

A MARKET RENT ESTIMATE FOR

**126 PARKING SPACES
WITHIN THE MAGENTA
AND CYAN PARKING LOTS
LOCATED AT
117 NE 1ST STREET IN
POMPANO BEACH, FLORIDA**

FILE NUMBER: 25-86753

PREPARED FOR

THE CITY OF POMPANO BEACH

AS OF

MAY 7, 2025

BY

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May 8, 2025

Cassandra LeMasurier
Real Property Manager
City of Pompano Beach
100 W. Atlantic Boulevard
Pompano Beach, FL 33060

Dear Ms. LeMasurier:

We have prepared a Market Rent Estimate for the 126 parking spaces within the Magenta and Cyan parking lots located at 117 NE 1st Street, in Pompano Beach, Florida. The Subject Property will be further described within the following Appraisal Report. The purpose of this investigation and analysis was to provide our opinion of the Market Rent for the Subject Property as of May 7, 2025.

This report has been prepared for our client and intended user, The City of Pompano Beach. The intended use is to assist the client for internal decision making. The scope of work performed is specific to the needs of the intended user and the intended use. No other use is intended, and the scope of work may not be appropriate for other uses.

The scope of work performed included a complete analysis of the Subject Property. A detailed scope of work description can be found in the body of this report.

Based upon the scope of the assignment, our investigation and analysis of the information contained within this report, as well as our general knowledge of real estate valuation procedures and market conditions, it is our opinion that **annual market rent of \$68,000 or approximately \$45.00 per month per space on a gross lease basis**, would be expected for the Subject Property.

Cassandra LeMasurier
Real Property Manager
City of Pompano Beach
May 8, 2025
Page Two

We appreciated the opportunity to be of service and are available to respond to any questions you may have.

Respectfully submitted,

CALLAWAY & PRICE, INC.

Stephen D. Shaw, MAI, AI-GRS
Cert Gen RZ1192

SDS/25-86753
Attachments



Executive Summary

PROPERTY TYPE	: Parking lot
STREET ADDRESS	: 117 NE 1 st Street Pompano Beach, Florida 33060
LOCATION	: Northeast quadrant of NE 1 st Street and NE 1 st Avenue in Pompano Beach, Florida.
DATE OF VALUATION	: May 7, 2025
DATE OF REPORT	: May 8, 2025
PROPERTY DESCRIPTION:	
LAND	: The Subject spaces are la portion of a larger site which contains 158,754 square feet or 3.64 acres.
IMPROVEMENTS	: The Subject consists of 126 parking spaces which are asphalt paved with striping and bumpers. The site improvements are in generally good condition.
ZONING	: TO-DPOD, Transit-Oriented, within the Downtown Pompano Beach Overlay District and within the CRA boundaries, by the City of Pompano Beach
LAND USE PLAN	: DPTOC, Downtown Pompano Transit Oriented Corridor, by the City of Pompano Beach, Florida
HIGHEST AND BEST USE	: Future mixed-use development. We note that the existing parking lot is not the Subject's highest and best use.

MARKET RENT CONCLUSION:

Based our analysis, **it is our opinion that the annual market rent of \$68,000 or approximately \$45.00 per space on a gross lease basis**, would be expected for the Subject Property.



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ADDENDA

Qualifications:

 Stephen D. Shaw, MAI, AI-GRS



CERTIFICATION

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved.
4. We have not performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this appraisal report within the three-year period immediately preceding the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The analyses, opinions, and conclusion were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and The Interagency Appraisal and Evaluation Guidelines, December 10, 2010.
9. Stephen D. Shaw, MAI, AI-GRS, has made a personal inspection of the property that is the subject of this report.
10. The use of this report is subject to the requirements of the State of Florida relating to review by the Florida Real Estate Appraisal Board.
11. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.



Certification

12. The reported analyses, opinions and conclusions were developed, and this report was prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
13. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
14. As of the date of this report, Stephen D. Shaw, MAI, AI-GRS, has completed the Standards and Ethics Education Requirements for Members of the Appraisal Institute.

Stephen D. Shaw, MAI, AI-GRS
Cert Gen RZ1192



GENERAL ASSUMPTIONS

1. Unless otherwise stated, the value appearing in this appraisal represents the opinion of the Market Value or the Value Defined AS OF THE DATE SPECIFIED. Market Value of real estate is affected by national and local economic conditions and consequently will vary with future changes in such conditions.
2. The value opinion in this appraisal report is gross, without consideration given to any encumbrance, restriction or question of title, unless specifically defined.
3. It is assumed that the title to the premises is good; that the legal description is correct; that the improvements are entirely and correctly located on the property described and that there are no encroachments on this property, but no investigation or survey has been made.
4. No responsibility is assumed for matters legal in nature, nor is any opinion of title rendered. No right to expert testimony is included, unless other arrangements have been completed. In the performance of our investigation and analysis leading to the conclusions reached herein, the statements of others were relied on. No liability is assumed for the correctness of these statements; and, in any event, the appraiser's total liability for this report is limited to the actual fee charged.
5. No rights to expert witness testimony, pre-trial or other conferences, depositions, or related services are included with this appraisal. If as a result of this appraisal process Callaway and Price, Inc., or any of its principals, its appraisal consultants or experts are requested or required to provide any litigation services, such shall be subject to the provisions of the engagement letter or, if not specified therein, subject to the reasonable availability of Callaway and Price, Inc. and/or said principals or appraisers at the time and shall further be subject to the party or parties requesting or requiring such services paying the then applicable professional fees and expenses of Callaway and Price, Inc. either in accordance with the engagement letter or arrangements at the time, as the case may be.
6. Any material error in any of the data relied upon herein could have an impact on the conclusions reported. We reserve the right to amend conclusions reported if made aware of such error. Accordingly, the client-addressee should carefully review all assumptions, data, relevant calculations, and conclusion within 30 days of delivery of this reported and should immediately notify us of any questions or errors.
7. The market value reported herein assumes that all taxes and assessments have been paid and assumes a fee simple interest unless otherwise reported. The body of the report will define the interest appraised if it differs.



General Assumptions and Limiting Conditions

8. Neither all nor any part of the contents of this report (especially any conclusions, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or any of its designations) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without our prior written consent and approval.
9. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. The appraiser assumes no responsibility for such conditions or the engineering which might be required to discover these factors.
10. Our opinion of value was based on the assumption of competent marketing and management regarding the property. If there is no competent marketing and management, then the market value opinion herein may not apply.



LIMITING CONDITIONS

1. No hypothetical conditions are part of this appraisal assignment.
2. No extraordinary assumptions are part of this appraisal assignment.
3. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation stachybotrys chartarum (mold), asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, was not called to the attention of, nor did the appraisers become aware of such during their inspection. The appraisers have no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraisers, however, are not qualified to test for such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such proximity thereto that would cause a loss in value. We are unaware of very wet conditions that may have existed for days or weeks which are required to grow mold. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.
4. 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 noncompliance with the requirements of ADA in estimating the value of the property has not been considered.



VIEW LOOKING SOUTHEAST AT CYAN LOT



VIEW LOOKING NORTHEAST AT CYAN LOT



VIEW LOOKING NORTHWEST AT MAGENTA LOT



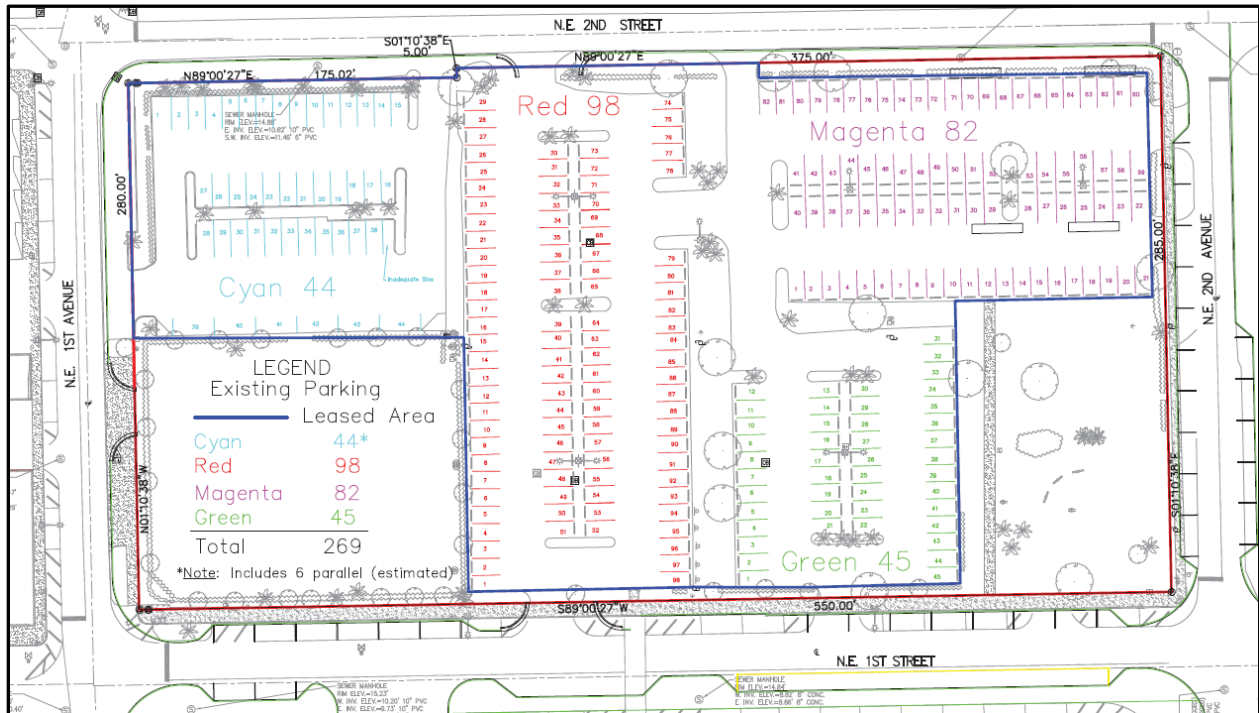
VIEW LOOKING SOUTHWEST AT MAGENTA LOT



Subject Photos



Aerial of Entire Parent Tract



The Subject consists of the Magenta (82 spaces) and Cyan (44 spaces) portions of the Parent Tract



DEFINITION OF THE ASSIGNMENT

Purpose, Date, Intended Use and User of Consultation

The purpose of this investigation and analysis was to estimate the Market Rent Estimate for the Subject Property as of May 7, 2025.

This report has been prepared for our client and intended user, The City of Pompano Beach. The intended use is to assist the client for internal decision making. The scope of work performed is specific to the needs of the intended user and the intended use. No other use is intended, and the scope of work may not be appropriate for other uses.

Market Rent

The Dictionary of Real Estate Appraisal, Seventh Edition 2022, by the Appraisal Institute, defines Market Rent on pages 116-117 as follows:

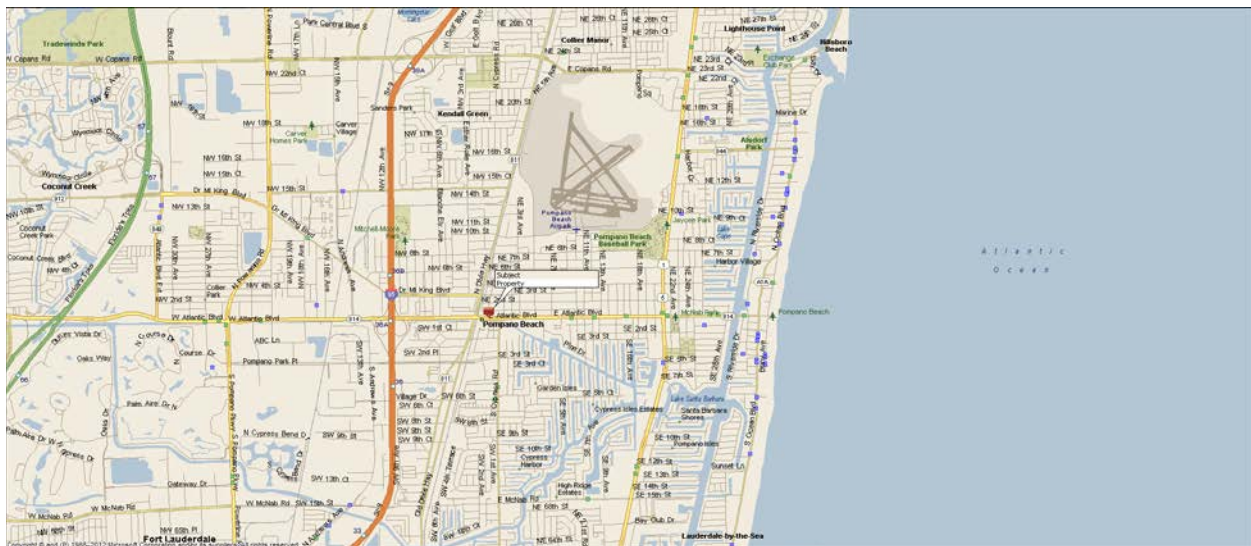
“The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby

- Lessee and lessor are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
- The rent reflects specified terms and conditions, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, and tenant improvements (TIs).”



NEIGHBORHOOD DATA

The relationship of the Subject Property with surrounding properties forms the basis of neighborhood analysis. The Appraisal of Real Estate, 15th Edition on page 141 states: "The boundaries of market areas, neighborhoods, and districts identify the areas that influence a subject property's value. These boundaries may coincide with observable changes in land use or demographic characteristics. Physical features such as structure types, street patterns, terrain, vegetation, and lot sizes help to identify land use districts. Transportation arteries (highways, major streets, and railroads), bodies of water (rivers, lakes, and streams), and changing elevation (hills, mountains, cliffs, and valleys) can also be significant boundaries."



The Subject's neighborhood is considered to include portions of the City of Pompano Beach bounded on the north by Copans Road (NW 24th Street), the south by East McNab Road and SW 15th Street, on the east by the Intracoastal Waterway, and the west by Interstate 95. Access to and through the neighborhood is very good. The primary north/south traffic arteries are Federal Highway (U.S. Highway One), Dixie Highway, and Interstate 95. The primary east/west roadways are Atlantic Boulevard and Copans Road.

There are two railroads extending through the neighborhood including the Florida East Coast and the Seaboard Coastline. I-95 is a major interstate highway that traverses the length of Florida and the eastern coast of the United States. Dixie Highway is a four-lane roadway running through the neighborhood providing access to local traffic. U.S. Highway 1 (U.S. 1), as with I-95 to the west, is an important thoroughfare providing north/south access through the neighborhood and extending up and down the country's eastern seaboard.



The neighborhood is essentially built out with a variety of property types, but is dominated by older commercial and residential structures, with residential representing the majority of the land area. Commercial development is situated along the aforementioned thoroughfares such as Atlantic Boulevard and Copans Road, as well as Federal Highway and Dixie Highway. Uses include, but are not limited to, strip shopping centers, retail stores, low to mid-rise office buildings, etc. Most of the commercial development is older, but for the most part, has been adequately maintained. Atlantic Boulevard is considered a main commercial roadway within the Subject's neighborhood and is lined with retail and dining from Interstate 95 on the west all the way east to the beach. Additionally, Pompano Citi Centre, located 1.5 miles north of Atlantic Boulevard on Federal Highway, features shops such as JCPenney, Macy's, Lowe's, Home Improvement and Office Depot, as well as Chili's Bar & Grill, J. Mark's, Panera Bread, and Amato's Italian Grill.

As with many areas of South Florida, some of the improvements have reached the end of their economic lives and the properties are ripe for redevelopment. Vacant land prices appear to have stabilized and begun to rise due to increasing demand. The City of Pompano Beach is actively renovating its beachfront and historic downtown areas. With the establishment of Opportunity Zones, two of which are in large tracts of northwest Pompano Beach, long-term private investment has been encouraged in distressed communities by providing federal tax incentives for persons to re-invest capital gains in these zones. In the Opportunity Zone east of I-95 along the north side of Atlantic Boulevard, Pompano Beach has created an Innovative District for a proposed downtown.

Properties are in the process of being renovated; Flagler Avenue has been repaved, and an increasing number of properties have been, or are being, purchased for redevelopment. The end goal is to mirror what was created on the Atlantic Avenue Shopping and Arts District within the City of Delray Beach.

The City of Pompano Beach and the Pompano Beach Community Redevelopment Agency have been working to revitalize areas of the city through municipal projects and various economic incentives. In October 2016, City Vista Apartments broke ground and was completed in 2017. This development includes 111 apartments and 3,800 square feet of ground floor commercial space. The CRA leases the commercial space in the project as their office. Future development of the new Downtown east of I-95 along the north side of E. Atlantic Boulevard where the city is creating an identifiable downtown core, will include 717,500 square feet of office space, 159,000 square feet of retail/restaurant, 136,000 square feet of civic, 3,120 residential units and a hotel with 165 rooms. The City and CRA entered into a Master Development Agreement for the Downtown June 24, 2024.



Another area of redevelopment is “Old Town” located along Atlantic Boulevard east of N. Dixie Highway. The city has completed major streetscape improvements in Old Town in addition to the renovation of existing historic commercial buildings through the CRA’s incentive programs. Currently, the CRA is proposing 15,000 square foot pedestrian and dining plaza in Old Town which will be called “The Backyard” for special events with outdoor seating and a water and fire featured fountain.

An early redevelopment project in the area is The Koi Residences and Marina, a 10-acre master-plan community to ultimately be developed with 350 residential units (including waterfront villas, lofts, and condominiums), and a 26-slip marina. Invesca Development Group completed the 46-unit first of three phases of the project in 2017 at 416 East Atlantic Blvd. It was followed by the second phase of the project which broke ground in late 2017 and was completed in 2021. The project is called Envy Pompano Beach and includes two 11-story rental towers that will include 213 rental units.

Another nearby project is Heritage at Pompano Station along N. Flagler Avenue at NE 4th Street, which includes 116 one- and two-bedroom, age-restricted rental apartments. This project broke ground in 2017 and was completed in 2018, with a second development phase proposed for the future. One block to the south is the Old Town Square apartment project comprised of a 10-story, 282-unit, mixed-use complex with ground floor retail and a 300-car garage. The project was completed in January 2024.

Several other projects are proposed or being targeted for the area due to the focus and efforts of the City of Pompano Beach. Due to the built-up nature of the area, parcels of vacant and improved land are being assembled for eventual redevelopment and the investment atmosphere is very speculative as the area transitions through gentrification.

East of US Highway 1 is a 0.63-acre vacant site that is undergoing site work for development of a four-story, affordable housing apartment complex. The Progressive Point apartment building will contain 37 units with three-stories over covered, ground floor parking. The fourth floor will include a yoga studio, garden and two roof decks with a jacuzzi. The units, which will range in size from 620 to 863 square feet, will include a mix of 10 studios, 19 one-bedroom and eight two-bedroom units. An affiliate of the developer paid \$850,000, or \$30.97 per square foot, for the site in 2021.

Pompano Beach is home to numerous public and private schools from the elementary level through college. Its nearby high schools include Pompano High School and Blanche Ely High School, as well as well-regarded private high schools Pine Crest and Cardinal Gibbons. At the college level, there is Florida Atlantic University in Boca Raton as well as Nova Southeastern University and Broward College in Davie. The Subject neighborhood has all public services including utilities, police and fire protection and healthcare facilities.



Conclusion

The Subject neighborhood is a well-established area with a broad range of land uses, served by a good transportation network. The neighborhood consists of a mixture of low and medium density residential communities developed between the 1960s and 1970s with commercial development along the major roadways. Commercial development is concentrated along major arteries including Federal Highway (US Highway 1) and Atlantic Boulevard.

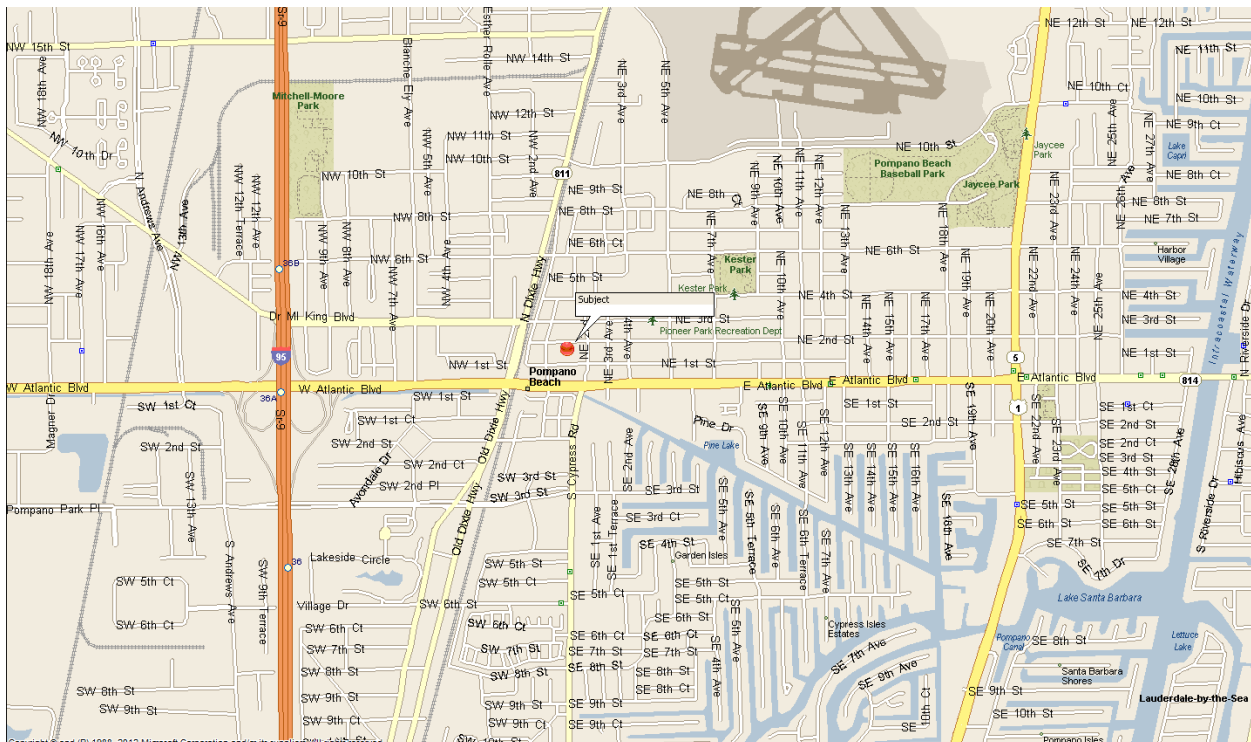
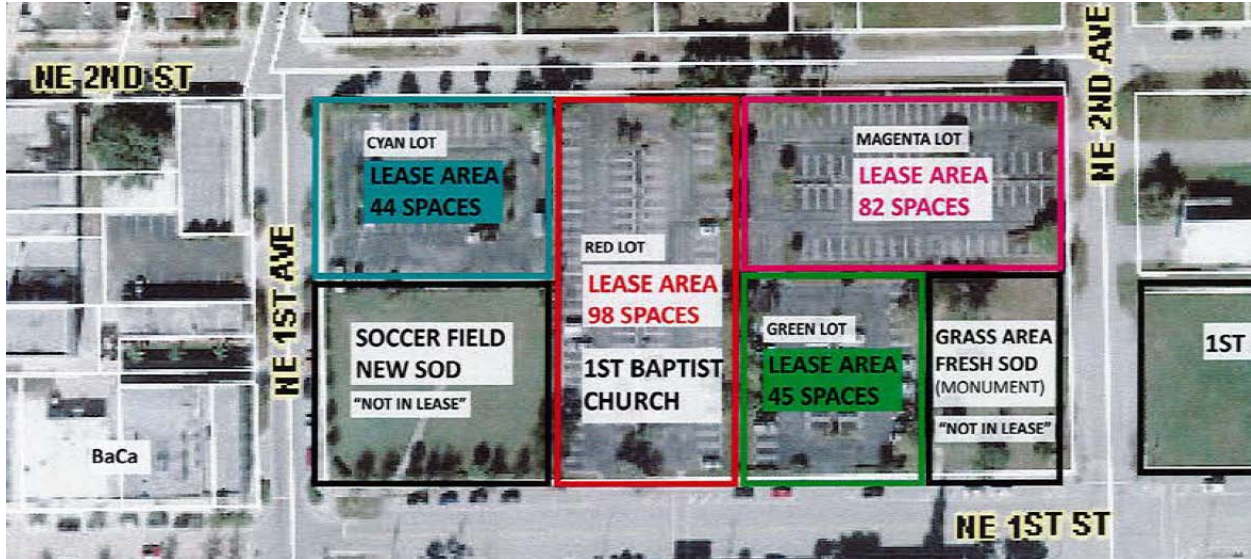
The City of Pompano Beach and the CRA are spearheading redevelopment efforts in the immediate Subject neighborhood. In our opinion, the long-term outlook for the Subject neighborhood remains very positive. The neighborhood's accessibility and desirable location in close proximity to the revitalized downtown and the area's beaches will continue to bolster its popularity.



PROPERTY DATA

Location

The Subject Property is located within the city block bounded on the east by NE 2nd Avenue, on the west by NE 1st Avenue, on the north by NE 2nd Street and on the south by NE 1st Street. The Subject consists of the Cyan and Magenta Lots as shown below.





Subject Improvements

The Subject costs of 126 asphalt paved parking spaces with striping and bumpers. These are a portion of a larger overall lot and include the Cyan and Magenta lots as shown on the previous page. The parking lot is in generally good condition.

Highest and Best Use

The Subject is zoned TO-DPOD, Transit-Oriented, within the Downtown Pompano Beach Overlay District and within the CRA boundaries, by the City of Pompano Beach. The TO district is established and intended to:

1. Encourage transit use as an alternative to auto dependency by accommodating moderate- to high-intensity, compact, mixed-use, and pedestrian-oriented development within convenient walking distance of existing and planned rail stations, major transit corridors, major transit hubs, regional and neighborhood transit hubs, and high-priority corridors for bus rapid transit or high- performance transit.
2. Bring together people, jobs, services, and public spaces and amenities in a way that allows people to safely and conveniently walk, bike, and/or take transit to meet their day-to-day housing, employment, shopping, service, and recreational needs.
3. Improve walkability within the district, as well as to adjacent areas, by providing a critical mass of housing and non-residential within walking distance of the commercial core and transit routes and facilities.
4. Enable the appropriate natural surveillance of the public realm to ensure safety and activity along district streets and create the sense of a vibrant and active urban center.
5. Ensure a compatible transition between the district's commercial/mixed-use areas and lower-intensity residential neighborhoods and between the district and adjacent residential neighborhoods, where applicable.

The TO zoning is essentially a mixed-use zoning that allows for multi-family residential development and high-activity commercial uses such as retail shops and offices. Commercial uses are confined to the lower floor(s) and multifamily units are to be developed on the higher floors.

We note this as the Subject's current use as a parking lot is not its highest and best use, which is likely high intensity mixed-use type development. This is imperative to note as we are estimating the market rent of the Subject based on its current use as a parking lot and not necessarily its highest and best use.



MARKET RENT SURVEY

Market Rent

The Dictionary of Real Estate Appraisal, Seventh Edition 2022, by the Appraisal Institute, defines Market Rent on pages 116-117 as follows:

“The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby

- Lessee and lessor are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
- The rent reflects specified terms and conditions, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, and tenant improvements (TIs).”

We have been asked to provide our opinion of the Fair Market Rent for the Subject Property as of May 7, 2025. Note that we are aware that there is an existing lease on the property. However, to fulfill the client’s needs, we have not considered this lease in our analysis.

The Subject parking spaces are currently leased by the City in order to provide for parking spaces for people utilizing downtown shops and other retail establishments. While revitalization of the area is ongoing and new development is reshaping the area, overall demand for downtown services (such as shopping and dining) is still inconsistent overall. Actual demand for parking in the Subject’s spaces is often non-existent (see photos on following page which were taken @ 12:30 in the afternoon on a weekday). Additionally, there is additional free streetside parking available through much of downtown.

It is our opinion that a third-party hourly parking operation would very likely not be commercially viable at this location at this time. While parking spaces are leased in more popular areas (areas near the beach or in downtown areas such as Fort Lauderdale, Delray Beach, West Palm Beach, etc.), the Subject’s immediate area does not produce any significant demand on a consistent basis. In our opinion, overall demand for the Subject’s parking spaces must be considered when determining the market rent estimate for the Subject’s parking spaces.



Cyan Lot @ 12:30 on a Tuesday



Magenta Lot @ 12:30 on a Tuesday

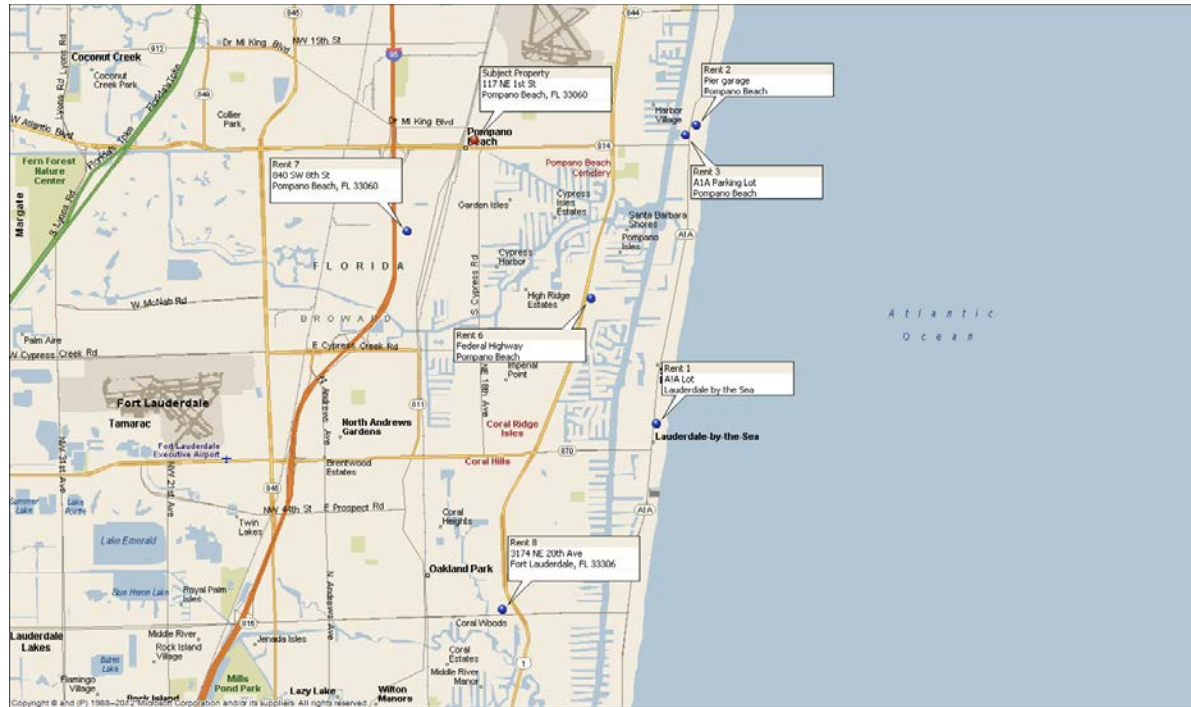


In order to determine the market rent for the Subject, we have analyzed the monthly parking rates for individual parking spaces in the Pompano Beach market, as well as other areas in South Florida where this occurs. Shown on the following chart are monthly rates for parking spaces. Note that these rates are for individual spaces (not bulk rate spaces) in both open lots and parking garages.

MONTHLY PARKING RATES- INDIVIDUAL PARKING SPACES					
	Name/Location	Operator	Lot Type	Monthly Rental Rate	Comments
1	A1A Lot N. Ocean Boulevard Lauderdale by the Sea	One Parking	Open	\$112.00	Open lot across from the beach
2	Pier Garage N. Ocean Boulevard Pompano Beach	One Parking	Garage	\$100-\$150	Open rooftop spaces are at \$100/mo.
3	A1A Parking Lot Riverside Dr. Pompano Beach	One Parking	Open	\$75.00	Close proximity to Beach
4	Van Buren Garage Van Buren Street Hollywood	City of Hollywood	Garage	\$86.00	Non Resident Rate
5	City Center Garage 199 N. Dixie Hwy West Palm Beach	City of West Palm Beach	Garage	\$100.00	Non Resident Rate Downtown WPB
6	Office Building Lot Federal Highway Pompano Beach	Individual	Open	\$123.00	Rate for single space in office building parking lot
7	Multi-Family Building 840 SW 8th St. Pompano Beach	Individual	Open	\$124.00	Rate for single space in multi-family parking lot
8	Office Building Lot 3174 NE 20th Avenue Fort Lauderdale	Individual	Open	\$116.00	Rate for single space in office building parking lot
9	Citiplace Rosemary Ave West Palm Beach	City Place	Garage	\$65.00 to \$100 Avg. \$76.00	Monthly Rates for City Place Garages

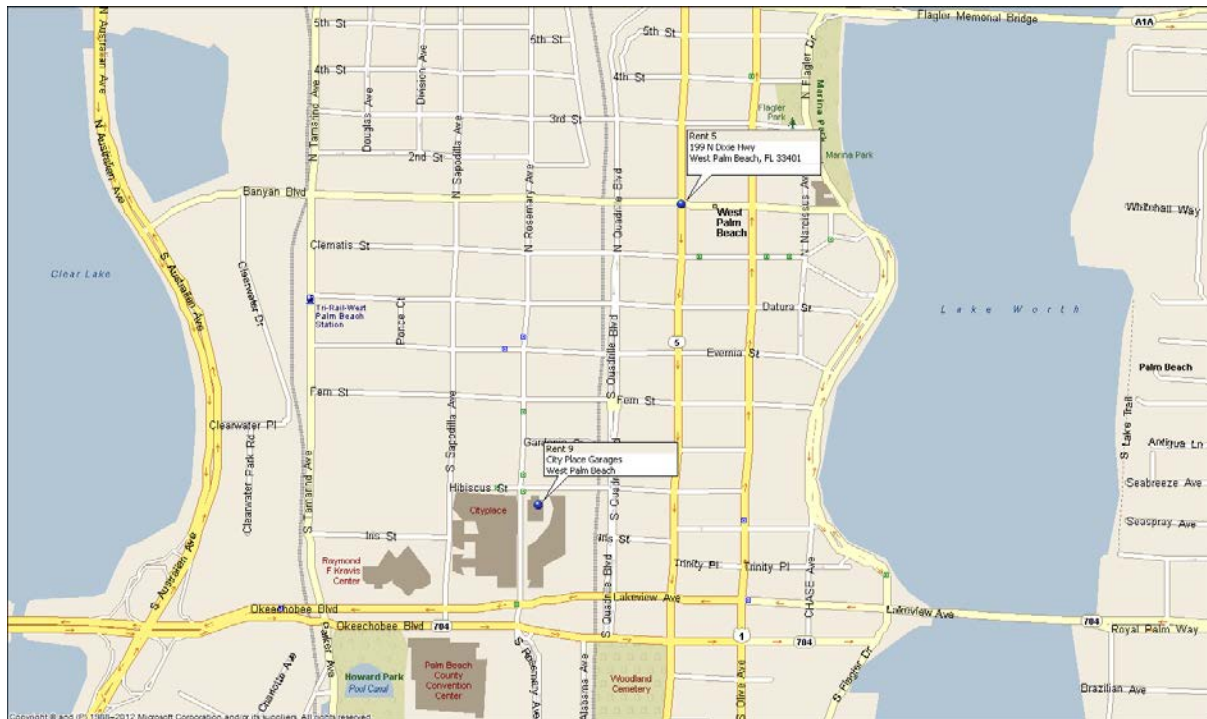


Market Rent Survey

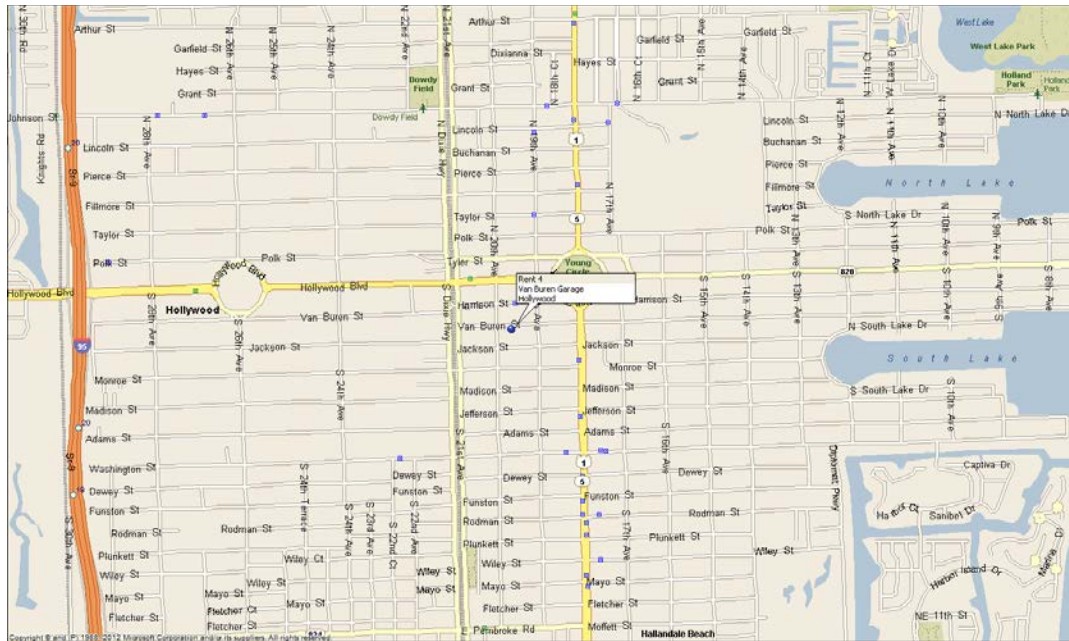


Pompano / Fort Lauderdale Area

Parking Space Location Maps



West Palm Beach



Hollywood

The spaces in the previous chart indicated monthly rates ranging from \$75.00 to \$150.00 per month with most in the \$100 to \$125 per month range. Two open spaces near the beach in Pompano Beach ranged from \$75.00 to \$100.00 per month. This location has significantly higher demand than the Subject's area. In our opinion, the Subject's spaces would rent for something near the lower end of this range given the overall location and demand or \$80.00 to \$100.00 per month. Note that this rate would be for an individual space and does not consider the bulk nature of the Subject's 126 spaces, nor does it consider that an operator would need to consider the overall usage of the spaces (occupancy) when trying to determine what they could afford to rent the spaces for, while still making the parking business viable.

Vacancy and Collection Loss

There are no independent reports or statistics compiled on occupancy rates for parking lots or garages that we could find. In a seasonal area like Pompano Beach, this can be a fluid figure at different times of the year. Given our discussions with property managers and owners of other parking garages that we have appraised, historically annualized occupancy levels varied widely from around 38% (with vacancy equating to 62%) to 70% (with vacancy at 30%). No occupancy or vacancy rate was provided for the Subject, but our discussions with City officials as well as our own observations indicate that the actual usage of the Subject's parking spaces is limited overall. In conclusion, we have estimated an annualized vacancy and collection loss of **50%** which will be applied to the monthly rate parking income at the Subject.



Market Rent Estimate for the 126 Spaces

Based on the preceding analysis, we have estimated that the market rate for a monthly parking space at the Subject would be between \$80.00 and \$100.00. This considers the Subject's location and open nature of the parking lot. The vacancy rate of 50% was applied to the individual monthly rate in order to consider the impacts of actual usage of the Subject's spaces. This vacancy would be considered by any third-party operator of the Subject's parking spaces. The range for the monthly bulk rate for the Subject's spaces is shown below.

<u>Monthly Parking Rate</u>		<u>Usage/ Vacancy Factor</u>		<u>Bulk Rate</u>	
\$80.00	@	50%	=	\$40.00	Per Space
\$100.00	@	50%	=	\$50.00	Per Space

Based on the indications above a bulk rate for the Subject's spaces would total \$40.00 to \$50.00 per space. For further support, we are aware of a local municipality in Broward County which leases 128 spaces to a third-party parking garage operator for \$50 per space. The operator then rents the spaces hourly and is entitled to any profits that occur due to the operation of these parking spaces. We also note that these spaces are located in a parking garage in what would be considered a superior location to the Subject. In our opinion, this lease adds further support to rental rate conclusion.

The annual market rent for the Subject parking spaces is shown below.

<u>Monthly Parking Rate</u>		<u>Usage/ Vacancy Factor</u>		<u>Bulk Rate</u>		<u># of Spaces</u>		<u>Total Monthly Rent</u>	<u>Total Annual Rent</u>
\$80.00	@	50%	=	\$40.00	X	126	=	\$5,040	\$60,480
\$100.00	@	50%	=	\$50.00	X	126	=	\$6,300	\$75,600
Say									\$68,000

Based our analysis, **it is our opinion that the annual market rent of \$68,000 or approximately \$45.00 per space on a gross lease basis**, would be expected for the Subject Property.

ADDENDA

QUALIFICATIONS



Qualifications - Stephen D. Shaw, MAI, AI-GRS

Professional Designations\Licenses\Certifications

Member, Appraisal Institute, MAI Designation #10461

Member, Appraisal Institute, AI-GRS

State-certified general real estate appraiser RZ1192

Florida State Licensed Real Estate Salesman 0495422

Professional Experience

Principal, Callaway & Price, Inc., since January 1999

Senior Appraisal Consultant, Callaway & Price, Inc., since July 1997 – December 1998

Appraisal Consultant, Callaway & Price, Inc., since April 1994

Associate Appraiser, Pinel & Carpenter, Inc., Orlando, April 1992 - March 1994

Appraiser/Researcher, Callaway & Price, Inc., September 1987 - March 1992

Special Magistrate Palm Beach County 1996-2012

Special Magistrate, Martin County, 2009

Qualified as an Expert Witness

Palm Beach County, Florida

Martin County, Florida

Broward County, Florida

Sarasota County, Florida

Miami-Dade County, Florida

Education

Bachelor of Science Degree, Business Administration, Major in Real Estate and Finance, University of Florida

Appraisal Institute:

Course 101 - An Introduction to Appraising Real Property, 1992

Course 201 - Principles of Income Producing Properties, 1991

Course 2-1 - Case Studies in Real Estate Valuation, 1992

Course 540 - Report Writing and Valuation Analysis, 1993

Course 2-3 - Standards of Professional Practice Parts A & B, 1991

Review Theory - General

Numerous seminars sponsored by the Appraisal Institute

Appraising\Consulting Expertise

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Medical Office Buildings

Medical Office Condominiums

Medical Campus Sites

Medical Office Sites

Surgery Centers

Self-Storage Facilities

Office Buildings

Office/Warehouses

Retail Buildings

Restaurants

Special Purpose Properties

Shopping Centers

Vacant Commercial Land

Vacant Industrial Land

Vacant Multifamily Pods

Vacant Residential Land

Vacant Single-Family Subdivisions

Warehouses



Qualifications - Stephen D. Shaw, MAI, AI-GRS

Organizations and Affiliations

Appraisal Institute:

Experience Review Committee

Ethics & Counseling Committee

South Florida Chapter Board of Directors

Business Development Board Palm Beach County, Member



Ron DeSantis, Governor

Melanie S. Griffin, Secretary



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD

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

SHAW, STEPHEN DAY

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LICENSE NUMBER: RZ1192

EXPIRATION DATE: NOVEMBER 30, 2026

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