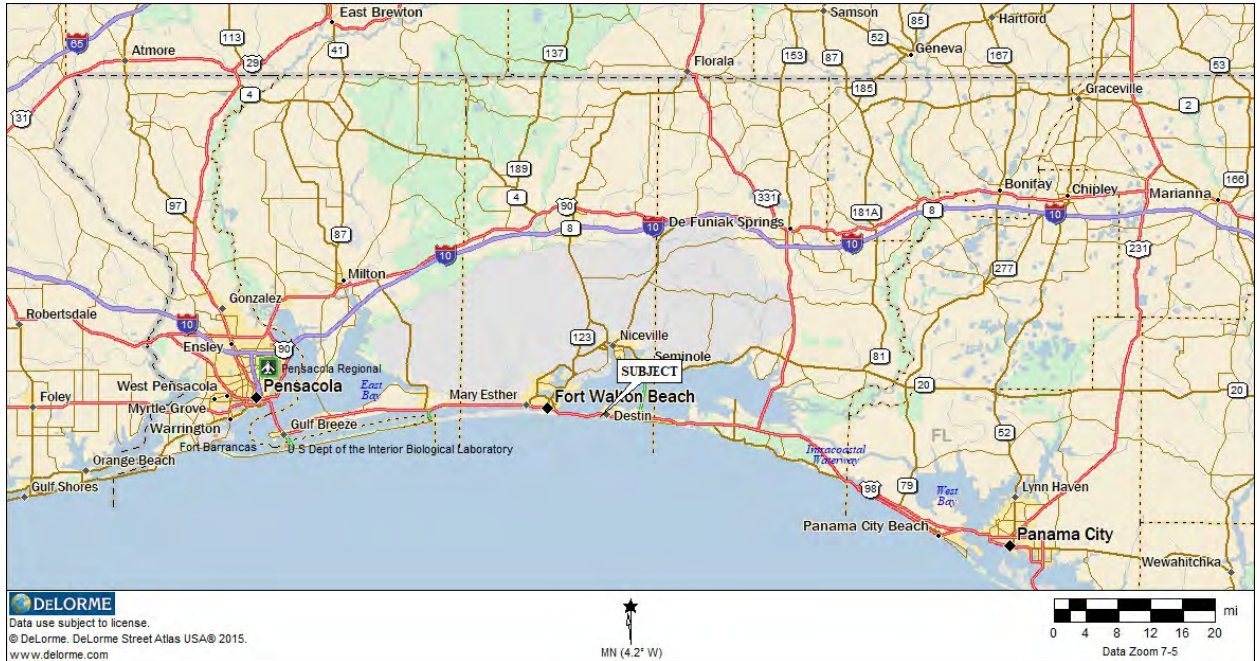
Environmental Conditions:	No unusual environmental conditions were observed, but this appraisal is subject to receipt of a satisfactory environmental audit.
Highest and Best Use:	<p>As if vacant and available, the subject site has a highest and best use for development to high density residential use, with ancillary marina uses, at the highest density legally achievable.</p> <p>Not Applicable, as the upland site is currently vacant. The marina has been developed over a parcel of leased submerged land and represents highest and best use.</p>
Marketing/Exposure Periods:	Twelve months/ Twelve months

Value Indications

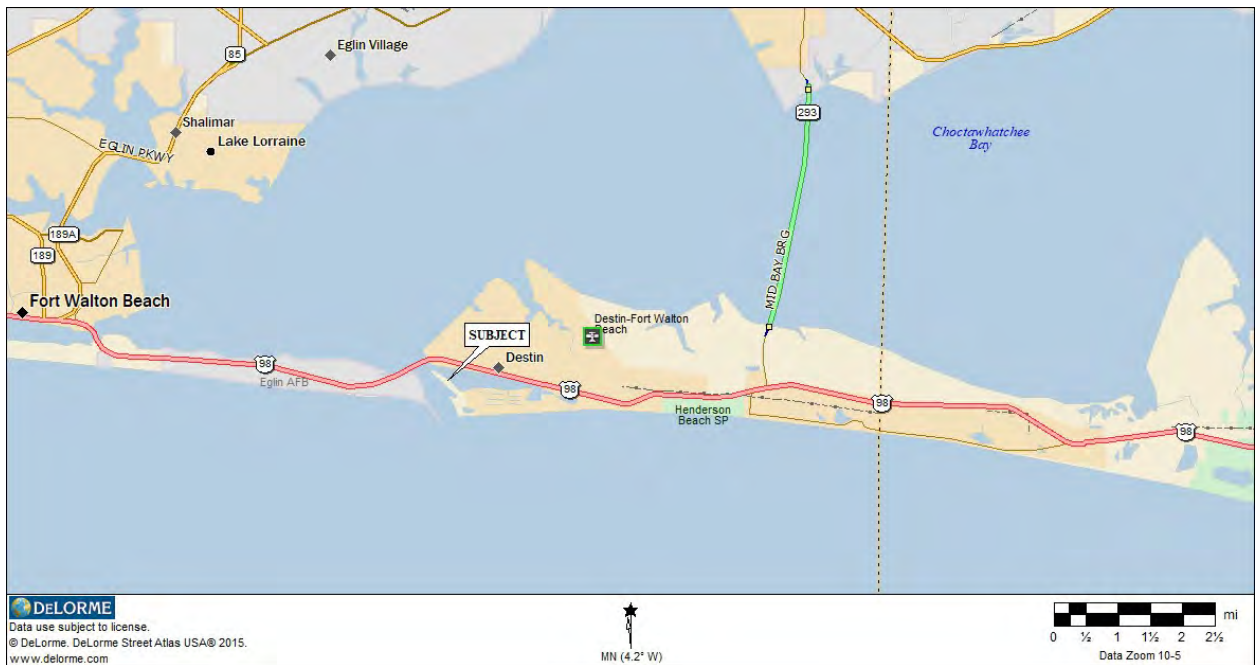
Cost Approach	N/A
Sales Comparison Approach	\$55,300,000
Income Capitalization Approach	N/A
 Final Estimate of Value	 \$55,300,000

SUBJECT MAPS AND PHOTOGRAPHS

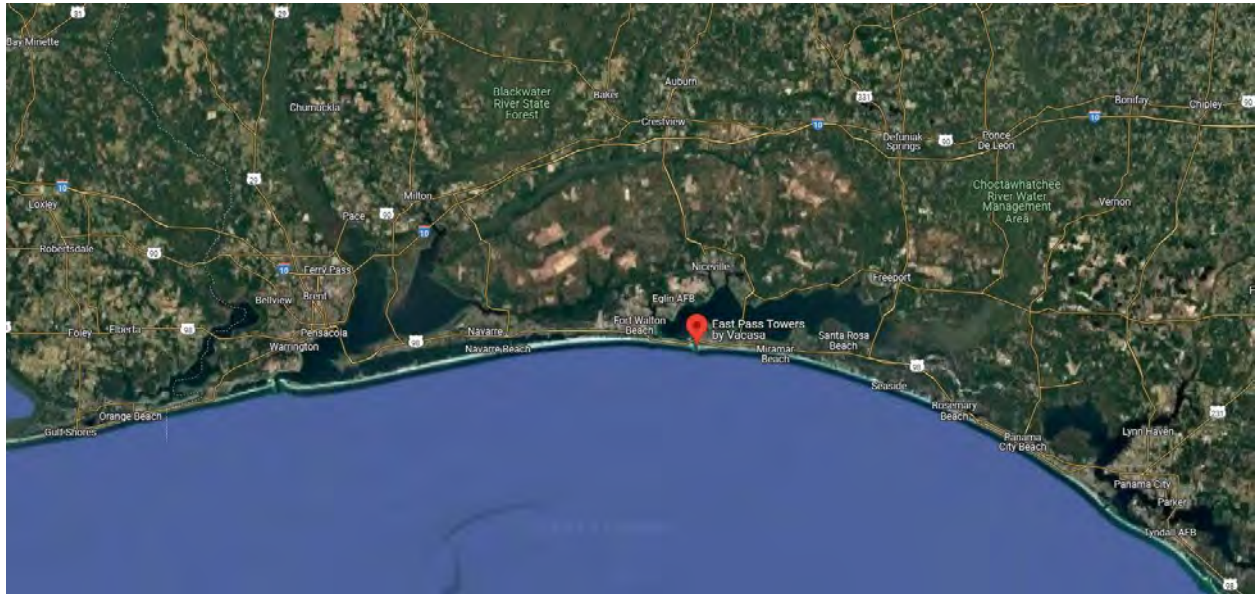
Area Location Map



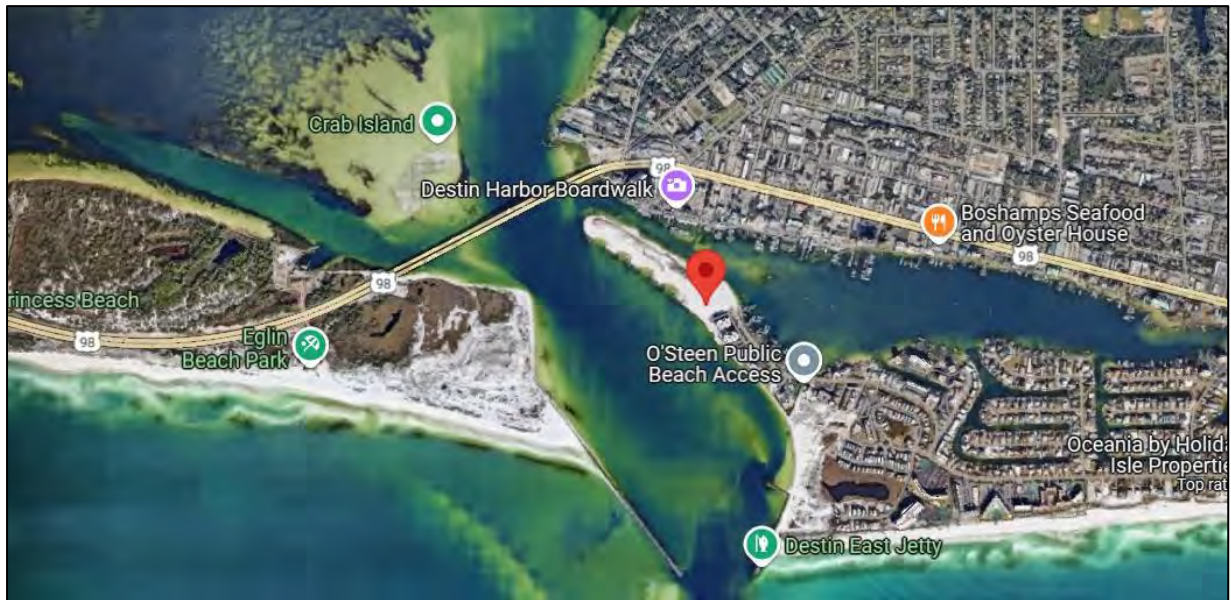
Neighborhood Map



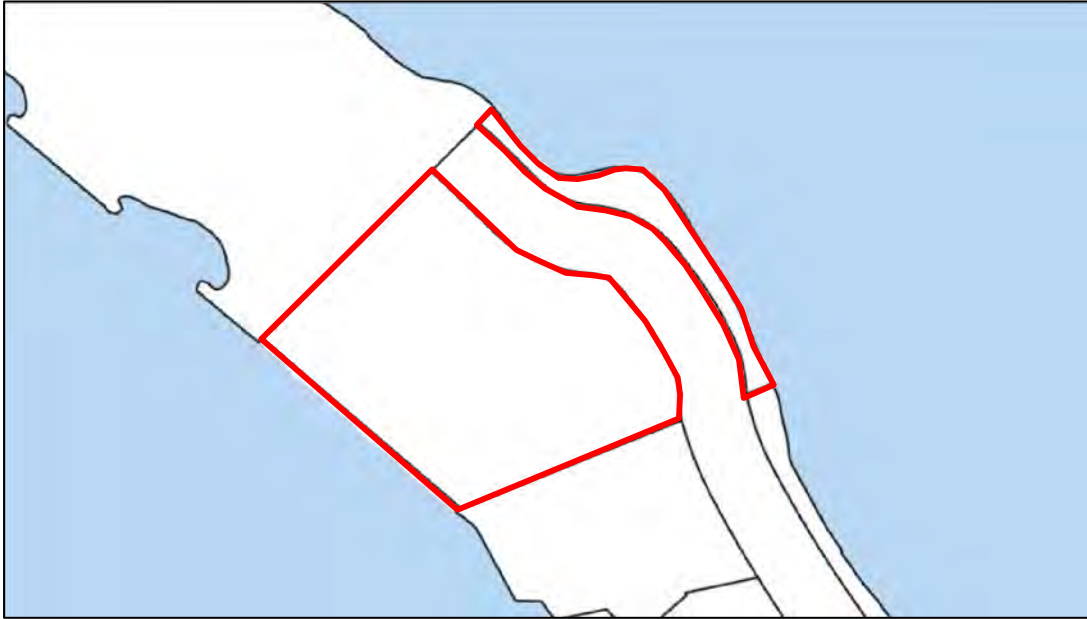
Area Aerial Photograph



Neighborhood Aerial Photograph



Plat Map



Property Appraiser's Aerial Photograph



Subject Photographs



View Northwesterly of Subject Proposed Marina Basin



View of Destin Pass from Subject Upland Site



View of Subject Basin and Adjacent slips of East Pass Marina



View Northwesterly from Subject Uplands Site – Destin Harbor

PURPOSE, INTENDED USE AND DATE OF APPRAISAL

Purpose of this appraisal is to estimate, with the highest degree of accuracy possible, the market value, in as-is condition, of the fee simple estate of the subject property.

The intended user of this appraisal report is the client, Pointe Mezzanine, LLC and Pointe Resort, LLC. This appraisal report is prepared for the sole and exclusive use of the intended user and may not be relied upon by any third parties for any purpose whatsoever without the prior written consent of the appraiser. No additional intended users are identified by the appraiser.

The intended use is for asset management and possible sale, subject to the stated scope of work, purpose of the appraisal, reporting requirements of this appraisal report and definition of market value.

Property rights appraised are the fee simple estate of the subject property.

This is a complete appraisal in a summary narrative format. Date of this appraisal is March 15, 2025, the last date of inspection. Date of report is April 16, 2025.

SCOPE OF APPRAISAL

The scope of work for this appraisal assignment includes the identification of the appraisal problem, which is the valuation of the subject property in its as-is condition. The steps taken in the analysis include:

Personal inspection of the property under appraisal.

In order to determine the competitive market of the subject, analysis was made of regional and neighborhood data and ascertainment of demographic and economic trends that affect the property and its intended use.

In order to determine the competitive market position of the subject, analysis was made of economic trends affecting the property, including supply and demand analysis of properties considered directly competitive in the market, resulting in analysis of highest and best use of the property, both as if vacant and as improved.

Description of the property site, including verification with applicable governmental authorities as to land use regulations, utilities, and property taxes, as well as non-invasive inspection and complete description of the physical characteristics of the existing or planned improvements. Please note that the appraisers are not engineers or contractors, and the inspection is limited to a visual inspection as to general quality and condition. While obvious impairments will be brought to the attention of the client, an inspection by a licensed engineer, pest control or other professional is always recommended.

Estimation of highest and best use of the site, both as if vacant and as improved.

Estimation of value using the sales comparison approach. There is adequate market data to support this approach to market value.

In order to apply the sales comparison approach, research was made of sales comparable properties through two real estate sales reporting services and the Property Appraiser's Office. Each sale was inspected, photographed and the transaction verified with a party considered knowledgeable as to the details of the transaction and motivation of the parties, principally with the buyer, seller, real estate broker or manager involved. Qualitative and quantitative adjustments are made to comparable sales in order to obtain an indication of value of the subject.

Market research was made of national and local economic trends, survey of available financing and market derived equity returns, and research into appropriate financial and capitalization rates in order to estimate appropriate capitalization and yield rates applicable to the subject. Appropriate capitalization rates are applied to the estimated net income in order to capitalize the income to an indication of value.

Reconciliation of the value indications, with emphasis placed on the approach(es) considered most reflective of current market activity for final value estimate.

VALUATION DEFINITIONS

Estate is, “1. An owner’s degree, quantity, nature, and extent of interest or interests in property. There are many different types of estates, including freehold (fee simple, determinable fee, and life estate) and leasehold. To be an estate in land, an interest must allow possession (either now or in the future). See also freehold estate; leasehold estate. 2. The property of an individual at a point in time.”¹ As related to property, the terms *estate* and *interest* are synonymous for the purpose of this appraisal. Unless otherwise distinguished, the term *property* indicates real property in this report.

Fee simple estate is the property interest represented by, "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."²

Leased fee estate or interest is, “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.”²

Leasehold estate or interest is, “the right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.”³

Hypothetical condition is, “(1) a condition that is presumed to be true when it is known to be false. (SVP); or (2) a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis. Comment: hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in analysis. (USPAP, 2020-2021 ed.)”⁴ As an example, this condition is sometimes applied to an anticipated zoning change.

Extraordinary assumption is, “An assignment- specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions. Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property, or

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Seventh Edition*, Appraisal Institute, Chicago, Illinois, 2022, p. 65. ²
Ibid, p. 73.

² *Ibid*, p. 105.

³ *Ibid*, p. 105.

⁴ *Ibid*, p. 92. ⁶

Ibid, p.
68.

conditions external to the property, such as market conditions or trends, or about the integrity of data used in an analysis. (USPAP, 2020-2021 ed.) ”⁶

Market Value for the purposes of this appraisal, as defined in the Federal Register, Department of the Treasury Agencies’ appraisal regulations, “the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the

buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 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.”⁵

Market value is also defined as: "The most probable price, as of a specified date, in cash or in terms equivalent to cash, or in other precisely revealed terms for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently and knowledgeably, and for selfinterest, and assuming that neither is under undue duress. ”⁶

Market value is described, not defined, in the Uniform Standards of Professional Appraisal Practice (USPAP) as, “a type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the value definition that is identified by the appraiser as applicable in an appraisal.”⁷

Prospective opinion of value is, “a value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is

⁵ Federal Register, Department of the Treasury, Interagency Appraisal and Evaluation Guidelines, December 10, 2010, p. 77472.

⁶ Appraisal Institute, The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022, p. 118.

⁷ Appraisal Institute, Uniform Standards of Professional Appraisal Practice and Advisory Opinions 2020-2021 Edition, The Appraisal Foundation, USA, 2020, p. 5.

frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.”⁸

Retrospective value opinion is defined as:” A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., “retrospective market value opinion.”¹¹

Encumbrance is defined as, “any claim or liability that affects or limits the title to property. An encumbrance can affect the title such as a mortgage or other lien, or it can affect the physical

condition of the property such as an easement. An encumbrance cannot prevent the transfer of possession, but it does remain after the transfer.”⁹

Fixture is defined as, “an article that was once personal property but has since been installed or attached to the land or building in a rather permanent manner so that it is regarded in law as part of the real estate.”¹³

⁸ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Seventh Edition*, Appraisal Institute, Chicago, Illinois, 2022, p. 149, 150. ¹¹
Ibid, P. 166

⁹ *Ibid*, p. 62. ¹³
Ibid, p.

75.

LEGAL DESCRIPTION

The legal description of the subject property obtained from the Clerk of Court's office is as follows.

00-2S-24-3050-0000-0010

CONDOMINIUM PARCEL (AS WRITTEN) A PARCEL OF LAND IN UNSECTIONALIZED TOWNSHIP 2 SOUTH, RANGE 22 WEST, OKALOOSA COUNTY, FLORIDA, BEING MORE EXPLICITLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF LOT 124, BLOCK F, HOLIDAY ISLE, RESIDENTIAL SECTION NUMBER 5, AS RECORDED IN PLAT BOOK 4, PAGE 39 OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA, THENCE ON THE EASTERLY RIGHT OF WAY LINE OF DURANGO ROAD (66 FOOT RIGHT OF WAY) SOUTH 31°33'00" WEST, A DISTANCE OF 724.75 FEET, THENCE DEPARTING SAID EASTERLY RIGHT OF WAY NORTH 65°28'19" WEST A DISTANCE OF 1877.26 FEET, THENCE NORTH 24°31'41" EAST, A DISTANCE OF 16.04 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY OF GULF SHORE DRIVE, THENCE ON SAID SOUTHERLY RIGHT OF WAY THE FOLLOWING FOUR CALLS: THENCE (1) ON THE ARC OF A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 613.27 FEET THROUGH A CENTRAL ANGLE OF 48°59'18", AN ARC DISTANCE OF 524.35 FEET (CHORD BEARING = NORTH 60°02'13" WEST, CHORD DISTANCE = 508.52 FEET) TO THE POINT OF TANGENCY, THENCE (2) NORTH 38° 35 MINUTES, 42" WEST, A DISTANCE OF 368.78 FEET TO THE POINT OF CURVATURE WITH A CURVE CONCAVE NORTHEASTERLY. HAVING A RADIUS OF 2025.15 FEET, THENCE (3) THROUGH A CENTRAL ANGLE OF 11°00'05", AN ARC DISTANCE OF 388.85 FEET (CHORD BEARING = NORTH 33°12'52" WEST, CHORD DISTANCE = 388.25 FEET) TO A POINT OF COMPOUND CURVATURE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 503.88 FEET, THENCE (4) THROUGH A CENTRAL ANGLE OF 13°36'19" AN ARC DISTANCE OF 119.65 FEET (CHORD BEARING = NORTH 20°24'51" WEST, CHORD DISTANCE = 119.37 FEET) TO THE NORTHWEST CORNER OF EAST PASS TOWERS, PHASE I, A CONDOMINIUM, BEING THE POINT OF BEGINNING; THENCE ON THE WEST BOUNDARY THEREOF SOUTH 68°06'39" WEST, FOR A DISTANCE OF 351.00 FEET TO A POINT ON THE SEAWARD VERTICAL FACE OF AN EXISTING SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO; THENCE ON SAID EXISTING SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO THE FOLLOWING TWO CALLS: (1) NORTH 38°01'05" WEST, FOR A DISTANCE OF 2.50 FEET; (2) NORTH 49°25'44" WEST, FOR A DISTANCE OF 385.65 FEET; THENCE DEPARTING SAID VERTICAL FACE OF SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO, NORTH 45°13'52" EAST, FOR A DISTANCE OF 349.23 FEET TO A POINT ON THE SOUTH LINE OF A PROPOSED 100 FOOT RIGHT OF WAY; THENCE ALONG SAID SOUTH LINE THE FOLLOWING TEN (10) CALLS: (1) SOUTH 51°29'39" EAST, FOR A DISTANCE OF 5.71 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 297.00 FEET, THENCE (2) THROUGH A CENTRAL ANGLE OF 5°32'11", AN ARC DISTANCE OF 28.70 FEET (CHORD BEARING = SOUTH 48°14'25" EAST, CHORD DISTANCE = 28.69 FEET) TO A POINT OF TANGENCY; THENCE (3) SOUTH 45°28'19" EAST, FOR A DISTANCE OF 90.85 FEET TO POINT OF CURVATURE WITH A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 225.00 FEET; THENCE (4) THROUGH A CENTRAL ANGLE OF 40°22'41", AN ARC DISTANCE OF 158.56 FEET (CHORD BEARING = SOUTH 65°39'39" EAST, CHORD DISTANCE = 155.30 FEET) TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 75.00 FEET; (5) THENCE ON THROUGH A CENTRAL ANGLE OF 48°37'29", AN ARC DISTANCE OF 63.65 FEET (CHORD BEARING = SOUTH 61°32'15" EAST, CHORD DISTANCE = 61.76 FEET) TO A POINT OF TANGENCY; (6) THENCE SOUTH 37°13'31" EAST, FOR A DISTANCE OF 38.17 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 425.00

FEET; (7)THENCE ON THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $13^{\circ}08'19''$, AN ARC DISTANCE OF 97.46 FEET, (CHORD BEARING AND DISTANCE = SOUTH $30^{\circ}39'22''$ EAST, A DISTANCE OF 97.25 FEET), TO A POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 100.00 FEET; (8)THENCE ON THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $25^{\circ}20'21''$, AN ARC DISTANCE OF 44.23 FEET, (CHORD BEARING AND DISTANCE = SOUTH $12^{\circ}20'37$ SECONDS EAST, A DISTANCE OF 43.87 FEET), TO A POINT OF REVERSE CURVATURE WITH A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 125.00 FEET; (9)THENCE ON THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $13^{\circ}46'31''$, AN ARC DISTANCE OF 30.05 FEET, (CHORD BEARING AND DISTANCE = SOUTH $06^{\circ}33'42''$ EAST, A DISTANCE OF 29.98 FEET) TO A POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 503.88 FEET; (10) THENCE ON THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF $00^{\circ}09'43''$, AN ARC DISTANCE OF 1.42 FEET (CHORD BEARING AND DISTANCE = SOUTH $13^{\circ}31'50''$ EAST, A DISTANCE OF 1.42 FEET) TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED.

COMMENCE AT THE NORTHWEST CORNER OF LOT 124, BLOCK F, HOLIDAY ISLE, RESIDENTIAL SECTION NUMBER 5, AS RECORDED IN PLAT BOOK 4, PAGE 39 OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA, THENCE ON THE EASTERLY RIGHT OF WAY LINE OF DURANGO ROAD (66 FOOT RIGHT OF WAY) SOUTH 31 DEGREES 33 MINUTES 00 SECONDS WEST, A DISTANCE OF 724.75 FEET, THENCE DEPARTING SAID EASTERLY RIGHT OF WAY NORTH 65 DEGREES 28 MINUTES 19 SECONDS WEST A DISTANCE OF 1877.26 FEET, THENCE NORTH 24 DEGREES 31 MINUTES 41 SECONDS EAST, A DISTANCE OF 16.04 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY OF GULF SHORE DRIVE, THENCE ON SAID SOUTHERLY RIGHT OF WAY THE FOLLOWING FOUR CALLS: THENCE (1) ON THE ARC OF A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 613.27 FEET THROUGH A CENTRAL ANGLE OF 48 DEGREES 59 MINUTES 18 SECONDS, AN ARC DISTANCE OF 524.35 FEET (CHORD BEARING = NORTH 60 DEGREES, 02 MINUTES, 13 SECONDS WEST, CHORD DISTANCE = 508.52 FEET) TO THE POINT OF TANGENCY, THENCE (2) NORTH 38 DEGREES, 35 MINUTES, 42 SECONDS WEST, A DISTANCE OF 368.78 FEET TO THE POINT OF CURVATURE WITH A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 2025.15 FEET, THENCE (3) THROUGH A CENTRAL ANGLE OF 11 DEGREES 00 MINUTES 05 SECONDS, AN ARC DISTANCE OF 388.85 FEET (CHORD BEARING = NORTH 33 DEGREES, 12 MINUTES 52 SECONDS WEST, CHORD DISTANCE = 388.25 FEET) TO A POINT OF COMPOUND CURVATURE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 503.88 FEET, THENCE (4) THROUGH A CENTRAL ANGLE OF 13 DEGREES 36 MINUTES 19 SECONDS AN ARC DISTANCE OF 119.65 FEET (CHORD BEARING = NORTH 20 DEGREES 24 MINUTES 51 SECONDS WEST, CHORD DISTANCE = 119.37 FEET) TO THE NORTHWEST CORNER OF EAST PASS TOWERS, PHASE I, A CONDOMINIUM, SAID POINT BEING THE POINT OF BEGINNING, THENCE ON THE WESTERN BOUNDARY OF SAID EAST PASS TOWERS, PHASE I, A CONDOMINIUM, SOUTH 68 DEGREES 06 MINUTES 39 SECONDS WEST, A DISTANCE OF 351.00 FEET TO A POINT ON THE SEAWARD VERTICAL FACE OF AN EXISTING SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO, THENCE ON SAID VERTICAL FACE OF SAID EXISTING SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO THE FOLLOWING TWO CALLS: (1) NORTH 38 DEGREES 01 MINUTES 05 SECONDS WEST, A DISTANCE OF 2.50 FEET, THENCE (2) NORTH 49 DEGREES 25 MINUTES 44 SECONDS WEST, A DISTANCE OF 385.65 FEET, THENCE DEPARTING SAID VERTICAL FACE OF SEAWALL AND MEAN HIGH

WATER LINE OF THE GULF OF MEXICO, NORTH 45 DEGREES 13 MINUTES 52 SECONDS EAST, A DISTANCE OF 456.28 FEET TO A POINT ON THE MEAN HIGH WATER LINE AND 0.77 FOOT CONTOUR (NORTH AMERICAN VERTICAL DATUM OF 1988): OF OLD PASS LAGOON; THENCE ON SAID MEAN HIGH WATER LINE THE FOLLOWING APPROXIMATING TEN CALLS: THENCE (1) SOUTH 46 DEGREES 50 MINUTES 23 SECONDS EAST, A DISTANCE OF 141.88 FEET TO A POINT OF CURVATURE CONCAVE NORTHERLY HAVING A RADIUS OF 75.44 FEET; THENCE (2) ON THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 56 DEGREES 18 MINUTES 39 SECONDS, A DISTANCE OF 74.14 FEET (CHORD BEARING = SOUTH 81 DEGREES 15 MINUTES 01 SECONDS EAST, CHORD DISTANCE = 71.19 FEET) TO A POINT OF REVERSE CURVATURE WITH A CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 57.88 FEET, THENCE (2) ON THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 74 DEGREES 10 MINUTES 30 SECONDS, AN ARC DISTANCE OF 74.93 FEET (CHORD BEARING = SOUTH 78 DEGREES 42 MINUTES 32 SECONDS EAST, CHORD DISTANCE = 69.81 FEET), THENCE (3) SOUTH 38 DEGREES 32 MINUTES 59 SECONDS EAST, A DISTANCE OF 52.61 FEET, THENCE (4) SOUTH 33 DEGREES 51 MINUTES 06 SECONDS EAST, A DISTANCE OF 58.25 FEET, THENCE (5) SOUTH 37 DEGREES 02 MINUTES 14 SECONDS EAST, A DISTANCE OF 57.72 FEET, THENCE (6) SOUTH 28 DEGREES 36 MINUTES 06 SECONDS EAST, A DISTANCE OF 45.66 FEET, THENCE (7) SOUTH 43 DEGREES 05 MINUTES 21 SECONDS EAST, A DISTANCE OF 20.93 FEET; THENCE (8) SOUTH 18 DEGREES 51 MINUTES 44 SECONDS EAST, A DISTANCE OF 36.20 FEET, THENCE (10) SOUTH 25 DEGREES 51 MINUTES 45 SECONDS EAST, A DISTANCE OF 54.65 FEET TO A POINT OF INTERSECTION WITH THE NORTHERLY EXTENSION OF THE AFORESAID WESTERLY BOUNDARY LINE OF EAST PASS TOWERS, PHASE I, A CONDOMINIUM, THENCE DEPARTING SAID MEAN HIGH WATER LINE AND ON SAID NORTHERLY EXTENSION SOUTH 68 DEGREES 06 MINUTES 39 SECONDS WEST, A DISTANCE OF 126.92 FEET TO CLOSE ON THE POINT OF BEGINNING.

SAID PARCEL CONTAINING 5.35 ACRES MORE OR LESS.

OWNERSHIP AND FIVE-YEAR HISTORY OF SUBJECT PROPERTY

A review of the public records indicates that the subject property ownership is in the name of Pointe Resort, LLC and Pointe Mezzanine, LLC, with a mailing address of PO Box 7098 Destin Florida. According to Official Records Book 3281, page 1058, parcel number 00-2S-24-00000034-0020 was last transferred from Galic-Pointe, LLC to Pointe Resort, LLC in December of 2016 for consideration of approximately \$7,800,000. According to Official Records Book 3295, page 3105, parcel number 00-2S-24-0000-0034-0000 was last transferred from the bankruptcy of Pointe One, LLC to Pointe Mezzanine, LLC in April of 2017 for consideration of approximately \$101,214.

The subject property is not known to be listed for sale.

No title search was conducted by the appraisers, and the above is provided for informational purposes only and is not warranted.

MARKET AREA: LOCATION, DESCRIPTION AND TREND

A market area is a geographic area wherein occupants usually have an observable commonality of interests. Market areas can be large areas, equating to an entire county or even a group of counties, depending on the purpose of analysis. Habitats, buildings and business enterprises may be relatively uniform, as in a district or neighborhood, all within a larger market area; that is, a smaller area exhibits a greater degree of commonality than the larger area. For example, there may be a retail district and/or industrial zone within a mixed use neighborhood which includes residences, and this neighborhood and other connecting neighborhoods and districts may form a larger market area. A market area is the area from which demand for a particular property or use is drawn, and will vary by use type. For example, the market area for a community shopping center is larger than the market area for a neighborhood or strip shopping center.

There is no set life expectancy for a market area, neighborhood or district, and major changes can interrupt the order of the stages. In some instances, after a period of decline, a neighborhood may undergo a transition to other land uses, or its life cycle may begin again due to revitalization and redevelopment of land or buildings.

Social considerations in a market area analysis involve a description of occupants and visitors revealing their reasons and motivations for living, working and visiting within the market area. These reasons may include the market areas reputation, environment and availability and convenience to employment, shopping/service centers and recreation centers. Demographic analysis is often related to driving times and linkages to commonly used supporting properties and facilities, rather than by specific census tracts.

A residential neighborhood is typically a group of complementary land uses, such as homes, schools and neighborhood commerce, whereas a district may be characterized by homogenous land uses, such as industrial districts or office districts or high-rise districts. Although a market area may be confined to a neighborhood, a market area is often larger and may include a broad array of land uses and several neighborhoods and census tracts. Some of the smallest areas of commonality may be referred to as traffic analysis zones or commercial nodes which are based on specific traffic routes and particular roadway intersections.

Each neighborhood or district has a dynamic quality of its own, which is described as the life cycle of a neighborhood or district. The complementary land uses that comprise neighborhoods and the homogenous land uses that comprise districts typically evolve through four stages.

1. Growth - A period during which the neighborhood gains public favor and acceptance.
2. Stability - A period of equilibrium without marked gains or losses.

3. Decline - A period of diminishing demand.
4. Revitalization - A period of renewal, modernization and increasing demand.

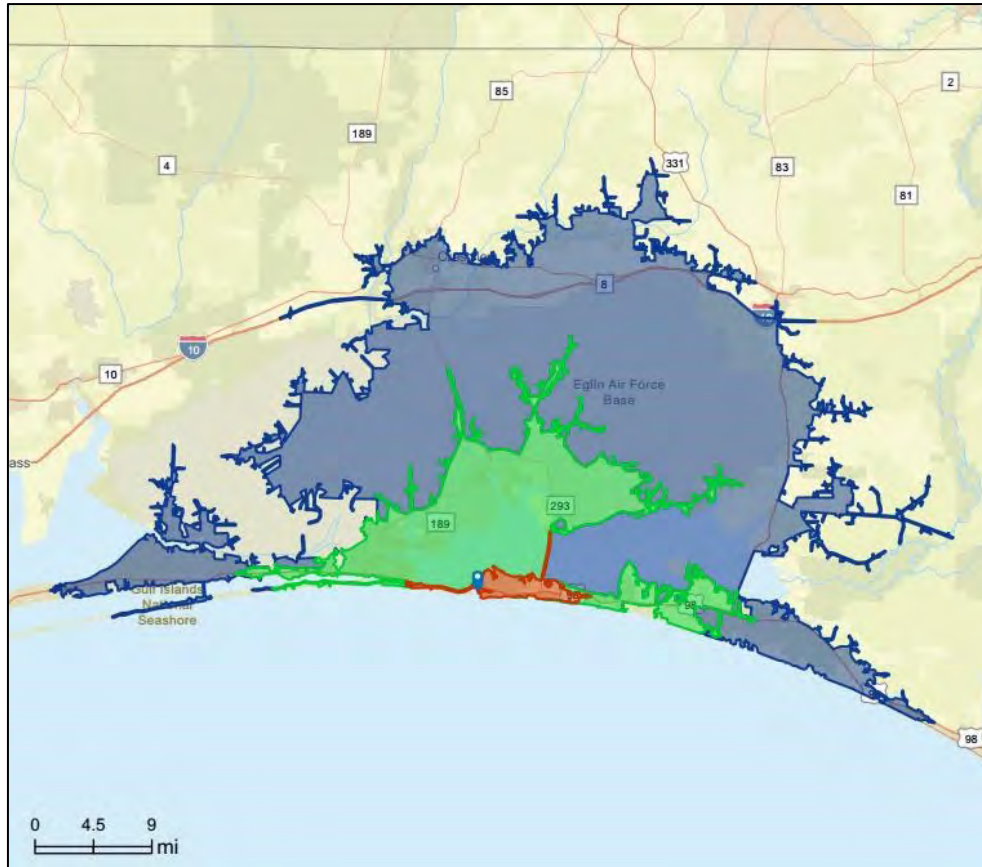
The demographic analysis that follows was obtained using information from the Appraisal Institute / *Site To Do Business* data service. The compiled information is based on forecast modifications to the 2010 census utilized for demographic projections.

Market Area

The subject is a site for a proposed condominium development with an existing wet slip marina in Destin Harbor, located on a secondary traffic collector characterized by residential and marina development of various intensities. The immediate market or neighborhood surrounds the traffic artery and extends for approximately two miles west to east, but customers and clients come from a broader market area. The subject is located in the Crestview-Fort Walton Beach metropolitan statistical area.

A Drive Time analysis was prepared using 20, 40 and 60-minute drive times. For the subject property, the broader market area is generally described using a 60-minute drive time from the subject property, which best represents the potential market area in terms of the concentration of potential users and employees. The main transportation route through the market area, Interstate 10, extends from west of Pensacola east through Tallahassee to Jacksonville, and connects with Interstate 75 near Lake City. US Highways 98 and 90, along with State Road 20, provide significant east/west transit, and US Highway 331 and State Roads 85 and 285 provide for north/south transit and access to Interstate 10.

Market Area Boundaries



Source: STDB.com

Social Influences

Population Totals

In the identified area, the 2024 population is 311,173. In 2020, the Census count in the area was 287,933. The rate of change since 2020 was 2.49% annually. The five-year projection for the population in the area is 330,524 representing a change of 1.21% annually from 2024 to 2029. Currently, the population is 50.8% male and 49.2% female.

	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
Population Summary			
2010 Total Population	16,400	142,590	232,177
2020 Total Population	19,410	165,691	287,933
2020 Group Quarters	117	2,279	4,551
2024 Total Population	21,287	175,674	311,173
2024 Group Quarters	119	2,277	4,553
2029 Total Population	22,530	184,270	330,524
2024-2029 Annual Rate	1.14%	0.96%	1.21%
2024 Total Daytime Population	34,938	204,700	317,853
Workers	26,134	126,616	172,383
Residents	8,804	78,084	145,470

Population Characteristics

The median age for the United States was 38.8 in 2020 and 38.3 in the year 2024. In the market area, the median age of the population was 38.5, compared to 39.1 years currently. By age group, the changes in the percent distribution of the market area population show the following:

	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
2024 Population by Age			
Total	21,288	175,673	311,174
0 - 4	4.6%	5.5%	5.8%
5 - 9	5.3%	5.7%	6.1%
10 - 14	4.8%	5.5%	5.9%
15 - 24	9.0%	11.6%	11.6%
25 - 34	12.1%	13.7%	13.5%
35 - 44	14.4%	13.5%	13.9%
45 - 54	11.9%	11.2%	11.5%
55 - 64	14.8%	13.1%	13.1%
65 - 74	14.0%	11.4%	11.0%
75 - 84	7.2%	6.4%	5.8%
85 +	1.9%	2.3%	1.9%
18 +	82.6%	80.0%	78.8%

Households

The household count in this area has changed from 115,022 in 2020 to 125,171 in 2024, a change of 2.43% annually. The five-year projection of households is 133,859, a change of 1.35% annually from the current year total. Average household size is currently 2.45, compared to 2.46 in the year 2020.

Household Summary	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
2010 Households	7,200	59,706	93,415
2010 Average Household Size	2.26	2.34	2.43
2020 Total Households	8,604	68,914	115,022
2020 Average Household Size	2.24	2.37	2.46
2024 Households	9,411	73,413	125,171
2024 Average Household Size	2.25	2.36	2.45
2029 Households	10,012	77,602	133,859
2029 Average Household Size	2.24	2.35	2.44
2024-2029 Annual Rate	1.25%	1.12%	1.35%
2010 Families	4,331	38,343	62,314
2010 Average Family Size	2.75	2.84	2.91
2024 Families	5,808	46,488	83,049
2024 Average Family Size	2.74	2.91	2.97
2029 Families	6,163	49,010	88,644
2029 Average Family Size	2.73	2.88	2.94
2024-2029 Annual Rate	1.19%	1.06%	1.31%

Housing

Currently, 54.7% of the 69,170 housing units in the area are owner occupied; 18.9%, renter occupied; and 26.4% are vacant. Currently, in the U.S., 57.9% of the housing units in the area are owner occupied; 32.1% are renter occupied; and 10.0% are vacant. In 2020, there were 62,160 housing units in the area and 27.0% vacant housing units. The annual rate of change in housing units since 2020 is 2.55%. Median home value in the area is \$382,486, compared to a median home value of \$355,577 for the U.S. In five years, median value is projected to change by 3.91% annually to \$463,293.

Housing Unit Summary	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
2000 Housing Units	12,936	73,265	104,338
Owner Occupied Housing Units	32.5%	48.5%	51.0%
Renter Occupied Housing Units	12.5%	27.2%	23.9%
Vacant Housing Units	55.0%	24.3%	25.1%
2010 Housing Units	17,630	88,317	137,901
Owner Occupied Housing Units	25.8%	42.2%	44.6%
Renter Occupied Housing Units	15.0%	25.4%	23.2%
Vacant Housing Units	59.2%	32.4%	32.3%

Con't.

Housing Unit Summary	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
2020 Housing Units	18,252	97,587	160,689
Owner Occupied Housing Units	31.5%	45.1%	48.4%
Renter Occupied Housing Units	15.6%	25.5%	23.2%
Vacant Housing Units	53.1%	29.4%	28.4%
2024 Housing Units	19,418	103,446	173,614
Owner Occupied Housing Units	32.5%	46.3%	49.8%
Renter Occupied Housing Units	15.9%	24.7%	22.3%
Vacant Housing Units	51.5%	29.0%	27.9%
2029 Housing Units	20,529	109,426	185,403
Owner Occupied Housing Units	34.2%	47.8%	51.3%
Renter Occupied Housing Units	14.5%	23.1%	20.9%
Vacant Housing Units	51.2%	29.1%	27.8%

Economic Influences

Economic considerations involve the financial capacity of a neighborhood's occupants to rent or own property, to maintain it in an attractive and desirable condition, and to renovate or rehabilitate it when needed. Many of the subdivisions in the market area were originally developed in the distant past, but with current redevelopment of many residential and commercial properties. In general, residential property values declined during the recession, but began to improve in about 2012 and are now at or near pre-recession levels in many markets. The area is expected to continue increasing population levels and stable growth of housing units.

Business Climate and Economic Activity

In the market area, there is an approximate ratio of 63.7% white-collar occupations, 19.0% services occupations and 17.3% blue-collar occupations.

2024 Employed Population 16+ by Occupation	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
Total	12,048	89,990	153,120
White Collar	67.2%	63.8%	63.7%
Management/Business/Financial	25.0%	19.9%	19.9%
Professional	21.3%	24.9%	24.3%
Sales	13.5%	10.3%	10.6%
Administrative Support	7.4%	8.7%	8.9%
Services	16.1%	19.9%	19.0%
Blue Collar	16.7%	16.3%	17.3%
Farming/Forestry/Fishing	1.0%	0.2%	0.2%
Construction/Extraction	4.7%	5.4%	5.3%
Installation/Maintenance/Repair	2.7%	2.7%	3.4%
Production	1.3%	1.9%	2.1%
Transportation/Material Moving	7.0%	6.1%	

6.3%

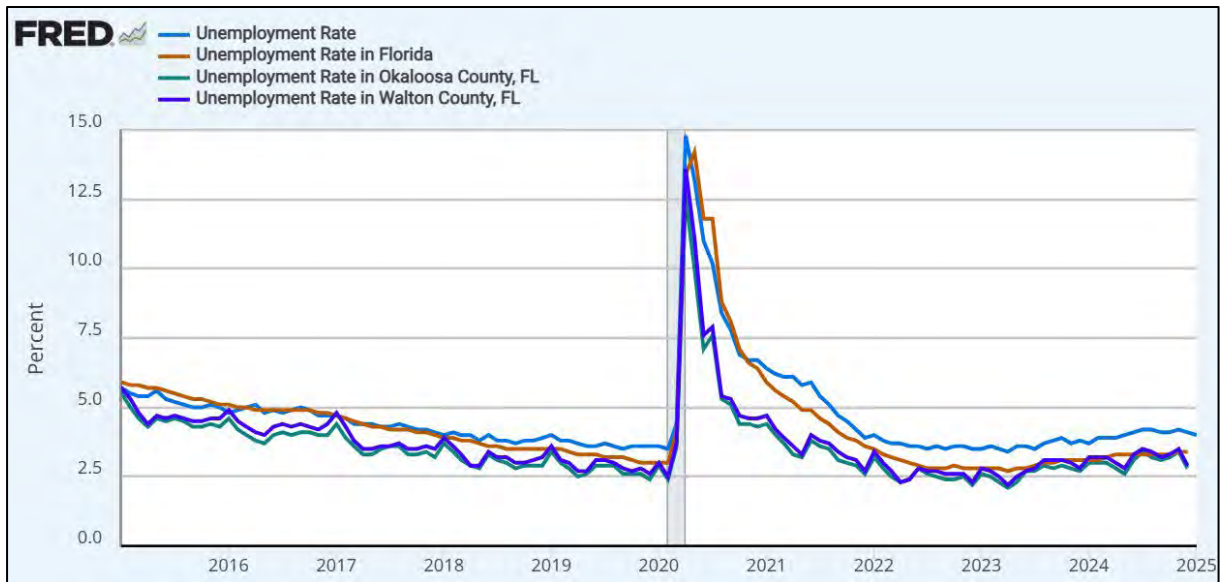
The ten basic industries and the participation in the market are reflected in the chart below. The services industry makes up the largest employment pool, with 49.0% of the total work force.

2024 Employed Population 16+			
	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
by Industry			
Total	12,047	89,990	153,118
Agriculture/Mining	1.8%	0.4%	0.4%
Construction	8.5%	8.1%	8.5%
Manufacturing	3.1%	3.1%	3.9%
Wholesale Trade	1.2%	1.3%	1.5%
Retail Trade	10.5%	10.6%	11.2%
Transportation/Utilities	6.3%	4.2%	4.4%
Information	1.3%	1.1%	1.1%
Finance/Insurance/Real Estate	12.3%	8.2%	7.8%
Services	50.1%	54.4%	52.2%
Public Administration	4.9%	8.5%	9.0%

Unemployment

Historically, over the last twenty years, Okaloosa County has often enjoyed a lower unemployment rate than either the State of Florida or the U.S. in general, and employment rates in the county exceed national averages.

As of December 2024, the state average unemployment rate was 3.4%, while the national average was higher at 4.1%. Unemployment in the Okaloosa County area has improved to 2.8% and unemployment in Walton County has improved to 2.9% as of December 2024.



Households by Income

Current median household income is \$85,848 in the area, compared to \$79,068 for all U.S. households. Median household income is projected to be \$99,159 in five years, compared to \$91,442 all U.S. households.

Median Household Income	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
2024	\$94,951	\$83,361	
2029	\$108,136	\$94,894	\$85,848
			\$99,159

Current average household income is \$115,956 in this area, compared to \$113,185 for all U.S. households. Average household income is projected to be \$134,466 in five years, compared to \$130,581 for all U.S. households.

2024 Households by Income	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
Household Income Base	9,411	73,413	125,171
<\$15,000	2.4%	3.7%	4.8%
\$15,000 - \$24,999	2.9%	3.9%	3.8%
\$25,000 - \$34,999	2.8%	4.1%	4.1%
\$35,000 - \$49,999	6.6%	7.8%	7.7%
\$50,000 - \$74,999	22.1%	24.0%	21.4%
\$75,000 - \$99,999	15.6%	16.1%	16.0%
\$100,000 - \$149,999	18.8%	18.4%	20.6%
\$150,000 - \$199,999	12.3%	11.2%	10.3%
\$200,000+	16.3%	10.9%	11.2%
Average Household Income	\$135,495	\$115,920	\$115,870

Current per capita income is \$46,575 in the area, compared to the U.S. per capita income of \$43,829. The per capita income is projected to be \$54,001 in five years, compared to \$51,203 for all U.S. households.

Per Capita Income	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
2024	\$60,034	\$48,568	
2029	\$68,617	\$56,081	\$46,575
			\$54,001

Governmental Influences

The subject market area is in the City of Destin and Okaloosa County. The market area is governed by these jurisdictions for future land use plans and zoning codes. The purpose and primary effect of the Future Land Use Plan is to provide a general outline for growth for a given area in an attempt to support and provide for orderly growth within the state. The implementation of this land use plan has the effect of eventually requiring the zoning ordinances to be in compliance with the plan within a reasonable period of time. The designations, therefore, of the land use plan should be viewed as the long-term intentions with respect to a given land area and its boundaries. Most commercial land uses are designated along major traffic arteries and at commercial nodes within the market area, which are often surrounded by residential uses. The governmental tax burdens within the market area appear to be in proportion to the governmental services provided.

Environmental Influences

Property uses within the market area include residential uses, including single-family, condominiums, apartments, and supporting commercial uses that include retail stores, restaurants, professional services, medical services and banking. Places of worship, schools and public libraries are also convenient. Fire and police protection appear to be adequate for the present population. The market area has good transportation routes via roadways connecting linkages. In addition to nearby recreational bay waters within

the market area, there are several parks and golf courses nearby. International airports and regional malls are within easy commute.

Conclusion

Outlook for the subject neighborhood appears favorable. Although the market was comparatively slow during the recession, market activity began improving in about 2012, and nearby commercial and residential properties have relatively high and improving occupancy and rental rates. Newer and redeveloped commercial and residential properties are evident in and around this market. The substantial population base surrounding the market area provides a good employee pool and consumer base. Population and housing units in the market area increased nominally between 2010 and 2024 and are expected to increase more rapidly in the future. Population density is expected to increase in the market area long term, as more intense development occurs on the available land and underdeveloped sites. Property values are generally increasing and are expected to appreciate over the long term. These factors favorably influence the subject neighborhood and its market area, and no adverse factors were noted.

REAL PROPERTY ASSESSMENTS AND TAXES

The subject parcel identification and assessments are obtained from the Property Appraiser's office as noted below. The current millage rate for the ad valorem taxes on the real property is 11.84660 mills in the subject district.

Real Property Assessments and Taxes 2024

Parcel Number	Just Value	Assessed Value	Total Gross Tax	Total Net Tax
00-2S-24-3050-0000-0010	\$390,235	\$390,235	\$4,623	\$4,438
00-2S-24-3050-0000-0020	\$10,083,271	\$10,083,271	\$119,452	\$114,674
Total	\$10,473,506	\$10,473,506	\$124,075	\$119,112

Property taxes in Florida are due by March 31, and may be paid as early as November 1, when a 4% discount is allowed. The discount decreases by 1% per month until March, when there is no discount. Prudent property owners typically take advantage of the 4% discount and pay real estate taxes in November, rather than in March of the following year.

Taxes become delinquent April 1, after which time a penalty is imposed. Certificates for delinquent taxes are auctioned approximately 60 days from delinquency, and the holder

of a tax certificate may seek foreclosure to recoup investment or to acquire title in approximately 22 months.

LAND USE AND ZONING CLASSIFICATION

The Land Use plan sets forth the physical plans for growth and development of a community. The primary thrust of the Plan is to determine the overall development of the county, where it was, where it is today and how the future land use patterns and policies will reflect and meet the needs of growth tomorrow, and zoning is a specifically delineated area or district within which regulations and requirements uniformly govern the use, placement, spacing and size of land and buildings. The Land Use Plan and Zoning work hand in hand and must be compatible in intent prior to development of any property.

In the event of pre-existing conditions of lot or building non-conformities, a property may be considered legally conforming per a “grandfather” rule. Pre-existing conditions in compliance, which predate adoption of zoning regulations or become non-conforming by virtue of right-ofway changes, typically will place the property in a special exception category as legally nonconforming.

Future Land Use Plan

According to the City of Destin Future Land Use, from the documentation and mapping by the Planning Commission, the area of the subject site is located in a HDR, High Density Residential District, which permits a variety of residential uses. With respect to the surrounding, existing land use and the subject's existing use, the subject property is presently compatible with the general Comprehensive Land Use Plan.

Future Land Use Map



Zoning

HDR, High Density Residential

The subject land is zoned HDR, High Density Residential shall apply to areas developed, redeveloped and/or maintained and conserved as permanent or seasonal single-family detached or multi-family attached residential dwelling units. It is the intent of the HDR zoning district to specifically not allow commercial hotels, motels, bed and breakfast establishments, or other commercial transient living accommodations, and all non-residential uses.

Minimum Lot Size	7,500 square feet
Minimum Lot Width	70 feet
Minimum Lot Depth	500 feet
Maximum Density	9.9 Units per Acre (Tier 1)
Maximum Floor Area Ratio	NA

Maximum Lot/Impervious Coverage	30% (Tier 1)
Typical Building FAR	1.0 to 3.0
Front Building Setback	20 feet
Side Building Setback	7.5 feet
Rear Building Setback	10 feet
Maximum Height	30 feet or 3 stories

Zoning and Land Use Conformity

The above zoning and land use information represents a brief review of the zoning regulations. Although the jurisdiction has rather straightforward zoning regulations, the regulations can be rather complex and interrelated, and not all factors potentially affecting the subject property can be shown. The reader is advised to consult the zoning regulation and department personnel for an optimum understanding of these regulations.

Zoning Map

Each jurisdiction typically has several departments monitoring the various aspects of property development. Additional permit fees, plan review fees, hookup charges, inspection fees, service fees, deposits, and special fees, such as, tree removal/replacement charges, may all be applicable to new construction. If all impact fees, permit fees, and service charges are applicable to a development, then the total cost is typically between 2% and 5% of the total project's development costs, including land and improvements.

SITE DESCRIPTION

Data sources for this site description include information provided by the Property Appraiser's office, other public records, a personal inspection by the appraisers and review of a site plan.

Site Description

The subject upland area is situated at the westerly terminus of Gulf Shores Drive. Upon completion of the upland development the subject will front approximately 580 feet on both the northerly and southerly sides of Gulf Shore Drive. The southerly depth will be approximately 410 feet at its greatest extent and the northerly depth will be approximately 20 to 30 feet at its greatest extent. The upland site is irregular in shape and contains approximately 171,824.74 square feet or 3.945 acres. The submerged area, leased from the State of Florida, is estimated at 105,411 square feet or 2.42 acres. The submerged area is situated along the northerly side of the upland site, extending the length of the road frontage, with a maximum horizontal depth, across the top of the water, of approximately 185 feet. The upland site is generally level to slightly sloping and drainage appears adequate. Onsite parking is available on the vacant ground. Public right-of-way parking is not available.

Soil is sandy, typical for the area, and it is assumed that no adverse subsoil conditions exist. Municipal potable water and wastewater disposal are available to the site, as are electric and telephone services. There are no known impediments to development. Drainage and utility easements appear typical.

Property Characteristics

Upland Area	171,824.74 square feet or 3.945 acres
Submerged Land	105,411 square feet or 2.42 acres
Site Configuration	Irregular

Dimensions	Frontage of approximately 580 feet along the curvilinear northerly and southerly sides of the Gulf Shore Drive right-of-way, with a maximum depth of approximately 410 feet between the right of way and the water.
Terrain/Vegetation	Generally level with minor variation and little vegetation.
Soil Conditions	Appears to be sandy to sandy loam, typical for the area. No subsidence was noted, but many areas of Florida are susceptible to soil issues, and a geotechnical investigation by a professional engineer is always recommended.
Access	Pedestrian and vehicular access along Gulf Shore Drive Right of way
Flood Zone	"VE and AE", Special Flood Hazard Areas
FEMA Map Panel	12091C0469J, dated March 9, 2021
Drainage	Proposed onsite underground drainage, retention ponds, and typical run-off into municipal stormwater system
Potable water	City of Destin
Sewer	City of Destin
Garbage collection	City of Destin
Electricity	Gulf Power
Telecommunications	Various Providers
Police protection	City of Destin
Fire protection	City of Destin Fire Department Station #9, 848 Airport Road, Destin, Florida, 32541

Public transportation

EC Rider

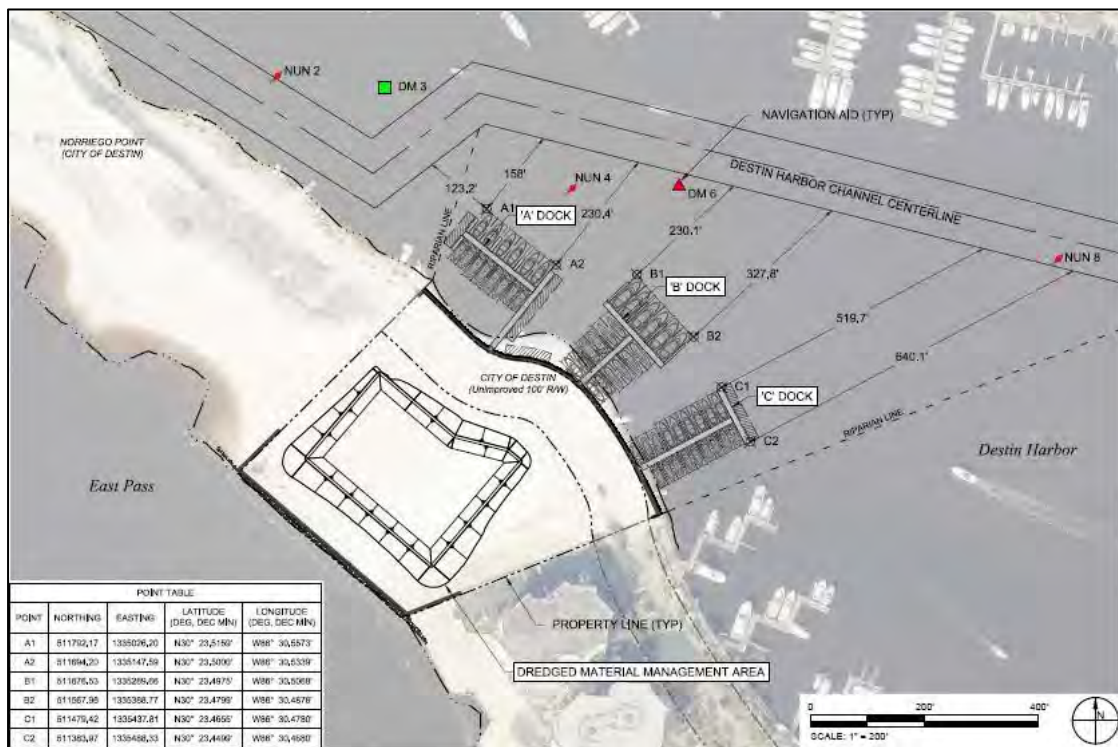
Emergency medical service

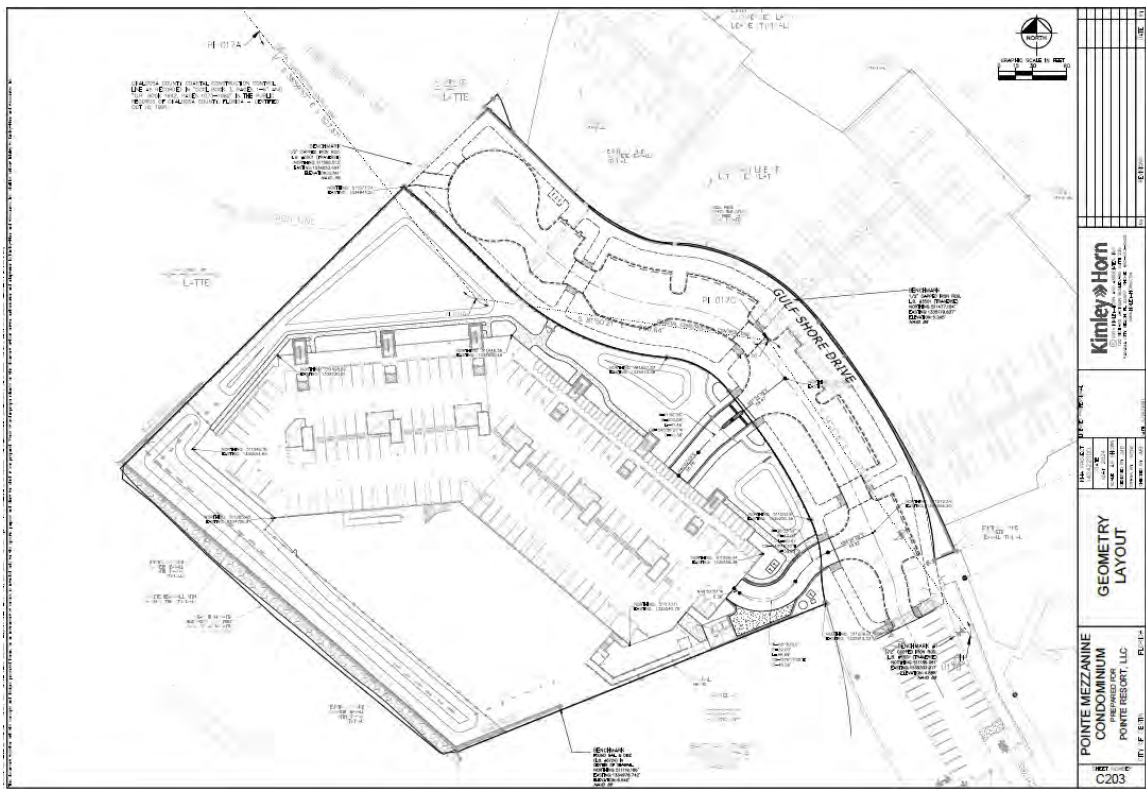
City of Destin Fire Rescue

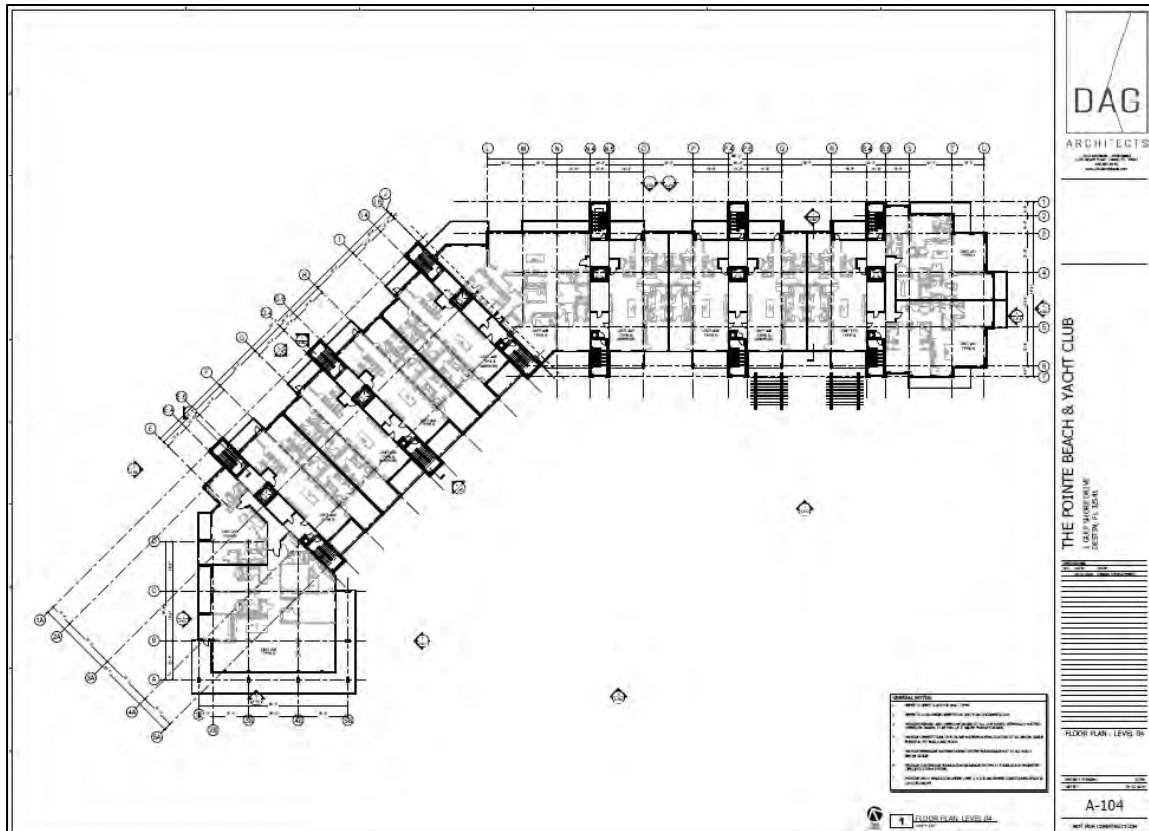
Encumbrances

According to the county Property Appraiser maps and copy of survey provided, there were no significant easements related to the subject site. However, typical utility easements may be present and should not negatively affect the property. The appraiser is not aware of any title encumbrances, easements, encroachments, deed restrictions, covenants, association rules, special assessments or other possible encumbrances which may adversely affect title to the subject property. No title search information has been presented to the appraiser.

Site Plan







Flood Map




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POINTE BEACH & YACHT CLUB
DESIGN SUMMARY

The proposed materials and amenities are designed to appeal to the top of the market.


Proposed site improvements consist of typical concrete and asphalt paving for parking, circulation and delivery, concrete sidewalks, stormwater detention areas, upscale landscaping, overhead lighting, underground drainage, and underground laterals for municipal water and sewer.




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POINTE BEACH & YACH CLUB
 DESIGN SUMMARY




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POINTE BEACH & YACH CLUB
 DESIGN SUMMARY

MARKETABILITY AND ESTIMATED MARKETING PERIOD

Marketability looks at the market appeal of the subject property; more specifically, it analyzes and supports a reasonable marketing period to affect the sale of the subject property. Included in this analysis is a discussion of supply, competition, and demand of the subject property and competitive properties located within the market area.

Marketability is defined as, “the relative desirability of a property (for sale or lease) in comparison with similar or competing properties in the area.”¹⁰ That is, a property with good marketability has superior features or condition in comparison with competing properties.

A marketability study is “a microeconomic study that examines the marketability of a given property or class of properties, usually focusing on the market segment(s) in which the property is likely to generate demand. Marketability studies are useful in determining a specific highest and best use, testing a specific highest and best use, testing development proposals, and projecting an appropriate tenant mix.”¹⁵ While this type of study is typically quite detailed and specific, a brief version is part of the highest and best use analysis of every appraisal.

A marketability analysis is defined as, “the study of how a specific property is expected to perform in a specific market. A marketability analysis expands on a market analysis by addressing a specific property.”¹¹

Market value estimates imply that an adequate marketing effort and reasonable time for exposure occurred prior to the effective date of the appraisal.

Exposure time is, “(1) the time a property remains on the market, or (2) the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is always presumed to occur prior to the effective date of the appraisal.”¹⁷

“Exposure time is different for various types of property and under various market conditions. It is noted that the overall concept of reasonable exposure encompasses not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable effort. This statement focuses on the time component.

¹⁰ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 138. ¹⁵
Appraisal Institute, *The Dictionary of Real Estate Appraisal, Fifth Edition*, Appraisal Institute, Chicago, Illinois, 2010, p. 120.

¹¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 138. ¹⁷
Ibid, p. 82.

The fact that exposure time is always presumed to occur prior to the effective date of the appraisal is substantiated by related facts in the appraisal process: supply/demand conditions as of the effective date of the appraisal; the use of current cost information; the analysis of historical sales information (sold after exposure and after completion of negotiations between the seller and buyer); and

the analysis of future income expectancy projected from the effective date of the appraisal.”¹²

Marketing time is defined as, “an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.”¹³

Reasonable Exposure and Marketing Period for Subject

The appraiser must analyze historic data and future projections in order to estimate historic market exposure time and the future marketing period. According to owners and brokers active in the subject’s market area and in similar markets, it was revealed that there is an increasingly active market for this upscale condominium development sites throughout the state and within the subject’s local market. This presence of an active market was supported by review of data obtained from MLS, CoStar and other real estate marketing and research entities, as well as from the Property Appraiser’s offices for transfer of such properties. During the last few years, the marketing period for similar properties has typically ranged from six to twenty four months, but with some properties requiring more time if they were of an unusual condition or if they appeared to be priced above the market. This demand is driven by the strong demand for upscale residences, particularly along the coasts. While affordable and more typical housing markets are being affected by increasing interest rates and other factors, the top of the market continues onward. The subject property, a prime development parcel on a peninsula extending along East Pass in the prime Destin market should be well received if placed on the market for sale. Based on the above and the marketing experience for comparable sales, we estimate a typical exposure period for comparable sales of twelve months. Similarly, a marketing period for the subject of twelve months is estimated.

Selling commissions in order to effect the sale of a property similar to the subject are usually

¹² 18 Appraisal Institute, Uniform Standards of Professional Appraisal Practice and Advisory Opinions 2006 Edition, The Appraisal Foundation, USA, 2006, p. 90.

¹³ Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015, p. 140.

6.0% and downward. For the subject property type and its value range, a commission level of 3.0% is typical.

Availability of Mortgage Financing

At the present time, third-party financing is becoming more readily available for acquisition and/or development of properties similar to the subject. Underwriting remains stringent, but relationships with lenders may assist in a loan qualification.

Conversations with commercial bank lenders implied that appropriate interest rates for development of properties similar to the subject would typically range from approximately 5.5% to 6.5%, dependent on the term and length of period between interest rate reviews. The loan-to-value ratio would typically range between 50% and 70% of value.

HIGHEST AND BEST USE ANALYSIS

The highest and best use concept is reflective of a basic assumption about real estate and market behavior; that the price a buyer will pay for a property is based on their conclusion about the most profitable use of the site or property. Therefore, sites and improved properties tend to be put to their highest and best uses and, in this manner, maximize the profit potential for the property owner.

The determination of a property's highest and best use may or may not conform with the existing use of the site because the alternative uses of the site may be restricted by the presence of improvements or legal encumbrances. The highest and best use is determined separately for the land or site as though vacant and available to be put to its highest and best use than for the improvements.

Highest and best use is defined as, "(1) the reasonably probable use and 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 asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for that asset when formulating the price that it would be willing to bid. (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)." ¹⁴

The first determination reveals the fact that land value is derived from potential land use. Land has limited value unless there is a present or anticipated use for it; the amount of value depends on the nature of the land's anticipated use. According to the concept of surplus productivity, the highest and best use of a site is that use among all reasonable

¹⁴ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 109.

alternative uses that yields the highest present land value after payments are made for labor, capital, and coordination.

The highest and best use of a property as improved refers to the optimal use that could be made of the property, including all existing structures. The implication is that the existing improvement should be renovated or retained as long as it continues to contribute to the total market value of the site, or until the return from a new improvement would more than off-set the cost of demolishing the existing building and constructing a new one.

To determine the highest and best use of the subject site, as if vacant, the use must meet four criteria. The highest and best use must be 1) legal permissibility, 2) physically possible, 3) financially feasible, and 4) maximally productive. These criteria should usually be considered sequentially; a use may be financially feasible, but this is irrelevant if it is physically impossible or legally prohibited.

Legal Permissibility

Restrictions, zoning codes, building codes, land use controls, and environmental regulations are considered because they may preclude many possible highest and best uses.

- The subject site has an overall land use designation of HDR, High Density Residential District, and is zoned HDR, High Density Residential, in which a variety of residential uses are permitted, limited by setback and lot coverage requirements.
- The subject site is of sufficient size to meet minimum development criteria.
- The subject, as proposed, includes 79 condominium units plus 50 wet slips in an existing marina over the leased submerged land.

Physically Possible

The size, shape, area, and terrain of a site affects uses to which land may be developed.

- The subject upland site is 171,824.74 square feet or 3.945 acres, is generally level and readily developable.

- The subject submerged site is 105,411 square feet or 2.42 acres and has been developed with a 50 slip marina.
- The site has adequate frontage for exposure and visibility. Primary access is along Gulf Shore Drive.
- No soil tests were available. However, improvements in the general area have typically been constructed without undue foundation expense.
- Municipal potable water, sewer, garbage collection and electricity are available.
- Overall, the site size, topography, configuration, and orientation are sufficient for development.

Financially Feasible

All the potential uses of the subject site that are expected to produce a positive return are regarded as financially feasible and are examined here.

- The market area population is served by good quality linkages providing good quality access throughout the county, the MSA and statewide. The market area population, social characteristics, and income characteristics are average. The outlook for the market area is positive, with growth expected for the economic base, population and income characteristics.
- Marina uses are permitted and will fit the submerged site. The marina market is strong and investors are developing new marinas in the few available locations.
- Residential uses are permitted and will fit the site. The regional residential market is very strong with increasing prices, especially for upscale waterfront properties. Speculative construction is underway within the market and appears to be well supported.

Maximally Productive

Physically, the subject can support combinations of building area scenarios in multiple story designs, limited by residential density. The waterfront areas of Destin are in high demand with little land available for development.

As if vacant, the maximally productive use of the subject site is for development to a high density residential use in multi-story design with ancillary marina uses. Given the demand for waterfront development of both beach and canal front properties, it appears development to the maximum of Tier 3 options under the zoning would be supported.

Highest and Best Use As If Vacant

Physically, the subject property is suitable for residential and marina development, and legally, the subject site can be developed with these types of uses. The subject site has average quality linkages, along with access and visibility from surrounding thoroughfares.

Financial analysis of all physically possible and legally permissible uses indicates the property will be best utilized for residential and marina uses consistent with zoning regulations.

As if vacant and available, the subject site has a highest and best use for development to high density residential use, with ancillary marina uses, at the highest density legally achievable.

Highest and Best Use As Improved

Not Applicable, as the upland site is currently vacant. The marina has been developed over a parcel of leased submerged land and represents highest and best use.

INTRODUCTION TO THE APPRAISAL PROCESS

Traditionally, three approaches are used to arrive at an estimate of market value, the cost, sales comparison, and income capitalization approaches. Ideally, each approach, properly employed, provides an accurate indication of value, but, due to the unique characteristics of various types of properties, one or more of the approaches may be inappropriate or inapplicable in arriving at an estimate of value. The three approaches are:

Cost Approach

The cost approach is based on the principle of substitution, that no prudent person would pay more for a property than the cost to acquire a similar site and construct a building of equal desirability and utility, assuming no undue or costly delay. The procedure involves first estimating value of the site as if vacant. Anticipated direct and indirect costs necessary to reconstruct all improvements are then estimated, predicated upon labor and material prices prevailing on the appraisal date. From this construction cost estimate, deductions are made for accrued depreciation caused by physical deterioration and functional and economical obsolescence. This depreciated cost figure is then added to the estimated value of the site, resulting in the indication of value by the cost approach. The cost approach is most accurate when applied to a relatively new structure with no functional deficiencies, and which represents highest and best use of

the site. The depreciation estimates are difficult to precisely measure from market data, so the indication of value may largely depend on the experience, judgment and ability of the appraiser, especially for older improvements.

Sales Comparison Approach

The sales comparison approach is also based on the principle of substitution; that a prudent person would pay no more for a property than the cost to acquire another property of similar desirability or utility. The process involves the collecting, analyzing, and comparing of sales, listings and offers for properties similar to the property under appraisement. After the most comparable property transactions are identified, adjustments are made for such variables as changes in market conditions since date of sale, location, size, physical characteristics and terms of sale.

Advantages of the sales comparison approach are that it permits direct comparison of the property under appraisement to factual market transactions involving similar properties, and that it is probably the approach most easily understood. Limitations of the sales comparison approach are that no two properties are identical, and dissimilarities between the comparable properties and the subject may relate to intangible qualities that are difficult to measure. Application of this approach may be limited by the lack of data for specific types of properties.

Income Capitalization Approach

The income capitalization approach is based on the principle of anticipation; that value of a property may be measured by the present worth of anticipated future benefits accruing to the ownership and use of the property. The procedure involves estimating gross income the property is capable of producing, then deducting vacancy/collection losses and expenses which might be incurred in the operation. Resultant net income, as estimated by the appraiser, is converted to an indication of value through various means of capitalization or discounting.

The income capitalization approach is most accurate in valuation of income producing properties. If sufficient sales of tenant-occupied, investor-owned comparables may be located, the income capitalization approach can provide a highly accurate value indication. The approach, however, has limited application for non-income producing properties, such as vacant land.

Reconciliation of Value Indications

Final step in the valuation process is reconciliation of value estimates indicated by the approaches outlined above, weighting each according to their relative importance, based on market appropriateness and availability and reliability of data. Dependent on type of property and purpose of appraisal, one or all of the approaches may be

considered reliable. Result of this final reconciliation of values is the estimate of value as defined in the report.

Valuation Methodology

The three approaches to market value estimation were considered. The subject of this appraisal is vacant land available for development to its highest and best use. As such, the cost approach is not appropriate. Additionally, the income approach is equally inappropriate for vacant land. For these reasons, in this appraisal the cost and income approaches were deemed less reliable and have not been developed. The sales comparison approach does include data of sufficient quantity and quality to derive a reasonably accurate indication of value and has been developed and reported below.

SALES COMPARISON APPROACH

The sales comparison approach, like the cost approach, is based on the principle of substitution; in other words, the value of a property should be no higher than the cost to acquire another property offering similar physical or locational attributes.

This procedure involves market research to identify similar properties which have recently sold or are offered for sale, investigation of the sale transactions to ensure their validity and to determine motivating forces, and comparison of the sold properties to the subject, adjusting prices paid for various dissimilarities having a discernible effect on value. Adjustments are made for such factors as changes in market conditions since time of sale, location, size, land area, income producing capabilities, and if available, terms of sale.

This analysis is usually processed on a "unit of comparison" basis. The unit of comparison most commonly employed for improved properties such as the subject is price paid per square foot of building area including land, and may be analyzed separately from land value on a contributory value basis.

The application of the market or sales comparison method requires the appraiser to follow the following steps:

1. Market research - to obtain information about transactions, listings and other offerings similar to the subject.
2. Verification of the information to determine if it is factual, accurate, reflects arm's length market conditions, and whether or not any unusual terms or conditions were present.
3. Develop relevant units of comparison.
4. Compare the subject and comparable sales according to the elements of comparison and adjust the sales price of each comparable toward the subject.

5. Reconcile the multiple value indications that result from the comparable sales into a single value indication.

Applying the sales comparison approach to value to the subject property, these five steps were employed. In our research of the public records, we searched for sales with a highest and best use the same as or similar to the highest and best use of the subject and acquired for development of buildings of generally similar construction quality and size. The comparable sales were verified with a principal of the transaction, or with persons with direct knowledge of the transaction.

In the verification process, we have attempted to obtain additional data that is normally appropriate in the sales comparison approach. This data would include the intended use of the property, mortgage terms, extraordinary acquisition or development costs, and any other data deemed relevant.

Salient data regarding the comparable sales considered most indicative of value of the subject follow.

Comparable Condominium Land Sales

Comparable Land Sale Number 1



Location	3300 Gulf Shore Boulevard North Naples, Collier County, Florida 34103
Date of Sale	January 2025
Grantor	YB Gulf Shore 1, LLC
Grantee	KT Gulf Shore, LLC
Indicated Consideration	Nominal
Adjusted	\$92,500,000 N/A
Recorded In	OR Book 6432, page 808
Tax Parcel ID	13080440004
Site Description	
Gross Land Area	3.07 acres; 133,729 square feet
Useable Land Area	3.07 acres; 133,729 square feet
Flood Zone District	FEMA "VE" within 100 year flood area
Land Use / Zoning	Residential High Density Mid Rise / R3-18, Multifamily
Floor Area Ratio FAR	N/A
Lot Coverage Ratio	20% at 75 feet maximum height R3-18 district

Maximum Density 18 DU per net acre

Units of Comparison

Sale Price Per Gross Acre	\$30,130,338
Sale Price Per Usable Acre	\$30,130,338
Sale Price Per Gross Sq. Ft.	\$691.70
Sale Price Per Usable Sq. Ft.	\$691.70
Sale Price Per Allowable Unit	\$1,813,725

Comments

This site is located north of downtown Naples, fronting Gulf Shore Boulevard North.

The site is generally rectangular and was formerly improved with an older condominium project that was demolished. Each unit owner had been bought out prior to this sale. Local developer Youngquist Brothers had assembled the units and prepared plans for the redevelopment but decided to sell the site to Kolter. 3300 GSBN is the former site of the Executive Club at the Moorings.

Kolter Urban, a subsidiary of Kolter Group, will develop two, eight-story buildings with total of 51 luxury units, ranging from 2,000 to 7,500 square feet. The development will feature two pools, a 16-slip marina on Moorings Bay and other amenities. Price paid is \$1,813,735 per proposed buildable condo unit and includes the proposed wet slips. Kolter previously announced a land purchase for a proposed condominium named Olana, where each of 12 units will have over 10,000 square feet of area.

Verification CoStar, Public Records, Brian Van Slyke, Deed, Media articles

Original MHK renderings



Comparable Land Sale Number 2



Location	1121 Gulf Shore Boulevard North Naples, Collier County, Florida 34103
Date of Sale	April 2024
Grantor	Bahama Club, Inc.
Grantee	KT Naples Owner, LLC
Indicated Consideration	Nominal \$102,600,000
Adjusted	N/A
Recorded In	OR Book 6349, page 949
Tax Parcel ID	02280040008
Site Description	
Gross Land Area	2.50 acres; 108,900 square feet
Useable Land Area	2.20 acres; 95,382 square feet
Flood Zone District	FEMA "VE" within 100 year flood area
Land Use / Zoning	Residential High Density Mid Rise / R3-18, Multifamily
Floor Area Ratio FAR	N/A
Lot Coverage Ratio	20% at 75 feet maximum height R3-18 district
Maximum Density	18 DU per net acre

Units of Comparison

Sale Price Per Gross Acre	\$41,000,000
Sale Price Per Usable Acre	\$46,810,719
Sale Price Per Gross Sq. Ft.	\$941.23
Sale Price Per Usable Sq. Ft.	\$1,074.63
Sale Price Per Allowable Unit	\$2,777,778

Comments

This site is located north of downtown Naples in Vanderbilt Beach, fronting Gulf Shore Boulevard North and extending to Outer Doctors Bay. The site is rectangular and was formerly improved with an older condominium project. Each unit owner had been bought out prior to this sale. Total of 45 luxury units are planned.

Verification

CoStar, Public Records, Brian Van Slyke, Deed, Media articles

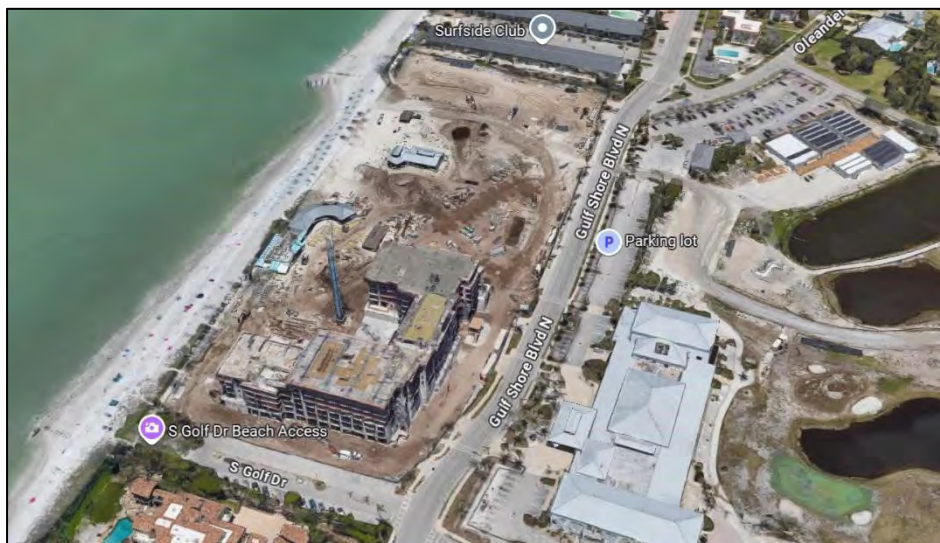
Previously Bahama Club 36 condo units as 31 owners



Previous use as Bahama Club Condos



Major development two parcels south of 1121 Gulf Shore Blvd.
Side Note: 851 Gulf Shore Blvd \$350M for 125 acres Naples Club redevelopment



Comparable Land Sale Number 3



Location	805 South Gulfview Boulevard Clearwater, Pinellas County, Florida 33767
Date of Sale	January 2024
Grantor	Fisherman's Wharf of Clearwater, Inc
Grantee	805 Gulfview Owner, LLC
Indicated Consideration	
Nominal	\$24,750,000
Adjusted	N/A
Recorded In	OR Book 22691, page 1582
Tax Parcel ID	17-29-15-05076-001-0021
Site Description	
Gross Land Area	3.033 acres; 132,117 square feet
Useable Land Area	3.033 acres; 132,117 square feet
Flood Zone District	FEMA "X" and "AE" within 100 year flood area
Land Use / Zoning	RFH, Resort Facilities High / T, Tourist

Maximum Density	30 DU per acre
Floor Area Ratio (FAR)	100% Base
	200% - 400% Overnight Accommodations

Units of Comparison

Sale Price Per Gross Acre	\$8,177,226
Sale Price Per Usable Acre	\$8,177,226
Sale Price Per Gross Sq. Ft.	\$187.33
Sale Price Per Usable Sq. Ft.	\$187.33
Sale Price Per Allowable Unit	\$287,791

Comments

This site is located at the southerly end of Clearwater Beach at the northeast end of the bridge to Sand Key. The site had been improved with the Fisherman's Wharf restaurant for many years, but the site had been on the market since 2020 when the restaurant was closed following Covid. This will be the first new condominium development on Clearwater Beach in a decade.

BH3 Management and US Development plan The Viceroy, a luxury condominium with two, nine-story towers totaling 86 units, with unit sizes ranging from 2,000 to 6,100 square feet.

Verification	CoStar, Public Records, Deed, Engel & Volkers Bellair, Kelly Montgomery-Kepler
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Design of Proposed Condominium



Comparable Land Sale Number 4



Location	601 Quay Commons Sarasota, Sarasota County, Florida 34236
Date of Sale	September 2023
Grantor	Quay Venture, LLC
Grantee	Quay 1 and 9, LLC
Indicated Consideration Nominal	\$32,000,000

Adjusted	N/A
Recorded In Official	Instrument #2023151271
Tax Parcel ID	2009160024 2009160014
Site Description	
Gross Land Area	1.50 acres; 65,506 square feet
Useable Land Area	1.50 acres; 65,506 square feet
Flood Zone District	FEMA "AE" within 100 year flood area
Land Use / Zoning	DTB, Downtown Bayfront / DTB, Downtown Bayfront
Maximum Density	50 DU per acre, up to 200 Units/acre
Maximum Height	18 stories
Floor Area Ratio (FAR)	N/A
Units of Comparison	
Sale Price Per Gross Acre	\$21,279,272
Sale Price Per Usable Acre	\$21,279,272
Sale Price Per Gross Sq. Ft.	\$488.50
Sale Price Per Usable Sq. Ft.	\$488.50
Sale Price Per Allowable Unit	\$260,163

Comments

These parcels lie within the Sarasota Quay development, which has been experiencing redevelopment in recent years. The site is just northwest of downtown Sarasota next to a canal and basin and the Hyatt Hotel.

The developer plans 123 units in an 18 story tower, each ranging from 2,460 to 4,219 square feet and will feature 12 foot high ceilings. The 63,000 square feet of amenities include a theater, a 120 foot long pool, a 14,000 square foot fitness center, wine room and other amenities.

Verification	CoStar, Public Records, Deed, Seller representative Jim McGowan
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Comparable Land Sale Number 5



Location	6230 Estero Boulevard Fort Myers, Lee County, Florida 33931
Date of Sale	November 2022
Grantor	6230 Carousel, LLC
Grantee	Carousel Beach Redevelopment, LLC
Indicated Consideration	
Nominal	\$7,000,000
Adjusted	N/A
Recorded In Official	Instrument #2022000337134
Tax Parcel ID	33-46-24-W3-00013.0020
Site Description	
Gross Land Area	1.50 acres; 65,340 square feet
Useable Land Area	1.00 acres; 43,560 square feet
Flood Zone District	FEMA "VE" within 100 year flood area

Land Use / Zoning	Mixed Residential / RM, Residential Multifamily
Floor Area Ratio (FAR)	120%
Maximum Density	6 DU per acre

Units of Comparison

Sale Price Per Gross Acre	\$4,666,667
Sale Price Per Usable Acre	\$7,000,000
Sale Price Per Gross Sq. Ft.	\$107.13
Sale Price Per Usable Sq. Ft.	\$160.70
Sale Price Per Allowable Unit	\$583,333

Comments

This property is located on Fort Myers Beach, the site of the former Carousel Inn Beach Resort, a popular hotel damaged during the hurricanes. The site, toward the south end of Estero Island, has been cleared and has been developed as the Gulfside 12, a luxury condominium development. There are two buildings, 4 and 8 units, featuring 12 condos with listing prices currently of \$4,400,000 and \$5,300,000. Unit sizes range from 4,718 to 5,111 square feet, all with 4 bedrooms and 4.5 bathrooms.

Verification

CoStar, Public Records, Matt Amino developer, media articles, condo docs and condo broker Royal Shell Real Estate, Deed



Comparable Land Sale Number 6



Location	6200 Estero Boulevard and 6241 Estero Blvd. Fort Myers, Lee County, Florida 33931
Date of Sale	July 2023
Grantor	Colorado Southern, Inc.
Grantee	6200 Estero Blvd Investments, LLC
Indicated Consideration	
Nominal	\$38,200,000
Adjusted	N/A
Recorded In Official	Instrument #2023000253815
Tax Parcel ID	33-46-24-W3-00012.0000 and 33-46-24-W4-00018.0000 across street
Site Description	
Gross Land Area	6.24 acres; 271,945 sf (241,845 + 30,100)
Useable Land Area	4.56 acres; 198,706 sf (150,282+30,100)
Flood Zone District	FEMA "VE" within 100 year flood area

Land Use / Zoning	CPD; Mixed Residential / RM, Residential Multifamily
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Floor Area Ratio (FAR)	120%
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Units of Comparison

Sale Price Per Gross Acre	\$6,880,407
Sale Price Per Usable Acre	\$11,072,464
Sale Price Per Gross Sq. Ft.	\$157.95
Sale Price Per Usable Sq. Ft.	\$254.19
Sale Price Per Allowable Unit	\$265,278

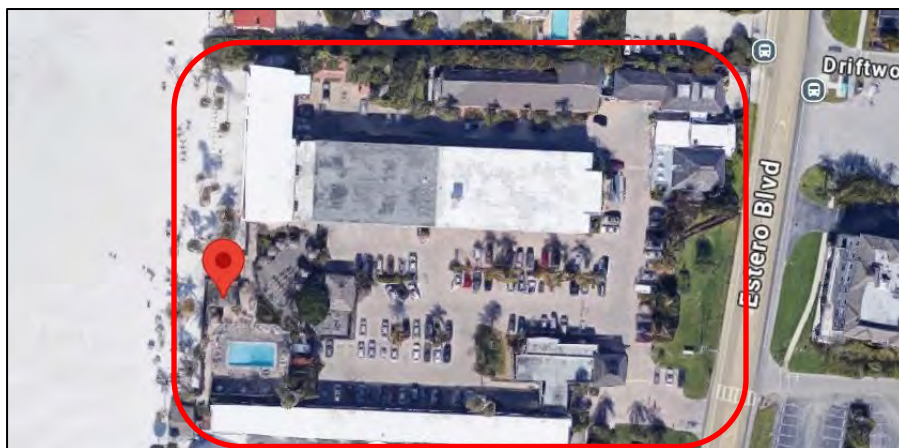
Comments

This property is located on Fort Myers Beach, the site of the former Outrigger's Beach Resort, a popular resort damaged during the hurricanes.

This site toward the south end of Estero Island has been cleared and is being redeveloped by London Bay Homes to 144 luxury condominiums.

Verification	CoStar, Public Records, Matt Amino developer, media articles, and condo broker Royal Shell Real Estate, Deed
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Exhibit of improvements demolished for luxury beach front redevelopment



Comparable Land Sale Number 7



Location	1000 Benjamin Franklin Drive Sarasota, Sarasota County, Florida 34236
Date of Sale	January 2021 and June 2021
Grantor	Coquina On The Beach, Inc.
Grantee	WSR Lido Beach, LLC
Indicated Consideration	
Nominal	\$38,500,000 (\$15,000,000 + \$23,500,000)
Adjusted	N/A
Recorded In Official	Instrument #2021101782, et al
Tax Parcel ID	2016140004, et al
Site Description	
Gross Land Area	3.91 acres; 170,136 square feet
Useable Land Area	2.80 acres; 121,968 square feet
Flood Zone District	FEMA "AE" within 100 year flood area
Land Use / Zoning	Resort Residential / WFR, Waterfront Resort

Floor Area Ratio (FAR)	None
Maximum Density	18 DU per acre, Hotel/Motel (guest units) 36/50 The larger number of guest units requires a zoning lot greater than three acres.
Units of Comparison	
Sale Price Per Gross Acre	\$9,857,173
Sale Price Per Usable Acre	\$13,750,000
Sale Price Per Gross Sq. Ft.	\$226.29
Sale Price Per Usable Sq. Ft.	\$315.66
Sale Price Per Unit	\$592,308

Comments

This property is located on Lido Key, south of St. Armands Circle and the John Ringling Boulevard to the mainland. It is proposed for development of a 65 unit, upscale condominium tower of eleven floors named Rosewood Residences Lido Beach. Gulf Beach Resort Motel was the former use which has been demolished.

The unit size and pricing will range from 3,334 to 4,930 square feet and from \$5.6 million to \$16.0 million.

Verification	CoStar, Public Records, Deed, Engels & Volkers, Doug Meschiko
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Rendering of new development



Comparable Land Sale Number 8



Location	49 Salt House Lane (South side of CR 30A) (18 Madeline Court) Alys Beach, Walton County, Florida 32461
Date of Sale	June 2024 House for sale now at \$9,995,000
Grantor	EBSCO Gulf Coast Development, Inc.
Grantee	AC Ventures YY2, LLC
Indicated Consideration	
Nominal	\$2,250,000
Adjusted	N/A
Recorded In	OR Book 3327, page 1514
Tax Parcel ID	27-3S-18-16452-0YY-0020
Site Description	
Gross Land Area	0.11 acres; 4,792 square feet
Useable Land Area	0.11 acres; 4,792 square feet

Flood Zone District	FEMA "X" above 100 year flood area
Land Use / Zoning	New - Corridor Urban / Traditional Neighborhood Development
Floor Area Ratio (FAR)	2.0
Maximum Density	30 DU per acre

Units of Comparison

Sale Price Per Gross Acre	\$20,452,838
Sale Price Per Usable Acre	\$20,492,838
Sale Price Per Gross Sq. Ft.	\$469.53
Sale Price Per Usable Sq. Ft.	\$469.53
Sale Price Per Unit	\$2,250,000

Comments

This beachfront subdivision is located on Alys Beach on CR 30A, an area where upscale developments have been popular due to its proximity to Destin and the Panama City Airport and is well known for its white sand beaches. The Seaside community is just to the west and Rosemary Beach is just east.

This lot sale is within an exclusive subdivision and appears to be one of the lower priced lots in the community. "Goldfront" lots directly fronting the beach range upward to \$10,850,000.

This non-beach front site is currently a pending transaction for a new three-story house with 4,889 square feet. List price is \$9,995,000 is reported on Realtor.com. "Alys Beach is pleased to announce the offering of our new Somerset Home, AB4. Located on the beach side of Scenic Hwy 30A fronting a pedestrian path that leads to Bela Gray Green and beach access. The home designed by Gary Justiss Architect features six bedrooms, six baths and three half baths, a gracious courtyard with pool, loggia, and entry zaguan, a two-car garage, and bike storage, with an elevator from ground floor to the third floor. The second level features the kitchen, dining, and living areas with covered loggia and summer kitchen terrace overlooking the pedestrian path and offering southern views to Bela Gray Green. The third floor offers a den with a beverage station/bar opening to a generous roof terrace with pergola and fireplace features. There are numerous nearby homes with values more than \$7,000,000".

Verification	CoStar, Public Records, Deed, Gulf Coast Development, Realtor.com, Ben Bricken
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Rendering of house pending on 49 Salt Lane lot



Current map of home listings



Comparable Land Sale Number 9



Location	14 Evy Aly Inlet Beach Alys Beach, Walton County, Florida 32461
Date of Sale	June 2023 September 2022
Grantor	Timothy R. Murphy
Grantee	Sea Foam Alley, LLC
Indicated Consideration	
Nominal	\$10,850,000
Adjusted	N/A
Recorded In	OR Book 3294, page 1566
Tax Parcel ID	27-3S-18-16432-0KK-0080
Site Description	
Gross Land Area	0.148 acres; 6,447 square feet
Useable Land Area	0.148 acres; 6,447 square feet

Flood Zone District	FEMA "X" above 100 year flood area
Land Use / Zoning	New - Corridor Urban / Traditional Neighborhood Development
Floor Area Ratio (FAR)	2.0
Maximum Density	30 DU per acre
Units of Comparison	
Sale Price Per Gross Acre	\$73,309,446
Sale Price Per Usable Acre	\$73,309,446
Sale Price Per Gross Sq. Ft.	\$1,683
Sale Price Per Usable Sq. Ft.	\$1,683

Comments

This beachfront subdivision is located on Alys Beach on CR 30A, an area where upscale developments have been popular due to its proximity to Destin and the Panama City Airport and is well known for its white sand beaches. The Seaside community is just to the west and Rosemary Beach is just east.

This lot sale is within an exclusive subdivision and appears to be among the highest priced lots in the community as it fronts directly on the beach. Nearby 6,796 SF beach front lot with less beach frontage to the east sold for \$9,350,000 in April 2022. Non-beachfront Lot AB4 sold for \$3,113,000 August 2022; this subdivision is 18 lots including 6 beachfront.

Verification	CoStar, Public Records, Deed, Listing Agent , Ben Bricken
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Comparable Land Sale Number 10



Location	1 Harbor Boulevard Destin, Okaloosa County, Florida 32541
Date of Sale	October 2023
Grantor	BK of Destin, Inc.
Grantee	The City of Destin, Florida
Indicated Consideration	
Nominal	\$9,000,000
Adjusted	N/A
Recorded In Official	Document #3652440
Tax Parcel ID	00-2S-22-0630-0000-1130
Site Description	
Gross Land Area	2.04 acres; 88,862 square feet
Useable Land Area	2.04 acres; 88,862 square feet
Flood Zone District	FEMA "X" above 100 year flood area

Land Use / Zoning SHMU, South Harbor Mixed Use / SHMU,
South Harbor Mixed Use

Floor Area Ratio (FAR) N/A

Maximum Density 9 DU per acre

Units of Comparison

Sale Price Per Gross Acre	\$4,411,765
Sale Price Per Usable Acre	\$4,411,765
Sale Price Per Gross Sq. Ft.	\$101.28
Sale Price Per Usable Sq. Ft.	\$101.28
Sale Price Per Unit	\$500,000

Comments

This property lies on the north side of the highway on the east end of the Miracle Strip Parkway bridge over Destin Pass. It was acquired by the City of Destin for development of a public park and is included for informational purposes.

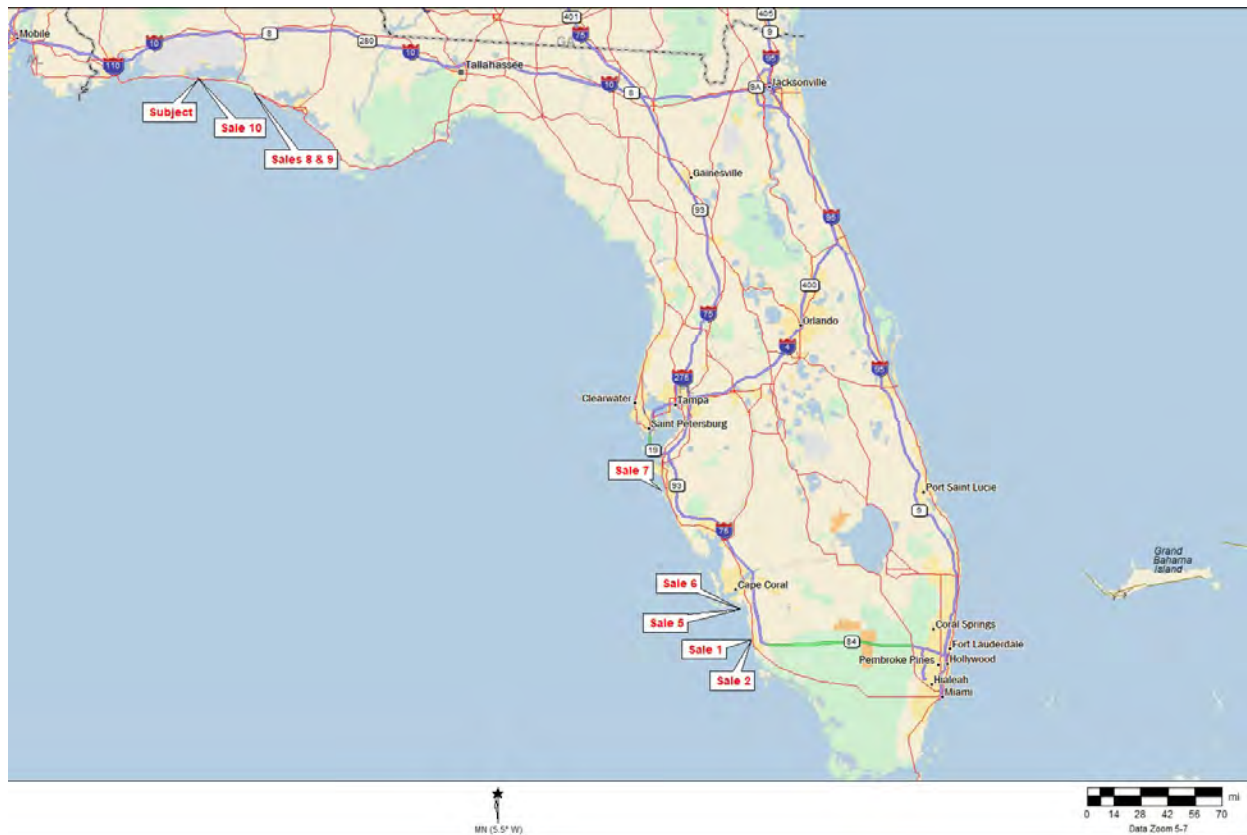
The metrics for a hypothetical private development indicate \$500,000 per 18 buildable condo units. A smaller number of units as single family or possibly a mix would indicate a higher price paid for buildable unit. Property was previously purchased by the above seller for \$5,500,000 in June 2022.

Verification CoStar, Public Records, Deed, Seller Max Brunner **Comparable Land Sales Chart**

NO	LOCATION	DATE	GRANTOR/ GRANTEE	PRICE	USABLE SQ FT ACRES UNITS	\$/SQ FT \$/ACRE \$/UNIT
1	3300 Gulf Shore Blvd. Naples, FL 34103	Jan-25	YB Gulf Shore 1, LLC	\$ 92,500,000	133,729	\$ 691.70
			KY Gulf Shore, LLC		3.07	\$ 30,130,338
					51	\$ 1,813,725
2	1121 Gulf Shore Blvd. N. Naples, FL 34103	Apr-24	Bahama Club, Inc. (Co-Op)	\$ 102,500,000	95,382	\$ 1,074.63
			KT Naples Owner, LLC		2.19	\$ 46,810,719
			6357-412 ORBP		45	\$ 2,277,778

3	805 South Gulfview Blvd. Clearwater, FL 33767	Jan-24	Fisherman's Wharf of Clearwater, Inc. 805 Gulfview Owner, LLC	\$ 24,750,000	132,117 3.033 86	\$ 187.33 \$ 8,160,267 \$ 287,791
4	601 Quay Commons Sarasota, FL	Sep-23	Quay Venture, LLC Quay 1 and 9 LLC	\$ 32,000,000	65,506 1.50 123	\$ 488.50 \$ 21,279,272 \$ 260,163
5	6230 Estero Blvd. Ft. Myers Beach, FL 33931	Nov-22	6230 Carousel LLC Carousel Beach Redevelopment LLC	\$ 7,000,000	43,560 1.00 12	\$ 160.70 \$ 7,000,000 \$ 583,333
6	6200 - 6241 Estero Blvd. Ft. Myers Beach, FL 33931	Jul-23	Colorado Southern Inc. 6200 Estero Blvd Investments, LLC	\$ 38,200,000	150,282 3.45 144	\$ 254.19 \$ 11,072,464 \$ 265,278
7	1000 Ben Franklin Drive Sarasota, FL 34236	Jan-21	Coquina On The Beach, Inc. WSR - Lido Beach, LLC	\$ 38,500,000	121,968 2.80 65	\$ 315.66 \$ 13,750,000 \$ 592,308
8	49 Salt House Lane Alys Beach, FL 32461	Jun-24	Ebsco Gulf Coast Deve Inc. AC Ventures YY2, LLC	\$ 2,250,000	4,792 0.11 1	\$ 469.53 \$ 20,452,838 \$ 2,250,000
9	14 Evy Aly Alys Beach, FL 32461	Jun-24	Timothy Murphy Sea Foam Alley, LLC	\$ 10,850,000	6,447 0.15 1	\$ 1,682.95 \$ 73,309,446 \$ 10,850,000
10	1 Harbor Boulevard Destin, FL 32541	Oct-23	BK of Destin, Inc. The City of Destin	\$ 9,000,000	88,862 2.04 18	\$ 101.28 \$ 4,411,785 \$ 500,000

Comparable Sales Map



Analysis of Comparable Land Sales

All comparable land sales are adjusted toward the subject site for either the comparable sites' superior or inferior characteristics in relation to the subject site. The size of the adjustments applied to the comparable land sales are in proportion to the magnitude of the difference perceived in the market between the comparable land sale and the subject site.

Land is typically analyzed on a unit of comparison basis. The unit of comparison used in the appraisal is the unit of comparison that is customarily used by purchasers in the market in the subject property's locale. After discussions with developers and investors and as evidenced by market activity, it is believed the overall sale price per square foot is appropriate as the unit of comparison and will be utilized in the following analysis process.

Conditions of Sale

There may be a variety of conditions of a sale for which adjustments are applicable, including contributory value of FF&E or personal property, business value, below-market seller financing, pay-outs by buyer such as for back taxes, and atypical motivation by buyers or sellers, such as the duress to sell under threat of foreclosure or quick liquidation of a lender-owned property.

Conditions of sale are important to the explanation of each transaction. The conditions of sale for most commercial property transactions conform to the definition of market value. That is, there is a reasonable amount of exposure time, buyers and sellers are well informed of the property and the market, and neither buyer nor seller is under duress to transact.

The comparable sales were verified as arm's length transactions, and all sales were found to be equivalent to cash transactions. All sales represent realty. The motivations of the buyers and sellers were found to be typical for the marketplace. Transactions reflected an investor's motivation to buy.

Market Conditions

The comparable land sales are adjusted for changes in market conditions which have occurred between the date of the comparable land sale and the date of the value estimate of the subject site. The degree of the adjustment is in proportion to the magnitude of change that has occurred in the market for land in the subject property's locale, between the date of the comparable land sale and the date of valuation of the subject site. The greater the magnitude of change that has occurred, the greater the upward or downward adjustment is to be applied to the comparable price.

The matched pairs analysis shows stability and recent appreciation, and analysis of a larger sample of comparable land sales throughout the county and discussions with brokers, buyers, and investors in the area, all indicate that property values are appreciating. Brokers and investors will typically have a broader sample upon which to base conclusions and a good feel for buyer's expectations, motivations and activity in the market area.

Supported by increasing demand, it appears land prices in the market area had increased steadily until about 2006, when the economic slowdown began and were declining by 2008. The decline of values increased in 2009, was generally flat in 2010 and 2011 and began slowly improving by 2012. Prices increased rapidly from 2013 through 2015, then increases moderated, yet continued upward until early 2020 when the pandemic began. Some properties were affected more than others. Land for marina development increased to all-time highs, while land for retail declined in value but has been increasing since late 2020. In Florida, with few Covid lockdowns and continual growth, virtually all prices have increased in 2021 and 2022, although residential sales began to slow in 2023 as interest rates increased, particularly for

affordable housing. Comparable development site sales are increased at a rate of 5.0% per annum.

Contributory Value

In cases when a comparable sale has improvements which contributed to the purchase price, the estimated value of those improvements may be subtracted from the purchase price in order to estimate the portion of the price paid for the land. Also, any personal property which may have contributed to a transaction price is subtracted in order to determine the price paid for the real property. Conversely, when existing improvements or personal property are costly to remove in order to prepare the real property for highest and best use, the removal expenses may be added to the purchase price. No comparable sales were adjusted for these factors.

Extraordinary Site Development Costs

Extraordinary site development costs include any cost necessary to ready the comparable site for development in excess of what is typical in the market and applicable to the subject. The extraordinary costs may include excessive grading, fill dirt, legal expenses, off-site improvements, etc. Where applicable, cost of extraordinary site development is added to the nominal purchase price of the comparable sites to render the adjusted purchase price. No comparable sales were adjusted for these factors.

Zoning and Land Use

This category considers differences in the zoning, current and future land use of the comparables as related to the subject. Properties allowing more intensive uses typically sell for higher prices per unit than those with more use restrictions in place and are adjusted accordingly. Zoning designations of the comparables were the same or reasonably similar to the subject and required no adjustment.

Location

The adjustment for location is made for market relevant factors such as proximity to complementary supporting uses, size of roadway and traffic volumes, transportation linkages, population and labor markets and corner influence. Negative adjustments were applied to those sales which have superior locational characteristics, and, conversely, a positive adjustment is given if a comparable has an inferior locational character.

Physical Characteristics

Adjustments were made for terrain, soil characteristics, configuration and general utility or developability of the site, as well as utility availability.

Configuration and utility of the comparable sales were generally similar to the shape and developability of the subject.

Size

The adjustment for difference in size is based upon the economic principle of diminishing marginal returns, which states that the rate of return beyond a certain point fails to increase in proportion to additional investments of labor or capital. Capital in this sense refers to physical assets such as land or building, and not money. The above principle states that the greater the land area, or quantity of units purchased, a developer will typically pay less for each additional land unit, thus lowering the overall average unit sale price. Although assemblage or plottage may be necessary and result in the assembled site having greater value than the sum of the parts, this states that larger sites will typically sell for a lower price per square foot than a smaller site.

All sales are analyzed based on the gross land area of the comparables. Not including the small lots included for informational purposes, the comparable sales ranged from 43,560 square feet to 150,282 square feet. Other characteristics being equal, if any sites were of significantly greater size than the subject 171,825 square feet they would require a positive adjustment, while sites of smaller size than the subject would typically require a negative adjustment. However, the adjustments may be tempered by the inflexibility or limited utility of a comparable site. No comparable sales were adjusted for these factors.

Comparative Summary

We were unable to identify a sale of a waterfront development site similar to the subject that occurred in Destin in recent years so we expanded the scope along the west coast of Florida. Naples is similar but more expensive in pricing than the Destin market. Both have locations that command significant prices, and surrounding communities that are less expensive.

Sales 1 and 2 are just north of downtown Naples along the Gulf. Sale 1 is located across the street from the Gulf fronting Doctor's Bay and was the site of an older condominium that was bought out and demolished. Kolter paid \$92,500,000 for the 3.07 acre bayfront site and plans 51 units, the price equivalent to \$1,813,725 per unit or \$692 per square foot of land area.

Sale 2 is a beachfront site just south of the sale above. The price paid was \$102,500,000 and 45 units are planned, so the price for the land is equivalent to \$1,075 per square foot or \$2,277,778 per each of the 45 planned units. This was the former

Bahama Club property with 220 feet of frontage on the beach. Naples has among the highest prices in the state and Sales 1 and 2 are superior to the subject.

Land Sale 3 is on Clearwater Beach at the northeast corner of the bridge to Sand Key, just south across Clearwater Pass. The site is adjacent to and east of the bridge on the channel. Sand was brought in to enhance the small beach along the ship channel. A new Marriott lies west of the bridge along the main beach. The price of \$24,750,000 is equivalent to \$187.33 per square foot or \$287,791 per unit. This site is somewhat inferior to the subject.

Sale 4 is at Sarasota Quay, a redevelopment of an area around the Hyatt Regency Sarasota Hotel and Marina. The several upscale developments join the Boulevard of the Arts condominiums. 123 units are planned in an 18 story tower, the price equivalent to \$488.50 per square foot or \$260,163 per unit. The location is reasonably similar to the subject although density is higher.

Sales 5 and 6 are in the Ft. Myers Beach market, where numerous properties were damaged by a storm event and are being redeveloped. Sale 5 was the former Carousel motel one acre site and sold for \$7,000,000, equivalent to \$160.70 per square foot or \$583,333 for each of the twelve planned units. Pricing is approximately \$4,400,000 to \$5,300,000. Sale 6 is adjacent, a 3.45 acre site of the former Outriggers Beach Resort. This site sold for \$254.19 per square foot of land area or \$265,278 per each of the 144 planned units. The site and location are inferior to the subject.

Sale 7 is on the beach on Lido Key near St. Armand's Circle, across from downtown Sarasota. The beachfront site is 2.80 usable upland acres, the price of \$38,500,000 equivalent to \$315.66 per square foot or \$592,308 per unit. Unit pricing ranges from \$5.6 to \$16.0 million. This site is generally similar to the subject.

Sales 8 and 9 are small lots and not directly comparable but are included to show the upper end of residential pricing in the subject's market area. Both were acquired for development of a single family residence. Sale 8 is just off Highway 30-A, an address well known for upscale housing. Sale 8 is near the highway and sold for \$2,250,000 or \$1,683 per square foot of land area and a residence was reportedly recently completed and is for sale at \$9,995,000. Sale 9 is in the same subdivision but on the beach and sold for \$10,850,000 as a vacant lot, the price equivalent to \$1,683 per square foot of land area.

Sale 10 is a commercial site adjacent to the East Pass Bridge that was acquired by the City of Destin for a public park. No consideration is given to the price as the sale was to a governmental entity but is included for informational purposes. The site is somewhat inferior for residential use but we note the price would be equivalent to \$500,000 per unit.

Ranked Order:

NO	LOCATION	DATE	PRICE	\$/SF	\$/UNIT	RANK
2	1121 Gulf Shore Blvd. N.	Apr-24	\$ 102,500,000	\$ 1,075	\$ 2,277,778	Superior
1	3300 Gulf Shore Blvd.	Jan-25	\$ 92,500,000	\$ 692	\$ 1,813,725	Superior
7	1000 Ben Franklin Drive	Jan-21	\$ 38,500,000	\$ 316	\$ 592,308	Inferior
5	6230 Estero Blvd.	Nov-22	\$ 7,000,000	\$ 161	\$ 583,333	Inferior
3	805 South Gulfview Blvd.	Jan-24	\$ 24,750,000	\$ 187	\$ 287,791	Inferior
4	601 Quay Commons	Sep-23	\$ 32,000,000	\$ 489	\$ 260,163	Inferior
6	6200 - 6241 Estero Blvd.	Jul-23	\$ 38,200,000	\$ 254	\$ 265,278	Inferior

Summary of Land Value

The sales comparison approach is one of the narrowing of a range in values. In other words, adjustments were applicable to the comparable sales for all factors which can be measured by market data, reducing the sales prices to a smaller range in values. As Destin Harbor is virtually built out and we were unable to identify recent sales of waterfront sites for condominium development, we extended our search along Florida's west coast. Hurricanes have affected the market in recent years, but we identified sales in the Naples market and in Ft. Myers Beach, the Sarasota market and in Clearwater Beach.

Prices paid for development sites reflect the developer's expectations of retail sale prices of condominiums to be built. Location is the primary factor to support land values and condominium values, and the higher the price paid for the condominium unit the higher the price the developer can pay for the land. Hank Fishkind, PhD, of Fishkind Consulting was retained by the owner of the subject property to prepare a comprehensive market survey for condominium units in the Destin market and along SR 30-A and to provide expected pricing for the subject units. This study included almost 3,400 condominium apartment unit sales and focused on sales since 2018.

Based on this survey Dr. Fishkind estimated prospective sale prices for the condominiums to be developed at the subject property ranging from approximately \$3.4 million to \$5.7 million and with an average of \$4,850,000. He also reviewed the land acquisition price to condominium sale price ratios for major projects around the state in which he was involved, finding them to range from 15% to 25% and estimated this ratio at 17% for the subject property.

Our review of comparable sales data indicated land to retail price ratios ranging from approximately 11% to 17%, with several ranging from approximately 13% to 15%. Applying this ratio to the projected sales prices for the subject indicates a likely range of land values from \$630,000 to \$730,000 per unit, which equates to an overall value range from approximately \$49,800,000 to \$57,500,000.

Reviewing the comparable land sales previously reported, we analyzed each and ranked them in order of their comparability to the subject property. The two properties in Naples are considered somewhat superior, while Sarasota and Fort Myers are inferior. This still leaves a broad range from \$592,308 in Sarasota to \$1,813,725 per unit in Naples. Prices at the upper end of the market have increased throughout the state, but especially in waterfront locations and in particular in Naples and Destin.

Considering the above, land value is estimated at \$700,000 per unit. Applied to the subject this indicates a value of \$55,300,000. This is equivalent to approximately \$322 per square foot, well within the range of pricing of comparable sales.

79 Condominium Units x \$700,000 Per Unit = \$55,300,000

RECONCILIATION AND FINAL VALUE ESTIMATE

The value conclusions of the Cost, Sales Comparison and Income Capitalization Approaches are as follows:

Cost Approach	NA
Sales Comparison Approach	\$55,300,000
Income Capitalization Approach	NA

The cost approach is most appropriate when the improvements represent the highest and best use of the site, the improvements are relatively new and depreciation is limited. For vacant land, the cost approach was not employed.

The sales comparison approach employs the principal of substitution, meaning that a buyer would pay no more for the subject property than the price for which they could acquire a similar property offering similar utility and investor goal fulfillment. A variety of sales of properties quite similar to the subject were found in the market, and those considered most applicable to the subject were included within the report. Based on analysis of these sales, the indication of value of the subject by the sales comparison approach is considered quite reliable, and the indication of value is given full weight.

The income capitalization approach was not employed for this appraisal of vacant land

Therefore, with full weight on the value estimate by the sales comparison approach, it is our opinion that the market value of the fee simple interest in the subject property, in as-is condition and as of the appraisal date, March 15, 2025, is approximately \$55,300,000.

ASSUMPTIONS AND LIMITING CONDITIONS

1. The conclusions as to market value contained herein represent the opinion of the undersigned and are not to be construed in any way as a guarantee or warranty, either expressed or implied, that the property described herein will actually sell for the market value contained in this opinion.
2. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
3. No furniture, furnishings, or equipment, unless specifically indicated herein, has been included in our value conclusions. Only the real estate has been considered.

4. The property is appraised free and clear of all encumbrances, unless otherwise noted.
5. No survey of the property was made or caused to be made by the appraiser. It is assumed the legal description closely delineates the property. It was checked with public records for accuracy. Drawings in this report are to assist the reader in visualizing the property and are only an approximation of grounds or building plan.
6. It is assumed that there are no hidden or unapparent conditions of the property's subsoil or structure that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. Subsurface rights (minerals, oil, or water) were not considered in this report.
8. Description and condition of physical improvements, if any, described herein are based on visual observation. As no engineering tests were conducted, no liability can be assumed for soundness of structural members.
9. The appraiser has inspected any improvements. Unless otherwise noted, subject improvements are assumed to be free of termites, dry rot, wet rot, or other infestation. Inspection by a reputable pest control company is recommended for any existing improvement.
10. All value estimates have been made contingent on zoning regulations and land use plans in effect as of the date of appraisal, and based on information provided by governmental authorities and employees.
11. It is assumed that there is full compliance with all applicable federal, state, and local environmental laws and regulations, unless noncompliance is stated, defined, and considered in the appraisal report.
12. It is assumed that all applicable zoning and land use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.
13. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is predicated.
14. No responsibility is assumed by the appraiser for applicability of "concurrency laws", referring to the 1985 amendments to Chapter 163, Florida Statutes. At this time it is unclear what effect, if any, these laws might have on any property in any given county.

As various legislative and judicial action is pending, the reader is cautioned to fully investigate the likelihood of development moratorium or other governmental action with appropriate municipal, county, or state officials.

15. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
16. Appraisal does not constitute an inspection for compliance with local building, fire, or zoning codes. Reader is advised to contact local government offices to ensure compliance with applicable ordinances.
17. This appraisal report covers only the premises herein; and no figures provided, analysis thereof, or any unit values derived therefrom are to be construed as applicable to any other property, however similar they may be.
18. Distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. Separate valuations of land and improvements must not be used in any other manner, nor in conjunction with any other appraisal, and are invalid if so used.
19. Certain data used in compiling this report was furnished by the client, his counsel, employees, and/or agent, or from other sources believed reliable. However, no liability or responsibility may be assumed for complete accuracy.
20. An effort was made to verify each comparable sale noted in the report. There are times when it is impossible to confirm a sale with the parties involved in the transaction; however, all sales are confirmed through public records.
21. Consideration for preparation of this appraisal report is payment in full by the client of all charges due the appraiser in connection therewith. Any responsibility by the appraiser for any part of this report is conditioned upon full and timely payment.
22. The appraiser, by reason of this report, is not required to give testimony in court with reference to the property herein, nor obligated to appear before any governmental body, board, or agent, unless arrangements have been previously made therefor.
23. Unless otherwise noted, this appraisal has been prepared solely for the private use of the client who is listed above as the addressee. No other party is entitled to rely on the information, conclusions, or opinions contained herein.
24. Neither all nor any portion of the contents of this appraisal shall be conveyed to the public through advertising, public relations, news, sales, or other media without the

written consent and approval of the appraiser, particularly as to valuation conclusions, identity of the appraiser or firm with which he is connected, or any reference to the Appraisal Institute or to the MAI designation. Furthermore, neither all nor any portion of the contents of this appraisal shall be used in connection with any offer, sale, or purchase of a security (as that term is defined in Section 2(l) of the Securities Act of 1933) without the prior express written consent of the appraiser.

25. Possession of this report or copy thereof does not convey any right of reproduction or publication, nor may it be used by any but the client, the mortgagee, or its successors or assigns, mortgage insurers, or any state or federal department or agency without the prior written consent of both the client and the appraiser, and, in any event, only in its entirety.
26. Before any loans or commitments are made predicated on value conclusions reported in this appraisal, the mortgagee should verify facts and valuation conclusions contained in this report with the appraiser.
27. Cost estimates for construction or reproduction of improvements are based on information from Marshall Valuation Service and other sources referenced in the report and are assumed accurate.
28. Estimates of expenses, particularly as to assessment by the County Property Appraiser and subsequent taxes, are based on historical or typical data. Such estimates are based on assumptions and projections which, as with any prediction, are affected by external forces, many unforeseeable. While all estimates are based on our best knowledge and belief, no responsibility can be assumed that such projections will come true.
29. Responsible ownership and competent property management are assumed.
30. Unless stated otherwise, the possibility of hazardous material, which may or may not be present on the property, was not observed by the appraiser during the course of the normal inspection and research conducted during the appraisal assignment. The appraiser, however, is not professionally qualified to detect such substances, and inspection by a professional in the field is recommended for any property. The presence of substances such as asbestos, ureaformaldehyde foam insulation, or other potentially hazardous materials could affect the value of the property, if found. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. This appraisal report is subject to receipt of an environmental audit confirming that no hazardous or toxic material is located on the premises. Should such material be discovered, final value estimates herein would be reduced by the cost to remove such substances and to restore the premises to serviceable condition, and may further

be reduced by indirect expenses and income losses incurred by the owner during abatement. Such adjustments to the value estimate contained herein may be made only by the appraiser and only upon receipt of the environmental audit, construction cost estimates and other data satisfactory to the appraiser at his sole discretion.

31. The Americans With Disabilities Act (ADA), enacted in 1990, provided civil rights protection to persons with disabilities. Title III of this act provides that persons with disabilities are to be provided access equal to, or similar to, that available to the general public in all areas of "public accommodation," which generally means any retail, recreation, social service or lodging establishment. It does not apply to "commercial facilities," which could be a single-tenant office or manufacturing facility, and generally does not require alterations to existing buildings, unless other alterations are made. This latter is subject to interpretation, but it should be assumed that any significant renovation requiring a building permit will also require that the building be brought to current handicap requirements for all or a portion of the building. The appraiser is not professionally qualified in these matters, this appraisal does not constitute an inspection as to compliance with the provisions of the act, and no responsibility is assumed for any known or unknown conditions related to the act, civil rights or building code provisions. A number of professional engineering firms specialize in these matters, and such professional advice should be obtained if there is any doubt as to conformity existing.

QUALIFICATIONS OF

H. LINWOOD GILBERT, JR., MAI PRESIDENT

PRESIDENT, URBAN REALTY SOLUTIONS – TAMPA, FLORIDA, DECEMBER 1991 TO PRESENT

Mr. Gilbert is the principal of Urban Realty Solutions, a real estate research and appraisal firm providing market value appraisals, market studies, feasibility analyses, damage studies and litigation support on marina, commercial, industrial and residential developments. Services available through related firms include owner representation, market research, site selection, permitting, development budgets, marketing plans, brokerage, construction progress inspections, property management and cash flow and absorption projections. Financial analysis through use of Argus and other software. Consultation with municipalities and private investors regarding economic impacts and multiplier effect of public construction and development incentives.

Litigation support for construction damages, lost profits, inverse condemnation and Bert J. Harris Act damages due to imposition of Inordinate Burden.

Experience includes development, construction, brokerage and property management for a variety of office, retail, industrial and marina developments. Appraisals have included all types and sizes of residential, commercial, industrial, retail and resort properties.

Mr. Gilbert has qualified as an expert witness in bankruptcy, state and federal courts and in the US Virgin Islands.

The firm is incorporated as Gilbert Associates, Inc., DBA Urban Realty Solutions, and has been in operation since 1991.

LICENSES AND CERTIFICATIONS

Florida State Certified General Real Estate Appraiser License Number RZ0940
Florida Licensed Real Estate Broker Numbers BK272378 and BK3005632
Georgia State Certified General Real Estate Appraiser No. 363425
Maryland State Certified General Real Estate Appraiser
South Carolina Licensed Real Estate Broker No. 94753
Merchant Marine Master Captain License 3043346
Numerous Temporary and Reciprocal Licenses across the United States and Caribbean

EDUCATION

University of Georgia, Bachelor of Business Administration, 1973
Major in General Business
Minors in Finance, Management, Marketing and Real Estate

CONTINUING EDUCATION

Courses 101 and 201
Society of Real Estate Appraisers
Course II, Urban Properties
(Commercial/Income)
Course VI, Investment Analysis
Course VIII, Residential Appraisal
Capitalization Theories and Techniques (IBB)
Rate Extraction Seminar
Course X, Market Analysis
Standards of Professional Practice
Applied Appraisal Techniques
Valuation Litigation / Mock Trial
Capital Market Influences on Real Estate
Valuation
Analyzing Operating Expenses
USPAP "Core" Update for
Appraisers
Power Lines and Electro-Magnetic Fields
Effect on Value and People
Eminent Domain and Land Valuation
Litigation – ALI/ABA
Litigation Skills for the Appraiser: An Overview
Construction Contracts – Strategies for
Project Completion and Litigation
Avoidance CLE Eminent Domain
Conference 2001
Appraisals & Federal Regulations
The Valuation of Wetlands
Appraising for Pension Fund Portfolios
Development Analysis
Valuation of Hotels and Motels
Income Capitalization Workshop
Advanced Capitalization Workshop
Calculator and Computer Solutions to
Contemporary Problems
Hewlett Packard Financial Calculators –
Advanced Course
Impact of Environmental Considerations
on Real Estate Appraisals
Appraisal Regulations of the Federal Banking
Agencies

Discount and Capitalization Rate Components
The Appraiser as Expert Witness
Complex Litigation Appraisal

Discount and Capitalization Rate Components
Understanding Limited Appraisals and
Reporting Options
Tax Credits for Low Income Housing
Fair Lending and the Appraiser
Appraisal of Nursing Facilities
Economic Worth of On-Premise Signage
Florida Ad Valorem Property Tax Update
Regulatory Takings & Property Rights
Transportation Issues & Eminent Domain
Regression Analysis in Appraisals
Analyzing Distressed Real Estate
Marina Retrofit, Redesign & Construction
FDEP Appraising Submerged Land Easements
Developing Resort, 2nd Home and Golf Course
Communities, Urban Land Institute
Valuing Enhancement Projects (LEED Green
Buildings) & Financial Returns, BOMI
Marina Dry Stack Conference, AMI
Green Marina Design
Marina Shoreline Development &
Permitting, LSI
Feasibility, Investment Timing & Options, AI
Florida State Law Update for Real Estate
Appraisers
National USPAP Update Course
Business Practices and Ethics
Inverse Condemnation
New Technology for the Real Estate Appraiser
Instructor Leadership and Development
Conference
Separating Real and Personal Property from
Intangible Business Assets
Analyzing Commercial Lease Clauses
Litigation Appraisal
The Appraiser As An Expert Witness
Oil Spills and Property Values
Supervisor/Trainee Roles & Rules

Professional's Guide to Uniform Residential
Appraisal Report
IRS Valuation
Federal Agencies and Appraisal: Program Updates
Green Building for Appraisers
Valuation of Solar Photovoltaic Systems

H. Linwood Gilbert, Jr., MAI, has completed the continuing education program of the Appraisal Institute.

Mr. Gilbert has also attended courses and seminars covering various aspects of real estate valuation, lending, leasing, marketing and management sponsored by The Urban Land Institute, The Ohio State University, The Massachusetts Institute of Technology, Robert Morris Associates, The Northwest Center for Professional Education, New York University, St. Petersburg College, the University of Shopping Centers (sponsored by The International Council of Shopping Centers), CCIM Institute, Federal Housing Administration, the Environmental Assessment Association and others. He has been a guest lecturer at NAIOP Real Estate Development course, Instructor of a Real Estate Appraisal Course for the International Marina Institute and was guest lecturer at the St. Petersburg BAR Association on ad valorem taxation. Mr. Gilbert is qualified as an Expert Witness in real estate valuation matters in bankruptcy and civil courts.

6161 Dr Martin Luther King Jr Street North • Suite 200 • St. Petersburg, Florida 33703 • 727-289-5782

PROFESSIONAL EXPERIENCE

April 1993 to September 2004 *Principal, Executive Vice President, Urban Economics, Inc. – Tampa, Florida*
Principal of real estate research and appraisal firm providing services similar to those provided under Urban Realty Solutions. The firm also focused on support for litigation through valuation and damage studies. Broker of transactions totaling \$100+ million.

February 1991 to Current *President, Gilbert Associates, Inc. – St. Petersburg, Florida*
Real estate consulting firm providing market research, highest and best use analysis and other financial planning and marketing services. Prepared guidelines for the marketing, construction and management of distressed developments, including determination of status of development approvals, such as Development of Regional Impact, environmental and local permitting; assistance in selection of consultants and contractors, and value engineering for proposed construction. Broker of record for St. Petersburg CBD Master Retail Development company, including oversight of the St. Petersburg Pier Festive Market.

1983 to February 1991 *Vice President, Development, Talquin Development Company – St. Petersburg, Florida*
Responsible for development of all projects in the Tampa Bay area for this Florida Progress Corporation subsidiary, which was begun by Gilbert and two partners and later acquired by Florida Progress. Conducted feasibility analyses for most projects undertaken by Development Division. Managed Development Division and was project director from concept through completion of Bank of America Tower, a 330,000-square foot, \$50 million mixed-use development, The Harborage at Bayboro, a 635-slip marine complex, plus numerous office, retail, historical redevelopment and industrial projects. Negotiated partnership with The Wilson Company for development of Carillon Corporate Center, Tampa Bay's premiere mixed use development. Organized construction, marketing, and property management departments, as well as the marine division. Property development and management included approximately 750,000 square feet of commercial and industrial properties. Negotiated major leases for buildings, air rights and submerged lands, and design/build contracts, including conversion of historic school building to moderate income apartments. Provided private sector leadership in the planning and implementation of St. Petersburg's Intown Redevelopment program.

1978 to 1983

Vice President, Warren Hunnicutt, Jr., Inc. – St. Petersburg, Florida
Appraised and conducted feasibility analyses on virtually all types of commercial, industrial, hospitality and residential properties, and including islands and environmentally sensitive lands. Conducted and published first county-wide surveys of retail and industrial markets.

1972 to 1978

Assistant Vice President, Construction Lending and Review Appraiser, Century First National Bank (now Wells Fargo) – St. Petersburg, Florida
Construction and permanent loan underwriting and administration and review appraiser. Three years as Special Assets officer, handling all legal proceedings, construction completion and marketing of foreclosed properties, which ranged from major hotels to high-rise condominiums.

1969 to 1972

Real Estate Loan Representative, The Citizens & Southern National Bank – Athens, Georgia
Underwrote and administered construction and permanent single-family FHA/VA and conventional loans. Appraiser trainee. Also trained in credit card, sales finance, branch management, installment lending and other departments under commercial banking management training program.



PROFESSIONAL AFFILIATIONS

Appraisal Institute
Real Estate Investment Council, Inc.
Association of Eminent Domain Professionals Member
The International Marina Institute Member, Instructor
Southwest Florida Marine Industries Association Member
Marina Operators Association of America Member
Florida Association for the Restoration of Ethics, Inc. Member
Urban Land Institute Member
PIANC – The World Association for Waterborne Transport
Member
Infrastructure
Drystack Working Group Member

MAI Professional Designation
Member

CIVIC ACTIVITIES

Past and present memberships include: Board of Directors of Tampa Union Station Preservation and Restoration, Inc.; Cochairman, Council of Elders of the Community Alliance of St. Petersburg, a biracial organization; Former Board of Governors and Chairman, Transportation Committee, The St. Petersburg Area Chamber of Commerce; Former Board Member and Treasurer, The National Association of Industrial and Office Parks; Former Board Member, The Science Center of Pinellas County (an educational institution); Former Board Member and Transportation Committee Chairman, The Committee of 100 of Pinellas County; Former Board Member, Gulfcoast Certified Development Corporation; Member, Leadership St. Pete and Leadership Tampa Bay Alumni Associations, and a Member of the former St. Petersburg Suncoasters, sponsors of the Festival of States. Member, Marine Industry Association of Southwest Florida.



U·R·S

APPRAISAL REPORT OF

POINTE RESORT MARINA A DOCKOMINIUM MARINA

**51 Gulf Shore Drive
Destin, Okaloosa County, Florida 32541**

**URS File Number – 252224 B
Pointe Mezzanine, LLC and Pointe Resort, LLC**



FOR

**Mr. Joseph Winkeler
Manager
Pointe Mezzanine, LLC and Pointe Resort, LLC
PO Box 7098
Destin, FL 32540**

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September 19, 2025

Mr. Joseph Winkeler
Manager
Pointe Mezzanine, LLC and Pointe Resort, LLC
PO Box 7098
Destin, FL 32540

**RE: Pointe Resort Marina
51 Gulf Shore Drive, Destin, Florida, 32541**

Dear Mr. Winkeler:

As requested, a detailed investigation, analysis and appraisal have been made of the retail market value of the individual slips of the proposed marina facility. The values herein reflect the leasehold estate of the referenced property, in as-is condition as of the appraisal date.

The subject is a wet slip marina, part of a proposed upscale condominium development site containing approximately 3.945 upland acres and 2.42 acres of submerged land. The site is located on Norriego Point, a peninsula forming the east side of East Pass and encompassing Destin Harbor. East of the subject site is Snorkel Beach and to the west lies the Waterview Tower Condominium. The subject appears to be among the last parcels in Destin available for high rise condominium development with a wet slip marina. The condominium will include 79 upscale apartments. Given the angle of the peninsula, condominium towers constructed on the subject site would have direct views of the Gulf of America over the Pass and the jetty at Eglin Beach Park, as well as views of Choctawhatchee Bay.

The subject marina lies east of Norreigo Point within Destin Harbor and was completed in December 2023. It contains 50 wet slips ranging from 30 to 66 feet in fixed piers plus three mooring points, and use and occupancy is tied to construction of the adjacent condominium development. The subject is the last remaining privately held parcel on Norreigo Point, with the balance being occupied by a public park with existing and soon to be completed public infrastructure including restrooms and picnic areas.

The marina market in Destin Harbor is typically at or near 100% occupancy. Nearby waterfront condominium developments typically construct wet slips in order to attract buyers of the apartments, and slips are typically sold as the condominium apartments are being sold, as is anticipated in this instance. Wet or dry boat slips that are sold are typically referred to as dockominiums, although actual ownership may take several forms. We have conducted a search of sales of dockominiums in the Destin market and find all have previously been sold and are majority of developments are older and of lower quality than the subject. We therefore extended the search along Florida's west coast as far south as Naples and the results of our search are included herein.

September 19, 2025
Mr. Joseph Winkeler
Page two

Although not directly associated with the marina operation, the developers expended funds to provide public roadway paving, parking, utility infrastructure and replaced the seawall in order to provide access to the Norriego Point Public Park to the north. The cost estimates are provided by Cummings and Cederberg, Inc., marine engineers. Details of this work and associated costs may be viewed in the addendum hereto. It is the opinion of Cummins and Cederberg, which appear reasonable, that the expenditures totaled (\$11,136,000).

In addition, Kimley-Horn and Associates, Inc., reviewed upland site improvements relative to the dedication of a 100 foot right of way and the installation of the roadway and utilities extending north to the public park. These expenditures totaled \$4,290,520.

We have prepared a complete appraisal and are submitting this appraisal in a summary appraisal report format. Included within the accompanying appraisal report are exhibits and documented data in support of the value conclusions. All material collected during our analysis has been retained in our files and is available for inspection upon request.

This appraisal has been prepared in compliance with the Uniform Standards of Professional Appraisal Practice and governmental regulations, as well as the client's appraisal and reporting requirements.

The opportunity to have been of service is appreciated. Should you have any questions or comments, or require additional information, please do not hesitate to contact us.

Very truly yours,

A handwritten signature in blue ink, appearing to read "H. Linwood Gilbert, Jr.", is positioned above the printed name.

H. Linwood Gilbert, Jr., MAI
State-Certified General Real Estate Appraiser RZ0940

CERTIFICATION

This is to certify that, upon request for valuation by Mr. Joseph Winkeler, Manager, Pointe Mezzanine, LLC and Pointe Resort, LLC, we have personally inspected, collected and analyzed various data, and appraised the market value of the leasehold estate of the subject property, the marina located at 51 Gulf Shore Drive, Destin, Florida 32541.

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*. This certificate is also a certification under Florida Real Estate License Law Chapter 475.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives
- We have made a previous inspection of the property that is the subject of this report. Also, we made an inspection of selected comparable properties.

- No one provided significant real property appraisal assistance to the persons signing this certification.
- As of the date of this report, H. Linwood Gilbert, Jr., MAI, has completed the continuing education program for Designated Members of the Appraisal Institute.
- The undersigned appraisers, based on education, work experience and the previous appraisal of properties similar to the subject, are competent and qualified to appraise the property.

This certificate is in accordance with the Uniform Standards of Professional Appraisal Practice Standard Rule 2-3 and with the Appraisal Institute's Supplemental Standards of Professional Practice. It is also a certification under Florida Real Estate Appraisal Board of the Division of Real Estate of the Department of Business and Professional Regulation.

The reader should review the Assumptions and Limiting Conditions, to which this analysis is subject, included at the end of the report. It is an extraordinary assumption that the proposed docks are constructed in general conformity of the plans and permits therefor.

In our opinion, the slips proposed for the leasehold estate of the subject property, located at 51 Gulf Shore Drive, Destin, Florida 32541, had a total retail market value, in as-is condition and as of the appraisal date of March 15, 2025, of approximately TWELVE MILLION SIX HUNDRED THOUSAND DOLLARS (\$12,600,000).

In addition, as noted in the report by Cummins Cederberg, Inc., coastal engineers, which may be viewed in the addendum hereto, it is the opinion of this firm that the expenditures related to upland and seawall improvements necessary to provide access to the city park to the north totaled Eleven Million One Hundred Thirty Six Thousand Dollars (\$11,136,000).

In addition, Kimley-Horn and Associates, Inc., reviewed upland site improvements relative to the dedication of a 100 foot right of way and the installation of the roadway, public parking and utilities extending north to the public park. These expenditures totaled \$4,290,520.

The total of these values is TWENTY-EIGHT MILLION TWENTY-SIX THOUSAND FIVE HUNDRED TWENTY DOLLARS (\$28,026,520).



H. Linwood Gilbert, Jr., MAI
State-Certified General Real Estate Appraiser RZ0940

EXECUTIVE SUMMARY

Property Name:	Pointe Resort Marina
Property Classification:	Marina Slips
Address:	51 Gulf Shore Drive Destin, Okaloosa County, Florida 32541
Location:	Northerly and southerly sides of Gulf Shore Drive, near the westerly terminus.
Municipal Jurisdiction:	City of Destin
County:	Okaloosa County
Section, Township and Range:	00/02S/24W
Census Tract:	12091023303
Metropolitan Statistical Area:	Crestview-Fort Walton Beach
Property Ownership:	Pointe Resort, LLC and Pointe Mezzanine, LLC
Property Rights Appraised:	Leasehold estate
Legal Description:	Please see Legal Description section.
County Identification No.:	00-2S-24-3050-0000-0010 00-2S-24-3050-0000-0020
Purpose of Appraisal:	Estimate market value as- is
Appraisal/Inspection Dates:	March 15, 2025
Date of Report:	September 19, 2025
Report Type:	Summary narrative
Intended User of Appraisal:	Client, Pointe Mezzanine, LLC and Pointe Resort, LLC
Intended Use of Appraisal:	Asset management and possible sale

Property Assessment 2024: \$10,473,506

Tax Millage Rate 2024: 11.8466 mils

Ad Valorem Taxes 2024: \$0.00

Non - Ad Valorem Taxes: \$0.00

Personal Property Tax 2024: NA

Total Property Taxes: \$124,075 Gross
\$119,112 Net

Neighborhood: The subject is an existing wet slip marina in Destin Harbor, part of a proposed condominium development located on Destin Harbor just inside East Pass. The immediate market or neighborhood surrounds the traffic artery and extends for approximately two miles west to east, but customers and clients come from a broader market area.

Land Use Plan: HDR, High Density Residential District

Zoning District: HDR, High Density Residential

Site Data: The subject upland area is situated at the northeasterly terminus of Gulf Shores Drive. Upon completion of the upland development the overall development site will front approximately 580 feet on both the northeasterly and southeasterly sides of Gulf Shore Drive, with the marina to the northeast. The southerly depth is approximately 410 feet at its greatest extent and the northerly depth will be approximately 20 to 30 feet at its greatest extent. The upland site is irregular in shape and contains approximately 171,824.74 square feet or 3.945 acres. The submerged area, leased from the State of Florida, is estimated at 105,411 square feet or 2.42 acres. The submerged area is situated along the northeasterly side of the upland site, extending the length of the road frontage, with a maximum horizontal depth over the water of approximately 185 feet. The upland site is generally level to slightly sloping and drainage appears adequate. Onsite parking is available on the vacant ground. Public right-of-way parking is not available.

Soil is sandy, typical for the area, and it is assumed that no adverse subsoil conditions exist. Municipal potable water and waste water disposal are available to the site, as are electric and telephone services. There are no known impediments to development. Drainage and utility easements appear typical.

Flood Zone Data:

“VE” and “AE”, Special Flood Hazard Areas, per FEMA Map Panel 12091C0469J, dated March 9, 2021.

Improvement Data:

The overall subject property is a premiere site fronting East Pass and proposed to be developed with the Pointe Beach and Yacht Club, an upscale condominium with three marina docks comprising 50 leasable or saleable slips and four flexible dockage areas. These docks are the subject of this appraisal and are provided by fixed wooden structures generally configured for dockage perpendicular to the shoreline. The 50 individual slips are proposed to range in size from 40 to 66 feet in length with beams of 17 to 23 feet in width as depicted on the following graphic. Each slip is expected to have a full utility suite appropriate for the size vessel permitted within the slip, to include water, electric and pump out services. No fueling system is proposed for the facility.

The subject boat docks were recently completed. The materials and amenities appear to be above average for the market. The economic life of the subject improvements is typically 30 years. The estimated effective age is new, indicating a remaining economic life of 30 years upon completion.

Proposed site improvements consist of asphalt paving for parking, circulation and delivery, concrete sidewalks, stormwater detention area, illuminated sign, upscale landscaping, overhead lighting, underground drainage, and underground laterals for municipal water and sewer. The site improvements appear adequate and functional. The economic lives of the various site improvements

typically range between 20 years and 50 years, depending on the item and its standard useful life.

Personal Property:

No significant personal property is applicable.

Environmental Conditions:

No unusual environmental conditions were observed, but this appraisal is subject to receipt of a satisfactory environmental audit.

ADA Standards:

The appraisers are not expert in matters of compliance of Americans with Disabilities Act, and our appraisal is subject to receipt of certification by an architect or engineer that no extensive changes to the property are required.

Highest and Best Use:

As if vacant and available, the subject upland site has a highest and best use for development to high density residential use, with the adjacent submerged land developed to marina uses at the highest density legally achievable.

The upland site remains vacant, but the marina has now been completed.

Marketing/Exposure Periods:

Twelve months/ Twelve months

Value Indications

Cost Approach	N/A
Sales Comparison Approach	\$12,600,000
Income Capitalization Approach	N/A
Final Estimate of Value	\$12,600,000

Additional Costs & Summary:

Cummins Cederberg Coastal Engineers

Engineering & Permitting	\$	425,000
General Conditions	\$	930,000
Marine Structural	\$	5,550,000
Coastal Protection	\$	4,066,000
Monitoring	\$	165,000
Total Marine Construction	\$	11,136,000

Kimley-Horn Engineers

Roadway, Parking	\$	2,790,520
Utility Services	\$	1,500,000
Total Upland	\$	4,290,520

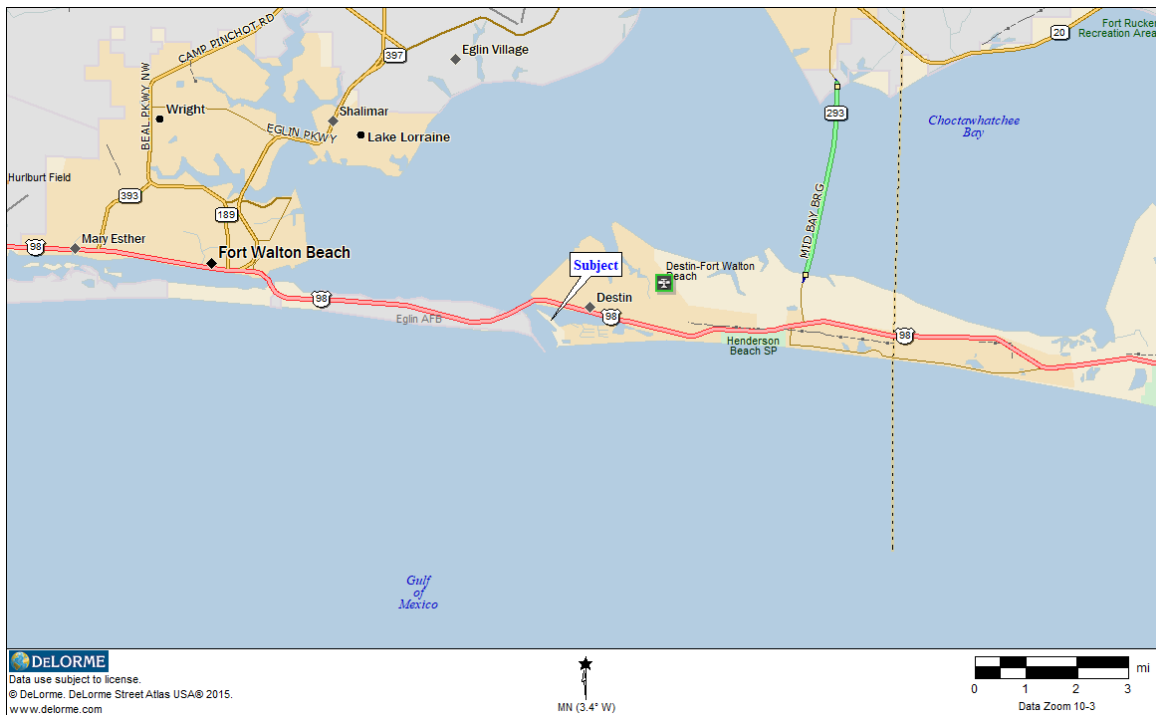
Total Costs	\$	15,426,520
Plus Marina Value	\$	12,600,000
Overall Value	\$	28,026,520

SUBJECT MAPS AND PHOTOGRAPHS

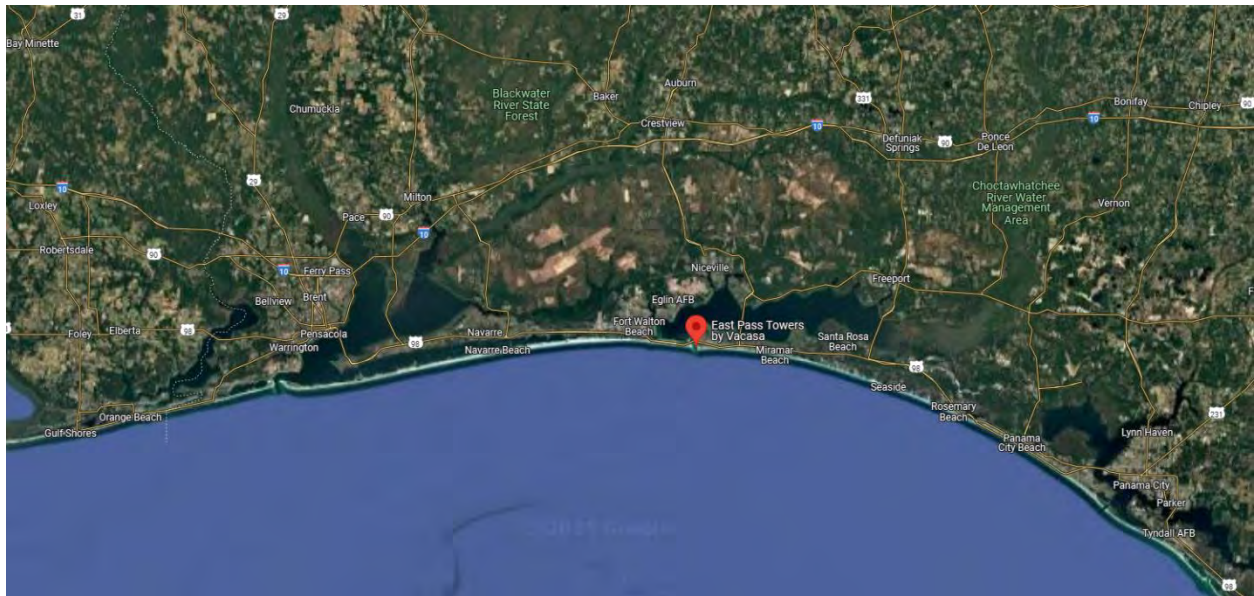
Area Location Map



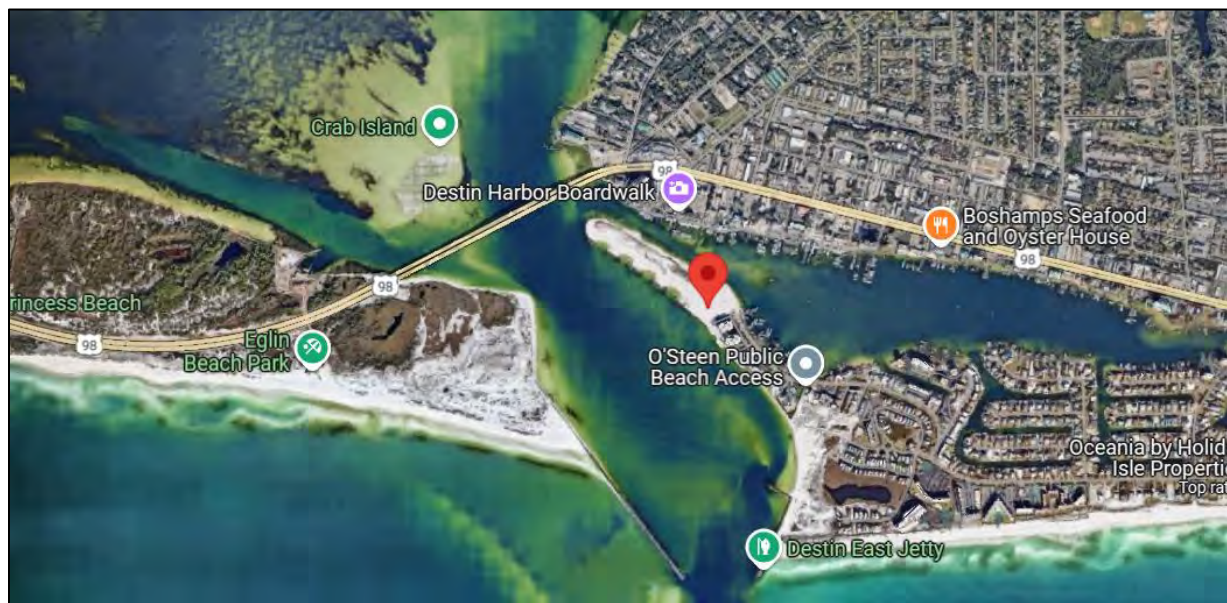
Neighborhood Map



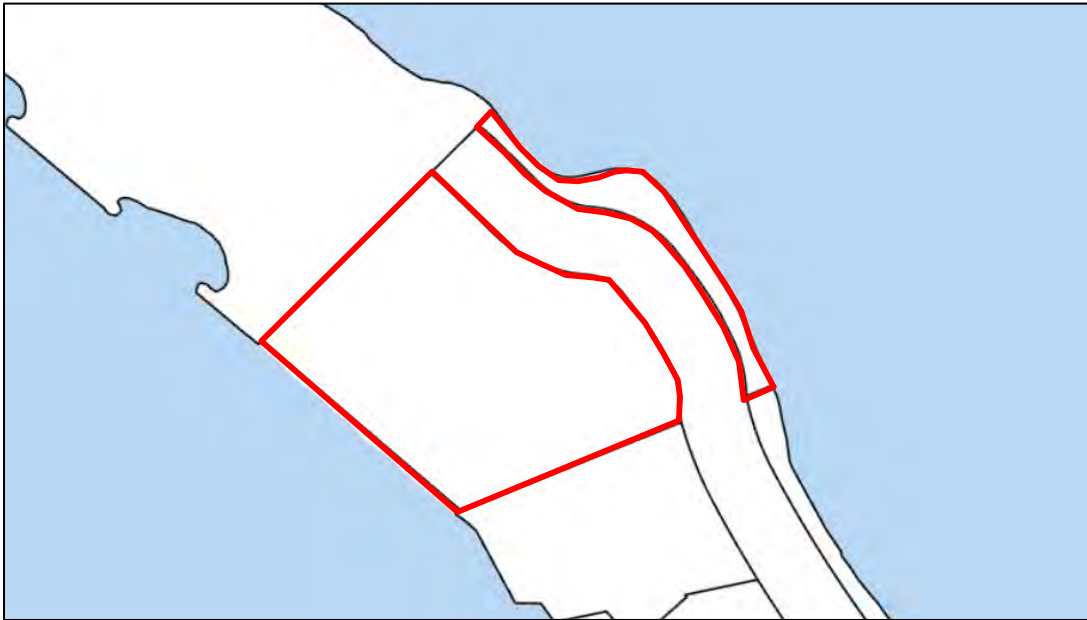
Area Aerial Photograph



Neighborhood Aerial Photograph



Plat Map



Property Appraiser's Aerial Photograph



Subject Photographs

View of Subject Looking Generally South



View of Subject Looking Generally Northeast





View Northeasterly of Subject Prior to Construction



View of Destin Pass from Subject Upland Site



View of Subject Basin and Adjacent slips of East Pass Marina



View Northeasterly from Subject Uplands Site – Destin Harbor

PURPOSE, INTENDED USE AND DATE OF APPRAISAL

Purpose of this appraisal is to estimate, with the highest degree of accuracy possible, the market value, in as-is condition, of the leasehold estate of the subject property.

The intended user of this appraisal report is the client, Pointe Mezzanine, LLC and Pointe Resort, LLC. This appraisal report is prepared for the sole and exclusive use of the intended user and may not be relied upon by any third parties for any purpose whatsoever without the prior written consent of the appraiser. No additional intended users are identified by the appraiser.

The intended use is for asset management and possible sale, subject to the stated scope of work, purpose of the appraisal, reporting requirements of this appraisal report and definition of market value.

Property rights appraised are the leasehold estate of the subject property.

This is a complete appraisal in a summary narrative format. Date of this appraisal is March 15, 2025. Date of report is September 19, 2025.

SCOPE OF APPRAISAL

The scope of work for this appraisal assignment includes the identification of the appraisal problem, which is the valuation of the subject property in its as-is condition. The steps taken in the analysis include:

Personal inspection of the property under appraisal.

In order to determine the competitive market of the subject, analysis was made of regional and neighborhood data and ascertainment of demographic and economic trends that affect the property and its intended use.

In order to determine the competitive market position of the subject, analysis was made of economic trends affecting the property, including supply and demand analysis of properties considered directly competitive in the market, resulting in analysis of highest and best use of the property, both as if vacant and as improved.

Description of the property site, including verification with applicable governmental authorities as to land use regulations, utilities, and property taxes, as well as non-invasive inspection and complete description of the physical characteristics of the existing or planned improvements. Please note that the appraisers are not engineers or contractors, and the inspection is limited to a visual inspection as to general quality and condition. While obvious impairments will be brought to the attention of the client, an inspection by a licensed engineer, pest control or other professional is always recommended.

Estimation of highest and best use of the site, both as if vacant and as improved.

Estimation of value using the sales comparison approach. There is adequate market data to support this approach to market value.

In order to apply the sales comparison approach, research was made of sales comparable properties through two real estate sales reporting services and the Property Appraiser's Office. Each sale was inspected, photographed and the transaction verified with a party considered knowledgeable as to the details of the transaction and motivation of the parties, principally with the buyer, seller, real estate broker or manager involved. Qualitative and quantitative adjustments are made to comparable sales in order to obtain an indication of value of the subject.

Market research was made of national and local economic trends, survey of available financing and market derived equity returns, and research into appropriate financial and capitalization rates in order to estimate appropriate capitalization and yield rates applicable to the subject. Appropriate capitalization rates are applied to the estimated net income in order to capitalize the income to an indication of value.

Reconciliation of the value indications, with emphasis placed on the approach(es) considered most reflective of current market activity for final value estimate.

VALUATION DEFINITIONS

Estate is, “a right or interest in property. Defines an owner’s degree, quantity, nature, and extent of interest in property. There are many different types of estates, including freehold (fee simple, determinable fee, and life estate) and leasehold. To be an estate in land, an interest must allow possession (either now or in the future) and be differentiated primarily by its duration.”¹ As related to property, the terms *estate* and *interest* are synonymous for the purpose of this appraisal. Unless otherwise distinguished, the term *property* indicates real property in this report.

Fee simple estate is the property interest represented by, "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."²

Leased fee estate or interest is, “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.”³

Leasehold estate or interest is, “the right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.”⁴

Hypothetical condition is, “(1) a condition that is presumed to be true when it is known to be false. (SVP); or (2) a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in analysis.”⁵ Please refer to USPAP regulations. As an example, this condition is sometimes applied to an anticipated zoning change.

Extraordinary assumption is, “an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser’s opinions and conclusions. Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.”⁶ Please refer to USPAP regulations.

Market Value for the purposes of this appraisal, as defined in the Federal Register, Department of the Treasury Agencies’ appraisal regulations, “the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 79.

² *Ibid*, p. 90.

³ *Ibid*, p. 128.

⁴ *Ibid*, p. 128.

⁵ *Ibid*, p. 113.

⁶ *Ibid*, p. 83.

buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 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.”⁷

Market value is also defined as: "The most probable price, as of a specified date, in cash or in terms equivalent to cash, or in other precisely revealed terms for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently and knowledgeably, and for self-interest, and assuming that neither is under undue duress. ”⁸

Market value is described (not defined) in the Uniform Standards of Professional Appraisal Practice (USPAP) as, “a type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal.”⁹

Prospective opinion of value is, “a value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.”¹⁰

Encumbrance is defined as, “any claim or liability that affects or limits the title to property. An encumbrance can affect the title such as a mortgage or other lien, or it can affect the physical condition of the property such as an easement. An encumbrance cannot prevent the transfer of possession, but it does remain after the transfer.”¹¹

Fixture is defined as, “an article that was once personal property but has since been installed or attached to the land or building in a rather permanent manner so that it is regarded in law as part of the real estate.”¹²

⁷ Federal Register, Department of the Treasury, Interagency Appraisal and Evaluation Guidelines, December 10, 2010, p. 77472.

⁸ Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015, p. 141.

⁹ Appraisal Institute, Uniform Standards of Professional Appraisal Practice and Advisory Opinions 2016-2017 Edition, The Appraisal Foundation, USA, 2016, p. 4.

¹⁰ Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015, p. 180.

¹¹ *Ibid*, p. 76.

¹² *Ibid*, p. 93.

LEGAL DESCRIPTION

The legal description of the subject property obtained from the Clerk of Court's office is as follows.

00-2S-24-0000-0034-0020

CONDOMINIUM PARCEL (AS WRITTEN) A PARCEL OF LAND IN UNSECTIONALIZED TOWNSHIP 2 SOUTH, RANGE 22 WEST, OKALOOSA COUNTY, FLORIDA, BEING MORE EXPLICITLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF LOT 124, BLOCK F, HOLIDAY ISLE, RESIDENTIAL SECTION NUMBER 5, AS RECORDED IN PLAT BOOK 4, PAGE 39 OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA, THENCE ON THE EASTERLY RIGHT OF WAY LINE OF DURANGO ROAD (66 FOOT RIGHT OF WAY) SOUTH 31°33'00" WEST, A DISTANCE OF 724.75 FEET, THENCE DEPARTING SAID EASTERLY RIGHT OF WAY NORTH 65°28'19" WEST A DISTANCE OF 1877.26 FEET, THENCE NORTH 24°31'41" EAST, A DISTANCE OF 16.04 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY OF GULF SHORE DRIVE, THENCE ON SAID SOUTHERLY RIGHT OF WAY THE FOLLOWING FOUR CALLS: THENCE (1) ON THE ARC OF A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 613.27 FEET THROUGH A CENTRAL ANGLE OF 48°59'18", AN ARC DISTANCE OF 524.35 FEET (CHORD BEARING = NORTH 60°02'13" WEST, CHORD DISTANCE = 508.52 FEET) TO THE POINT OF TANGENCY, THENCE (2) NORTH 38° 35 MINUTES, 42" WEST, A DISTANCE OF 368.78 FEET TO THE POINT OF CURVATURE WITH A CURVE CONCAVE NORTHEASTERLY. HAVING A RADIUS OF 2025.15 FEET, THENCE (3) THROUGH A CENTRAL ANGLE OF 11°00'05", AN ARC DISTANCE OF 388.85 FEET (CHORD BEARING = NORTH 33°12'52" WEST, CHORD DISTANCE = 388.25 FEET) TO A POINT OF COMPOUND CURVATURE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 503.88 FEET, THENCE (4) THROUGH A CENTRAL ANGLE OF 13°36'19" AN ARC DISTANCE OF 119.65 FEET (CHORD BEARING = NORTH 20°24'51" WEST, CHORD DISTANCE = 119.37 FEET) TO THE NORTHWEST CORNER OF EAST PASS TOWERS, PHASE I, A CONDOMINIUM, BEING THE POINT OF BEGINNING; THENCE ON THE WEST BOUNDARY THEREOF SOUTH 68°06'39" WEST, FOR A DISTANCE OF 351.00 FEET TO A POINT ON THE SEAWARD VERTICAL FACE OF AN EXISTING SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO; THENCE ON SAID EXISTING SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO THE FOLLOWING TWO CALLS: (1) NORTH 38°01'05" WEST, FOR A DISTANCE OF 2.50 FEET; (2) NORTH 49°25'44" WEST, FOR A DISTANCE OF 385.65 FEET; THENCE DEPARTING SAID VERTICAL FACE OF SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO, NORTH 45°13'52" EAST, FOR A DISTANCE OF 349.23 FEET TO A POINT ON THE SOUTH LINE OF A PROPOSED 100 FOOT RIGHT OF WAY; THENCE ALONG SAID SOUTH LINE THE FOLLOWING TEN (10) CALLS: (1) SOUTH 51°29'39" EAST, FOR A DISTANCE OF 5.71 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 297.00 FEET, THENCE (2) THROUGH A CENTRAL ANGLE OF 5°32'11", AN ARC DISTANCE OF 28.70 FEET (CHORD BEARING = SOUTH 48°14'25" EAST, CHORD DISTANCE = 28.69 FEET) TO A POINT OF TANGENCY; THENCE (3) SOUTH 45°28'19" EAST, FOR A DISTANCE OF 90.85 FEET TO POINT OF CURVATURE WITH A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 225.00 FEET; THENCE (4) THROUGH A CENTRAL ANGLE OF 40°22'41", AN ARC DISTANCE OF 158.56 FEET (CHORD BEARING = SOUTH 65°39'39" EAST, CHORD DISTANCE = 155.30 FEET) TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 75.00 FEET; (5) THENCE ON THROUGH A CENTRAL ANGLE OF 48°37'29", AN ARC DISTANCE OF 63.65 FEET (CHORD BEARING = SOUTH 61°32'15" EAST, CHORD DISTANCE = 61.76 FEET) TO A POINT OF TANGENCY; (6) THENCE SOUTH 37°13'31" EAST, FOR A DISTANCE OF 38.17 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 425.00

FEET; (7)THENCE ON THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 13°08'19", AN ARC DISTANCE OF 97.46 FEET, (CHORD BEARING AND DISTANCE = SOUTH 30°39'22" EAST, A DISTANCE OF 97.25 FEET), TO A POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 100.00 FEET; (8)THENCE ON THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 25°20'21", AN ARC DISTANCE OF 44.23 FEET, (CHORD BEARING AND DISTANCE = SOUTH 12°20'37 SECONDS EAST, A DISTANCE OF 43.87 FEET), TO A POINT OF REVERSE CURVATURE WITH A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 125.00 FEET; (9)THENCE ON THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 13°46'31", AN ARC DISTANCE OF 30.05 FEET, (CHORD BEARING AND DISTANCE = SOUTH 06°33'42" EAST, A DISTANCE OF 29.98 FEET) TO A POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 503.88 FEET; (10) THENCE ON THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 00°09'43", AN ARC DISTANCE OF 1.42 FEET (CHORD BEARING AND DISTANCE = SOUTH 13°31'50" EAST, A DISTANCE OF 1.42 FEET) TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED.

COMMENCE AT THE NORTHWEST CORNER OF LOT 124, BLOCK F, HOLIDAY ISLE, RESIDENTIAL SECTION NUMBER 5, AS RECORDED IN PLAT BOOK 4, PAGE 39 OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA, THENCE ON THE EASTERLY RIGHT OF WAY LINE OF DURANGO ROAD (66 FOOT RIGHT OF WAY) SOUTH 31 DEGREES 33 MINUTES 00 SECONDS WEST, A DISTANCE OF 724.75 FEET, THENCE DEPARTING SAID EASTERLY RIGHT OF WAY NORTH 65 DEGREES 28 MINUTES 19 SECONDS WEST A DISTANCE OF 1877.26 FEET, THENCE NORTH 24 DEGREES 31 MINUTES 41 SECONDS EAST, A DISTANCE OF 16.04 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY OF GULF SHORE DRIVE, THENCE ON SAID SOUTHERLY RIGHT OF WAY THE FOLLOWING FOUR CALLS: THENCE (1) ON THE ARC OF A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 613.27 FEET THROUGH A CENTRAL ANGLE OF 48 DEGREES 59 MINUTES 18 SECONDS, AN ARC DISTANCE OF 524.35 FEET (CHORD BEARING = NORTH 60 DEGREES, 02 MINUTES, 13 SECONDS WEST, CHORD DISTANCE = 508.52 FEET) TO THE POINT OF TANGENCY, THENCE (2) NORTH 38 DEGREES, 35 MINUTES, 42 SECONDS WEST, A DISTANCE OF 368.78 FEET TO THE POINT OF CURVATURE WITH A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 2025.15 FEET, THENCE (3) THROUGH A CENTRAL ANGLE OF 11 DEGREES 00 MINUTES 05 SECONDS, AN ARC DISTANCE OF 388.85 FEET (CHORD BEARING = NORTH 33 DEGREES, 12 MINUTES 52 SECONDS WEST, CHORD DISTANCE = 388.25 FEET) TO A POINT OF COMPOUND CURVATURE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 503.88 FEET, THENCE (4) THROUGH A CENTRAL ANGLE OF 13 DEGREES 36 MINUTES 19 SECONDS AN ARC DISTANCE OF 119.65 FEET (CHORD BEARING = NORTH 20 DEGREES 24 MINUTES 51 SECONDS WEST, CHORD DISTANCE = 119.37 FEET) TO THE NORTHWEST CORNER OF EAST PASS TOWERS, PHASE I, A CONDOMINIUM, SAID POINT BEING THE POINT OF BEGINNING, THENCE ON THE WESTERN BOUNDARY OF SAID EAST PASS TOWERS, PHASE I, A CONDOMINIUM, SOUTH 68 DEGREES 06 MINUTES 39 SECONDS WEST, A DISTANCE OF 351.00 FEET TO A POINT ON THE SEAWARD VERTICAL FACE OF AN EXISTING SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO, THENCE ON SAID VERTICAL FACE OF SAID EXISTING SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO THE FOLLOWING TWO CALLS: (1) NORTH 38 DEGREES 01 MINUTES 05 SECONDS WEST, A DISTANCE OF 2.50 FEET, THENCE (2) NORTH 49 DEGREES 25 MINUTES 44 SECONDS WEST, A DISTANCE OF 385.65 FEET, THENCE DEPARTING SAID VERTICAL FACE OF SEAWALL AND MEAN HIGH

WATER LINE OF THE GULF OF MEXICO, NORTH 45 DEGREES 13 MINUTES 52 SECONDS EAST, A DISTANCE OF 456.28 FEET TO A POINT ON THE MEAN HIGH WATER LINE AND 0.77 FOOT CONTOUR (NORTH AMERICAN VERTICAL DATUM OF 1988): OF OLD PASS LAGOON; THENCE ON SAID MEAN HIGH WATER LINE THE FOLLOWING APPROXIMATING TEN CALLS: THENCE (1) SOUTH 46 DEGREES 50 MINUTES 23 SECONDS EAST, A DISTANCE OF 141.88 FEET TO A POINT OF CURVATURE CONCAVE NORTHERLY HAVING A RADIUS OF 75.44 FEET; THENCE (2) ON THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 56 DEGREES 18 MINUTES 39 SECONDS, A DISTANCE OF 74.14 FEET (CHORD BEARING = SOUTH 81 DEGREES 15 MINUTES 01 SECONDS EAST, CHORD DISTANCE = 71.19 FEET) TO A POINT OF REVERSE CURVATURE WITH A CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 57.88 FEET, THENCE (2) ON THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 74 DEGREES 10 MINUTES 30 SECONDS, AN ARC DISTANCE OF 74.93 FEET (CHORD BEARING = SOUTH 78 DEGREES 42 MINUTES 32 SECONDS EAST, CHORD DISTANCE = 69.81 FEET), THENCE (3) SOUTH 38 DEGREES 32 MINUTES 59 SECONDS EAST, A DISTANCE OF 52.61 FEET, THENCE (4) SOUTH 33 DEGREES 51 MINUTES 06 SECONDS EAST, A DISTANCE OF 58.25 FEET, THENCE (5) SOUTH 37 DEGREES 02 MINUTES 14 SECONDS EAST, A DISTANCE OF 57.72 FEET, THENCE (6) SOUTH 28 DEGREES 36 MINUTES 06 SECONDS EAST, A DISTANCE OF 45.66 FEET, THENCE (7) SOUTH 43 DEGREES 05 MINUTES 21 SECONDS EAST, A DISTANCE OF 20.93 FEET; THENCE (8) SOUTH 18 DEGREES 51 MINUTES 44 SECONDS EAST, A DISTANCE OF 36.20 FEET, THENCE (10) SOUTH 25 DEGREES 51 MINUTES 45 SECONDS EAST, A DISTANCE OF 54.65 FEET TO A POINT OF INTERSECTION WITH THE NORTHERLY EXTENSION OF THE AFORESAID WESTERLY BOUNDARY LINE OF EAST PASS TOWERS, PHASE I, A CONDOMINIUM, THENCE DEPARTING SAID MEAN HIGH WATER LINE AND ON SAID NORTHERLY EXTENSION SOUTH 68 DEGREES 06 MINUTES 39 SECONDS WEST, A DISTANCE OF 126.92 FEET TO CLOSE ON THE POINT OF BEGINNING.

SAID PARCEL CONTAINING 5.35 ACRES MORE OR LESS.

OWNERSHIP AND FIVE-YEAR HISTORY OF SUBJECT PROPERTY

A review of the public records indicates that the subject property ownership is in the name of Pointe Resort, LLC and Pointe Mezzanine, LLC, with the mailing address of PO Box 7098 Destin FL. According to Official Records Book 3281, page 1058, parcel number 00-2S-24-0000-0034-0020 was last transferred from Galic-Pointe, LLC to Pointe Resort, LLC in December of 2016 for consideration of approximately \$7,800,000. According to Official Records Book 3295, page 3105, parcel number 00-2S-24-0000-0034-0000 was last transferred from the bankruptcy of Pointe One, LLC to Pointe Mezzanine, LLC in April of 2017 for consideration of approximately \$101,214.

The subject property is not known to be listed for sale.

No title search was conducted by the appraisers, and the above is provided for informational purposes only and is not warranted.

MARKET AREA: LOCATION, DESCRIPTION AND TREND

A market area is a geographic area wherein occupants usually have an observable commonality of interests. Market areas can be large areas, equating to an entire county or even a group of counties, depending on the purpose of analysis. Habitats, buildings and business enterprises may be relatively uniform, as in a district or neighborhood, all within a larger market area; that is, a smaller area exhibits a greater degree of commonality than the larger area. For example, there may be a retail district and/or industrial zone within a mixed use neighborhood which includes residences, and this neighborhood and other connecting neighborhoods and districts may form a larger market area. A market area is the area from which demand for a particular property or use is drawn, and will vary by use type. For example, the market area for a community shopping center is larger than the market area for a neighborhood or strip shopping center.

There is no set life expectancy for a market area, neighborhood or district, and major changes can interrupt the order of the stages. In some instances, after a period of decline, a neighborhood may undergo a transition to other land uses, or its life cycle may begin again due to revitalization and redevelopment of land or buildings.

Social considerations in a market area analysis involve a description of occupants and visitors revealing their reasons and motivations for living, working and visiting within the market area. These reasons may include the market areas reputation, environment and availability and convenience to employment, shopping/service centers and recreation centers. Demographic analysis is often related to driving times and linkages to commonly used supporting properties and facilities, rather than by specific census tracts.

A residential neighborhood is typically a group of complementary land uses, such as homes, schools and neighborhood commerce, whereas a district may be characterized by homogenous land uses, such as industrial districts or office districts or high-rise districts. Although a market area may be confined to a neighborhood, a market area is often larger and may include a broad array of land uses and several neighborhoods and census tracts. Some of the smallest areas of commonality may be referred to as traffic analysis zones or commercial nodes which are based on specific traffic routes and particular roadway intersections.

Each neighborhood or district has a dynamic quality of its own, which is described as the life cycle of a neighborhood or district. The complementary land uses that comprise neighborhoods and the homogenous land uses that comprise districts typically evolve through four stages.

1. Growth - A period during which the neighborhood gains public favor and acceptance.
2. Stability - A period of equilibrium without marked gains or losses.
3. Decline - A period of diminishing demand.
4. Revitalization - A period of renewal, modernization and increasing demand.

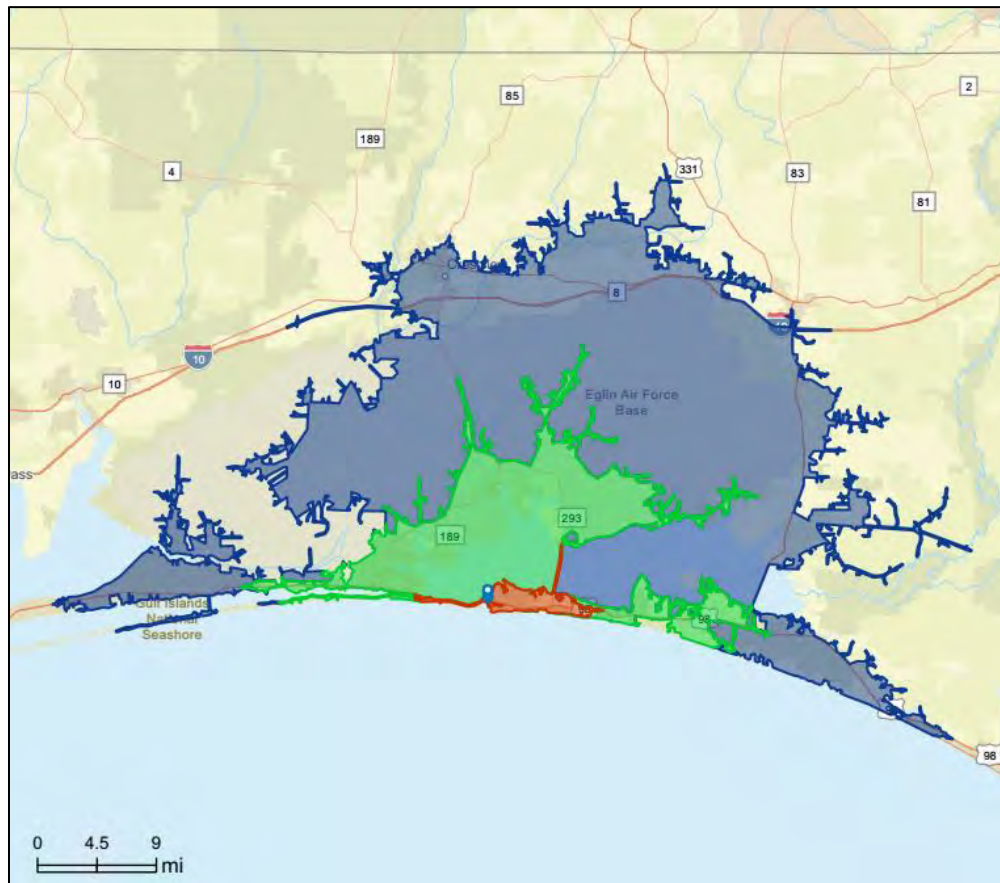
The demographic analysis that follows was obtained using information from the Appraisal Institute / *Site To Do Business* data service. The compiled information is based on forecast modifications to the 2010 census utilized for demographic projections.

Market Area

The subject is an existing wet slip marina in Destin Harbor, part of a proposed condominium development located on Destin Harbor just inside East Pass. The immediate market or neighborhood surrounds the traffic artery and extends for approximately two miles west to east, but customers and clients come from a broader market area. The subject is located in the Crestview-Fort Walton Beach metropolitan statistical area.

A Drive Time analysis was prepared using 20, 40 and 60-minute drive times. For the subject property, the broader market area is generally described using a 60-minute drive time from the subject property, which best represents the potential market area in terms of the concentration of potential users and employees. The main transportation route through the market area, Interstate 10, extends from west of Pensacola east through Tallahassee to Jacksonville, and connects with Interstate 75 near Lake City. US Highways 98 and 90, along with State Road 20, provide significant east/west transit, and US Highway 331 and State Roads 85 and 285 provide for north/south transit and access to Interstate 10.

Market Area Boundaries



Source: STDB.com

Social Influences

Population Totals

In the identified area, the 2024 population is 311,173. In 2020, the Census count in the area was 287,933. The rate of change since 2020 was 2.49% annually. The five-year projection for the population in the area is 330,524 representing a change of 1.21% annually from 2024 to 2029. Currently, the population is 50.8% male and 49.2% female.

	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
Population Summary			
2010 Total Population	16,400	142,590	232,177
2020 Total Population	19,410	165,691	287,933
2020 Group Quarters	117	2,279	4,551
2024 Total Population	21,287	175,674	311,173
2024 Group Quarters	119	2,277	4,553
2029 Total Population	22,530	184,270	330,524
2024-2029 Annual Rate	1.14%	0.96%	1.21%
2024 Total Daytime Population	34,938	204,700	317,853
Workers	26,134	126,616	172,383
Residents	8,804	78,084	145,470

Population Characteristics

The median age for the United States was 38.8 in 2020 and 38.3 in the year 2024. In the market area, the median age of the population was 38.5, compared to 39.1 years currently. By age group, the changes in the percent distribution of the market area population show the following:

	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
2024 Population by Age			
Total	21,288	175,673	311,174
0 - 4	4.6%	5.5%	5.8%
5 - 9	5.3%	5.7%	6.1%
10 - 14	4.8%	5.5%	5.9%
15 - 24	9.0%	11.6%	11.6%
25 - 34	12.1%	13.7%	13.5%
35 - 44	14.4%	13.5%	13.9%
45 - 54	11.9%	11.2%	11.5%
55 - 64	14.8%	13.1%	13.1%
65 - 74	14.0%	11.4%	11.0%
75 - 84	7.2%	6.4%	5.8%
85 +	1.9%	2.3%	1.9%
18 +	82.6%	80.0%	78.8%

Households

The household count in this area has changed from 115,022 in 2020 to 125,171 in 2024, a change of 2.43% annually. The five-year projection of households is 133,859, a change of 1.35% annually from the current year total. Average household size is currently 2.45, compared to 2.46 in the year 2020.

Household Summary	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
2010 Households	7,200	59,706	93,415
2010 Average Household Size	2.26	2.34	2.43
2020 Total Households	8,604	68,914	115,022
2020 Average Household Size	2.24	2.37	2.46
2024 Households	9,411	73,413	125,171
2024 Average Household Size	2.25	2.36	2.45
2029 Households	10,012	77,602	133,859
2029 Average Household Size	2.24	2.35	2.44
2024-2029 Annual Rate	1.25%	1.12%	1.35%
2010 Families	4,331	38,343	62,314
2010 Average Family Size	2.75	2.84	2.91
2024 Families	5,808	46,488	83,049
2024 Average Family Size	2.74	2.91	2.97
2029 Families	6,163	49,010	88,644
2029 Average Family Size	2.73	2.88	2.94
2024-2029 Annual Rate	1.19%	1.06%	1.31%

Housing

Currently, 54.7% of the 69,170 housing units in the area are owner occupied; 18.9%, renter occupied; and 26.4% are vacant. Currently, in the U.S., 57.9% of the housing units in the area are owner occupied; 32.1% are renter occupied; and 10.0% are vacant. In 2020, there were 62,160 housing units in the area and 27.0% vacant housing units. The annual rate of change in housing units since 2020 is 2.55%. Median home value in the area is \$382,486, compared to a median home value of \$355,577 for the U.S. In five years, median value is projected to change by 3.91% annually to \$463,293.

Housing Unit Summary	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
2000 Housing Units	12,936	73,265	104,338
Owner Occupied Housing Units	32.5%	48.5%	51.0%
Renter Occupied Housing Units	12.5%	27.2%	23.9%
Vacant Housing Units	55.0%	24.3%	25.1%
2010 Housing Units	17,630	88,317	137,901
Owner Occupied Housing Units	25.8%	42.2%	44.6%
Renter Occupied Housing Units	15.0%	25.4%	23.2%
Vacant Housing Units	59.2%	32.4%	32.3%

Con't.

Housing Unit Summary	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
2020 Housing Units	18,252	97,587	160,689
Owner Occupied Housing Units	31.5%	45.1%	48.4%
Renter Occupied Housing Units	15.6%	25.5%	23.2%
Vacant Housing Units	53.1%	29.4%	28.4%
2024 Housing Units	19,418	103,446	173,614
Owner Occupied Housing Units	32.5%	46.3%	49.8%
Renter Occupied Housing Units	15.9%	24.7%	22.3%
Vacant Housing Units	51.5%	29.0%	27.9%
2029 Housing Units	20,529	109,426	185,403
Owner Occupied Housing Units	34.2%	47.8%	51.3%
Renter Occupied Housing Units	14.5%	23.1%	20.9%
Vacant Housing Units	51.2%	29.1%	27.8%

Economic Influences

Economic considerations involve the financial capacity of a neighborhood's occupants to rent or own property, to maintain it in an attractive and desirable condition, and to renovate or rehabilitate it when needed. Many of the subdivisions in the market area were originally developed in the distant past, but with current redevelopment of many residential and commercial properties. In general, residential property values declined during the recession, but began to improve in about 2012 and are now at or near pre-recession levels in many markets. The area is expected to continue increasing population levels and stable growth of housing units.

Business Climate and Economic Activity

In the market area, there is an approximate ratio of 63.7% white-collar occupations, 19.0% services occupations and 17.3% blue-collar occupations.

2024 Employed Population 16+ by Occupation	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
Total	12,048	89,990	153,120
White Collar	67.2%	63.8%	63.7%
Management/Business/Financial	25.0%	19.9%	19.9%
Professional	21.3%	24.9%	24.3%
Sales	13.5%	10.3%	10.6%
Administrative Support	7.4%	8.7%	8.9%
Services	16.1%	19.9%	19.0%
Blue Collar	16.7%	16.3%	17.3%
Farming/Forestry/Fishing	1.0%	0.2%	0.2%
Construction/Extraction	4.7%	5.4%	5.3%
Installation/Maintenance/Repair	2.7%	2.7%	3.4%
Production	1.3%	1.9%	2.1%
Transportation/Material Moving	7.0%	6.1%	6.3%

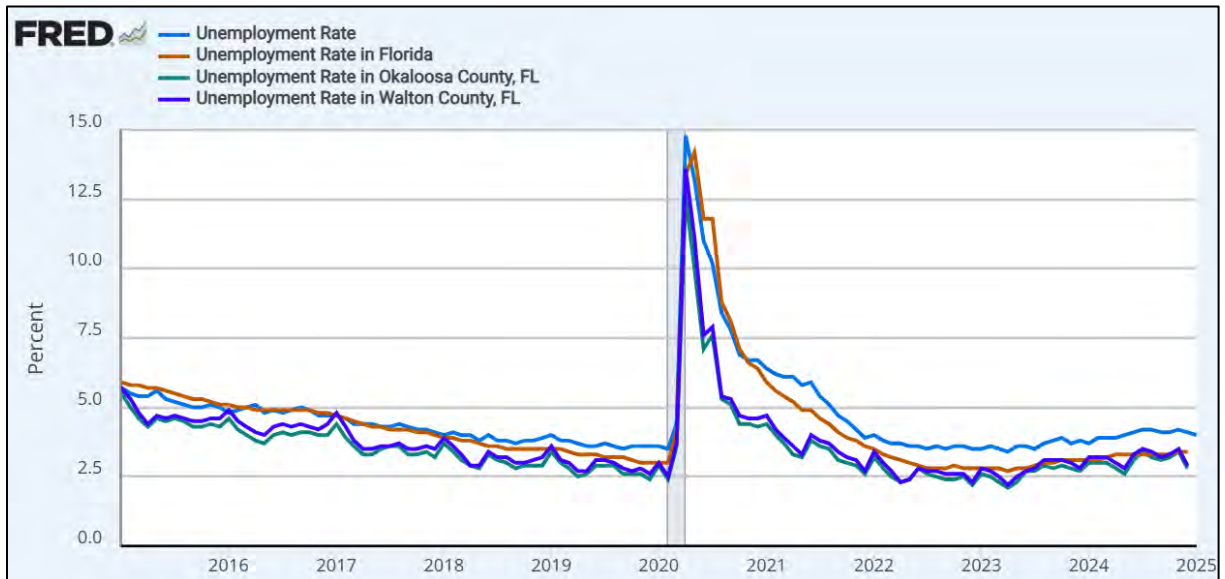
The ten basic industries and the participation in the market are reflected in the chart below. The services industry makes up the largest employment pool, with 49.0% of the total work force.

2024 Employed Population 16+ by Industry	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
Total	12,047	89,990	153,118
Agriculture/Mining	1.8%	0.4%	0.4%
Construction	8.5%	8.1%	8.5%
Manufacturing	3.1%	3.1%	3.9%
Wholesale Trade	1.2%	1.3%	1.5%
Retail Trade	10.5%	10.6%	11.2%
Transportation/Utilities	6.3%	4.2%	4.4%
Information	1.3%	1.1%	1.1%
Finance/Insurance/Real Estate	12.3%	8.2%	7.8%
Services	50.1%	54.4%	52.2%
Public Administration	4.9%	8.5%	9.0%

Unemployment

Historically, over the last twenty years, Okaloosa County has often enjoyed a lower unemployment rate than either the State of Florida or the U.S. in general, and employment rates in the county exceed national averages.

As of December 2024, the state average unemployment rate was 3.4%, while the national average was higher at 4.1%. Unemployment in the Okaloosa County area has improved to 2.8% and unemployment in Walton County has improved to 2.9% as of December 2024.



Households by Income

Current median household income is \$85,848 in the area, compared to \$79,068 for all U.S. households. Median household income is projected to be \$99,159 in five years, compared to \$91,442 all U.S. households.

Median Household Income	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
2024	\$94,951	\$83,361	\$85,848
2029	\$108,136	\$94,894	\$99,159

Current average household income is \$115,956 in this area, compared to \$113,185 for all U.S. households. Average household income is projected to be \$134,466 in five years, compared to \$130,581 for all U.S. households.

2024 Households by Income	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
Household Income Base	9,411	73,413	125,171
<\$15,000	2.4%	3.7%	4.8%
\$15,000 - \$24,999	2.9%	3.9%	3.8%
\$25,000 - \$34,999	2.8%	4.1%	4.1%
\$35,000 - \$49,999	6.6%	7.8%	7.7%
\$50,000 - \$74,999	22.1%	24.0%	21.4%
\$75,000 - \$99,999	15.6%	16.1%	16.0%
\$100,000 - \$149,999	18.8%	18.4%	20.6%
\$150,000 - \$199,999	12.3%	11.2%	10.3%
\$200,000+	16.3%	10.9%	11.2%
Average Household Income	\$135,495	\$115,920	\$115,870

Current per capita income is \$46,575 in the area, compared to the U.S. per capita income of \$43,829. The per capita income is projected to be \$54,001 in five years, compared to \$51,203 for all U.S. households.

Per Capita Income	<u>20 minutes</u>	<u>40 minutes</u>	<u>60 minutes</u>
2024	\$60,034	\$48,568	\$46,575
2029	\$68,617	\$56,081	\$54,001

Governmental Influences

The subject market area is in the City of Destin and Okaloosa County. The market area is governed by these jurisdictions for future land use plans and zoning codes. The purpose and primary effect of the Future Land Use Plan is to provide a general outline for growth for a given area in an attempt to support and provide for orderly growth within the state. The implementation of this land use plan has the effect of eventually requiring the zoning ordinances to be in compliance with the plan within a reasonable period of time. The designations, therefore, of the land use plan should be viewed as the long-term intentions with respect to a

given land area and its boundaries. Most commercial land uses are designated along major traffic arteries and at commercial nodes within the market area, which are often surrounded by residential uses. The governmental tax burdens within the market area appear to be in proportion to the governmental services provided.

Environmental Influences

Property uses within the market area include residential uses, including single-family, condominiums, apartments, and supporting commercial uses that include retail stores, restaurants, professional services, medical services and banking. Places of worship, schools and public libraries are also convenient. Fire and police protection appear to be adequate for the present population. The market area has good transportation routes via roadways connecting linkages. In addition to nearby recreational bay waters within the market area, there are several parks and golf courses nearby. International airports and regional malls are within easy commute.

Conclusion

Outlook for the subject neighborhood appears favorable. Although the market was comparatively slow during the recession, market activity began improving in about 2012 and nearby commercial and residential properties have relatively high and improving occupancy and rental rates. Newer and redeveloped commercial and residential properties are evident in and around this market. The substantial population base surrounding the market area provides a good employee pool and consumer base. Population and housing units in the market area increased nominally between 2010 and 2024 and are expected to increase more rapidly in the future. Population density is expected to increase in the market area long term, as more intense development occurs on the available land and underdeveloped sites. Property values are generally increasing and are expected to appreciate over the long term. These factors favorably influence the subject neighborhood and its market area, and no adverse factors were noted.

REAL PROPERTY ASSESSMENTS AND TAXES

The subject parcel identification and assessments are obtained from the Property Appraiser's office as noted below. The current millage rate for the ad valorem taxes on the real property is 11.8466 mils in the subject district.

Real Property Assessments and Taxes 2024

Parcel Number	Assessed Value	Total Gross Tax	Total Net Tax
00-2S-24-3050-0000-0010	\$390,235	\$4,623	\$4,438
00-2S-24-3050-0000-0020	\$10,083,271	\$119,452	\$114,674
Total	\$10,473,506	\$124,075	\$119,112

Property taxes in Florida are due by March 31, and may be paid as early as November 1, when a 4% discount is allowed. The discount decreases by 1% per month until March, when there is no discount. Prudent property owners typically take advantage of the 4% discount and pay real estate taxes in November, rather than in March of the following year.

Taxes become delinquent April 1, after which time a penalty is imposed. Certificates for delinquent taxes are auctioned approximately 60 days from delinquency, and the holder of a tax certificate may seek foreclosure to recoup investment or to acquire title in approximately 22 months.

LAND USE AND ZONING CLASSIFICATION

The Land Use plan sets forth the physical plans for growth and development of a community. The primary thrust of the Plan is to determine the overall development of the county, where it was, where it is today and how the future land use patterns and policies will reflect and meet the needs of growth tomorrow, and zoning is a specifically delineated area or district within which regulations and requirements uniformly govern the use, placement, spacing and size of land and buildings. The Land Use Plan and Zoning work hand in hand and must be compatible in intent prior to development of any property.

In the event of pre-existing conditions of lot or building non-conformities, a property may be considered legally conforming per a “grandfather” rule. Pre-existing conditions in compliance, which predate adoption of zoning regulations or become non-conforming by virtue of right-of-way changes, typically will place the property in a special exception category as legally non-conforming.

Future Land Use Plan

According to the City of Destin Future Land Use, from the documentation and mapping by the Planning Commission, the area of the subject site is located in a HDR, High Density Residential District, which permits a variety of residential uses. With respect to the surrounding, existing land use and the subject's existing use, the subject property is presently compatible with the general Comprehensive Land Use Plan.

Future Land Use Map



Zoning

HDR, High Density Residential

The subject land is zoned HDR, High Density Residential shall apply to areas developed, redeveloped and/or maintained and conserved as permanent or seasonal single-family detached or multi-family attached residential dwelling units. It is the intent of the HDR zoning district to specifically not allow commercial hotels, motels, bed and breakfast establishments, or other commercial transient living accommodations, and all non-residential uses.

Minimum Lot Size	7,500 square feet
Minimum Lot Width	70 feet
Minimum Lot Depth	500 feet
Maximum Density	9.9 Units per Acre (Tier 1)
Maximum Floor Area Ratio	NA
Maximum Lot/Impervious Coverage	30% (Tier 1)
Typical Building FAR	1.0 to 3.0
Front Building Setback	20 feet
Side Building Setback	7.5 feet
Rear Building Setback	10 feet
Maximum Height	30 feet or 3 stories

Zoning and Land Use Conformity

The above zoning and land use information represents a brief review of the zoning regulations. Although the jurisdiction has rather straightforward zoning regulations, the regulations can be rather complex and interrelated, and not all factors potentially affecting the subject property can be shown. The reader is advised to consult the zoning regulation and department personnel for an optimum understanding of these regulations.

Zoning Map



CONCURRENCY AND IMPACT FEES

The 2011 Amendments to Chapter 163, Florida Statutes, required local governments to adopt comprehensive land use plans that include minimum specified levels of service for four types of public services and facilities, including sanitary sewer, stormwater, potable water and solid waste. Chapter 163 also prohibits local governments from issuing development permits if levels of service are below the specified level or if the development's impact would cause levels of service to fall below the specified levels. This means that the availability of public facilities must be concurrent with the impacts of the development. The original concurrency requirements became effective in January 1990. A local government may extend the concurrency requirement so that it applies to additional facilities within its jurisdiction such as schools, transportation including mass transit, and parks and recreation

According to employees of the Planning and Land Use/Zoning Department, it does not appear that concurrency guidelines would adversely affect typical development on the subject site.

Permit and Service Fees

Each jurisdiction typically has several departments monitoring the various aspects of property development. Additional permit fees, plan review fees, hookup charges, inspection fees, service fees, deposits, and special fees, such as, tree removal/replacement charges, may all be applicable to new construction. If all impact fees, permit fees, and service charges are applicable to a development, then the total cost is typically between 2% and 5% of the total project's development costs, including land and improvements.

SITE DESCRIPTION

Data sources for this site description include information provided by the Property Appraiser's office, other public records, a personal inspection by the appraisers and review of a site plan and permits.

Site Description

The subject upland area is situated at the northeasterly terminus of Gulf Shores Drive. Upon completion of the upland development the overall development site will front approximately 580 feet on both the northeasterly and southeasterly sides of Gulf Shore Drive, with the marina to the northeast. The southerly depth is approximately 410 feet at its greatest extent and the northerly depth will be approximately 20 to 30 feet at its greatest extent. The upland site is irregular in shape and contains approximately 171,824.74 square feet or 3.945 acres. The submerged area, leased from the State of Florida, is estimated at 105,411 square feet or 2.42 acres. The submerged area is situated along the northeasterly side of the upland site, extending the length of the road frontage, with a maximum horizontal depth over the water of approximately 185 feet. The upland site is generally level to slightly sloping and drainage appears adequate. Onsite parking is available on the vacant ground. Public right-of-way parking is not available.

Soil is sandy, typical for the area, and it is assumed that no adverse subsoil conditions exist. Municipal potable water and waste water disposal are available to the site, as are electric and telephone services. There are no known impediments to development. Drainage and utility easements appear typical.

Property Characteristics

Upland Area	171,824.74 square feet or 3.945 acres
Submerged Area	105,411 square feet or 2.42 acres
Site Configuration	Irregular
Dimensions	Frontage of 580 feet along the northerly and southerly sides of the Gulf Shore Drive right-of-way, with a maximum depth of approximately 410 feet between the right of way and the water.
Terrain/Vegetation	Generally level with minor variation and little vegetation.
Soil Conditions	Appears to be sandy to sandy loam, typical for the area. No subsidence was noted, but many areas of Florida are susceptible to soil issues, and a geotechnical investigation by a professional engineer is always recommended.

Access	Pedestrian and vehicular access along Gulf Shore Drive Right of way
Flood Zone	“VE” and “AE”, Special Flood Hazard Areas
FEMA Map Panel	12091C0469J, dated March 9, 2021
Drainage	Proposed onsite underground drainage, retention ponds, and typical run-off into municipal stormwater system
Potable water	City of Destin
Sewer	City of Destin
Garbage collection	City of Destin
Electricity	Gulf Power
Telecommunications	Various Providers
Police protection	City of Destin
Fire protection	City of Destin Fire Department Station #9, 848 Airport Road, Destin, Florida, 32541
Public transportation	EC Rider
Emergency medical service	City of Destin Fire Rescue

Encumbrances

According to the county Property Appraiser maps and copy of survey provided, there were no significant easements related to the subject site. However, typical utility easements may be present and should not negatively affect the property. The appraiser is not aware of any title encumbrances, easements, encroachments, deed restrictions, covenants, association rules, special assessments or other possible encumbrances which may adversely affect title to the subject property. No title search information has been presented to the appraiser.

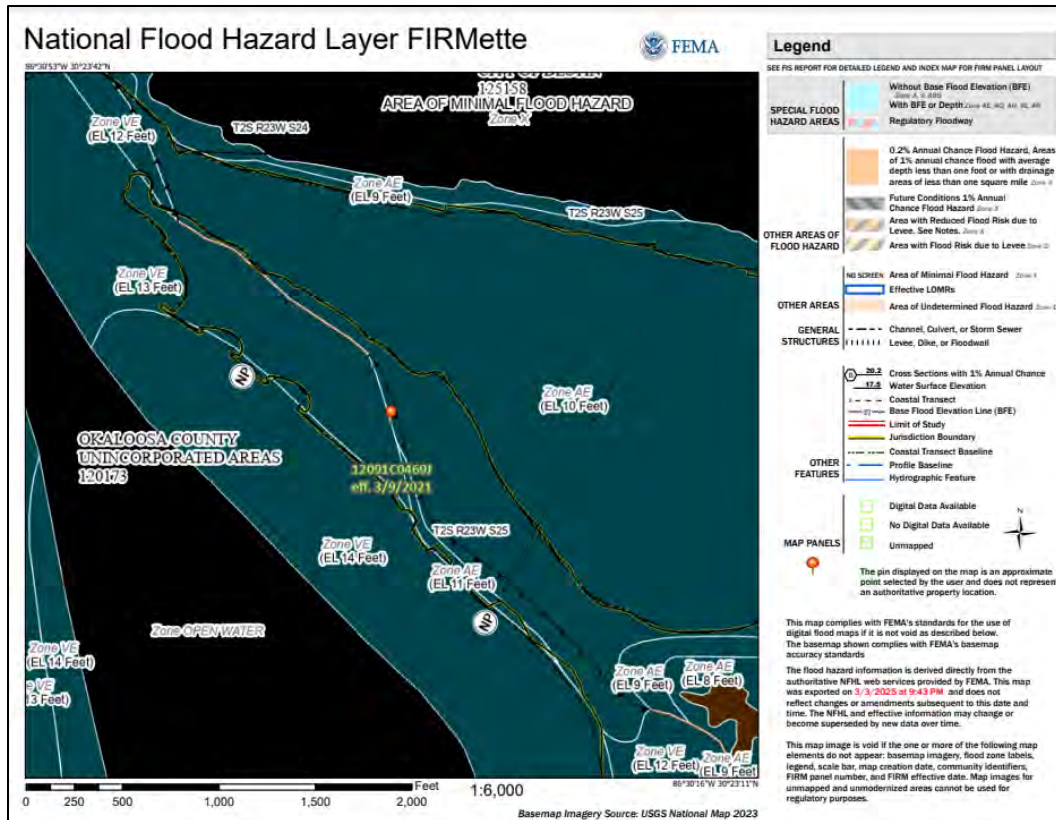
Site Plan



View Northeasterly



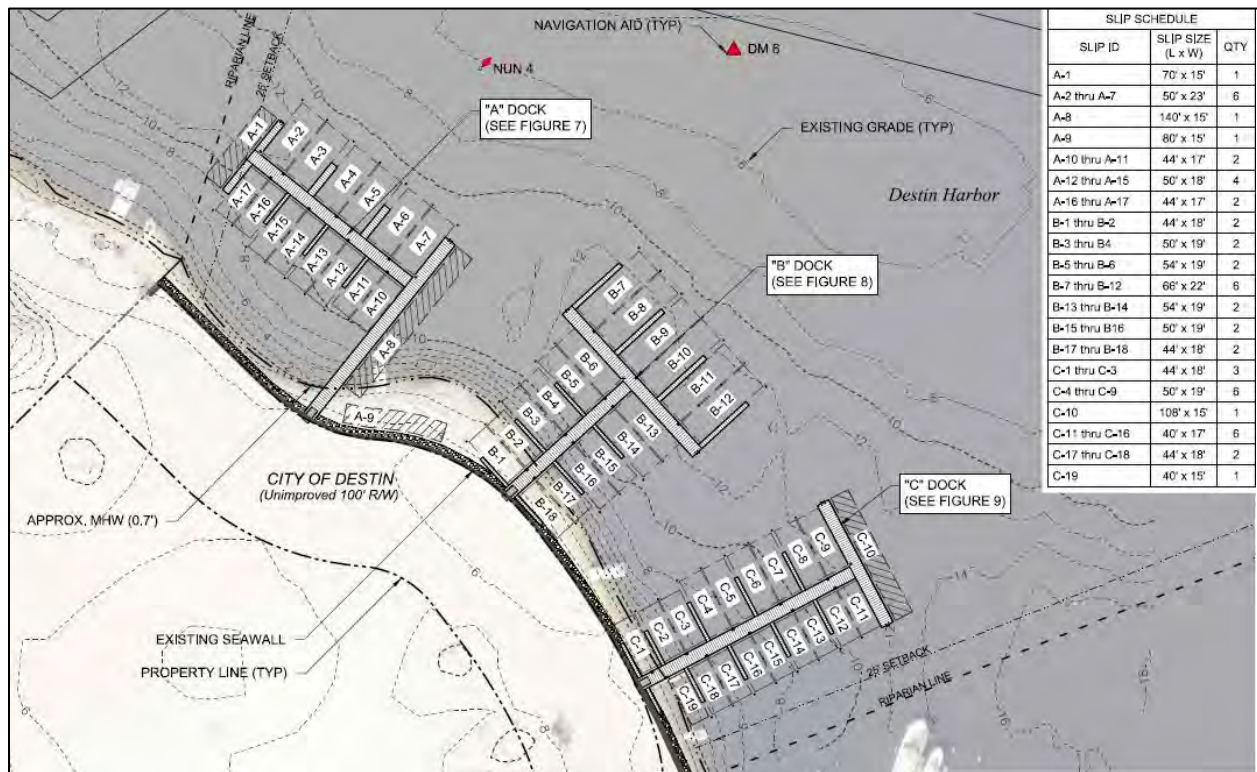
Flood Map



IMPROVEMENT DESCRIPTION

Data source for description of improvements includes the Property Appraiser's office and personal inspection. Improvement dimensions were taken from the application data provided by the property owners and used in conjunction with the information reported to be provided by the State of Florida's Department of Environmental Protection.

The overall subject property is a premiere site fronting East Pass and proposed to be developed with the Pointe Beach and Yacht Club, an upscale condominium with three marina docks comprising 50 leasable or saleable slips and four flexible dockage areas. These docks are the subject of this appraisal and are provided by fixed wooden structures generally configured for dockage perpendicular to the shoreline. The 50 individual slips are proposed to range in size from 40 to 66 feet in length with beams of 17 to 23 feet in width as depicted on the following graphic. Each slip is expected to have a full utility suite appropriate for the size vessel permitted within the slip, to include water, electric and pump out services. No fueling system is proposed for the facility.



The subject boat docks were recently completed. The materials and amenities appear to be above average for the market. The economic life of the subject improvements is typically 30 years. The estimated effective age is new, indicating a remaining economic life of 30 years upon completion.

Proposed site improvements consist of asphalt paving for parking, circulation and delivery, concrete sidewalks, stormwater detention area, illuminated sign, upscale landscaping, overhead

lighting, underground drainage, and underground laterals for municipal water and sewer. The site improvements appear adequate and functional. The economic lives of the various site improvements typically range between 20 years and 50 years, depending on the item and its standard useful life.

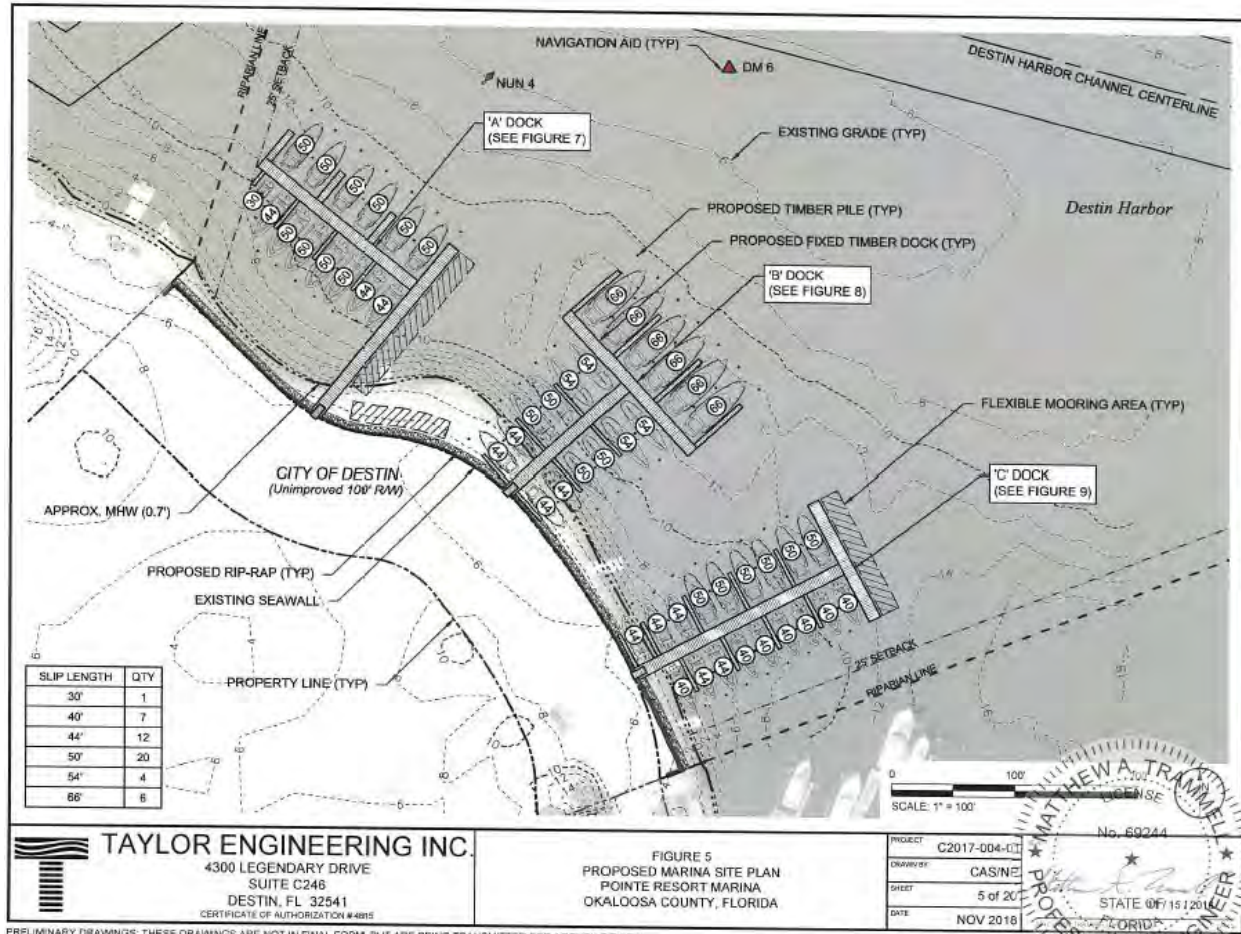
Personal Property

No significant personal property is applicable.



PREPARED FOR POINTE ONE LLC
BY DAD ARCHITECTS
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POINTE BEACH & YACHT CLUB
DESIGN SUMMARY



MARKETABILITY AND ESTIMATED MARKETING PERIOD

Marketability looks at the market appeal of the subject property; more specifically, it analyzes and supports a reasonable marketing period to affect the sale of the subject property. Included in this analysis is a discussion of supply, competition, and demand of the subject property and competitive properties located within the market area.

Marketability is defined as, “the relative desirability of a property (for sale or lease) in comparison with similar or competing properties in the area.”¹³ That is, a property with good marketability has superior features or condition in comparison with competing properties.

A marketability study is “a microeconomic study that examines the marketability of a given property or class of properties, usually focusing on the market segment(s) in which the property is likely to generate demand. Marketability studies are useful in determining a specific highest and best use, testing a specific highest and best use, testing development proposals, and projecting an appropriate tenant mix.”¹⁴ While this type of study is typically quite detailed and specific, a brief version is part of the highest and best use analysis of every appraisal.

A marketability analysis is defined as, “the study of how a specific property is expected to perform in a specific market. A marketability analysis expands on a market analysis by addressing a specific property.”¹⁵

Market value estimates imply that an adequate marketing effort and reasonable time for exposure occurred prior to the effective date of the appraisal.

Exposure time is, “(1) the time a property remains on the market, or (2) the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is always presumed to occur prior to the effective date of the appraisal.”¹⁶

“Exposure time is different for various types of property and under various market conditions. It is noted that the overall concept of reasonable exposure encompasses not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable effort. This statement focuses on the time component.

The fact that exposure time is always presumed to occur prior to the effective date of the appraisal is substantiated by related facts in the appraisal process: supply/demand conditions as of the effective date of the appraisal; the use of current cost information; the analysis of historical sales information (sold after exposure and after completion of negotiations between the seller and buyer); and

¹³ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 138.

¹⁴ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Fifth Edition*, Appraisal Institute, Chicago, Illinois, 2010, p. 120.

¹⁵ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 138.

¹⁶ *Ibid*, p. 82.

the analysis of future income expectancy projected from the effective date of the appraisal.”¹⁷

Marketing time is defined as, “an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.”¹⁸

Reasonable Exposure and Marketing Period for Subject

The appraiser must analyze historic data and future projections in order to estimate historic market exposure time and the future marketing period. According to owners and brokers active in the subject’s market area and in similar markets, it was revealed that there is an increasingly active market for this type of property throughout the area and in the subject’s local market. The presence of an active market was supported by review of data obtained from the Property Appraiser’s office for transfer of such properties. During the last few years, the marketing period for similar properties has typically ranged from four to twelve months, but with some properties requiring more than twelve months if they are of an unusual condition or if they appear to be priced above the market. The subject property should be well received if placed on the market for sale. Based on the above, we estimate a typical exposure period for comparable sales of twelve months. Similarly, a marketing period for the subject of twelve months is estimated.

Selling commissions in order to effect the sale of a property similar to the subject are usually 7.0% and downward. For the subject property type and its value range, a commission level of 5.0% is typical.

Availability of Mortgage Financing

At the present time, third-party financing is becoming more readily available for acquisition and/or development of properties similar to the subject, yet many lenders guide borrowers to SBA financing. Underwriting remains stringent, but relationships with lenders may assist in a loan qualification.

Conversations with commercial bank lenders implied that appropriate interest rates for properties similar to the subject would typically range from approximately 5.5% to 6.5%, dependent on the term and length of period between interest rate reviews. The loan-to-value ratio would typically range between 50% and 75% of value.

¹⁷ Appraisal Institute, *Uniform Standards of Professional Appraisal Practice and Advisory Opinions 2006 Edition*, The Appraisal Foundation, USA, 2006, p. 90.

¹⁸ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 140.

HIGHEST AND BEST USE ANALYSIS

The highest and best use concept is reflective of a basic assumption about real estate and market behavior; that the price a buyer will pay for a property is based on their conclusion about the most profitable use of the site or property. Therefore, sites and improved properties tend to be put to their highest and best uses and, in this manner, maximize the profit potential for the property owner.

The determination of a property's highest and best use may or may not conform with the existing use of the site because the alternative uses of the site may be restricted by the presence of improvements or legal encumbrances. The highest and best use is determined separately for the land or site as though vacant and available to be put to its highest and best use than for the improvements.

Highest and best use is defined as, "(1) the reasonably probable use and 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 asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for that asset when formulating the price that it would be willing to bid. (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). "¹⁹

The first determination reveals the fact that land value is derived from potential land use. Land has limited value unless there is a present or anticipated use for it; the amount of value depends on the nature of the land's anticipated use. According to the concept of surplus productivity, the highest and best use of a site is that use among all reasonable alternative uses that yields the highest present land value after payments are made for labor, capital, and coordination.

The highest and best use of a property as improved refers to the optimal use that could be made of the property, including all existing structures. The implication is that the existing improvement should be renovated or retained as long as it continues to contribute to the total market value of the site, or until the return from a new improvement would more than off-set the cost of demolishing the existing building and constructing a new one.

To determine the highest and best use of the subject site, as if vacant, the use must meet four criteria. The highest and best use must be 1) legal permissibility, 2) physically possible, 3) financially feasible, and 4) maximally productive. These criteria should usually be considered sequentially; a use may be financially feasible, but this is irrelevant if it is physically impossible or legally prohibited.

¹⁹ Appraisal Institute, *The Dictionary of Real Estate Appraisal, Sixth Edition*, Appraisal Institute, Chicago, Illinois, 2015, p. 109.

Legal Permissibility

Restrictions, zoning codes, building codes, land use controls, and environmental regulations are considered because they may preclude many possible highest and best uses.

- The subject site has an overall land use designation of HDR, High Density Residential District, and is zoned HDR, High Density Residential, in which a variety of residential uses are permitted, limited by setback and lot coverage requirements.
- The subject site is of sufficient size to meet minimum development criteria.
- The subject submerged land is limited to marina use by the submerged land lease.

Physically Possible

The size, shape, area, and terrain of a site affects uses to which land may be developed.

- The subject upland site is 171,824.74 square feet or 3.945 acres, is generally level and readily developable.
- The subject submerged site is 105,411 square feet or 2.42 acres and has been developed with a 50 slip marina.
- The site has adequate frontage for exposure and visibility. Primary access is along Gulf Shore Drive.
- No soil tests were available. However, improvements in the general area have typically been constructed without undue foundation expense.
- Municipal potable water, sewer, garbage collection and electricity are available.
- Overall, the site size, topography, configuration, and orientation are sufficient for development.

Financially Feasible

All the potential uses of the subject site that are expected to produce a positive return are regarded as financially feasible and are examined here.

- The market area population is served by good quality linkages providing good quality access throughout the county, the MSA and statewide. The market area population, social characteristics, and income characteristics are average. The outlook for the market area is positive, with growth expected for the economic base, population and income characteristics.

- Marina uses are permitted and will fit the submerged site. The marina market is strong and investors are actively seeking sites to develop.
- Residential uses are permitted and will fit the site. The regional residential market is very strong for upscale waterfront properties. Speculative construction is underway within the market and appears to be supported by the market.

Maximally Productive

Physically, the subject can support combinations of building area scenarios in multiple story designs, limited by residential density. The waterfront areas of Destin are in high demand and inventory of new product has been slow to come online.

As if vacant, the maximally productive use of the subject site is for development to a high density residential use in multi-story design with ancillary marina uses. Given the demand for waterfront development of both beach and canal front properties, it appears development to the maximum of Tier 3 options under the zoning would be supported.

Highest and Best Use As If Vacant

Physically, the subject property is suitable for residential and marine development, and legally, the subject site can be developed with these types of uses. The subject site has average quality linkages, along with access and visibility from surrounding thoroughfares.

Financial analysis of all physically possible and legally permissible uses indicates the property will be best utilized for residential and marina uses consistent with zoning regulations.

As if vacant and available, the subject upland site has a highest and best use for development to high density residential use, with the adjacent submerged land developed to marina uses at the highest density legally achievable.

Highest and Best Use As Improved

The upland site remains vacant, but the marina has now been completed.

INTRODUCTION TO THE APPRAISAL PROCESS

Traditionally, three approaches are used to arrive at an estimate of market value, the cost, sales comparison, and income capitalization approaches. Ideally, each approach, properly employed, provides an accurate indication of value, but, due to the unique characteristics of various types of properties, one or more of the approaches may be inappropriate or inapplicable in arriving at an estimate of value. The three approaches are:

Cost Approach

The cost approach is based on the principle of substitution, that no prudent person would pay more for a property than the cost to acquire a similar site and construct a building of equal desirability and utility, assuming no undue or costly delay. The procedure involves first estimating value of the site as if vacant. Anticipated direct and indirect costs necessary to reconstruct all improvements are then estimated, predicated upon labor and material prices prevailing on the appraisal date. From this construction cost estimate, deductions are made for accrued depreciation caused by physical deterioration and functional and economical obsolescence. This depreciated cost figure is then added to the estimated value of the site, resulting in the indication of value by the cost approach. The cost approach is most accurate when applied to a relatively new structure with no functional deficiencies, and which represents highest and best use of the site. The depreciation estimates are difficult to precisely measure from market data, so the indication of value may largely depend on the experience, judgment and ability of the appraiser, especially for older improvements.

Sales Comparison Approach

The sales comparison approach is also based on the principle of substitution; that a prudent person would pay no more for a property than the cost to acquire another property of similar desirability or utility. The process involves the collecting, analyzing, and comparing of sales, listings and offers for properties similar to the property under appraisal. After the most comparable property transactions are identified, adjustments are made for such variables as changes in market conditions since date of sale, location, size, physical characteristics and terms of sale.

Advantages of the sales comparison approach are that it permits direct comparison of the property under appraisal to factual market transactions involving similar properties, and that it is probably the approach most easily understood. Limitations of the sales comparison approach are that no two properties are identical, and dissimilarities between the comparable properties and the subject may relate to intangible qualities that are difficult to measure. Application of this approach may be limited by the lack of data for specific types of properties.

Income Capitalization Approach

The income capitalization approach is based on the principle of anticipation; that value of a property may be measured by the present worth of anticipated future benefits accruing to the ownership and use of the property. The procedure involves estimating gross income the property

is capable of producing, then deducting vacancy/collection losses and expenses which might be incurred in the operation. Resultant net income, as estimated by the appraiser, is converted to an indication of value through various means of capitalization or discounting.

The income capitalization approach is most accurate in valuation of income producing properties. If sufficient sales of tenant-occupied, investor-owned comparables may be located, the income capitalization approach can provide a highly accurate value indication. The approach, however, has limited application for non-income producing properties, such as vacant land.

Reconciliation of Value Indications

Final step in the valuation process is reconciliation of value estimates indicated by the approaches outlined above, weighting each according to their relative importance, based on market appropriateness and availability and reliability of data. Dependent on type of property and purpose of appraisal, one or all of the approaches may be considered reliable. Result of this final reconciliation of values is the estimate of value as defined in the report.

Valuation Methodology

The three approaches to market value estimation were considered. The subject of this appraisal is the retail value of the individual boat slips of the subject which will be sold as dockominiums. As such, the cost approach is not appropriate for the individual units of a condominium. Additionally, the income approach is equally inappropriate, as few privately owned slips are leased. For these reasons, in this appraisal the cost and income approaches were deemed less reliable and have not been developed. The sales comparison approach does include data of sufficient quantity and quality to derive a reasonably accurate indication of value and has been developed and reported below.

SALES COMPARISON APPROACH

The sales comparison approach, like the cost approach, is based on the principle of substitution; in other words, the value of a property should be no higher than the cost to acquire another property offering similar physical or locational attributes.

This procedure involves market research to identify similar properties which have recently sold or are offered for sale, investigation of the sale transactions to insure their validity and to determine motivating forces, and comparison of the sold properties to the subject, adjusting prices paid for various dissimilarities having a discernible effect on value. Adjustments are made for such factors as changes in market conditions since time of sale, location, size, land area, income producing capabilities, and if available, terms of sale.

This analysis is usually processed on a “unit of comparison” basis. The unit of comparison most commonly employed for improved properties such as the subject is price paid per square foot of building area including land, and may be analyzed separately from land value on a contributory value basis.

The application of the market or sales comparison method requires the appraiser to follow the following steps:

1. Market research - to obtain information about transactions, listings and other offerings similar to the subject.
2. Verification of the information to determine if it is factual, accurate, reflects arm's length market conditions, and whether or not any unusual terms or conditions were present.
3. Develop relevant units of comparison.
4. Compare the subject and comparable sales according to the elements of comparison and adjust the sales price of each comparable toward the subject.
5. Reconcile the multiple value indications that result from the comparable sales into a single value indication.

Applying the sales comparison approach to value to the subject property, these five steps were employed. In our research of the public records, we searched for sales with a highest and best use the same as or similar to the highest and best use of the subject and with buildings of generally similar construction quality, size, age and condition. The comparable sales were verified with a principal of the transaction, or with persons with direct knowledge of the transaction.

In the verification process, we have attempted to obtain additional data that is normally appropriate in the sales comparison approach. This data would include the intended use of the property, mortgage terms, extraordinary acquisition or development costs, and any other data deemed relevant.

Salient data regarding the comparable sales considered most indicative of value of the subject follow.

Comparable Condominium Slip Sales

Comparable Condominium Slip Marina No. 1:



Name: Marbella Yacht Club

Location: 770 Harbor Boulevard
Destin, FL

Year Built: 2006

Number of Slips: Wet Slips 56

Range of Slip Sizes: Wet Slips 15 to 70 feet

Sale Price per Foot: Wet Slips \$3,000 to \$4,333

Comments:

This facility is located along the northerly shore of Destin Harbor, at the easterly end of the bay. This location is situated along the southerly side of US Highway 98, just west of Main Street. The marina is comprised of fixed wooden docks generally perpendicular to the shoreline. The marina was completed in 2006 and all of the slips appear to have been sold into private ownership. The most recent sales, summarized below, have all been resales.

Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
C4	4/16/2024	\$229,000	55	19	1,045	\$4,164	\$219.14	No
C18	11/8/2023	\$150,000	48	19	912	\$3,125	\$164.47	No
B5	1/6/2023	\$90,000	30	13	390	\$3,000	\$230.77	No
D6	3/21/2022	\$85,000	30	15	450	\$2,833	\$188.89	No
E1	Listing	\$249,900	70	21	1,470	\$3,570	\$170.00	No
C5	Listing	\$177,700	55	19	1,045	\$3,231	\$170.05	No
C18	Listing	\$175,000	48	19	912	\$3,646	\$191.89	No
D6	Listing	\$130,000	30	15	450	\$4,333	\$288.89	Yes

Comparable Condominium Slip Marina No. 2:



Name:	East Pass Towers	
Location:	100 Gulf Shore Drive Destin, FL	
Year Built:	1986	
Number of Slips:	Wet Slips	39
Range of Slip Sizes:	Wet Slips	30 to 60 feet
Sale Price per Foot:	Wet Slips	\$5,456 to \$5,456

Comments:

This facility is located along the southerly shore of Destin Harbor, just inside the Destin Inlet. This location is just south of US Highway 98 at the westerly end of Gulf Shore Drive. The marina is comprised of fixed wooden docks, generally at a 45-degree angle to the shoreline. The marina was completed in 1986 and all of the slips have been sold into private ownership. The slips experienced a major refurbishment in 2016. The most recent sales, summarized below, have all been resales.

Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
A5	12/13/2024	\$230,000	60	17	1,020	\$3,833	\$225.49	No
C6	11/3/2022	\$175,000	45	17	765	\$3,889	\$228.76	Yes
C3	5/4/2023	\$228,000	59	19	1,121	\$3,864	\$203.39	No
A9	4/8/2022	\$175,000	45	18	810	\$3,889	\$216.05	No
A8	9/9/2022	\$210,000	45	17	765	\$4,667	\$274.51	Yes
C12	Listing	\$245,500	45	16	720	\$5,456	\$340.97	No

Comparable Condominium Slip Marina No. 3:



Name: Harbor Landing Marina

Location: 725 Gulf Shore Drive
Destin, FL

Year Built: 2006

Number of Slips: Wet Slips 59

Range of Slip Sizes: Wet Slips 35 to 70 feet

Sale Price per Foot: Wet Slips \$2,000 to \$2,222

Comments:

This facility is located along the southerly shore of Destin Harbor, at the easterly end of the bay. This location is just south of US Highway 98 along the northerly side of Gulf Shore Drive between Sand Piper Cove Drive and Magnolia Drive. The marina is comprised of fixed wooden docks, generally perpendicular to the shoreline. The marina was completed in 2006 and all of the slips appear to have been sold into private ownership. The most recent sales, summarized below, have all been resales.

Harbor Landing - 725 Gulf Shore Dr								
Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
W11	7/17/2023	\$200,000	40	20	800	\$5,000	\$250.00	Yes
W14	3/31/2023	\$150,000	40	20	800	\$3,750	\$187.50	Yes

Comparable Condominium Slip Marina No. 4:



Name: Harbourage Yacht Club at Dolphin Bay

Location: 800 Dolphin Harbor Dr.
Panama City Beach, FL

Year Built: 2002

Number of Slips: Wet Slips 64

Range of Slip Sizes: Wet Slips 25 to 90 feet

Sale Price per Foot: Wet Slips \$2,000 to \$2,222

Comments:

This facility is located along the westerly shore of the North Bay in Panama City, FL. This location is just north of US Highway 98 within the gated single family community of Dolphin Bay. The marina is comprised of fixed wooden docks generally perpendicular to the shoreline. The marina was completed in 2002. The most recent sales, summarized below, have all been resales.

Harbourage Yacht Club								
Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
W-8	6/5/2023	\$80,000	39	19	741	\$2,051	\$107.96	No
W5 & W6	5/19/2023	\$200,000	90	20	1,800	\$2,222	\$111.11	No
N19	7/10/2023	\$50,000	25	15	375	\$2,000	\$133.33	Yes

Comparable Condominium Slip Marina No. 5:



Name:	Old Naples Seaport	
Location:	1001 10 th Avenue South Naples, FL	
Year Built:	2014	
Number of Slips:	Wet Slips	36
Range of Slip Sizes:	Wet Slips	40 to 158 feet
Sale Price per Foot:	Wet Slips	\$17,333 to \$18,500

Comments:

This facility is located along the westerly shore of Naples Bay in Naples, FL. This location is just south of Tamiami Trail, on the east side of 10th Street South. The marina is comprised of 36 wet slips, ranging in size from 40 to 158 feet. The marina was completed in 2014. The most recent sales, summarized below, have all been resales.

Old Naples Seaport								
Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
N/A	Listing	\$ 1,250,000	70	18	1,260	\$17,857	\$992.06	No
N/A	Pending	\$ 1,295,000	70	18	1,260	\$18,500	\$1,027.78	No
25	11/1/2024	\$ 1,300,000	75	22	1,650	\$17,333	\$787.88	No

Comparable Condominium Slip Marina No. 6:



Name: Cove Inn Marina

Location: 900 Broad Avenue
Naples, FL

Year Built: 1974

Number of Slips: Wet Slips

Range of Slip Sizes: Wet Slips 32 to 60 feet

Sale Price per Foot: Wet Slips \$6,182 to \$13,804

Comments:

This facility is located along the westerly shore of Naples Bay in Naples, FL. This location is just south of Tamiami Trail, on the south side of Broad Avenue. The marina was completed in 1974. The most recent sales, summarized below, have all been resales.

Cove Inn Marina								
Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
N/A	Listing	\$675,000	55	18	990	\$12,273	\$681.82	No
N/A	Listing	\$450,000	32.6	15.9	518	\$13,804	\$868.16	No
N/A	12/18/2023	\$340,000	55	15	825	\$6,182	\$412.12	No
N/A	5/8/2024	\$485,000	60	15	900	\$8,083	\$538.89	No

Comparable Condominium Slip Marina No. 7:



Name: Southpointe Yacht Club at Windstar Marina

Location: 1777 Gulfstar Drive South
Naples, FL

Year Built: 1994

Number of Slips: Wet Slips 72

Range of Slip Sizes: Wet Slips 33 to 72 feet

Sale Price per Foot: Wet Slips \$6,071 to \$7,980

Comments:

This facility is located along the easterly shore of Naples Bay in Naples, FL. This location is located on the north side of Gulfstar Drive off of Hamilton Avenue, within the gated community. The marina is comprised of 72 wet slips, ranging in size from 33 to 72 feet. The marina was completed in 1994. The most recent sales, summarized below, have all been resales.

Southpointe Yacht Club at Windstar Marina								
Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
46	Listing	\$399,000	50	19	950	\$7,980	\$420.00	No
50	11/5/2024	\$325,000	50	19	950	\$6,500	\$342.11	No
N/A	9/8/2023	\$475,000	72	21	1,512	\$6,597	\$314.15	No
N/A	12/2/2024	\$425,000	70	20	1,400	\$6,071	\$303.57	No

Comparable Condominium Slip Marina No. 8:



Name:	Marco Island Marina	
Location:	1402 North Collier Boulevard Marco Island, FL	
Year Built:	1999-2011	
Number of Slips:	Wet Slips	120
Range of Slip Sizes:	Wet Slips	45 to 110 feet
Sale Price per Foot:	Wet Slips	\$6,222 to \$14,000

Comments:

This facility is located along the westerly shore of Marco Bay in Marco Island, FL. This location is on the northeast corner of Marco Island, just north of Collier Boulevard. The marina is comprised of 120 wet slips, ranging from 45 to 110 feet. The marina was completed in 1999-2011. The most recent sales, summarized below, have all been resales.

Marco Island Marina								
Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
B88	12/10/2024	\$1,400,000	110	24	2,640	\$12,727	\$530.30	No
D22	10/30/2023	\$1,400,000	100	20	2,000	\$14,000	\$700.00	No
D8	10/14/2024	\$300,000	45	16	720	\$6,667	\$416.67	No
D10	11/25/2024	\$280,000	45	17	765	\$6,222	\$366.01	No
B86	Listing	\$369,000	45	19	855	\$8,200	\$431.58	No
D33	Listing	\$345,000	45	17	765	\$7,667	\$450.98	No

Comparable Condominium Slip Marina No. 9:



Name: Powerboat Squadron Marina

Location: 701 11th Street South
Naples, FL

Year Built: 1984

Number of Slips: Wet Slips 62

Range of Slip Sizes: Wet Slips 25 to 60 feet

Sale Price per Foot: Wet Slips \$13,000 to \$13,000

Comments:

The marina is located just south of 5th Avenue near Downtown Naples. This location is approximately three miles north of the Naples inlet to the open Gulf of Mexico and less than a mile south of the Naples Municipal Airport. There are no bridges or obstructions between the marina and the inlet.

The marina offers mostly covered wet slips in condominium ownership. The pictures show the renovations of 2007 and 2008. All but one set of docks have been re-covered and re-decked as of May 2010. The dues are charged by the length foot of the slip, average approximately \$266 per month and are paid quarterly. The marina basin is owned by the condominium association and the slips are fee simple ownership. The facility has a gated entry with 24 hour security.

Powerboat Squadron Marina								
Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
N/A	1/29/2025	\$650,000	50	17	850	\$13,000	\$764.71	N/A

Comparable Condominium Slip Marina No. 10:



Name: Gulf Harbor Marina

Location: 14490 Vista River Drive
Fort Myers, FL

Year Built: 2001

Number of Slips: Wet Slips

Range of Slip Sizes: Wet Slips 48 to 70 feet

Sale Price per Foot: Wet Slips \$4,421 to \$9,071

Comments:

This marina is located on the southerly side of the Caloosahatchee River in the Gulf Harbor residential development. Many amenities are offered in this community, including golf, pool, spa and fitness center, clubhouse / dining room, tennis, beach and pro shops. Slips are good quality and protected by a small barrier island / recreation area.

Gulf Harbor Marina								
Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
N/A	10/17/2024	\$635,000	70	19	1,330	\$9,071	\$477.44	No
F6	Listing	\$250,000	48	17	816	\$5,208	\$306.37	No
H13	1/6/2023	\$168,000	38	14.6	555	\$4,421	\$302.81	No
B7	Listing	\$490,000	60	18.5	1,110	\$8,167	\$441.44	No
G6	Listing	\$275,000	48	17	816	\$5,729	\$337.01	No
D9	Listing	\$250,000	50	18.5	925	\$5,000	\$270.27	No

Comparable Condominium Slip Marina No. 11:



Name: Naples Bay Resort

Location: 1500 5th Avenue South
Naples, FL

Year Built: 2008

Number of Slips: Wet Slips

Range of Slip Sizes: Wet Slips 34 to 50 feet

Sale Price per Foot: Wet Slips \$3,971 to \$19,286

Comments:

This facility is located along the easterly shore of Naples Bay in Naples, FL. This location is located on south side of Tamiami Trail. The marina was completed in 2008. The most recent sales, summarized below, have all been resales.

Naples Bay Resort								
Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
B18	9/2/2022	\$445,000	50	19	950	\$8,900	\$468.42	No
C-7	Listing	\$135,000	34	12	408	\$3,971	\$330.88	No
Pier A	Listing	\$1,350,000	70	18	1,260	\$19,286	\$1,071.43	No

Comparable Condominium Slip Marina No. 12:



Name: Seagull Moorings

Location: 8263 Esther Street
Englewood, FL

Year Built: 1984

Number of Slips: Wet Slips 38

Range of Slip Sizes: Wet Slips 25 to 25 feet

Sale Price per Foot: Wet Slips 4,920\$ to \$7,000

Comments:

This facility is located along the easterly shore of Lemon Bay in Englewood, FL. This location is located on the south side of Esther Street, across from Sherman Street. The marina is comprised of 38 covered wet slips. The marina was completed in 1984. The most recent sales, summarized below, have all been resales.

Seagull Moorings - 8263 Esther St								
Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
Unit 1	6/13/2024	\$175,000	25	10	250	\$7,000	\$700.00	N/A
Unit 2	9/20/2023	\$155,000	25	10	250	\$6,200	\$620.00	N/A
Unit 4	1/19/2024	\$160,000	25	10	250	\$6,400	\$640.00	N/A
Unit 6	8/22/2023	\$140,000	25	10	250	\$5,600	\$560.00	N/A
Unit 11	2/11/2025	\$145,000	25	10	250	\$5,800	\$580.00	Yes
Unit 18	6/23/2022	\$130,000	25	10	250	\$5,200	\$520.00	N/A
Unit 19	10/10/2023	\$130,000	25	10	250	\$5,200	\$520.00	N/A
Unit 30	11/13/2024	\$120,000	25	10	250	\$4,800	\$480.00	N/A
Unit 37	12/20/2024	\$123,000	25	10	250	\$4,920	\$492.00	Yes

Comparable Condominium Slip Marina No. 13:



Name:	Longboat Key Club Moorings	
Location:	2630 Harbourside Drive Longboat Key, FL	
Year Built:	1983	
Number of Slips:	Wet Slips	291
Range of Slip Sizes:	Wet Slips	40 to 155 feet
Sale Price per Foot:	Wet Slips	\$4,341 to \$18,750

Comments:

This marina is located on the southeasterly shore of Longboat Key, west of Sarasota. The marina is located in a bayou protected by mangrove islands which form a natural breakwater. Distance to the Gulf of Mexico is approximately 2.5 miles to New Pass. Width of the slips ranges from 18-20 feet. The marina can accommodate vessels up to 100 feet. Depth of the basin at dockside was reported to be 15 feet.

The marina basin is generally 'U' shaped with the top of the U to the north east. Pier A, at the northwest corner of the basin, contains a number of small slips and the fuel dock and pump-out. This location is near the Commodore Club at the entry channel to Sarasota Bay. Piers A through G are located along the western side of the basin, adjacent to the Harborside Golf Course. Piers H and J are seawall slips and Pier I extends out from the seawall between them at the dockmaster's office, generally at the bottom of the U. Piers K through R are located along the eastern side of the basin with Pier R at the northwestern corner of the basin near the entry to the channel. All of the piers are fixed concrete with vinyl composite decking. Utility pedestals provide power, cable TV, phone service and water to every slip.

Longboat Key Club Moorings								
Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
B10	9/16/2024	\$450,000	85	28	2,380	\$5,294	\$189.08	No
B8	6/12/2023	\$369,000	85	28	2,380	\$4,341	\$155.04	No
B6	6/12/2023	\$369,000	85	28	2,380	\$4,341	\$155.04	No
Q5	1/31/2025	\$300,000	55	21	1,155	\$5,455	\$259.74	No
G14	11/15/2024	\$210,000	40	20	800	\$5,250	\$262.50	No
B16	8/21/2024	\$425,000	85	28	2,380	\$5,000	\$178.57	No
C23 & 24	7/2/2024	\$650,000	136	29.5	4,012	\$4,779	\$162.01	No
H5	6/28/2024	\$250,000	55	18	990	\$4,545	\$252.53	No
H2	Listing	\$825,000	55	21	1,155	\$15,000	\$714.29	No
H3	Listing	\$825,000	55	21	1,155	\$15,000	\$714.29	No
K4	Listing	\$900,000	60	21	1,260	\$15,000	\$714.29	No
E20	Listing	\$990,000	70	21	1,470	\$14,143	\$673.47	No
I1	Listing	\$990,000	70	21	1,470	\$14,143	\$673.47	No
Q7	Listing	\$990,000	73	21	1,533	\$13,562	\$645.79	No
R10	Listing	\$990,000	75	21	1,575	\$13,200	\$628.57	No
R11	Listing	\$1,500,000	80	21	1,680	\$18,750	\$892.86	No
R12	Listing	\$1,500,000	80	21	1,680	\$18,750	\$892.86	No
T of Pier F	Listing	\$2,500,000	155	23	3,565	\$16,129	\$701.26	No

Comparable Condominium Slip Marina No. 14:



Name:	Riviera Dunes Marina	
Location:	102 Riviera Dunes Way Palmetto, FL	
Year Built:	2003	
Number of Slips:	Wet Slips	219
Range of Slip Sizes:	Wet Slips	35 to 110 feet
Sale Price per Foot:	Wet Slips	\$3,248 to \$5,000

Comments:

The Riviera Dunes Marina is located within the submerged land basin just east of the marina office and restaurant facility. The 219 slip marina is a good quality, concrete floating dock structure. There are three docks (north, central and south), with a variety of slips sizes. Full utility services are provided to the slips. At the entrance to the northerly two docks are two floating swimming pools and barbecue areas.

The individual slip owners have an association which maintains a pro rata share of the marina operating costs. The individual owners and rental tenants enjoy use of all upland amenities. At the end of the south dock is a fuel dock providing both gas and diesel sales. Income from the fuel dock is retained by the developer.

Rivera Dunes Marina

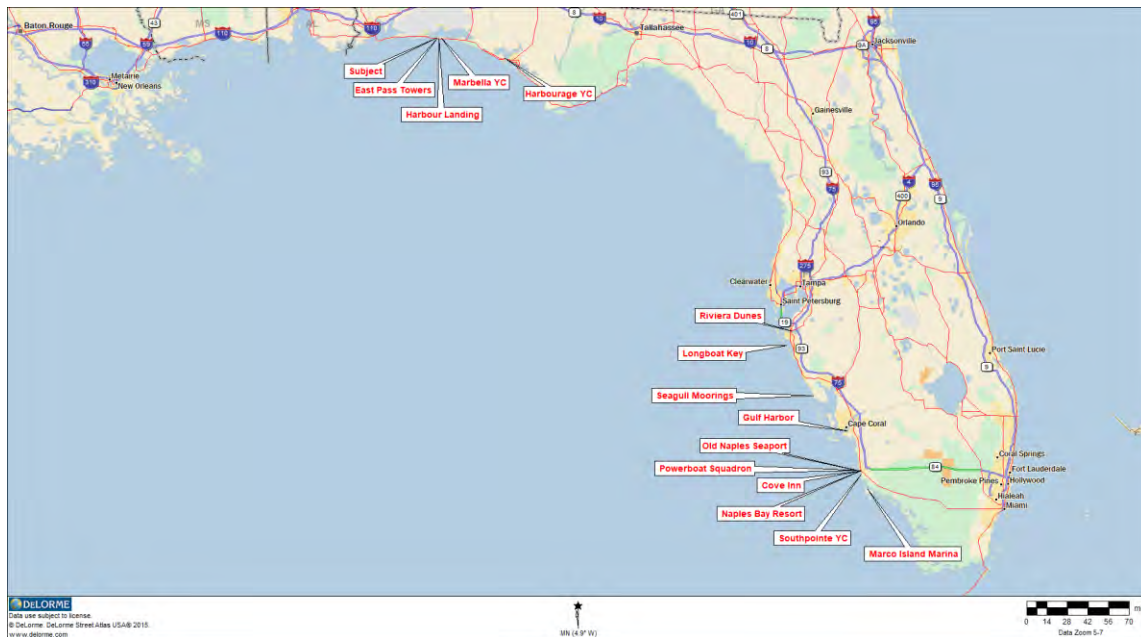
Slip	Sale Date	Sale Price	Length	Beam	Square Feet	\$/LF	\$/SF	Lift
N5	4/13/2023	\$175,000	40	16	640	\$4,375	\$273.44	No
N19	10/23/2024	\$155,000	35	19	665	\$4,429	\$233.08	No
N21	3/13/2023	\$155,000	35	13	455	\$4,429	\$340.66	No
S24	10/23/2024	\$245,000	60	19.3	1,158	\$4,083	\$211.57	No
S28	2/2/2023	\$300,000	70	20.6	1,442	\$4,286	\$208.04	No
S39	Listing	\$170,000	49	20	980	\$3,469	\$173.47	No
N14	Listing	\$129,900	40	16.15	646	\$3,248	\$201.08	No
N24	Listing	\$140,000	35	13.06	457	\$4,000	\$306.28	No
C28	Listing	\$350,000	70	19.55	1,369	\$5,000	\$255.75	No
S46	Listing	\$220,000	55	19.38	1,066	\$4,000	\$206.40	No

Dockominium Marina Summary

No.	Property	Slip	Sale Date	Sale Price	Length	Beam	Sq Ft	\$/LF
1	Marbella Yacht Club	C4	4/16/2024	\$ 229,000	55	19	1,045	\$ 4,164
		C18	11/8/2023	\$ 150,000	48	19	912	\$ 3,125
		B5	1/6/2023	\$ 90,000	30	13	390	\$ 3,000
		D6	3/21/2022	\$ 85,000	30	15	450	\$ 2,833
		E1	Listing	\$ 249,900	70	21	1,470	\$ 3,570
2	East Pass Towers	A5	12/13/2024	\$ 230,000	60	17	1,020	\$ 3,833
		C6	11/3/2022	\$ 175,000	45	17	765	\$ 3,889
		C3	5/4/2023	\$ 228,000	59	19	1,121	\$ 3,864
		A9	4/8/2022	\$ 175,000	45	18	810	\$ 3,889
		A8	9/9/2022	\$ 210,000	45	17	765	\$ 4,667
		C12	Listing	\$ 245,500	45	16	720	\$ 5,456
3	Harbor Landing	W11	7/17/2023	\$ 200,000	40	20	800	\$ 5,000
		W14	3/31/2023	\$ 150,000	40	20	800	\$ 3,750
4	Harbourage Yacht Club	W-8	6/5/2023	\$ 80,000	39	19	741	\$ 2,051
		W5 & W6	5/19/2023	\$ 200,000	90	20	1,800	\$ 2,222
		N19	7/10/2023	\$ 50,000	25	15	375	\$ 2,000
5	Old Naples Seaport	N/A	Listing	\$ 1,250,000	70	18	1,260	\$ 17,857
		N/A	Pending	\$ 1,295,000	70	18	1,260	\$ 18,500
		25	11/1/2024	\$ 1,300,000	75	22	1,650	\$ 17,333
6	Cove Inn Marina	N/A	Listing	\$ 675,000	55	18	990	\$ 12,273
		N/A	Listing	\$ 450,000	32.6	15.9	518	\$ 13,804
		N/A	12/18/2023	\$ 340,000	55	15	825	\$ 6,182
		N/A	5/8/2024	\$ 485,000	60	15	900	\$ 8,083
7	Southpointe Yacht Club	46	Listing	\$ 399,000	50	19	950	\$ 7,980
		50	11/5/2024	\$ 325,000	50	19	950	\$ 6,500
		N/A	9/8/2023	\$ 475,000	72	21	1,512	\$ 6,597
		N/A	12/2/2024	\$ 425,000	70	20	1,400	\$ 6,071
8	Marco Island Marina	B88	12/10/2024	\$ 1,400,000	110	24	2,640	\$ 12,727
		D22	10/30/2023	\$ 1,400,000	100	20	2,000	\$ 14,000
		D8	10/14/2024	\$ 300,000	45	16	720	\$ 6,667
		D10	11/25/2024	\$ 280,000	45	17	765	\$ 6,222
		B86	Listing	\$ 369,000	45	19	855	\$ 8,200
9	Powerboat Squadron	N/A	1/29/2025	\$ 650,000	50	17	850	\$ 13,000

10 Gulf Harbor Marina	N/A	10/17/2024	\$ 635,000	70	19	1,330	\$ 9,071
	F6	Listing	\$ 250,000	48	17	816	\$ 5,208
	H13	1/6/2023	\$ 168,000	38	14.6	555	\$ 4,421
	B7	Listing	\$ 490,000	60	18.5	1,110	\$ 8,167
11 Naples Bay Resort	B18	9/2/2022	\$ 445,000	50	19	950	\$ 8,900
	C-7	Listing	\$ 135,000	34	12	408	\$ 3,971
	Pier A	Listing	\$ 1,350,000	70	18	1,260	\$ 19,286
12 Seagull Moorings	Unit 1	6/13/2024	\$ 175,000	25	10	250	\$ 7,000
	Unit 2	9/20/2023	\$ 155,000	25	10	250	\$ 6,200
	Unit 4	1/19/2024	\$ 160,000	25	10	250	\$ 6,400
	Unit 6	8/22/2023	\$ 140,000	25	10	250	\$ 5,600
	Unit 11	2/11/2025	\$ 145,000	25	10	250	\$ 5,800
13 Longboat Key Club	B10	9/16/2024	\$ 450,000	85	28	2,380	\$ 5,294
	B8	6/12/2023	\$ 369,000	85	28	2,380	\$ 4,341
	B6	6/12/2023	\$ 369,000	85	28	2,380	\$ 4,341
	Q5	1/31/2025	\$ 300,000	55	21	1,155	\$ 5,455
	G14	11/15/2024	\$ 210,000	40	20	800	\$ 5,250
14 Rivera Dunes Marina	N5	4/13/2023	\$ 175,000	40	16	640	\$ 4,375
	N19	10/23/2024	\$ 155,000	35	19	665	\$ 4,429
	N21	3/13/2023	\$ 155,000	35	13	455	\$ 4,429
	S24	10/23/2024	\$ 245,000	60	19.3	1,158	\$ 4,083
	S28	2/2/2023	\$ 300,000	70	20.6	1,442	\$ 4,286
	C28	Listing	\$ 350,000	70	19.55	1,369	\$ 5,000

Comparable Improved Sales Map



Analysis of Comparable Improved Sales

All comparable slip sales are adjusted toward the subject for either the comparable's superior or inferior characteristics. The size of the adjustments applied to the comparable sales are in proportion to the magnitude of the difference between the comparable sale and the subject as perceived in the market.

Commercial properties are typically analyzed on a unit of comparison basis. The unit of comparison to be used is that unit customarily used in the market in the subject property's locale. After discussions with commercial developers and investors and as evidenced by market activity, it is believed the overall sale price per linear foot and per square foot of individual boat slips are appropriate as the units of comparison for the sales comparison approach.

There were a variety of comparable sales found in the subject market but no recent product, so we expanded the search along Florida's west coast. The sales presented herein are the best data available and represent a reasonable basis from which to estimate value of the subject in the current market.

Conditions of Sale

There may be a variety of conditions of a sale for which adjustments are applicable, including contributory value of FF&E or personal property, concessions by seller, below market seller financing, pay-outs by buyer such as for back taxes, and atypical motivation by buyers or sellers, such as the duress to sell under threat of foreclosure or quick liquidation of a lender-owned property.

Conditions of sale are important to the explanation of each transaction. The conditions of sale for most commercial property transactions conform to the definition of market value as applied to real estate. That is, there is a reasonable amount of exposure time, buyers and sellers are well informed of the property and the market, and neither buyer nor seller under duress to transact.

The sales were all verified as arm's length transactions, and all sales were found to be equivalent to cash transactions. No concessions were found to distort the dollar amount of each sale as reported. All sales represent realty. The motivations of the buyers and sellers were found to be typical for the marketplace.

Market Conditions

The comparable sales are adjusted for changes in market conditions which have occurred between the date of the comparable sale and the date of the value estimate of the subject site. The degree of the adjustment is in proportion to the magnitude of change that has occurred in the market in the subject property's locale, between the date of the comparable sale and the date of valuation of the subject. The greater the magnitude of change that has occurred, the greater the upward or downward adjustment is to be applied to the comparable price.

Supported by increasing demand, it appears prices in the market area had increased steadily until about 2006 when the economic slowdown began and were declining by 2008. The decline of values increased in 2009, was generally flat in 2010 and 2011 and began slowly improving by 2012. Prices increased rapidly from 2013 through 2015, then increases moderated yet continued upward until early 2020 when the pandemic began. Some properties were affected more than others. Marinas and waterfront land increased to all-time highs. In Florida, with few Covid lockdowns and continual growth, virtually all prices increased in 2021 and 2022, although sales began to slow in 2023 as interest rates increased. The recent prices of comparable sales are increased at a rate of 5.0% per annum.

Location

The adjustment for location is made for market relevant factors such as proximity to complementary supporting uses, zoning and land use regulations, water depths, transportation and utilities linkages and demographic characteristics, including population density, buying power, primary work force age, disposable income, etc. In general, the nearby Destin comparables were similar to the subject while Naples is superior and markets in between are somewhat similar. Those comparables with either inferior or superior locations were given positive or negative adjustments, respectively.

Physical Characteristics

Comparison of physical characteristics included consideration for differences of location, pricing of adjacent condominium developments, access by land and water, depth of water, quality of docks, amenities, effective age and condition, which reflects the degree of maintenance, and parking availability.

Comparables with superior quality of construction materials or other characteristics were given negative adjustments, and those comparables with inferior construction were given positive adjustments. As the subject docks are new, most comparables were in inferior condition.

Comparative Summary

A wide variety of both wet and dry slips are selling along the Florida Gulf Coast at the present time. Various conditions, locations and construction types are noted throughout the facilities in our survey. Those most similar in the area were presented herein and discussed below.

We did not identify a new development selling wet slips in the Destin market, although there are several that have resales occurring. Most dockominium wet slips are constructed in conjunction with development of an upland condominium, but there is little land left for new development and sales are in developments that range back a number of years. As all slips were previously acquired, only resales are available. As slips are often conveyed in conjunction with the sale of a condominium apartment, a new buyer may not have a boat and the slip is listed for sale.

Pricing of slips generally tracks the pricing of condominium units, meaning that boat slips within upscale condominium developments are more expensive than those within older and lower priced developments. Among the highest priced in the state are those at Ocean Reef Club in the Florida Keys, where prices may range around \$30,000 per linear foot. Slips in Key West may range around \$10,000 per foot. Slips in better developments in other markets may range from \$6,000 to \$9,000 per foot, and, of course, lower quality slips in suburban markets are somewhat less.

Within the Destin market are several quality developments with slips for sale.

Comparable Marina 1 is the Marbella Yacht Club in Destin. The marina facilities are at the easterly end of Destin Harbor in an inferior location. The locational difference is generally due to lengthy no-wake zones increasing transit times to the open water. Additionally, the upland facilities are inland from the beach and also inferior to the subject. The quality is generally similar to the subject but condition of the facilities is inferior. A recent sale was at \$4,164 per linear foot. Overall, these slips are somewhat inferior to the subject due to location and condition.

Comparable Marina 2 is the East Pass Towers Marina in Destin. The marina facilities are adjacent to the southeasterly boundary of the subject's proposed marina basin. These older slips were recently refurbished and are considered similar to the subject in location and quality.

Comparable Marina 3 is the Harbor Landing Marina in Destin. The marina facilities are at the easterly end of Destin Harbor in an inferior location. The locational difference is generally due to view and lengthy no-wake zones increasing transit times to the open water. The quality is similar but condition of the facilities is older and inferior to the subject. Recent sales were from \$3,750 to \$5,000 per linear foot. Overall, these slips are inferior to the subject due to location and age.

Comparable Marina 4 is the Harbourage Yacht Club in Panama City. This is a marina within a single family residential development inland from the beach and Panama City Inlet. The location is significantly inferior to the subject. The quality is generally similar to the subject

slips but condition is inferior. Overall, the slips are somewhat inferior to the subject slips due to location and condition.

Slips in the Naples market are priced similar to southeast Florida. Old Naples Seaport has prices to \$18,500 per linear foot and Cove Inn, Marco Island Marina and Powerboat Squadron prices are from about \$6,500 to \$14,000 per foot. Powerboat Squadron offers covered slips while the others are in the open, some with fixed piers and some with floating docks. Similar to rental rates, the price per linear foot tends to increase as boat and slip length increase as beam also increases and therefore the square feet.

Moving up the coast to Englewood, Seagull Moorings offers small covered slips that are selling from \$5,600 to \$7,000 per foot.

Longboat Key in Sarasota and Riviera Dunes in Bradenton are two of the better marinas near Tampa Bay. Longboat Key has typically be near the top of the market but changing management and other factors have led to a slow decline in relative pricing, though still in the range of \$4,300 to \$5,500 per foot. Riviera Dunes is also a good quality marina and pricing is around \$4,000 to \$5,000 per foot. Longboat Key is near 40 years of age, while Riviera Dunes is approximately 20 years of age, though both are well maintained.

Summary of Sales Comparison Approach

Prior to ranking, the sales indicated a range of prices from \$3,000 to \$18,500 per linear foot of dockage. The prices of all comparables were then compared for transactional and market conditions and locational and physical differences, as perceived by the marketplace. We also analyzed a number of properties similar to the subject that are actively listed for sale.

Ranking the various dockominiums and pricing it is our opinion that a price range from approximately \$5,500 per linear foot of dockage for the smaller 40 foot slips to \$6,500 per foot for 70+ foot slips best represent the indication of market value of the subject property by the sales comparison approach. The retail value of each subject slip is estimated in the following chart:

No.	Slip	Length	\$/Ft	Est. Val.	No.	Slip	Length	\$/Ft	Est. Val.
1	Dock A - 1	70	\$6,500	\$455,000	28	Dock B - 11	66	\$6,400	\$422,400
2	Dock A - 2	50	\$6,000	\$300,000	29	Dock B - 12	66	\$6,400	\$422,400
3	Dock A - 3	50	\$6,000	\$300,000	30	Dock B - 13	54	\$6,200	\$334,800
4	Dock A - 4	50	\$6,000	\$300,000	31	Dock B - 14	54	\$6,200	\$334,800
5	Dock A - 5	50	\$6,000	\$300,000	32	Dock B - 15	50	\$6,000	\$300,000
6	Dock A - 6	50	\$6,000	\$300,000	33	Dock B - 16	50	\$6,000	\$300,000
7	Dock A - 7	50	\$6,000	\$300,000	34	Dock B - 17	44	\$5,750	\$253,000
8	Dock A - 8	70	\$6,500	\$455,000	35	Dock B - 18	44	\$5,750	\$253,000
9	Dock A - 9	70	\$6,500	\$455,000	36	Dock C - 1	44	\$5,750	\$253,000
10	Dock A - 10	44	\$5,750	\$253,000	37	Dock C - 2	44	\$5,750	\$253,000
11	Dock A - 11	44	\$5,750	\$253,000	38	Dock C - 3	44	\$5,750	\$253,000
12	Dock A - 12	50	\$6,000	\$300,000	39	Dock C - 4	50	\$6,000	\$300,000
13	Dock A - 13	50	\$6,000	\$300,000	40	Dock C - 5	50	\$6,000	\$300,000
14	Dock A - 14	50	\$6,000	\$300,000	41	Dock C - 6	50	\$6,000	\$300,000
15	Dock A - 15	50	\$6,000	\$300,000	42	Dock C - 7	50	\$6,000	\$300,000
16	Dock A - 16	44	\$5,750	\$253,000	43	Dock C - 8	50	\$6,000	\$300,000
17	Dock A - 17	44	\$5,750	\$253,000	44	Dock C - 9	50	\$6,000	\$300,000
18	Dock B - 1	44	\$5,750	\$253,000	45	Dock C - 10	108	\$6,500	\$702,000
19	Dock B - 2	44	\$5,750	\$253,000	46	Dock C - 11	40	\$5,500	\$220,000
20	Dock B - 3	50	\$6,000	\$300,000	47	Dock C - 12	40	\$5,500	\$220,000
21	Dock B - 4	50	\$6,000	\$300,000	48	Dock C - 13	40	\$5,500	\$220,000
22	Dock B - 5	54	\$6,200	\$334,800	49	Dock C - 14	40	\$5,500	\$220,000
23	Dock B - 6	54	\$6,200	\$334,800	50	Dock C - 15	40	\$5,500	\$220,000
24	Dock B - 7	66	\$6,400	\$422,400	51	Dock C - 16	40	\$5,500	\$220,000
25	Dock B - 8	66	\$6,400	\$422,400	52	Dock C - 17	44	\$5,750	\$253,000
26	Dock B - 9	66	\$6,400	\$422,400	53	Dock C - 18	44	\$5,750	\$253,000
27	Dock B - 10	66	\$6,400	\$422,400	54	Dock C - 19	40	\$5,500	\$220,000
					TOTAL		2782	\$6,028	\$16,769,600

Bulk Sale Analysis

Each subject slip size has been separately analyzed, and price is estimated on an individual basis. However, as all are being valued as a whole, deductions must be made for several factors which reflect the cost and profits which would be incurred by an individual investor acquiring all properties simultaneously.

Absorption

First discussed is anticipated absorption of the properties. The upscale condominium market has been quite strong in recent years and sales of wet slip dockominium units should track with condominium unit sales. Virtually all rental marinas in the vicinity are at or near 100%

occupancy. Based on experience of a variety of similar marinas, individual slips are estimated to be sold at rate of approximately 5 units per quarter each year, thus requiring approximately three years to sell out.

Price Escalations

Typically, projects are marketed with a series of campaigns, beginning with private offerings, then pre-construction pricing from a trailer or office, and eventually to post construction pricing as completed units are finished and shown, until all are sold. Prices had increased substantially in recent years, often at 10 percent per year or more, but we will use an inflation rate of 3.0%.

Sales and Marketing Expenses

For a typical development, advertising and marketing expenses might range from 5% to 10% of gross sales proceeds. Based on the developer's past success and Florida projects, the relationship and contracts with local brokers, the number of units and the projected absorption, marketing expenses are essentially limited to sales commissions and are estimated at approximately 6.0 percent of sales.

Closing costs incurred by the owner include various expenses, title insurance, documentary stamp tax and other miscellaneous charges, and are estimated at 1.5% of sales.

Additional deductions are necessary for holding costs which will be incurred by the developer during the marketing period for the operation of the marina. These include real estate taxes and association fees paid by the developer. These are budgeted at \$25 per slip per month for association dues and \$250 per quarter for tax.

Total selling deductions are therefore approximately 7.5%, with net sales proceeds estimated at 92.5% of gross sales. The various holding costs and expenses are deducted from net sales revenues on a quarterly basis, resulting in net project cash flow.

Developer's Profit

In order to induce an investor to acquire the units for resale, there must be a profit potential. Developer's profit for similar developments typically ranges from 15% to 20% of net sales prices.

Based on our analysis, we find the proposed subject condominium development to be of good quality in an established market, and with no known inherent negative conditions. The market is slower than in the past but Destin and 30-A remain active markets, and the condominium units in the Pointe development should be met with good market acceptance. Based on the degree of risk associated with the development, we believe that a typical buyer would require a profit margin of 10% on sales and have deducted that amount from the cash flows.

Discount Rate

The discount rate provides for return to both equity and debt funds and may include allocation for developer's profit. Two methods of discounting are commonly employed in the real estate development industry. In the first, more traditional method, an allowance for developer's overhead and profit is included as a line item deduction in the cash flow model, and deduction of that amount from the projected net sales revenues results in cash flows attributable to the subject. As an allowance for profit has previously been deducted, the discount rate employed in this analysis is the rate that reflects only required returns on invested capital.

A second method incorporates the developer's profit into the discount rate, and no separate line item deduction is made for developer's profit. Although the net value attributable to the subject should be similar under either analysis, the latter analysis has gained in favor as desktop computers have become available to every analyst. Larger development companies who build for cash often have threshold or target rates of return which are applied to alternative investments scenarios. When profit is included in the discount rate, the concept is easy to apply and understand.

We prefer the more traditional method of analysis and deduct a fixed profit percentage attributable to the sale of the developed product. The resultant net cash flows are then discounted to a present value at a discount rate which reflects returns on invested capital. This method of analysis is preferred by many traditional lenders and developers, and is the method employed in this report. Development profit was discussed above. The discount rate is derived by providing for return to both equity and debt funds, based on their respective contribution to required capital.

Debt funds are currently available from lending institutions at about the prime interest rate. In addition to the actual interest rate, there are also loan closing costs which are incurred when a loan is originated, as well as unit release fees, bank inspection fees, appraisal and legal fees and other costs. Based on the current prime rate and quoted lending rates, the cost of borrowed funds, including both the interest rate and loan closing costs, is estimated at approximately 7.5%.

The rate applicable to equity funds is more difficult to measure. A large portion of the equity position represents profit, which the developer expects to earn and does not actually represent invested capital. However, as the ratio is applied to total net cash flows, a loan ratio of 75% of value is assumed to be typical in the current market. This ratio would typically cover 85% to 90% of hard costs in a development situation.

Equity investments are subject to greater risk and generally receive a higher return than debt. Since this investment is partly a deferral of developer's profit and as estimated profit and overhead is considered an individual line item of deduction, but also considering the levels of risk inherent in development of large scale projects, the return on equity is estimated to be 8% to 10%. Employing the Band of Investment method of rate analysis, a discount rate of 7.7% is indicated.

Summarizing

<u>Component</u>	<u>Rate</u>	<u>Ratio</u>	<u>Weighted Rate</u>
Debt Interest Rate	07.5%	60%	4.5%
Equity Interest Rate	08.0%	40%	<u>3.2%</u>
Discount Rate			7.7%

Adding the discount rate to the profit of 10% indicates a return of 17.7%. By comparison, *Realty Rates.com* notes in its First Quarter 2025 Developer Survey that rates for condominium projects are from 18.54% to 20.85%, supporting this rate of return.

Summary

As may be noted on the accompanying cash flow projections, approximately 11 quarterly periods will be required for the sales to occur, and it is assumed that all properties are absorbed within the third year. Total sale revenues were estimated at \$17,220,702, net sales revenues were estimated at \$15,929,150, and cash flow from sales was estimated at \$14,133,388. Following deduction of allowances for sales and marketing expenses, holding costs, developer's profit of 10% and other items, and discounting this to a present value at the indicated yield rate of 7.7% indicates present value of **\$12,600,000**.

PROJECT SUMMARY			
TOTAL UNITS	54	AVG /	
PROJECTION PERIOD	QRTLY	UNIT	
NUMBER PERIODS	34		
TOTAL PROJECT REVENUE	\$ 17,220,702	\$	318,902
MARKETING & CLOSING COSTS	\$ 1,291,553	\$	23,918
NET SALES REVENUE	\$ 15,929,150	\$	294,984
SALES PROFIT	\$ 1,722,070	\$	31,890
HOLDING COSTS	\$ 73,692	\$	1,365
PROJECTED SALES CASH FLOW	\$ 14,133,388	\$	261,729
	\$ -	\$	-
PLUS NET RENTAL INCOME		\$	-
TOTAL NET CASH FLOW		\$	-
PRESENT VALUE SLIPS	\$ 12,631,219	\$	233,911
BULK SALE VALUE, ROUNDED	\$ 12,600,000		

PROSPECTIVE CONDO SLIPS -- CASH FLOW MODEL											
REVENUES	YEAR 1				YEAR 2				YEAR 3		
PERIOD - QUARTERS	1	2	3	4	5	6	7	8	9	10	11
AVG A DOCK SLIP COST	\$ 310,548	\$ 310,548	\$ 310,548	\$ 310,548	\$ 319,865	\$ 319,865	\$ 319,865	\$ 319,865	\$ 329,461	\$ 329,461	\$ 329,461
# UNITS SOLD:	5	5	5	5	5	5	5	5	5	5	4
SALES REVENUE	\$ 1,552,741	\$ 1,552,741	\$ 1,552,741	\$ 1,552,741	\$ 1,599,323	\$ 1,599,323	\$ 1,599,323	\$ 1,599,323	\$ 1,647,303	\$ 1,647,303	\$ 1,317,842
CUMULATIVE SOLD	5	10	15	20	25	30	35	40	45	50	54
REMAINING UNITS	49	44	39	34	29	24	19	14	9	4	0
TOTAL UNITS SOLD/QT	5	5	5	5	5	5	5	5	5	5	4
TOTAL REMAINING UNITS	49	44	39	34	29	24	19	14	9	4	0
GROSS SALES REVENUE	\$ 1,552,741	\$ 1,552,741	\$ 1,552,741	\$ 1,552,741	\$ 1,599,323	\$ 1,599,323	\$ 1,599,323	\$ 1,599,323	\$ 1,647,303	\$ 1,647,303	\$ 1,317,842
INDIRECT EXPENSES											
MARKETING	\$ 93,164	\$ 93,164	\$ 93,164	\$ 93,164	\$ 95,959	\$ 95,959	\$ 95,959	\$ 95,959	\$ 98,838	\$ 98,838	\$ 79,071
CLOSING COSTS	\$ 23,291	\$ 23,291	\$ 23,291	\$ 23,291	\$ 23,990	\$ 23,990	\$ 23,990	\$ 23,990	\$ 24,710	\$ 24,710	\$ 19,768
NET SALES EXPENSES	\$ 116,456	\$ 116,456	\$ 116,456	\$ 116,456	\$ 119,949	\$ 119,949	\$ 119,949	\$ 119,949	\$ 123,548	\$ 123,548	\$ 98,838
NET SALES REVENUE	\$ 1,436,285	\$ 1,436,285	\$ 1,436,285	\$ 1,436,285	\$ 1,479,374	\$ 1,479,374	\$ 1,479,374	\$ 1,479,374	\$ 1,523,755	\$ 1,523,755	\$ 1,219,004
LESS SALES PROFIT	\$ 155,274	\$ 155,274	\$ 155,274	\$ 155,274	\$ 159,932	\$ 159,932	\$ 159,932	\$ 159,932	\$ 164,730	\$ 164,730	\$ 131,784
LESS MARINA ASSOC.	\$ 1,225	\$ 1,100	\$ 975	\$ 850	\$ 747	\$ 618	\$ 489	\$ 361	\$ 232	\$ 103	\$ -
REAL ESTATE TAXES	\$ 12,250	\$ 11,000	\$ 9,750	\$ 8,500	\$ 7,468	\$ 6,180	\$ 4,893	\$ 3,605	\$ 2,318	\$ 1,030	\$ -
SUBTOTAL DEDUCTIONS	\$ 168,749	\$ 167,374	\$ 165,999	\$ 164,624	\$ 168,147	\$ 166,730	\$ 165,314	\$ 163,898	\$ 167,280	\$ 165,863	\$ 131,784
SALES CASH FLOW	\$ 1,267,536	\$ 1,268,911	\$ 1,270,286	\$ 1,271,661	\$ 1,311,227	\$ 1,312,643	\$ 1,314,060	\$ 1,315,476	\$ 1,356,475	\$ 1,357,892	\$ 1,087,220
NET RENTAL INCOME	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NET CASH FLOW	\$ 1,267,536	\$ 1,268,911	\$ 1,270,286	\$ 1,271,661	\$ 1,311,227	\$ 1,312,643	\$ 1,314,060	\$ 1,315,476	\$ 1,356,475	\$ 1,357,892	\$ 1,087,220
											\$ 14,133,388

RECONCILIATION AND FINAL VALUE ESTIMATE

The value conclusions of the Cost, Sales Comparison and Income Capitalization Approaches are as follows:

Cost Approach	NA
Sales Comparison Approach	\$12,600,000
Income Capitalization Approach	NA

The cost approach is most appropriate when the improvements represent the highest and best use of the site, the improvements are relatively new and depreciation is limited. As replacement costs do not necessarily reflect the value of the dock and the leased submerged land, the cost approach is considered less reliable and was not employed.

The sales comparison approach employs the principal of substitution, meaning that a buyer would pay no more for the subject property than the price for which they could acquire a similar property offering similar utility and investor goal fulfillment. A variety of sales of properties quite similar to the subject were found throughout the market, and those considered most applicable to the subject were included within the report. Based on analysis of these sales, the indication of value of the subject by the sales comparison approach is considered quite reliable, and the indication of value is given full weight.

The income capitalization approach was considered but buyers of individual boat slips do so for personal use and not to lease. Due to the nature of individual condominium boat slips with relation to buyer motivations, the income approach is considered less reliable and was not employed.

Therefore, with full weight on the value estimate by the sales comparison approach, it is our opinion that the gross retail value of the leasehold value of the subject individual slips, in as-proposed condition and as of approximately one year the appraisal date, March 15, 2025, is approximately \$12,600,000.

Replacement costs for road and seawall improvements totaled \$15,426,520, for total of marina value and site improvement costs of \$28,026,520.

ASSUMPTIONS AND LIMITING CONDITIONS

1. The conclusions as to market value contained herein represent the opinion of the undersigned and are not to be construed in any way as a guarantee or warranty, either expressed or implied, that the property described herein will actually sell for the market value contained in this opinion.
2. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
3. No furniture, furnishings, or equipment, unless specifically indicated herein, has been included in our value conclusions. Only the real estate has been considered.
4. The property is appraised free and clear of all encumbrances, unless otherwise noted.
5. No survey of the property was made or caused to be made by the appraiser. It is assumed the legal description closely delineates the property. It was checked with public records for accuracy. Drawings in this report are to assist the reader in visualizing the property and are only an approximation of grounds or building plan.
6. It is assumed that there are no hidden or unapparent conditions of the property's subsoil or structure that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. Subsurface rights (minerals, oil, or water) were not considered in this report.
8. Description and condition of physical improvements, if any, described herein are based on visual observation. As no engineering tests were conducted, no liability can be assumed for soundness of structural members.
9. The appraiser has inspected any improvements. Unless otherwise noted, subject improvements are assumed to be free of termites, dry rot, wet rot, or other infestation. Inspection by a reputable pest control company is recommended for any existing improvement.
10. All value estimates have been made contingent on zoning regulations and land use plans in effect as of the date of appraisal, and based on information provided by governmental authorities and employees.
11. It is assumed that there is full compliance with all applicable federal, state, and local environmental laws and regulations, unless noncompliance is stated, defined, and considered in the appraisal report.
12. It is assumed that all applicable zoning and land use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.

13. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is predicated.

14. No responsibility is assumed by the appraiser for applicability of "concurrency laws", referring to the 1985 amendments to Chapter 163, Florida Statutes. At this time it is unclear what effect, if any, these laws might have on any property in any given county. As various legislative and judicial action is pending, the reader is cautioned to fully investigate the likelihood of development moratorium or other governmental action with appropriate municipal, county, or state officials.

15. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

16. Appraisal does not constitute an inspection for compliance with local building, fire, or zoning codes. Reader is advised to contact local government offices to ensure compliance with applicable ordinances.

17. This appraisal report covers only the premises herein; and no figures provided, analysis thereof, or any unit values derived therefrom are to be construed as applicable to any other property, however similar they may be.

18. Distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. Separate valuations of land and improvements must not be used in any other manner, nor in conjunction with any other appraisal, and are invalid if so used.

19. Certain data used in compiling this report was furnished by the client, his counsel, employees, and/or agent, or from other sources believed reliable. However, no liability or responsibility may be assumed for complete accuracy.

20. An effort was made to verify each comparable sale noted in the report. There are times when it is impossible to confirm a sale with the parties involved in the transaction; however, all sales are confirmed through public records.

21. Consideration for preparation of this appraisal report is payment in full by the client of all charges due the appraiser in connection therewith. Any responsibility by the appraiser for any part of this report is conditioned upon full and timely payment.

22. The appraiser, by reason of this report, is not required to give testimony in court with reference to the property herein, nor obligated to appear before any governmental body, board, or agent, unless arrangements have been previously made therefor.

23. Unless otherwise noted, this appraisal has been prepared solely for the private use of the client who is listed above as the addressee. No other party is entitled to rely on the information, conclusions, or opinions contained herein.

24. Neither all nor any portion of the contents of this appraisal shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the appraiser, particularly as to valuation conclusions, identity of the appraiser or firm with which he is connected, or any reference to the Appraisal Institute or to the MAI designation. Furthermore, neither all nor any portion of the contents of this appraisal shall be used in connection with any offer, sale, or purchase of a security (as that term is defined in Section 2(l) of the Securities Act of 1933) without the prior express written consent of the appraiser.

25. Possession of this report or copy thereof does not convey any right of reproduction or publication, nor may it be used by any but the client, the mortgagee, or its successors or assigns, mortgage insurers, or any state or federal department or agency without the prior written consent of both the client and the appraiser, and, in any event, only in its entirety.

26. Before any loans or commitments are made predicated on value conclusions reported in this appraisal, the mortgagee should verify facts and valuation conclusions contained in this report with the appraiser.

27. Cost estimates for construction or reproduction of improvements are based on information from Marshall Valuation Service and other sources referenced in the report and are assumed accurate.

28. Estimates of expenses, particularly as to assessment by the County Property Appraiser and subsequent taxes, are based on historical or typical data. Such estimates are based on assumptions and projections which, as with any prediction, are affected by external forces, many unforeseeable. While all estimates are based on our best knowledge and belief, no responsibility can be assumed that such projections will come true.

29. Responsible ownership and competent property management are assumed.

30. Unless stated otherwise, the possibility of hazardous material, which may or may not be present on the property, was not observed by the appraiser during the course of the normal inspection and research conducted during the appraisal assignment. The appraiser, however, is not professionally qualified to detect such substances, and inspection by a professional in the field is recommended for any property. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials could affect the value of the property, if found. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. This appraisal report is subject to receipt of an environmental audit confirming that no hazardous or toxic material is located on the premises. Should such material be discovered, final value estimates herein would be reduced by the cost to remove such substances and to restore the

premises to serviceable condition, and may further be reduced by indirect expenses and income losses incurred by the owner during abatement. Such adjustments to the value estimate contained herein may be made only by the appraiser and only upon receipt of the environmental audit, construction cost estimates and other data satisfactory to the appraiser at his sole discretion.

31. The Americans With Disabilities Act (ADA), enacted in 1990, provided civil rights protection to persons with disabilities. Title III of this act provides that persons with disabilities are to be provided access equal to, or similar to, that available to the general public in all areas of "public accommodation," which generally means any retail, recreation, social service or lodging establishment. It does not apply to "commercial facilities," which could be a single-tenant office or manufacturing facility, and generally does not require alterations to existing buildings, unless other alterations are made. This latter is subject to interpretation, but it should be assumed that any significant renovation requiring a building permit will also require that the building be brought to current handicap requirements for all or a portion of the building. The appraiser is not professionally qualified in these matters, this appraisal does not constitute an inspection as to compliance with the provisions of the act, and no responsibility is assumed for any known or unknown conditions related to the act, civil rights or building code provisions. A number of professional engineering firms specialize in these matters, and such professional advice should be obtained if there is any doubt as to conformity existing.

APPRAISER QUALIFICATIONS

QUALIFICATIONS OF

H. LINWOOD GILBERT, JR., MAI PRESIDENT

PRESIDENT, URBAN REALTY SOLUTIONS – TAMPA, FLORIDA, DECEMBER 1991 TO PRESENT

Mr. Gilbert is the principal of Urban Realty Solutions, a real estate research and appraisal firm providing market value appraisals, market studies, feasibility analyses, damage studies and litigation support on marina, commercial, industrial and residential developments. Services available through related firms include owner representation, market research, site selection, permitting, development budgets, marketing plans, brokerage, construction progress inspections, property management and cash flow and absorption projections. Financial analysis through use of Argus and other software. Consultation with municipalities and private investors regarding economic impacts and multiplier effect of public construction and development incentives.

Litigation support for construction damages, lost profits, inverse condemnation and Bert J. Harris Act damages due to imposition of Inordinate Burden.

Experience includes development, construction, brokerage and property management for a variety of office, retail, industrial and marina developments. Appraisals have included all types and sizes of residential, commercial, industrial, retail and resort properties.

Mr. Gilbert has qualified as an expert witness in bankruptcy, state and federal courts and in the US Virgin Islands.

The firm is incorporated as Gilbert Associates, Inc., DBA Urban Realty Solutions, and has been in operation since 1991.

LICENSES AND CERTIFICATIONS

Florida State Certified General Real Estate Appraiser License Number RZ0940
Florida Licensed Real Estate Broker Numbers BK272378 and BK3005632
Maryland State Certified General Real Estate Appraiser
South Carolina Licensed Real Estate Broker No. 94753
Merchant Marine Master Captain License 3043346
Numerous Temporary and Reciprocal Licenses across the Southern United States and Caribbean

EDUCATION

University of Georgia, Bachelor of Business Administration, 1973
Major in General Business
Minors in Finance, Management, Marketing and Real Estate

CONTINUING EDUCATION

Courses 101 and 201
Society of Real Estate Appraisers
Course II, Urban Properties
(Commercial/Income)
Course VI, Investment Analysis
Course VIII, Residential Appraisal
Capitalization Theories and Techniques (IBB)
Rate Extraction Seminar
Course X, Market Analysis
Standards of Professional Practice
Applied Appraisal Techniques
Valuation Litigation / Mock Trial
Capital Market Influences on Real Estate
Valuation
Analyzing Operating Expenses
USPAP "Core" Update for Appraisers
Power Lines and Electro-Magnetic Fields
Effect on Value and People
Eminent Domain and Land Valuation
Litigation – ALI/ABA
Litigation Skills for the Appraiser: An Overview
Construction Contracts – Strategies for Project
Completion and Litigation Avoidance
CLE Eminent Domain Conference 2001
Appraisals & Federal Regulations
The Valuation of Wetlands
Appraising for Pension Fund Portfolios
Development Analysis
Valuation of Hotels and Motels
Income Capitalization Workshop
Advanced Capitalization Workshop
Calculator and Computer Solutions to
Contemporary Problems
Hewlett Packard Financial Calculators –
Advanced Course
Impact of Environmental Considerations on
Real Estate Appraisals
Appraisal Regulations of the Federal Banking
Agencies
Discount and Capitalization Rate Components
The Appraiser as Expert Witness
Complex Litigation Appraisal
Discount and Capitalization Rate Components
Understanding Limited Appraisals and
Reporting Options
Tax Credits for Low Income Housing
Fair Lending and the Appraiser
Appraisal of Nursing Facilities
Economic Worth of On- Premise Signage
Florida Ad Valorem Property Tax Update
Regulatory Takings & Property Rights
Transportation Issues & Eminent Domain
Regression Analysis in Appraisals
Analyzing Distressed Real Estate
Marina Retrofit, Redesign & Construction
FDEP Appraising Submerged Land Easements
Developing Resort, 2nd Home and Golf Course
Communities, Urban Land Institute
Valuing Enhancement Projects (LEED Green
Buildings) & Financial Returns, BOMI
Marina Dry Stack Conference, AMI
Green Marina Design
Marina Shoreline Development &
Permitting, LSI
Feasibility, Investment Timing & Options, AI
Florida State Law Update for Real Estate Appraisers
National USPAP Update Course
Business Practices and Ethics
Inverse Condemnation
New Technology for the Real Estate Appraiser
Instructor Leadership and Development Conference
Separating Real and Personal Property from Intangible
Business Assets
Analyzing Commercial Lease Clauses
Litigation Appraisal
The Appraiser As An Expert Witness
Oil Spills and Property Values
Supervisor/Trainee Roles & Rules
Professional's Guide to Uniform Residential Appraisal
Report
IRS Valuation
Federal Agencies and Appraisal: Program Updates
Green Building for Appraisers
Valuation of Solar Photovoltaic Systems

H. Linwood Gilbert, Jr., MAI, has completed the continuing education program of the Appraisal Institute.

Mr. Gilbert has also attended courses and seminars covering various aspects of real estate valuation, lending, leasing, marketing and management sponsored by The Urban Land Institute, The Ohio State University, The Massachusetts Institute of Technology, Robert Morris Associates, The Northwest Center for Professional Education, New York University, St. Petersburg College, the University of Shopping Centers (sponsored by The International Council of Shopping Centers), CCIM Institute, Federal Housing Administration, the Environmental Assessment Association and others. He has been a guest lecturer at NAIOP Real Estate Development course, Instructor of a Real Estate Appraisal Course for the International Marina Institute and was guest lecturer at the St. Petersburg BAR Association on ad valorem taxation. Mr. Gilbert is qualified as an Expert Witness in real estate valuation matters in bankruptcy and civil courts.



PROFESSIONAL EXPERIENCE

- April 1993 to September 2004 *Principal, Executive Vice President, Urban Economics, Inc. –Tampa, Florida*
Principal of real estate research and appraisal firm providing services similar to those provided under Urban Realty Solutions. The firm also focused on support for litigation through valuation and damage studies. Broker of transactions totaling \$100+ million.
- February 1991 to Current *President, Gilbert Associates, Inc. – St. Petersburg, Florida*
Real estate consulting firm providing market research, highest and best use analysis and other financial planning and marketing services. Prepared guidelines for the marketing, construction and management of distressed developments, including determination of status of development approvals, such as Development of Regional Impact, environmental and local permitting; assistance in selection of consultants and contractors, and value engineering for proposed construction. Broker of record for St. Petersburg CBD Master Retail Development company, including oversight of the St. Petersburg Pier Festive Market.
- 1983 to February 1991 *Vice President, Development, Talquin Development Company – St. Petersburg, Florida*
Responsible for development of all projects in the Tampa Bay area for this Florida Progress Corporation subsidiary, which was begun by Gilbert and two partners and later acquired by Florida Progress. Conducted feasibility analyses for most projects undertaken by Development Division. Managed Development Division and was project director from concept through completion of Bank of America Tower, a 330,000-square foot, \$50 million mixed-use development, The Harborage at Bayboro, a 635-slip marine complex, plus numerous office, retail, historical redevelopment and industrial projects. Negotiated partnership with The Wilson Company for development of Carillon Corporate Center, Tampa Bay's premiere mixed use development. Organized construction, marketing, and property management departments, as well as the marine division. Property development and management included approximately 750,000 square feet of commercial and industrial properties. Negotiated major leases for buildings, air rights and submerged lands, and design/build contracts, including conversion of historic school building to moderate income apartments. Provided private sector leadership in the planning and implementation of St. Petersburg's Intown Redevelopment program.
- 1978 to 1983 *Vice President, Warren Hunnicutt, Jr., Inc. – St. Petersburg, Florida*
Appraised and conducted feasibility analyses on virtually all types of commercial, industrial, hospitality and residential properties, and including islands and environmentally sensitive lands. Conducted and published first county-wide surveys of retail and industrial markets.
- 1972 to 1978 *Assistant Vice President, Construction Lending and Review Appraiser, Century First National Bank (now Wells Fargo) –St. Petersburg, Florida*
Construction and permanent loan underwriting and administration and review appraiser. Three years as Special Assets officer, handling all legal proceedings, construction completion and marketing of foreclosed properties, which ranged from major hotels to high-rise condominiums.
- 1969 to 1972 *Real Estate Loan Representative, The Citizens & Southern National Bank – Athens, Georgia*
Underwrote and administered construction and permanent single-family FHA/VA and conventional loans. Appraiser trainee. Also trained in credit card, sales finance, branch management, installment lending and other departments under commercial banking management training program.



PROFESSIONAL AFFILIATIONS

Appraisal Institute	MAI Professional Designation
	Member, Admissions Committee
	Member, Regional Ethics Panel
Real Estate Investment Council, Inc.	Member
Association of Eminent Domain Professionals	Member
The International Marina Institute	Member, Instructor
Southwest Florida Marine Industries Association	Member
Marina Operators Association of America	Member
Florida Association for the Restoration of Ethics, Inc.	Member
Urban Land Institute	Member
PIANC – The World Association for Waterborne Transport Infrastructure	Member
Drystack Working Group	Member

CIVIC ACTIVITIES

Past and present memberships include: Board of Directors of Tampa Union Station Preservation and Restoration, Inc.; Co-chairman, Council of Elders of the Community Alliance of St. Petersburg, a biracial organization; Former Board of Governors and Chairman, Transportation Committee, The St. Petersburg Area Chamber of Commerce; Former Board Member and Treasurer, The National Association of Industrial and Office Parks; Former Board Member, The Science Center of Pinellas County (an educational institution); Former Board Member and Transportation Committee Chairman, The Committee of 100 of Pinellas County; Former Board Member, Gulfcoast Certified Development Corporation; Member, Leadership St. Pete and Leadership Tampa Bay, and a Member of the St. Petersburg Suncoasters, sponsors of the Festival of States. Member, Marine Industry Association of Florida.

Mr. Gilbert is also active in other community organizations.



ADDENDUM



CUMMINS CEDERBERG Coastal & Marine Engineering					
Client: Urban Realty Solutions			Prepared by: MT		
Project: Pointe Resort Bulkhead			Reviewed by: RM/GP		
Project No: 165500					
Opinion of Probable Cost ¹ Pointe Resort Bulkheads					
Item No.	Description	Unit	Quantity	Unit Price	Cost
1. Engineering Design and Permitting					
1.1	Background Investigations and Data Collection	LS	1	\$75,000.00	\$75,000.00
1.2	Engineering Design	LS	1	\$250,000.00	\$250,000.00
1.3	Regulatory Permitting (FDEP, USACE and City of Destin)	LS	1	\$100,000.00	\$100,000.00
Subtotal - Engineering Design and Permitting					\$425,000.00
2. Construction - General ²					
2.1	Contractors Bonds & Insurance	LS	1	\$480,000.00	\$480,000.00
2.2	Mobilization/Demobilization (Assumes up to 3 barges)	LS	1	\$200,000.00	\$200,000.00
2.3	Construction Layout and As-Built Surveys	LS	1	\$50,000.00	\$50,000.00
2.4	Building Permits / Fees	LS	1	\$160,000.00	\$160,000.00
2.5	Site Restoration	LS	1	\$40,000.00	\$40,000.00
Subtotal - General					\$930,000.00
3. Construction - Marine Structural					
3.1	Furnish & Install Heavy Duty Sheet Piles (Assume PZ Sheet, CTE coated, with Reinforced Concrete Cap, Continuous Tie-Back System, and Drainage System)	LF	595	\$5,000.00	\$2,925,000.00
3.2	Furnish & Install Medium Duty Sheet Piles (Assume PZ Sheet, CTE coated, with Reinforced Concrete Cap, Continuous Tie-Back System, and Drainage System)	LF	700	\$3,750.00	\$2,625,000.00
Subtotal - Construction - Marine Structural					\$5,550,000.00
4. Construction - Coastal Protection					
4.1	Gulf-side Stone Foundation (Assume 12" Marine Mattress, 40' Wide)	SF	16,000	\$40.00	\$640,000.00
4.2	Harbor-side Stone Foundation (Assume Non-Woven fabric with 12" Bedding Stone, 24' Wide)	SF	14,400	\$15.00	\$216,000.00
4.3	Gulf-side Armor Stone (Assume 2 - 3 ton granite stone)	TN	8,500	\$300.00	\$2,550,000.00
4.4	Harbor-side Riprap (Assume FDOT Bank & Shore Stone)	TN	4,400	\$150.00	\$660,000.00
Subtotal - Construction - Coastal Protection					\$4,066,000.00
5. Construction - Monitoring ³					
5.1	Sheet Pile Vibration Monitoring	LS	1	\$40,000.00	\$40,000.00
5.2	Environmental Monitoring and Turbidity Control	LS	1	\$75,000.00	\$75,000.00
5.3	Construction Quality Control Testing (Concrete cap, deadmen, rock, etc.)	LS	1	\$50,000.00	\$50,000.00
Subtotal - Construction - Monitoring					\$165,000.00
Total Project Cost ^{4,5}					\$11,136,000.00
Notes					
1.	The Opinion of Probable Construction Costs provided herein are made on the basis of Cummins Cederberg's experience and qualifications, and represent Cummins Cederberg's best judgment as an experienced and qualified professional generally familiar with the industry. However, Cummins Cederberg has no control over the availability or cost of labor, material, fuel, equipment, or services furnished by others, or over the Contractor's methods of determining prices, competitive bidding, or market conditions. Cummins Cederberg cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from the above Opinion of Probable Cost. ¹				
2.	Bonds and Insurance estimated at approx. 5% of the total construction cost. City of Destin Building Permit Fees are \$16.30/\$1,000 (City Resolution 25-10). Note, the fee does not include the Net Positive Environmental Benefit (NPEB) fee required for marine construction in Destin Harbor. If required, this fee would be an additional approx. \$0.9M (25% of the Harbor-side wall and armor costs).				
3.	Construction monitoring includes vibration monitoring for the adjacent condominiums and reported water main running through the existing property, nesting shorebird and water quality monitoring, and construction testing as typically required.				
4.	The Total Project Cost estimate does not include any contingency.				
5.	Total Project Cost excludes any excavation/dredging, upland work outside of the wall tie-back and drainage systems, and any other items not specifically itemized above.				
Abbreviations					
LS	Lump Sum	SY	Square Yard		
EA	Each	TN	Ton		
LF	Linear Foot	CY	Cubic Yard		
SF	Square Foot	CF	Cubic Feet		



TECHNICAL MEMORANDUM

To: Mr. Joe Winkeler, Pointe Mezzanine, LLC

From: Jeff Brittain, P.E., Kimley-Horn and Associates, Inc.

Date: September 12, 2025

RE: *Pointe Mezzanine*
Cost Valuation for Roadway and Utilities
Kimley-Horn Project No: 142422000

The Pointe Mezzanine project located on Norriego Point in Destin, FL consists of a roadway extension with utilities, a marina dock facility with water, sewer, power and communications services and a development site. The marina and roadway work has been substantially completed.

Kimley-Horn was asked to review the provided costs in the Transmittal Letter from Fishkind Consulting compared to the actual costs of the site. The report from Fishkind Consulting identified the costs of roadway, parking, and utilities extensions for the development site to total approximately \$2,600,000. The estimated costs of the utility extensions serving the marina and dock total approximately \$1,500,000.

Kimley Horn has evaluated provided pay applications and a project costs spreadsheet from the Owner (Pointe Mezzanine, LLC) and has estimated the actual costs of construction for the development site roadway, parking, and utility extensions total \$2,790,520. We concur with Fishkind Consulting's valuation of \$1,500,000.00 for the utility services serving the marina docks.



Appraisal Report

**Pointe Mezzanine, LLC & Pointe Resort Development, LLC
Land Supporting 79 Planned Residential Condominium Units
50 Wet Slip Marina
50 and 51 Gulf Shore Drive
Destin, Florida 32541**

APPRAISAL REPORT

SUBJECT PROPERTY

Pointe Mezzanine, LLC & Pointe Resort Development, LLC
Land Supporting 79 Proposed Residential Condominium Units
50 Wet Slip Marina
Roadway, Parking and Utilities
Utility Extension to Project
New Seawall

Destin
Okaloosa County, Florida

EFFECTIVE DATE OF APPRAISAL

August 7, 2025

REPORT DATE

August 25, 2025

INSPECTION DATES

August 7, 2025

CLIENT/INTENDED USER

Point Mezzanine, LLC & Pointe Resort, LLC
Attn: Joseph Wickeder
PO Box 7098
Destin, FL 32540

Marr Appraisal, LLC File Number 250310

PREPARED BY:

Thomas A. Marr

State-certified General Real Estate Appraiser ¹ RZ 265 (FL)

MARR APPRAISAL, LLC
139 Beal Parkway SE, Unit 202
Fort Walton Beach, Florida 32448
Telephone: (850) 243-0958
Cell: (850) 461-0226

MARR APPRAISAL, LLC

REAL ESTATE VALUATION AND RESEARCH
Specializing in Residential and Commercial Valuation Support
Fort Walton Beach, Florida

Thomas A. Marr

State-certified General Appraiser ¹ RZ 2645 (FL)
tom@panappraisal.com

139 Beal Parkway SE, Unit 202
Fort Walton Beach, Florida 32448
Telephone: (850) 243-0958
Cell: (850) 461-0226

August 25, 2025

Pointe Mezanine, LLC & Port Resort, LLC
Attn: Joseph Winkeler
Po Box 7098
Destin, FL 32540

Re: An approximate 3.95 acres of uplands intended to support 79 Proposed Residential Condominiums Units, an existing 50 slip Wet Marina, a new seawall and utilities, located in the Point Mezzanine, LLC and Point Resort, LLC project located at 50 & 51 Gulfshore Drive in Marbella Condominium Marina, on the Destin Harbor in Destin, Florida 32541, as of my personal viewing, August 7, 2025. **Marr Appraisal LLC file # 250310.**

Dear Mr. Winkeler:

I have completed the requisite inspections, research, and analysis necessary to appraise the leasehold interest in the above referenced properties per your request. The accompanying report is an appraisal report as contrasted with a restricted report.

I remind you that I made it a condition of this report that I be allowed to use data from Mr. H. Linwood Gilbert's report, pending his verbal approval which I obtained on August 6, 2025. As it turned out, however, I relied on my own research, except for the research to derive the value of the uplands, dedicated to the condominium building where I received some verbatim help from Mr Gilbert.

The subject property is the 3.95 upland acres to support a proposed 79 unit residential condominium project, a 50 slip existing wet marina, a new seawall and utilities to the site.

The purpose of the appraisal was to derive an opinion of the current market value of the many subject features, as of my most recent personal viewing, August 7, 2025.

The understood use of the report is for reference in deriving an opinion of the current value of the subject features for use in portfolio management. Use of this report for any other purpose is not authorized.

Market value, fee simple interest, highest and best use, and other relevant terms are defined in the following report. I have analyzed the value of the subject property based on my opinion of the current highest and best use in its mixed existing and "as improved" condition as of August 7, 2025.

Subject to the above analysis, general assumptions and limiting conditions, and certification of value set forth herein, it is my professional opinion that the current market value of the lease hold interest in the subject's many features "as is", as of August 7, 2025 is:

See following page:

RECONCILIATION OF VALUES

Item	Value
Roads	\$2,600,000
Power	\$1,500,000
Seawall	\$10,500,000
Slips	\$13,600,000
Land Contributory Value	\$55,500,000
Total	\$83,700,000

This opinion of value is associated with an estimated marketing and exposure time of from 9 to 12 months.

It is my opinion the Highest and Best Use of the subject property "as is" is development of the residential condominiums.

I certify I have no interest, present or contemplated, in the appraised property. The undersigned appraiser is competent or has taken the necessary steps to become competent for the property type under appraisal. This appraisal has been prepared utilizing all of the requirements set forth as standards for real estate appraisals established for federally related transactions by the Comptroller of the Currency, the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the State of Florida. The appraisal is in conformity with the standards for real estate appraisals as established by the Appraisal Foundation and its Appraisal Standards Board. The appraisal also conforms to the 2020 edition of the Uniform Standards of Professional Appraisal Practice (USPAP) and your instructions. The fee for this appraisal was not based on value nor was the assignment undertaken based on a predetermined value, a trend in value, or a minimum or maximum value.

Respectfully submitted,

MARR APPRAISAL, LLC

A handwritten signature in cursive script that reads "Thomas A. Marr". The signature is written in dark ink on a light background.

Thomas A. Marr

State-certified General Real Estate Appraiser ¹ RZ 2645 (FL)

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APPRAISAL REPORT

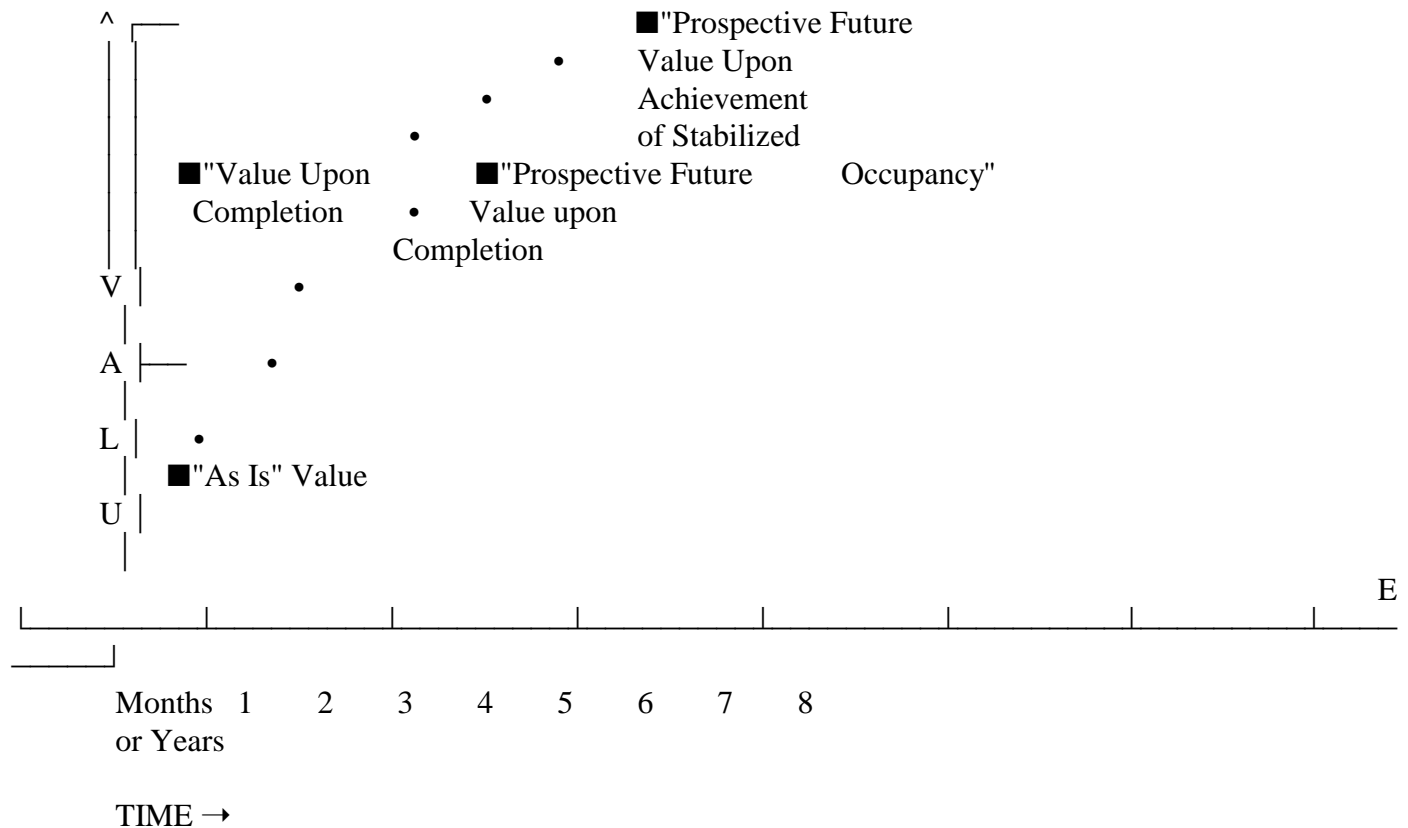
This is an Appraisal Report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it may represent summary discussions of the data, reasoning, and analyses which were used in the appraisal process to develop the appraisers' opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's files. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated below. The appraiser is not responsible for unauthorized use of this report.

CLIENT:	Pointe Mezzanine and Pointe Resort Attn: Joseph Winkeler PO Box 7098 Destin, FL 32540
APPRAISER:	Thomas A. Marr <i>State-certified General Real Estate Appraiser No. RZ 2645 (FL)</i> MARR APPRAISAL, LLC 139 Beal Parkway, Unit 202 Fort Walton Beach, Florida 32548
SUBJECT PROPERTY:	<u>Legal Description</u> Metes and Bounds, Okaloosa County, Florida. See legal description on page 10. <u>Physical Address of Subject Property</u> 50 & 51 Gulfshore Drive Destin, Florida 32541 Tax ID #:00-2S-24-3050-0000-0010 & 00-2S-24-3050-0000-0020
PURPOSE OF THE APPRAISAL:	The purpose of this appraisal was to develop an of current market value of the lease hold interest "as is" of an approximate 3.95 acres of uplands which are permitted for a 79 unit condominium improvement, an existing 50 slip wet marina, a new seawall and utilites. as of my most recent personal viewing of August 7, 2025.
INTENDED USE OF REPORT:	The understood intended use of the appraisal is for client valuation decisions related to portfolio management decisions.
INTENDED USER:	The intended user is the client stated above, its assigns, staff, review appraisers, and regulatory authorities. This report is not intended or authorized for any other user or audience.
PROPERTY RIGHTS APPRAISED:	Lease Hold interest in the subject property.
EFFECTIVE DATE OF VALUE:	Current Market Value "as is" as of my most recent personal viewing, August 7, 2025.
DATE OF REPORT:	August 25, 2025.
DATE OF INSPECTION:	Thomas A. Marr has personally viewed the subject on August 7, 2025.
DEFINITIONS:	The following definitions are provided to assist the reader in understanding this appraisal report.

Market Value¹ The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 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.

Value Creation Continuum²



The preceding exhibit graphically displays the creation of value in a real estate development project over time, assuming a zero inflation environment for clarity of presentation.

The four time differential values on the graph which may be considered in the appraisal of proposed developments are defined as follows:

¹ Title XI, Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), [Pub. L. No. 101-73, 103 Stat. 183 (1989)], 12 U.S.C. 3310, 3331-3351, and section 5(b) of the Bank Holding Company Act, 12 U.S.C. 1844(b); Part 224, Subpart G: Appraisals; Paragraph 224.62 (f).
Federal Reserve System, 12 CFR Parts 208 and 224, Sec. 224.62
Office of the Comptroller of the Currency, 12 CFR Part 34, Sec. 34.42 (g)
FDIC, 12 CFR Part 323, Sec. 323.2 (g) (2000)
Office of Thrift Supervision, 12 CFR Part 564, Sec. 564.2
NCUA, 12 CFR Part 722, Sec. 722.2

² Code of Federal Regulations, Title 12, as amended by the Federal Home Loan Bank Board.

(1) **"As Is"** means an estimate of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date of appraisal.

(2) **"Value Upon Completion"** means the market value of a property with all proposed construction, conversion, or rehabilitation hypothetically completed, or under other specified hypothetical conditions as of the date of appraisal. With regard to properties wherein anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this estimate of value shall reflect the market value of the property as if complete and prepared for occupancy by tenants.

(3) **"Prospective Future Value Upon Completion"** means the prospective future value of a property on the date that construction is completed, based upon market conditions forecast to exist as of that completion date.

(4) **"Prospective Future Value Upon Achievement of Stabilized Occupancy"** means the prospective future value of a property at a point in time when all improvements have been physically constructed and the property has been leased to its optimum level of long term occupancy.

Fee Simple Estate³	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.
Leased Fee Interest⁴	An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease.
Leasehold Interest⁵	The interest held by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions.
Condominium⁶	A multi unit structure or property in which persons hold fee simple title to individual units and an undivided interest in common areas.
Highest and Best Use⁷	The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

...of land or a site as though vacant:

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

...of property as improved:

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

³ *The Dictionary of Real Estate Appraisal*, Appraisal Institute, Fourth Edition, 2002, Page 113.

⁴ Ibid., Page 161.

⁵ Ibid., Page 162.

⁶ Ibid., Page 59.

⁷ Ibid., Page 135.

Marketing Time ⁸	The time it takes an interest in real property to sell on the market subsequent to the date of an appraisal.
Exposure Time ⁹	A retrospective estimate based on an analysis of past events assuming a competitive and open market.

⁸ Ibid., Page 175

⁹ Ibid., Page 105

EXTENT OF THE PROCESS OF COLLECTING, CONFIRMING, AND REPORTING DATA

Preparation of this appraisal included the following:

- ▶ The subject property was inspected and photographed by the appraiser. The purchase contract was studied. File data was reviewed.
- ▶ The appraiser examined the economic, social, governmental, and environmental forces affecting value in the subject neighborhood and the entire market area as a whole.
- ▶ Market forces in the neighborhood and overall market were analyzed including the supply and demand for similar properties in the market, comparable land sales, comparable improved sales, comparable rents, occupancy statistics, and overall economic data for the neighborhood and/or market area. Construction costs, accrued depreciation, and capitalization and yield rates for the market area were also researched and analyzed.
- ▶ The appraiser confirmed the data employed in this report and analyzed the results.
- ▶ The Sales Comparison Approach was employed to estimate the value of the subject properties.

IDENTIFICATION OF THE TYPE OF APPRAISAL AND APPRAISAL REPORT FORMAT

I have provided an **Appraisal Report**, as defined by the 2024 Edition of USPAP, which contains summaries of pertinent conclusions, data, and analysis. Detailed supporting documentation may be retained in the appraiser's files.

TERMS OF THE FINAL VALUE OPINION

The final opinion of the market value of the subject property, 'as is', as of August 7, 2025, is expressed in terms of cash or financing terms equivalent to cash.

POLICY STATEMENT OF THE APPRAISAL INSTITUTE:

It is improper to base a conclusion or opinion of value upon the premise the racial, ethnic, or religious homogeneity of the inhabitants of an area or of a property is necessary for maximum value.

Racial, religious, and ethnic factors are deemed unreliable predictors of value trends or price variance.

It is improper to base a conclusion or opinion of value, or a conclusion with respect to neighborhood trends, upon stereotyped, biased presumptions relating to the effective age or remaining life of the property being appraised or the life expectancy of the neighborhood in which it is located.

GENERAL ASSUMPTIONS:

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be marketable unless otherwise stated. The legal description used in this report is assumed to be correct.
2. The subject property is appraised free and clear of any or all liens, leases, or encumbrances unless otherwise stated. All mortgages, liens, encumbrances, leases and servitude have been disregarded unless so specified within the report.
3. No survey of the property has been made by the appraisers and no responsibility is assumed in connection with such matters. Sketches, plot plans, or illustrative material presented in this report are included only to assist the reader in visualizing the property.
4. Information and data furnished by others is assumed to be true, correct and reliable. When such information and data appears to be dubious, and when it is critical to the appraisal, a reasonable effort has been made to verify all such information; however, no responsibility for its accuracy is assumed by the appraiser.
5. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
6. It is assumed there are no hidden or unapparent conditions of the property, subsoil or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
7. It is assumed there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report.
8. It is assumed the subject property is in compliance with all applicable zoning and land use regulations, unless a nonconformity has been stated, defined and considered in the appraisal report.
9. It is assumed all required licenses, consents or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
10. It is assumed the utilization of the land and improvements is within the boundaries or property lines of the property described and there is no encroachment or trespass unless noted within the report.

EXTRAORDINARY ASSUMPTIONS:

None

GENERAL LIMITING CONDITIONS:

1. This is an Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP) for an Appraisal Report. As such, it does not include full discussions of the data, reasoning, and analyses were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.
2. Appraisers are not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraisers might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption there is no such material on or in the property would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraisers' descriptions and resulting comments are the result of the routine observations made during the appraisal process.
3. The subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers are structural in nature would otherwise restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
4. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
5. Neither all nor any part of the contents of this report shall be conveyed to any person or entity, other than the appraiser's or firm's client, through advertising, solicitation materials, public relations, news, sales, or other media without the written consent and approval of the authors, particularly as to valuation conclusions, the identity of the appraiser or firm with which the appraiser is connected, or any reference to affiliation with any professional appraisal organization. Further, the appraiser or firm assumes no obligation, liability, or accountability to any third party. If this report is placed in the hands of anyone but the client, client shall make the party aware of all the assumptions and limiting conditions of the assignment.
6. The appraisers affixing their signatures to this appraisal report will not be required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been previously made thereof.
7. No environmental impact studies were either requested or made in conjunction with this appraisal, and the appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research, or investigation.
8. The appraisers have not been supplied with a report of the subsoil conditions indicating the exact capacity of the subsoil. We do not have the benefit of subsoil test results of the properties and detection of possible soil defects would be beyond our realm of expertise. However, there appear to be no hidden or apparent conditions of the subject sites or subsoil structures which would render them more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them
9. Acceptance of and/or use of this appraisal report constitutes acceptance of the foregoing General Assumptions, Special Assumptions, General Limiting Conditions, and Special Limiting Conditions.

EXTRAORDINARY LIMITING CONDITIONS:

None.

CERTIFICATION OF VALUE:

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions.
3. I have no present or prospective interest in the property which is the subject of this report and no personal interest with respect to the parties involved.
4. I have no bias with respect to the property is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting pre-determined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the 2024 Edition of the Uniform Standards of Professional Appraisal Practice (USPAP).
8. Thomas A. Marr has made a personal inspection of the property which are the subject of this report.
9. No one provided significant real property appraisal assistance to the persons signing this report. However, the appraiser has relied on an appraisal performed by State Certified General H. Linwood Gilbert, Jr. RZ0940 , MAI. The appraiser has also relied upon a report performed by HK Fishkind who an leading economic expert, as part of the Gilbert Appraisal. Mr. Fishkind opined regarding the positive economic impact of the subject proposed development and also provided a table of value which will be presented in the report.
10. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. The undersigned appraiser has the knowledge and experience to complete this assignment competently, or has taken the required steps to be competent prior to completing this appraisal assignment.
13. The opinion of market value of the subject property identified in this report, 'as is', as of August 7, 2025, is:

Item	Value
Roads	\$2,600,000
Power	\$1,500,000
Seawall	\$10,500,000
Slips	\$13,600,000
Land Contributory Value	\$55,500,000
Total	\$83,700,000

MARR APPRAISAL, LLC



Thomas A. Marr
State-Certified General Real Estate Appraiser ¹ RZ 2645 (FL)

DESCRIPTION OF THE SUBJECT PROPERTY**Ownership:**

Pointe Mezzanine, LLC and Pointe Resort, LLC

The following parcel is the large 3.95 acre parcel.

Sales Full View FL_Okaloosa

File Print Maps Deed/Mtg Doc Sales History Lis Pendens History Previous Record Next Record

General Information

Tax ID	002S2400000340020	Prop Ref Map No		Subdiv	00-02S-24W
Seller	GALIC-POINTE LLC	Lot		Unit	
Buyer	POINTE RESORT LLC	Addr1	PO BOX 7098	Addr2	
City	DESTIN	State	FL	Zip	32540
		Country	USA		

Sales Information

Doc Type	SPECIAL WARRANTY DEED	Sale Date	12/22/16	Record Date	12/27/16	Price	7,800,000	Book/Page	3281/1058
Closing Agent	KATZ BARRON SQUIERO FAUST	Trans Type	R New/Resale	# of Parcels	1	Ownership %		Instrument#	3108965

Location of Property

SecTwnRng	00002S24W	Addr	GULF SHORE DR DESTIN FL 32541- Okaloosa, FL		
RE Zone	Z12Y1 WaterFront COMM GULF	Legal	COM NW COR LOT 124 BLK F HOLIDAY ISLE THC S31 DEG		

Description of Property

Land Use	VACANT RESIDENTIAL	Land Size	425 FrontFeet	GIS Acres	3.97	Parcel Value	3,616,424
Structure Type	NO STRUCTURE	Yr Blt Eff/Act	0/0	Sqft Eff/HC	/	Land Value	3,616,424

Mortgage Information

Amount 1		Lender 1		Type 1		Fixed/Var 1	
Amount 2		Lender 2		Type 2		Fixed/Var 2	

Sales History (Tax Roll)

Blk/Pg 1	3041/2334	Date 1	2012/06	V/I	V	Price 1	100
Blk/Pg 2	3041/2334	Date 2	2012/06	V/I	V	Price 2	100
Inst1		Inst2					

Sales Analysis

Tot \$ Sqft Eff/HC	/	Ind Struct Price	0
Ind Struct \$ Sqft Eff/HC	0 / 0	Ind Land Price	7800000

CODO PCL IN UNSECCIONALIZED T2S R22W DESC AS COMM AT THE NW COR OF LOT 124 BLK F HOLIDAY ISLE RESIDENTIAL SEC #5 THEN ON THE ELY R/W LIN EOF SURANGO RD S 31.33'00 W 724.75 FT THEN DEPARTING ELY R/W N 65.28'19" W 1877.26 FT THEN N 24.31'41" E 16.04 FT TO A POINT ON THE SLY R/W OF GULF SHORE DR THEN SLY R/W THE FOLLOWING F CALLS THEN (1) ON THE ARC OF A CURVE CONCAVE NELY HAVING RADIUS OF 613.27 FT THROUGH A CENTRAL ANGLE OF 48.59'18" AND ARC DISTANCE OF 524.35 FT TO THE POINT OF TANGENCY.....MORE.....

The following parcel is the smaller 0.50 acre parcel. I note there are two parcel identification numbers associated with this parcel. They are 00-2S-24-3050-0000-0000 and 00-2S024-3050-0000-0010.

I spoke to Cody Shchanbeck, Head of Residential Properties, with the Okaloosa County Property Appraiser. He looked in his files and stated that the subject had once been a single parcel with a property identification number of 00-2S-24-3050-0000-0000. However, after the road was adopted and emplaced, it 'cut' the original parcel, creating two parcels. After that, the original property identification number of 00-2S-24-3050-0000-0000 became a 'header' number. The two parcels created by the road split were designated 002S-24-3050-0000-0010 for the small parcel, which is the base of the existing slip and marina. The property identification number of the larger, upland parcel and the site of the proposed condominiums was designated as 00-2S-00-3050-0000-0020.

File	Print	Maps	Deed/Mtg Doc	Sales History	Lis Pendens History	Previous Record	Next Record		
General Information									
Tax ID	002S2400000340000			PropRef MapNo			Subdiv	00-02S-24W	
Seller	BANKRUPTCY EST OF POINTE ONE LLC			Lot	Block	Unit	Phase		
Buyer	POINTE MEZZANINE LLC			dr1	NO ADDRESS PROVIDED		Addr2		
City				State	Zip	Country			
Sales Information									
Doc Type	TRUSTEE'S DEED			Sale Date	04/07/17	Record Date	04/18/17	Price	101,300
Closing Agent	SHERRY FOWLER CHANCELLOR ESQ			Trans Type	R New/Resale	# of Parcels	1	Ownership %	
Location of Property									
SecTwnRng	00002S24W			Addr	1 GULF SHORE DR DESTIN FL 32541-Okaloosa, FL				
RE Zone	Z12Y1 WaterFront COMM HARBR			Legal	BEG NLY COR LOT 124 BLK F HOLIDAY ISLE S30 DEG W 7				
Description of Property									
Land Use	VACANT RESIDENTIAL			Land Size	660 FrontFeet	GIS Acres	0.17	Parcel Value	109,946
Structure Type	NO STRUCTURE			Yr Blt Eff/Act	0/0	Sqft Eff/HC	/	Land Value	109,946
Mortgage Information									
Amount 1				Lender 1			Type 1	Fixed/Var 1	
Amount 2				Lender 2			Type 2	Fixed/Var 2	
Sales History (Tax Roll)									
Bk/Pg 1	2730/4785	Date 1	2006/08	V/I	y	Price 1	100		
Bk/Pg 2	2537/2079	Date 2	2004/06	V/I	y	Price 2	22,360,000		
Inst1				Inst2					
Sales Analysis									
Tot \$ Sqft Eff/HC						/	Ind Struct Price	0	
Ind Struct \$ Sqft Eff/HC						0 / 0	Ind Land Price	101300	
COM AT THE NW COR OF LOT 124 BLOCK F HOLIDAY ISLE RES SEC NUMBER 5 THENCE ON ELY RIGHT OF WAY LINE OF DURANGO ROAD S 31.33'00" W A DIST OF 724.75 FT THENCE DEPART SAID ELY RIGHT OF WAY N ...MORE... CONTAINS 5.35 ACRES MORE OR LESS									

I am providing the following schematic which makes it clear what is happening on the site.

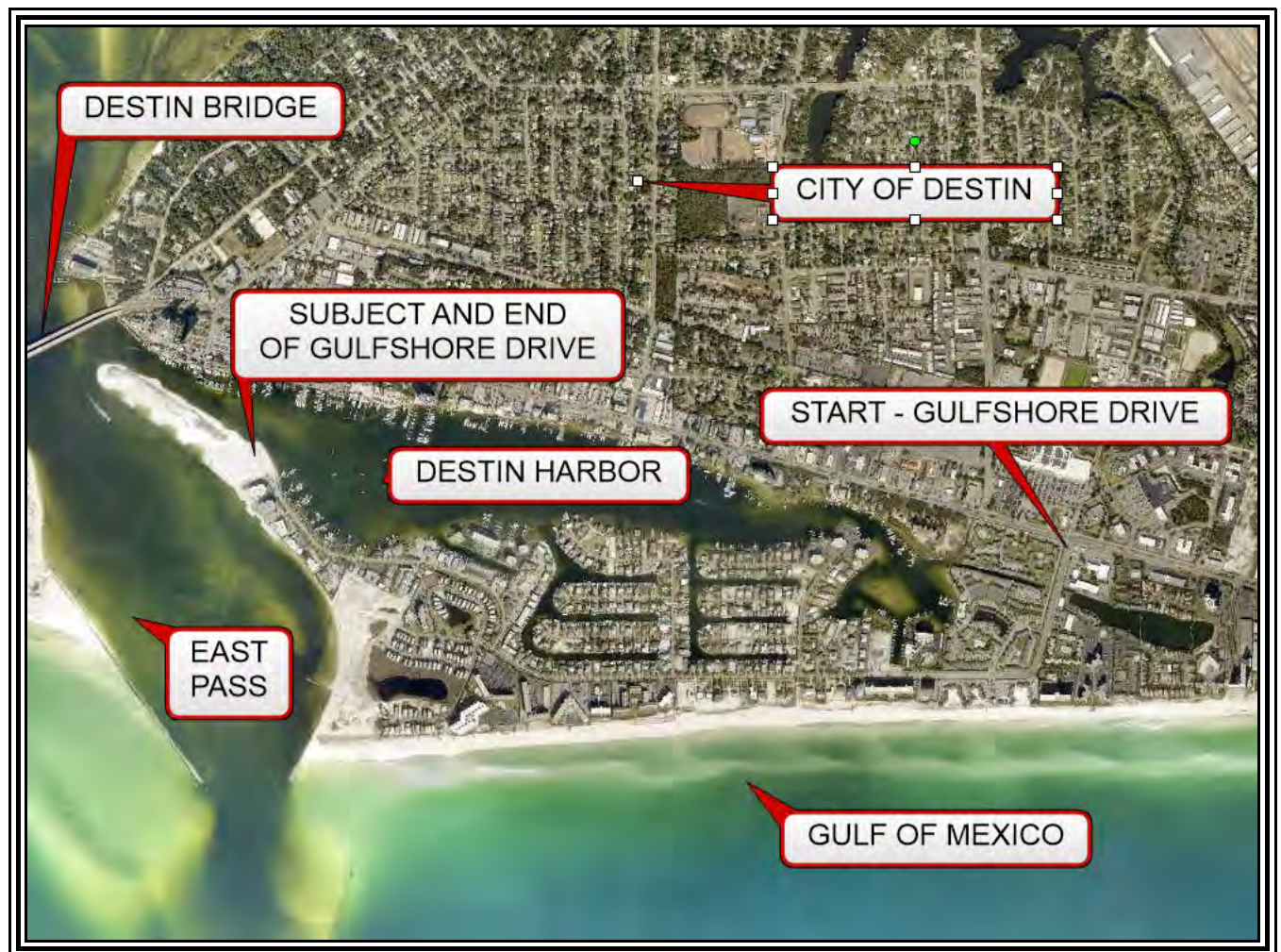


Location Description:

The subject property is located in the city of Destin at the end of Gulfshore Drive. Gulfshore drive transverses between U. S. Highway 98 and the subject site. It thus travels through the entirety of gulf front homes and residential condominiums to the south and the Destin canal system to the north. It then extends west through additional condominiums before ending generally at the subject site.

I note that there is some small amount of entry level homes along Gulfshore Drive, however, entry level homes are limited. Most of the detached product as well as the condominium product is tiered toward the upper end of the market.

See the following map:



Size/Shape:

The following legal descriptions are provided to the reader. The first legal description presented is parcel # 00-2S-24-0000-0034-0000. This legal description states that the parcel is 5.35 acres, more or less.

It is my opinion this legal description is dated prior to the splitting of the parcels and the extension of Gulf Shore Drive through this subject parent parcel, reducing its size.

00-2S-24-0000-0034-0000

COMMENCE AT THE NORTHWEST CORNER OF LOT 124, BLOCK F, HOLIDAY ISLE, RESIDENTIAL SECTION NUMBER 5, AS RECORDED IN PLAT BOOK 4, PAGE 39 OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA, THENCE ON THE EASTERLY RIGHT OF WAY LINE OF DURANGO ROAD (66 FOOT RIGHT OF WAY) SOUTH 31 DEGREES 33 MINUTES 00 SECONDS WEST, A DISTANCE OF 724.75 FEET, THENCE DEPARTING SAID EASTERLY RIGHT OF WAY NORTH 65 DEGREES 28 MINUTES 19 SECONDS WEST A DISTANCE OF 1877.26 FEET, THENCE NORTH 24 DEGREES 31 MINUTES 41 SECONDS EAST, A DISTANCE OF 16.04 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY OF GULF SHORE DRIVE, THENCE ON SAID SOUTHERLY RIGHT OF WAY THE FOLLOWING FOUR CALLS: THENCE (1) ON THE ARC OF A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 613.27 FEET THROUGH A CENTRAL ANGLE OF 48 DEGREES 59 MINUTES 18 SECONDS, AN ARC DISTANCE OF 524.35 FEET (CHORD BEARING = NORTH 60 DEGREES, 02 MINUTES, 13 SECONDS WEST, CHORD DISTANCE = 508.52 FEET) TO THE POINT OF TANGENCY, THENCE (2) NORTH 38 DEGREES, 35 MINUTES, 42 SECONDS WEST, A DISTANCE OF 368.78 FEET TO THE POINT OF CURVATURE WITH A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 2025.15 FEET, THENCE (3) THROUGH A CENTRAL ANGLE OF 11 DEGREES 00 MINUTES 05 SECONDS, AN ARC DISTANCE OF 388.85 FEET (CHORD BEARING = NORTH 33 DEGREES, 12 MINUTES 52 SECONDS WEST, CHORD DISTANCE = 388.25 FEET) TO A POINT OF COMPOUND CURVATURE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 503.88 FEET, THENCE (4) THROUGH A CENTRAL ANGLE OF 13 DEGREES 36 MINUTES 19 SECONDS AN ARC DISTANCE OF 119.65 FEET (CHORD BEARING = NORTH 20 DEGREES 24 MINUTES 51 SECONDS WEST, CHORD DISTANCE = 119.37 FEET) TO THE NORTHWEST CORNER OF EAST PASS TOWERS, PHASE I, A CONDOMINIUM, SAID POINT BEING THE POINT OF BEGINNING, THENCE ON THE WESTERN BOUNDARY OF SAID EAST PASS TOWERS, PHASE I, A CONDOMINIUM, SOUTH 68 DEGREES 06 MINUTES 39 SECONDS WEST, A DISTANCE OF 351.00 FEET TO A POINT ON THE SEAWARD VERTICAL FACE OF AN EXISTING SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO, THENCE ON SAID VERTICAL FACE OF SAID EXISTING SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO THE FOLLOWING TWO CALLS: (1) NORTH 38 DEGREES 01 MINUTES 05 SECONDS WEST, A DISTANCE OF 2.50 FEET, THENCE (2) NORTH 49 DEGREES 25 MINUTES 44 SECONDS WEST, A DISTANCE OF 385.65 FEET, THENCE DEPARTING SAID VERTICAL FACE OF SEAWALL AND MEAN HIGH

WATER LINE OF THE GULF OF MEXICO, NORTH 45 DEGREES 13 MINUTES 52 SECONDS EAST, A DISTANCE OF 456.28 FEET TO A POINT ON THE MEAN HIGH WATER LINE AND 0.77 FOOT CONTOUR (NORTH AMERICAN VERTICAL DATUM OF 1988): OF OLD PASS LAGOON; THENCE ON SAID MEAN HIGH WATER LINE THE FOLLOWING APPROXIMATING TEN CALLS: THENCE (1) SOUTH 46 DEGREES 50 MINUTES 23 SECONDS EAST, A DISTANCE OF 141.88 FEET TO A POINT OF CURVATURE CONCAVE NORTHERLY HAVING A RADIUS OF 75.44 FEET; THENCE (2) ON THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 56 DEGREES 18 MINUTES 39 SECONDS, A DISTANCE OF 74.14 FEET (CHORD BEARING = SOUTH 81 DEGREES 15 MINUTES 01 SECONDS EAST, CHORD DISTANCE = 71.19 FEET) TO A POINT OF REVERSE CURVATURE WITH A CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 57.88 FEET, THENCE (2) ON THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 74 DEGREES 10 MINUTES 30 SECONDS, AN ARC DISTANCE OF 74.93 FEET (CHORD BEARING = SOUTH 78 DEGREES 42 MINUTES 32 SECONDS EAST, CHORD DISTANCE = 69.81 FEET), THENCE (3) SOUTH 38 DEGREES 32 MINUTES 59 SECONDS EAST, A DISTANCE OF 52.61 FEET, THENCE (4) SOUTH 33 DEGREES 51 MINUTES 06 SECONDS EAST, A DISTANCE OF 58.25 FEET, THENCE (5) SOUTH 37 DEGREES 02 MINUTES 14 SECONDS EAST, A DISTANCE OF 57.72 FEET, THENCE (6) SOUTH 28 DEGREES 36 MINUTES 06 SECONDS EAST, A DISTANCE OF 45.66 FEET, THENCE (7) SOUTH 43 DEGREES 05 MINUTES 21 SECONDS EAST, A DISTANCE OF 20.93 FEET; THENCE (8) SOUTH 18 DEGREES 51 MINUTES 44 SECONDS EAST, A DISTANCE OF 36.20 FEET, THENCE (10) SOUTH 25 DEGREES 51 MINUTES 45 SECONDS EAST, A DISTANCE OF 54.65 FEET TO A POINT OF INTERSECTION WITH THE NORTHERLY EXTENSION OF THE AFORESAID WESTERLY BOUNDARY LINE OF EAST PASS TOWERS, PHASE I, A CONDOMINIUM, THENCE DEPARTING SAID MEAN HIGH WATER LINE AND ON SAID NORTHERLY EXTENSION SOUTH 68 DEGREES 06 MINUTES 39 SECONDS WEST, A DISTANCE OF 126.92 FEET TO CLOSE ON THE POINT OF BEGINNING.

SAID PARCEL CONTAINING 5.35 ACRES MORE OR LESS.



The following is the legal description of the smaller parcel.

CONDOMINIUM PARCEL (AS WRITTEN) A PARCEL OF LAND IN UNSECTIONALIZED TOWNSHIP 2 SOUTH, RANGE 22 WEST, OKALOOSA COUNTY, FLORIDA, BEING MORE EXPLICITLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF LOT 124, BLOCK F, HOLIDAY ISLE, RESIDENTIAL SECTION NUMBER 5, AS RECORDED IN PLAT BOOK 4, PAGE 39 OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA, THENCE ON THE EASTERLY RIGHT OF WAY LINE OF DURANGO ROAD (66 FOOT RIGHT OF WAY) SOUTH 31°33'00" WEST, A DISTANCE OF 724.75 FEET, THENCE DEPARTING SAID EASTERLY RIGHT OF WAY NORTH 65°28'19" WEST A DISTANCE OF 1877.26 FEET, THENCE NORTH 24°31'41" EAST, A DISTANCE OF 16.04 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY OF GULF SHORE DRIVE, THENCE ON SAID SOUTHERLY RIGHT OF WAY THE FOLLOWING FOUR CALLS: THENCE (1) ON THE ARC OF A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 613.27 FEET THROUGH A CENTRAL ANGLE OF 48°59'18", AN ARC DISTANCE OF 524.35 FEET (CHORD BEARING = NORTH 60°02'13" WEST, CHORD DISTANCE = 508.52 FEET) TO THE POINT OF TANGENCY, THENCE (2) NORTH 38° 35 MINUTES, 42" WEST, A DISTANCE OF 368.78 FEET TO THE POINT OF CURVATURE WITH A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 2025.15 FEET, THENCE (3) THROUGH A CENTRAL ANGLE OF 11°00'05", AN ARC DISTANCE OF 388.85 FEET (CHORD BEARING = NORTH 33°12'52" WEST, CHORD DISTANCE = 388.25 FEET) TO A POINT OF COMPOUND CURVATURE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 503.88 FEET, THENCE (4) THROUGH A CENTRAL ANGLE OF 13°36'19" AN ARC DISTANCE OF 119.65 FEET (CHORD BEARING = NORTH 20°24'51" WEST, CHORD DISTANCE = 119.37 FEET) TO THE NORTHWEST CORNER OF EAST PASS TOWERS, PHASE 1, A CONDOMINIUM, BEING THE POINT OF BEGINNING; THENCE ON THE WEST BOUNDARY THEREOF SOUTH 68°06'39" WEST, FOR A DISTANCE OF 351.00 FEET TO A POINT ON THE SEAWARD VERTICAL FACE OF AN EXISTING SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO; THENCE ON SAID EXISTING SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO THE FOLLOWING TWO CALLS: (1) NORTH 38°01'05" WEST, FOR A DISTANCE OF 2.50 FEET; (2) NORTH 49°25'44" WEST, FOR A DISTANCE OF 385.65 FEET; THENCE DEPARTING SAID VERTICAL FACE OF SEAWALL AND MEAN HIGH WATER LINE OF THE GULF OF MEXICO, NORTH 45°13'52" EAST, FOR A DISTANCE OF 349.23 FEET TO A POINT ON THE SOUTH LINE OF A PROPOSED 100 FOOT RIGHT OF WAY; THENCE ALONG SAID SOUTH LINE THE FOLLOWING TEN (10) CALLS: (1) SOUTH 51°29'39" EAST, FOR A DISTANCE OF 5.71 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 297.00 FEET, THENCE (2) THROUGH A CENTRAL ANGLE OF 5°32'11", AN ARC DISTANCE OF 28.70 FEET (CHORD BEARING = SOUTH 48°14'25" EAST, CHORD DISTANCE = 28.69 FEET) TO A POINT OF TANGENCY; THENCE (3) SOUTH 45°28'19" EAST, FOR A DISTANCE OF 90.85 FEET TO POINT OF CURVATURE WITH A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 225.00 FEET; THENCE (4) THROUGH A CENTRAL ANGLE OF 40°22'41", AN ARC DISTANCE OF 158.56 FEET (CHORD BEARING = SOUTH 65°39'39" EAST, CHORD DISTANCE = 155.30 FEET) TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 75.00 FEET; (5) THENCE ON THROUGH A CENTRAL ANGLE OF 48°37'29", AN ARC DISTANCE OF 63.65 FEET (CHORD BEARING = SOUTH 61°32'15" EAST, CHORD DISTANCE = 61.76 FEET) TO A POINT OF TANGENCY; (6) THENCE SOUTH 37°13'31" EAST, FOR A DISTANCE OF 38.17 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 425.00

FEET; (7)THENCE ON THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 13°08'19", AN ARC DISTANCE OF 97.46 FEET, (CHORD BEARING AND DISTANCE = SOUTH 30°39'22" EAST, A DISTANCE OF 97.25 FEET), TO A POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 100.00 FEET; (8)THENCE ON THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 25°20'21", AN ARC DISTANCE OF 44.23 FEET, (CHORD BEARING AND DISTANCE = SOUTH 12°20'37 SECONDS EAST, A DISTANCE OF 43.87 FEET), TO A POINT OF REVERSE CURVATURE WITH A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 125.00 FEET; (9)THENCE ON THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 13°46'31", AN ARC DISTANCE OF 30.05 FEET, (CHORD BEARING AND DISTANCE = SOUTH 06°33'42" EAST, A DISTANCE OF 29.98 FEET) TO A POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 503.88 FEET; (10) THENCE ON THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 00°09'43", AN ARC DISTANCE OF 1.42 FEET (CHORD BEARING AND DISTANCE = SOUTH 13°31'50" EAST, A DISTANCE OF 1.42 FEET) TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED.

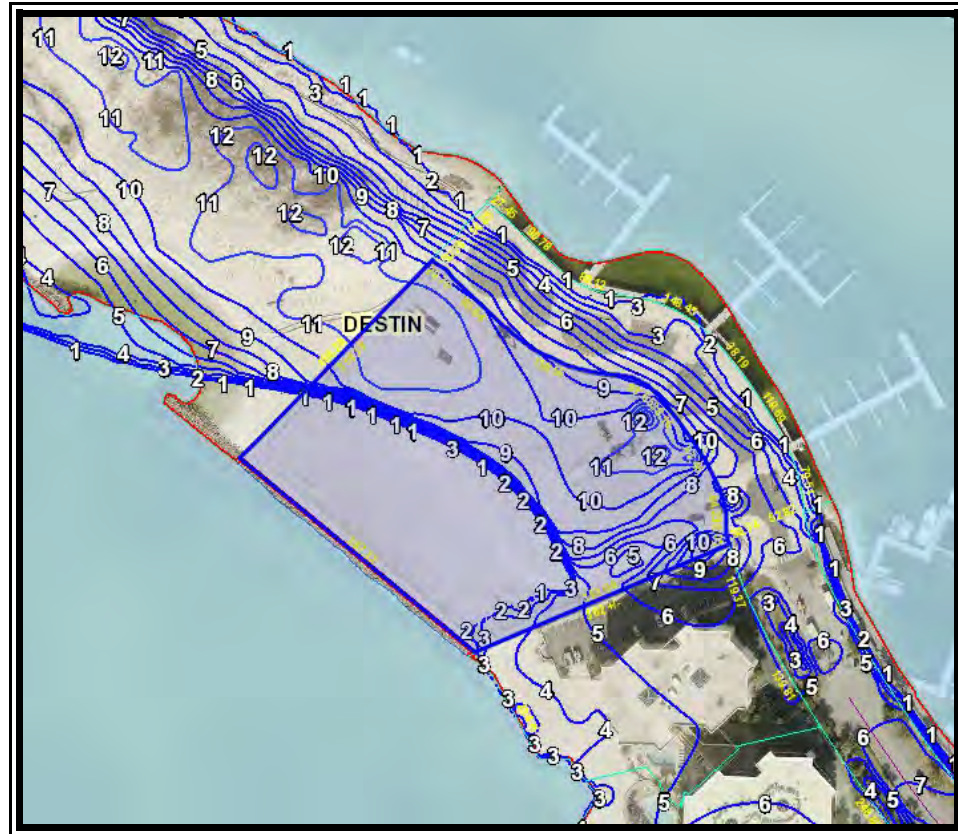
Excess Land: None.

Topography:

The soil under the subject boat slips is submerged and is not identified in the soils manual. However, a marina must attach to uplands and the uplands between the condominium building and the water appears to be totally Newhan-Corolla, complex, rolling, which is level to steep, excessively drained soil which has only minor limitations for most development activity according to the *Soil Survey*¹⁰. The subject site is at the finished grade of Gulfshore Drive.

Drainage appears adequate as run off is directly into either the Gulf of Mexico or the Destin Harbor.

The reader can note that the southern section of the subject is very low. I do not know if this is alluvial movement, or if the land was excavated. When the road was added, I am sure road preparation required repeated fill and compaction and what better place to get fill than tourist type land to the south.

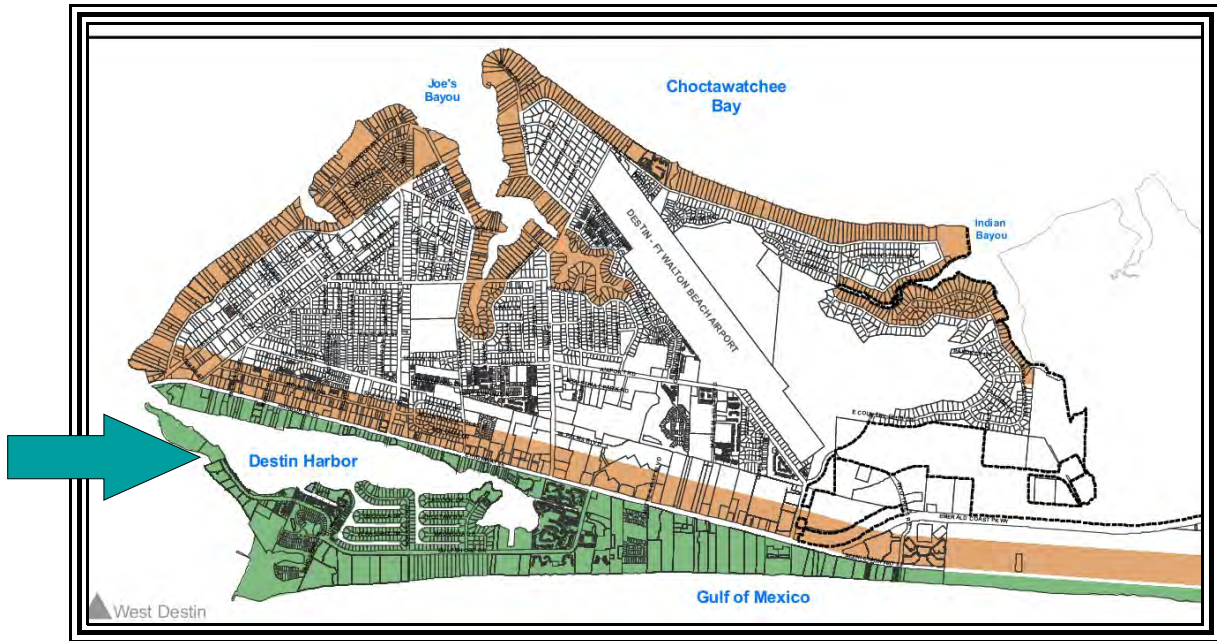


¹⁰

Soil Conservation Service, United States Department of Agriculture, Soil Survey of Okaloosa County, Florida.

The following map is the 'white sands map' in Destin. The green area portrays the whitest sand, generally along the Gulf of Mexico.

The subject is indicated by the green arrow.



Utilities:

<i>Utility</i>	<i>Provider</i>	<i>Utility</i>	<i>Provider</i>
Electricity	Gulf Power	Storm water Drainage	Okaloosa County and Destin
Water and Sewer	Destin Water Users	Fire Department	Destin Fire District
Natural Gas	Okaloosa Gas	Police Department	Okaloosa County Sheriff on Contract
Telephone	Sprint/Centel	Refuse Removal	Waste Management

Easements/Encroachments:

I have not been furnished a copy of a survey of the subject property. However, I consider that the legal description and other research indicates to me that the only easement is the road easement for the extension of Gulfshore Drive. Per a conversation with Joseph Winkeler, The owners provided a quit claim deed to Okaloosa County to replace the easement and the road was later constructed.

Ingress/Egress:

Access is only from Gulfshore Drive, which is a paved, two lane typical street.

At the time of the viewing, there was a chain link fence a gate and lock prohibiting entrance onto the subject site. I view this a temporary until the final execution of planned development occurs on the subject site.

Access is also available from the Destin Harbor, via the water.

Access is considered typical of most condominium and marina access in the local market.

Flood Risk:

FEMA Map Panel	Map Area	Dated	Flood Zone
124158 0469 J	Destin	3/9/2021	“VE” and “AE”

It is very difficult to ascertain where an “VE” flood zone stops and an “AE” Elevation 9 flood zone begins. Suffice it to say the subject is very low and most of the subject is probably in Flood Zone “VE”. This is not as bad as it sounds as there is an ongoing commercial use for the subject regardless of its flood zone designation.



Wetlands:

The green arrow indicates the subject.

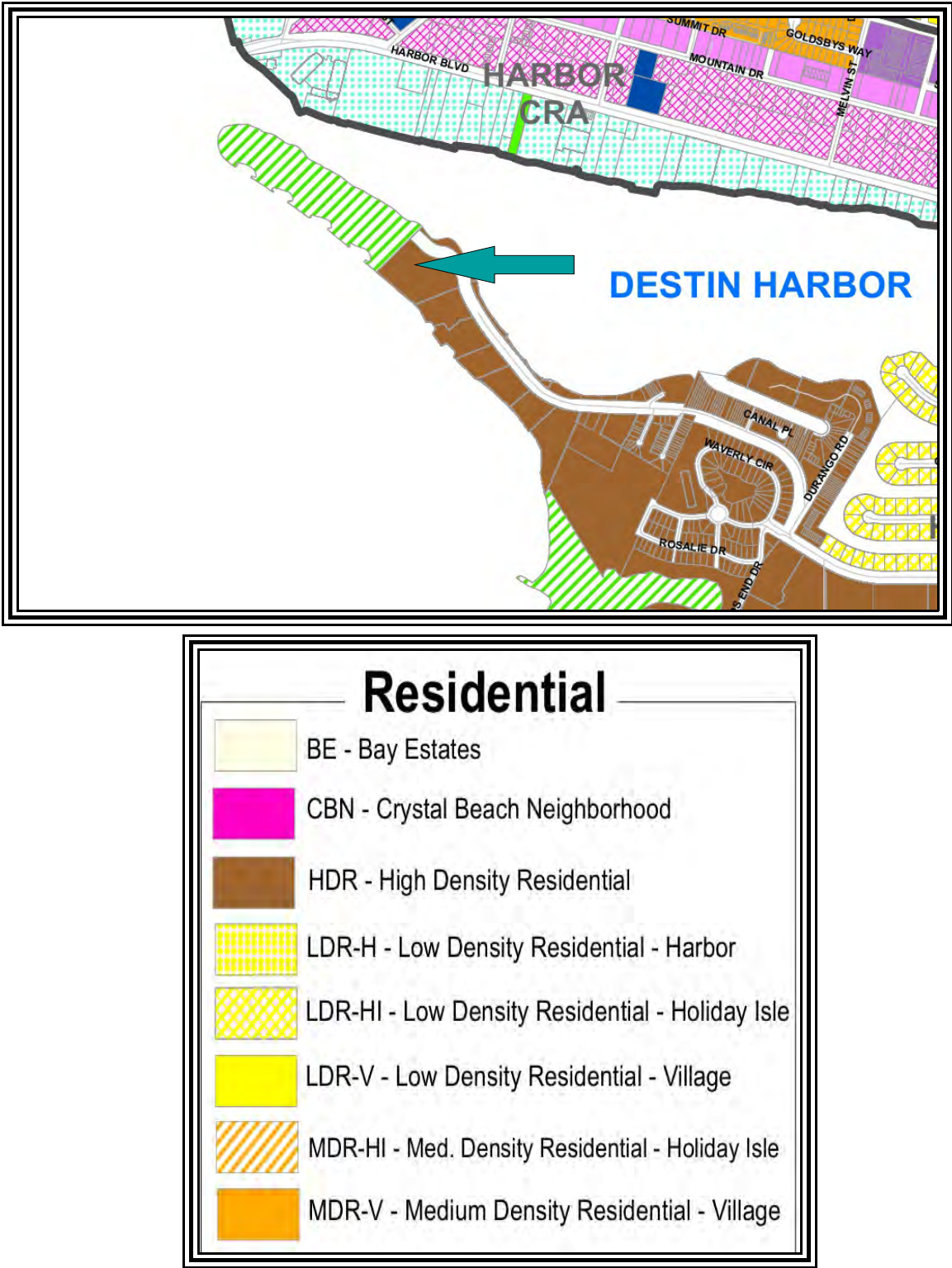
There does not appear to be wetlands on either subject parcel.




ZONING, FUTURE LAND USE, AND CONCURRENCY

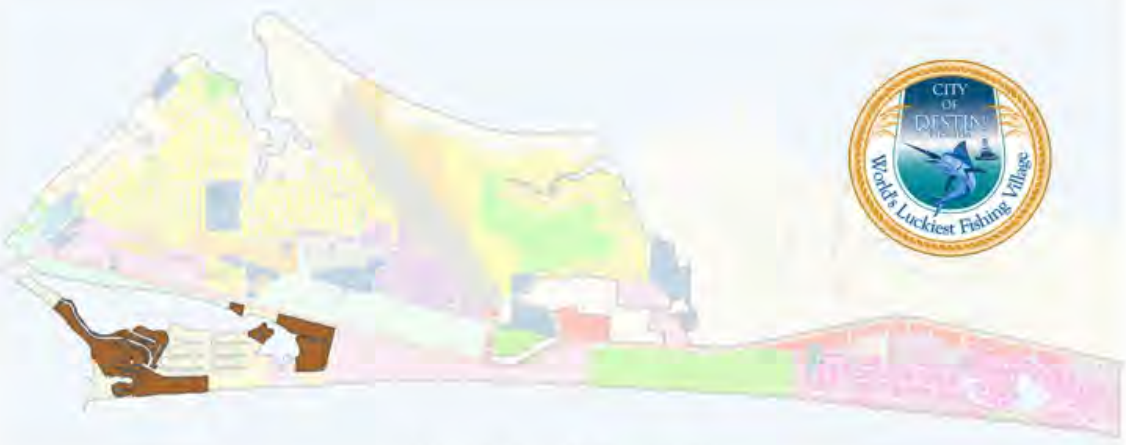
The zoning map for the City of Destin shows the subject property to be in the High Density Residential District, indicated in the green arrow below.

her, it was predominantly an accessory use to the primary use of the subject contiguous area which is residential condominium. This zoning specifically allows accessory uses such as marinas. Thus, the subject slips are legally permissible “as is”.



Zoning data from the city of Destin:





ZONING FACTSHEET

*****This Fact Sheet is an excerpt of the Land Development Code but is not to be used for zoning decisions. Please contact the Planning Division to confirm the information in this Fact Sheet.*****

The purpose and intent of establishing zoning districts is to ensure that all development is consistent with the goals, objectives, and policies of the Comprehensive Plan, by establishing a series of zoning districts that indicate what uses are allowed and site development regulations that control the use of land in each district. All development within each zoning district shall be consistent with the purposes stated for each district. (LDC 7.12.05)

HIGH DENSITY RESIDENTIAL (HDR) (excerpt from LDC 7.12.06.)

Purpose and intent: The High Density Residential zoning district shall apply to areas developed, redeveloped and/or maintained and conserved as permanent or seasonal single-family detached or multi-family attached residential dwelling units. It is the intent of the HDR zoning district to specifically not allow commercial hotels, motels, bed and breakfast establishments, or other commercial transient living accommodations; and all non-residential uses.

Dimensional Requirements in HDR (excerpt from LDC 7.12.08)

High Density Residential (HDR)			
Dwelling Units		1	2+
Minimum Lot Area (square feet)		7,500	None
Minimum Lot Size	Width	70	None
	Depth	100	None
Maximum Building Height / Stories		30/3 stories	50/4 stories
Setbacks	Front	20	H
	Side	7½	H
	Rear	10	H
Maximum Density (units per acre)		9.90	19.90
Maximum Floor Area Ratio		N/A	N/A
Minimum Open Space (%)		30%	25%

Footnotes:

H The following setbacks shall apply to developments proposed in the HDR zoning district:

Setbacks				
Front	Building Height Less than 40'	Properties on U.S. Highway 98	15 – 25	
		Properties not on U.S. Highway 98	10 – 20	
	Building Height 40' or more	Properties on U.S. Highway 98	Min. 45	
		Properties not on U.S. Highway 98	Min. 30	
	Properties on Scenic Highway 98		0 – 10	
Side	Building Height	35' or less	0	
		35' to 50'	15	
Rear	Building Height	Lots not fronting the gulf/ Harbor/ Bay	35' or less	10
			35' to 50'	15
			50' or more	Increased by 2' on each side for each fraction thereof exceeding 50'
	Lots fronting the Gulf			Established by DEP
	Lots fronting the Harbor			0'
Fronting the Choctawhatchee Bay			Must meet the requirements set forth in section 11.01.10 Bay shoreline protection zone	

Those portions of a development that abut single-family, duplex or townhome uses shall meet the supplemental side and rear setbacks requirements set forth in Section 7.09.03.D. and 7.09.03.F.1.f.1.

Allowable Uses in HDR (excerpt from LDC 7.12.06)

PERMITTED USES:***Permanent or long-term residential uses***

Single-family detached dwelling
Multi-family attached dwelling
Guest house ⁽¹⁾
Accessory dwelling
Single room occupancy housing

Seasonal or short-term residential uses

Single-family detached dwelling
Multi-family attached dwelling

Other residential uses

Community residential home, small (1-6)
Family day care home

NAICS Use Designations

221122 Distribution electric substation ⁽¹⁶⁾

CONDITIONAL USES:***Permanent or long-term residential uses***

Mobile home development

Other residential uses

Community residential home, large (7-14)
--

NAICS Use Designations

922120 Police protection
922160 Fire protection

ACCESSORY USES:

Uses and structures which are customarily accessory, clearly incidental and subordinate to permitted uses and structures, including home occupations and off-site businesses.

Footnotes:

1 Guest houses are permitted only if the owner of the subject property occupies the primary dwelling as his/her main residence. However, guest houses shall not be rented out separately from the main residence and (refer to Section 7.12.04.M).

16 Refer to Section 7.09.02(B)12 for further information.

For more information please contact:

Planning Division

Community Development Department

planning@cityofdestin.com

4100 Indian Bayou Trail, Destin, FL 32541

Phone: (850) 654-1119 option 2

www.cityofdestin.com

Assessed Values:

The identification number, gross tax amount due, amount paid, and assessed value for the 2024 tax year.

Tax Identification Number	Assessed Value	Gross Tax Amount Due	Amount paid	Date Paid
00-2S-24-3050-0000-0020	\$10,083,271	\$119,450.38	\$114,672.37	11/30/2024
00-2S-24-3050-0000-0010	\$378,778	\$4,622.97	\$4,438.05	11/30/2024

According to the Okaloosa County Tax Collector, ad valorem taxes for 2024 were paid early with a 4% discount. There are no delinquent taxes due from previous tax years. There is seldom any meaningful correlation with assessed values and current market values.

[Search](#) > [Account Summary](#)

Real Estate Account #002S24305000000020

Owner:
POINTE RESORT LLC & POINTE MEZZANINE LLC

Situs:
50 GULF SHORE DR
DESTIN 32541

[Parcel details](#)
[Property Appraiser](#)

Amount Due

Your account is **paid in full**. There is nothing due at this time.
Your most recent payment was made on **11/30/2024** for **\$114,674.37**.

Account History

BILL	AMOUNT DUE	STATUS
2024 Annual Bill ⓘ	\$0.00	Paid \$114,674.37 11/30/2024
2023 Annual Bill ⓘ	\$0.00	Paid \$54,614.55 11/25/2023
Total Amount Due	\$0.00	

[Search](#) > [Account Summary](#)

Real Estate Account #002S24305000000010


Owner:

POINTE RESORT LLC & POINTE MEZZANINE LLC

Situs:

51 GULF SHORE DR
DESTIN 32541

[Parcel details](#)

[Property Appraiser](#) 

Amount Due

Your account is **paid in full**. There is nothing due at this time.

Your most recent payment was made on **11/30/2024** for **\$4,438.05**.

Account History

BILL	AMOUNT DUE
2024 Annual Bill ⓘ	\$0.00 Paid \$4,438.05 11/30/2024
2023 Annual Bill ⓘ	\$0.00 Paid \$7,013.18 11/25/2023
Total Amount Due	\$0.00

ATTACHMENT 4F
SUBSTITUTE PAGE 246

History:

Public record indicate the current owners are Pointe Mezzanine and Port Resort with a mailing address of PO Box 7098 in Destin, Florida.

Parcel # 00-2S-24-3050-0000-0020 was transferred from Gallic Pointe ,LLC to Pointe Resort, LLC with a recording date of 12/27/2016 and an ORB/P 02 3281/1058 for \$7,800,000.

Parcel # 00-2S-24-3050-0000-0010 was transferred per ORB/P 3295/3105 based on the bankruptcy of Pointe 1, LLC in April 2017 for \$101,214.

Both sales are considered arms length, however, were probably not market based.

Current Use:

The subject property is the recently constructed 50 slip marina, and a substantial seawall along the Destin Harbor..

It is also the site of a projected 79 unit condominium.

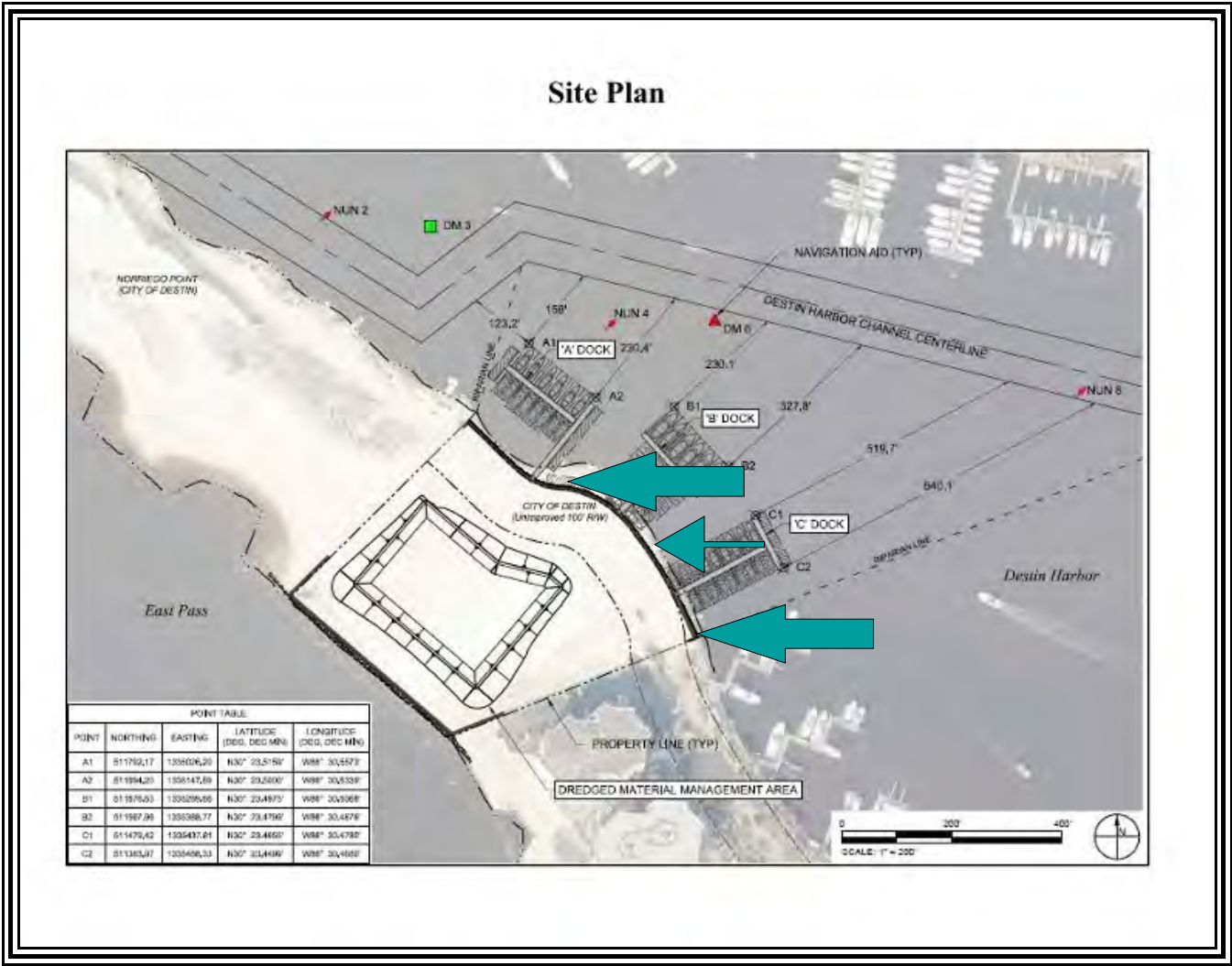
Adjacent Use:

Adjacent uses include the Destin Harbor to the north, condominiums along Gulf Shore Drive to the east, the Gulf of Mexico to the south and a county park to the west.

VACANT PAGE BY DESIGN - BREAK BETWEEN SITE FEATURES AND IMPROVEMENTS

Improvements:

There are a substantial number of improvement, both existing and proposed, on the subject parcels.



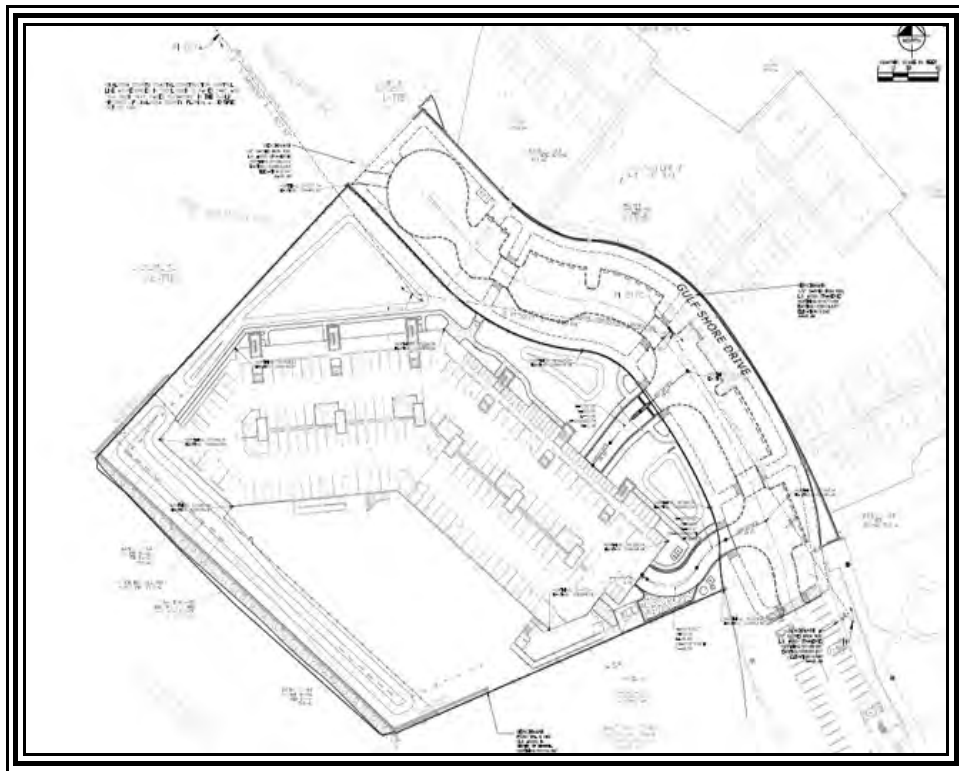
The major existing subject improvement is the recently constructed slip system on the northern side of the subject, facing the Destin Harbor and Highway 98 in the distance.

The very small and narrow area support the slip system is parcel 00-2S-24-3050-0000-0010. This area is identified by the green arrows.

There are 50 existing slips.

Proposed Condominium:

The major improvement for the subject site is a 79 unit proposed condominium.



These two schematics indicate the offset shape of the condominium building and then the parking under the condo to avoid surface parking.



VIEW FROM SOUTH



VIEW FROM WEST



VIEW FROM NORTH



VIEW FROM THE EAST/NORTHEAST

Photos from personal viewing on August 7, 2025:



VIEW FROM JUST INSIDE ENTRANCE GATE



VIEW BACK TO EAST OF GULF SHORE DRIVE AND CONDOS TO RIGHT



EXISTING SLIPS TO RIGHT - ROAD IN CENTER AND PROPOSED CONDO SPACE TO LEFT



VIEW SOUTH TO PROPOSED CONDO SPACE



VIEW FROM WEST TO EAST ALONG SIDE WALK LEADING TO SLIPS



VIEW TO NORTH OVER ONE SET OF SLIPS AND NORTH OF HARBOR



VIEW OF ANOTHER SET OF SLIPS



BOARD WALK ALONG ENTIRE NORTH SIDE OF SUBJECTDV



VIEW OF NEW SEAWALL



VIEW TO NW OF BOARDWALK _ SEAWALL AND PARTS OF TWO SLIP STRUCTURES

The following chart was taken from the Gilbert report, page 74.

The reader should note that Mr. Gilbert arrived at a value using price per square foot as opposed to price per linear foot (LF).

This technique resulted in a value of \$16,769,000.

No.	Slip	Length	\$/Ft	Est. Val.	No.	Slip	Length	\$/Ft	Est. Val.
1	Dock A - 1	70	\$6,500	\$455,000	28	Dock B - 11	66	\$6,400	\$422,400
2	Dock A - 2	50	\$6,000	\$300,000	29	Dock B - 12	66	\$6,400	\$422,400
3	Dock A - 3	50	\$6,000	\$300,000	30	Dock B - 13	54	\$6,200	\$334,800
4	Dock A - 4	50	\$6,000	\$300,000	31	Dock B - 14	54	\$6,200	\$334,800
5	Dock A - 5	50	\$6,000	\$300,000	32	Dock B - 15	50	\$6,000	\$300,000
6	Dock A - 6	50	\$6,000	\$300,000	33	Dock B - 16	50	\$6,000	\$300,000
7	Dock A - 7	50	\$6,000	\$300,000	34	Dock B - 17	44	\$5,750	\$253,000
8	Dock A - 8	70	\$6,500	\$455,000	35	Dock B - 18	44	\$5,750	\$253,000
9	Dock A - 9	70	\$6,500	\$455,000	36	Dock C - 1	44	\$5,750	\$253,000
10	Dock A - 10	44	\$5,750	\$253,000	37	Dock C - 2	44	\$5,750	\$253,000
11	Dock A - 11	44	\$5,750	\$253,000	38	Dock C - 3	44	\$5,750	\$253,000
12	Dock A - 12	50	\$6,000	\$300,000	39	Dock C - 4	50	\$6,000	\$300,000
13	Dock A - 13	50	\$6,000	\$300,000	40	Dock C - 5	50	\$6,000	\$300,000
14	Dock A - 14	50	\$6,000	\$300,000	41	Dock C - 6	50	\$6,000	\$300,000
15	Dock A - 15	50	\$6,000	\$300,000	42	Dock C - 7	50	\$6,000	\$300,000
16	Dock A - 16	44	\$5,750	\$253,000	43	Dock C - 8	50	\$6,000	\$300,000
17	Dock A - 17	44	\$5,750	\$253,000	44	Dock C - 9	50	\$6,000	\$300,000
18	Dock B - 1	44	\$5,750	\$253,000	45	Dock C - 10	108	\$6,500	\$702,000
19	Dock B - 2	44	\$5,750	\$253,000	46	Dock C - 11	40	\$5,500	\$220,000
20	Dock B - 3	50	\$6,000	\$300,000	47	Dock C - 12	40	\$5,500	\$220,000
21	Dock B - 4	50	\$6,000	\$300,000	48	Dock C - 13	40	\$5,500	\$220,000
22	Dock B - 5	54	\$6,200	\$334,800	49	Dock C - 14	40	\$5,500	\$220,000
23	Dock B - 6	54	\$6,200	\$334,800	50	Dock C - 15	40	\$5,500	\$220,000
24	Dock B - 7	66	\$6,400	\$422,400	51	Dock C - 16	40	\$5,500	\$220,000
25	Dock B - 8	66	\$6,400	\$422,400	52	Dock C - 17	44	\$5,750	\$253,000
26	Dock B - 9	66	\$6,400	\$422,400	53	Dock C - 18	44	\$5,750	\$253,000
27	Dock B - 10	66	\$6,400	\$422,400	54	Dock C - 19	40	\$5,500	\$220,000
					TOTAL				
					2782				
					\$6,028				
					\$16,769,600				

CONDOMINIUM DESCRIPTION:

All comments regarding the proposed condominium will be included in the valuation section.

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BREAK BETWEEN DESCRIPTION OF SUBJECT FEATURES AND ADMINISTRATIVE DATA**

MARKET AREA ANALYSIS

Okaloosa County is a county in the state of Florida. Located in northwest Florida, it extends from the Gulf of Mexico to the Alabama state line. As of the 2000 census, the population was 170,498. The U.S. Census Bureau 2005 estimate for the county is 182,172. ^[1] The 2009 estimate for the county is 196,237 people. Its county seat is Crestview.

Okaloosa County is coextensive with the **Fort Walton Beach-Crestview-Destin, Florida Metropolitan Statistical Area**, a metropolitan statistical area (MSA) designated by the Office of Management and Budget. Fort Walton Beach, Crestview and Destin are designated as the principal cities of the MSA. The Fort Walton Beach, Florida Standard Metropolitan Statistical Area was first defined in 1981. In 2003 Crestview and Destin were named principal cities, and the MSA name was changed to its present form.

POPULATION

	Okaloosa	Florida
1980:	109,920	9,746,961
1990:	143,777	12,938,071
2010:	180,822	18,801,310
2020(p):	192,600	21,326,800
2040(p):	214,400	26,081,800

(p) Denotes Projected Population

PER CAPITA PERSONAL INCOME

	Okaloosa	Florida
2007	\$41,109	\$39,449
2008	\$42,288	\$40,133
2009	\$42,007	\$38,965

LABOR FORCE

(2010)	
Labor Force	96,350
Labor Force % of County Population	53.3
Number in County Unemployed	7,789
Unemployment Rate	8.1%

CLIMATE

Average Temperature	High	Low
January:	60	37
July:	91	71
Florida Mean Annual Precipitation	53	
Average Annual Rain Days	110	

MIGRATION

(2010)	
In-Migration	14,069
Out-Migration	16,536
Net-Migration	-2,467

*Estimates based on IRS Statistics of Income data

EXISTING EMPLOYMENT**Major Private Sector Employers**

Fort Walton Beach Medical Center	
Business Line: Full Service Hospital	
Number of Employees.....	1,305

Monthly labor force data are available from the [Florida Agency for Workforce Innovation](#).

EMPLOYMENT BY INDUSTRY

<i>N/D = No Data</i>	Okaloosa	Florida
(2010)		
Average Annual Employment	74,502	7,109,630
Natural Resources & Mining	0.0%	1.2%
Construction	5.0%	5.0%
Manufacturing	4.9%	4.3%
Trade, Transportation and Utilities	18.9%	21.2%
Information	1.6%	1.9%
Financial Activities	6.2%	6.6%
Professional & Business Services	13.9%	14.8%
Education & Health Services	11.9%	22.0%
Leisure & Hospitality	16.1%	13.2%
Other Services	3.2%	3.3%
Public administration	12.3%	6.6%
Unclassified	0.0%	0.0%

L-3 Communications/Crestview Aerospace

Business Line: Aircraft Manufacturing, Maintenance, & Modification

Number of Employees..... 930

DRS Training & Control Systems

Business Line: Defense Electronics

Number of Employees..... 875

InDyne Inc.

Business Line: Range Test Facilities, Security Systems & Multimedia

Number of Employees..... 800

ResortQuest

Business Line: Property Management & Real Estate

Number of Employees..... 750

Jacobs TEAS

Business Line: Engineering Services

Number of Employees..... 700

Average Annual Wage		Number of Employees	
(2010)			
All Industries	\$38,637	BAE Technical Services	
Construction	\$33,820	Business Line: Aerospace & Defense Contractor	
Education & Health Services	\$37,833	Number of Employees.....	700
Financial Activities	\$39,138		
Information	\$58,700	Lockheed Martin	
Leisure & Hospitality	\$16,210	Business Line: Aerospace & Defense Contractor	
Manufacturing	\$52,713	Number of Employees.....	680
Natural Resources & Mining	\$15,199		
Other Services	\$29,819	Tybrin Corporation	
Professional & Business Services	\$53,974	Business Line: Engineering Analysis & Software Development	
Public administration	\$60,204	Number of Employees.....	535
Trade, Transportation and Utilities	\$29,327		
Unclassified	\$85,819	Boeing	
		Business Line: Aerospace & Defense Contractor	
		Number of Employees.....	530

TRANSPORTATION

Federal Interstates	I-10	Nearest Airport with Scheduled Commerical Airline Service:	Northwest Florida Regional Airport
Federal Highways	US-90, US-98	# Runways	2
State Highways	Route 20, Route 85	Longest Paved Runway(ft.)	12010
Railroads	CSX	General Aviation Airports	Bob Sikes Airport, Destin Airport
		Local Deep Water Port	Port of Pensacola
		Miles to Closest Port	44


STATE AND LOCAL TAXATION

COUNTY		STATE	
Countywide Ad Valorem Millage Rates:			
Government	3.2899	Corporate Income Tax	5.5%
Schools	7.7690	Personal Income Tax	0.0%
Special	0.0400	Retail Sales Tax	6.0%
Total	11.0989		
Ad Valorem Tax Exemption:			
Retail Sales Tax (Local Option)	0.00		
Federal Enterprise Zone	No		
State Enterprise Zone	EZ-4601		

COMMERCIAL/INDUSTRIAL SERVICES		EDUCATION		
Electric Companies:		Public Schools	Teachers	Enrollments
<ul style="list-style-type: none"> Gulf Power Company Choctawhatchee Electric Cooperative (CHELCO) 				
Natural Gas Companies:				
<ul style="list-style-type: none"> Okaloosa Gas District 				
Telephone Companies:				
<ul style="list-style-type: none"> CenturyLink Cox Communications CHELCO 				
Water & Sewer Companies:				
<ul style="list-style-type: none"> Okaloosa Water & Sewage Individual Cities Water Management Districts 				
Existing Industrial Zoned Land	Yes			
Number of Acres	1,065			
Largest Available Contiguous Parcel	0			
Industrial Parks	Yes			
Number of Acres	900			
Largest Available Contiguous Parcel	0			
Foreign Trade Zones	No			
		Totals:	54	1,896 28,695
		Private Schools Available: Yes		
		POST SECONDARY EDUCATION SERVING THE COUNTY:		
		Colleges/Universities:		
		<ul style="list-style-type: none"> Embry Riddle Aeronautical University University of West Florida University of Arkansas Troy University Northwest Florida State College UF - Research, Engineering & Education Facility 		
		Junior/Community Colleges:		
		<ul style="list-style-type: none"> none 		
		Technical Schools:		
		<ul style="list-style-type: none"> Okaloosa Applied Technology Center Bay Area Vocational Technology School Crestview Vocational Technology Center 		
		Other Schools:		
		<ul style="list-style-type: none"> Collegiate High School Community High Institute of Career Education 		

MEDIA	FINANCIAL INSTITUTIONS
<p>Local Radio Stations:</p> <ul style="list-style-type: none">• WKSM - FM 99.5• WMXA - FM 103.1• WWAV - FM 102.1• WYZB - FM 105.5• WNCV - FM 100.3• WFTV - AM 1260• WSNX - 96.5• WTKE - FM 98.1 <p>Local Television Stations:</p> <ul style="list-style-type: none">• Beach TV• WEAR (ABC)• WSRE (PBS)• WJHG (NBC)• Cox Cable (IND)• Gulf Coast TV <p>Locally Printed Newspapers:</p> <ul style="list-style-type: none">• The Northwest Florida Daily News• The Crestview News Bulletin• The Destin Log• The Bay Beacon• Hurlburt Warrior/Eglin Flyer	<p>Number of Banks: 27</p> <p>Number of Savings and Loans: 0</p> <p>Number of Credit Unions: 6</p>

QUALITY OF LIFE	
Cost of Living	
Price Level Index, (2010)	
Florida State Average = 100	
2008	95.22
2009	96.16
2010	97.49
Medical Services:	
<ul style="list-style-type: none"> • Fort Walton Beach Medical Center • North Okaloosa Medical Center • Sacred Heart Hospital Emerald Coast • Twin Cities Hospital • White-Wilson Medical Center 	
Recreational Opportunities:	
<ul style="list-style-type: none"> • Beaches/Water Parks/Boardwalks • Camping • Canoeing/Kayaking/Rafting • Golf • Hunting/Fishing • Scuba Diving/Shorkelling • Shopping/Dining • Watersports / Boating 	
Historical Points Of Interest:	
<ul style="list-style-type: none"> • Air Force Armament Museum • Camp Walton School House • Carver-Hilli Museum • Destin Fishing & History Museum • Heritage Museum of NW Florida • Indian Temple Mound Museum & Park 	
Cultural Events/Festivals:	
<ul style="list-style-type: none"> • Amphitheater • Arts Center of Northwest FL State College • Destin Fishing Rodeo - Destin Cobia Tournament • Emerald Coast Solence Center • Festivals - Arts, Crafts, Seafood • Mattie Kelly Arts Foundation • NWF Ballet Academy 	

History	[edit]	Founded June 13, 1915
Okaloosa County was created by an act passed June 3, 1915. ^[2] Okaloosa is a Choctaw word meaning "black water". "Oka" means water, and "lusa" is black in the Choctaw language.		Seat Crestview
Geography	[edit]	Area - Total 1,082.00 sq mi (2,802 km²) - Land 935.63 sq mi (2,423 km²) - Water 146.37 sq mi (379 km²), 13.53%
According to the 2000 census, the county has a total area of 1,082.00 square miles (2,802.4 km²), of which 935.63 square miles (2,423.3 km²) (or 86.47%) is land and 146.37 square miles (379.1 km²) (or 13.53%) is water. ^[3] Fort Walton Beach and three United States Air Force bases, (Duke Field in the North and Eglin AFB and Hurlburt Field are in the south).		Population - (2010) 180,822 - Density 193/sq mi (74.62/km²)
Okaloosa County is the sole county in the <i>Fort Walton Beach-Crestview-Destin Metropolitan Statistical Area</i> .		Website www.co.okaloosa.fl.us 

Demographics

[edit]

As of the census^[5] of 2000, there were 170,498 people, 66,269 households, and 46,520 families residing in the county. The population density was 182 people per square mile (70/km²). There were 78,593 housing units at an average density of 84 per square mile (32/km²). The racial makeup of the county was 83.41% White, 9.10% Black or African American, 0.60% Native American, 2.47% Asian, 0.14% Pacific Islander, 1.33% from other races, and 2.96% from two or more races. 4.28% of the population were Hispanic or Latino of any race.

There were 66,269 households out of which 33.10% had children under the age of 18 living with them, 56.20% were married couples living together, 10.20% had a female householder with no husband present, and 29.80% were non-families. 23.50% of all households were made up of individuals and 7.50% had someone living alone who was 65 years of age or older. The average household size was 2.49 and the average family size was 2.94.

In the county the population was spread out with 24.70% under the age of 18, 9.60% from 18 to 24, 31.10% from 25 to 44, 22.40% from 45 to 64, and 12.10% who were 65 years of age or older. The median age was 36 years. For every 100 females there were 102.20 males. For every 100 females age 18 and over, there were 101.50 males.

The median income for a household in the county was \$41,474, and the median income for a family was \$47,711. Males had a median income of \$30,977 versus \$21,961 for females. The per capita income for the county was \$20,918. About 6.60% of families and 8.80% of the population were below the poverty line, including 12.70% of those under age 18 and 6.50% of those age 65 or over.

Historical populations

Census	Pop.	%±
1920	9,360	—
1930	9,897	5.7%
1940	12,900	30.3%
1950	27,533	113.4%
1960	61,175	122.2%
1970	88,187	44.2%
1980	109,920	24.6%
1990	143,776	30.8%
2000	170,498	18.6%
2010	180,822	6.1%

[408]

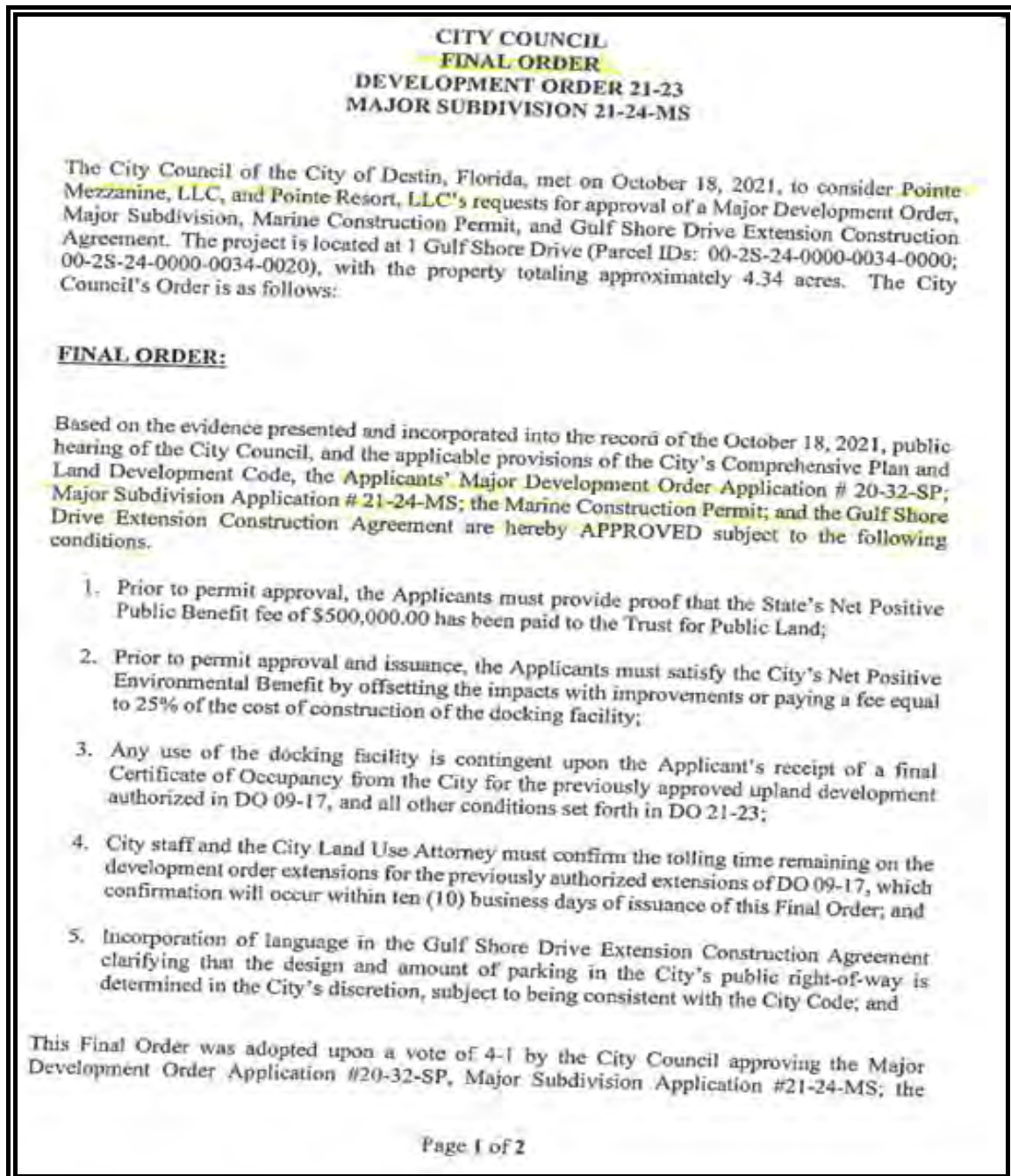
HIGHEST AND BEST USE 'AS IS'

The highest and best use, 'as is', represents the highest and best use of the subject property as a 'stand alone' property.

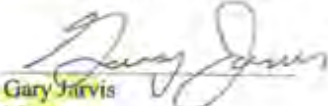
Legally Permissible


The subject property is zoned *High Density Residential* by the City of Destin with a similar land use. This zoning and future land use designation allows primarily residential use with some accessory use such as a marina.

The owners have a final order for development as seen below:



Marine Construction Permit, and the Gulf Shore Extension Construction Agreement subject to the conditions described above.


Gary Jarvis
Mayor



Rey Bailey
City Clerk

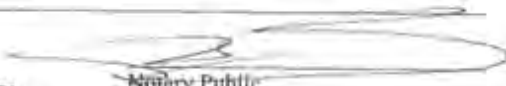
STATE OF FLORIDA
COUNTY OF OKALOOSA

The foregoing instrument was acknowledged before me via ☒ physical presence OR ☐ online notarization this 11th day of NOVEMBER, 2021

By: GARY JARVIS

Personally known: ☒
OR
Produced Identification: _____
Type of Identification produced: _____

 REYNALDO BAILEY
Commission # GG 173862
Expires March 5, 2022
Bonded Thru Budget Notary Services


Notary Public
My Commission Expires: MARCH 5, 2022

Page 2 of 2

Thus, it appears that it is legally permissible to develop the proposed residential condominium project.

Physically Possible

The subject slips have been develop and provide good support for the question of whether or not construction is feasible.

Therefore, all of the legally possible uses are physically possible to some extent.

Financially Feasible

Demand for deep water, wide water craft moorings, protected from high winds and high tides in Destin Harbor is high recognizing the proximity to the Gulf of Mexico and other luxury, residential sites on, or in close proximity, to the Destin Harbor. Appreciation rates for Gulf front condominiums have been in the range of 3% to 5% annually between 2010 and 2025, demonstrating not only strong demand for waterfront condominiums and town homes, but the attendant water craft sales and services as many of these luxury second and vacation homeowners also own large, ocean capable water craft requiring full time mooring facilities.

The city of Destin has acquired a well known name in the local and national market as a top of the line tourist getaway. Ask the same person in Seattle if they have heard of Fort Walton Beach and you would get vacant stares.

This further prompts me to that most buyers for the condominium users and the slips I consider that there were you to ask someone in Seattle if they have heard of Destin as a tourist destination I am confident they will say yes, while simultaneously the same individual would almost certainly state they had never heard of Fort Walton Beach.

I am of the opinion that most condominium buyers will be upscale buyers from other states as I am sure the local market would struggle to absorb 79 high end condo units.

I estimate a total absorption period to be 24 months.

There is additional demand for slips from non condominium unit owners who own boats but have no place to store them. Conversations with several realtors and market participants indicate the demand for slips is high and when the occasional slip becomes available for independent purchase, the time on the market is generally very short.

The use of the subject property in it's current capacity is financially feasible based on income analysis.

Maximally Productive

Demand for deep water, wide berth boat slips is extremely strong with developers searching in earnest for appropriate sites to place water craft owners who concurrently seek to purchase luxury single family, town home, or condominiums on the south and east sides of the Harbor.

Therefore, continued use as a wet slip marina is estimated to be the maximally productive use of the land, in conjunction with developing the 79 residential condominium units.

Conclusion of Highest and Best Use 'as is'

Analysis of recent trends and current market supply and demand strongly indicate the highest and best use of the subject property is continued rental of the improvements with a reasoned and planned sell off of the boat slips and condominium units over time.

CONCLUSION OF HIGHEST AND BEST USE OF THE SUBJECT PROPERTY

I have analyzed the options of expansion, demolition, downsizing, subdividing, and renovating in concert with the current market conditions in the Destin Harbor market. I have concluded the improvements should be utilized for the foreseeable future as currently improved.

Therefore, the Highest and Best Use of the subject property, as improved, is continual current use with a strong effort made to sell off of individual slips and the residential condominium units.

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BETWEEN ADMINISTRATIVE DISCUSSION AND VALUATING SECTION**

SUMMARY OF ANALYSIS AND VALUATION

Methodology

Land valuation via Sales Comparison Analysis involves direct comparisons of the subject property to similar properties that have sold in the marketplace to derive a comparative value indication for the subject property "as though vacant", as of the effective date of value. This approach is also called the "direct sales comparison approach", or the "market approach", and tends to be the most reliable approach for estimating the value of vacant land or sites available for development. Other methods of estimating the value of land are available. Allocation, extraction, land residual, ground rent capitalization, and discounted cash flow analysis are all recognized as reasonable methods. However, sales comparison analysis is employed most often by market participants to derive pricing decisions in the local market area.

The cost approach is a reliable methodology for new or nearly new buildings. We estimate the replacement cost or reproduction cost, in this case replacement construction cost, of the existing or proposed improvements and site improvements (including direct and indirect costs as well as an appropriate developer profit), deducting accrued depreciation from physical, functional, and external sources from the total replacement or reproduction cost new. The depreciated replacement or reproduction cost of the improvements is added to the value of the site resulting in a value indication of the fee simple interest in the property.

The sales comparison approach is based on the "Principle of Substitution" which indicates that an informed purchaser would pay no more for a property than the cost of acquiring an equally desirable substitute property with the same or similar utility. This approach is applicable when an active market provides sufficient quantities of reliable data which can be verified from authoritative sources. The Sales Comparison Approach is reliable in an active market or if an estimate of value is related to properties which there are comparable sales available. This approach to value is also pertinent when sales data can be verified with the principals to the transaction. Heavy emphasis is usually placed on this approach to value in an active market.

The income approach is recognized as a reliable approach for estimating the value of "income producing" property to an investor. The income approach consists of methods, techniques, and mathematical procedures that an appraiser uses to analyze a property's capacity to generate income and convert that income into an indication of present value either by capitalizing the current income at a market capitalization rate or discounting the future cash flows into a present value estimate using an appropriate yield (discount) rate. The appraisal process emulates the market, and the most probable buyer would be an investor or prospective owner occupant. Two techniques associated with the income approach are direct capitalization and discounted cash flow analysis.

Methodology Employed in this Appraisal and Explanation of Exclusion of any of the three approaches to Value

I have a mix of proposed and completed improvements.

Subject improvements which are complete are the slips, the roadway, the walkway around the parcel, and the installation of utilities.

The proposed subject improvement is the 79 unit residential condominium.

I am using source data from several sources as well as some sales comparison analysis for the slips and the condominiums.


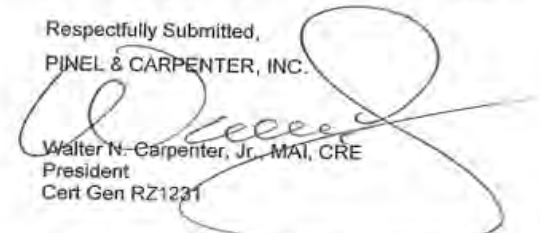
Comments Regarding Reference Data:

I have been provided a substantial amount of data already completed in this report.

I have the appraisal previously submitted by H. Linwood Gilbert, Jr, MAI.

I then have an appraisal review of the Gilbert Appraisal by Pinel and Carpenter, Real state Appraisers and consultants and also, MAIs. The review appraiser states on his cover letter that the Gilbert appraisal was considered as credible. Thus, I can consider the Gilbert appraisal as credible and reliable.

See below:

 <i>Real Estate Appraisers and Consultants</i>	<small>WALTER N. CARPENTER, JR., MAI, CRE Cert Gen RZ1231 MARK G. CARPENTER, MAI Cert Gen RZ935</small>
June 13, 2025	
<p>Mr. Joseph Winkeler Manager Pointe Mezzanine, LLC and Pointe Resort, LLC P.O. Box 7098 Destin, Florida 32540-7098</p>	
<p>RE: Pinel & Carpenter, Inc. Appraisal Review Assignment No. 25-056 Appraisal Prepared By: Urban Realty Solutions, April 16, 2025 Pointe Resort Development Site 50 and 51 Gulf Shore Dr., Destin, FL 32541</p>	
<p>Dear Mr. Winkeler:</p> <p>Pinel & Carpenter, Inc. (the Reviewer) has completed the appraisal review (USPAP, Standard 3) assignment (the Assignment) referenced above. The Reviewer's opinions and conclusions will be set forth in the appraisal review (USPAP, Standard 4) report (the Review Report) to follow.</p> <p>The subject of the Assignment is an appraisal report that was prepared by Urban Realty Solutions. H. Linwood Gilbert, Jr., MAI (the Appraiser) is the appraiser who prepared and signed the Urban Realty Solutions Report.</p> <p>The appraisal report was prepared on April 16, 2025, and the effective date of the opinions and conclusions, expressed therein, is March 15, 2025.</p> <p>It is my opinion, as of June 13, 2025, that the Urban Realty Solutions Report, including the opinions expressed therein, are considered credible.</p> <p>If you have any questions or if I may be of assistance, please contact me at your earliest convenience.</p> <p>I trust this will be adequate for your purposes at the present time and if I can be of further assistance, please advise.</p>	
<p>Respectfully Submitted, PINEL & CARPENTER, INC.</p>  <p>Walter N. Carpenter, Jr., MAI, CRE President Cert Gen RZ1231</p>	
<p>WNC/ego</p> <p>1390 Hope Road, Suite 100, Maitland, FL 32751 • T 407-648-2199 • F 407-648-8901 • WWW.PINELCARPENTER.COM</p>	

I was also provided a copy of a letter from Fishkind Consulting to Mr. Gary Hunter, Esquire, attorney for the owners.



June 23, 2025

Mr. Gary Hunter, Esquire
Holtzman Vogel Baran Torchinsky & Josefiak, PLLC
119 South Monroe Street, Suite 500
Tallahassee, FL 32301

RE: Establishing Norriego Point State Park by Acquiring +/- 5 Acres of Land
and a Marina from Pointe Mezzanine, LLC and Pointe Resort, LLC

Dear Mr. Hunter:

With this letter I am transmitting reports documenting the value and benefit of establishing the Pointe Norriego State Park by the State of Florida acquiring +/- 5 acres of land and a marina located in Destin. The property is adjacent to the City's Norriego Point Park. Exhibit #1 contains the appraisal of the land to be acquired by Urban Realty Solutions and Exhibit #2 provides a review of the appraisal by Pinel & Carpenter. Exhibit #3 presents the appraisal for the marina by Urban Realty Solutions. Exhibit #4 has my report on the economic and fiscal impact of establishing a state park on the land to be acquired. Finally, Exhibit #5 provides a review of the economic and fiscal impact report by PFM.

Figures 1 and 2 show the location of the proposed Pointe Norriego State Park ("Park").

Figure 1. General Location Map of Norriego State Park



Figure 2. Location Map for Norriego State Park



The Park would be located adjacent to the City of Destin's Norriego Point. The Florida Department of Environmental Protection and the City of Destin are nearing completion of their \$12 million stabilization and recreation project at the park. The project will restore Norriego Point to its look pre Hurricane Opal in 1995. In addition, the project will protect not only Norriego Point, but also Destin's Harbor and Harborwalk Village. The acquisition would add +/- 5 acres to the city's park and contribute a brand new, fully functional, marina. Figure 3 shows the land to be acquired.

Figure 3. Land and Marina to be Acquired

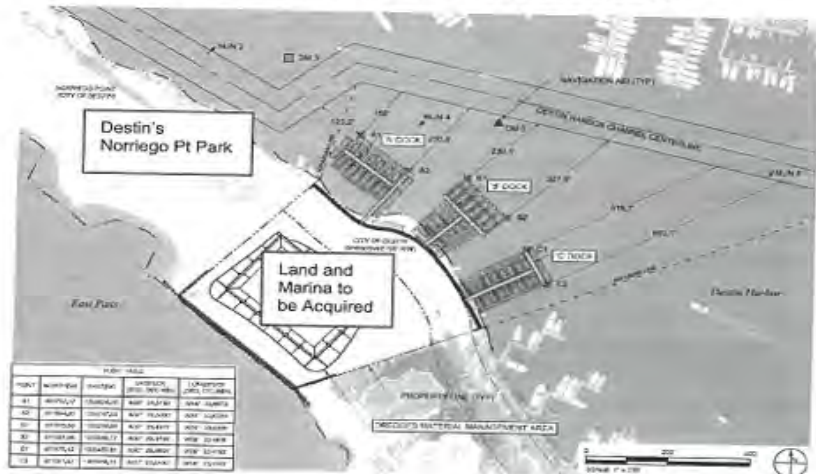


Figure 4 presents a concept plan for the Park. The Park's location and direct connectivity to the City's Norriego Point Beach Park creates a combined park of nearly 16 acres with extensive beach front, over 100 parking spaces, and unparalleled boating, fishing, and diving opportunities. The Park's museum could focus on SS United States which Okaloosa County has recently purchased to add to its extensive manmade reef system. The historic ship will be converted into the world's largest artificial reef.

The Park's location and facilities make it particularly attractive. The location provides ready access to the gulf with its fishing and diving resources. The facilities, including the marina with fuel, will attract boaters and support the onsite dive shop and dive boat operators.

Figure 4. Concept Plan for Norriego State Park



Urban Realty Solutions ("Urban") has appraised the +/- 5 acres of land for the Park at \$53,300,000. The review appraisal by Pinel & Carpenter concluded that Urban's appraisal is reliable and comports with USPAP requirements. Urban also valued the fully functional marina and its improvements at \$14,600,000.

In addition to the +/- 5 acres of uplands for the Park and the marina, Pointe Mezzanine, LLC and Pointe Resort, LLC have invested \$2.6 million to provide roadway improvements, parking and utilities to the site for the Park. They have also replaced the seawall at a cost of \$10.5 million. Finally, they have paid \$1.5 million to provide utility connections to the marina. As Table 1 shows, the value of the land and assets to be acquired totals \$84.5 million.

Table 1. Value of Land, Marina, and other Improvements

Category	Amount
+/- 5 Acres Upland	\$55,300,000
Marina	\$14,600,000
Roadway, Parking and Utilities	\$2,600,000
Seawall Replacement	\$10,500,000
Utility and Connections to the Marina	\$1,500,000
	=====
Total Value of Land to be Acquired	\$84,500,000

My economic and fiscal impact report for the Park contained in Exhibit #4 projected that the Park would attract 175,000 visitors per year. These visitors would generate over \$22,000,000 in annual spending supporting nearly 350 full time equivalent jobs in the Destin area. In addition, the visitors will generate \$1,500,000 in State sales taxes and nearly \$400,000 in tourist development taxes for Okaloosa County.

The Park has an estimated operating budget of \$1,000,000 per year. This cost will be more than fully offset by visitor fees, marina operation fees, and payments from concession operators.

PFM's review of my results shown above are contained in Exhibit #5. PFM concluded that my results are reliable.

After your review, please do not hesitate to contact me with any questions that you may have.

Sincerely,

Hank Fishkind

Digitally signed by Hank Fishkind
Date: 2025.06.23 19:53:06 -04'00'

Hank Fishkind, Ph.D.
President

The following is seven pages from an agreement between the city of Destin and the developers.

This instrument prepared by/
Gary K. Hunter, Jr.
Robert C. Volpe
Holtzman Vogel, PLLC
119 South Monroe Street, Suite 500
Tallahassee, Florida 32301

GULF SHORE DRIVE EXTENSION CONSTRUCTION AGREEMENT

This Gulf Shore Drive Extension Construction Agreement ("Agreement") is made this 6th day of December, 2021, by and between **Pointe Resort, LLC**, a Florida limited liability company whose mailing address is 1901 Manhattan Boulevard, Building H, Suite 101, Harvey, Louisiana 70058 ("Pointe Resort"); **Pointe Mezzanine, LLC**, a Florida limited liability company whose mailing address is 1901 Manhattan Boulevard, Building H, Suite 101, Harvey, Louisiana 70058 ("Pointe Mezzanine" and, together with Pointe Resort, the "Developers"); and the **City of Destin**, a Florida municipal corporation whose mailing address is 4200 Indian Bayou Trail, Destin, Florida 32541 (the "City") (collectively, the "Parties").

WITNESSETH:

WHEREAS, by virtue of that certain Special Warranty Deed dated December 22, 2016, and recorded in the Okaloosa County Official Records at Book 3281, Page 1058 (a true and correct copy of which is attached hereto as Exhibit "A"), Pointe Resort is the fee simple owner of real property identified as Okaloosa County Parcel ID 00-2S-24-0000-0034-0020, which is located within the City of Destin (the "Upland Condominium Parcel"); and

WHEREAS, by virtue of that certain Trustee's Deed dated April 7, 2017, and recorded in the Okaloosa County Official Records at Book 3295, Page 3105 (a true and correct copy of which is attached hereto as Exhibit "B"), Pointe Mezzanine is the fee simple owner of real property identified as Okaloosa County Parcel ID 00-2S-24-0000-0034-0000, which is located within the City of Destin (the "Destin Harbor Parcel"); and

WHEREAS, the Upland Condominium Parcel and the Destin Harbor Parcel were previously part of a larger parcel leased and later owned in fee simple by Pointe One, LLC ("Pointe One")¹ that extended from the Destin Harbor on the eastern side of the Holiday Isle peninsula to East Pass on the western side of the Holiday Isle peninsula (the "Pointe One Parcel"), and which is specifically described in that certain Assignment and Deed dated May 28, 2004, and recorded in the Okaloosa County Official Records at Book 2537, Page 2079, (a true and correct copy of which is attached hereto Exhibit "C"); and

WHEREAS, Pointe One applied for and obtained Final Development Order SP-09-17 ("DO 09-17") from the City approving with conditions described therein, a multi-family residential development consisting of 79 long-term dwelling units on the Upland Condominium Parcel (the "Upland Condominium"), a true and correct copy of which is attached hereto as Exhibit "D"; and

WHEREAS, as a condition of DO 09-17, Pointe One was required to dedicate to the City a 100-foot right-of-way across the Pointe One Parcel for the extension of Gulf Shore Drive; and

WHEREAS, on April 29, 2009, Pointe One executed and recorded that certain Special Warranty Deed in the Okaloosa County Official Records at Book 2885, Page 4274, conveying a 100-foot strip of real property to the City for the extension of Gulf Shore Drive in between the Upland Condominium Parcel and the Destin Harbor Parcel and more particularly described in said deed, a true and correct copy of which is attached hereto as Exhibit "E"; and

WHEREAS, on May 8, 2009, Pointe One executed and recorded a Corrective Special Warranty Deed in the Okaloosa County Official Records at Book 2887, Page 2197, a true and correct copy of which is attached hereto as Exhibit "F"; and

¹ The Upland Condominium Parcel and the Destin Harbor Parcel are not and have not been contiguous as the City and its predecessors in title own and owned real property located in between the Upland Condominium Parcel and the Destin Harbor Parcel.

WHEREAS, at an October 17, 2011, regular Destin City Council Meeting (the Minutes of which are attached hereto as Exhibit "G"), the City Council approved and adopted a motion accepting the Special Warranty Deed and Corrective Special Warranty Deed (together, the "2009 Deeds") from Point One as the conveyance of the 100-foot strip of real property in between the Upland Condominium Parcel and the Destin Harbor Parcel, *nunc pro tunc* effective May 13, 2009; and

WHEREAS, the Developers are successors in title to Pointe One and took title to the Upland Condominium Parcel and Destin Harbor Parcel respectively after the 100 foot strip of real property for Gulf Shore Drive had been conveyed to and accepted by the City; and

WHEREAS, the Developers applied for and obtained Environmental Resource Permit No. 0251677-007-EI/46 and Sovereignty Submerged Lands Authorization No. 460338621 (the "FDEP Approvals") from the Florida Department of Environmental Protection ("FDEP") (a true and correct attached hereto as Composite Exhibit "H"), authorizing construction of a 53-slip private solely residential multi-family docking facility on the Destin Harbor Parcel that will serve residents of the Upland Condominium (the "Residential Docking Facility"); and

WHEREAS, on January 31, 2019, Pointe Mezzanine executed and recorded a conservation easement (a true and correct copy of which is attached hereto as Exhibit "I") in the Okaloosa County Official Records at Book 3383, Page 2425, restricting the uses of the Destin Harbor Parcel to those authorized in the FDEP Approvals; and

WHEREAS, Pointe Mezzanine also applied for and obtained Permit No. SAJ-2005-06882 (SP-MDZ) from the United States Army Corps of Engineers (a true and correct copy of which is attached hereto as Exhibit "J"), similarly authorizing construction of the Residential Docking Facility on the Destin Harbor Parcel; and

WHEREAS, the Developers submitted and the City is processing a Major Development Order Application for the Residential Docking Facility as an accessory use to the Upland Condominium; and

WHEREAS, in the process of reviewing the Major Development Order Application, the Parties discovered the existence of a deed from Okaloosa County to the City recorded on October 8, 1998, in the Okaloosa County Official Records at Book 2183, Page 2854, a true and correct copy of which is attached hereto as Exhibit "K" (the "1998 Deed");

WHEREAS, the Parties agree that title issues and ambiguities exist due to the 1998 Deed's existence and wish to clear and clarify these title issues and ambiguities through execution of this Agreement; and

WHEREAS, on November 7, 1958, the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida (the "Board of Trustees") recorded in the Okaloosa County Official Records at Book 194, Page 571, a Quitclaim Deed (a true and correct copy of which is attached hereto as Exhibit "L") to Okaloosa County of all right, title, and interest in certain dredge spoil areas deposited on sovereign lands of the State of Florida, including the real property which is now commonly known as Norriego Point Park; and

WHEREAS, on April 24, 1961, Okaloosa County recorded in the Okaloosa County Official Records at Book 194, Page 573, a Dedication (a true and correct copy of which is attached hereto as Exhibit "M") to the Board of Trustees dedicating Norriego Point Park (as it is more particularly described therein) in perpetuity to be used solely and exclusively for public park and public recreational purposes; and

WHEREAS, on July 27, 2010, Okaloosa County recorded in the Okaloosa County Official Records at Book 2945, Page 2136, a Deed (a true and correct copy of which is attached hereto as

Exhibit "N") conveying fee title to Norriego Point Park to the City, subject to the aforementioned Dedication dated April 24, 1961; and

WHEREAS, in December 2012 the City submitted the Norriego Point Restoration and Recreation Project for consideration as an Early Restoration Project in the Natural Resource Damage Assessment process for the Deepwater Horizon Oil Spill; and

WHEREAS, as submitted the Norriego Point Restoration and Recreation Project included stabilization of Norriego Point and construction of recreational amenities including sidewalks and vehicle parking along the access road adjacent to the park; and

WHEREAS, the Norriego Point Restoration and Recreation Project was selected and the total estimated cost of the project is \$15,123,208.00; and

WHEREAS, on December 5, 2012, the City also entered into a Memorandum of Understanding with the Board of Trustees (a true and correct copy of which is attached hereto as Exhibit "O") establishing the responsibilities and relationship between the City and the Board of Trustees with respect to management of Norriego Point Park (the "MOU"); and

WHEREAS, by that MOU the City agreed to be responsible for maintaining and controlling access to Norriego Point Park by the public and third parties; and

WHEREAS, access to Norriego Point Park and the associated recreational improvements included in the Norriego Point Restoration and Recreation Project requires construction of the extension of Gulf Shore Drive to Norriego Point Park; and

WHEREAS, FDEP undertook design of the recreational improvements for the Norriego Point Restoration and Recreation Project, including the design for the extension of Gulf Shore Drive to Norriego Point Park (the "Norriego Point Park Recreational Improvements"); and

WHEREAS, FDEP's conceptual design for the Norriego Point Recreational Improvements was presented to the Destin City Council at 30 percent, 60 percent, and 90 percent plan phases at regular meetings on September 17, 2018, August 19, 2019, and November 4, 2019, respectively; and

WHEREAS, at the 60 percent design phase presentation made on August 19, 2019, the Minutes of which are attached hereto as Exhibit "P," the City Council voted and unanimously approved FDEP's conceptual design for the Norriego Point Park Recreational Improvements, including alignment of the extension of Gulf Shore Drive; and

WHEREAS, the City has determined that construction of the Norriego Point Park Recreational Improvements, including the extension of Gulf Shore Drive, will provide significant benefits to the public health, safety, and welfare of its citizens;

WHEREAS, the Parties recognize the benefits of public-private cooperation and are desirous of finalizing an agreement which secures a plan for funding and construction of the extension of Gulf Shore Drive, as provided for below.

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

1. **Recitals.** The recitals set forth above are true and correct and are incorporated herein by reference.
2. **Purpose.** The purpose of this Agreement is to resolve outstanding title issues and set forth the rights and obligations of the Parties regarding the funding and construction of the extension of Gulf Shore Drive as detailed in the City and FDEP's approved conceptual 95% design plans for the Norriego Point Park Recreational Improvements attached hereto as Exhibit "Q."

including the proposed concrete walkways and surface parking (the "Gulf Shore Drive Extension Project").

3. **Exchange of Quitclaim Deeds.** Within ten (10) days of the Effective Date of this Agreement, the City will execute and record a quitclaim deed substantially conforming to the template attached as Exhibit "R" hereto, formally abandoning and quitclaiming to Pointe Resort any and all right, title, or interest the City may have in the property described in the 1998 Deed less and except the real property as described in the 2009 Deeds. Simultaneous with execution and recording of the quitclaim deed described in Exhibit "R," the Developers will execute and record a separate quitclaim deed substantially conforming to the template attached as Exhibit "S" hereto, quitclaiming to the City any right, title, or interest they may have in the property described in the 2009 Deeds.

4. **1 Gulf Shore Drive Plat.** Within ten (10) days of recording the deeds described in Paragraph 3 above, the Parties will begin the process of jointly recording a plat by proceeding through the process described in City LDC Article 2.19.00, detailing the subdivision of the Pointe One Parcel into the Upland Condominium Parcel, the Destin Harbor Parcel, and the City's 100-foot strip of real property for the Gulf Shore Drive Extension Project, and substantially conforming to the proposed subdivision plat attached as Exhibit "T" hereto.

5. **Construction of Gulf Shore Drive Extension.** The Developers will be responsible for construction of the Gulf Shore Drive Extension Project and will bear all costs associated therewith, except for those costs relating to the redesign of the Gulf Shore Drive Extension described below. The alignment of the Gulf Shore Drive Extension Project will be constructed generally in conformance with the design plans for the Norriego Point Park Recreational Improvements 90% Plans attached as Exhibit "Q" hereto and with the City's approved

Sales Comparison Values for the slips:**Analysis:**

I am again presenting a table which was previously enclosed in this report.

I note again that Mr. Gilbert used price per SF to arrive at a value of \$16,769,000. He then discounted this value with appropriate discounts to arrive at a final, discounted value of \$12,500,000.

The bulk of the sales support for this analysis centered around the many slip projects he was aware of, primarily the Naples, Florida and central Florida market.

I do not consider use of the Naples market as incorrect because of distance. Naples is superior to Destin, but shares some characteristics.

The Destin market is a small island of its own sitting in the Florida Panhandle.

I identified good Destin sales which will be presented below.

I also note that the Fort Walton Beach market is only six miles west of the Destin market, sharing the Gulf of Mexico.

I also used MLS to search for either slip sales or active listings in the Fort Walton Beach market and found none.

Had I found sales, they would have been around \$50,000 for a similar product. Thus, ranging widely by Mr. Gilbert makes sense, however, researching and using Destin slip sales makes the most sense in my opinions .

No.	Slip	Length	\$/Ft	Est. Val.	No.	Slip	Length	\$/Ft	Est. Val.
1	Dock A - 1	70	\$6,500	\$455,000	28	Dock B - 11	66	\$6,400	\$422,400
2	Dock A - 2	50	\$6,000	\$300,000	29	Dock B - 12	66	\$6,400	\$422,400
3	Dock A - 3	50	\$6,000	\$300,000	30	Dock B - 13	54	\$6,200	\$334,800
4	Dock A - 4	50	\$6,000	\$300,000	31	Dock B - 14	54	\$6,200	\$334,800
5	Dock A - 5	50	\$6,000	\$300,000	32	Dock B - 15	50	\$6,000	\$300,000
6	Dock A - 6	50	\$6,000	\$300,000	33	Dock B - 16	50	\$6,000	\$300,000
7	Dock A - 7	50	\$6,000	\$300,000	34	Dock B - 17	44	\$5,750	\$253,000
8	Dock A - 8	70	\$6,500	\$455,000	35	Dock B - 18	44	\$5,750	\$253,000
9	Dock A - 9	70	\$6,500	\$455,000	36	Dock C - 1	44	\$5,750	\$253,000
10	Dock A - 10	44	\$5,750	\$253,000	37	Dock C - 2	44	\$5,750	\$253,000
11	Dock A - 11	44	\$5,750	\$253,000	38	Dock C - 3	44	\$5,750	\$253,000
12	Dock A - 12	50	\$6,000	\$300,000	39	Dock C - 4	50	\$6,000	\$300,000
13	Dock A - 13	50	\$6,000	\$300,000	40	Dock C - 5	50	\$6,000	\$300,000
14	Dock A - 14	50	\$6,000	\$300,000	41	Dock C - 6	50	\$6,000	\$300,000
15	Dock A - 15	50	\$6,000	\$300,000	42	Dock C - 7	50	\$6,000	\$300,000
16	Dock A - 16	44	\$5,750	\$253,000	43	Dock C - 8	50	\$6,000	\$300,000
17	Dock A - 17	44	\$5,750	\$253,000	44	Dock C - 9	50	\$6,000	\$300,000
18	Dock B - 1	44	\$5,750	\$253,000	45	Dock C - 10	108	\$6,500	\$702,000
19	Dock B - 2	44	\$5,750	\$253,000	46	Dock C - 11	40	\$5,500	\$220,000
20	Dock B - 3	50	\$6,000	\$300,000	47	Dock C - 12	40	\$5,500	\$220,000
21	Dock B - 4	50	\$6,000	\$300,000	48	Dock C - 13	40	\$5,500	\$220,000
22	Dock B - 5	54	\$6,200	\$334,800	49	Dock C - 14	40	\$5,500	\$220,000
23	Dock B - 6	54	\$6,200	\$334,800	50	Dock C - 15	40	\$5,500	\$220,000
24	Dock B - 7	66	\$6,400	\$422,400	51	Dock C - 16	40	\$5,500	\$220,000
25	Dock B - 8	66	\$6,400	\$422,400	52	Dock C - 17	44	\$5,750	\$253,000
26	Dock B - 9	66	\$6,400	\$422,400	53	Dock C - 18	44	\$5,750	\$253,000
27	Dock B - 10	66	\$6,400	\$422,400	54	Dock C - 19	40	\$5,500	\$220,000
					TOTAL				
					2782				
					\$6,028				
					\$16,769,600				

Recent Destin Sales:

The following are recent sales in Destin, from two complexes.

Boat Slips/Docks CMA											
Listings as of 08/20/25 at 10:30 AM											
Property type Boat Slips/Docks; Status of 'Sold'; Area of '14 - Destin'; Sold Date between '08/20/2024' and '08/20/2035'. (Selected Listings Only)											
Sold Properties											
List Number:	Sub-Type:	Sold	Address:	Year Built:	Current Price:	Price Per Sqft	Sold Date	DOM	CDOM	Office	
971582	Dock/Wet Slip	Sold	100 Gulf Shore Drive Slip C-6	1985	\$250,000	5,555	06/20/2025	62	62	EEAS	
959765	Dock/Wet Slip	Sold	100 Gulf Shore Drive Slip A-5	1986	\$230,000	5,111	12/13/2024	59	59	EEAS	
952797	Dock/Wet Slip	Sold	770 Harbor Boulevard SLIP E1	2006	\$230,000	4,606	05/12/2025	309	309	EVNP	
971152	Dock/Wet Slip	Sold	770 Harbor Boulevard C21	2006	\$185,000	3,700	07/01/2025	42	42	EVNP	
981034	Dock/Wet Slip	Sold	770 Harbor Boulevard C17	2006	\$140,000	3,520	07/28/2025	4	4	EVNP	
955387	Dock/Wet Slip	Sold	770 Harbor Boulevard D6	2006	\$110,000	3,662	07/10/2025	343	343	EIRO	
Listing Count 6											
Averages			Sqft: NaN	\$/Sqft: NaN	DOM/CDOM: 136/136	Original List Price: 207,967					
Price			High: 250,000	Low: 110,000	Median: 207,500	4,355					
Property Type Count 6											
Averages			Sqft: NaN	\$/Sqft: NaN	DOM/CDOM: 137/137	Original List Price: 207,967	List Price: 207,967	Sold Price: 190,833			
* Price statistics for closed listings based on sold price. All other statuses and Totals based on current list price.											
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There have been six sales in the past year in the city of Destin.

In the table above, I have provided the linear feet of the slip as well as a value per linear feet (LF), the average of which is 4,355 per LF, as noted by the green arrow.

Two of the sales were in the East Pass Towers Marina. Four of the sales were in the Marbella Yacht Club.

It is generally true that the developer of slips in a condominium must retain some percentage of slips for the public. This then requires parking for the public in addition to the parking required by the condominium.

East Pass Towers is the last condominium on Destin Harbor before one arrives at the subject. I am confident that when it was developed in 1986, no one ever thought that another condo project could be developed further west than East Pass Towers. Despite its age, this condo project and slips have featured some renovation and retained the bulk of their values. The marina is on the north side of the parcel, similar to the subject.

I note for the reader that slip sales are few and far between.

The Destin Harbor slip market, south of the harbor.

The majority of the slips affiliated with a condo project can typically be sold to only another owner. An owner can not sell his slip to an outside boat owner seeking a slip. Thus, if no existing condo owner wants to buy a slip, there are no slip sales.

There have been two slip sales from East Pass Towers in the past year. They were at \$5,555 per LF and \$5,111 per linear foot.

There is a pending sale of Slip A8 for \$275,000. This slip is 45LF and the LF value would be \$6,111. This is for information only as this slip has not yet closed.

Marbella is a newer complex, however, is on the north side of the harbor. It also featured a long absorption period for the units. There were approximately 40 slips available after the units sold. One of the developers would up with all of the slips and has been selling them off for probably ten years.

Per Mr. Gilbert, there are 2,782 linear feet of slips.

The subject slips are superior to any sales in the range primarily because they are new and will be affiliated with a new, luxury, condominium. In addition, the subject slips are on the south side of the harbor, while the Marbella slips are on the north side of the harbor.

I am adjusting the value per slip upward to \$5,500 per Linear foot.

Multiplying 2,782 linear feet by \$5,500 per LF = \$15,301, rounded to \$15,300,000.

The value of \$15,300,000 includes value for the slips only.

The remaining surface along the walkways remain to be values.

I am selecting an additional \$1,700,000 to bring the total value to a rounded \$17,000,000

Discounting this value for unrealized entrepreneurial incentive, discount for time, realtor fees, marketing fees and other ancillary expense, results in an approximate 20% aggregate discount.

Thus 20% of \$17,000,000 = \$3,400,000.

Subtracting \$3,400,000 from \$17,000,000 results in a net value of \$13,600,000.

Thus the current market value for the subject slips is \$13,600,000.

VALUE OF THE LAND TO SUPPORT THE RESIDENTIAL CONDOMINIUM

Mr. Gilbert identifies sales and listings of land destined for condominium development.

He arrives at a middling value of \$700,000 land contributory value per unit. Thus, \$730,000 x 79 units = \$55,300,000 rounded to \$55,500,000.

I see no reason to recreate the wheel and I remind any reader that it was a condition of the appraisal that I could use all, or part of any of the Gilbert Analysis.

Thus, I consider the land contributory value to be \$55,500,000.



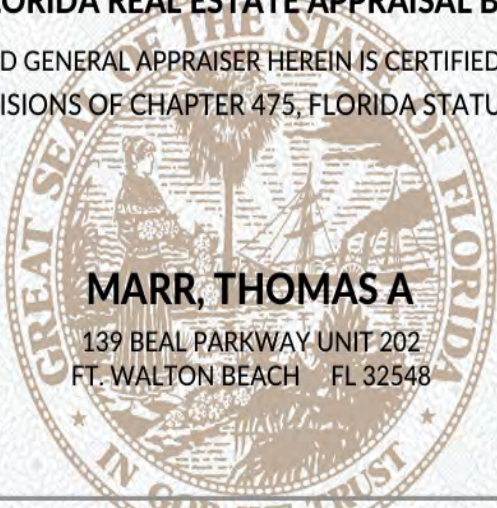
RECONCILIATION OF VALUES


Item	Value
Roads	\$2,600,000
Power	\$1,500,000
Seawall	\$10,500,000
Slips	\$13,600,000
Land Contributory Value	\$55,500,000
Total	\$83,700,000

ADDENDA

Qualifications of the Appraiser

APPRAISER LICENSE

	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			
 MARR, THOMAS A 139 BEAL PARKWAY UNIT 202 FT. WALTON BEACH FL 32548			
LICENSE NUMBER: RZ2645			
EXPIRATION DATE: NOVEMBER 30, 2026			
Always verify licenses online at MyFloridaLicense.com			
ISSUED: 09/24/2024			
Do not alter this document in any form.			
This is your license. It is unlawful for anyone other than the licensee to use this document.			





Board of County Commissioners

Paul Nixon, Chairman (District 1)

State of Florida

August 19, 2025

Secretary Alexis A. Lambert
Florida Department of Environmental Protection
3900 Commonwealth
Boulevard M.S. 49
Tallahassee, FL 32399

Dear Madam Secretary:

First and foremost, we would like to extend our sincere thanks to you, your team, and the entire Cabinet for your leadership and vision in supporting the acquisition of this critical property. This future park facility represents a monumental public investment—one that will be treasured for generations to come.

We are writing to formally express Okaloosa County's strong commitment to the long-term stewardship and management of this new 5.7-acre park. The County fully recognizes the ecological, recreational, and economic significance of the site—particularly its vital role in protecting the Destin Harbor.

In alignment with the conservation and public access principles outlined in the Florida Forever Act (Chapter 259, F.S.), Okaloosa County affirms its intent to support and implement best management practices for the park. To that end, the County agrees to assume full responsibility for the day-to-day management, maintenance, and operation of the park and marina, as well as any adjacent state-owned lands. This includes oversight of capital projects, construction procurement, insurance, maintenance, staffing, rule enforcement, utilities, and all other operational components.

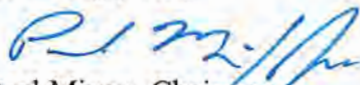
Furthermore, the County is committed to collaborating with both the City of Destin and the Florida Department of Environmental Protection (FDEP) to advance the shared vision for Norriego Point Park. Should it be requested, we are also prepared to fully manage that existing park facility.

To demonstrate our commitment, Okaloosa County is pledging a minimum direct investment of \$3 million, with an overall contribution exceeding \$5 million. This includes a combination of funding, grants, in-kind services, startup and operational costs, and other associated expenditures needed to successfully launch and sustain the new park.

At the appropriate time, we are ready to enter into a Memorandum of Understanding (MOU) with FDEP, modeled on the existing MOU for Norriego Point Park. For further coordination, please contact Craig Coffey, Deputy County Administrator, at (850) 609-6136.

Thank you again for your partnership and for your continued dedication to preserving Florida's natural resources for the benefit of all.

Sincerely yours...
...willingly His,


Paul Nixon, Chairman
Board of County Commissioners