

**APPRAISAL OF
FOUR PARTS OF AN ALLEY STRIP
LOCATED BEHIND
8, 16, 32, AND 38 EAST ATLANTIC AVENUE
DELRAY BEACH, FLORIDA 33444**

FOR

**LYNN GELIN, ESQUIRE
ASSISTANT CITY ATTORNEY, CITY OF DELRAY BEACH**

BY

**ROBERT B. BANTING, MAI, SRA
CERT GEN RZ4**

AND

**GARY K. ORR
CERT GEN RZ2335**

WITH

**ANDERSON & CARR, INC.
521 SOUTH OLIVE AVENUE
WEST PALM BEACH, FLORIDA 33401**

**DATE OF INSPECTION: AUGUST 14, 2018
DATE OF REPORT: AUGUST 27, 2018
DATE OF VALUE: AUGUST 14, 2018**

**FILE NO.: 2180381.000
CLIENT REFERENCE: 32 EAST ALLEY, DELRAY BEACH**



August 27, 2018

Lynn Gelin, Esquire
Assistant City Attorney
City of Delray Beach
200 N.W. 1st Avenue
Delray Beach, FL 33444

Dear Mrs. Gelin:

Pursuant to your request, we have personally appraised the real properties being four parts of a public alley. The subject property is located between South Swinton Avenue and Southeast 1st Avenue just south of East Atlantic Avenue in downtown Delray Beach, Florida. The property address is 8, 16, 32, and 38 East Atlantic Avenue, Delray Beach, FL, 33444.

The purpose of this narrative appraisal is to estimate the market value of the fee simple estate of the subject properties as of August 14, 2018. The intended use of the report is to assist the client and intended user in establishing purchase or selling prices. This report has been prepared for no other purpose and for use by no other person or entity than for use by the client for the purpose stated herein. Any other use of this appraisal is considered a misuse and thus the appraisers will not be held responsible for any outcome associated with use by another entity or for another purpose.

The subject properties consist of four small alley strips of 364 square feet (behind 8 East Atlantic Avenue), 630 square feet (behind 16 East Atlantic Avenue), 630 square feet (behind 32 East Atlantic Avenue), and 280 square feet (behind 38 East Atlantic Avenue). The parcels vary in width with each being 14 feet in depth. Three of the adjoining properties on East Atlantic Avenue are restaurants (with two of these currently under renovations) with one adjoining property being an art gallery.

We have utilized "across the fence" appraisal methodology which is a land valuation method often used in the appraisal of corridors. The across the fence method is used to develop a value opinion based on comparison to abutting land. Accordingly, we have utilized a sales comparison approach to value, the most common method used for valuing land in our analysis.



Lynn Gelin, Esq.
Page 2
August 27, 2018

As a result of our analysis, we have developed an opinion that the market values of the fee simple estates (as defined in the report), subject to the definitions, certifications, and limiting conditions set forth in the attached report, as of August 14, 2018 was:

MARKET VALUES:

Parcel 1 (8 East Atlantic Ave):	\$95,000
Parcel 2 (16 East Atlantic Ave):	\$165,000
Parcel 3 (32 East Atlantic Ave):	\$165,000
Parcel 4 (38 East Atlantic Ave):	\$75,000

The following presents our analysis and conclusions in a narrative appraisal report. This letter must remain attached to the report, which contains 63 pages plus related exhibits, in order for the value opinion set forth to be considered valid. Your attention is directed to the General Limiting Conditions contained within this report.

Respectfully submitted,

ANDERSON & CARR, INC.



Robert B. Banting, MAI, SRA
Cert Gen RZ4



Gary K. Orr
Cert Gen RZ2335

RBB/GKO:cmp



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Qualifications for Robert B. Banting, MAI, SRA, Cert Gen RZ4

Qualifications for Gary K. Orr, Cert Gen RZ2335



SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Client:	City of Delray Beach
Intended User:	City of Delray Beach
Taxpayer of Record:	City of Delray Beach
Property Rights Appraised:	Fee Simple Estate
Special Assumptions Reference:	None
Extraordinary Assumptions:	None
Hypothetical Conditions:	None
Unusual Market Externality:	None
Location:	Between South Swinton Avenue and Southeast 1st Avenue just south of East Atlantic Avenue in downtown Delray Beach, Florida
Entire Alley Strip Site/Land Area:	1,904 square feet / 0.04 acres
Parcel 1 Land Area (8 East Atlantic Ave):	364 square feet
Parcel 2 Land Area (16 East Atlantic Ave):	630 square feet
Parcel 3 Land Area (32 East Atlantic Ave):	630 square feet
Parcel 4 Land Area (38 East Atlantic Ave):	280 square feet
Improvements:	Vacant alley strip
Zoning:	OSSHAD (Old School Square Historic Arts District) by City of Delray Beach
Land Use Plan:	OMU (Other Mixed Use) by City of Delray Beach
Flood Zone & Map Reference:	Zone X (unshaded), Community Panel Number 12099C0979F, effective date of October 5, 2017
Census Tract:	0065.02



Current Use:	Vacant Land (Alley)
Highest and Best Use:	Assemblage for development
Exposure Time:	N/A
Marketing Time:	N/A
Estimated Property Values:	
Value via Cost Approach:	N/A
Value via Income Capitalization Approach:	N/A
Value via Sales Comparison Approach:	\$260.00 per square foot of land

INDIVIDUAL MARKET VALUES:

Parcel 1 (8 East Atlantic Ave):	\$95,000
Parcel 2 (16 East Atlantic Ave):	\$165,000
Parcel 3 (32 East Atlantic Ave):	\$165,000
Parcel 4 (38 East Atlantic Ave):	\$75,000

Date of Inspection:	August 14, 2018
Date of Report:	August 27, 2018
Date of Value:	August 14, 2018

Appraisers:	Robert B. Banting, MAI, SRA Cert Gen RZ4
	Gary K. Orr Cert Gen RZ2335



CERTIFICATION

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

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported general limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, conclusions, and recommendations.

I 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.

I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.

I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

My 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.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

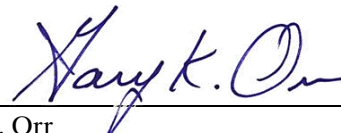
Gary K. Orr and Robert B. Banting, MAI, SRA have made a personal inspection of the property that is the subject of this report.

As of the date of this report, Robert B. Banting, MAI, SRA has completed the continuing education program of the Appraisal Institute.

No one provided significant real property appraisal or appraisal consulting assistance to the person signing this certification.



Robert B. Banting, MAI, SRA
Cert Gen RZ4



Gary K. Orr
Cert Gen RZ2335



GENERAL LIMITING CONDITIONS

1. Unless otherwise stated, the value appearing in this appraisal represents our opinion of the market value or the value defined as of the date specified. Values of real estate are affected by national and local economic conditions and consequently will vary with future changes in such conditions.
2. 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) remains the property of the appraiser for the use of the client. The fee being for the analytical services only. The report may not be copied or used for any purpose by any person or corporation other than the client or the party to whom it is addressed, without the written consent of an officer of the appraisal firm of Anderson & Carr, Inc. and then only in its entirety.
3. 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 Anderson & Carr, Inc. nor may any reference be made in such public communication to the Appraisal Institute or the MAI, SRA or SRPA designations.
4. 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, as they may request in confidence for ethics enforcement or by a court of law or body with the power of subpoena.
5. Liability of Anderson & Carr, Inc. and its employees is limited to the fee collected for the appraisal. There is no accountability or liability to any third party.
6. It is assumed that there are no hidden or unapparent conditions of the property, sub-soil, or structures which make it more or less valuable. The appraiser assumes no responsibility for such conditions or the engineering which might be required to discover these facts.
7. This appraisal is to be used only in its entirety. All conclusions and opinions concerning the analysis which are set forth in the report were prepared by the appraisers whose signatures appear on the appraisal report. No change of any item in the report shall be made by anyone other than the appraiser and the appraiser and firm shall have no responsibility if any such unauthorized change is made.
8. No responsibility is assumed for the legal description provided or other matters legal in character or nature, or matters of survey, nor of any architectural, structural, mechanical, or engineering in nature. No opinion is rendered as to the title which is presumed to be good and merchantable. The property is valued as if free and clear of any and all liens and encumbrances and under responsible ownership and competent property management 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, their designee, or public records. We are not liable for such information or the work of subcontractors. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit when possible. All are considered appropriate for inclusion to the best of our knowledge and belief.



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 engaged in post-appraisal consultation with client or third parties, except under separate and special arrangement and at an additional fee.
11. The sketches and maps in this report are included to assist the reader 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. Unless otherwise stated in this report, the appraisers have no reason to believe that there may be hazardous materials stored and used at the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
13. If applicable, 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 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 analysis, 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. Anderson & Carr, Inc. reserves the unlimited right to alter, amend, revise or rescind any of the statements, findings, opinions, values, estimates or conclusions upon any previous or subsequent study or analysis becoming known to the appraiser.
15. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in this appraisal report.
16. The value estimated in this appraisal report is gross without consideration given to any encumbrance, lien, restriction, or question 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, or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.
17. It is assumed that the property conforms to all applicable zoning, use regulations, and restrictions unless a nonconformity has been identified, described, and considered in this appraisal report.
18. It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the opinion of value contained in this report is based.



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

20. This appraisal report has been prepared for the exclusive benefit of the client and intended users, City of Delray Beach. This report has been prepared for no other purpose and for use by no other person or entity than for use by the client for the purpose stated herein. Any other use of this appraisal is considered a misuse and thus the appraisers will not be held responsible for any outcome associated with use by another entity or for another purpose.

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

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

EXTRAORDINARY ASSUMPTIONS

No Extraordinary Assumptions were utilized in the preparation of this appraisal.

HYPOTHETICAL CONDITIONS

No Hypothetical Conditions were utilized in the preparation of this appraisal.



SUBJECT PROPERTY PHOTOS (AUGUST 14, 2018)



View looking north over Parcel 1 (right of hedge) at the rear of 8 East Atlantic Avenue



Front view of 8 East Atlantic Avenue



View looking north over Parcel 2 at the rear of 16 East Atlantic Avenue



Front view of 16 East Atlantic Avenue



View looking north over Parcel 3 at the rear of 32 East Atlantic Avenue



Front view of 32 East Atlantic Avenue



View looking north over Parcel 4 at the rear of 38 East Atlantic Avenue



Front view of 38 East Atlantic Avenue



View looking west over the main alley behind
8, 16, 32, and 38 East Atlantic Avenue with the subject properties along the right



View looking east over the main alley behind
8, 16, 32, and 38 East Atlantic Avenue with the subject properties along the left

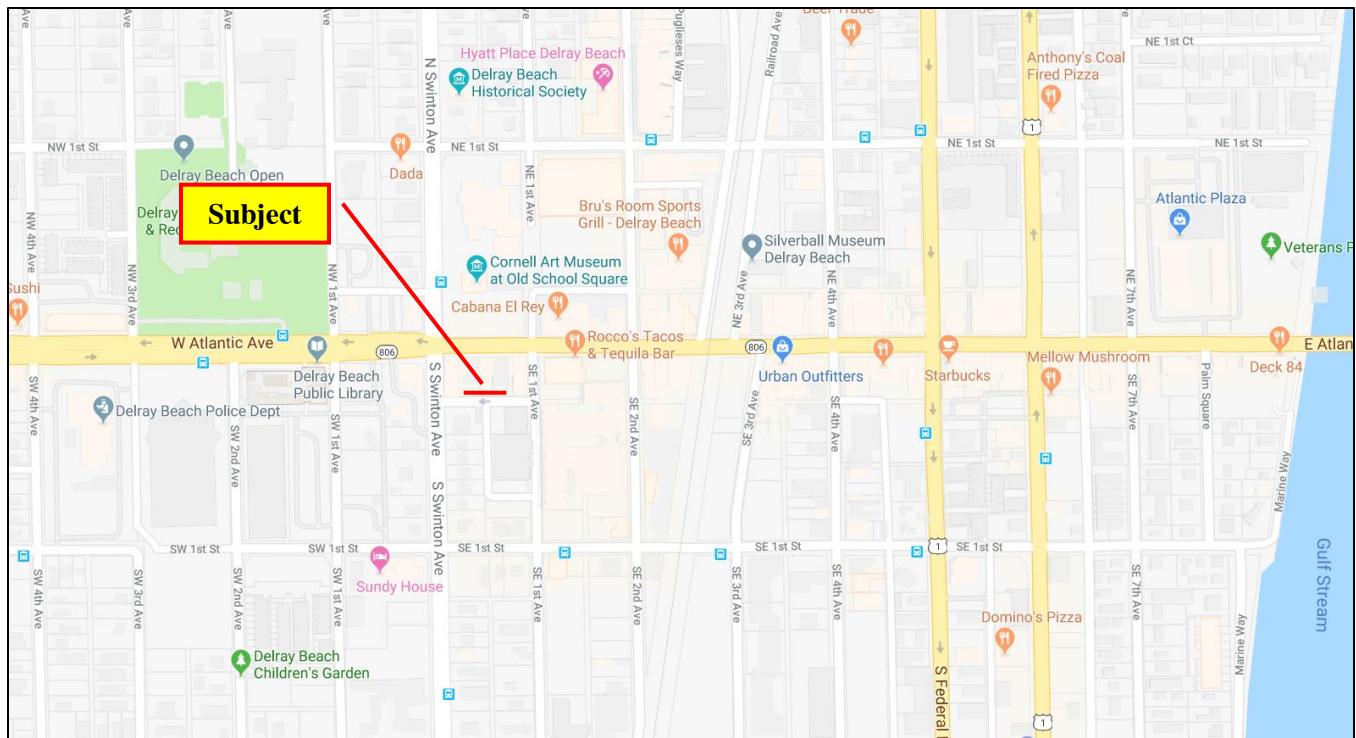
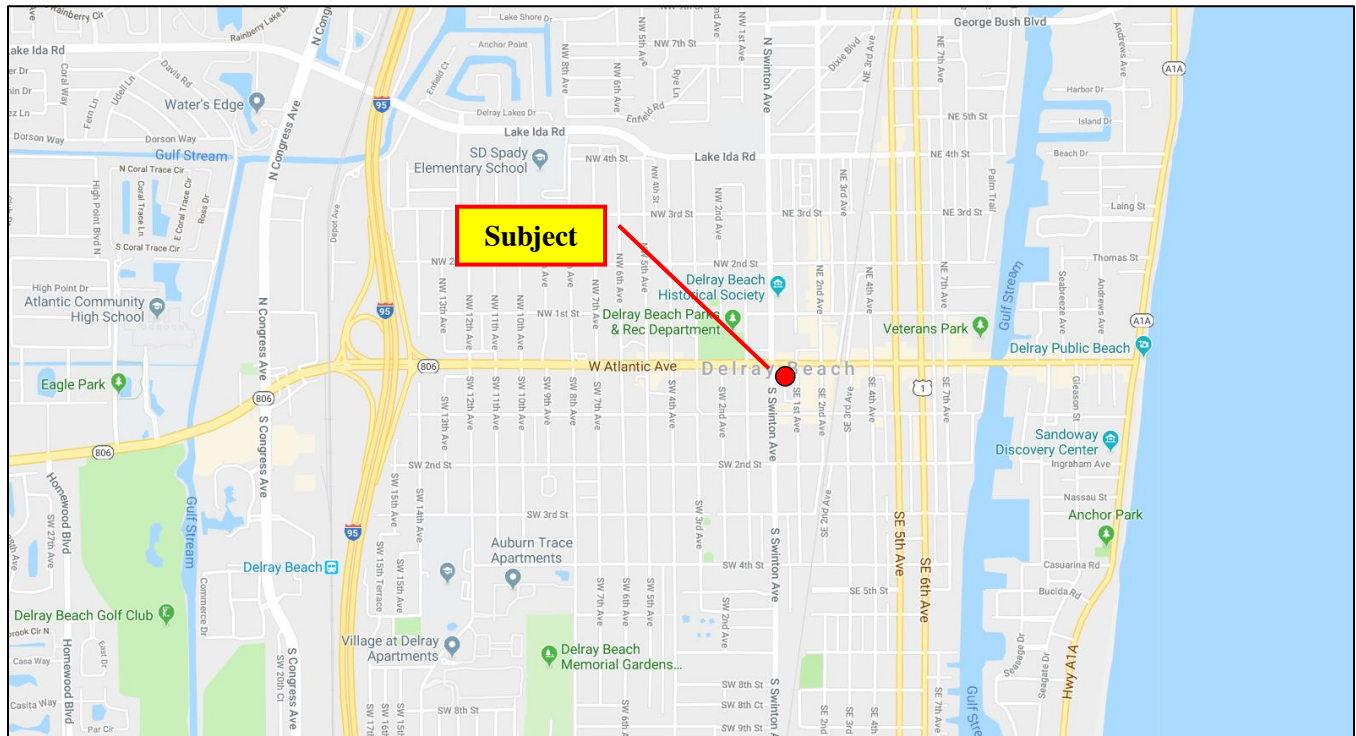


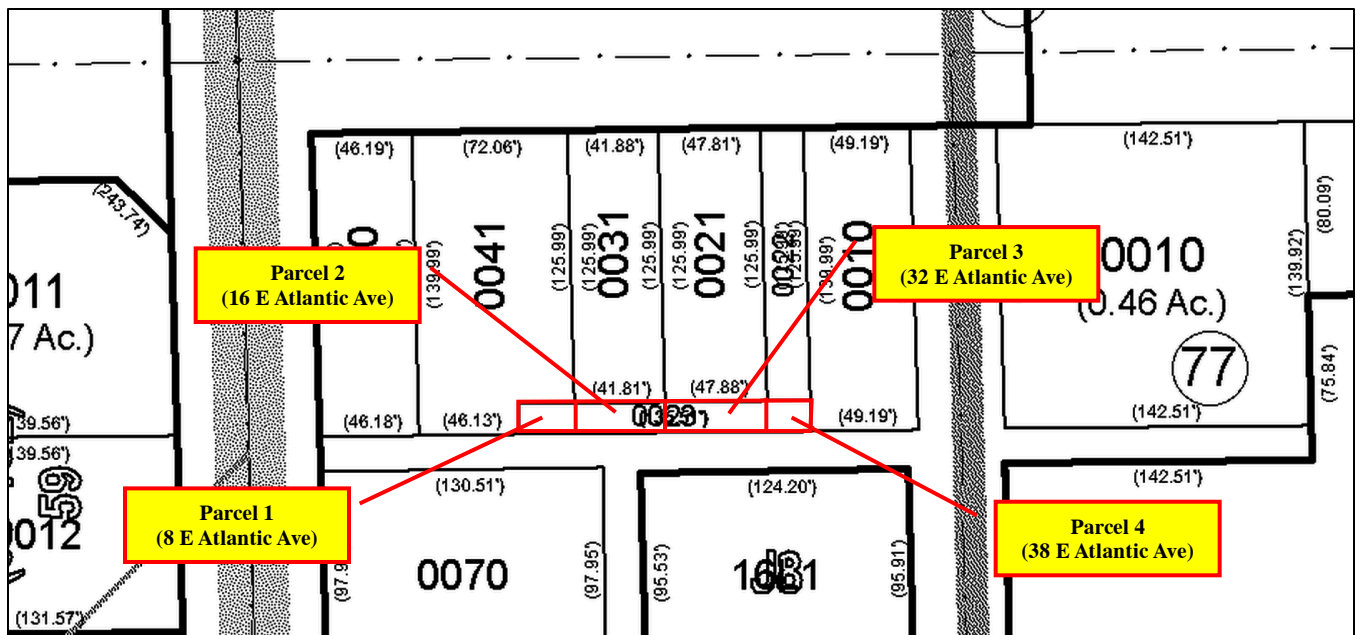
View looking west on East Atlantic Avenue
with 8, 16, 32, and 38 East Atlantic Avenue on the left

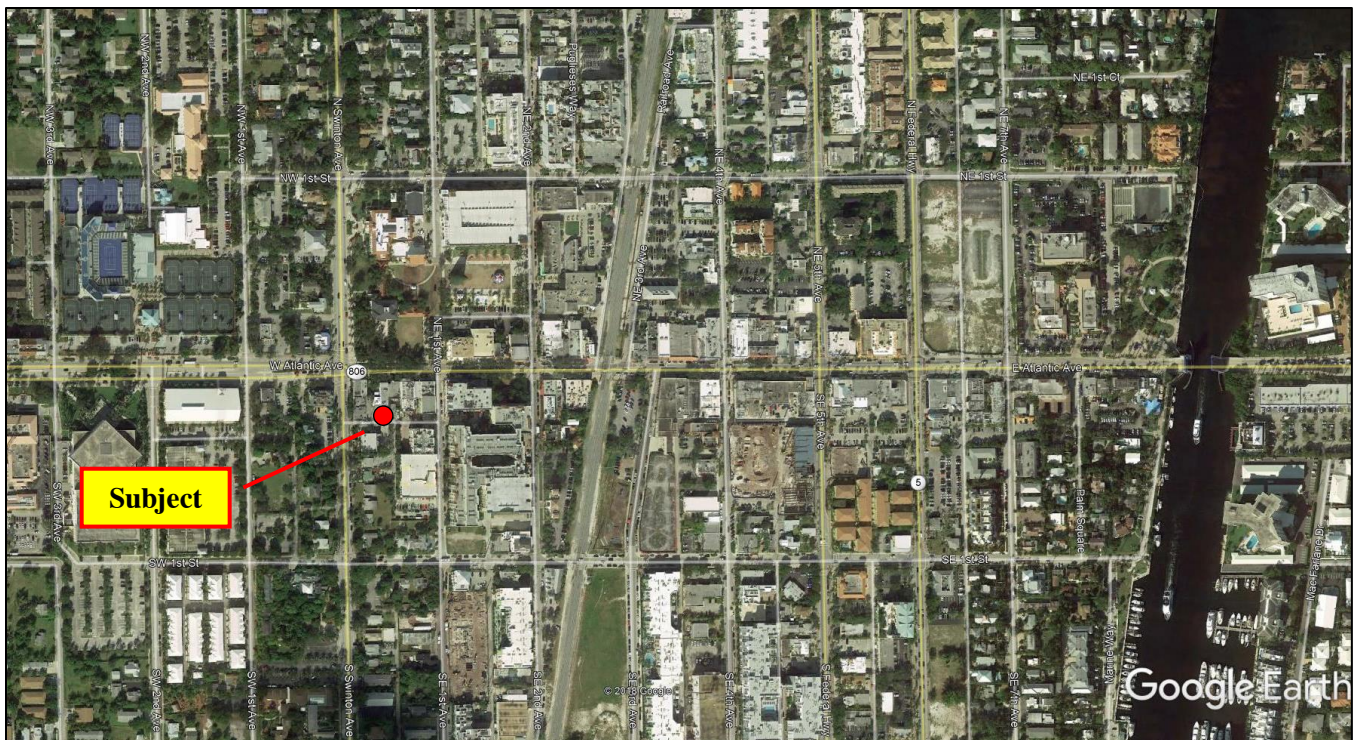


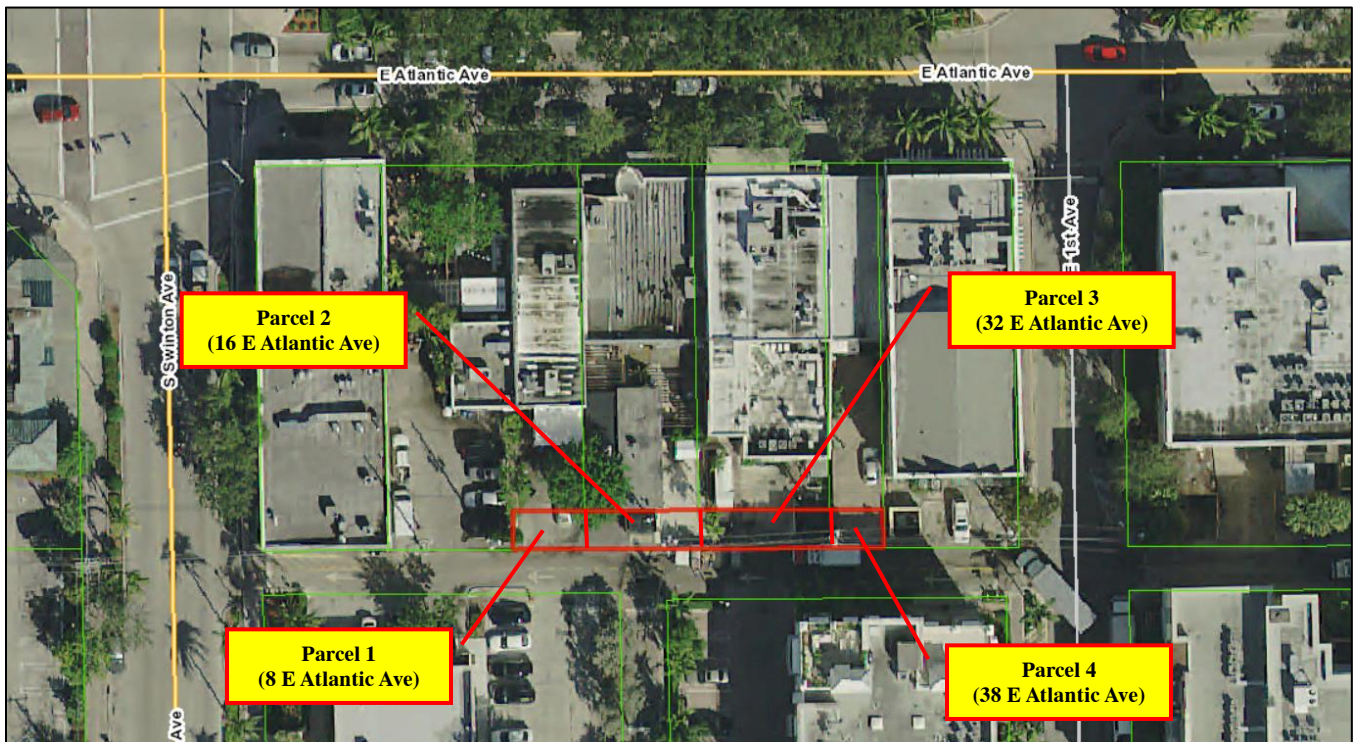
View looking east on East Atlantic Avenue
with 8, 16, 32, and 38 East Atlantic Avenue on the right

AREA/LOCATION MAPS









PURPOSE AND DATE OF VALUES

The purpose of this appraisal is to estimate the market value, fee simple estate, of the subject properties as of August 14, 2018.

PROPERTY APPRAISED

The subject properties form a 1,904 square foot alley strip located between South Swinton Avenue and Southeast 1st Avenue just south of East Atlantic Avenue in downtown Delray Beach, Florida. The individual subject parcels are those areas of the alley strip adjacent to and behind 8, 16, 32, and 38 East Atlantic Avenue. The properties are zoned OSSHAD (Old School Square Historic Arts District) by City of Delray Beach.

LEGAL DESCRIPTIONS

The subject alley strip is on tax folio parcel with a single legal description. The legal descriptions for the individual subject properties are from sketches and descriptions by Avirom & Associates, Inc. Surveying & Mapping, Job #10927 dated July 25, 2018.

Parcel 1 (8 East Atlantic Avenue)

The South 14 feet of the West 26 feet of Lot 4, MCGINLEY & GOSMAN'S SUBDIVISION OF BLOCK 69, Delray Beach, Florida, according to the Plat thereof, as recorded in Plat Book 2, Page 43, of the Public Records of Palm Beach County, Florida.

Said lands lying in Palm Beach County, Florida and contains 364 square feet, more or less.

Parcel 2 (16 East Atlantic Avenue)

The South 14 feet of Lot 3 less the East 21.67 feet TOGETHER WITH the South 14 feet of Lot 4 less the West 26 feet of Lot 4, MCGINLEY AND GOSMAN SUBDIVISION OF BLOCK 69 of the City of Delray Beach, Florida, according to the Plat thereof, as recorded in Plat Book 2, Page 43, of the Public Records of Palm Beach County, Florida.

Said lands lying in Palm Beach County, Florida and contains 630 square feet, more or less.

Parcel 3 (32 East Atlantic Avenue)

The South 14 feet of the West 23.33 feet of Lot 2 TOGETHER WITH the South 14 feet of the East 21.67 feet of Lot 3, MCGINLEY AND GOSMAN SUBDIVISION OF BLOCK 69 of the City of Delray Beach, Florida, according to the Plat thereof, as recorded in Plat Book 2, Page 43, of the Public Records of Palm Beach County, Florida.

Said lands lying in Palm Beach County, Florida and contains 630 square feet, more or less.

Parcel 4 (38 East Atlantic Avenue)

The South 14 feet of the West 20 feet of the East 23 feet of Lot 2, SUBDIVISION OF BLOCK 69, Delray Beach, Florida, according to the Plat thereof, as recorded in Plat Book 2, Page 43, of the Public Records of Palm Beach County, Florida, described as follows:

Said lands lying in Palm Beach County, Florida and contains 280 square feet, more or less.

DISCLOSURE OF COMPETENCY

Per the Competency Rule contained within the Uniform Standards of Professional Appraisal Practice, the appraisers hereby affirm that they are competent to complete the appraisal assignment for which they have been engaged by the client.

INTENDED USE AND USER

The intended use of this report is to assist the client and intended user in establishing a purchase or selling prices. The intended user of the report is City of Delray Beach.

This report has been prepared utilizing generally accepted appraisal guidelines, techniques, and methodologies as contained within the Uniform Standard of Professional Practice (USPAP), as promulgated by the Appraisal Foundation.

CLIENT

City of Delray Beach
200 N.W. 1st Avenue
Delray Beach, FL 33444

DEFINITIONS

Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) Buyer and seller are typically motivated; (2) Both parties are well informed or well advised, and acting in what they consider their own best interests; (3) A reasonable time is allowed for exposure in the open market; (4) Payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) The price represents normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) and the Interagency Appraisal and Evaluation Guidelines, Federal Register, Volume 75, No. 237, December 10, 2010).



Across The Fence Method

A land valuation method often used in the appraisal of corridors. The across the fence method is used to develop a value opinion based on comparison to abutting land. (The Dictionary of Real Estate Appraisal, 6th ed., Chicago: Appraisal Institute, 2015).

PROPERTY RIGHTS APPRAISED

The property rights appraised are those of the fee simple estate.

Fee simple estate is defined as absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat (The Dictionary of Real Estate Appraisal, 6th ed., Chicago: Appraisal Institute, 2015).

TYPICAL BUYER PROFILE

The typical purchaser of the subject parcels would be a developer who would assemble them with adjacent properties for the benefit of use with the existing structures or future redevelopment. The comparables utilized in the sales comparison approach reflect trends for the adjoining lands.

SCOPE OF ASSIGNMENT

The traditional appraisal approaches include the cost approach, the sales comparison approach, and the income capitalization approach. We have considered all three approaches in this assignment, and determined the sales comparison approach to be applicable in this assignment.

The across the fence appraisal methodology is a land valuation method often used in the appraisal of corridors. The across the fence method is used to develop a value opinion based on comparison to abutting land. The price or value of land adjacent to the corridor (i.e., across the fence) is considered for the valuation.

The across the fence methodology is also often used to value other small parcels of land with little utility and/or no development potential on stand-alone basis. The subject property, due to its configuration, has little if any development potential or use to anyone other than the adjacent owners or as part of an assemblage for development. Properties of this type rarely sell, and when they do sell, are not typically exposed on the open market. They are almost exclusively purchased privately by adjacent landowners for assemblage into their property. Prices vary widely but are typically based on the unit values of the adjoining land. In more and more cases, the selling entities are not discounting prices because of size, configuration, or lack of stand-alone development potential.

In the process of gathering data for the sales comparison approach to value, we conducted a search of our appraisal files and public information sources such as the Palm Beach County Property Appraiser's public access system and the Palm Beach County Clerk's Office, as well as subscription based information services such as CoStar.com for comparable sales in the relevant market area. We searched for the most similar sales to the subject property.



The sales ultimately selected for further analysis were the best comparable sales we were able to find in this market. We obtained and verified additional information on the comparable properties with a party to the transaction, or a broker or agent of the parties when possible.

We inspected the exterior of the subject property and the comparables. Physical data pertaining to the subject property was obtained from an inspection of the premises and public information sources such as the Palm Beach County Property Appraiser's records. Other data pertaining to the subject property was obtained from the Palm Beach County Clerk's and Tax Collector's offices and local planning and zoning departments.

The product of our research and analysis is formulated within this report for analysis of and direct comparison with the subject property being appraised. Additionally, we have used original research performed in preparation of other appraisals by this office, which is considered appropriate for the subject property.

We make no warranty as to the authenticity and reliability of representations made by those with whom we verified sales, rental, and other information. We have taken due care in attempting to verify the data utilized in this analysis. We based our analysis and conclusions on overall patterns rather than on specific representations.

Per USPAP Standard Rule 2-2 this analysis is an Appraisal Report presented in written format. The analysis and conclusions of this appraisal assignment are presented in a narrative appraisal report.



PALM BEACH COUNTY SUMMARY



Geography

Palm Beach County is located along Florida's Southeast coast. It is bordered by Martin County to the north, Hendry and Glades Counties to the west, Broward County to the south and the Atlantic Ocean to the east. The northwestern portion of the county is made up of Lake Okeechobee, the largest freshwater lake in Florida. The county is located approximately 80 miles north of Miami and 260 miles south of Jacksonville.

Palm Beach County encompasses approximately 2,203 square miles with roughly 1,974 square miles of land area, 229 square miles of water, and 47 miles of coastline. According to the U.S. Census Bureau's 2015 estimate, Palm Beach County has a population of 1,422,789; an increase of 7.8 percent from the 2010 census statistics of 1,320,134. The vast majority of the county's growth has been a result of in-migration from the northern states as well as from Miami-Dade and Broward Counties to the south. Palm Beach County ranks as the third most populous county in Florida behind Miami-Dade and Broward Counties.

The county includes 38 incorporated municipalities; the largest of which is West Palm Beach, the county seat. Boca Raton, located at the south end of the county, is the second largest city and one of the highest income retail trade areas in the United States.

Palm Beach County along with Broward and Miami-Dade Counties to the south are known as the Gold Coast. At 110 miles north-south, it is the second longest urbanized area in the United States behind the New York Metropolitan area.



Transportation

Interstate 95 is a major north/south thoroughfare that connects Palm Beach County to the southeastern and northeastern portions of the state, and then continues along the Eastern Seaboard to Maine. Florida's Turnpike also passes through the county and provides connections to the north central area of the state and Miami to the south. Other north/south highways include A1A, U.S. Highway 1, Congress Avenue, Military Trail and U.S. 441. There are numerous local east/west roadways with Southern Boulevard providing access to the western portions of the county, as well as Florida's West Coast.

The expanded Palm Beach International Airport is conveniently located to provide air service to and from Palm Beach County. The airport's growth necessitated a direct access overpass interchange with I-95 which significantly improved ingress and egress for PBIA. Other transportation services in Palm Beach County include the Florida East Coast Railway for rail service and The Port of Palm Beach for the shipping and cruise industries. Tri-Rail provides commuter service through Miami-Dade, Broward, and Palm Beach Counties. Palm Beach County provides a bus service for transportation throughout the county and several of the local municipalities have various forms of local downtown transportation including trolley service and electric cars.

Economy

The unemployment rate in Palm Beach County reached a peak of 12 percent in July 2010. As of May 2018, the unemployment rate was 3.3 percent with a net annual change of -0.6 percent according to the U.S. Bureau of Labor Statistics. Tourism is the county's leading industry, employing over 70,000 people and generating about two billion dollars annually. The other multi-billion dollar industries are construction and agriculture. All three industries experienced some decline due to economic conditions from 2007 until the middle of 2011. The economy began to stabilize in mid-2011 and these industries continued to experience signs of recovery through the first quarter of 2018.

The largest employer in Palm Beach County is the Palm Beach County School Board, the tenth largest in the United States, with over 22,000 employees and a \$2.9 billion dollar budget for the 2017-2018 school year. The five largest private sector service producing employers according to the Business Development Board of Palm Beach County are shown in the following table.

Palm Beach County's favorable economic profile is partially defined by its biotech sector; however, a growing educational sector has emerged to enhance the economic base. Colleges and universities in the county include Palm Beach State College, two Florida Atlantic University campuses, Palm Beach Atlantic University, and Lynn University.

FIVE LARGEST PRIVATE SECTOR EMPLOYERS		
Employer	Type of Business	Employees
Tenet Healthcare Corporation	Healthcare	6,100
NextEra Energy, Inc. (FP&L parent co.)	Utilities	3,804
G4S Secure Solutions (USA) Inc.	Security Services	3,000
HCA, Inc.	Healthcare	2,714
Bethesda Hospital, Inc.	Healthcare	2,643



Commercial Real Estate

Amidst higher long term interest rates and a steady decline in vacancy rates, the commercial property sectors in Palm Beach County are performing well in the first half of 2018. The 2018 economic outlook points to another positive year for apartment, retail, industrial and office properties. Limited additions to supply are helping reduce vacancy and expand rental rates.

Consistent job growth and a resumption of favorable demographic trends are converging to provide momentum in Palm Beach County growth. A growing population of office workers due to job growth, expanded options for renters and strengthening job prospects are sparking resurgence in relocations from outside the county. Palm Beach County has experienced a steady pace of employment in fields that serve the older segment of the population including healthcare, retail and wealth management. Hiring in these areas increased the sizable pool of prospective tenants and a consistent flow of new residents into the county. In all, the forecast for Palm Beach County in 2018 is positive.

According to CoStar's Mid-Year 2018 data, the Palm Beach County commercial real estate market has experienced little change from the first quarter 2018 with specifics of each property class as follows.

Industrial

The Palm Beach County industrial market ended second quarter 2018 with a vacancy rate of 2.7 percent, down over the previous quarter. Rental rates ended the second quarter 2018 at \$10.33 per square foot, a decrease over the previous quarter. Net absorption totaling positive 76,016 square feet in the second quarter 2018. Vacant sublease space increased ending the quarter at 57,900 square feet. There was 258,342 square feet still under construction at the end of the quarter.

Total Industrial Market Statistics

Mid-Year 2018

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2018 2q	3,167	57,089,093	1,504,598	1,562,498	2.7%	76,016	0	0	7	258,342	\$10.33
2018 1q	3,167	57,089,093	1,609,634	1,638,514	2.9%	(51,703)	1	3,400	4	173,822	\$10.39
2017 4q	3,166	57,085,693	1,563,952	1,583,411	2.8%	175,715	1	166,392	4	30,969	\$10.14
2017 3q	3,165	56,919,301	1,577,939	1,592,734	2.8%	384,790	2	12,397	4	187,361	\$9.76
2017 2q	3,163	56,906,904	1,954,217	1,965,127	3.5%	289,152	2	43,325	4	182,189	\$9.85
2017 1q	3,158	56,600,015	1,939,637	1,947,390	3.4%	243,662	3	157,725	7	319,286	\$9.89
2016	3,155	56,442,290	2,028,174	2,033,327	3.6%	1,351,391	10	1,026,930	9	467,901	\$9.73
2015	3,147	55,427,652	2,360,027	2,370,080	4.3%	1,246,846	3	745,634	7	626,666	\$9.20
2014	3,146	54,695,914	2,850,657	2,885,188	5.3%	677,497	3	240,400	3	745,634	\$8.74
2013	3,143	54,455,514	3,252,484	3,322,285	6.1%	978,763	2	29,960	3	860,400	\$8.45
2012	3,141	54,425,554	4,189,883	4,271,088	7.8%	727,573	1	16,227	2	29,960	\$8.23
2011	3,142	54,435,002	4,815,830	5,008,109	9.2%	771,427	5	272,261	1	16,227	\$7.86
2010	3,139	54,171,977	5,205,410	5,516,511	10.2%	709,295	5	200,423	3	39,261	\$8.03
2009	3,134	53,971,554	5,701,185	6,025,383	11.2%	(1,324,295)	3	32,755	4	189,923	\$8.46
2008	3,131	53,927,351	4,505,347	4,656,885	8.6%	185,218	23	806,970	6	199,278	\$9.46
2007	3,097	52,786,801	3,589,408	3,701,553	7.0%	(695,913)	26	536,343	29	1,040,903	\$9.83

Source: CoStar Property®



Office

The total vacancy rate for the Palm Beach County office market second quarter 2018 was 10.2 percent. Rental rates averaged \$29.73 per square foot, an increase over the previous quarter. Net absorption for the second quarter 2018 totaling positive 10,367 square feet. Vacant sublease space increased in the quarter ending at 198,280. A total of one building delivered to the market in the quarter totaling 3,600 square feet with 547,573 square feet still under construction at the end of the quarter.

Total Office Market Statistics

Mid-Year 2018

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2018 2q	2,861	55,403,667	5,446,630	5,644,910	10.2%	10,367	1	3,600	15	547,573	\$29.73
2018 1q	2,861	55,450,562	5,537,854	5,702,172	10.3%	(115,904)	2	18,200	13	413,365	\$29.55
2017 4q	2,858	55,429,607	5,408,342	5,568,068	10.0%	(105,078)	2	10,849	15	431,565	\$29.27
2017 3q	2,856	55,418,758	5,339,160	5,452,141	9.8%	206,226	2	20,400	14	205,604	\$28.80
2017 2q	2,854	55,348,998	5,474,965	5,588,607	10.1%	86,659	0	0	11	161,910	\$28.51
2017 1q	2,852	55,321,798	5,554,352	5,648,066	10.2%	64,006	0	0	10	135,711	\$28.00
2016	2,854	55,327,795	5,639,249	5,718,069	10.3%	905,737	10	178,969	7	115,462	\$27.89
2015	2,846	55,144,579	6,357,237	6,440,590	11.7%	910,991	3	33,732	12	222,369	\$26.95
2014	2,843	55,110,847	7,222,051	7,317,849	13.3%	1,009,078	12	243,848	4	38,482	\$26.12
2013	2,835	54,880,032	7,999,159	8,096,112	14.8%	191,844	6	123,296	11	202,193	\$25.60
2012	2,831	54,879,438	8,181,990	8,287,362	15.1%	622,960	2	61,901	6	170,046	\$25.34
2011	2,832	54,882,870	8,710,522	8,913,754	16.2%	565,660	4	166,840	3	100,901	\$25.63
2010	2,827	54,710,988	9,066,387	9,307,532	17.0%	217,746	7	158,934	4	166,840	\$25.89
2009	2,821	54,549,529	8,935,217	9,363,819	17.2%	(57,242)	13	604,182	7	129,719	\$26.23
2008	2,801	53,638,453	7,930,061	8,395,501	15.7%	653,739	41	2,095,840	22	952,576	\$27.96
2007	2,750	50,981,567	6,069,219	6,392,354	12.5%	(887,502)	39	1,114,982	46	2,742,371	\$28.23

Source: CoStar Property®

Retail

The Palm Beach County retail market experienced a slight decline in market conditions in the second quarter 2018. The vacancy rate went from 4.0 percent the previous quarter to 4.4 percent in the current quarter. Average quoted rental rates increased from the previous quarter to \$23.84 per square foot per year. Vacant sublease space increased by 241 square feet. The second quarter 2018 net absorption rate was a negative (314,841) square feet. A total of seven retail buildings with 39,561 square feet were delivered, with 362,281 square feet still under construction at the end of the quarter.

Total Retail Market Statistics

Mid-Year 2018

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %		# Blds	Total GLA	# Blds	Total GLA	
2018 2q	5,111	80,545,564	3,520,464	3,539,419	4.4%	(314,841)	7	39,561	20	362,281	\$23.84
2018 1q	5,104	80,506,003	3,166,303	3,185,017	4.0%	3,740	6	39,931	22	325,581	\$22.70
2017 4q	5,099	80,467,436	3,122,492	3,150,190	3.9%	195,575	10	137,365	26	361,012	\$22.24
2017 3q	5,093	80,347,311	3,195,709	3,225,640	4.0%	285,896	9	104,313	29	460,038	\$21.63
2017 2q	5,088	80,286,281	3,391,665	3,450,506	4.3%	(10,669)	5	43,979	32	513,111	\$21.61
2017 1q	5,083	80,221,027	3,301,192	3,374,583	4.2%	43,648	16	151,047	25	466,370	\$20.59
2016	5,073	80,108,186	3,244,677	3,305,390	4.1%	1,401,977	41	485,588	31	537,542	\$19.88
2015	5,044	79,711,410	4,211,363	4,310,591	5.4%	704,769	27	379,776	39	391,365	\$19.17
2014	5,018	79,316,102	4,534,269	4,620,052	5.8%	1,194,646	28	1,011,212	18	244,807	\$17.96
2013	4,991	78,194,476	4,642,618	4,693,072	6.0%	(94,481)	26	618,749	21	1,026,903	\$17.37
2012	4,973	79,180,119	5,396,954	5,584,234	7.1%	703,802	8	190,623	22	558,367	\$17.39
2011	4,961	78,958,878	5,867,478	6,066,795	7.7%	750,636	10	306,121	1	3,039	\$17.56
2010	4,950	78,598,681	6,404,383	6,457,234	8.2%	360,397	17	240,565	8	206,920	\$18.43
2009	4,931	78,353,680	6,429,036	6,572,630	8.4%	(636,262)	35	804,385	14	194,207	\$20.67
2008	4,890	77,487,042	4,803,885	5,069,730	6.5%	217,319	57	1,286,143	31	737,003	\$20.85
2007	4,810	75,974,667	3,763,664	3,774,674	5.0%	1,397,099	45	1,224,037	56	1,072,517	\$20.12

Source: CoStar Property®



Rental Apartments

According to *Marcus & Millichap's Multifamily North American Investment Forecast 2018*, the Palm Beach County apartment sector entered 2018 holding strong prospects of attaining higher rents for the eighth consecutive year, though with developers adding new apartments in 2017, growth is expected to be slower than the previous year.

This same report indicates the most significant demographic factor driving the multifamily market in Palm Beach County is the in-migration of the retiree population which largely supports employment in the service sector. Due to this demand, the younger population in Palm Beach County is growing faster than in the remainder of South Florida, altering the character of the Palm Beach County market. Many employed in the service sector are part of the younger generation attending local colleges and universities, and have a high propensity to rent.

Consistent hiring and robust household formation will drive the continued demand for apartments. The labor market is also supported by the growing number of biotech firms located in Palm Beach County. High home prices also contribute to the renter pool. Though rent growth is anticipated to slow due to influx of new properties in 2017, this sector is expected to retain a positive outlook for 2018 because of increased demand.



Residential Real Estate

PALM BEACH COUNTY

Local Market Update

MARCH 2018

SINGLE FAMILY HOMES	03/2018	03/2017	% CHANGE
Closed Sales	1,669	1,676	-0.4%
Closed Sales (Paid In Cash)	625	651	-4.0%
Median Sale Price	\$348,000	\$325,000	7.1%
Median % Original List Price Received	94.7%	94.5%	0.2%
Median Days to Contract	56	56	0.0%
Inventory (Active Listings)	7,333	7,655	-4.2%
Months Supply of Inventory	5.1	5.2	-1.9%

TOWNHOUSES/CONDOS	03/2018	03/2017	% CHANGE
Closed Sales	1,347	1,352	-0.4%
Closed Sales (Paid In Cash)	846	861	-1.7%
Median Sale Price	\$177,000	\$162,000	9.3%
Median % Original List Price Received	93.6%	93.2%	0.4%
Median Days to Contract	52	56	-7.1%
Inventory (Active Listings)	6,737	6,644	1.4%
Months Supply of Inventory	6.1	6.0	1.7%

RAPB + GFLR

Statistics provided by Florida Realtors® Research and distributed by Realtors® of the Palm Beaches and Greater Fort Lauderdale.



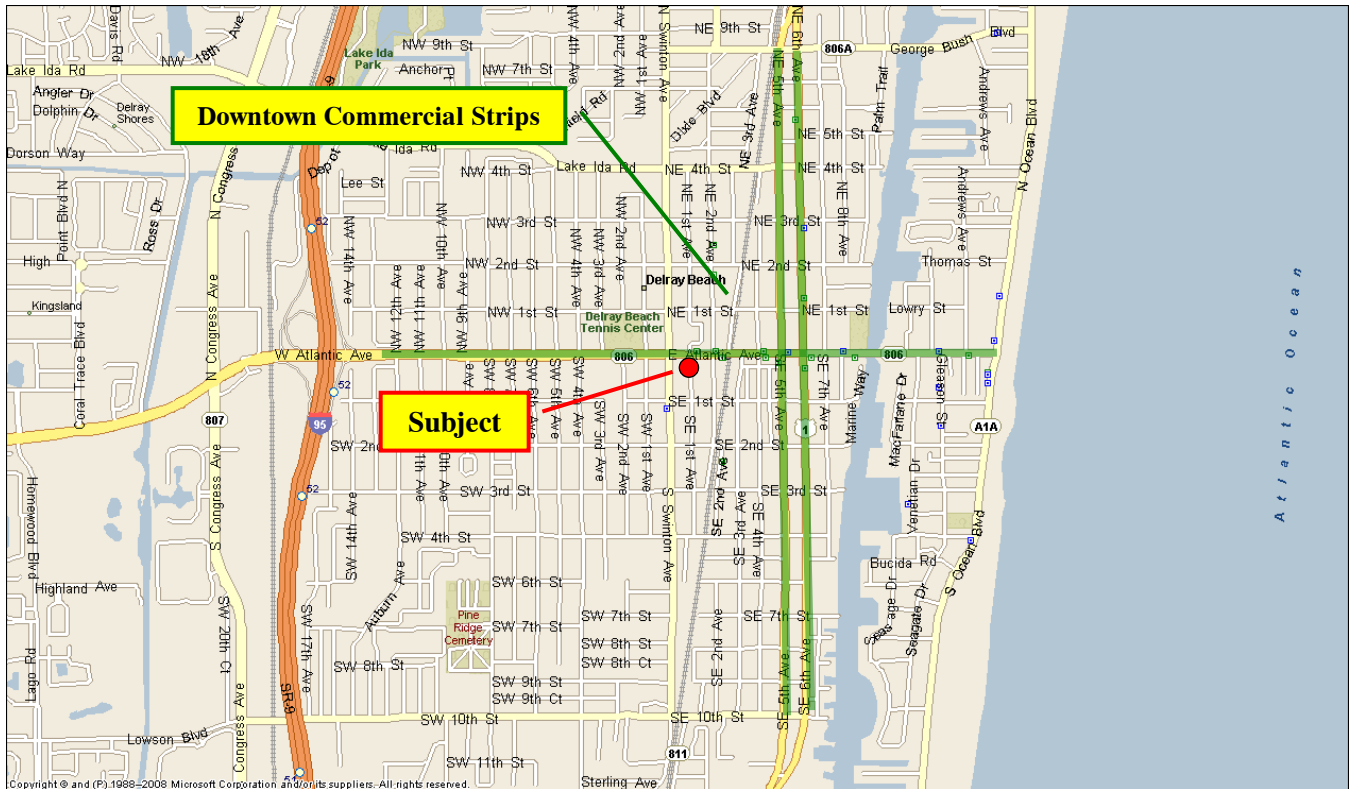
Conclusion

Some of the factors that fed Palm Beach County's past growth diminished in 2007 with a decline in the national economy which included reduced home prices and high unemployment. This trend continued until the middle of 2011 when signs of stabilization began to emerge. In the fourth quarter 2011, sales activity began to show signs of recovery. A slow but steady rebound in the market has continued into the first part of 2018.

Unemployment rates have steadily decreased and home prices are trending upward. The market is experiencing a steady climb from the depths of the recession which has spurred investors into action. The long-term outlook for Palm Beach County is considered positive due to the broad employment base and desirability as a winter tourist destination. As population grows, more supporting commercial, industrial, and service development will be required. These factors, combined with a finite quantity of developable land create a positive real estate outlook for the future.



NEIGHBORHOOD SUMMARY



The subject parcels are situated in the center of the expanding core of downtown Delray Beach behind properties along East Atlantic Avenue just east of South Swinton Avenue. This area has experienced intensive residential and commercial re-development over the past and is a desirable, urban residential and commercial location.

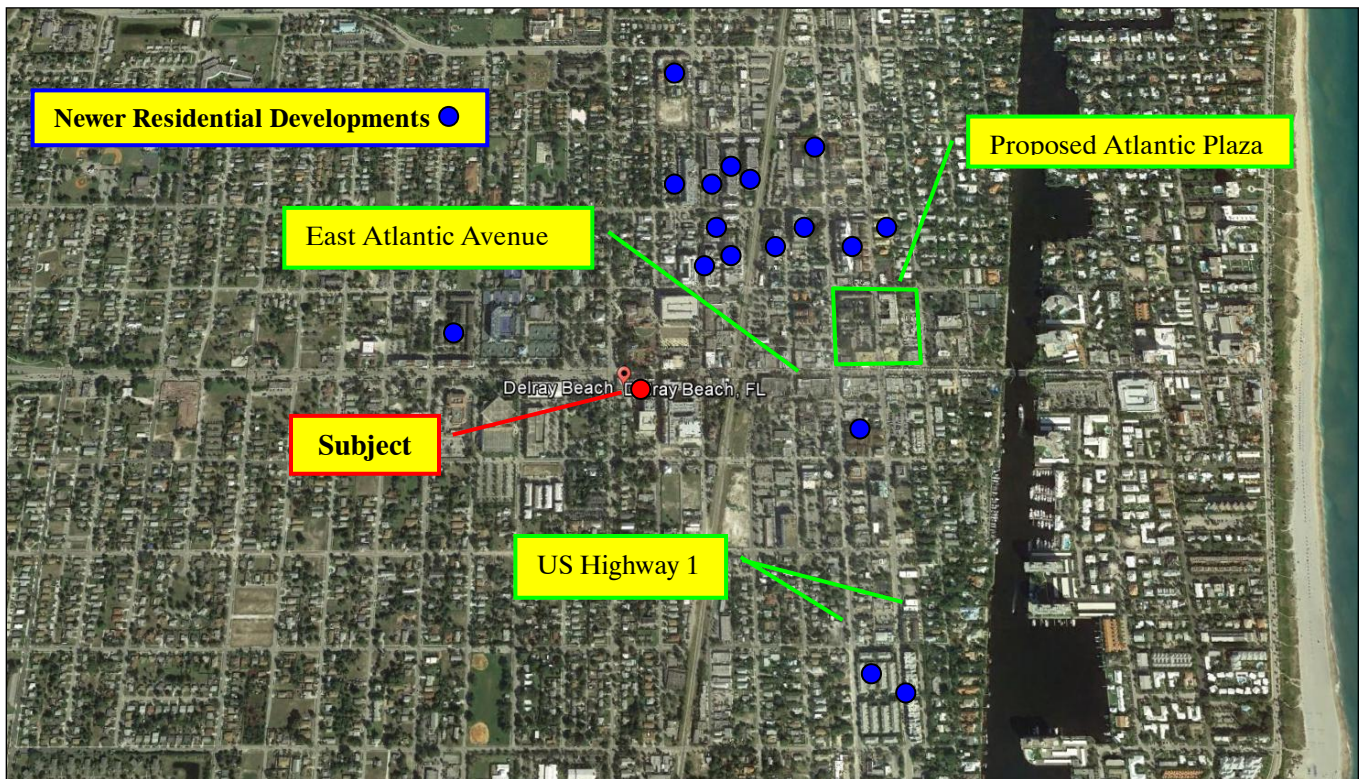
Atlantic Avenue is the major east-west artery serving suburban Delray Beach. It is a divided four lane highway west of Swinton Avenue and a narrow 'hometown' two lane main-street east of Swinton Avenue. There are interchanges at I-95 and the Florida Turnpike. The roadway in the downtown core is fully developed with only a few remaining vacant tracts west of Swinton Avenue.

Historically the downtown core was primarily commercial on Atlantic Avenue and US 1 with numerous, generally single family, residential uses off of the major roadways with light industrial uses along the CSX railroad tracks. More recently the downtown core expanded for several blocks to the north and south of Atlantic Avenue. Furthermore, the light industrial uses made way to commercial and residential redevelopment. The downtown core is now a fully mixed-use locale with commercial and residential uses on and off the main thoroughfares.



Redevelopment in downtown has continued the quaint, hometown feel through low density and preservation regulations. Many historic homes and buildings have been fully renovated and incorporated into the redevelopment mix and building height restrictions have resulted in no unsightly high-rises.

Numerous downtown residential and commercial projects have been completed in the years leading up to the recession of the late 2000's and in recent years as the real estate market has rebounded. A prominent project that recently broke ground, is Atlantic Plaza, a \$200 million mixed use project that will be built on two city blocks fronting East Atlantic Avenue adjacent to Veterans Park which abuts the Intracoastal Waterway. This roughly 9 acre project would serve to anchor the eastern end of the East Atlantic Avenue entertainment district, which has seen most new projects located on the western end. Another project under development is 4th & 5th Delray, a 50,000 square foot commercial development including an iPic movie theater.



Downtown Delray Beach has three primary commercial strips; the popular, historical, pedestrian friendly East Atlantic Avenue and Pineapple Grove and Federal Highway. Federal Highway is composed of northbound and southbound roadways a block apart (5th and 6th Avenues). There are one-way, three lane roads that are in the process of being narrowed to two lanes with the addition landscape islands and street parking. This commercial strip is composed of a mix of intense office and retail uses interspersed with several, newer, upscale townhouse projects including a Publix Supermarket, but many of the uses along US 1 are dated.

East Atlantic Avenue has become one of the most popular nightlife locations in Palm Beach County and contains many restaurants, lounges, and nightclubs. Due to the rapidly increasing values and prices directly on East Atlantic Avenue during 2004 and 2005 many of these establishments are now situated just off the roadway, generally within a block of the 'Avenue' or on Pineapple Grove Way.

Pineapple Grove is a pedestrian friendly, trendy shopping and residential enclave. There is several newer upscale mixed use projects mixed among older, mostly renovated shops and restaurants along this well street-scaped strip and a three story public parking garage. There is a mid-rise, 134-room Hyatt hotel which opened in August 2013.

The area just west of the Swinton Avenue along West Atlantic Avenue has also experienced a tremendous amount of growth. This revitalized strip now includes a large new public library, police station, county courthouse annex, a large tennis stadium, fire station, and a Fairfield Inn hotel finished construction in 2015 in the block between SW 9th and 10th Avenues. The land for the project was assembled by the CRA in hopes that the development would further spur redevelopment efforts in the area.

Parking in downtown grew problematic with redevelopment and increase in commercial and residential uses. The city has attempted to help alleviate the issue with the addition of three new public downtown parking garages; the new city library garage, the Bob Federspiel Parking Garage, and the Old School Square garage. Several new surface parking lots have also been added and another parking garage is being included in the new 4th & 5th Delray complx. However, despite the City's efforts parking can still be problematic at times.

For the past 40 years, the Downtown Development Authority has assisted in successfully branding Delray Beach as the Village by the Sea. The Delray Beach DDA was created by Resolution 9-71, which became law on March 22, 1971, as a dependent district of the City of Delray Beach.

"The DDA Mission is to enhance and stimulate balanced economic growth through position marketing activities that engage Downtown businesses, residents and visitors while creating a clean, safe, physical and experiential place to live, work and invest."

The main areas of involvement in downtown redevelopment include: Marketing and Promotions; Economic development programs; Security and crime prevention; Traffic and parking; Clean and safe; Reviewing the City Comprehensive Plan within the DDA boundaries; Housing and improvement of coordination with local boards and city departments. In addition to the main areas mentioned above, the DDA also works closely with merchants to develop seasonal retail awareness campaigns to generate traffic and sales.

In September 2010, Atlantic Avenue was voted Best Main Street in Florida as part of the 15th Annual Best of Florida Awards given out by Florida Monthly Magazine, a publication with more than 800,000 readers. The September 2010 issue of the magazine highlighted Downtown Delray Beach's main thoroughfare in a "Best Of" feature that included everything from Best Day Trip to Best Museum.

The downtown of Delray Beach continues to be one of the major hot spots in Palm Beach County for restaurants, nightlife and cultural events in a pedestrian friendly environment. The Atlantic Avenue corridor and those properties with direct frontage in the best blocks have been the most resilient price/value wise, saw the least decline during the recession of the late 2000's and have since seen dramatic gains.



PROPERTY DATA

Taxpayer of Record

City of Delray Beach

Palm Beach County Property Control Numbers

Entire Alley: 12-43-46-16-01-069-0023

Adjacent Parcels on East Atlantic Avenue: 12-43-46-16-01-069-0041 (8 East Atlantic Avenue); 12-43-46-16-01-069-0031 (16 East Atlantic Avenue); 12-43-46-16-01-069-0021 (32 East Atlantic Avenue); 12-43-46-16-01-069-0022 (38 East Atlantic Avenue)

Assessed Value and Taxes for 2018

The following information was taken from the Palm Beach County Property Appraiser's and Tax Collector's web sites (entire alley strip is one folio parcel). The subject alley strip is a municipal owned tract and as a result is not subject to a real estate tax liability.

Appraisals		
Improvements \$0	Land \$484,020	Total Value \$484,020
Assessed and Taxable Values		
Assessed Value \$272,547	Exemption \$272,547	Taxable Value \$0
Taxes		
Ad Valorem \$0	Non Ad Valorem \$0	Total Tax \$0

A typical informed buyer would recognize the possibility of a reassessment following a sale of the property and the possibility that taxes could change as a result, if the assessed value is substantially different than the true market value.

The county land assessments for 8, 16, 32, and 38 East Atlantic Avenues are roughly \$212, \$260, \$260, and \$250 per square foot of land area.

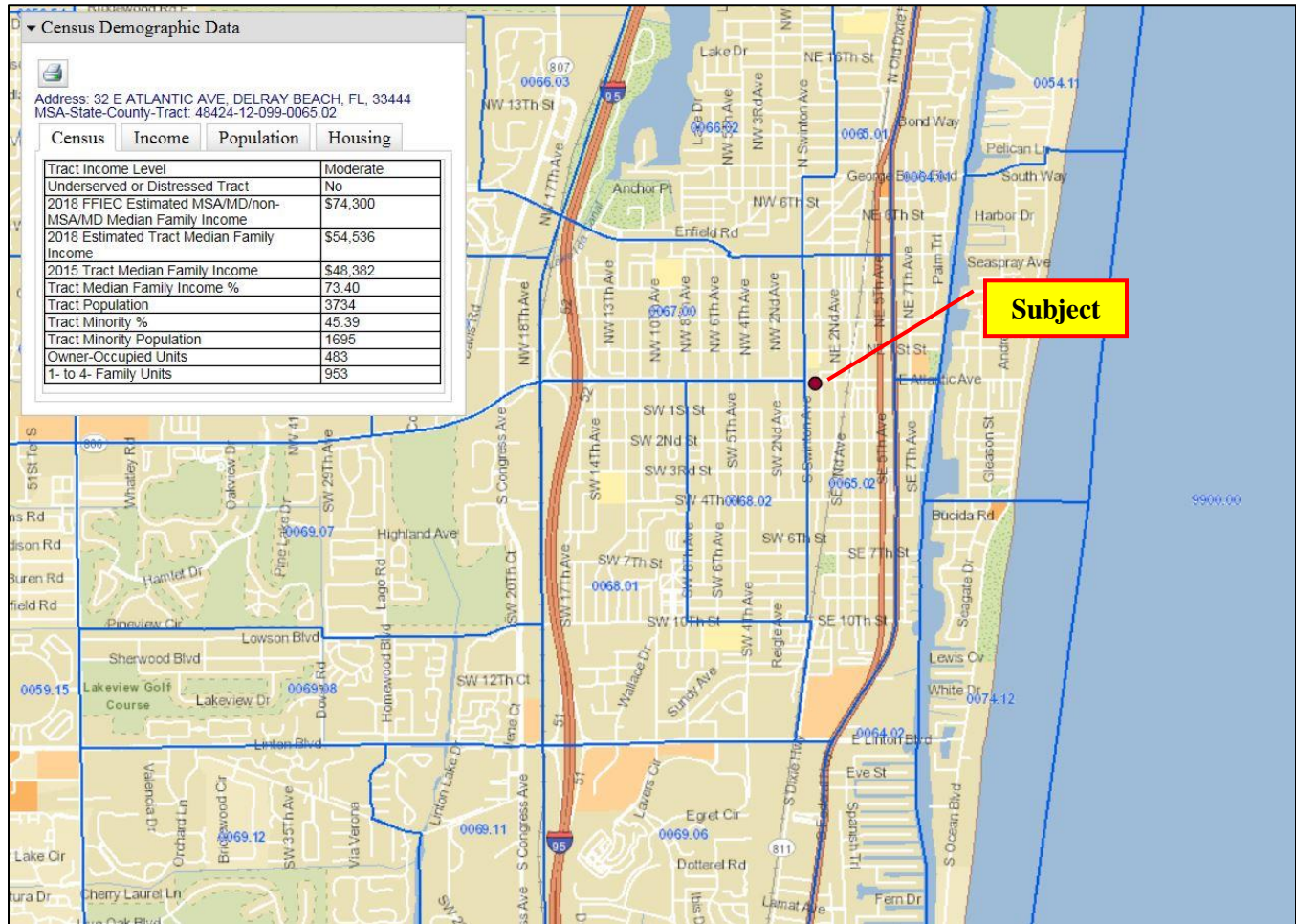
Our value conclusion does not discount for any taxes owed on the property, current or delinquent. The value assumes the property is free and clear and not subject to any prior year's delinquencies or outstanding tax certificates. The appraisers strongly suggest any potential buyer, mortgagee, or other investor in the property fully investigate the tax status of the subject property with the County's Tax Collectors office.



Census Tract

The subject properties are located in census tract 0065.02.

Census Tract Map

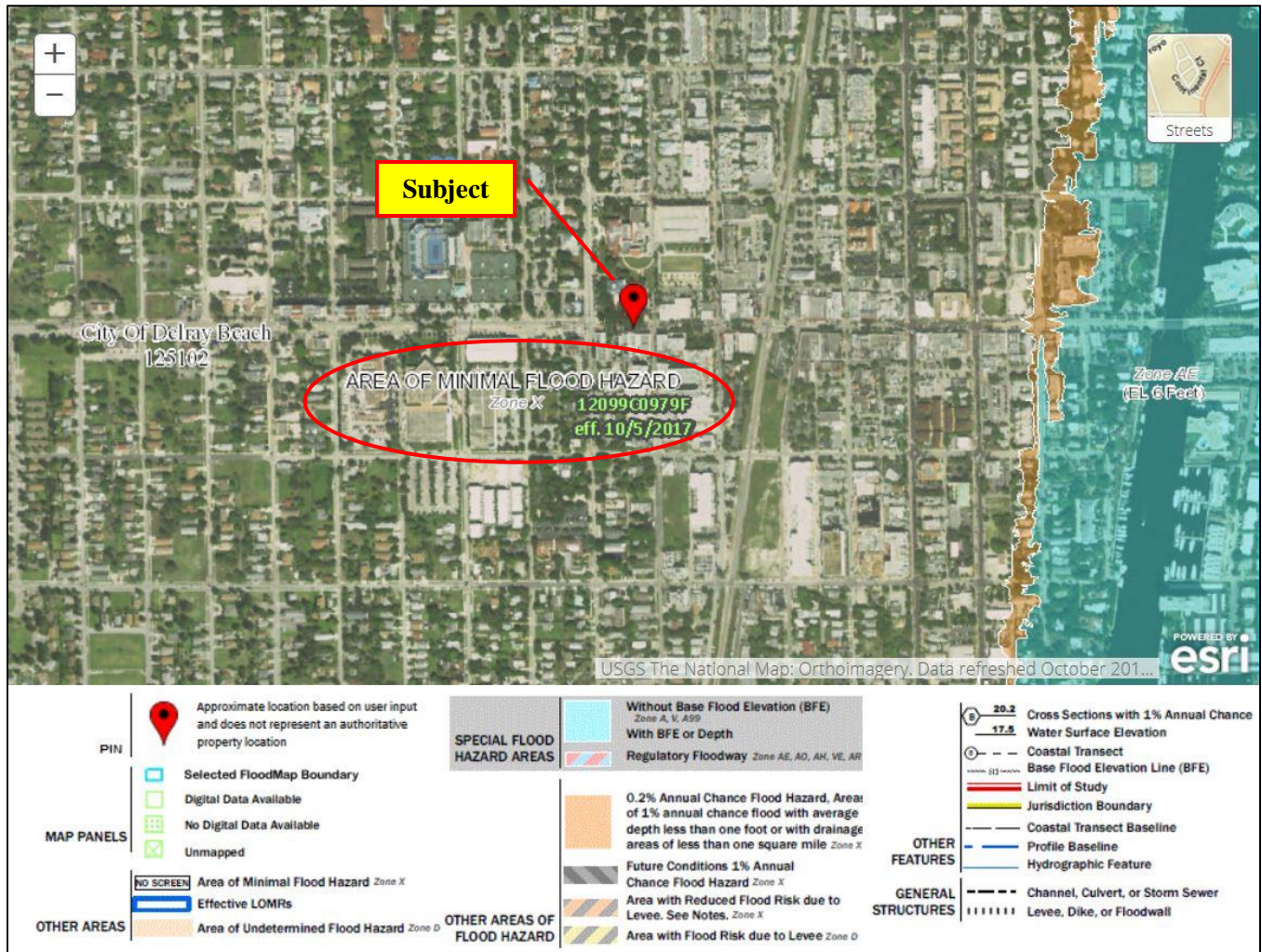


Flood Zone Designation

The subject property is located on the National Flood Insurance Program Map on Community Panel Number 12099C0979F, effective date of October 5, 2017. The subject appears to lie in an area designated as Zone X (unshaded).

Flood Zone X (unshaded) is determined to be outside the 0.2% annual chance floodplain.

Flood Map



Zoning and Future Land Use

The subject property's use is dictated by the City of Delray Beach Zoning Code and Comprehensive Plan. The City of Delray Beach zoning and future land use maps indicate the subject property has a zoning designation of OSSHAD (Old School Square Historic Arts District) with an underlying land use designation of OMU (Other Mixed Use). The OSSHAD is also a designated historic district.

The purpose of the OSSHAD zoning district is stated as 'provide for mixed uses of residential, office, and commercial activities, with an emphasis on the arts, that will encourage the restoration or preservation of historic structures and, yet, maintain and enhance the historic and pedestrian scale of the area; stimulate greater awareness and pride in the City's architectural heritage, and create an atmosphere and feeling of "Old Delray Beach"; improve the environmental quality and overall livability of this Historic District and stabilize and improve property value therein, and; allow uses which promote preservation and adaptive reuse of all structures within the District. Uses allowed are numerous and include, but are not limited to; single family, duplex, business/professional/governmental offices, many retail uses such as restaurants/gift shops/boutiques,

a wide verity of art and educational uses, many personal services, and bed and breakfast inns. Additionally, uses allowed within the properties along East Atlantic Avenue in the subject bock include uses allowed in the base district and special regulations within the Central Business District zoning category. Furthermore, additional uses such as outdoor dining, residential inn, and public parking lots are allowed as conditional uses.

Lots in the OSSHAD distinct must be at least 8,000 square feet in size and have a lot width of no less than 80 feet and a depth of no less than 100 feet. Maximum lot coverage is 40% with a maximum building height of 35 feet (both subject to additional regulations).

The OSSHAD zoning district is in line with the OMU land use plan designation.

The appraisers have not independently verified that the subject complies with current site development regulations (setbacks, site coverage, etc.). It has been assumed that by virtue of the subject's on-going use, should there be any areas of non-compliance, a variance has been issued or some other form of special exception has been made.



Concurrency

The strongest growth control measure ever imposed was passed by the Florida Legislature and became effective on February 1, 1990. This was mandated by Chapter 163, Florida Statutes, otherwise known as the Growth Management Law. One provision of this law is referred to as Concurrency which dramatically limits the ability to develop real property. It is basically the requirement that adequate infrastructure be available to serve new development. Eight types of infrastructure are affected including traffic, potable water, sewer, drainage, solid waste, recreation and open space, mass transit, and fire rescue.

In May of 2011, House Bill 7172 amended the Growth Management act in an effort to spur economic growth through streamlining and lessening growth management controls. Transportation concurrency requirements were exempted in dense urban land areas with populations of at least 1,000 people per square mile. Also, within dense urban land areas, the DRI process has been exempted. State review of local comprehensive plans was streamlined and zoning changes are now allowed to be considered concurrently with land use plan amendments.

It is the appraisers' understanding that the subject is not subject to any concurrency restrictions. Should the property be altered or redeveloped, the matter of concurrency would need to be revisited at that time.

Utilities

The following utilities are available to the subject property: water, electricity, municipal sewer.

Subject Property Sales History

The appraisers have not been provided with a title abstract on the property appraised nor have they conducted a title search of their own. The Palm Beach County Property Appraiser's records do not indicate when the subject alley strip last sold but research indicates the property has been in city ownership for many years, at least prior to January 1976.

To the appraisers' knowledge the subject property is not currently listed for sale or subject to a current purchase agreement.

Site Analysis

The following analysis is based upon a personal inspection of the site and Palm Beach County Public Records.

Location

The subject properties are located between South Swinton Avenue and Southeast 1st Avenue just south of East Atlantic Avenue in downtown Delray Beach, Florida. They back to properties on the north at 8, 16, 32, and 38 East Atlantic Avenue, Delray Beach, Florida 33444. All the south side of the alley strips is another paved 16 foot alley which extends through the block. This alley is the main alley serving the rear of the properties in the city block.



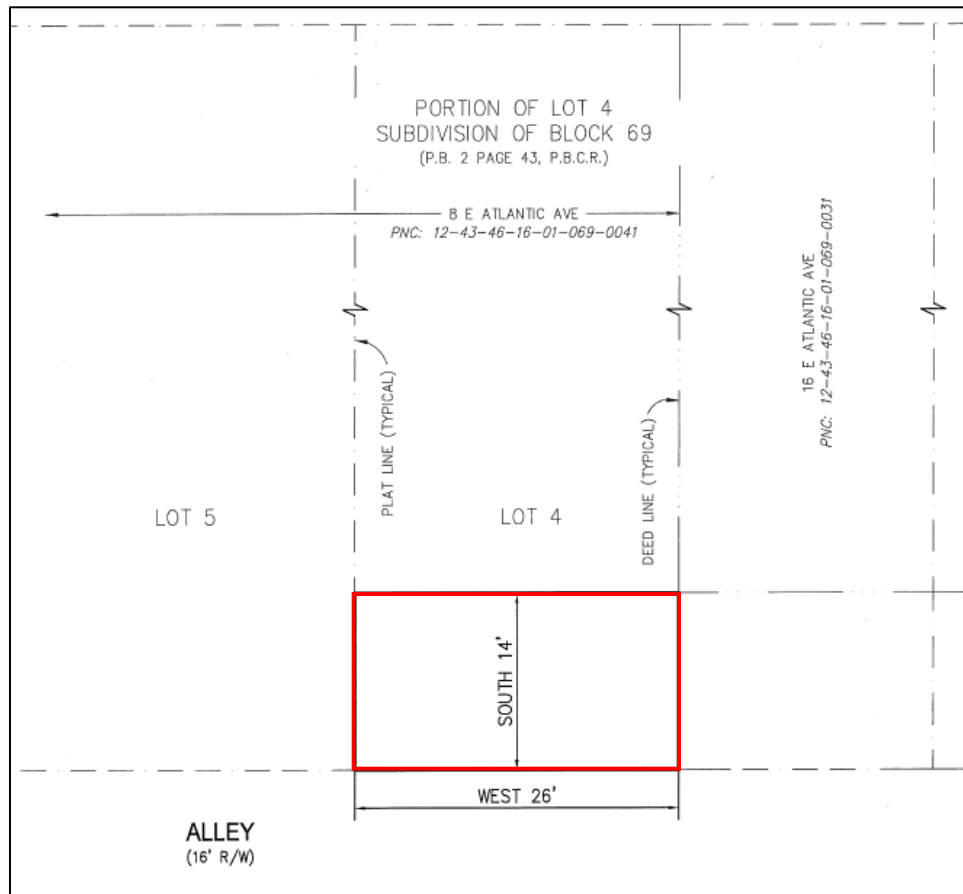


Size and Shape

We have relied on the site size for the subject properties from the aforementioned Avirom & Associates, Inc. Surveying & Mapping sketches. The site sizes of the adjoining tracts fronting on East Atlantic Avenue are from the county Property Appraiser records.

Parcel 1 (8 East Atlantic Avenue)

This alley strip measures 26 x 14 feet and contains a total of 364 square feet.

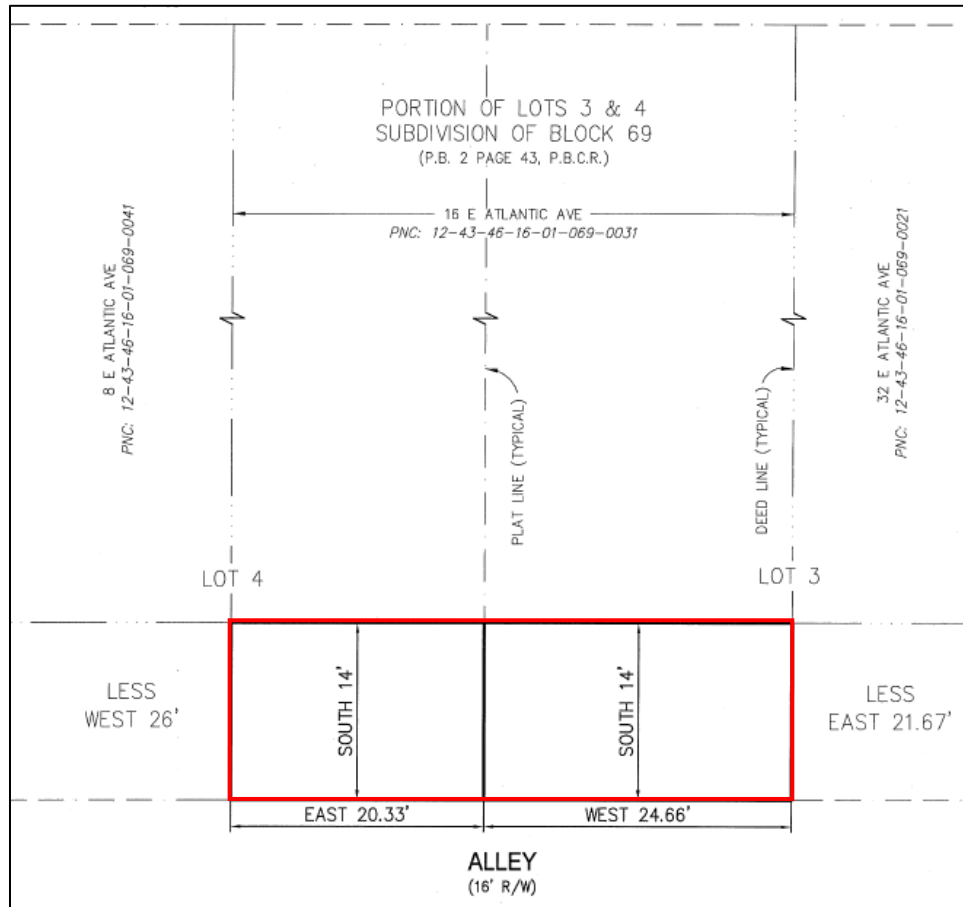


The property adjoining this tract fronting on East Atlantic Avenue is an L shaped tract containing about 9,726 square feet with around 76 feet on East Atlantic Avenue.



Parcel 2 (16 East Atlantic Avenue)

This alley strip measures 44.99 x 14 feet and contains a total of 630 square feet.

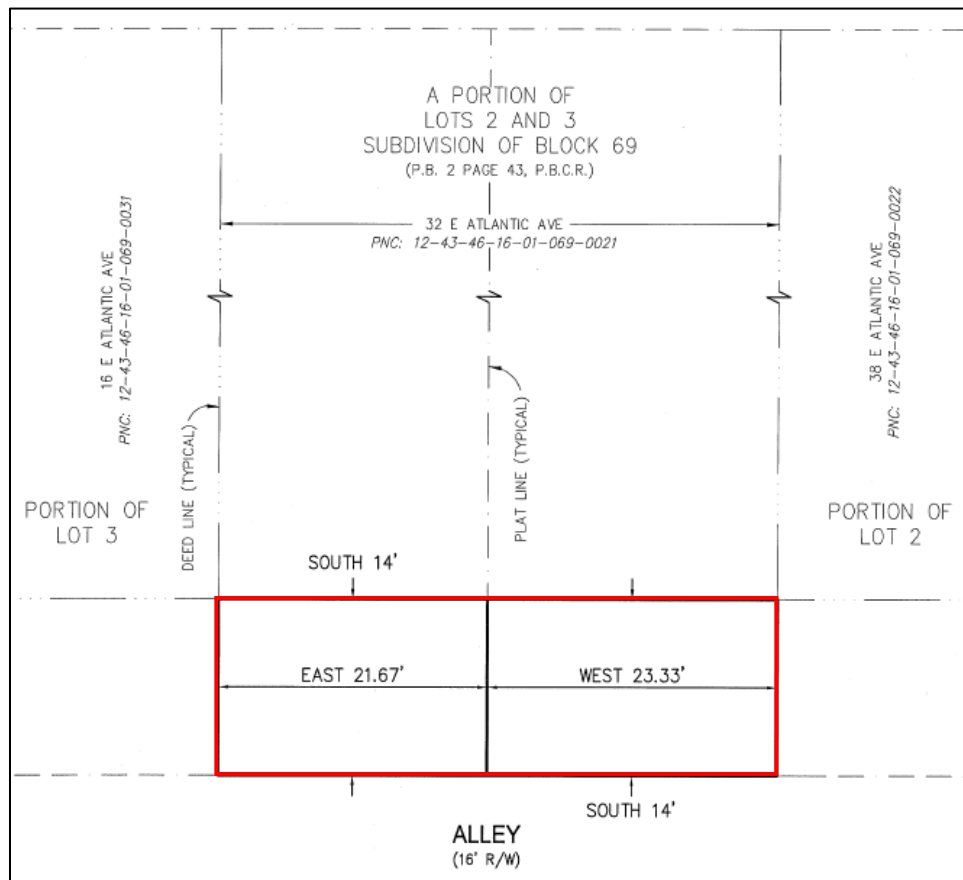


The property adjoining this tract fronting on East Atlantic Avenue is a rectangular shaped tract containing about 5,272 square feet with around 45 feet on East Atlantic Avenue.



Parcel 3 (32 East Atlantic Avenue)

This alley strip measures 45 x 14 feet and contains a total of 630 square feet.

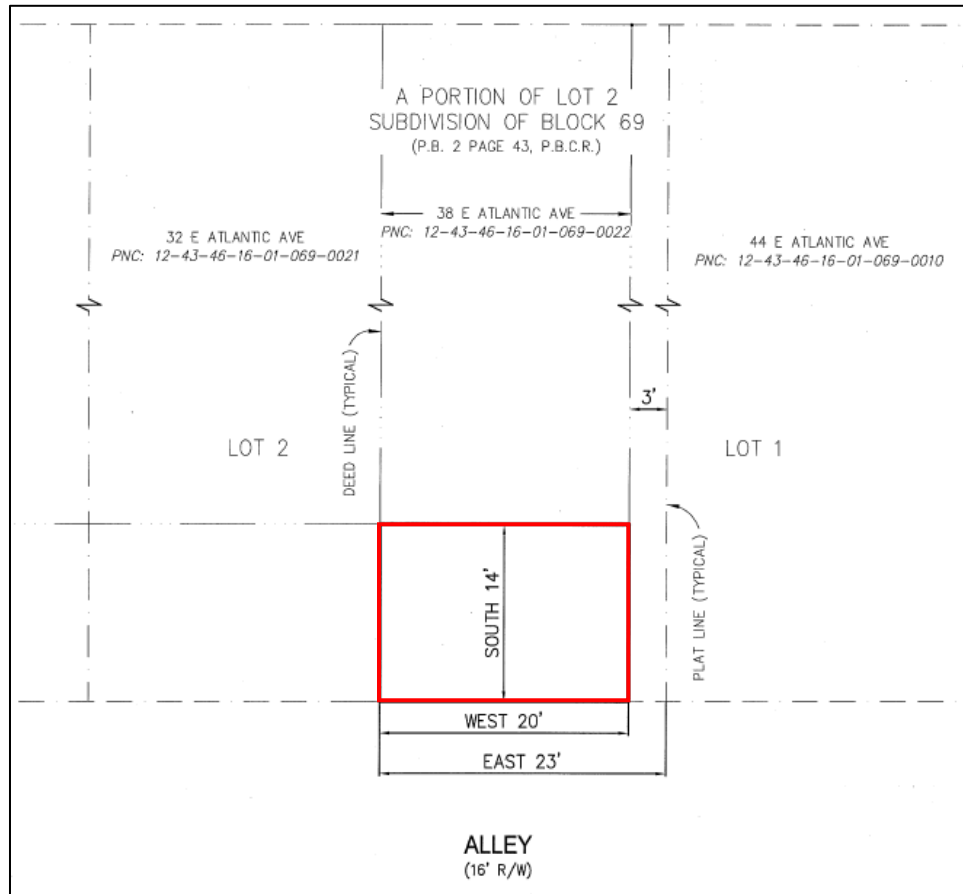


The property adjoining this tract fronting on East Atlantic Avenue is a rectangular shaped tract containing about 6,024 square feet with around 45 feet on East Atlantic Avenue.



Parcel 4 (38 East Atlantic Avenue)

This alley strip measures 20 x 14 feet and contains a total of 280 square feet.



The property adjoining this tract fronting on East Atlantic Avenue is a rectangular shaped tract containing about 2,511 square feet with around 20 feet on East Atlantic Avenue.

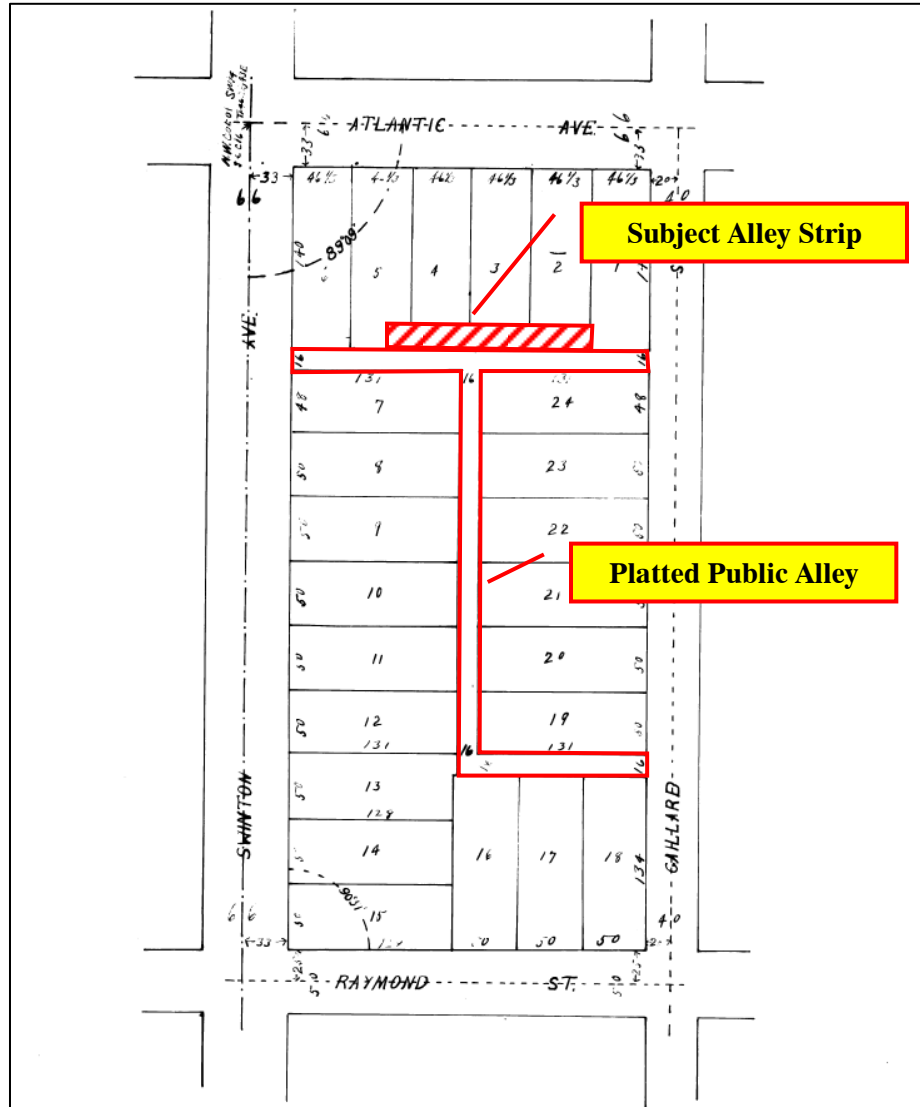
Topography and Drainage

The subject sites are level and near road grade. Drainage appears to be adequate for its current use. No apparent drainage problems were noted during the inspection. However, we have not had the opportunity to visit the site during a time of heavy rainfall. It is assumed that the subject does not suffer from any detrimental drainage problems.



Access

Access is via the main alley extending through and serving properties within this city block.



Easements or Encroachments

Typical utility easements are believed to exist. The sketches that were provided did not delineate the boundaries of any potentially detrimental easements or encroachments. The appraisers did not note any such conditions during our on-site inspection. We have no reason to believe that there are any easements or encroachments on the property that would affect its use in such a way as to have a negative impact on value.



Soil/Environmental Conditions

We have not been provided with nor have we commissioned a soil or sub-soil condition report. The subject's land appears to be composed of typical loose South Florida sand.

The appraisers have no reason to believe that there may be hazardous materials stored and used at the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

Improvement Analysis

The subject alley strips are asphalt paved but otherwise void of building improvements. The adjoining properties fronting on East Atlantic Avenue are improved with commercial buildings. The following brief description is from public records.

8 East Atlantic Avenue

This property is improved with a one and two story, CBS building built in 1950. The first floor is was built out as a restaurant (formerly Smoke BBQ) with the second floor offices. The building is now being fully renovated. The property includes open and covered, courtyard, outdoor seating with some of this space occupied by the property to the west. The building contains 3,003 square feet and there is some on-site, asphalt paved rear parking.

16 East Atlantic Avenue

This property contains a single story building constructed in 1950. It contains a total 2,642 square feet and is occupied by a restaurant; Honey. Behind the building is some on-site, asphalt paved parking.

32 East Atlantic Avenue

This property was home to the restaurant 32 East but is now being totally renovated. The 7,688 square foot, two story, CBS building was built in 1942. At the rear is some open, asphalt paved parking area.

38 East Atlantic Avenue

This property is improved with a thin, 20 foot wide, one story, CBS retail building occupied by Debilzan (art gallery). The building contains 1,149 square feet and there is some rear asphalt paved parking.



HIGHEST AND BEST USE

The Appraisal Institute defines highest and best use as follows:

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value. (Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., Chicago: Appraisal Institute, 2015).

The analysis of highest and best use normally applies these considerations in a three step process, involving the analysis of the Highest and Best Use of the site as if vacant, determination of the ideal improvement, and a comparison of the existing improvement with the ideal improvement in order to estimate the highest and best use as improved. The subject is vacant land, therefore only the first two steps apply.

The subject sites are zoned for commercial/residential use. The parcels are small ranging from 280 to 630 square feet. Combined they create a narrow alley strip. Due to size and configuration the parcels/alley strip are more or less useless for anything other than a roadway, parking lot, alley, driveway, utility, or railroad spur track. They could not readily be developed as stand-alone parcels.

The parcels have little, if any, development potential to anyone other than the adjoining property owner. This type of property is almost exclusively purchased privately by the adjacent land owner for assemblage and almost never sold in the open market. Depending on the entities involved, the value of this type of property is sometimes discounted for size and width, configuration, and lack of development potential. In more and more cases, however, the selling parties demand full value with no discount based on an across the fence value.

The highest and best use of the subject properties is for assemblage with the adjoining properties. This would result in the most utility, development potential and highest value. It should be noted that an “across the fence” value ignores the highest and best use of the property on a stand-alone basis (which would include a discount for configuration and utility).



EXPOSURE AND MARKETING TIME

Exposure time is: 1) The time a property remains on the market; 2) The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; 3) A retrospective estimate based on an analysis of past events assuming a competitive and open market.

Marketing time is an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions address the determination of reasonable exposure and marketing time. (Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th ed., Chicago: Appraisal Institute, 2015).

Financing for commercial properties appears to be readily available at this time. Most properties offered for sale have been exposed on the market for six to twelve months or longer.

The subject properties are not readily marketable on its own, other than to an adjacent owner. An estimate of exposure or marketing times is not warranted, given the nature of the property and the scope of this assignment.



SALES COMPARISON APPROACH

The sales comparison approach is the process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. (Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th ed., Chicago: Appraisal Institute, 2015.)

The sales comparison approach requires that the appraiser locate recent sales of similar properties and through an adjustment process arrive at an indication of what these properties would have sold for if they possessed all of the salient characteristics of the subject property. These adjusted sales prices are then correlated into an estimate of the market value of the property via the sales comparison approach to value.

A search of the Palm Beach County official records, local multiple listing service records, discussions with local brokers and appraisers and a personal inspection of the subject area produced several sales of similar type properties. The sales used in the analysis were the best comparables that we were able to verify with public records and/or a party to the transaction.

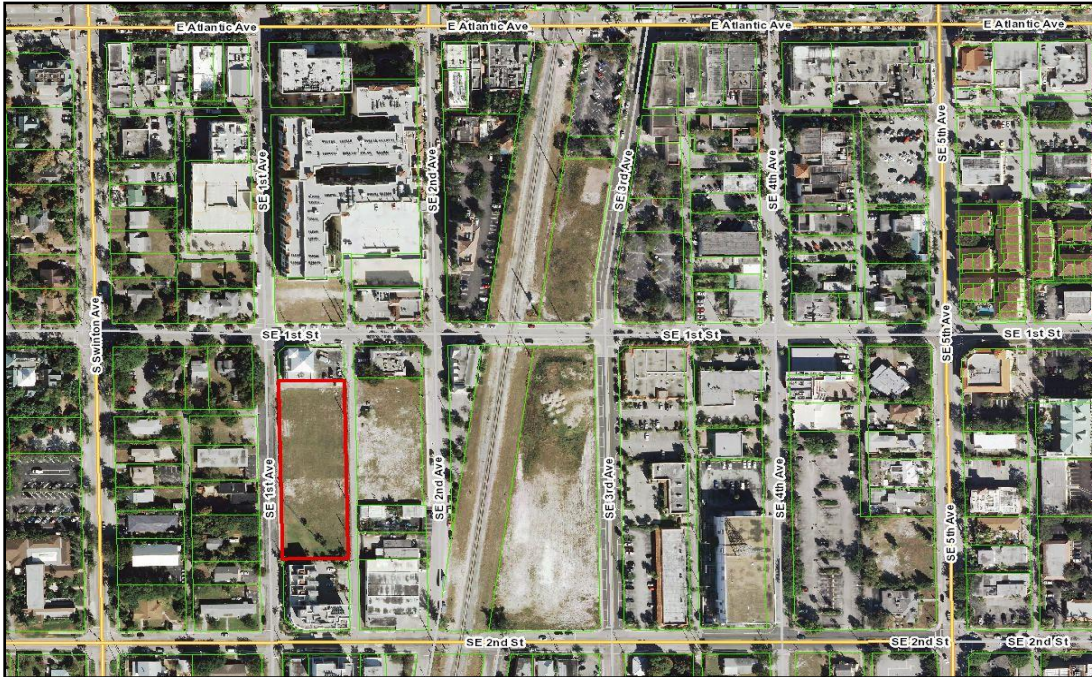
The following pages feature a detailed write up of each comparable used in the analysis, a location map and summary of the selected comparable sales data, which is followed by a discussion of the pertinent adjustments and conclusion of value.



SALE NO. 1 - 111 Southeast 1st Avenue, Delray Beach, FL 33444

AC File No.: 2150183.000

ID: 907977



OR Book/Page: 27479/0364

Sale Status: Sale

Type: Land

Sub-Type: Commercial

Date: April 20, 2015

Grantor: SW Delray One, LLC

Grantee: SOFA I, LLLP

Legal: All of the Plat of Miraflores at Delray, according to the plat thereof, as recorded in Plat Book 108, Page 184, Public Records of Palm Beach County, Florida

Folio No.: 12-43-46-16-K8-002-0000

Location: East side of Southeast 1st Avenue, between Southeast 1st Street and north of Southeast 2nd Street, south of East Atlantic Avenue in Delray Beach

Zoning: CBD - Central Business District by City of Delray Beach

Land Use: Commercial

Utilities: Municipal water and sewer, electricity, and telephone

Site Size: Square Feet: 48,787 Acres: 1.120
 Shape: Rectangular Street Frontage (Ft.): 387
 Topography/Elevation: Level, near road grade

Use: Use at Time of Sale: Vacant Land
 Intended Use: Residential Development
 Highest and Best Use: Residential Development

Verification: Source: Katie Knight
 Relationship: Broker Assistant
 Conditions of Sale: Arm's-length
 Verified By: M. Jackson
 Date: May 19, 2015

Sales History: Previously sold for \$1,100,000 in May 2011, recorded in County OR Book 24566
 Page 1207

Sales Price: \$9,030,000

Price/SF Land: \$185.09

Price/Acre: \$8,062,500

Financing: Cash to seller

Comments:

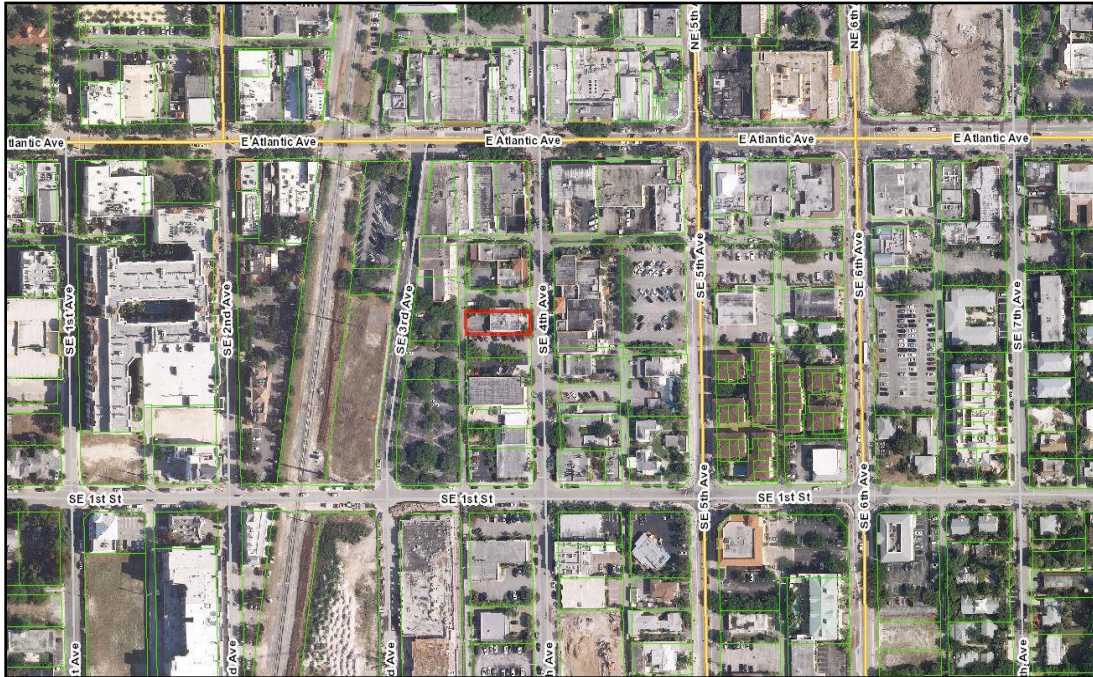
This sale closed with site plan approval for a 5-story tower with 76 units. There is also a workforce housing component within the approval. The site was improved with all utilities at the time of sale and the buyer paid all cash for the property. The property was listed for 528 days according to Loopnet. The broker's office stated that the seller had originally purchased the site in 2011 to develop himself; however, decided to sell the property instead.



SALE NO. 2 - 50 South East 4th Avenue, Delray Beach, FL 33483

AC File No.: 2170262, 2180381

ID: 909593



OR Book/Page: 28360/0338

Sale Status: Sale

Type: Land

Sub-Type: Commercial

Date: June 1, 2016

Grantor: Mark A. Perry

Grantee: 50 SE 4th Avenue, LLC

Legal: Lot 9, Block 93, Delray Beach, Plat Book 2, Page 18, Palm Beach County, Florida

Folio No.: 12-43-46-16-01-093-0090

Location: West side of SE 4th Avenue roughly 280 feet south of East Atlantic Avenue, Delray Beach, Florida

Zoning: CBD - Central Business District by Delray Beach

Land Use: Commercial Core

Utilities: Municipal water and sewer, electricity, and telephone

Site Size: Square Feet: 5,649 Acres: 0.130
 Shape: Rectangular Street Frontage (Ft.): 45
 Topography/Elevation: Level, near road grade

Use: Use at Time of Sale: Office
 Intended Use: Restaurant
 Highest and Best Use: Commercial

Verification: Source: Mark Perry via office manager
 Relationship: Seller
 Conditions of Sale: Arm's-length
 Verified By: B. Arnold, Gary Orr
 Date: August 16, 2018

Sales History: No arm's length transactions in the previous five years

Sales Price: \$1,400,000

Price/SF Land: \$247.83

Price/Acre: \$10,769,231

Financing: Cash to seller

Comments:

Property is improved with a 2,619 square foot single tenant office building built in 1969 that was owner occupied. The property was purchased for redevelopment with the buyer intended to construct a new restaurant building on the site.



ID: 909589



Utilities: Municipal water and sewer, electricity, and telephone



Site Size: Square Feet: 18,717 Acres: 0.430
 Shape: Rectangular Street Frontage (Ft.): 255
 Topography/Elevation: Level, near road grade

Use: Use at Time of Sale: Vacant
 Intended Use: Hotel
 Highest and Best Use: Commercial

Verification: Source: Chris Lowry, Costar, public records
 Relationship: Listing broker
 Conditions of Sale: Arm's-length
 Verified By: B. Arnold
 Date: August 28, 2017

Sales History: No arm's length transactions in the previous five years

Sales Price: \$2,300,000

Price/SF Land: \$122.88

Price/Acre: \$5,348,837

Financing: None recorded

Comments:

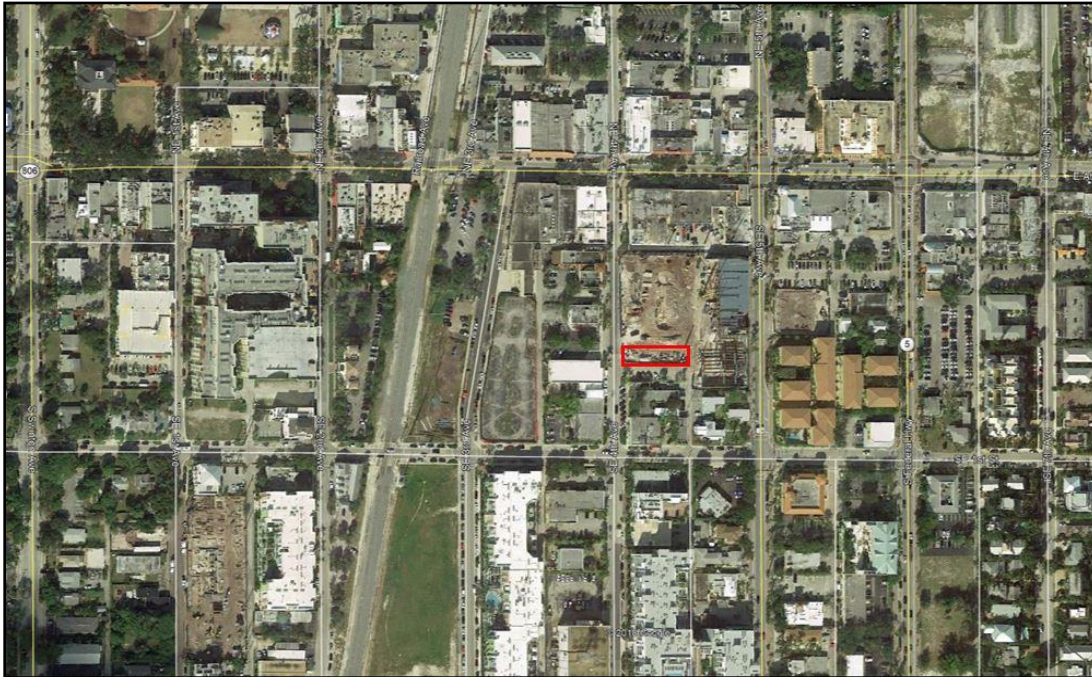
Broker indicates the sale had a 60 day due diligence phase and that the sale was not subject to any development approval. Buyer also purchased the adjacent property at the northeast corner of NE 4th Avenue and NE 2nd Street. They are seeking approval for the construction of a 4-story 60 room hotel (The Adam Hotel) on the combined properties.



SALE NO. 4 - 59 Southeast 4th Avenue, Delray Beach, FL 33444

AC File No.: 2180381

ID: 910151



OR Book/Page: 29090/0924

Sale Status: Sale

Type: Land

Sub-Type: Commercial

Date: April 7, 2017

Grantor: The Martini Group, LC

Grantee: Delray Beach 4th & 5th Avenue, LLC

Legal: Long legal in Lots 10 and 11, Block 101, Town of Delray Beach, Plat Book 1, Page 3, Palm Beach County, Florida

Folio No.: 12-43-46-16-01-101-0102

Location: East side of Southeast 4th Avenue just south of East Atlantic Avenue, Delray Beach

Zoning: CBD - Central Business District by City of Delray Beach

Land Use: Commercial Core

Utilities: Water, electricity, municipal sewer



Site Size: Square Feet: 6,052 Acres: 0.139
 Shape: Rectangular Street Frontage (Ft.): 48
 Topography/Elevation: Level, near road grade

Use: Use at Time of Sale: Retail / Residential
 Intended Use: Commercial Redevelopment
 Highest and Best Use: Commercial

Verification: Source: Phyllis Martini
 Relationship: Seller
 Conditions of Sale: Arm's-length
 Verified By: Gary Orr
 Date: August 15, 2018

Sales History: No transactions in the previous five years

Sales Price: \$2,300,000

Price/SF Land: \$380.04

Price/Acre: \$16,546,763

Financing: Cash to seller

Comments:

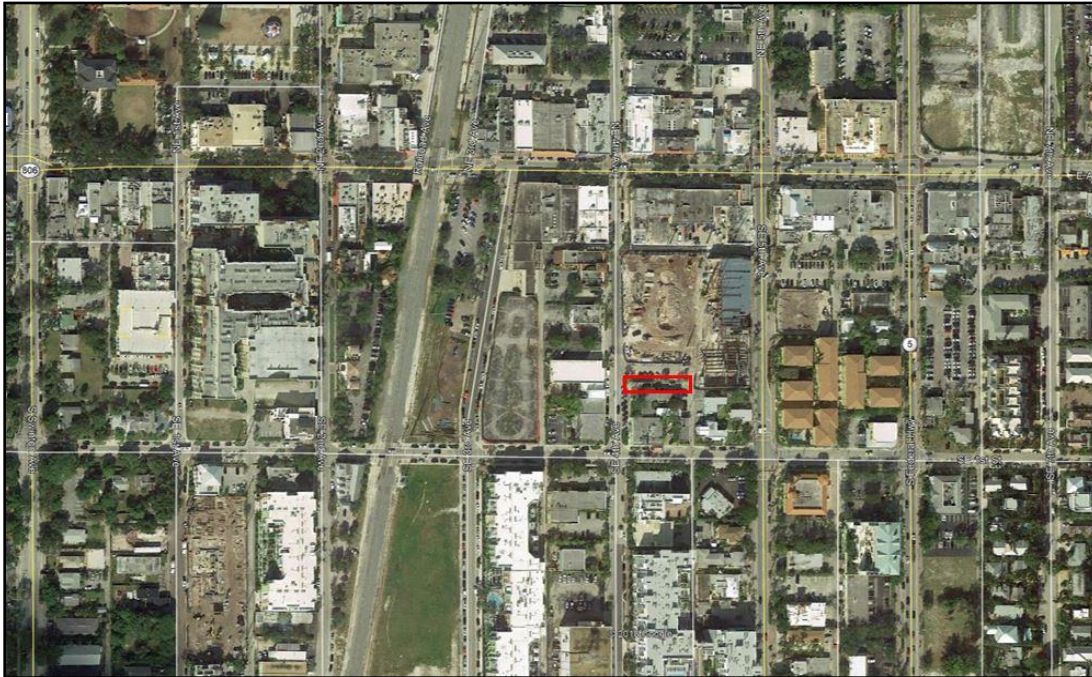
This is the sale of a property improved with a small two story building with two retail shops on the first floor and a residential apartment on the second floor. The property included some rear asphalt paved parking and backed to a public alley. The 3,680 square foot building was built in 1950 which was demolished by the buyer. The property was purchased for assemblage into 50,000 square foot commercial project of office and retail space including a new iPic movie theater plus a 326 space parking garage.



SALE NO. 5 - 75 Southeast 4th Avenue, Delray Beach, FL 33444

AC File No.: 218381

ID: 910152



OR Book/Page: 29638/1276

Sale Status: Sale

Type: Land

Sub-Type: Commercial

Date: January 29, 2018

Grantor: Carol A. Cullen

Grantee: Surplus Giant, Inc.

Legal: Long legal in Lot 11, Block 101, Town of Delray, Plat Book 1, Page 3, Palm Beach County, Florida

Folio No.: 12-43-46-16-001-101-0112

Location: East side of Southeast 4th Avenue just south of East Atlantic Avenue, Delray Beach

Zoning: CBD - Central Business District by City of Dania Beach

Land Use: Commercial Core

Utilities: Water, electricity, municipal sewer

Site Size: Square Feet: 2,651 Acres: 0.061
 Shape: Rectangular Street Frontage (Ft.): 21
 Topography/Elevation: Level, near road grade

Use: Use at Time of Sale: Retail
 Intended Use: Investment
 Highest and Best Use: Commercial

Verification: Source: David Doran, Surplus Giant
 Relationship: Buyer
 Conditions of Sale: Arm's-length
 Verified By: Gary Orr
 Date: August 15, 2018

Sales History: \$68,000, October 1997, OR 10052/1521

Sales Price: \$800,000

Price/SF Land: \$301.77

Price/Acre: \$13,114,754

Financing: Cash to seller

Comments:

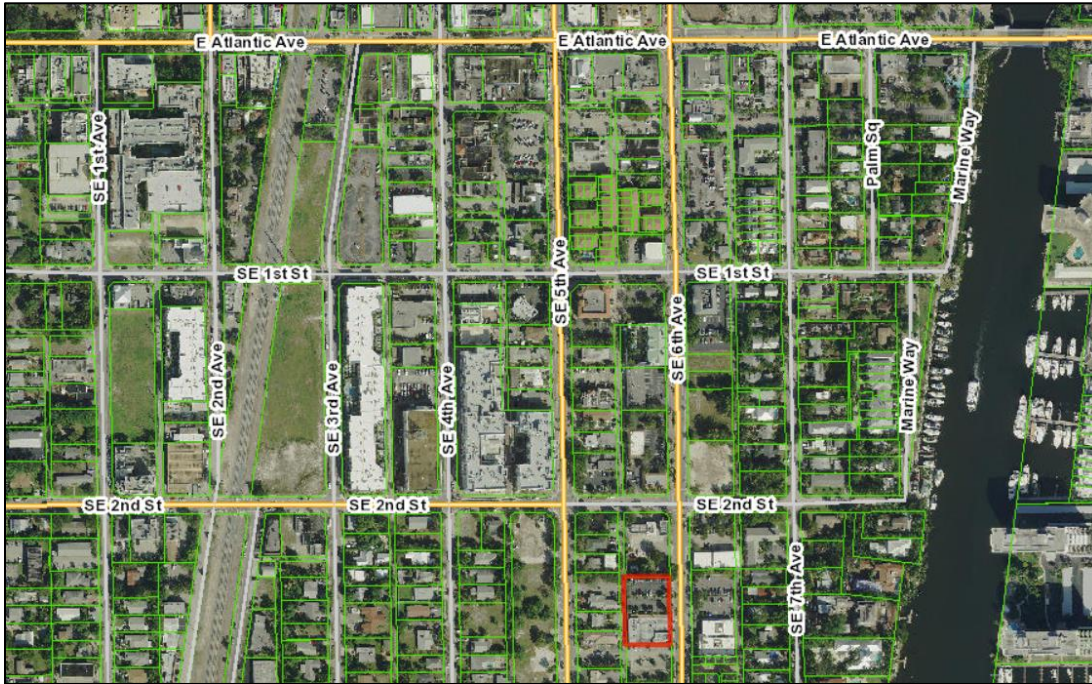
This is the sale of a property improved with a small one story, single user, retail / office building with some rear parking off an alley. The 705 square foot building was built in 1950. The property was purchased as a land investment with the building leased for two years until redevelopment / assemblage is warranted.



SALE NO. 6 - 258 SE 6th Avenue, Delray Beach, FL 33483

AC File No.: 2180325.000

ID: 910109



OR Book/Page: /
Sale Status: Contract

Type: Land
Sub-Type: Commercial

Date: May 21, 2018

Grantor: Nicolae Ionescu and Claudia Ionescu

Grantee: Steven Samuels

Legal: Lots 25, 26, 27, and the North 10 feet of Lot 28, less the East 5 feet thereof, Re-subdivision of Block 111, Delray Beach, FL, as recorded in Plat Book 13, Page 46 of the Public Records of Palm Beach County, Florida.

Folio No.: 12-43-46-16-01-111-0250

Location: West side of SE 6th Avenue, north of SE 3rd Street and south of SE 2nd Street in Delray Beach.

Zoning: CBD - Central Business District by City of Delray Beach

Land Use: Commercial Core

Utilities: Municipal water and sewer, electricity, and telephone



Site Size: Square Feet: 25,109 Acres: 0.576
 Shape: Rectangular Street Frontage (Ft.): 193
 Topography/Elevation: Level, near road grade

Use: Use at Time of Sale: Office/Retail
 Intended Use: Office/Retail
 Highest and Best Use: Office/Retail or Redevelopment

Verification: Source: Contract, Inspection, Nicolae Ionescu
 Relationship: Owner/Seller
 Conditions of Sale: Arm's-length
 Verified By: M. Mickle
 Date: June 27, 2018

Sales History: No transactions in the previous five years

Sales Price: \$3,200,000

Price/SF Land: \$127.44

Price/Acre: \$5,555,556

Financing: Cash to seller

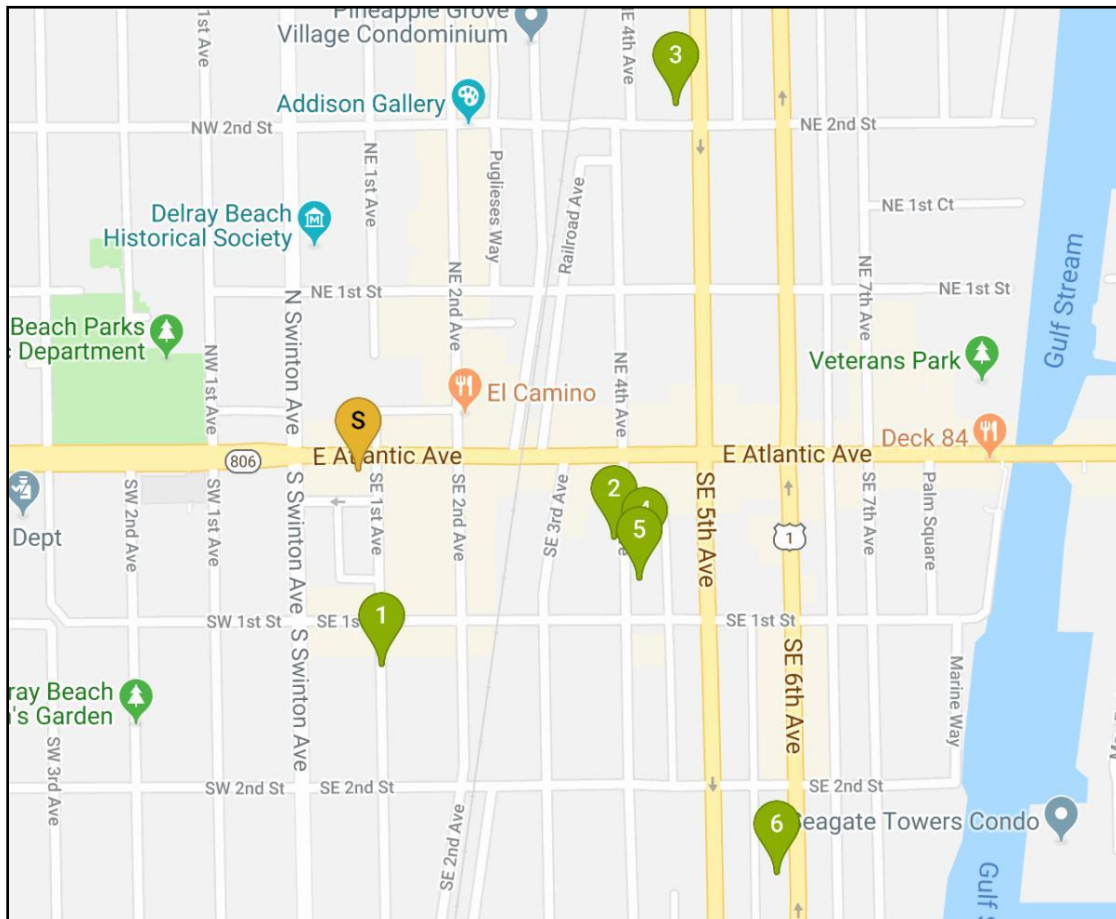
Comments:

The subject is improved with an older multi-tenant office/retail building containing approximately 10,016 square feet of building area. It is located just south of East Atlantic Avenue in a trendy redevelopment area of Delray Beach. There are numerous redevelopment projects within a mile radius of the property and a strong demand for investment property. The property is well maintained and was found to be in average to good condition at the time of inspection.

The subject is currently 84% occupied and is achieving rents at market levels. The vacant space has not been advertised as the owner had plans to sell the property. It is unclear what the buyer plans to do with the property; however, redevelopment has not been ruled out.



SALES SUMMARY TABLE					
Sale No. Date	OR Bk Page	Property Address	Land Area SF Acres	Sale Price	Price/SF of Land
1 Apr-15	27479 0364	111 Southeast 1st Avenue Delray Beach	48,787 1.12	\$9,030,000	\$185.09
2 Jun-16	28360 0338	50 South East 4th Avenue Delray Beach	5,649 0.13	\$1,400,000	\$247.83
3 Jun-16	28402 1371	200 NE 5th Avenue Delray Beach	18,717 0.43	\$2,300,000	\$122.88
4 Apr-17	29090 0924	59 Southeast 4th Avenue Delray Beach	6,052 0.14	\$2,300,000	\$380.04
5 Jan-18	29638 1276	75 Southeast 4th Avenue Delray Beach	2,651 0.06	\$800,000	\$301.77
6 May-18	Current Contract	258 SE 6th Avenue Delray Beach	25,109 0.58	\$3,200,000	\$127.44
Subj. Aug-18	---	8, 16, 32, and 38 East Atlantic Avenue Delray Beach	280 to 630 ---	---	---



Sales Summary and Discussion

In this analysis, we considered differences between the sales and the subject in terms of property rights sold, conditions of sale, financing, market conditions (trend or time adjustment), location, building and lot size, and quality and condition of the improvements.

The appraisers based the comparisons on a standardized unit of measure, the sale price per square foot of land. The sale price per square foot of land correlates well among the comparable sales and is commonly used by buyers in this type of analysis.

Property Rights

The property rights transferred were believed to be those of the fee simple estate. No differences between the sales and the subject are reflected.

Conditions of Sale

All sales were reportedly market oriented, however, sale 4 appears to have been influenced by the buyers desire to assemble the property into the new 4th & 5th Delray project and has been adjusted downward for this aspect.

Financing

We considered any indication of favorable financing. All sales were either on a cash basis or had market oriented financing, therefore, no differences were noted nor were adjustments made.

Market Conditions

The sales occurred over the period from April 2015 to May 2018. The date of value is August 14, 2018. The market has shown improving market conditions over this time period. Accordingly sales 1, 2, 3, 4, and 5 have been adjusted upward for market conditions. Sale 6 is a current contract and warrants no adjustment.

Location

The subject properties are located behind 8, 16, 32, and 38 East Atlantic Avenue within the block along the roadway. The East Atlantic Avenue strip is the main commercial area. The downtown core stretches for several blocks to the north and south but desirability decreases in the blocks further from the East Atlantic Avenue blocks. Accordingly, sales 1, 3, and 4 have been adjusted upward for these differences.

Size

The subject properties are small tracts but an across the fence valuation is based on the values of nearby properties of differing sizes along the East Atlantic Avenue strip.



Site Conditions

Properties of all different shapes can typically be developed. Some properties, however, allow for a more efficient development of the site providing for the maximum development intensity. Neither the subject nor the comparables appear to be impacted by their shape in such a manner as to limit their development. Another factor considered here is the existence of any physically detrimental site conditions such as contamination or muck. Neither the subject nor any of the comparables were known to suffer from any detrimental site conditions. Some of the sales were improved with temporary use of the improvements offsetting demolition expenses and no adjustment for this aspect is needed.

Zoning/Land Use

The subject property and all of the sales are zoned for commercial use by the City of Delray Beach. Though they may vary by particular zoning district, all of the comparables have similar oriented downtown designations that allow for similar uses as the subject. No adjustment is warranted.



QUANTITATIVE SALES ADJUSTMENT CHART - PRICE/LAND SF												
Sale Date	Property Address	Land SF	Price/ Land SF	Financing/ Adj. Price/ Land SF	Conditions of Sale/ Adj. Price/ Land SF	Market Conditions/ Adj. Price/ Land SF	Location	Land Size	Site Conditions	Zoning/ Land Use	Final Combined Adjustment	Overall Indication
1 Apr-15	111 Southeast 1st Avenue Delray Beach	48,787	\$185.09	0% \$185.09	0% \$185.09	20% \$222.11	20%	0%	0%	0%	20%	\$266.53
2 Jun-16	50 South East 4th Avenue Delray Beach	5,649	\$247.83	0% \$247.83	0% \$247.83	15% \$285.01	0%	0%	0%	0%	0%	\$285.01
3 Jun-16	200 NE 5th Avenue Delray Beach	18,717	\$122.88	0% \$122.88	0% \$122.88	15.0% \$141.32	30%	0%	0%	0%	30%	\$183.71
4 Apr-17	59 Southeast 4th Avenue Delray Beach	6,052	\$380.04	0% \$380.04	-20% \$304.03	10.0% \$334.43	0%	0%	0%	0%	0%	\$334.43
5 Jan-18	75 Southeast 4th Avenue Delray Beach	2,651	\$301.77	0% \$301.77	0% \$301.77	5.0% \$316.86	0%	0%	0%	0%	0%	\$316.86
6 May-18	258 SE 6th Avenue Delray Beach	25,109	\$127.44	0% \$127.44	0% \$127.44	0% \$127.44	30%	0%	0%	0%	30%	\$165.68
Subj. Aug-18	8, 16, 32, and 38 East Atlantic Avenue Delray Beach	280 to 630	---	---	---	---	---	---	---	---	---	---

Conclusion

Considering all of these differences, we developed the preceding quantitative comparison chart listing the sales as they compare to the subject property, based on a price per square foot of land. Not all categories considered are depicted. Those omitted reflect no differences between the sales and the subject property.

The unadjusted range of value indicated by the sales is \$122.88 to \$380.04 per square foot of land area. The preceding quantitative comparison chart shows the value range for the subject property after adjustment based on a price per square foot of land area to be from \$165.68 to \$334.43 with a mean of \$258.70. Considering all of the salient factors discussed previously and prevailing market conditions, the appraisers feel a conclusion in the middle portion of the indicated range is most appropriate. Given the preceding data and discussions, it is concluded that the market reflects a value per square foot of land area for the subject properties of \$260.00 as of August 14, 2018. Total values are calculated as follows:

MARKET VALUES VIA SALES COMPARISON APPROACH:

Parcel 1 (8 East Atlantic Avenue):

364 Square Feet @ \$260.00 per Square Foot =	\$94,640	
Rounded to:		\$95,000

Parcel 2 (16 East Atlantic Avenue):

630 Square Feet @ \$260.00 per Square Foot =	\$163,800	
Rounded to:		\$165,000

Parcel 3 (32 East Atlantic Avenue):

630 Square Feet @ \$260.00 per Square Foot =	\$163,800	
Rounded to:		\$165,000

Parcel 4 (38 East Atlantic Avenue):

280 Square Feet @ \$260.00 per Square Foot =	\$72,800	
Rounded to:		\$75,000



QUALIFICATIONS OF APPRAISER

ROBERT B. BANTING, MAI, SRA

PROFESSIONAL DESIGNATIONS - YEAR RECEIVED

MAI - Member Appraisal Institute - 1984

SRA - Senior Residential Appraiser, Appraisal Institute - 1977

SRPA - Senior Real Property Appraiser, Appraisal Institute - 1980

State-Certified General Real Estate Appraiser, State of Florida, License No. RZ4 - 1991

EDUCATION AND SPECIAL TRAINING

Licensed Real Estate Broker - #3748 - State of Florida

Graduate, University of Florida, College of Business Administration, BSBA (Major - Real Estate & Urban Land Studies) 1973

Successfully completed and passed the following Society of Real Estate Appraisers (SREA) and American Institute of Real Estate Appraisers (AIREA) courses and/or exams: Note: the SREA & AIREA merged in 1991 to form the Appraisal Institute.

SREA R2: Case Study of Single Family Residence
SREA 201: Principles of Income Property Appraising
SREA: Single Family Residence Demonstration Report
SREA: Income Property Demonstration Report
AIREA 1B: Capitalization Theory and Techniques
SREA 101: Introduction to Appraising Real Property
AIREA: Case Studies in Real Estate Valuation
AIREA: Standards of Professional Practice
AIREA: Introduction to Real Estate Investment Analysis
AIREA 2-2: Valuation Analysis and Report Writing
AIREA: Comprehensive Examination
AIREA: Litigation Valuation
AIREA: Standards of Professional Practice Part C

ATTENDED VARIOUS APPRAISAL SEMINARS AND COURSES, INCLUDING:

The Internet and Appraising	Golf Course Valuation	Discounting Condominiums & Subdivisions
Narrative Report Writing	Appraising for Condemnation	Condemnation: Legal Rules & Appraisal Practices
Condominium Appraisal	Reviewing Appraisals	Analyzing Commercial Lease Clauses
Eminent Domain Trials	Tax Considerations in Real Estate	Testing Reasonableness/Discounted Cash Flow
Mortgage Equity Analysis	Partnerships & Syndications	Hotel and Motel Valuation
Advanced Appraisal Techniques	Federal Appraisal Requirements	Analytic Uses of Computer in the Appraisal Shop
Valuation of Leases and Leaseholds	Valuation Litigation Mock Trial	Residential Construction From The Inside Out
Rates, Ratios, and Reasonableness	Analyzing Income Producing Properties	Development of Major/Large Residential Projects
Standards of Professional Practice	Regression Analysis In Appraisal Practice	Federal Appraisal Requirements

Engaged in appraising and consulting assignments including market research, rental studies, feasibility analysis, expert witness testimony, cash flow analysis, settlement conferences, and brokerage covering all types of real estate since 1972.

President of Anderson & Carr, Inc., Realtors and Appraisers, established 1947

Past President Palm Beach County Chapter, Society of Real Estate Appraisers (SREA)

Realtor Member of Central Palm Beach County Association of Realtors

Special Master for Palm Beach County Property Appraisal Adjustment Board

Qualified as an Expert Witness providing testimony in matters of condemnation, property disputes, bankruptcy court, foreclosures, and other issues of real property valuation.

Member of Admissions Committee, Appraisal Institute - South Florida Chapter

Member of Review and Counseling Committee, Appraisal Institute - South Florida Chapter

Approved appraiser for State of Florida, Department of Transportation and Department Natural Resources.

Instructor of seminars, sponsored by the West Palm Beach Board of Realtors.

Authored articles for The Palm Beach Post and Realtor newsletter.

Real Estate Advisory Board Member, University of Florida.

TYPES OF PROPERTY APPRAISED - PARTIAL LISTING

Air Rights	Medical Buildings	Apartment Buildings	Churches
Amusement Parks	Department Stores	Hotels - Motels	Marinas
Condominiums	Industrial Buildings	Office Buildings	Residences - All Types
Mobile Home Parks	Service Stations	Special Purpose Buildings	Restaurants
Auto Dealerships	Vacant Lots - Acreage	Residential Projects	Golf Courses
Shopping Centers	Leasehold Interests	Financial Institutions	Easements

"I am currently certified under the continuing education program of the Appraisal Institute."

QUALIFICATIONS OF APPRAISER
GARY K. ORR

GENERAL INFORMATION

State-Certified General Real Estate Appraiser RZ2335
Licensed Real Estate Salesman - State of Florida - 1978/1991
Realtor Associate Member - Florida Association of Realtors - 1978/1991
Realtor Associate Member - National Association of Realtors - 1978/1991
Realtor Associate Member - West Palm Beach Multiple Listing Service - 1978/1991

EDUCATION AND SPECIAL TRAINING

Graduate of Forest Hill High School - West Palm Beach
Graduate of Palm Beach Junior College; AA Degree Business Administration
Attended University of Florida at Gainesville; College of Business Administration (1976 and 1977)

Successfully completed and passed the following courses and/or seminars:

SREA 101: Introduction to Appraising Real Property
SREA 201: Principles of Income Property Appraising
SREA: Principles of Cash Equivalency
SREA: Adjusting for Financing Differences in Residential Property
SREA: Market Interpretations of Extraction
SREA: R41b Seminar - John Underwood, MAI, SREA
SREA: R41c Seminar - Dr. William Kinnard, MAI, SREA
AI: Standards of Professional Practice - Part A
AI: Exam Prep. for Commercial Appraiser Certification/Licensing

EMPLOYMENT EXPERIENCE

Engaged in appraising real estate in the State of Florida since 1978.
Residential and Commercial appraiser for Anderson & Carr, Inc. 1978-1992.
Residential and Commercial appraiser for Sayles & Sayles, Inc. 1992- August, 1995.
Presently working as appraiser for Anderson & Carr, Inc., Realtors/Appraisers.

APPRAISAL EXPERIENCE

Charitable R.E. Donations	Divorce Settlements	Eminent Domain
Estate Settlements	Executive Relocations	Fractional Interests
General Law Suits	Mortgage Financing	REO Properties
Partnership Buyouts	PBC R.E. Assessment Appeals	

TYPES OF PROPERTY APPRAISED

Acresage	Apartment Buildings	Automobile Showrooms
Churches	Citrus Groves	Convenience Stores
Equestrian/Polo Estates	Farms	Foliage Nurseries
Funeral Homes	Industrial Buildings	Industrial Complexes
Lumber Yards	Medical Offices	Mini-Warehouse Complexes
Motels	Multi-Family Projects	Office Buildings
Peat & Soil Plants	Post Office Buildings	Residences/Estates-All Types
Restaurants	Service Stations	Shopping Centers
Special Purpose Properties	Synagogues	Vacant Residential Lots
Vacant Commercial Tracts	Warehouse Buildings	Wetlands Properties

Appraiser Licenses

RICK SCOTT, GOVERNOR

KEN LAWSON, SECRETARY

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA REAL ESTATE APPRAISAL BD

LICENSE NUMBER

RZ4

The CERTIFIED GENERAL APPRAISER
Named below IS CERTIFIED
Under the provisions of Chapter 475 FS.
Expiration date: NOV 30, 2018

BANTING, ROBERT B
521 S OLIVE AVE
WEST PALM BEACH FL 33401



ISSUED: 09/14/2016

DISPLAY AS REQUIRED BY LAW

SEQ # L1609140002390

RICK SCOTT, GOVERNOR

KEN LAWSON, SECRETARY

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA REAL ESTATE APPRAISAL BD

LICENSE NUMBER

RZ2335

The CERTIFIED GENERAL APPRAISER
Named below IS CERTIFIED
Under the provisions of Chapter 475 FS.
Expiration date: NOV 30, 2018

ORR, GARY K
521 S OLIVE AVE
W PALM BEACH FL 33401



ISSUED: 11/08/2016

DISPLAY AS REQUIRED BY LAW

SEQ # L1611080003353