

AN APPRAISAL REPORT

OF

**VACANT LAND CONTAINING 19,281 SQUARE FEET
LOCATED AT 362 N.E. 3RD AVENUE, DELRAY BEACH
PALM BEACH COUNTY, FLORIDA 33444**

PREPARED FOR

**MS. HEATHER HINKLE
PROJECT COORDINATOR
DELRAY BEACH COMMUNITY REDEVELOPMENT AGENCY
20 NORTH SWINTON AVENUE
DELRAY BEACH, FLORIDA 33444**

AS OF

DECEMBER 3, 2020

PREPARED BY

**PARRISH & EDWARDS, INC.
EIN 59-2550770
BRIAN G. EDWARDS, MAI
STATE CERTIFIED GENERAL REAL ESTATE APPRAISER #RZ1303**

PARRISH & EDWARDS, INC.



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Palm Beach Gardens, FL 33418**

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December 30, 2020

Ms. Heather Hinkle
Project Coordinator
Delray Beach Community Redevelopment Agency
20 North Swinton Avenue
Delray Beach, Florida 33444

RE: P&E File No. B20-095

Dear Ms. Hinkle:

In accordance with your request, we have made an inspection, analysis, and an appraisal report of the following:

Vacant land containing approximately 19,281 square feet located at 362 N.E. 3rd Avenue, Delray Beach, Palm Beach County, Florida 33444.

As a result of our investigation and analysis of the information outlined in the report, we hereby submit that our opinion of the "As Is" market value of the fee simple estate of the Subject Property, as of December 3, 2020, is as follows:

ONE MILLION EIGHT HUNDRED TEN THOUSAND DOLLARS

\$1,810,000

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This report is intended to comply with Federal reporting standards and the standards and reporting requirements of the Uniform Standards of Professional Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation.

The appraiser has the ability to properly identify the problem to be addressed, the knowledge and experience to complete the assignment competently; and has recognition of, and compliance with, laws and regulations that apply to the appraiser or to the assignment.

This appraisal assignment was not made, nor was the appraisal rendered on the basis of a requested minimum valuation, a specific valuation, or an amount which would result in approval of a loan.

A description of the property being appraised, together with an explanation of the report type and valuation procedures utilized, is contained within the body of this report. This letter is made a part of and subject to the Limiting Conditions as set forth in the report herein.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brian G. Edwards". The signature is fluid and cursive, with the first name being the most prominent.

Brian G. Edwards, MAI
State Certified General Real Estate Appraiser #RZ1303

SPECIAL LIMITING CONDITIONS/ EXTRAORDINARY ASSUMPTIONS

1. No survey of the Subject Property was available. The land size for the Subject Property as indicated on Palm Beach County Property Appraiser's website is 19,281 square feet. For the purpose of this report, we have utilized this size. Should a survey become available indicating a different site size, we reserve the right to revise this appraisal accordingly.
2. The Subject site has not been inspected for environmental contamination, such as underground storage tanks, drums of unknown contents, evidence of waste disposal such as sludge, paints chemical residues, oil spillage, asbestos, etc. No environmental contamination is known to exist by the appraiser. The appraiser was not provided with an environmental survey of the Subject. If such contaminants were found to be present, the value stated herein would be subject to review and modification.
3. Over the past several years, the real estate market has trended upward with sales prices and rental rates increasing and vacancy rates declining. This has also been paralleled with favorable economic conditions, and an overall upward trend in the stock market. However, over the past six to nine months, there has been a significant uncertainty in economic conditions as a result of the Corona Virus (COVID-19) and the effects of this pandemic on the real estate market have yet to be determined. As of the effective date of this appraisal, businesses in many counties have reopened although many of these businesses are operating at less than full capacity. When the pandemic begins to subside, it is uncertain how many of these businesses will be able to survive financially. If a significant number of these businesses do not survive, this could have a significant negative effect on the real estate market as occupancy rates will begin to decline. The pandemic has been especially hard on the service industry, which includes restaurants, hotels/motels, and entertainment businesses. The industrial market appears to have been less affected. As of the effective date of this report, limited data was available to determine the effect of the pandemic on the real estate market. However, the intended user of this report should be aware that as data becomes available over the coming months, the value contained within this report could be affected.

The Extraordinary Assumptions / Special Limiting Conditions listed above could affect our assignment results.

CERTIFICATION

We hereby certify that to the best of our 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, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the Subject of this report, and we have no personal interest or bias with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. 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.
7. The reported analyses, opinions, and conclusions were developed and this review report has been prepared, in conformity with the requirements of the Code of Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. Brian G. Edwards has made an inspection of the property that is the subject of this report.
10. No one provided significant professional assistance other than the person(s) signing this report.

CERTIFICATION (CONT'D)

11. The Appraisal Institute conducts a program of continuing education for designated members who meet the minimum standards of this program and are awarded periodic educational certification. As of the date of this report, I, Brian G. Edwards have completed the requirements under the continuing education program of the Appraisal Institute.
12. Our analyses, opinions, or conclusions that were developed in this report have been prepared in conformity with the requirements of the State of Florida for the State Certified Appraisers.
13. The use of this report is subject to the requirements of the State of Florida relating to review by the Real Estate Appraisal Subcommittee of the Florida Real Estate Commission.
14. I, Brian G. Edwards, 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



Brian G. Edwards, MAI
State Certified General Real Estate Appraiser #RZ1303

SUMMARY OF SALIENT FACTS

LOCATION: 362 N.E. 3rd Avenue, Delray Beach, Palm Beach County, Florida 33444

OWNER OF RECORD: Delray Beach CRA

IMPROVEMENTS: No structural improvements, only curbing and paving for parking.

SITE SIZE: 19,281 SF

ZONING / LAND USE: CBD, Central Business District, by City of Delray Beach with underlying land use of "CC" Commercial Core

FLOOD ZONE: "X" as indicated by Community Map Panel #12099C0979F, dated October 5, 2017

CENSUS TRACT: 65.02

HIGHEST AND BEST USE (AS VACANT): Assemblage for mixed-use development

VALUE INDICATIONS "AS IS":

COST APPROACH:	Not Applicable
SALES COMPARISON APPROACH:	\$1,810,000
INCOME APPROACH:	Not Applicable

FINAL VALUE INDICATIONS:

"AS IS" FEE SIMPLE VALUE:	\$1,810,000
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DATE OF INSPECTION: December 3, 2020

EFFECTIVE DATE OF VALUE: December 3, 2020

MARKET/EXPOSURE TIME: 6 to 12 Months

APPRAISER: Parrish & Edwards, Inc.
Brian G. Edwards, MAI



VIEW OF SUBJECT PROPERTY FACING SOUTHWEST FROM N.E. 3RD AVENUE



VIEW OF SUBJECT PROPERTY FACING SOUTHEAST FROM ALLEY



VIEW OF SUBJECT PROPERTY FACING EAST FROM ALLEY



VIEW OF INTERIOR OF PARKING LOT



N.E. 3RD AVENUE FACING NORTH



N.E. 3RD AVENUE FACING SOUTH



ALLEY FACING NORTH



ALLEY FACING SOUTH

APPRAISAL REPORT

This is an appraisal report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2 of the Uniform Standards of Professional Appraisal Practice. As such, it presents summary discussions of the data, reasoning and analysis that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning and analysis is summarized in this report and/or retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated within this report. The appraiser is not responsible for the unauthorized use of this report.

PARCEL REFERENCE: P&E File #B20-095

CLIENT: Ms. Heather Hinkle
Project Coordinator
Delray Beach Community Redevelopment Agency
20 North Swinton Avenue
Delray Beach, Florida 33444

APPRAISERS: Brian G. Edwards, MAI
State Certified General
Real Estate Appraiser #RZ1303

Parrish & Edwards, Inc.
5606 PGA Blvd. #111
Palm Beach Gardens, Florida 33418

SUBJECT PROPERTY OWNER: Delray Beach CRA

REAL ESTATE APPRAISED: Property Location:
The Subject lot is located on the west side of N.E. 3rd Avenue, north of Atlantic Avenue and south of NE 4th Street, with an address of 362 N.E. 3rd Avenue, Delray Beach, Palm Beach County, Florida 33444.

LEGAL DESCRIPTION: Folio #12-43-46-16-01-081-0230
 Lots 23, 24, and 25, Block 81, SUBDIVISION
 OF BLOCK 81, according to the Plat thereof, as
 recorded in Plat Book 11, Page 32, of the Public
 Records of Palm Beach County, Florida.

Source: Warranty Deed

DATE OF INSPECTION: December 3, 2020

EFFECTIVE DATE OF APPRAISAL: December 3, 2020

PURPOSE OF THE APPRAISAL: The purpose of the appraisal is to provide an opinion of the "As Is" market value of the Fee Simple Estate in the Subject Property as of December 3, 2020.

INTENDED USE AND USER: The intended use of this appraisal is to provide an opinion of the market value of the Subject Property to assist the client in negotiating the potential sale of the property. The intended user of this report is Delray Beach Community Redevelopment Agency. The client has not advised us of any intended subsequent user of this report.

INTEREST APPRAISED: The property rights appraised are the unencumbered Fee Simple Estate of the Subject Property.

Fee Simple, which is defined as "An absolute fee; a fee without limitation to any particular class of heirs or restrictions, but subject to the limitations of eminent domain, escheat, police power, and taxation. An inheritable estate.

Source: The dictionary of Real Estate Appraisal, Appraisal Institute.

**ESTIMATED EXPOSURE /
MARKETING TIME:**

Per the Appraisal Institute, Exposure Time relates to the time preceding the appraisal date that the Subject hypothetically would have been offered on the market prior to a hypothetical sale on the effective date of the appraisal. Marketing Time is the time required to sell the property after the appraisal date.

In estimating the marketing period for the Subject Property discussions were held with local real estate professionals including brokers and property managers specializing in the Subject's area. Based on discussions with brokers and other professionals in the market, a marketing/exposure time for the Subject Property of 6 to 12 months is considered reasonable, assuming marketing by an experienced broker at a reasonable price.

FIVE YEAR SALES HISTORY:

A search of the Public Records of Palm Beach County indicated no transactions involving the Subject Property over the past five years.

The property is not known to be currently actively or under contract.

DEFINITION OF MARKET VALUE

The regulatory required market value definition is:

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

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and each acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source:

- *Uniform Standards of Professional Appraisal Practice, Page I-7
- *Federal Reserve System, 12 CFR Parts 208 and 225, Sec. 225.62
- *Office of the Comptroller of the Currency, 12 CFR Part 34, Sec. 34.42
- *FDIC, 12 CFR Part 323, Sec. 323.2
- *Office of Thrift Supervision, 12 CFR Part 564, Sec. 564.2
- *NCUA, 12 CFR Part 722, Sec. 722.2
- *RTC, 12 CFR Part 1608, Sec. 1608.2
- *FIRREA, Title XI

SCOPE OF APPRAISAL

Our opinion of the Market Value will be derived by considering the three standard appraisal approaches which are briefly summarized as follows:

COST APPROACH - That Approach in appraisal analysis which is based on the proposition that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility as the Subject Property.

SALES COMPARISON APPROACH – The Sales Comparison Approach is based on a market comparison of sales with similar uses and income potential. Sales of similar properties in the area will be considered, as will other properties in similar areas. These sales will be analyzed in relation to the Subject for relevant factors affecting value using paired sales. From the analysis of the sale prices of the comparables, a value will be concluded for the Subject Property.

INCOME APPROACH - That procedure in appraisal analysis, which converts anticipated benefits (dollar income or amenities) to be derived from the ownership of property into a value estimate.

The Subject Property is vacant. For this reason, only the Sales Comparison has been used in valuing the Subject Property.

Our analysis is based upon a physical inspection of the site and information provided by the client, agents, and public records. In preparing this report, the appraisers personally inspected the Subject and the comparable properties. The search for data was concentrated primarily in the Subject's immediate area, and if limited data in this area was not found, the search was expanded into other areas considered similar to the Subject. All comparables were verified with the grantor, grantee, or a third-party familiar with the property such as a real estate broker or attorney, if possible.

In completing this assignment, the appraiser has engaged in original research of sales and general trends in the market. Data has been gathered from various sources, including public records, area brokers, appraisers, property owners, and published sources. Additionally, we have used original research performed in preparation of other appraisals by this office, which is considered to be appropriate for the Subject Property. The product of this research and analysis is the valuation conclusion contained herein.

PALM BEACH COUNTY SUMMARY

The Subject Property is located in Palm Beach County, Florida.

Physical Characteristics

Palm Beach County is located along the southeast "Gold Coast" of Florida and is the second-largest county in the state and seventh in the nation with a land area of 2,578 square miles, of which roughly 20% is within Lake Okeechobee and other wetland areas.

The county is rectangular-shaped and is bounded on the east by the Atlantic Ocean, on the west by Glades and Hendry Counties, on the south by Broward County, and on the north by Martin County. The geographic center of the county is +/-67 miles north of Miami and +/- 171 miles southeast of Orlando. Elevation averages 15' above sea-level. Natural habitat, moving from east to west, includes coastal beach dune ecosystems, pine flatlands, and freshwater wetland areas.



The county's renewable resources include 45 miles of coastline and an average year-round temperature of 75 degrees. Average temperature ranges from a low of 67 degrees to a high of 83 degrees. Winter temperatures are moderated by the Gulf Stream warm water current less than two miles offshore. These conditions have proven favorable for tourism, agriculture, and population in-migration.

Education

For 2019 – 2020 school year, the Palm Beach County school system ranks as the 10th largest in the nation. The District employs over 35,000 employees, has over 197,000 PreK through 12th grade students. There are 180 public schools including elementary schools, middle schools, High schools, ESE, alternative and charter schools available across the county. There are programs offered through two Virtual Schools and adult education sites. There are a number of private schools serving the Palm Beach County from preschool through 12th grade encompassing approximately 10% of eligible students.

Palm Beach County has several colleges / universities / technical institutes. Palm Beach State College, offers 4 year degrees and has five campuses having an estimated total enrollment of approximately 49,000 full and part-time students. The newest campus was constructed in Loxahatchee Groves. Florida Atlantic University (FAU) is a 4-year college, whose main campus is in Boca Raton and had a total enrollment of approximately 30,000 students. FAU is a member of the state university system and has six campuses that extend from Davie up to the Treasure Coast. Other higher-learning institutions include Lynn University with approximately 3,100 students, Palm Beach Atlantic University with approximately 3,700 students. Other schools have campuses located in Palm Beach County including Everglades University, Northwood University, South University, Keiser University and Barry University.

Transportation

Roads in the county essentially run east-west and north-south, forming a grid system over the eastern one-third of the county. Roadways that extend beyond the county's borders include State Road 80, State Road 710, Interstate 95, and Florida's Turnpike.

State Road 80 connects coastal Palm Beach County with the Glades and the west coast of Florida. This roadway was widened to four lanes from West Palm Beach to Belle Glade several years ago.

State Road 710 (Beeline Highway) runs from the West Palm Beach area of Palm Beach County and travels northwest into Martin County.

Interstate 95 is an interstate highway running from Florida to Maine. It serves as the main north/south artery in the county, transporting over 240,000 cars per day.

Florida's Turnpike is a toll road running from Wildwood to Miami. It serves a mix of tourist and local traffic. The Turnpike is generally parallel and to the west of Interstate 95. Several exits and all of the rest stops have recently undergone renovation.

Palm-Tran is a county wide bus system serving all of the county and runs seven days a week.

Rail transport is via two carriers: Florida East Coast Railway and CSX Transportation. Both lines are primarily freight oriented with limited passenger service via Amtrak. The Tri-Rail Commuter Rail system services Dade, Broward, and Palm Beach counties for commuter travel between Miami and West Palm Beach. Brightline is a high speed rail system to be fully implemented between Miami and Orlando and trains have started service between Miami and West Palm Beach.

There are five public, general aviation airports in Palm Beach County and eight private airfields which serve local commercial/executive needs. The largest, Palm Beach International Airport is centrally located southwest of the city of West Palm Beach and eighteen airlines currently serve destinations in the continental United States and direct international flights to the Caribbean and Canada.

The Palm Beach International Airport had total passengers of 7,037,650 for the twelve month period ending February 2020 which was up 7.3% from the previous 12 month period. The largest passenger carriers were Jet Blue, Delta Airlines and American Airlines, with 27.98%, 19.83% and 19.77% share of the market. Other larger carriers included Southwest Airlines, United Airlines, and Frontier Airlines.

The Port of Palm Beach is located due west of the Lake Worth inlet in Lake Park. The Port of Palm Beach is the fourth busiest container port of Florida's 14 deepwater ports, and is the 18th busiest container port in the United States. The Port handles a variety of incoming and outgoing cargo including agricultural products, general cargo, oil and cement, and cruise line passengers. The Port of Palm Beach and its tenants combine to become one of the largest employers in Palm Beach County with many exports supporting the Caribbean. A Foreign Trade Zone has been in operation since 1987.

Economic Drivers

Population growth through in-migration is one of the primary economic drivers in the county. The county's year round population increased from 1,131,191 in 2000 and 1,320,124 in 2010. Projected population estimates are expected to continue to increase. The estimated population for Palm Beach County in April 2019 was 1,447,857. The medium projected estimate for 2020 is expected to be 1,473,700 and 1,563,100 in 2025. The following page provides a breakdown population estimates by municipality.

Area	April 1, 2019 Population Estimate	April 1, 2018 Population Estimate
<i>Palm Beach County</i>	1,447,857	1,433,417
Atlantis	2,036	2,021
Belle Glade	17,979	17,589
Boca Raton	94,488	93,417
Boynton Beach	77,696	76,756
Briny Breezes	612	610
Cloud Lake	139	137
Delray Beach	67,102	66,580
Glen Ridge	234	223
Golf	258	257
Greenacres	39,813	39,568
Gulf Stream	1,032	1,005
Haverhill	2,099	2,096
Highland Beach	3,671	3,654
Hypoluxo	2,789	2,741
Juno Beach	3,442	3,427
Jupiter	62,497	62,100
Jupiter Inlet Colony	406	409
Lake Clarke Shores	3,420	3,422
Lake Park	8,916	8,829
Lake Worth	38,484	38,257
Lantana	11,419	11,397
Loxahatchee Groves	3,404	3,384
Manalapan	425	425
Mangonia Park	2,062	2,045
North Palm Beach	12,622	12,596
Ocean Ridge	1,836	1,827
Pahokee	5,907	5,909
Palm Beach	8,321	8,295
Palm Beach Gardens	55,621	53,800
Palm Beach Shores	1,193	1,217
Palm Springs	23,560	23,448
Riviera Beach	35,735	35,431
Royal Palm Beach	38,691	37,934
South Bay	5,270	5,174
South Palm Beach	1,448	1,400
Tequesta	5,850	5,857
Wellington	62,373	62,304
Westlake ⁴	380	29
West Palm Beach	115,176	112,906
Unincorporated	629,451	624,941

Sources: 2019, 2018 US Census and Office of Economic and Demographic Research

Health Care

Health care is one of Florida's fastest growing service sectors, employing over 500,000 of the state's service workers and generating almost \$1.3 billion dollars in payrolls. Approximately 35,000 health care practitioners and workers are employed in Palm Beach County.

Palm Beach County has over 15 acute-care hospitals including the Veterans Administration Medical Center. The available beds in these hospitals total 3,645. Included are two trauma centers - one at Delray Medical Center in Delray Beach, and the other at St. Mary's Medical Center in West Palm Beach.

There are over numerous nursing homes available in Palm Beach County. In addition, there are Urgent Care Centers, Hospices, Public Health Clinics, Treatment Centers, and Adult Living Facilities to serve the needs of the growing population.

Construction

In 2019, new office building construction activity was taking place in West Palm Beach and North Palm Beach as well as an office project in Delray Beach (Atlantic Crossing). Currently under construction are five projects totaling just under 800,000 SF. The largest projects are 360 Rosemary (297,000 SF) and One West Palm (200,000 SF), both of which are located in downtown West Palm Beach. Also, land with industrial zoning continues to be in the highest demand. Palm Beach County is known to have less industrial zoned land than most major distribution markets and this should continue as industrial zoned properties are rezoned to higher and better uses such as hotels, medical, office or higher end retail uses. Source: CBRE Marketview.

The 2018 residential building permit activity reflects the highest numbers for single family residences in Westlake, Palm Beach Gardens, Boca Raton, and unincorporated areas of the county. Multi-family building activity is concentrated in Boynton Beach, Lantana, Riviera Beach, West Palm Beach and unincorporated areas of the county. For 2019, there are 3,185 building permits for single family residences and 2,442 building permits for multiple family dwelling units, with a total units' value of \$1,581,750,178. Other new public and private construction projects in all sectors are ongoing in the county. Source: Palm Beach County Planning & Zoning.

Tourism

Palm Beach County is one of Florida's major destinations for business and leisure travelers. The county visitor industry employs more than 50,000 people and contributes more than \$2.6 billion annually to the economy.

While Palm Beach County had the largest decline in occupancy across all three counties (Miami-Dade and Broward) in 2019, it was the only county to have growth in average daily rate and revenue per room. The county's occupancy was 72% for the year. This was both lower than the other two counties, and with a decline of 1.1% from the year prior, it was also the most significant occupancy rate drop. However, despite the decline, average daily rate grew 1.3% and revenue per room grew 0.1%. The county's average daily rate was \$185.24 and revenue per room was an average of \$133.36. While significantly less than Miami-Dade and Broward, Palm Beach County's \$830 million in hotel revenue for 2019 was a 2.1% increase from 2018. Supply grew by 1.9% while demand grew by 0.8%, according to a recent STR report.

However, due to pandemic, most at risk have been jobs in tourism and retail service sectors. Accommodations, food, retail, recreation, real estate, construction and transportation sectors were identified as having high risk due to factors of proximity. At this time and until government restrictions are lifted, limited information is available in determining the long term effect of the pandemic on the market. The State of Florida is similar to the U.S. Market in year over year change in hotel demand. The State of Florida demand was 4.6% in February 2020 and was reduced to -76.7% in April 2020 and by August 2020 was -38.1%.

Agriculture

Commercial agricultural production is one of Palm Beach County's major core industries and employer. Two major crops in Palm Beach County are sugar and citrus. Agricultural production is expected to remain a vital segment of the Palm Beach County economy however coastal farmland acreage is gradually declining as urbanization spreads westward.

In addition, Palm Beach County's Equestrian community is one of the country's premier locations for polo, jumpers, and dressage. Additionally, there is an extensive private recreational horse population.

Employment

Palm Beach County's average wage mirrors the national average wage. Major job categories of labor ranked by percentage are from the Business Development Board of Palm Beach County, released 4/2020, and are shown below:

Labor Force & Industry	As of March 2020	March 2020-2019 % of Change
Total Non Agricultural Employment	646,100	0.2%
Total Private	577,400	0.0%
Goods Producing	60,700	2.5%
Construction	39,800	3.1%
Manufacturing	20,800	1.5%
Service Providing	585,400	0.0%
Private Service Providing	516,700	-0.3%
Trade, Transportation, and Utilities	114,600	-1.9%
Wholesale Trade	22,800	-4.2%
Retail Trade	78,400	-1.8%
Transportation, Warehousing, & Utilities	13,400	1.5%
Information	10,100	-3.8%
Financial Activities	43,000	1.4%
Finance and Insurance	24,700	0.4%
Professional & Business Services	114,700	-0.6%
Professional & Technical Services	50,200	2.4%
Mgt of Companies & Enterprises	11,600	-0.9%
Administrative & Waste Services	52,900	-3.3%
Education & Health Services	104,800	-0.7%
Leisure & Hospitality	96,100	-0.9%
Accommodation & Food Services	72,100	-1.0%
Other Services	33,400	0.3%
Total Government	68,700	2.7%
Labor Force	734,193	1.6%
Employment	711,778	2.4%
Unemployment	22,415	-19.00%

Due to the pandemic, Palm Beach County's March 2020 unemployment rate of 4.4% was higher than the previous year reflecting a net loss of 9,392 jobs. The labor force as of March 2020 was 735,995 persons and as of September 2020 has risen to 699,888 persons. The U.S. unemployment rate for April 2020 was a high of 14.2%. In September 2020 the rate had fallen to 7.0%.

The county's selected larger employers (government and private) are estimated, as shown below:

<u>Employer</u>	<u>#</u>	<u>Employer</u>	<u>#</u>
P. B. C. School Board	21,466	City of Boca Raton	1,389
P. B. County	5,952	Sikorsky Aircraft	1,154
Tenet Healthcare.	5,939	Palm Beach State College	1,212
Florida Power & Light	4,404	US Sugar	1,250
HCA	3,550	Bank of America	1,000
V.A. Medical Center	2,535	Cheney Bros.	1,050
Florida Atlantic University	2,529	Pratt & Whitney	1,000
Boca Raton Reg. Hosp.	2,644	TBC	800
Jupiter Medical Center	1,907	Johnson Controls	674
Bethesda Mem. Hospital	2,282	Sugar Cane Coop	676
Office Depot	2,000	Zimmer Biometric	651
The Breakers	2,000	IBM	600
Florida Crystals	2,000	Walgreens Distribution	600
G4S	1,501	ADT	500
SFWMD	1,346	Belcan	458
City of WPB	1,420	Rocketdyne	450
Wells Fargo	1,367	US Foods	400
Boca Raton Resort Hotel	1,376	Power Systems	400

Source: Business Development Board updated for 2017/2018.

The above chart includes goods producing as well as service producing employers in Palm Beach County both private and public. There are roughly 76,308 companies in Palm Beach County that supply products and services.

Residential

Residential statistics for Palm Beach County are as follows:



Over the past several years, the real estate market has trended upward with sales prices and rental rates increasing and vacancy rates declining. This has also been paralleled with favorable economic conditions, and an overall upward trend in the stock market. Recently there has been a significant uncertainty in the economy as a result of the Corona Virus (COVID-19). The effects of this pandemic on the Palm Beach County market have yet to be determined.

AREA/NEIGHBORHOOD ANALYSIS

The Subject Property is north of Atlantic Avenue and, west of Swinton Avenue and east of I-95, in the City of Delray Beach. The Subject's area is considered to be west of the expanding downtown business district. The neighborhood boundaries are considered to be Lake Ida Road to the north, S.W. 10th Street to the south, Swinton Avenue to the east and I-95 to the west.

Delray Beach is a moderate size coastal city located between Boynton Beach and Boca Raton. According to the Palm Beach County Profile, the 2019 estimated population for the City of Delray Beach was 67,102 persons. Delray Beach is becoming a first-class resort destination and was named the "Most Fun Small Town in the USA" by Rand McNally, USA Today, and the Travel Channel and is also a three-time winner of the All-American City Award presented by the National Civic League.

Access to area beaches and the barrier island to the east are byway of bridges at George Bush Boulevard, East Atlantic Avenue and Linton Boulevard. Atlantic Avenue is the main east/west thoroughfare which extends from State Road 7 on the west to A1A on the east. Atlantic Avenue also accesses both I-95 and the Florida Turnpike. Federal Highway is the major north/south thoroughfare in the neighborhood. Federal Highway splits to form 2 one-way streets between Northeast 11th Street and Southeast 10th Street. South of N.E. 11th Street, the southbound lanes are known as 5th Avenue and the northbound lanes are known as 6th Avenue. Federal Highway is a four-lane highway which runs the entire length of the county and functions as a primary north/south thoroughfare in eastern Palm Beach County. Federal Highway intersects with all primary east/west roads and provides convenient and easy access from all points in Palm Beach County.

The Delray Beach area is characterized as primarily residential with mixed use and commercial development along the major thoroughfares and infill areas. Industrial development is limited and is found primarily along the Florida East Coast Railway and near Interstate 95.

The downtown area of Delray Beach is concentrated on East Atlantic Avenue between Swinton Avenue and A1A on the coast. The East Atlantic Avenue area is mostly retail development, including numerous restaurants and boutique style shops. The strong retail market that exists along Atlantic Avenue has had a positive effect on commercial properties north and south of Atlantic Avenue between Swinton Avenue and the Intracoastal Waterway as well as expanding development west of Swinton Avenue toward I-95. One of the most notable features of eastern Delray Beach is the proximity to the Intracoastal Waterway and the Atlantic Ocean.

AREA/NEIGHBORHOOD (CONT'D)

Some of the development in the neighborhood include the Fairfield Inn and Suites, the South Palm Beach County Municipal Building and Courthouse, the Tennis Facility, City Hall and Library facilities. There are also numerous new mixed use and commercial developments in the area as well as proposed mixed use developments for this corridor.

Development in downtown area has tried to preserve the small town feel through low density and preservation regulations. Many historic homes and buildings have been fully renovated and incorporated into the redevelopment mix and the building height restrictions have limited the development of taller high-rises. The downtown of Delray Beach continues to be one of the most popular places in Palm Beach County for restaurants, nightlife and cultural events in a pedestrian friendly environment.

Noted New Development in Delray Beach

A project called Atlantic Crossing will be located on the north side of East Atlantic Avenue between NE 6th Avenue and Veterans Park. This project includes the construction of 343 residential units, 86,000 SF professional office space and 76,000 SF of ground floor space for retail stores and restaurants. The project had been on hold due to previous litigation but is now under construction. The property is slated for opening of retail and office space and residential space in 2021.

A mixed use project known as the 4th& 5th Delray, was recently completed. The project contains 7,487 SF of retail space, 42,446 SF of office space, 497 seat iPic theater, and a 324 parking space garage including 90 public parking spaces. The project is currently leasing space with a public theatre.

Sundy Village (formerly Midtown Delray) is a mixed use redevelopment project which includes the historic Sundy House off of S. Swinton Avenue. This project is located south of W. Atlantic Avenue and on both sides of S. Swinton Avenue. This project will add boutique hotel, retail, office, restaurant, and residential space known as Swinton Commons. This project has been approved.

Delray Beach continues to see growth in its hotel sector. A mixed use project includes 35 condominium units, an adjacent 122 room Aloft hotel, and 6,280 square feet of retail space, and structured parking at 202-272 S.E. Fifth Avenue. Also, there have been pre-approval plans for a 130 room Hilton Canopy located at S.E. First Avenue and S.E. Fifth Street, across from the historic Sundy House. A Courtyard by Marriott contains 150 rooms on S.E. 6th Avenue, south of Atlantic Avenue. Another project PHG Hotel, a 143 room hotel at 200 N.E. 5th Avenue is under review. The Ray Hotel, in Pineapple Grove is to contain retail space on the ground level, a rooftop deck, and 141 rooms and underground parking.

AREA/NEIGHBORHOOD (CONT'D)

A mixed use project is under review at 325 N.E. 3rd Avenue, Delray Beach. If approved, this project will be a three-story mixed-use building that includes 1,244 square foot restaurant on the ground floor, one and two bedroom lofts on the second and third floors with balconies and a free standing 30-foot high automated parking storage system for 52 cars.

The 43 acre former Office Depot complex redevelopment is expected to include 600 apartments, 150 townhomes, 100,000 square feet of retail and restaurant space, and park. A 23,000 Class A office building is being built at 3185 S. Congress Avenue. This complex includes a freestanding 132,000 square foot self-storage facility.

There is continued interest just east I-95 on both the north and south sides of W. Atlantic Avenue. New development in the southwest corridor, between the 600 and 800 blocks of S.W. Atlantic Avenue, is expected to be a mixed use development to include a parking garages, grocery store, pharmacy, stores, office space, and affordable homes in this area.

Delray City Market is a 60,000 square foot food hall being developed near Swinton Avenue at 33 S.E. Third Street which will have 40 vendors with about 400 square feet each in the ground floor of a four story 150,000 square foot building. There will be indoor/outdoor seating, a rooftop garden, and 220 space garage and dedicated drop-off location for uber/lyft. The food hall is anticipated to open in 2021.

Services

There are a number of public elementary, mid-level, and public senior high schools located in the area. Atlantic Community High School is located on Atlantic Avenue west of Congress Avenue. Daycare and private schools are also available. The Delray Medical Center complex is located at the southwest quadrant of Linton Boulevard and Military Trail. The complex consists of a 493 bed hospital, multiple medical office buildings. Other medical facilities servicing the area are Bethesda Hospital's east and west locations in Boynton Beach. The closest Veteran's Hospital is located in Riviera Beach.

AREA/NEIGHBORHOOD (CONT'D)

MLS Residential Area Sales

Local Market Update – October 2020



Delray Beach

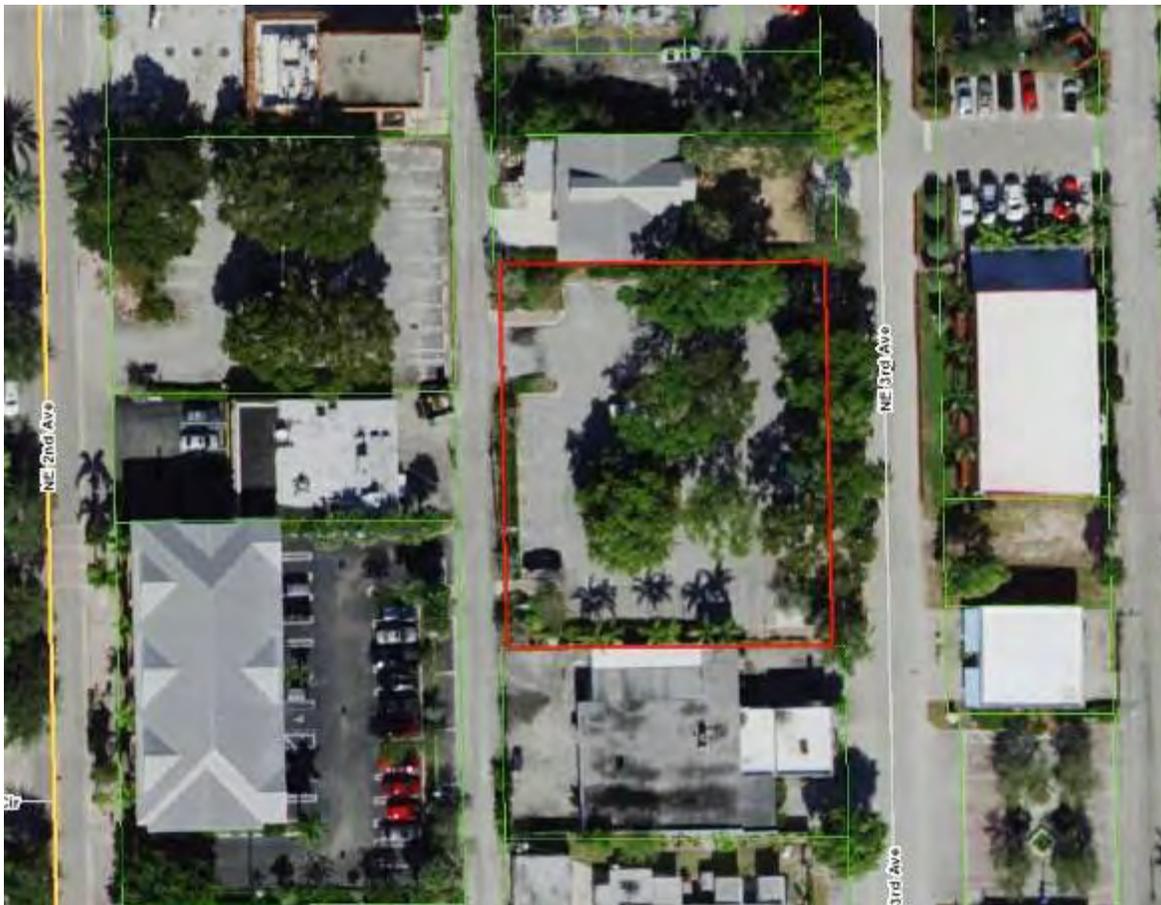
Single Family	October			Year to Date		
	2019	2020	% Change	Thru 10-2019	Thru 10-2020	% Change
Key Metrics						
Closed Sales	81	143	+ 76.5%	1,102	1,126	+ 2.2%
Median Sales Price*	\$430,000	\$511,500	+ 19.0%	\$440,000	\$469,000	+ 6.6%
Average Sales Price*	\$566,867	\$751,267	+ 32.5%	\$659,935	\$763,786	+ 15.7%
Dollar Volume	\$45,916,188	\$107,431,152	+ 134.0%	\$727,247,820	\$860,022,500	+ 18.3%
Percent of Original List Price Received*	92.4%	93.9%	+ 1.6%	91.6%	92.8%	+ 1.3%
Median Time to Contract	85	65	- 23.5%	86	72	- 16.3%
Pending Sales	93	120	+ 29.0%	1,148	1,214	+ 5.7%
New Listings	188	160	- 14.9%	1,740	1,685	- 3.2%
Inventory of Homes for Sale	612	400	- 34.6%	—	—	—
Months Supply of Inventory	5.7	3.4	- 40.4%	—	—	—

Townhouse/Condo	October			Year to Date		
	2019	2020	% Change	Thru 10-2019	Thru 10-2020	% Change
Key Metrics						
Closed Sales	209	273	+ 30.6%	2,154	2,031	- 5.7%
Median Sales Price*	\$135,000	\$157,750	+ 16.9%	\$140,000	\$152,825	+ 9.2%
Average Sales Price*	\$197,491	\$235,481	+ 19.2%	\$201,007	\$222,313	+ 10.6%
Dollar Volume	\$41,275,609	\$64,050,849	+ 55.2%	\$432,491,084	\$450,422,642	+ 4.1%
Percent of Original List Price Received*	92.1%	92.7%	+ 0.7%	91.4%	91.9%	+ 0.5%
Median Time to Contract	63	64	+ 1.6%	64	66	+ 3.1%
Pending Sales	218	222	+ 1.8%	2,221	2,139	- 3.7%
New Listings	361	310	- 14.1%	3,100	3,124	+ 0.8%
Inventory of Homes for Sale	870	844	- 3.0%	—	—	—
Months Supply of Inventory	4.1	4.0	- 2.4%	—	—	—

* Does not account for seller concessions. Percent change may be extreme due to small sample size. Dash (-) means no activity to report on for specified time period.

Conclusion

In general, the subject neighborhood is an older, established neighborhood that has good redevelopment potential. The Subject is in close proximity to Atlantic Avenue and the downtown. The neighborhood should remain stable long term as ongoing redevelopment plans continue.



AERIAL PHOTO

SITE DATA

Size and Shape:

The Subject Property is a rectangular parcel and has approximately 150 feet of frontage along the west side of N.E. 3rd Avenue. This lot contains 19,281 square feet.

Location and Accessibility:

The Subject Property is located on the west side of N.E. 3rd Avenue, approximately 3 blocks north of Atlantic Avenue, a primary east/west roadway connecting to I-95 to the west and Federal Highway (U.S. 1) to the east.

Topography and Drainage:

The Subject site appears level and slightly above road grade. There are no on-site storm drains however there is a public drainage system in place along the street. Drainage appears adequate.

Easements and Encroachments:

Based on the physical inspection of the site, there were no apparent easements or encroachments noted that would adversely affect the development of the site. However, a current survey would be recommended to verify the existence of any potential adverse easements or encroachments.

Environmental Issues:

No adverse environmental conditions were noted, however, this is the domain of environmental experts, and the appraiser is not responsible for unapparent subsurface conditions. No environmental report was provided, and this appraisal assumes a clean site.

Utilities:

The Subject Property has public water and sewer service available. Electrical service is provided by Florida Power & Light and various private contractors provide communication services. All other municipal services are also available to the site, including police and fire protection, by the City of Delray Beach.

SITE DATA (CONT'D)

Census Tract:

The Subject Property is located in Census Tract 65.02. The 2020 estimated population for this tract is 3,734. The 2020 estimated Median Family Income for this tract is \$58,059. The total housing units are 1,779 with 483 units being owner occupied and 978 being renter occupied.

Flood Zone:

The Subject Property is located in Flood Zone "X", as indicated by Community Map Panel #12099C0979F, dated October 5, 2017. This flood zone classification would not typically require flood insurance.



SITE DATA (CONT'D)

Zoning/Land Use:

The Subject Property is zoned "CBD" Central Business District with an underlying land use designation of "CC" Commercial Core. The "CBD" zoning permits a variety of uses. There are several subdistricts in the "CBD" zoning and the Subject Property is located in the Railroad Corridor Subdistrict. This zoning and subdistrict permit a wide variety of uses including commercial, multi-family and some industrial. A copy of the permitted uses and regulations is included within the addenda section of this report.

Concurrency:

In 1985, the Florida Legislature enacted the Local Government Comprehensive Planning and Land Development Regional Act (Chapter 163, Part II, Florida Statutes), commonly referred to as the "Growth Management Act". Pursuant to Section 163.3177 (10) (h), F.S., "it is the intent of the Legislature that public facilities and services needed to support development shall be available concurrent with the impacts of such development." From this statement, the term, the term "concurrency" was derived, and is commonly used to refer to the above legislation and its requirements. The basis of the concurrency concept is Rule 9J-5.0055 of the Florida Administrative Code.

In 2011 the "Community Planning Act" was passed as HB 7207. This legislation significantly limits the role of state agencies and giving greater autonomy to local municipalities in regards to concurrency issues. It revises or removes some of the key hurdles for many development projects, including demonstrated "need" and state-mandated concurrency for transportation, schools, and parks and recreation facilities. The Act also incorporates substantial changes to Chapter 380 that should result in fewer projects being required to go through the Development of Regional Impact (DRI) process.

Municipalities are encouraged to continue to follow professional guidelines on concurrency issues to ensure that facilities and services needed to support development are available concurrent with the impacts of such development. Many of the basic requirements and features of the current law will remain, but the changes will provide opportunities for existing, pending and new development projects and will allow local governments more flexibility and control at the local level.

We have assumed concurrency will not restrict developing the Subject Property to its Highest and Best Use.

SITE DATA (CONT'D)

Real Estate Taxes:

The Subject Property is assessed for 2020 taxes under the following property control number:

Assessor's Market Values and Taxable Values:

Folio #12-43-46-16-01-081-0230

Land Value:	\$1,156,860
Improvements Value:	<u>\$ 35,774</u>
Total Market Value:	\$1,192,634

Taxable Value: \$0

Taxes: \$391 (Non Ad Valorem)

The taxes for the Subject Property are currently low because the property is owned by the City of Delray Beach and is exempt from Ad Valorem taxes. Based on our final value conclusion, the assessor's market value appears low. If the property were to sell, there would be no cap on the increase in taxable value and a significant increase in the taxable value and corresponding taxes is likely.

Improvements:

The Subject Property is currently being used as a public parking lot and is asphalt paved with concrete curbing and some landscaping including several mature trees. There are two access points to the parking lot, one from N.E. 3rd Avenue and another from the alley between N.E. 3rd Avenue and NE 4th Avenue. The site has no structural improvements.

HIGHEST AND BEST USE

Highest and Best Use is defined by the Appraisal Institute in the publication Real Estate Appraisal Terminology as follows (abbreviated):

Highest and Best Use - That reasonable and probable use that will support the present value as the effective date of the appraisal. Alternatively, that use, from among the reasonable, probable, and legal alternative uses, bound to be physically possible, appropriately supported, financially feasible, and which, results in the highest land value.

A proper analysis of the Highest and Best Use of a site is to examine each segment of the definition.

AS VACANT

Reasonable and Probable/Legally Permissible

The first segment of the definition calls for the use to be reasonable and probable, and legally permissible. The Subject site is located approximately three blocks north of Atlantic Avenue in the Pineapple Groves Arts District area of Delray Beach. The Pineapple Grove area is located just off Atlantic Avenue beginning down NE Second Street. The Pineapple Grove Arts District features an eclectic mix of boutiques, bistros, art galleries, salons, and spas. The area also has Artists Alley with working artist studios as well as cutting edge entertainment at Arts Garage. In addition, to the above uses there are also some older smaller apartment complexes in the area and some new townhouses and residential condominium units.

The site is zoned "CBD" Central Business District with an underlying land use designation of "CC" Commercial Core. The "CBD" zoning permits a variety of commercial uses. Within the "CBD" zoning there are several subdistricts. The Subject Property is located within the Railroad Corridor Subdistrict. This zoning and subdistrict permit a wide variety of uses including commercial, multi-family and some residential. Based on the Subject's existing zoning and land use, a commercial use or a mixed use (commercial / multi-family) would be reasonable, probable, and legally permissible.

The Subject would have to meet concurrency requirements, but we have assumed concurrency would not restrict development of the Subject to its full potential.

HIGHEST AND BEST USE (CONT'D)

Physically Possible

The next segment of the definition indicates that the use must be physically possible. The Subject Property contains approximately 19,281 square feet and has adequate depth and width making development possible for a commercial or mixed use project.

Appropriately Supported/Financially Feasible

The economy and real estate market have trended upward over the past several years and new projects consisting of mixed use, office/retail, residential and multi-family uses are being developed. Therefore, from an investment standpoint new development at this time would likely be appropriately supported.

The last and possibly most important segment of the definition is that the use be financially feasible. Financial feasibility deals directly with the supply and demand in the current marketplace. The financial feasibility for any new development would have to be evaluated on a case by case basis considering the specifics of the proposed development and the cost of construction, but with the significant amount of development currently occurring in the immediate area, residential would appear to be feasible.

Conclusion As Vacant

Taking into consideration all of the above mentioned factors, which include location of the Subject site, size of the site, and general supply and demand within the market area, the highest and best use of the Subject Sites, as vacant, is to develop the site with a commercial or mixed use project.

VALUATION METHODS

In estimating the market value of the Subject Property, three Approaches to Value - Cost, Sales Comparison, and Income - were considered but as discussed in the Scope of the Appraisal only the Sales Comparison Approach was considered to be relevant. The applicable approaches are defined as follows:

SALES COMPARISON APPROACH - Traditionally, an appraisal procedure in which the market value estimate is predicated upon prices paid in actual market transactions and current listings, the former fixing the lower limit of value in a static or advancing market (price wise), and fixing the higher limit of value in a declining market; and the latter fixing the higher limit in any market. It is a process of analyzing sales of similar recently sold properties in order to derive an indication of the most probable sales price of the property being appraised. The reliability of this technique is dependent upon (a) the availability of comparable sales data, (b) the verification of the sales data, (c) the degree of comparability or extent of adjustment necessary for time differences, and (d) the absence of non-typical conditions affecting the sale price.

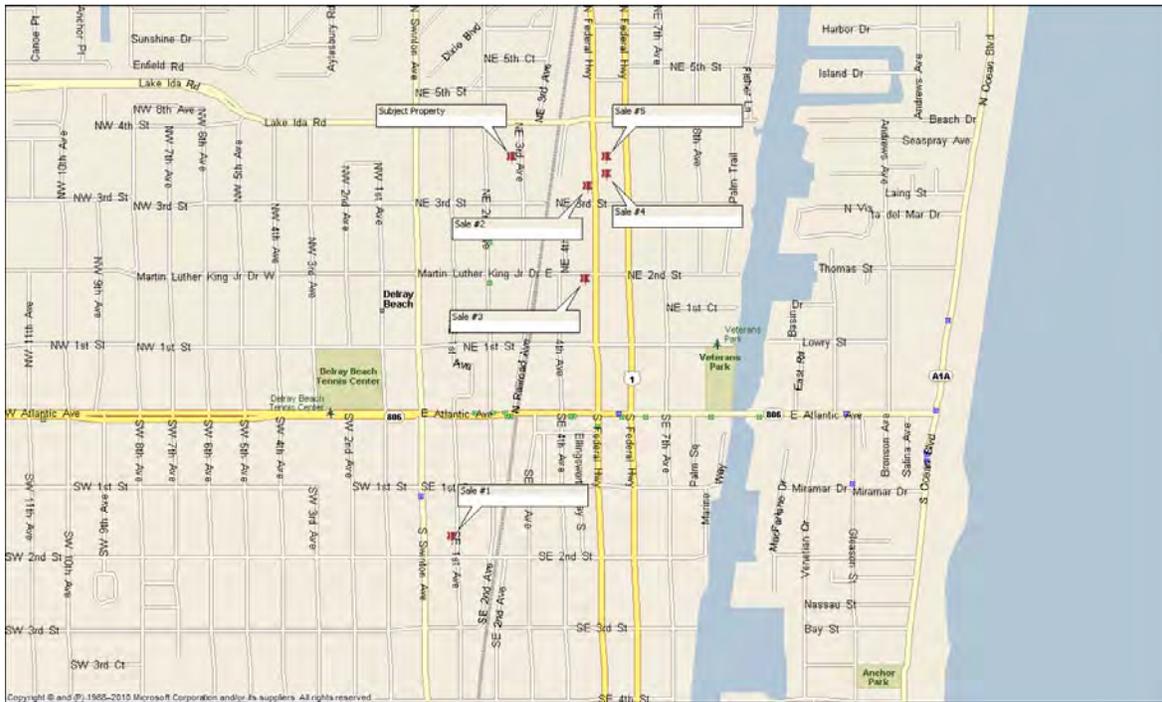
(FROM: Real Estate Appraisal Terminology, The Appraisal Institute)

SALES COMPARISON APPROACH TO VALUE

To estimate the market value of the Subject Property via the Sales Comparison Approach, a sales search was conducted to locate and analyze sales data and compare it to the Subject via appropriate units of comparison. These sales were analyzed on a price per square foot of site area.

The Sales Comparison Approach is based upon the principle of substitution, which states that a prudent purchaser would pay no more for a property than the cost of acquiring a substitute property on the open market. Substitution may assume purchase of an existing property, with equal utility, or of acquiring an investment which will produce an income stream of similar size with similar risk, as the Subject Property.

An analysis of the market is made in an effort to find a reliable unit of comparison to the Subject Property. Adjustments are made to the sales to account for physical or economic differences as compared to the Subject Property. An adjusted sales price indication is derived from each comparable sale analyzed. These are then weighted according to their relative comparability and then applied to the Subject Property to indicate a value.



SALE MAP

SALES COMPARISON ANALYSIS

VACANT LAND SALES SUMMARY CHART

SALE	DATE	BOOK/ PAGE	LOCATION	SALES PRICE	SIZE (SF)	SALE PRICE PER SF	UTILITIES	ZONING / LAND USE	COMMENTS
1	Jan-18	29585 1218 18-018	130 - 148 SE 1st Avenue, on the west side of SE 1st Avenue between SE 1st Street and SE 2nd Street, Delray Beach	\$2,550,000	29,477	\$86.51	Water & Sewer	OSSHAD Old School Square Historic Arts District Delray Beach	This is an assemblage of three sites. Two of the sites are improved with duplexes (1,092 SF livable area - year built 1978 & 2,100 SF livable area - year built 1983) and the third site which is the largest site at approximately 13,100 SF is vacant. The buyer purchased the sites based upon land value only, giving no value to the existing improvements. However, the buyer is in the process of making cosmetic repairs to the two duplexes so that they can be leased on an interim basis until redevelopment plans are in-place. There were no redevelopment approvals in-place at the time of sale. Verification: Hector, Sellers Family. 757-83-6821.
2	Feb-18	29640 1954 19-069	300 NE 5th Avenue, NWC of NE 5th Avenue and NE 3rd Street, approximately 4 blocks north of Atlantic Avenue, Delray Beach	\$4,000,000	47,833	\$83.62	Water & Sewer	CBD Central Business Dist. CC Commercial Core Delray Beach	An "L" shaped parcel with 125' of frontage on NE 3rd Street and 315' of frontage along NE 5th Avenue. The site is vacant and cleared with some paving remaining in place. The building improvements have been removed from the site. The site was purchased by the adjacent property owner to the north. Warranty Deed & Public Records.
3	Apr-19	30600 881 19-069	190 NE 5th Avenue, southwest corner of NE 5th Avenue and NE 2nd Street, approximately 2 blocks north of Atlantic Avenue, Delray Beach	\$2,650,000	27,543	\$96.21	Water & Sewer	CBD Central Business Dist. CC Commercial Core Delray Beach	The site consists of three, vacant and contiguous parcels with approximately 220' of frontage on the west side of NE 5th Avenue and 125' of frontage on the south side of NE 2nd Street. The site does have approvals in place for twelve townhouse units but was purchased to land bank as part of a '1031 exchange, and the buyer gave no value for the existing approvals. Chris Lowery, Broker 561-523-3939.
4	Jul-19	30762 1009 20-095	307 NE 5th Avenue, on the east side of N.E. 5th Avenue, Delray Beach	\$1,200,000	12,520	\$95.85	Water & Sewer	CBD Central Business Dist. CC Commercial Core Delray Beach	This property has preliminary plans for five luxury townhomes, but according to the selling agent there were no approvals in place. Each townhome will have 4 bedrooms, 4.5 bathrooms and 3,000 square feet under air. The townhome will have a private pool, courtyard and deck. The project is located 3 blocks from Atlantic Avenue and Downtown Delray Beach. This property was improved with some older buildings in below average condition that will be razed. This property has 100' of frontage on the east side of NE 5th Avenue (Southbound Federal Highway).The original asking price was \$1,375,000, and the property was on the market for 213 days. Verification: Lenny Felderbaum, Broker, 561-306-5440.
5	Oct-19	30958 1404 20-095	325 & 343 NE 5th Avenue, on the east side of N.E. 5th Avenue, Delray Beach	\$1,800,000	18,470	\$97.46	Water & Sewer	CBD Central Business Dist. CC Commercial Core Delray Beach	This property is adjacent to and east of Sale #4, and sold for the same price per square foot. This property consists of two separate but adjacent parcels that were each were improved with older office/retail buildings that have been demolished. This property has approximately 150' of frontage on the west side of NE 5th Avenue (Southbound Federal Highway). Verification: Warranty Deed and Public Records Only.
6	Current Listing Recent Offer Sep-17	 29365 534 18-018	302 - 346 SE 5th Avenue, at the southeast corner of SE 3rd Street and SE 5th Avenue, Delray Beach	\$4,500,000 (Asking) \$3,500,000 (Offer) \$3,050,000	38,259	\$117.62 (Asking) \$91.48 (Offer) \$79.72	Water & Sewer	CBD Central Business Dist. CC Commercial Core Delray Beach	This sale is an assemblage of four sites located on the southeast corner of SE 3rd Street and SE 5th Avenue (Southbound Federal Highway) with approximately 308 feet of frontage along SE 5th Avenue (Southbound Federal Highway). The buyer purchased these sites based upon land value only, even though there were some older improvements on the site at the time of the 2017 sale. There were no approvals in-place at the time of sale, and the selling broker indicated that he will likely be relisting the site for approximately \$4,500,000 (\$117.62/SF). There was reportedly an offer for \$3,500,000, but the seller would not give the buyer any additional time during the due diligence process and the offer was rescinded. Verification: Robert Guntmacher, Broker. 561-870-8193 and Lenny Felderbaum, Broker, 561-306-5440.
SUBJECT			362 NE 3rd Avenue Delray Beach		19,281 0.44		Water & Sewer	CBD Central Business District CC Commercial Core Delray Beach	The Subject lot is located on the west side of N.E. 3rd Avenue, three blocks north of Atlantic Avenue. The property is currently improved with a public parking lot with asphalt paving, concrete curbing and some landscaping. The Subject is located within the Railroad Corridor zoning subdistrict.

SALES COMPARISON SUMMARY AND CONCLUSION

The Subject Property is a rectangular parcel and has approximately 150 feet of frontage along the west side of N.E. 3rd Avenue. The property is located three blocks north of E. Atlantic Avenue in the Pineapple Grove Arts District and has an address of 362 N.E. 3rd Avenue. This lot contains 19,281 square feet. The Subject Property is currently being used as a public parking lot and is asphalt paved with concrete curbing and some landscaping including several mature trees. There are two access points to the parking lot, one from N.E. 3rd Avenue and another from the alley between N.E. 3rd Avenue and N.E. 4th Avenue. The site has no structural improvements. The highest and best use for the site would be a commercial or mixed-use project, and therefore, the existing improvements are not considered to contribute to the overall value of the property. The Subject will be valued as vacant land.

A sales search was conducted to locate and analyze sales data and compare it to the Subject via appropriate units of comparison. The selected sales were analyzed on a price per square foot basis which is the most commonly used unit of comparison for similar type properties and best interpreted the available data. Because adequate sales data was available, our analysis will be on a quantitative basis. The differences between the sales and the Subject will be discussed and percentage adjustments will be made for these differences. The analysis appears below.

Financing / Conditions of Sale

All of the comparable sales selected were cash to the seller or institutional financing transactions. Financing concessions were not reported to have impacted the purchase price of the comparable sales; therefore, no financing adjustments were made. All of the comparables were arm's length transactions with no unusual conditions of sale. No adjustments were required.

Date of Sale / Market Conditions

This adjustment is generally required when a significant increase or decrease in value due to changing market conditions has occurred during the time period of comparable sale dates to the prevailing market conditions affecting the Subject's date of valuation. The Comparables range in date of sale from January 2018 to a current offer. Over the past several years, the market has trended upward although over the past six to nine months appears to have stabilized as a result of the effects of the corona virus. Comparables #1 - #3 sold under inferior market conditions and required upward adjustments. The remaining sales were considered to be reflective of current market conditions, and no adjustments were required.

LAND SALES (CONT'D)

Location/Exposure

The Subject Property is located on the west side of N.E. 3rd Avenue just south of NE 4th Street and three blocks north of E. Atlantic Avenue. The Subject is located in the Pineapple Grove Arts District of Delray Beach. Comparable #1 is located closer to E. Atlantic Avenue than the Subject but the Subject is located within the desirable Pineapple Grove Arts District. Overall, this comparables was considered similar, and no adjustment was required. The remaining comparables are located on Federal Highway which provides superior exposure / traffic flow, but this is considered to be offset by the Subject's location within the Pineapple Grove Arts District. No location adjustments were considered necessary. The only adjustment considered necessary was to Comparable #3 which was a corner site in closer proximity to the Downtown Delray Beach / E. Atlantic Avenue corridor. A downward adjustment was required to this comparable.

Size

The Subject site is a 19,281 square foot site. Typically, smaller sites sell for more on a per square foot basis than larger sites based upon the economies of scale concept, all other factors being equal. Conversely, a larger site would sell for less on a price per square foot basis than a smaller site. However, in the Subject area developers are often assembling sites to create larger sites, and a premium is sometime being paid to assemble sites. A pairing of the sales did not support the need for a size adjustment within the size range being considered, and no adjustments were made.

Utilities

The Subject site has water and sewer available. All of the Comparables had water and sewer available and are considered similar.

Zoning/Land Use/Approvals

The Subject Property is zoned "CBD" and is located in the Railroad Corridor subdistrict. Comparable #1 is located in the "OSSHAD", Old School Square zoning district which allows for less intensive development than the "CBD" zoning district. An upward adjustment was required to this comparable. The remaining comparables all had "CBD" zoning and were considered similar to the Subject. No adjustments were required.

The Subject Property does not have any approvals in-place. None of the comparables had approvals in-place that contributed to the overall value of the property. No adjustments were required.

LAND SALES ADJUSTMENT GRID

Sale #	\$/SF	Financing	Market Conditions	Adjusted \$/SF	Location	Size	Utilities	Zoning / Approvals	Physical Charact.	Overall Adjustment	Adjusted \$/SF	
1	\$86.51	0%	10%	\$95.16	0%	0%	0%	5%	0%	5%	\$99.92	
2	\$83.62	0%	10%	\$91.99	0%	0%	0%	0%	0%	0%	\$91.99	
3	\$96.21	0%	5%	\$101.02	-10%	0%	0%	0%	0%	-10%	\$90.92	
4	\$95.85	0%	0%	\$95.85	0%	0%	0%	0%	0%	0%	\$95.85	
5	\$97.46	0%	0%	\$97.46	0%	0%	0%	0%	0%	0%	\$97.46	
6	\$91.48 (Offer)	0%	0%	\$91.48	0%	0%	0%	0%	0%	0%	\$91.48 (Offer)	
\$91.85		<i>Unadjusted Mean</i>								<i>Adjusted Mean:</i>		\$94.60

LAND SALES (CONT'D)

Physical Characteristics

The Subject Property does not have any structural improvements but does have some site improvements such as paving, curbing and landscaping since the site is being used as a public parking lot. However, the highest and best use for the site is to redevelop the site with a commercial or mixed use project. Therefore, the existing improvements are not considered to contribute to the overall value of the property. Some of the comparables did have some structural improvements, but the sites were purchased for land value with no value given to the improvements. Consideration was given to making a deduction for demolition costs, but these costs would be minor compared to the prices being paid for the sites. No adjustments were considered necessary.

CONCLUSION

After adjustment, the Comparables ranged on a price per square foot basis from \$90.92 to \$99.92 per square foot with a mean of \$94.60 per square foot. Giving weight to all of the comparables, a conclusion of \$94.00 per square foot is considered reasonable and supportable. Therefore, our opinion of the fee simple market value, as of December 3, 2020 is as follows:

$$19,281 \times \$94.00 \text{ SF} = \$1,812,414$$

ONE MILLION EIGHT HUNDRED TEN THOUSAND DOLLARS

\$1,810,000 (R)

Parrish & Edwards

To: bge.brigedwards@gmail.com
Subject: RE: 362 NE 3rd Ave Delray Beach, FL 33444

From: Hinkle, Heather
Sent: Thursday, December 03, 2020 9:42 PM
To: bge.brigedwards@gmail.com
Subject: Re: 362 NE 3rd Ave Delray Beach, FL 33444

Okay please proceed with the appraisal.

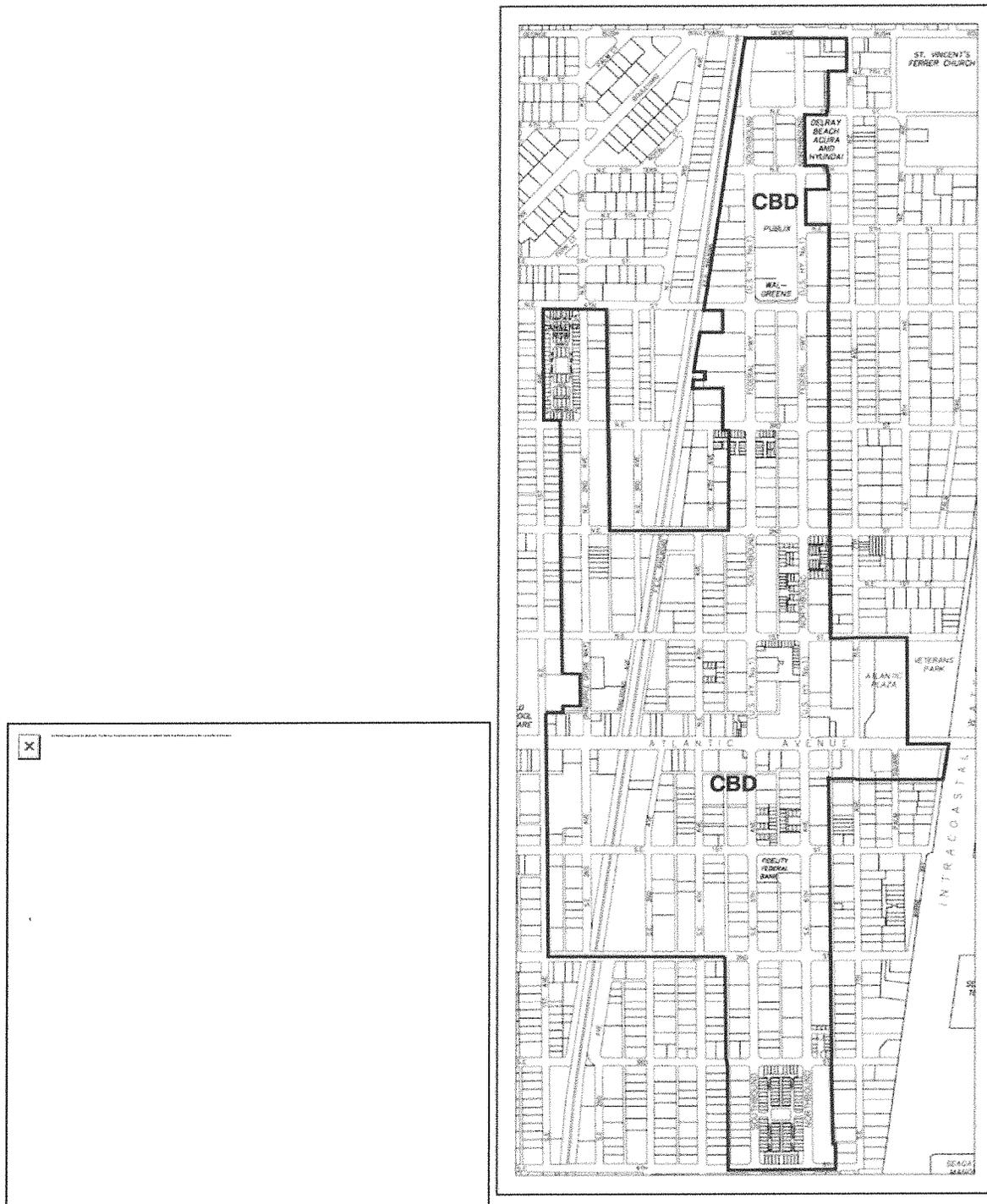
Sec. 4.4.13. - Central Business (CBD) District.

- (A) **Purpose and intent.** The Central Business District (CBD) is established to preserve and protect the cultural and historic aspects of downtown Delray Beach and simultaneously provide for the stimulation and enhancement of the vitality and economic growth of this special area. The CBD is compatible with land areas designated as Commercial Core on the Land Use Map. (Ord. No. 19-18, § 2, 10-16-18; Ord. No. 23-20, § 25, 9-10-20)

The areas described below and shown in Figures 4.4.13-1, 4.4.13-2, 4.4.13-3, 4.4.13-4 provide for development that is consistent with the Downtown Delray Beach Master Plan. (Ord. No. 19-18, § 2, 10-16-18)

- (1) **Central Core Sub-district.** The Central Core Sub-district regulations are intended to result in development that preserves the downtown's historic moderate scale, while promoting a balanced mix of uses that will help the area evolve into a traditional, self-sufficient downtown. Residential development is permitted at a density which fosters compact, pedestrian oriented growth that will support downtown businesses. See Figure 4.4.13-1. (Ord. No. 19-18, § 2, 10-16-18)

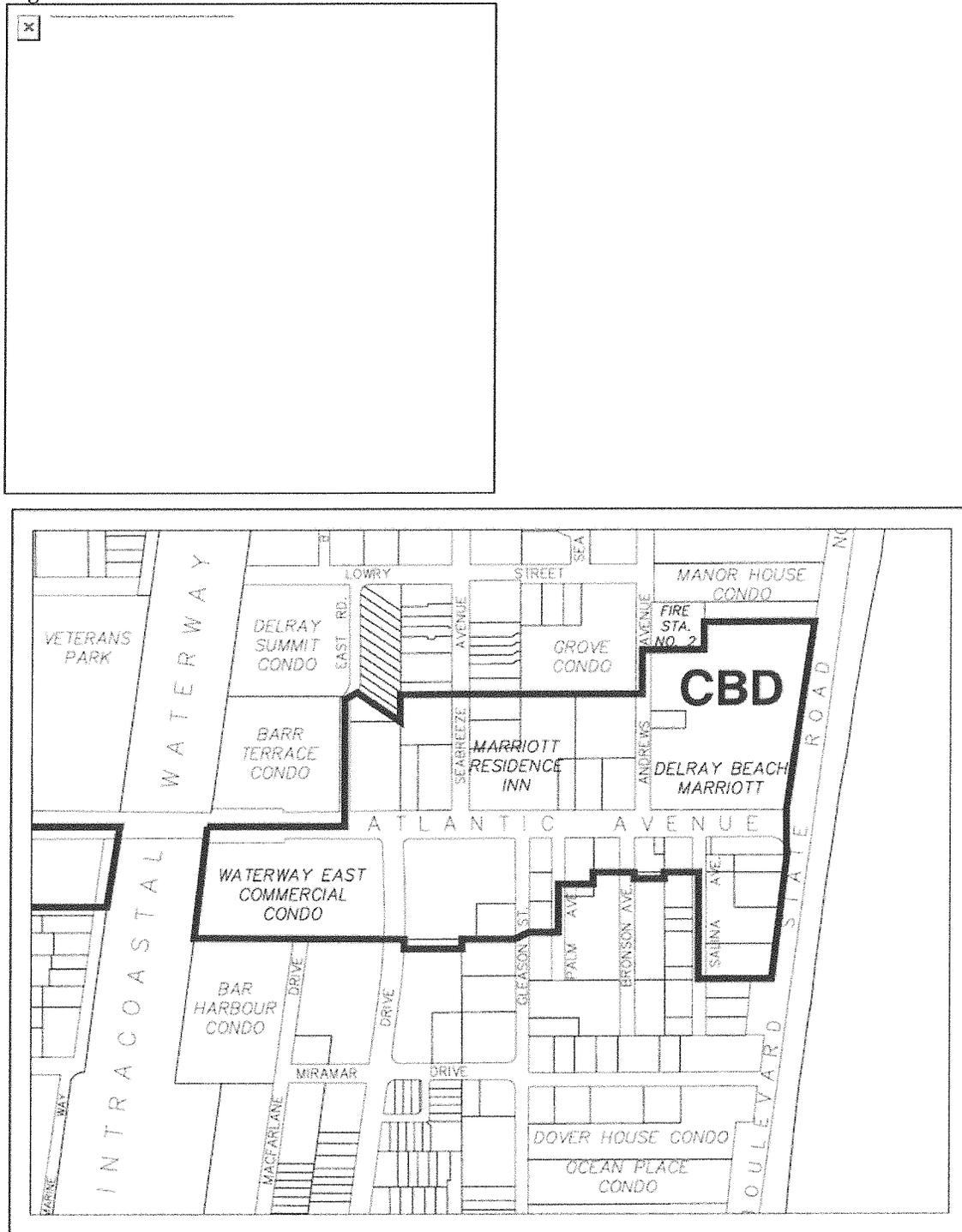
Figure 4.4.13-1 Central Core Sub-district



- (2) **Beach Sub-district.** The Beach Sub-district regulations are intended to "preserve and enhance the character of these areas, the public condition of the beach, the vitality of its center, and the natural environment." Within this area, the Delray Beach Master Plan calls for redevelopment of existing buildings in a manner that places storefronts close to the street and parking to the rear. Where existing buildings are separated from the pedestrian ways by wide landscaped areas, the addition of arcades and new building square footage to bring the storefronts closer to the street is encouraged. The Beach Sub-district is located within the

Coastal Planning Area, and as such, density and intensity are limited to promote community resiliency. See Figure 4.4.13-2. (Ord. No. 19-18, § 2, 10-16-18)

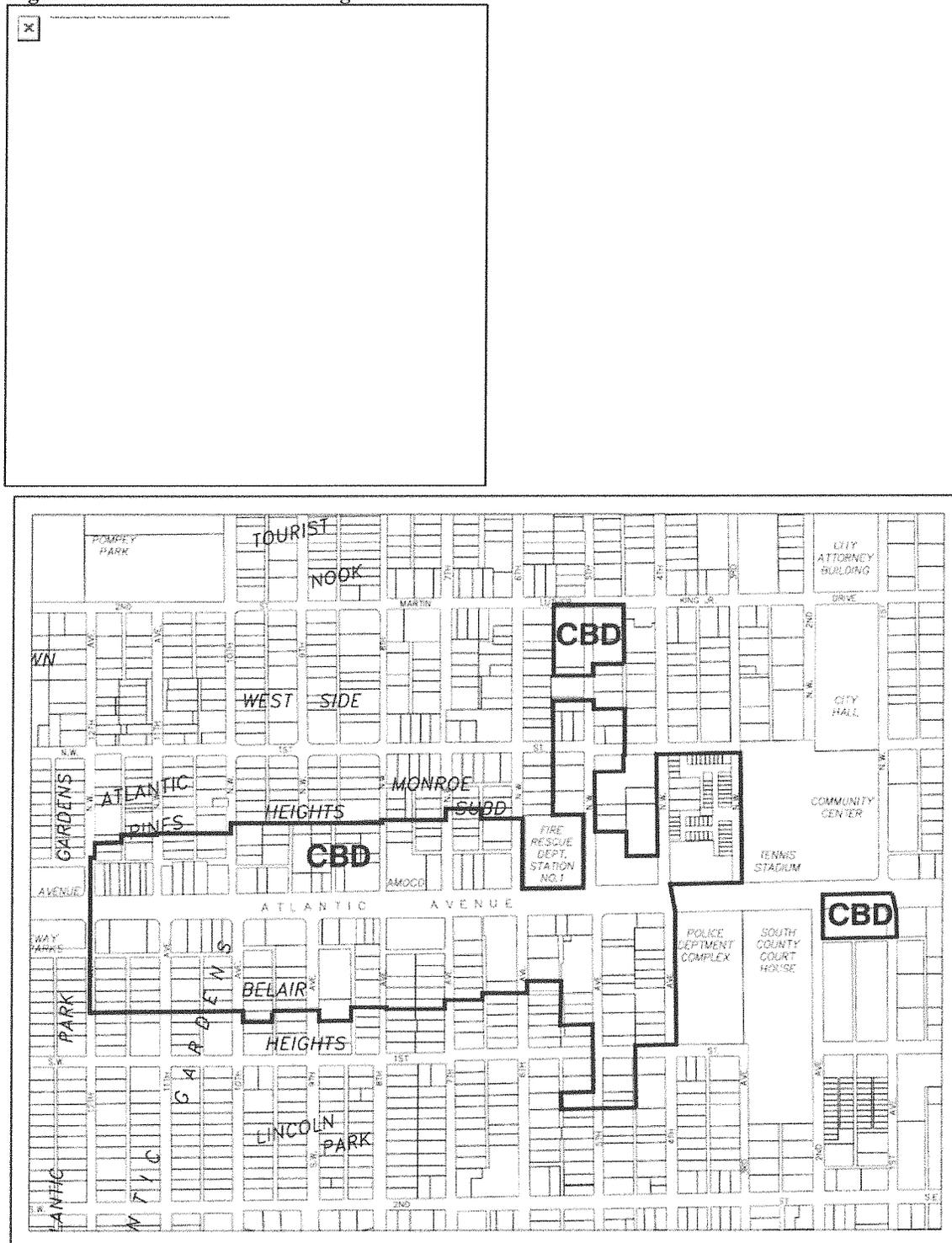
Figure 4.4.13-2 Beach Sub-district



- (3) **West Atlantic Neighborhood Sub-district.** The West Atlantic Neighborhood Sub-district regulations are intended to be consistent with the Downtown Delray Beach Master Plan and The Set Transformation Plan. The emphasis of these regulations is on the preservation and

enhancement of existing neighborhoods, while promoting a pedestrian friendly commercial area along West Atlantic Avenue that contains a mix of residential, commercial and civic functions. Businesses that are oriented toward serving the local neighborhood, as opposed to a regional area, are encouraged. Density incentives are available for redevelopment in this Sub-district to promote the inclusion of workforce housing. See Figure 4.4.13-3. (Ord. No. 19-18, § 2, 10-16-18)

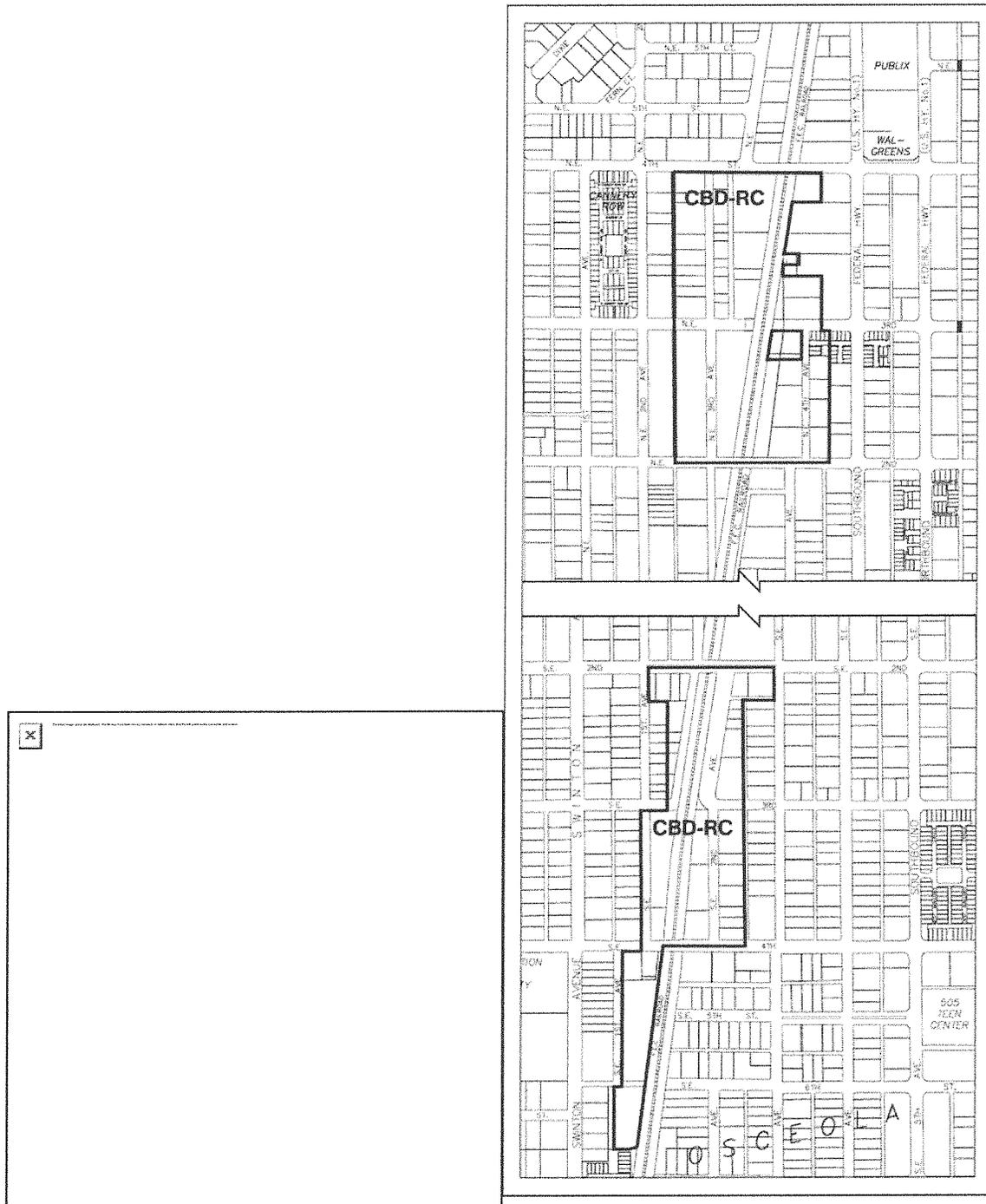
Figure 4.4.13-3 West Atlantic Neighborhood Sub-district



- (4) **Railroad Corridor Sub-district.** The Railroad Corridor Sub-district regulations are intended to allow for development of light industrial type and mixed commercial and nonresidential uses on properties that are in the downtown area, but are also in close proximity to the FEC Railway. The purpose of the area is to recognize the long-standing light industrial character of this railroad corridor; to provide for the upgrading and expansion of existing uses when appropriate;

and to enhance the economic growth of the CBD by providing additional employment opportunities in the downtown area. This Sub-district is comprised of two nodes, one in northern part of the CBD and one in the southern part of the CBD. See Figure 4.4.13-4. (Ord. No. 19-18, § 2, 10-16-18)

Figure 4.4.13-4 Railroad Corridor Sub-district

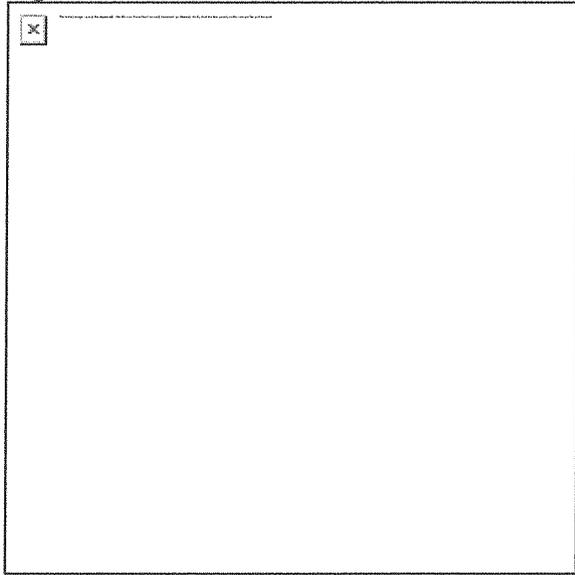


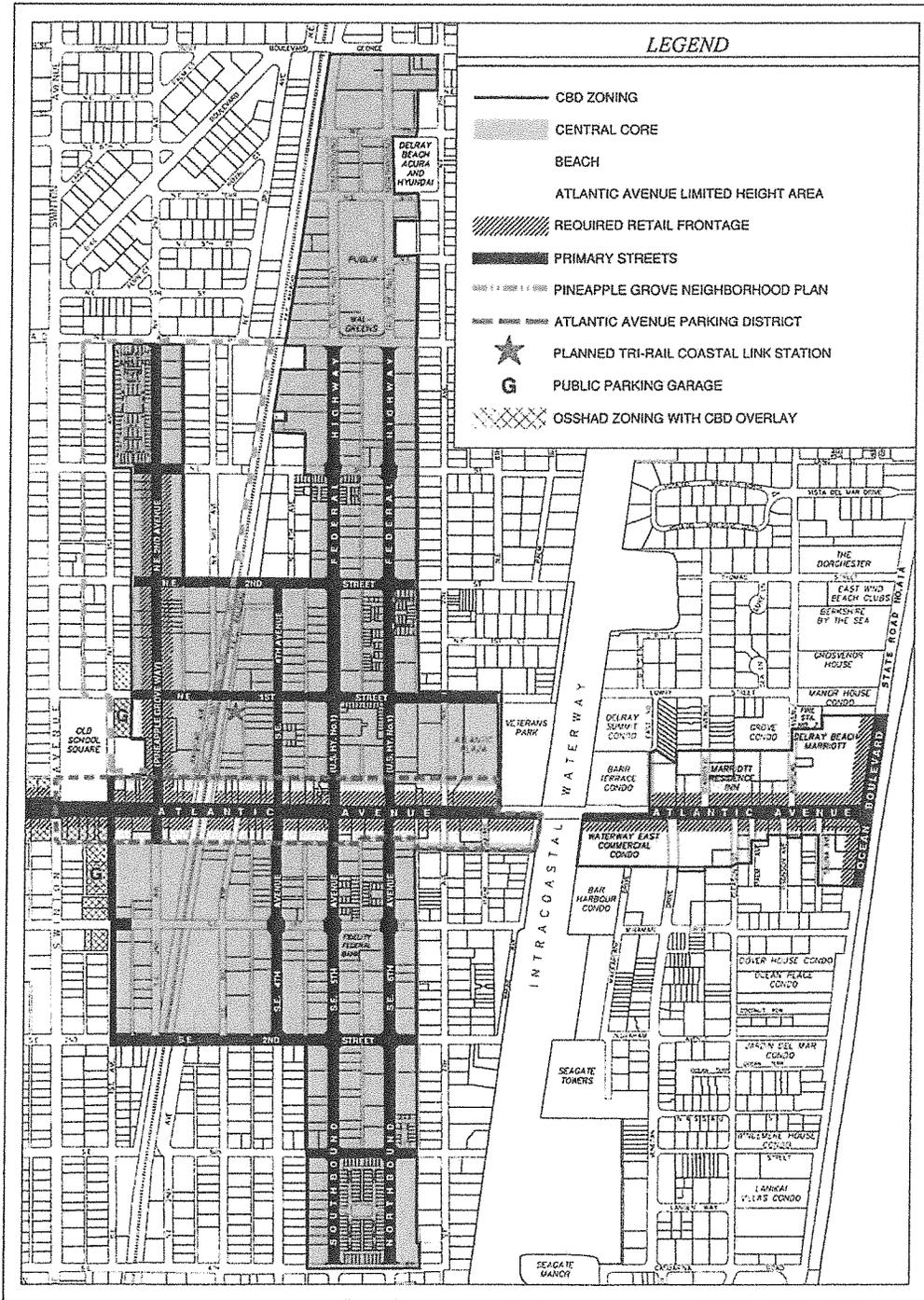
(B) **Regulating plans.** The Delray Beach Central Business District Regulating Plans depict additional information necessary to apply the standards contained in this section and are hereby officially

adopted as an integral part of these regulations. A Regulating Plan for each CBD Sub-district is provided in this section and versions at larger scales are available in the Planning and Zoning Department. The Regulating Plans depict the following information: (Ord. No. 19-18, § 3, 10-16-18)

- (1) **Primary and secondary streets and alleys.** Primary Streets are intended to develop over time as superior pedestrian environments and, as such, are held to higher standards in the regulations regarding building placement, building frontage, and the location of parking and service uses. Streets not designated as Primary Streets are considered Secondary Streets, which can accommodate service functions and vehicular-oriented development needs, including parking, loading, and drive-through facilities. Alleys are important assets in the CBD, performing many functions within small rights-of-way. See Section 4.4.13(C)(2). (Ord. No. 19-18, § 3, 10-16-18)
- (2) **Required retail frontage.** Certain Primary Streets within the CBD are intended to be lively, highly active pedestrian environments that support businesses and reinforce local character. Streets designated as with Required Retail Frontage are held to stricter standards regarding allowable frontage types and uses located within side-walk level stories. See Section 4.4.13(C)(3). (Ord. No. 19-18, § 3, 10-16-18)
- (3) **Parking and transit locations.** The locations of public parking garages and the planned Tri-Rail Coastal Link station are mapped on the Regulating Plan. Parking requirements may be adjusted based on the proximity to these transportation resources. In addition, the Atlantic Avenue Parking Area is mapped, which has special parking requirements for restaurant and lounge uses. See Section 4.4.13(I).
- (4) **Limited Height Areas.** Building height is limited in specific areas to protect and enhance existing development patterns. See Section 4.4.13(D). (Ord. No. 19-18, § 3, 10-16-18; Ord. No. 07-20, § 2, 5-19-20)
 - a. Building height is limited on a portion of East Atlantic Avenue to help maintain the unique character of the City's historic main street. (Ord. No. 07-20, § 2, 5-19-20)
 - b. Building height is limited in certain areas in the West Atlantic Neighborhood Sub-district to encourage compatible transitions to the surrounding single-family neighborhoods. (Ord. No. 07-20, § 2, 5-19-20)
- (5) **West Atlantic Neighborhood Commercial Area.** The location of commercial uses is limited within the West Atlantic Neighborhood Sub-district to protect established residential areas from commercial intrusion. See Section 4.4.13(C)(3)(b). (Ord. No. 19-18, § 3, 10-16-18)
- (6) **Old School Square Historic Arts District (OSSHAD) Zoning with CBD Overlay.** Section 4.4.24(E) identifies OSSHAD properties with CBD Overlay and which CBD Sub-district standards apply. [Amd. Ord. 27-15 10/20/15] (Ord. No. 19-18, § 3, 10-16-18)
 - a. Properties with OSSHAD Zoning with CBD Overlay may follow the applicable CBD Sub-district development standards for principal and accessory uses only and may not apply for conditional uses or participate in the Incentive Program in Section 4.4.13(H). (Ord. No. 19-18, § 3, 10-16-18)
 - b. CBD Overlay properties are also subject to the OSSHAD Special District Regulations of Section 4.4.24(H). (Ord. No. 19-18, § 3, 10-16-18)
 - c. CBD Overlay properties must adhere to the required standards set forth in Section 4.4.13(F)(1), and 4.4.13(K)(3). (Ord. No. 19-18, § 3, 10-16-18)

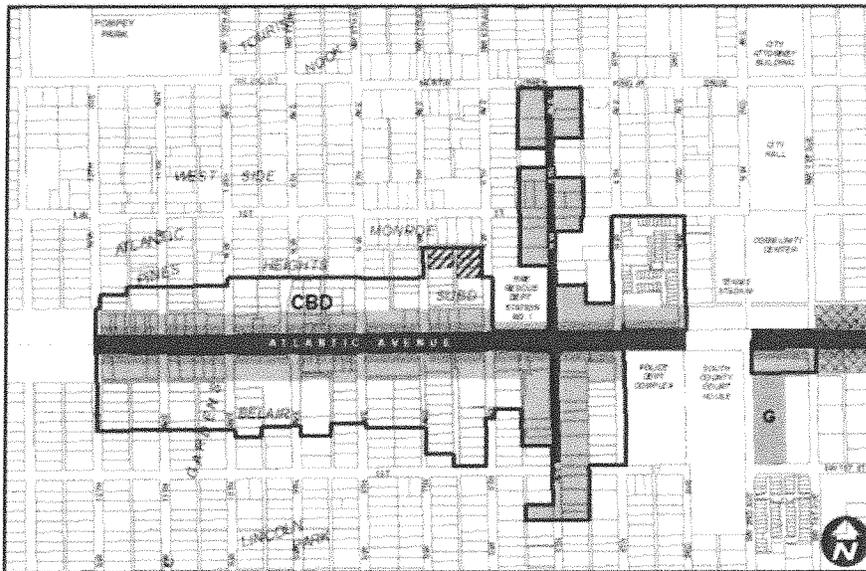
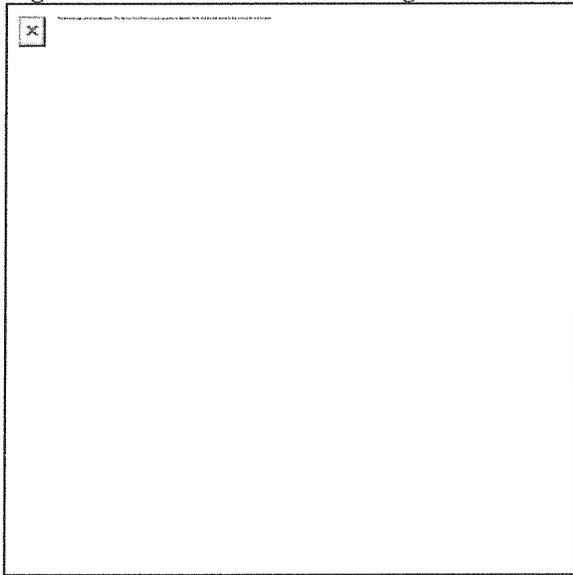
Figure 4.4.13-5 Central Core and Beach Sub-districts Regulating Plan





(Ord. No. 13-16, § 1(Exh. A), 6-7-16)

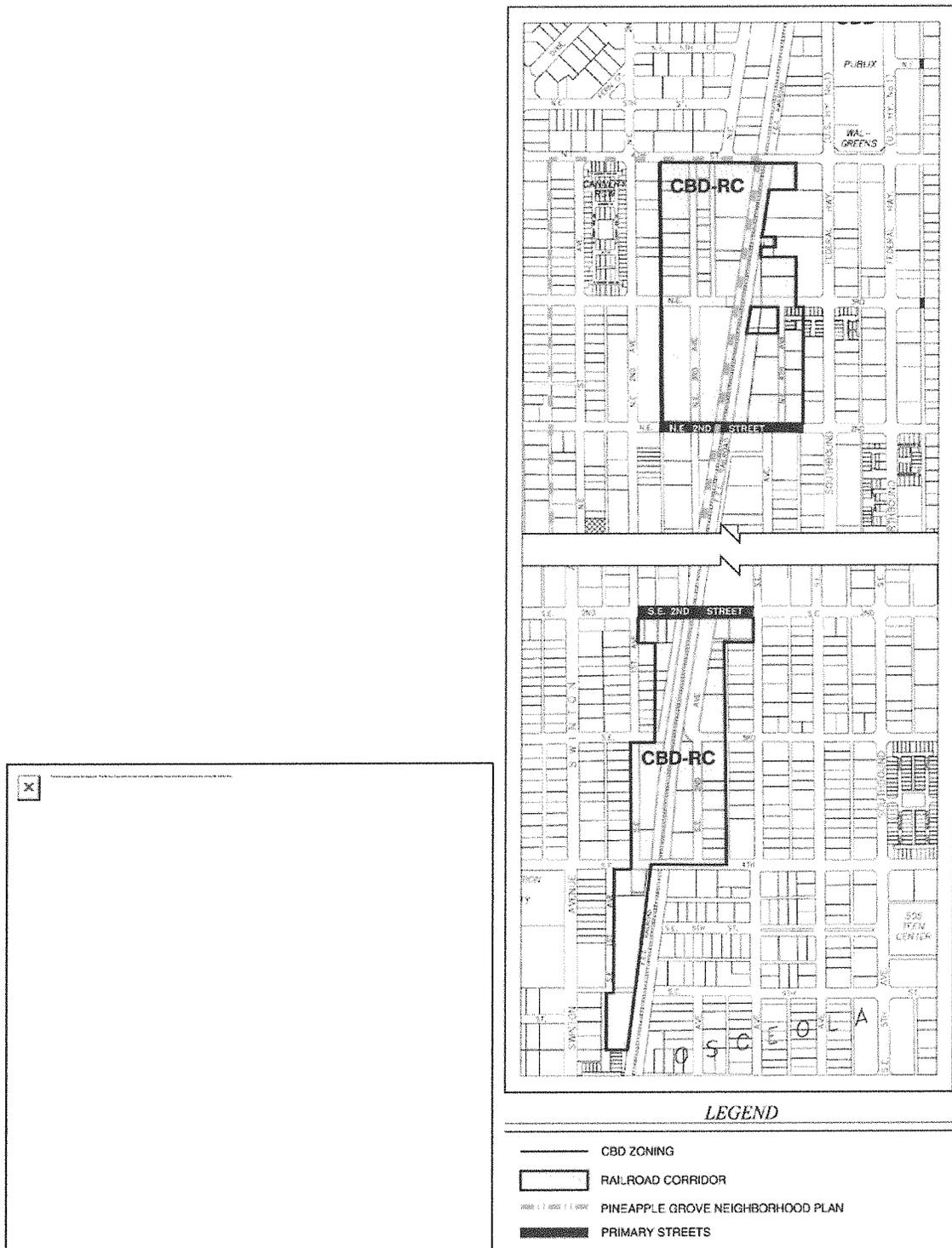
Figure 4.4.13-6 West Atlantic Neighborhood Sub-district Regulating Plan



- Legend**
-  CBD ZONING
 -  WEST ATLANTIC NEIGHBORHOOD COMMERCIAL AREA
 -  WEST ATLANTIC NEIGHBORHOOD
 -  WEST ATLANTIC LIMITED HEIGHT AREA
 -  OSHAD ZONING WITH CBD OVERLAY
 -  REQUIRED RETAIL FRONTAGE
 -  PRIMARY STREETS
 -  PUBLIC PARKING GARAGE

(Ord. No. 07-20, § 3, 5-19-20; Ord. No. 9-20, § 3 Exh. C, 8-18-20)

Figure 4.4.13-7 Railroad Corridor Sub-district Regulating Plan



(C) Allowable uses.

- (1) **Principal, accessory, and conditional uses.** Table 4.4.13(A) identifies the allowable principal, accessory, and conditional uses for each area of the CBD. See Section 4.4.13(J) for approval standards. Streets designated as "Primary Streets" and/or with "Required Retail

Frontage" on any Sub-district Regulating Plan have additional standards. (Ord. No. 19-18, § 4, 10-16-18)

- (2) **Use variations for Primary and Secondary Streets.** Primary Streets are intended to be superior pedestrian environments and, as such, are held to higher standards regarding the location of certain uses, including parking. The Sub-district Regulating Plans designates certain streets as "Primary Streets" and all other streets are considered to be "Secondary Streets." (Ord. No. 19-18, § 4, 10-16-18)
- (a) Where a principal or accessory use does not have an "S" in Table 4.4.13(A), the use is permitted on both Primary and Secondary streets.
 - (b) Where a principal or accessory use in Table 4.4.13(A) has an "S" in the column, the use is a "Secondary Street" use.
 - 1. Secondary Street uses are permitted without limitations on Secondary Streets, except for properties zoned OSSHAD with CBD Overlay, as identified on Figure 4.4.13-5 Central Core and Beach Sub-districts Regulating Plan and Figure 4.4.13-6 West Atlantic Neighborhood Regulating Plan. [Amd. Ord. 28-15 12/08/15]
 - 2. On Secondary Streets, properties zoned OSSHAD with CBD Overlay shall line Secondary Street uses (except accessory parking in a surface lot) along the street level for a depth of at least 20 feet on all stories by a use permitted on all streets. [Amd. Ord. 28-15 12/08/15]
 - 3. On Primary Streets, Secondary Street uses (including parking garage levels) shall be lined along the street for a depth of at least 20 feet on all stories by a use permitted on all streets (see Figure 4.4.13-8). (Ord. No. 28-15, § 2, 12-8-15)
 - 4. On Primary Streets, Public Parking Garages (as mapped on a regulating plan) shall be lined along the sidewalk level for a depth of at least 20 feet by a use permitted on all streets; a use liner is not required on upper levels. (Ord. No. 28-15, § 2, 12-8-15)
 - (c) Additional standards for Conditional Uses are in Section 4.4.13(K)(7). (Ord. No. 19-18, § 4, 10-16-18)

3. Buildings over three stories in height are subject to additional setback requirements to ensure architectural articulation and reduce the impact of taller building heights. (Ord. No. 19-18, § 5, 10-16-18)
 - a. At the top of the third story, front and rear setbacks are 20 feet minimum.
 - b. With approval from the SPRAB, building entries, lobbies, and vertical circulation areas located above the third story may not be required to increase the setback to 20 feet, if configured as tower elements determined to be consistent with the Delray Beach Architectural Design Guidelines.
4. Where the rear or side of a property directly abuts a residential zoning district with a height limitation of 35 feet without any separation between them of 30 feet or more, such as a street, alley, railroad, waterway, park, or other public open space; the following shall apply: (Ord. No. 19-18, § 5, 10-16-18)
 - a. For buildings or portions of buildings three stories or less in height, a minimum side set back of ten feet from the property line shall be provided.
 - b. At the top of the third story, minimum side and rear building setbacks of 30 feet shall be provided from the property line for the portion of the building that is over three stories in height.
 - c. A solid finished masonry wall six feet in height, or a continuous hedge at least four and one-half feet in height at the time of installation, shall be located inside and adjacent to the portion of the boundary line of the CBD-zoned property which directly abuts the residentially zoned property. Walkways and other pedestrian or bicycle connections shall be placed through the wall or hedge if they provide links identified on any adopted bicycle and pedestrian master plan or if SPRAB determines they would promote desirable connectivity between properties.
5. On Primary Streets, the minimum building frontage is 75 percent and the maximum frontage is 100 percent. On Secondary streets, minimum building frontage is not required and the maximum building frontage is 100 percent.
6. Buildings with more than 250 feet of street frontage shall provide a pedestrian/bicycle passageway at least ten feet wide connecting rear alleys and/or parking to the public sidewalk. The passageway elevation(s) shall have storefront windows with a base between nine inches and three feet high with transparent glazed windows extending to at least eight feet high for 50 percent of the length of the wall. (Ord. No. 19-18, § 5, 10-16-18)

Table 4.4.13 (C)
Dimensional Requirements by CBD Sub-district

	Central Core	Railroad Corridor	Beach	West Atlantic Neighborhood
Lot Size				
Lot Width	20 ft. min.	20 ft. min.	20 ft. min.	20 ft. min.
Lot Area	2000 sf. min.	2000 sf. min.	2000 sf. min.	2000 sf. min.

Building Placement

A	Front Setback ¹	10 ft. min./ 15 ft. max.	10 ft. min./ 15 ft. max.	10 ft. min./ 15 ft. max.	10 ft. min./ 15 ft. max.
B	Side Setback ¹	0 ft. or 5 ft. min. ²	0 ft. or 5 ft. min. ²	0 ft. or 5 ft. min. ²	0 ft. or 5 ft. min. ²
C	Rear Setback	10 ft. min.	10 ft. min.	10 ft. min.	10 ft. min.
B C	Side Setback Abutting Res. District; 1 st to 3 rd Story	10 ft. min.	10 ft. min.	10 ft. min.	10 ft. min.
B C	Side/Rear Setback Abutting Res. District Above 3 rd Story	30 ft. min.	30 ft. min.	30 ft. min.	30 ft. min.
D	Front Setbacks Above 3 rd Story ¹	20 ft. min.	20 ft. min.	20 ft. min.	20 ft. min.
E	Building Frontage Required on Primary Streets	75% min./ 100% max.	N/A	75% min./ 100% max.	75% min/ 100% max.

Building Height

Min. Building Height on Primary Streets	1 Story and 18 ft.	1 Story	1 Story and 18 ft.	1 Story
Max. Building Height in Atlantic Avenue Limited Height Area	3 Stories and 38 ft.	N/A	N/A	N/A
Max. Building Height in West Atl. Neigh. Limited Height Area	N/A	N/A	N/A	3 stories and 35 feet

Max. Height outside of the Atlantic Avenue Limited Height Area	4 Stories and 54 ft.			
Density				
Density	30 du/ac	30 du/ac	12 du/ac	12 du/ac ³
Civic Open Space Requirement (See Section 4.4.13(G))				
Sites smaller than 20,000 sq. ft.	0%	0%	0%	0%
Sites Between 20,000 and 40,000 sq. ft.	5% of area above 20,000			
Sites Greater than 40,000 sq. ft.	5% of area above 20,000 + 9% of area above 40,000	5% of area above 20,000 + 9% of area above 40,000	5% of area above 20,000 + 9% of area above 40,000	5% of area above 20,000 + 9% of area above 40,000

N/A is "Not Applicable"

¹ Side lot lines facing streets are regulated by front setback requirements. Side lot lines along alleys are regulated by rear setbacks.

² See Section 4.4.13(D)(1)(b)2.

³ See Incentive Program in Section 4.4.13(H) for potential density increases pursuant to certain location and performance criteria.

(Ord. No. 19-18, § 5, 10-16-18; Ord. No. 07-20, § 7, 5-19-20)

ASSUMPTIONS AND LIMITING CONDITIONS

1. This is an appraisal report, which is intended to comply with the reporting requirements set forth under Standard Rule 2-2 of the Uniform Standards of Professional Appraisal Practice. As such, it presents summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning and analyses is summarized in this report and/or retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated within this report. The appraiser is not responsible for unauthorized use if this report.
2. Unless otherwise stated, the value appearing in this appraisal represents our opinion of the Market Value of the value defined AS OF THE DATE SPECIFIED. Values of real estate are affected by national and local conditions and, consequently, will vary with future changes in such conditions.
3. Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for other than its intended use. The physical report(s) remain the property of the Appraiser for the use of the client, the fee being for the analytical services only. The report may not be used for any purpose by any person or corporation other than the client or the party to whom it is addressed, or copied without the written consent of an officer of the appraisal firm of Parrish & Edwards, Inc., and then only in its entirety.
4. Neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations efforts, news sales, or other media without written consent and approval of an officer of Parrish & Edwards, Inc.; nor may any reference be made in such public communications to the Appraisal Institute or the MAI/SRA/SRPA designations.
5. The Appraiser may not divulge the material contents of the report, analytical findings, or conclusions, or give a copy of the report to anyone other than the client or his designee, as specified in writing, except as may be required by the Appraisal Institute or as they may request in confidence for ethics enforcement or by a court of law or body with the power of subpoena.

ASSUMPTIONS AND LIMITING CONDITIONS (CONT'D)

6. Analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
7. This appraisal is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analysis which are set forth were prepared by the Appraiser(s) whose signature(s) appear on the appraisal report, unless indicated as Review Appraiser. No change of any item in the report shall be made by anyone other than the Appraiser, and the Appraiser and the firm shall have no responsibility if any such unauthorized change is made.
8. No responsibility is assumed for matters legal in character or nature, nor matters of survey, nor of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title which is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in particular parts of the report.
9. No responsibility is assumed for accuracy of information furnished by or from others, the clients, his designee, or public records. We are not liable for such information or the work of possible subcontractors. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit. All are considered appropriate for inclusion to the best of our factual judgment and knowledge.
10. The contract for appraisal, consultation, or analytical service is fulfilled and the total fee payable upon completion of the report. The Appraiser or those assisting the preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal in full or in part nor engage in post-appraisal consultation with client or third parties, except under separate and special arrangement and at an additional fee.

ASSUMPTIONS AND LIMITING CONDITIONS (CONT'D)

11. The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photos, if any, are included for the same purpose and are not intended to represent the property in other than actual status, as of the date of the photos.
12. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which made it more or less valuable. The Appraiser assumes no responsibility for such conditions or the engineering which might be required to discover these facts. No topographical survey was provided.
13. The distribution of the total valuation of this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in the conjunction with any other appraisal, no matter how similar, and are invalid if so used.
14. No environmental or impact studies, special market studies or analyses, highest and best use analysis study, or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report. The Appraiser reserves the unlimited right to alter, amend, revise, or rescind any of the statements, findings, opinions, values, estimates, or conclusions upon any subsequent such study or analysis of previous study or analysis, subsequently becoming known to him.
15. The market value estimated and the cost used are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the value estimate.
16. This appraisal expresses our opinion and employment to make this appraisal was in no way contingent upon the reporting of a predetermined value or conclusion. The fee for this appraisal or study is for the service rendered and not for the time spent on the physical report.

ASSUMPTIONS AND LIMITING CONDITIONS (CONT'D)

17. The value estimate in this appraisal report is gross without consideration given to any encumbrance, restriction, or questions of title unless specifically defined. The estimate of value in the appraisal report is not based in whole or in part upon the race, color, national origin of the present owners, or occupants of the properties in the vicinity of the property appraised.
18. In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the building, such as the presence of urea formaldehyde foam insulation, and/or the existence of toxic waste, which may or may not be present on the property, has not been considered. The Appraiser is not qualified to detect such substances. We urge the client to retain an expert in this field, if desired.

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the Appraiser become aware of such during the Appraiser's inspection. The Appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The Appraiser, however, is not qualified to test such substances or conditions. The presence of such substances such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions may affect the value of the property. The value estimate is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field of environmental impacts upon real estate, if so desired.

ASSUMPTIONS AND LIMITING CONDITIONS (CONT'D)

19. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.

20. ACCEPTANCE OF, AND/OR USE OF, THIS APPRAISAL REPORT CONSTITUTES ACCEPTANCE OF THE PRECEDING CONDITIONS.

QUALIFICATIONS

BRIAN G. "BRIG" EDWARDS, MAI
STATE CERTIFIED GENERAL REAL ESTATE APPRAISER #RZ1303

PERSONAL

Born in Rome, GA. Resident of Palm Beach County, Florida for over 30 years.

EDUCATION

University of Florida - 1980-1985

B.S. Degree in Chemical Engineering

University of Texas at Austin - 1987-1989

Master's in Business Administration (MBA) with a concentration in real estate.

PROFESSIONAL AFFILIATIONS

Member - The Appraisal Institute, MAI Member No. 10,815

PROFESSIONAL SERVICE

Served as a Special Master to oversee Tax Appeals for Palm Beach County.

Qualified as an Expert Witness in Palm Beach County Circuit Court.

GEOGRAPHIC LOCATIONS FOR ASSIGNMENTS COMPLETED

Florida

Virginia

Pennsylvania

Wisconsin

Texas

Connecticut

WORK EXPERIENCE

Parrish & Edwards, Inc. - Partner, January, 1997 to Present

Commercial Appraiser, August 1989 to January, 1997

Golf Investment Advisors, Inc. - Principal, October 1998 to June 2001

Bailey Controls Company, Houston, TX - Acting District Service Manager 1986-1987

Service Engineer 1985-1986

TYPES OF PROPERTY APPRAISED

Adult Congregate Living Facilities (ACLF)

Apartment Complexes

Community Shopping Centers

Distribution Warehouses

Golf Courses

Hotels/Motels

Manufacturing Plants

Marina

Mini-Storage Facilities

Multi-Family Up to 4 Units

Neighborhood Shopping Centers

Office Buildings

Permanent Easements

Residential Projects

Restaurants

R/W Acquisitions

Service Stations

Single Family Residences

Special Purpose Properties

Vacant Acreage: Commercial & Residential

Vacant Lots

Wetlands

TYPES OF VALUATION/CONSULTATION SERVICES PERFORMED

Appraisals

Condemnations

Feasibility

Highest & Best Use Studies

Leasehold & Lease Fee Valuations

Market Studies

Reproduction/Replacement Cost Estimates

PROFESSIONAL COURSES / SEMINARS (MOST RECENT)

Online Business Practices and Ethics, May 2020
FL National USPAP, February 2020
Real Estate for Sales Associate, January 2020
Managing Appraiser Liability, December 2019
The Income Approach: An Overview, November 2019
The Cost Approach, November 2019
Florida Appraisal Law, June 2018
FL National USPAP, June 2018
Appraisal of Owner Occupied Commercial Properties, December 2017
Appraising Small Apartment Properties, December 2017
Appraisal of Land Subject to Ground Leases, January 2017
FL National USPAP, October 2015
Appraisal Law and Regulations, September 2015
Appraisal of self Storage Facilities, May 2015
Essential Elements/Disclosures/Disclaimers, May 2015
Appraisal of Assisted Living Facilities, May 2015
Online Business Practices and Ethics, May 2015
Online Analyzing Operating Expense, January, 2014
The Cost Approach, January, 2014
The Dirty Dozen, January 2014
Appraisal Application of Regression Analysis, October, 2013
FL Appraisal Laws and Regulations, September 2013
FL National USPAP, September 2013
Using your HP12C Financial Calculator, October 2012
Florida Appraisal Laws and Rules October 2012
FL National USPAP, January 2012
Appraisal/Analysis Income Properties, December 2011
Ad Valorem Tax Consultation, December 2010
Appraisal/Analysis Office Buildings for Mtg. Underwriting, December 2010
FL National USPAP, November 2010
Florida Appraisal Laws and Regulations February 2010
Feasibility, Market Value, Investment Timing: Option Value January 2010
Cost Approach January 2010
Florida Supervisor/Trainee Roles and Relationships January 2010
Income Capitalization January 2010
Online Analyzing Operating Expenses January 2010

Ron DeSantis, Governor



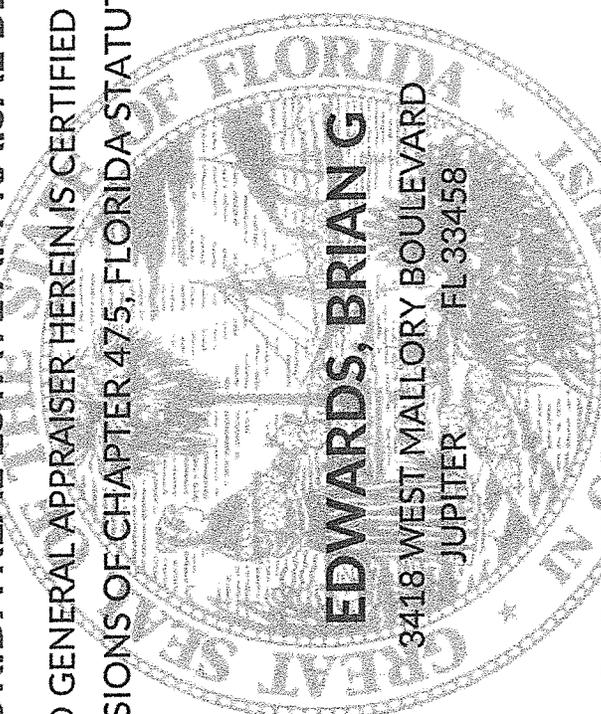
Halsey Beshears, Secretary



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD

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