AN APPRAISAL OF

AN EXISTING 1,782 SF GLA INDUSTRIAL FLEX CONDO LOCATED AT 861 SW LAKEHURST DRIVE UNIT A PORT ST. LUCIE, FL 34983

PREPARED FOR

MR. MAKSIM DURASOV
OWNER
MARZO ROOFING INC.
861 SW LAKEHURST DRIVE UNIT A
PORT ST. LUCIE, FL 34983

Date of Valuation: January 20, 2023
Date of Report: January 24, 2023

By:

CRE VALUATION SERVICES
100 SW ALBANY AVENUE
SUITE 200
STUART, FL 34994

CRE Job#3392772023

January 24, 2023
Mr. Maksim Durasov
Marzo Roofing INC.

Re: An Existing 1,782 SF GLA Industrial Flex Condo
Located at
861 SW Lakehurst Drive Unit A
Port St. Lucie, FL 34983

We have performed an appraisal on the above referenced property, the conclusions of which are set forth in the attached Summary Report. The type of value sought in our appraisal of the subject was a market value opinion of the property as of January 20, 2023 subject to the general assumptions and limiting conditions cited herein.

The subject is improved with an industrial flex condo containing 1,782 square feet of Gross Leasable Area (GLA). Situated on a 0.47 acre or 20,473 square foot parent parcel, the subject is located along the north side of SW Lakehurst Dr. and the west side of SW Biltmore St. in Port St. Lucie, FL.

Currently, the subject is not known to be under contract and is not listed for sale.

The subject property is an owner/user property and is not encumbered by any arms-length lease. Therefore, the right of ownership appraised herein are that of the Fee Simple Estate.

This report is intended for use only by Marzo Roofing INC. and use by others is not intended by CRE Valuation Services. This report's intended use is for asset valuation only and is not intended for any other use. The intent of this report is conformance with the Ethical Standards of the Appraisal Institute as well as meeting with the standards of USPAP.

In view of the following facts and data in conjunction with this appraisal, it is the opinion of CRE Valuation Services that the market value As Is of the fee simple interest in the property as of January 20, 2023, and subject to the general assumptions and limiting conditions, was:

$375,000

Hypothetical Conditions and Extraordinary Assumptions –
None

The estimated reasonable marketing period for the subject at the indicated value is six (6) months.

COVID-19 Statement: The subject market is not currently suffering any adverse conditions related to the COVID-19 pandemic. Much of the activity in the market has been attributed to an influx of population and high demand for real estate in the Treasure Coast following the pandemic and for the most part the impact has been increases in prices for almost all types of real estate.

Rising Interest Rate Market: We are entering a rising interest rate market. It is expected that this will put upward pressure on Overall Rates and in turn could negatively affect values. However, there is still an influx of population and money to be placed into real estate investments. At this time, we have not experienced, nor has our research indicated, any adverse impacts on Overall Rates or property values. Demand remains high, cash transactions remain a large part of the activity and investors remain bullish on real estate investments in the Treasure Coast. This counters the fundamental trend of slowing economic activity, rising costs of capital and thus higher Overall Rates as a result of recent government intervention in the pricing of money.

After conducting broker interviews and market analysis within the Port St. Lucie market, we have determined that there has been no negative impact on the subject's immediate neighborhood.

Our firm appreciates the opportunity to have performed this appraisal assignment on your behalf. If we may be of further service, please contact us.

Respectfully submitted,

CRE Valuation Services
Nikolaus M. Schroth, CCIM
State Certified General Real Estate Appraiser RZ3704
Managing Partner

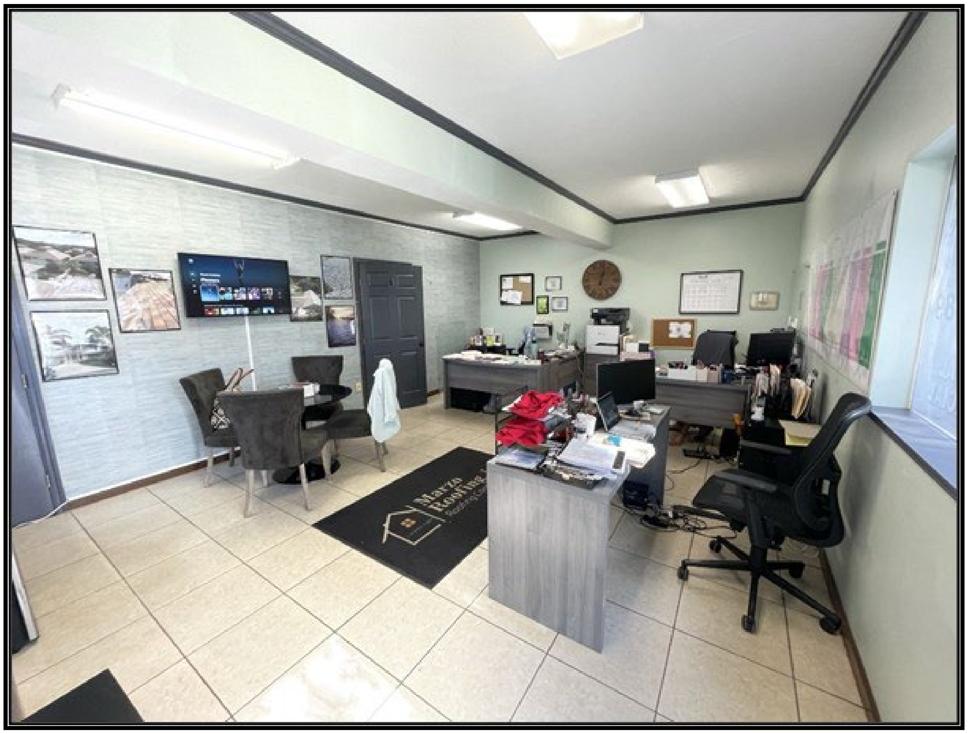
Edward Larsen

State-Registered Trainee Appraiser RI25384

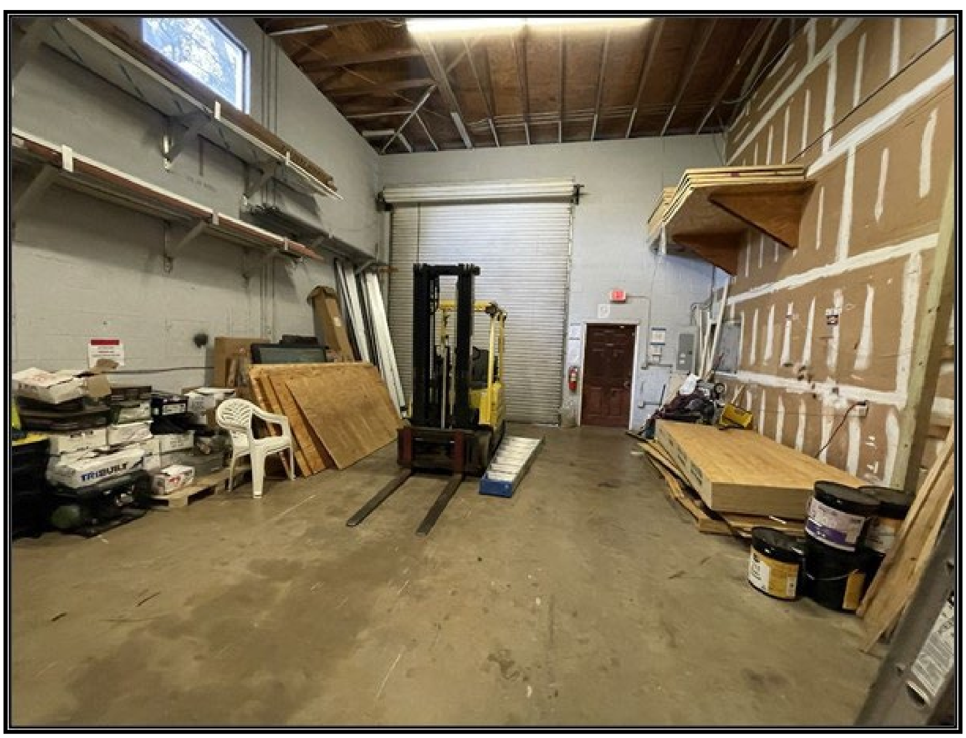
SUBJECT PROPERTY AT A GLANCE

Front Exterior

Front Parking Lot



1st Floor Office Space



Warehouse Space

Warehouse Space

2nd Floor Office Space

Bathroom

Exterior Rear

Property Data

Property	1,782 SF (GLA) Industrial Flex Condo 861 SW Lakehurst Drive Unit A Port St. Lucie, FL 34983
Date of Valuation	January 20, 2023
Date of Report	January 24, 2023
Interest Appraised/Type of Value	Fee Simple As Is
Owner of Record	Marzo Roofing Inc

Physical Data

Parent Parcel Land Area	0.47 Acres (20,473 SF)
Year of Construction	2000
Gross Leasable Area (GLA)	1,782
Type of Construction	Improvements consist of a 2-story industrial flex condo of CBS construction with an asphalt shingle roof.
Zoning/Land Use Classification	CS; Commerical Service/Light Industrial by the City of Port St. Lucie
Highest and Best Use	
"As if Vacant"	N/A - Individual Condominium Unit
"As Improved"	Continued use as is

Market Value Indications

"As Is"

Sales Comparison Approach	$375,000
Market Value "As Is"	$375,000
Value/(Square Foot)	$210
Market Time	6 months

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made with the following general assumptions:

1. Any legal description or plats reported herein are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings, or other exhibits are included only to assist the intended user to better understand and visualize the subject property, the environs, and the competitive data. We have made no survey of the property and assume no responsibility in connection with such matters.
2. The appraiser has not conducted any engineering or architectural surveys in connection with this appraisal assignment. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the appraiser or the appraiser's staff or was obtained or taken from referenced sources and is considered reliable. No responsibility is assumed for the costs of preparation or for arranging geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
3. No responsibility is assumed for matters legal in nature. Title is assumed to be good and marketable and in leased fee unless otherwise stated in the report. The property is considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as stated.
4. Unless otherwise stated herein, it is assumed there are no encroachments or violations of any zoning or other regulations affecting the subject property and the utilization of the land and improvements is within the boundaries or property lines of the property described and that there are no trespasses or encroachments.
5. CRE Valuation Services assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way.
6. It is assumed the subject property is not adversely affected by the potential of floods, unless otherwise stated herein.
7. It is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any proposed buildings.
8. Unless otherwise stated within the report, the depiction of the physical condition of the improvements described herein is based on visual inspection. No liability is assumed for the soundness of structural members since no engineering tests were conducted. No liability is assumed for the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made. No responsibility is assumed for hidden, unapparent, or masked property conditions or characteristics that were not clearly apparent during our inspection.
9. If building improvements are present on the site, no significant evidence of termite damage or infestation was observed during our physical inspection, unless so stated in the report. No termite inspection report was available, unless so stated in the report. No responsibility is assumed for hidden damages or infestation.
10. Any proposed or incomplete improvements included in this report are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.
11. No responsibility is assumed for hidden defects or for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the appraisal report.

12. Responsible ownership and competent property management are assumed.
13. The appraisers assume no responsibility for any changes in economic or physical conditions which occur following the effective date of value within this report that would influence or potentially affect the analyses, opinions, or conclusions in the report. Any subsequent changes are beyond the scope of the report.
14. The value estimates reported herein apply to the entire property. Any proration or division of the total into fractional interests will invalidate the value estimates, unless such proration or division of interests is set forth in the report.
15. Any division of the land and improvement values estimated herein is applicable only under the program of utilization shown. These separate valuations are invalidated by any other application.
16. Unless otherwise stated in the report, only the real property is considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment.
17. Unless otherwise stated, it is assumed that there are no subsurface oil, gas or other mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered, unless otherwise stated. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.
18. Any projections of income and expenses, including the reversion at time of resale, are not predictions of the future. Rather, they are our best estimate of current market thinking of what future trends will be. No warranty or representation is made that these projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.
19. Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
20. CRE Valuation Services representatives are not experts in determining the presence or absence of hazardous substances, defined as all hazardous or toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. Appraisers are not qualified to detect such substances. The client is urged to retain an expert in this field.
21. We are not experts in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life that may be present on the property. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species. The appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent endangered species impact studies, research, and investigation that may be provided.

22. No environmental impact studies were either requested or made in conjunction with this analysis. 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, and investigation that may be provided.

23. The appraisal is based on the premise that there is full compliance with all applicable environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.

24. Neither all nor any part of the contents of this report or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales, or any other media, without the prior written consent and approval of the appraisers. This limitation pertains to any valuation conclusions, the identity of the analyst or the firm and any reference to the professional organization of which the appraiser is affiliated or to the designations thereof.

25. Although the appraiser has made, insofar as is practical, every effort to verify as factual and true all information and data set forth in this report, no responsibility is assumed for the accuracy of any information furnished the appraiser either by the client or others. If for any reason, future investigations should prove any data to be in substantial variance with that presented in this report, the appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or estimates of value.

26. Often real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. If this is such, although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the appraiser may have relied on verification obtained and reported by appraisers outside of our office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

27. The appraiser has not made a specific compliance survey or analysis of the property to determine whether or not it is in conformity with various disability requirements. Since the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements was not considered in estimating the value of the property.

28. This appraisal report has been prepared for the exclusive benefit of the client. It may not be used or relied upon by any other party. Any other party who is not the identified client within this report who uses or relies upon any information in this report does so at their own risk and may be subject to legal action. Written consent must be obtained prior to any third-party use.

29. The dollar amount of any value opinion herein rendered is based upon the purchasing power and price of the US Dollar as of the effective date of value. This appraisal is based on market conditions existing as of the date of this appraisal.

30. The right is reserved by the appraiser to make adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional or more reliable data that may become available. No change of this report shall be made by anyone other than the appraiser or appraisers. The appraiser(s) shall have no responsibility for any unauthorized change(s) to the report.

31. If the client instructions to the appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the property were observed from the street(s) as of the inspection date of the appraisal. Physical characteristics of the property were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the client and other knowledgeable persons. It is assumed the interior of the subject property is consistent with the exterior conditions as observed and that other information relied upon is accurate.

32. The submission of this report constitutes completion of the services authorized. It is submitted on the condition the client will provide reasonable notice and customary compensation, including expert witness fees, relating to any subsequent required attendance at conferences, depositions, and judicial or administrative proceedings. In the event the appraiser is subpoenaed for either an appearance or a request to produce documents, a best effort will be made to notify the client immediately. The client has the sole responsibility for obtaining a protective order, providing legal instruction not to appear with the appraisal report and related work files and will answer all questions pertaining to the assignment, the preparation of the report, and the reasoning used to formulate the estimate of value. Unless paid in whole or in part by the party issuing the subpoena or by another party of interest in the matter, the client is responsible for all unpaid fees resulting from the appearance or production of documents regardless of who orders the work.

33. Use of this appraisal report constitutes acknowledgement and acceptance of the general assumptions and limiting conditions, special assumptions (if any), on which this estimate of market value is based.

Hypothetical Conditions and Extraordinary Assumptions – None

CERTIFICATION

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

A viewing of the subject site, the improvements and the market area was conducted on January 20, 2023 by Nikolaus Schroth and Edward Larsen.

- 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 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 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 evaluation.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Appraisal Institute and USPAP.
- Edward Larsen provided real property appraisal assistance to the persons signing this certification.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report the undersigned has completed the requirements of the continuing education program of the Appraisal Institute for members.
- Edward Larsen currently holds the appropriate Trainee License allowing the performance of real estate appraisals in connection with federally related transactions in the state in which the subject property is located, under the supervision of Thomas J. Johnson.
- It is acknowledged that Edward Larsen, Registered Trainee Appraiser RI25384, under the direct supervision of Nikolaus Schroth, CCIM State Certified General Real Estate Appraiser RZ3704, made a significant professional contribution to this evaluation, consisting of participating in the property inspection, conducting research on the subject, competitive markets and comparable data, performing appraisal analyses, and assisting in the report writing, all under the appropriate supervision.
- I, Nikolaus Schroth, CCIM State Certified General Real Estate Appraiser, the supervisory appraiser of a registered trainee who contributed to the development or communication of this appraisal, hereby accepts full and complete responsibility for any work performed by the registered appraiser trainee named in this report as if it were my own work.
- We have not appraised the subject property in the past five years.

Scope of Appraisal/Extent of the Data Collection Process

This appraisal considered all three approaches to value, (1) Sales Comparison Approach, (2) Income Capitalization Approach and the (3) Cost Approach. The procedures and methodologies employed in these approaches are outlined in the Appraisal Process section of this report.

This is a Restricted Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(b). This format provides only for basic property identification, appraisal statements and value conclusion(s). This Restricted Appraisal Report has been supplemented to meet the standards of an Evaluation Report as detailed by Guide Note 13 published by the Appraisal Institute.

The Evaluation may only be used by the client for the intended use stated herein. The rationale for conclusions herein may not be properly understood without the appraiser's work file and the intended users are limited to the parties of the proposed transaction involving the subject property and requiring an Evaluation of the subject property.

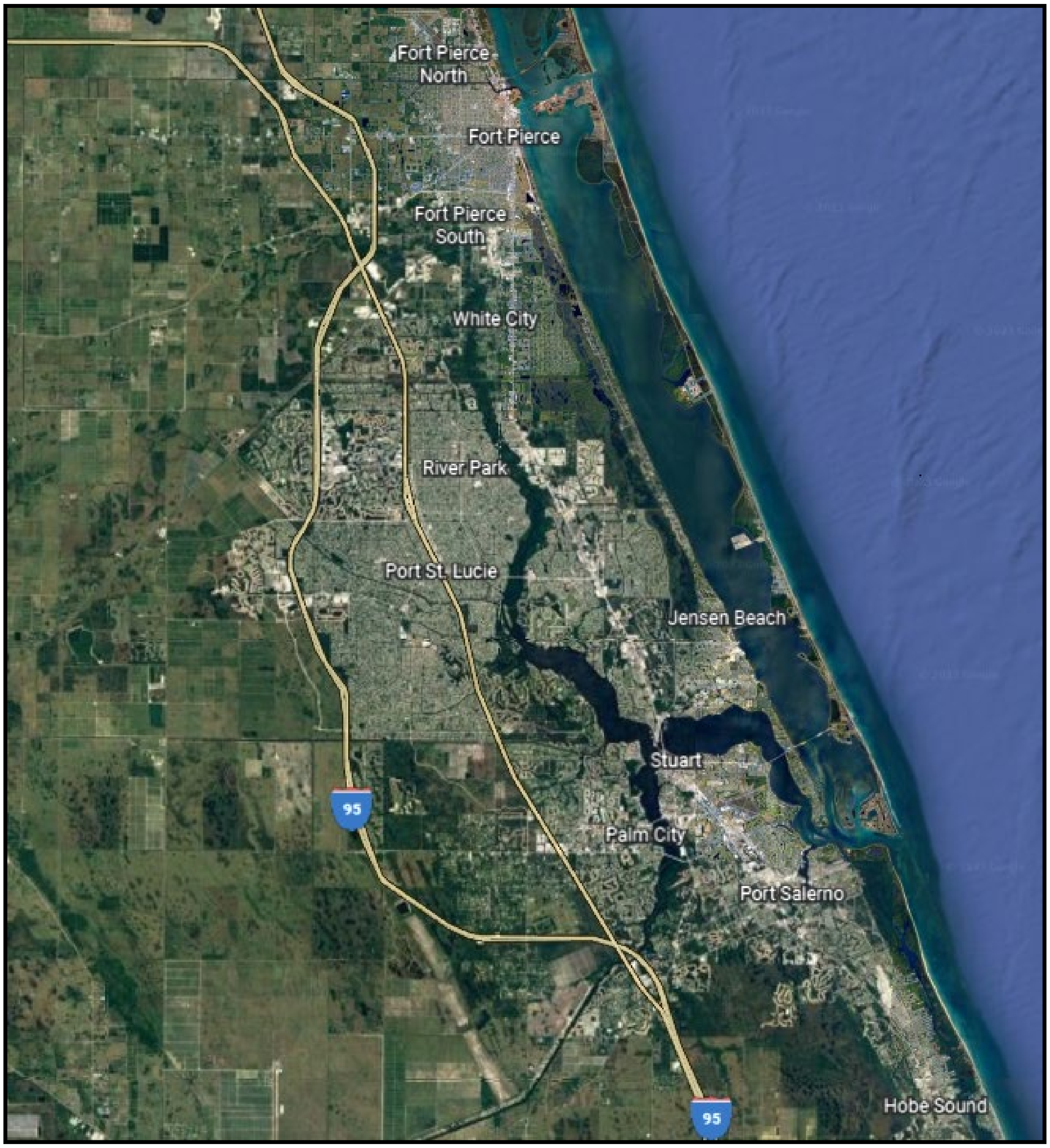
The Evaluation report is intended to comply with the Interagency Appraisal and Evaluation Guidelines established on December 2010. The updated regulations permit an institution to obtain an appropriate evaluation of real property collateral in lieu of an appraisal for transactions that qualify for certain exemptions. These exemptions include transactions that:

- Have a transaction value equal or less than the appraisal threshold of $250,000.
- Is a business loan with a transaction value equal to or less than the business loan threshold of $1,000,000 and is not dependent on the sale of or rental income derived from real estate as the primary form of re-payment.
- Involves an existing extension of credit at the lending institution, provided that:

There has been no obvious and material change in market conditions or physical aspects of the property and that threaten the adequacy of the institution's real estate collateral protection after the transaction, even with the advancement of new monies; or there is no advancement of new monies other than funds necessary to cover reasonable closing costs.

Competency

The appraisers involved in this assignment have, collectively, considerable experience in appraising commercial properties within the region. The appraisers have historically been engaged in appraisal work in the geographical area of the subject property. The company maintains a database on this area for similar properties. Further, we are versed in the analytical methods typically employed in appraising this property type. In summary, we believe we have adequate knowledge of the property type, geographical location, and analytical methods necessary to comply with the competency requirements of USPAP.



Market Area Map

PRIMARY MARKET ANALYSIS

General Description: The subject is located within in a primarily industrial area of Port St. Lucie. Most of the immediate neighborhood is Industrial buildings with a mixture of single tenant and multi-tenant warehouses ranging from 2,000-20,000 square feet.

Access: The market area has average access with interstate access provided by the I-95 and the Florida turnpike, just west of the subject neighborhood. St. Lucie West Blvd. and Crosstown Parkway serve as the primary east/west commercial corridor within the area with the commercial corridor SW Bayshore Blvd. serving access to the north/south.

Land Use Patterns: Port St. Lucie is considered to be pro-growth as seen with the recent residential and commercial development within the market.

Life Stages and Trends: Growth. The subject market has seen a steady supply of new product in recent years, though most of the new development is confined to the western portion of the market within St. Lucie West and Tradition. Absorption has been strong.

Public Facilities/Services: The subject is adequately served by public utilities.

Opportunity Zone: The subject is not located within an opportunity zone.

Conclusion: Located within a primarily industrial portion of Port St. Lucie, the subject would be desirable as the property can be marketed for an owner/user property.

Soil/Subsoil Conditions

A current geotechnical analysis describing the soil and subsoil conditions at the subject was not provided. Soil conditions appear to be conducive to development of the subject to its highest and best use. The appraisers assume there are no hidden or unapparent conditions of the property, soil, subsoil, or structures that would render the subject more or less valuable. Proper design and careful installation are needed to overcome any limitations of this soil. The appraisers assume no responsibility for such conditions, or for engineering which might be required to discover such conditions.

Hazards/Nuisances

CRE Valuation Services was not provided a current Environmental Site Assessment (ESA) concerning the subject. No apparent hazards or nuisances, such as smoke and hazardous materials, were noted on or near the subject upon inspection. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraisers. We have no knowledge of the existence of such materials on or in the property. The appraisers, however, are not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, radon, mold and other potentially hazardous materials may affect the value of the property. The value opined 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 such conditions or for any expertise or engineering knowledge required to discover them.

Legal-Government Factors

Legal Description

LAKEHURST CONDOMINIUM UNIT 1

Development Restrictions/Easements

We assume there are no easements or encumbrances detrimental to development of the site.

Restrictions

We are unaware of any restrictions that would preclude development and/or mitigate achievable density of the subject; however, updated title work and a survey are recommended to confirm such.

Land Planning and Land Use Law is beyond the scope of this assignment. Any assumptions herein related to the development potential of a particular site, and the implications of such assumptions on value, are subject to amendment should CRE be provided with alternate information from a Land Planner and/or Land Use Attorney.

Zoning/Land Use

We have not been provided with a zoning determination letter specific to the subject property. As such, we have relied upon observations noted during our site visit and Municode. Should a zoning determination letter provide an opinion which contradicts any of the assumptions herein, we retain the right to amend this report and the value estimated herein.

Construction Components

CRE Valuation Services was not provided detailed building plans regarding the improvements. Therefore, the following summary of the building's basic structural components was based on the property observation report provided this office and documents provided by the owner's representative. Said inspection of the property and our description of any improvements thereon is actually more of an observation. It should not be regarded as a full property inspection of the type intended to reveal defects in mechanical systems, structural integrity, roofing, exterior or any other structural component. The appraiser claims no special expertise in these areas, nor is the appraiser an expert in issues related to foundation settlement, insect infestation, radon gas, or lead based paint. Unless otherwise stated, the appraiser assumes that the various elements that constitute the subject improvements are fundamentally sound and in working order.

HIGHEST AND BEST USE ANALYSIS

Analysis as if Vacant

It is noted that the subject property is a part of the Lakehurst Condominium Association. The subject property would have to adhere to the restrictions and rules set forth by the association for any future development/redevelopment of the site, and as such, an analysis "as if vacant" for the subject property is not included herein.

Analysis as Improved

The present use of the subject building as an industrial flex condo is the highest and best use until its economic life is realized.

Assessment & Taxes	
Account Owner	Marzo Roofing Inc
Year	2023
Tax ID Number	3431-510-0001-000/6
Assessed Value	$125,700
Exemptions	$0
Taxable Value	$125,700
Milage Rate	23.0004
Ad-Valorm Taxes	$2,891
Non Ad-Valorm Taxes	$279
Total Tax Liability	$3,170

An owner/user is typically motivated by the need for changes in their current operation, expansion or consolidation, and the ability of a property to accommodate that use. The primary path to accomplishing this is to evaluate properties available for sale that meet their needs as is, or with relatively minimal change can meet their needs. The financial considerations are the availability of financing, their current rental obligations including rate, term and landlord's willingness to contribute to tenant improvements, if any. Rarely will an owner/user consider a true income approach and typically this buyer type will forego an allowance for vacancy, management and sometimes many of the expenses an investor must consider. Additionally, an owner/user may put a much lower rate of return requirement on equity, if any at all, as the return on equity will typically come from business operations rather than a cash flow analysis based on market rent. The sales comparison approach, complete with an analysis of available properties currently listed for sale and pending sales if any, will be the primary indicator of value for an owner/user property. The Cost Approach can often times be the secondary indicator for owner/user properties. However, there are several deterrents to understand in the theory of the Cost Approach. Most importantly is time. Most development projects of any commercial scale will require a site plan approval and this process in most of the Treasure Coast municipalities is approximately one year. In addition to being a use permitted by the zoning, the project must meet strict criteria associated with the land development regulations of the governing municipality. Older properties often were not developed to such a strict code and therefore do not have as much cost associated with them, often times the cost of a new build can be higher simply due to the requirements of code and not necessarily due to additional value or utility of the site. Construction time and risk is also a consideration, cost increases, delays often can be risks a business does not want to incur. In the current climate, owner/users are far less likely to take on a construction project if there is a viable alternative in an existing building.

The Sales Comparison Approach is fully developed herein. The Sales Comparison Approach is considered a reliable indicator for the valuation of owner/user building and is developed as the primary/only approach to value.

SALES COMPARISON APPROACH

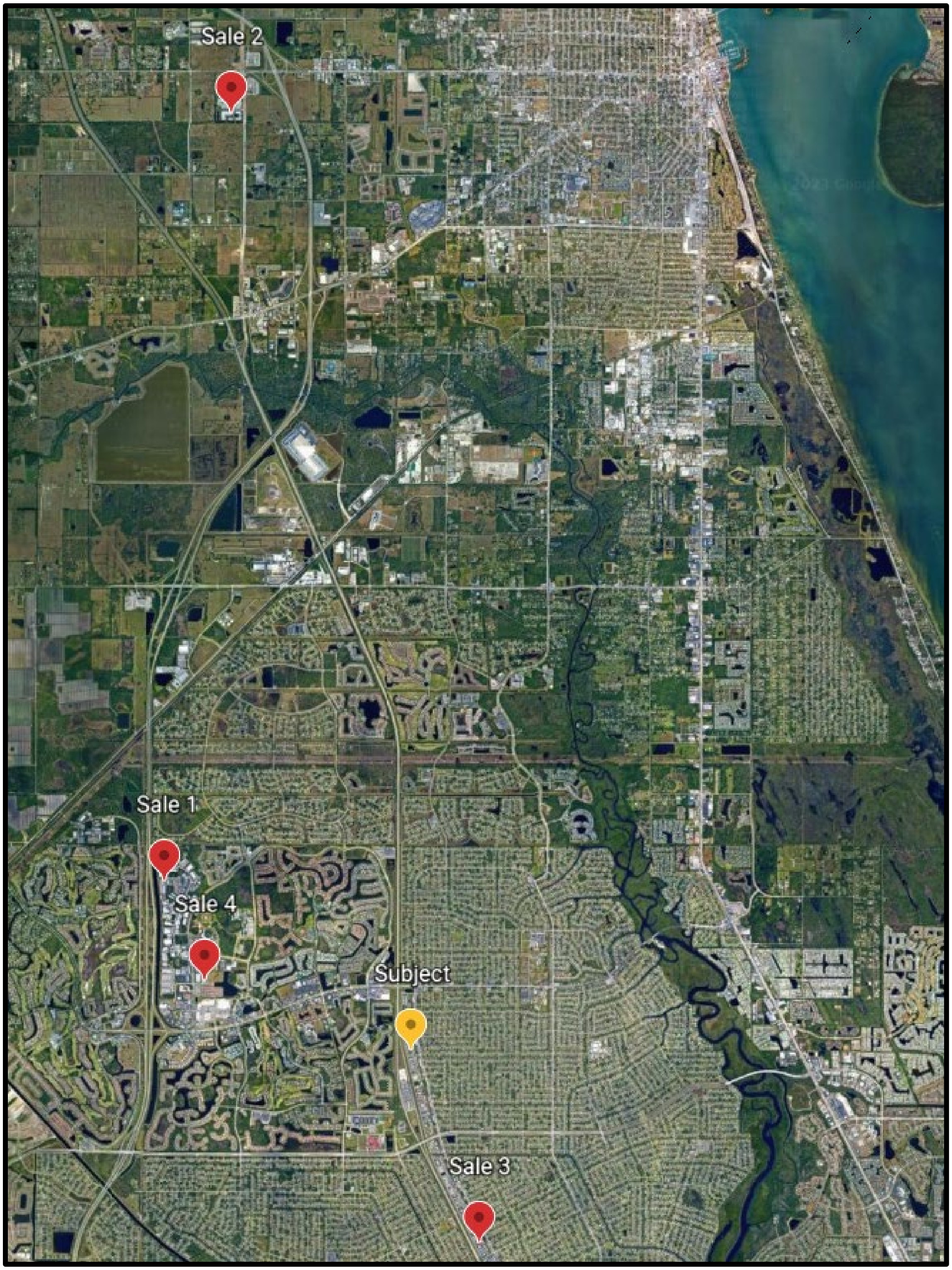
There are various units of comparison available in the evaluation of sales data in this approach. The price Per Square Foot unit of comparison is derived by dividing the sale price by the total number of Square Feet. This physical unit of comparison can be adjusted to account for dissimilarities between market sales and the subject property. This unit of comparison is then applied to the subject's net Square Feet to indicate a value for the subject.

The sales utilized within this analysis were taken from the subject market area and are considered to be most similar. A map and summary chart of comparable sales is included in the following pages.

Summary of Improved Industrial Sales					
Sale No.	**Subject**	**1**	**2**	**3**	**4**
Photo					
Name/Address	861 SW Lakehurst Drive Unit A	571 NW Mercantile PL, Unit 108	881 S KINGS HWY	1956 & 1958 SW Macedo Blvd	486 NW Lake Whitney PL
City	Port St. Lucie	Port St. Lucie	Fort Pierce	Port St. Lucie	Port St. Lucie
County	St. Lucie	St. Lucie	St. Lucie	St. Lucie	St. Lucie
Date of Sale		28-Oct-22	26-Oct-22	17-Jun-22	3-Mar-22
Bldg Size (SF)	1,782	1,600	1,512	1,512	1,752
Est. YOC	2000	2006	2006	1995	2006
User/Investor	Owner/user	owner/user	Investor	owner/user	owner/user
Quality/Appeal	Average	Average	Average	Average	Average
Condition	Average	Average	Average	Average	Average
DH/Grade	16ft	14ft	14ft	14ft	14ft
Bldg Height	24ft	20ft	20ft	18ft	24ft
Sales Price		$350,000	$302,400	$282,000	$295,500
SP/SF ($)		$218.75	$200.00	$186.51	$168.66

Comparable Sales Adjustment Grid					
Comparable Sale Number	**Subject Data**	**1**	**2**	**3**	**4**
Address	861 SW Lakehurst Drive Unit A	571 NW Mercantile PL, Unit 108	881 S KINGS HWY	1956 & 1958 SW Macedo Blvd	486 NW Lake Whitney PL
City	Port St. Lucie	Port St. Lucie	Fort Pierce	Port St. Lucie	Port St. Lucie
Date of Sale		28-Oct-2022	26-Oct-2022	17-Jun-2022	3-Mar-2022
Location	Urban	Superior	Infeiror	Similar	Superior
Net Leasable Area (SF)	1,782	1,600	1,512	1,512	1,752
Quality/Appeal	Average	Similar	Similar	Similar	Similar
Age and Condition	Average	Similar	Similar	Similar	Similar
Sales Price		$350,000	$302,400	$282,000	$295,500
UnAdjusted Price Per Square Foot		$218.75	$200.00	$186.51	$168.66
Transactional Adjustments					
Price / SF		$218.75	$200.00	$186.51	$168.66
Property Rights Conveyed		0.0%	0.0%	0.0%	0.0%
Adjusted Price		$218.75	$200.00	$186.51	$168.66
Financing Terms	Conventional	0.0%	0.0%	0.0%	0.0%
Adjusted Price		$218.75	$200.00	$186.51	$168.66
Conditions of Sale	None	0.0%	0.0%	0.0%	0.0%
Adjusted Price		$218.75	$200.00	$186.51	$168.66
Expenditures Imm. After Sale		0.0%	0.0%	0.0%	0.0%
Adjusted Price		$218.75	$200.00	$186.51	$168.66
Market Conditions	Jan-23	3.0%	3.0%	6.0%	9.0%
Adjusted $/SF - With Transactional Adjustments		$225.31	$206.00	$197.70	$183.84
Physical Adjustments					
Location	Urban	-5.0%	5.0%	0.0%	-5.0%
Net Leasable Area (SF)	1,782	0.0%	0.0%	0.0%	0.0%
Age and Condition	Average	0.0%	0.0%	0.0%	0.0%
Quality/Appeal	Average	0.0%	0.0%	10.0%	0.0%
Total Physical Adjustments		-5.0%	5.0%	10.0%	-5.0%
Value Indication Per Square Foot		**$214.05**	**$216.30**	**$217.47**	**$174.65**
Value Ranges		**Before Adjustment**	**After Adjustment**		
Minimum Price		**$168.66**	**$174.65**		
Maximum Price		**$218.75**	**$217.47**		
Mean Price		**$193.48**	**$205.62**		
Standard Deviation		**$21.18**	**$20.69**		
Median Price		**$193.25**	**$215.17**		

Market Value		
1,782 SF @	$210.00 /SF =	$374,220
Rounded: $375,000		


Sale 2
Sale 1
Sale 4
Subject
Sale 3

RECONCILIATION AND FINAL VALUE CONCLUSION

Reconciliation

Reconciliation and correlation of value is performed when more than one approach to value is used to value real property and weighs the relative significance, applicability, and defensibility of each value indication and relies most heavily on the one that is most appropriate to the type and definition of value sought. The conclusion drawn in the reconciliation is based on the appropriateness, accuracy, and quantity of evidence in the entire appraisal. These values are summarized in the following table.

Summary of Values		
	Total	**PSF**
Sales Comparison Approach	$375,000	$210
Market Value	**$375,000**	**$210**

In view of the following facts and data in conjunction with this appraisal, it is the opinion of CRE Valuation Services that the market value of the fee simple interest in the property As Is as of January 20, 2023, and subject to the general assumptions and limiting conditions, was:

$375,000

Hypothetical Conditions and Extraordinary Assumptions – None

Market and Exposure Time

Market Time is best defined as a "reasonable marketing time" which is an estimate of the amount of time it might take to sell a property interest at the estimated Market Value during the period immediately after the effective date of the appraisal. It is not intended to be a prediction of a specific date of sale and, therefore, may be expressed as a range. Exposure time is defined as 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 As-is on the effective date of appraisal.

Based on market and exposure times of comparable sales and interviews with active participants in the local market, the above Market Value opinion could be achieved with a market time and an equal exposure time of approximately twelve months. This conclusion is predicated on the assumption that the subject is offered at a price near the value opinion set forth herein, and is supported by recent sales of similar properties, a sampling of which has been presented in this report.

EXHIBITS

CLIENT ENGAGEMENT LETTER

100 S.W. Albany Avenue
Suite 200
Stuart, FL 34994
772-286-8762
admin@CREValuationServicesTC.com

December 30, 2022

Maksim Durasov
861 SW Lakehurst Drive A,
Port St. Lucie, FL 34983
maxim64674@gmail.com
786-580-8416

RE: Appraisal: 861 SW Lakehurst Drive A, Port St. Lucie, FL 34983
3431-510-0001-000-6

The purpose of this letter is to submit our bid proposal so you may have the appropriate information to engage CRE Valuation Services of the Treasure Coast for appraisal services or for an update based on new information.

CRE Valuation Services of the Treasure Coast appreciates the opportunity to provide this proposal for valuation and counseling services to Marzo Roofing Inc (the "Client") for the above-captioned property.

It is our mutual understanding that the purpose of this appraisal is to provide an opinion of the market value of the fee simple estate in the Subject Properties and the intended use of the report will be for in-house asset valuation. The appraisal and report will be prepared in conformance with and subject to the Standards of Professional Practice and Code of Ethics of the Appraisal Institute and the *Uniform Standards of Professional Appraisal Practice* (USPAP) developed by the Appraisal Standards Board of the Appraisal Foundation.

In accordance with our correspondence, the scope of this assignment will require CRE Valuation Services of the Treasure Coast to consider all relevant and applicable approaches to value as determined during the course of our research, property analysis and preparation of the report.

The appraisal assignment is to provide an "as is" market value as of the effective date for the property.

The updated written report will include the most applicable approach; all three approaches will be considered for the asset. The report will be delivered in a "restricted use" format. The research, analysis and reporting will be conducted and delivered in the following manner. The assignment will be presented in a report and will be completed for the sum of $1,000.

This quote is based on the given information, during the Scope of Appraisal should the assignment's complexities or requirements increase significantly, the fee is subject to change. We require 50% of our fee upon engagement and the balance will be due prior to report delivery.

The report will be completed and delivered on or before the 10th day of business after receipt of the signed letter of engagement. The appraisal report will be addressed to and shall be solely for the Client's use and benefit.

Information and data provided to CRE Valuation Services for the preparation of the report, and the report itself, shall be considered Confidential Information. CRE Valuation Services shall not, during the course of performing the work, or any time after the work has been completed, disclose to any firm, corporation or person such Confidential Information.

If this proposal is acceptable, please authorize us to proceed by executing this letter of engagement by signing below. Thank you for considering us for this assignment and we look forward to the opportunity of working with you. Should you require any additional information or if you have any questions, please contact me at 786-533-1245.

Best Regards,

Nikolaus M. Schroth, CCIM
Cert. Gen. RZ3704

Maksim Durasov

1/11/2023

Authorized Signatory **Date**

PROFESSIONAL QUALIFICATIONS

THOMAS J. JOHNSON, MAI, SRA
State Certified General Real Estate Appraiser RZ798

Personal
Resident, Palm Beach County, Florida since 1951
Licensed Broker, Florida Real Estate Commission #135591

Professional Designation
Member - The Appraisal Institute. MAI Certificate No. 8851
SRPA - Senior Real Property Appraiser

Education
Graduate, University of South Florida, College of Business Administration, BSBA (Major: Finance)

Professional Courses

Developing A Suitable Work File		2016
Tightening the Appraisal		2016
7- Hour USPAP Update Course		2016
The Tough Ones – Mixed Use Properties		2016
Fundamentals of Separating Real Property, Personal & Tangible Business Assets		2016
Florida Appraisal Law		2012
7-Hour National USPAP Update		2012
Appraising the Appraisal		2012
Sales Contract Seminar		2012
7-Hour Appraisal Review-Residential		2012
7-Hour Appraisal Institute & Florida Real Estate Appraisal Board #08935		2012
AIREA-	Mastering Unique & Complex Appraisals	2010
AIREA-	Florida Supervisor/Trainee Roles & Relationships	2010
AIREA-	Appraisal Institute's Course	2010
AIREA-	Florida Law for R.E Appraisers	2010
AIREA-	Business Practices & Ethics	2009
AIREA –	Litigation Skills for the Appraiser	2008
AIREA –	Florida Law for Real Estate Appraisers	2008
AIREA –	Spotlight on USPAP: Hypothetical Conditions & Extraordinary	2008
AIREA -	Supervisor Trainee Roles and Rules	2008
7-Hour National USPAP Update Course		2006
7-Hour National USPAP Update Course		2005
7-Hour National USPAP Update Course		2004
USPAP –	Florida Law Update	2000
Standards of Professional Practice, Parts A & B, Appraisal Institute		1998
SREA 101	Introduction to Appraising Real Property	
SREA R2	Case Study of Single Family Residence	
SREA 201	Principles of Income Property Appraising	

SREA 202	Case Study of Income Property Valuation
SREA	Income Property Demonstration Report
AIREA 1A-1	Real Estate Appraisal Principles
AIREA 1A-2	Basic Valuation Procedures
AIREA 8 -1	Real Estate Appraisal Principles
AIREA 2 -1	Case Studies in Real Estate Valuation
AIREA 1B-A	Capitalization Theory and Techniques
AIREA 1B-B	Capitalization Theory and Techniques
AIREA 2 -2	Case Studies
AIREA	Comprehensive Exam

Seminars Attended

Liability Management for Residential Appraisers, Appraisal Institute	2006
Professional's Guide to the Uniform Residential Appl. Report, Appraisal Institute	2005
Subdivision Valuation, Appraisal Institute	2005
Business Practices and Ethics, Appraisal Institute	2005
Florida Real Estate Appraisers, Appraisal Institute	2006
Scope of the Work: Expanding Your Range of Services, Appraisal Institute	2003
Florida State Law for Real Estate Appraisers, Appraisal Institute	2003
Condemnation Appraising: Advanced Topics and Applications, Appraisal Institute	2003
Houses to Hotels – The Income Approach, Appraisal Institute	2002
Florida State Law and USPAP Review for Real Estate Appraisers, Appraisal Institute	2002
Introduction to Appraising and Analysis of Proposed Subdivisions And Condominiums, Appraisal Institute	2002
FHA 4150.2 Seminar, Gold Coast	2000
Residential Cost Depreciation Seminar, Gold Coast	2000
Sales Comparison Valuation of Small, Mixed-Use Properties, Appraisal Institute	1998
Understanding & Using DCF Software: A Comparison of Argus, Project and Dynalease, Appraisal Institute	1998
Financial Analysis, CCIM	1997
Advanced Applications, Appraisal Institute	1995
Limited Appraisal/Evaluations, Appraisal Institute	1995
How to Prepare a Market Study for an Appraisal Practice, Appraisal Institute	1994
Understanding Limited Appraisals and Appraisal Reporting Options, Appraisal Institute	1994
Professional Standards USPAP Update Core Law for Appraisers, Appraisal Institute	1994
Appraising Complex Residential Properties, Appraisal Institute	1993
Mock Trial, Appraisal Institute	1993
Litigation Valuation, Appraisal Institute	1993
Appraising the Tough Ones, Appraisal Institute	1993
Appraisal Theory Update, Appraisal Institute	1992

Discounted Cash Flow Analysis, Appraisal Institute	1991
Comprehensive Appraisal Workshop	1990
Condemnation Seminar	1988
Rates, Ratios & Reasonableness	1988
Uniform Residential Appraisal Report Writing	1986
R4l-B & the Appraiser, FHLBB Appraiser Standards & Guidelines	SREA 1985
Advanced Appraisal Techniques	SREA 1983
Market Extraction	SREA 1981
Valuation of Leases and Leaseholds	SREA 1979

Types of Valuation/Consultation Services Performed

Appraisals, Appraisal Reviews, Condemnation, Court Testimony, Estate Valuations, Feasibility Studies, Highest and Best Use Studies, Market Studies, Leasehold & Leased Fee Valuations, Tax Assessment Appeals/Impact Studies, Reproduction/ Replacement Cost Estimates

Types of Property Appraised

Residences, Condominiums, Shopping Centers, Industrial Properties, Marinas, Vacant Lots, Acreage, Residential Projects, Mobile Home Parks, Motels, Office Buildings, Warehouses, Restaurants, Churches, Night Clubs, Special Purpose Properties, Apartment Projects, Environmentally Sensitive Properties/Wetlands

Professional Service

Member SREA Chapter 200 Experience Review Committee
Chairman SREA Chapter 200 Employee Opportunities Committee
Qualified Expert Witness: Palm Beach County, Martin County, St. Lucie County, Okeechobee County Circuit Court, and Federal Bankruptcy Court
Special Master to Oversee Tax Appeals for Palm Beach County
Member Board of Directors Appraisal Institute Chapter 200

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

JOHNSON, THOMAS J

2055 SOUTH KANNER HIGHWAY
STUART FL 34994

LICENSE NUMBER: RZ798

EXPIRATION DATE: NOVEMBER 30, 2024

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QUALIFICATIONS OF APPRAISER

Nikolaus M. Schroth, CCIM

4729 SE Rocky Point Way, Stuart, FL 34997 – 772-403-3752

Personal
Resident, Palm Beach County, Florida, since 2005- Florida Native
Licensed Real Estate Broker Associate, FREC BK3157525
Certified General Appraiser RZ3704

Professional Designations and Affiliations
Member – Martin County Board of Realtors - 2006
Associate Member of the Appraisal Institute – 2007
CCIM Candidate – 2007
CCIM Designee – 2013
Urban Land Institute- 2015
Stuart Main Street – Board Member

Education
Graduate, University of Central Florida, College of Business Administration, BSBA (Major: Finance) 2005

Professional Courses
7-Hour National USPAP Update Course – Appraisal Institute - 2016
3- Hour Florida Appraisal Law – Appraisal Institute – 2016
14- Hour Real Estate Finance Statistics & Valuation Modeling – Appraisal Institute – 2016
6- Methodology & Application of Sales Comparison – Bert Rodgers Schools – 2016
Tax Deferred 1031 Exchanges LANDU Course – National Association of Realtors – 2015
General Appraiser Report Writing and Case Studies – Appraisal Institute – 2014
CI 104 Investment Analysis for Commercial Real Estate – CCIM Institute – 2012
General Appraiser Sales Comparison Approach- Appraisal Institute – 2011
General Appraiser Site Valuation and Cost Approach – Appraisal Institute – 2011
General Appraiser Market Analysis and Highest & Best Use – Appraisal Institute – 2011
CI 102 Market Analysis for Commercial Real Estate – CCIM Institute – 2009
CI 103 User Decision Analysis for Investment Real Estate – CCIM Institute – 2009
Income Approach Part 2 – Appraisal Institute – 2008
7-Hour Business Law and Ethics – Appraisal Institute – 2007
CI 101 Financial Analysis for Commercial Real Estate– CCIM Institute- 2007
Real Estate Investment Analysis – University of Central Florida – 2005
Real Estate Finance – University of Central Florida - 2005
Appraisal Principals 110 - University of Central Florida - 2005
Appraisal Procedures 120 - University of Central Florida – 2005
Real Estate Law – University of Central Florida - 2005
15-Hour National USPAP Course – Appraisal Institute – 2005

Seminars Attended

Subdivision Valuation – Appraisal Institute – 2005
Retailer One on One – Orlando – 2012
NAI Florida Forum – Miami 2014
NAI Florida Forum – Miami 2015
International Council of Shopping Centers – Orlando 2015

Types of Valuation/Consultation Services Performed

Feasibility Studies, Market Studies, Leasehold & Leased Fee Valuations, Reproduction/ Replacement Cost Estimates, expert witness testimony

Types of Property Appraised

Commercial Office, Retail and Industrial Buildings, Commercial Land, Residential Development Land, Pasture Land, Grove Land, Row Crop Land, Organic Farms, Gas Stations and Convenience Stores, Proposed Commercial Office and Retail Buildings, Mobile Home Parks, Restaurants, Proposed Residential Development

Brokerage Experience

Transaction volume totaling over $50 million in sales and leasing since 2010 and over $23 million in transactions in 2016. Properties sold or leased include Professional and Medical Offices, Retail Centers, Industrial Buildings, Marina's, Vehicle Sales Facilities, Residential Vacant Land, Commercial Vacant Land, Agricultural Land, Bowling Alley, Church facility among others.

Work Experience

2005 to 2006- Researcher – Johnson & Parrish of the Treasure Coast
2006 to 2014 – Trainee Appraiser – Johnson & Parrish of the Treasure Coast
2006 to 2010 – Sales Associate – Southcoast Incorporated
2014 to 2015 – Certified Appraiser – Thomas Johnson and Associates
2015 to Present – Certified Appraiser & Managing Partner – Thomas Johnson and Associates
2010 to Present – Broker Associate/Vice President – NAISouthcoast Incorporated
2012 to Present – Information Officer – Erfolg Holdings, Inc.
2014 to Present – Founding Partner/Director Islamorada Beer Company

Ron DeSantis, Governor

Melanie S. Griffin, Secretary

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

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SCHROTH, NIKOLAUS MARTIN

2055 S KANNER HWY
STUART FL 34994

LICENSE NUMBER: RZ3704

EXPIRATION DATE: NOVEMBER 30, 2024

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QUALIFICATIONS OF APPRAISER

Edward Larsen

5133 SE Bollard Ave, Stuart, FL 34997 – 239-200-8194

Personal

Resident of South Florida since 2007
State Registered Trainee Appraiser, RI25384
Licensed Real Estate Sales Associate, SL3533118

Professional Designations and Affiliations

Member – Martin County Young Professionals - 2022

Education

Undergraduate, Florida Atlantic University, College of Business, BBA (Major: Business Management: Leadership and Applied Management) 2019

Types of Valuation/Consultation Services Performed

Feasibility Studies, Market Studies, Leasehold & Leased Fee Valuations, Reproduction/ Replacement Cost Estimates

Types of Property Appraised

Commercial Office, Restaurant, Retail and Industrial Buildings, Industrial Land, Commercial Land, Residential Development Land, Pastureland, Grove Land, Proposed Commercial Office and Retail Buildings, Mobile Home Parks

Professional Courses

15-Hour National USPAP Update Course – McKissock - 2021
03- Hour Florida Appraisal Law – McKissock - 2021
30- Hour of Basic appraisal principles– McKissock - 2021
30- Hour of Basic appraisal procedures– McKissock - 2021
25- Hour Appraisal Subject Matter Electives– McKissock – 2021
63- Hour Real Estate Sales Associate Pre-Licensure Course– Real Estate Express – 2021
07-Hour Complex Properties: The Odd Side of Appraisal-McKissock - 2022
03-Hour New Construction Essential: Luxury Homes-McKissock - 2022
07-Hour Appraisal of Industrial and Flex Buildings-McKissock - 2022
03-Hour Market Disturbances-Appraisals in Atypical Markets and Cycles-McKissock - 2022
07-Hour 2022-2023 National USPAP Updated Course-McKissock - 2022
03-Hour Florida Appraisal Laws and Regulations-McKissock - 2022

Work Experience

2019 to 2021- Sales Representative – Advanced Fire & Safety
2022 to Present- State Registered Trainee Appraiser – CRE Valuation Services Treasure Coast

Ron DeSantis, Governor

Melanie S. Griffin, Secretary

Florida dbpr

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD

THE REGISTERED TRAINEE APPRAISER HEREIN HAS REGISTERED UNDER THE PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

LARSEN, EDWARD

2818 GULFVIEW DR
NAPLES FL 34112

LICENSE NUMBER: RI25384

EXPIRATION DATE: NOVEMBER 30, 2024

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