

AN APPRAISAL OF
**THE IMPROVED SITE
CONTAINING 0.54 ACRES LOCATED
BETWEEN SE 23RD AVENUE AND SE 24TH
AVENUE, 300 FEET SOUTH OF
E. ATLANTIC BOULEVARD
IN POMPANO BEACH,
BROWARD COUNTY, FLORIDA**

FILE NUMBER: 24-85538-REVISED

PREPARED FOR
POMPANO BEACH CRA

AS OF
APRIL 28, 2024

BY
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May 15, 2024

Ms. Cassandra LeMasurier
Real Property Manager
Pompano Beach CRA
100 W. Atlantic Boulevard
Room 276
Pompano Beach, Florida 33060

Dear Ms. LeMasurier:

We have made an investigation and analysis of the 0.54 acre improved site located between SE 23rd Avenue and SE 24th Avenue, 300' south of E. Atlantic Boulevard in the City of Pompano Beach, Florida. The site is currently improved with a remote 5-lane branch bank drive thru facility with a 403 square foot teller station and a canopy area of approximately 1,500 square feet. The property has been owned by Wachovia Bank and/or related financial institutions since the property was originally built in 1973. The improvements have not been in operation for many years and do not contribute to the overall property value in our opinion. The Subject Property will be described more fully within the following Appraisal Report.

The purpose of this investigation and analysis was to provide our opinion of the Market Value of the Fee Simple Estate of the Subject Property as of April 28, 2024.

This report has been prepared for our client and intended user, the Pompano Beach CRA. The intended use is to assist the client in internal purposes. 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 or users.

The scope of work performed included a complete analysis of the Subject Property with no omitted applicable approaches to value. A detailed scope of work description is contained in the report.

Ms. Cassandra LeMasurier
Real Property Manager
Pompano Beach CRA
May 15, 2024
Page Two

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:

The Market Value of the
Fee Simple Estate
of the Subject Property,
as of April 28, 2024, was: **\$1,850,000**

A description of the property appraised, together with an explanation of the valuation procedures utilized, is contained in the body of the attached report. For your convenience, an Executive Summary follows this letter. Your attention is directed to the Limiting Conditions and underlying assumptions upon which the value conclusions are contingent.

Respectfully submitted,

CALLAWAY & PRICE, INC.

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

James D. Murray, Jr., MAI
Cert Gen RZ2419

SDS/JDM/js/24-85538-Revised
Attachments



Executive Summary

PROPERTY TYPE	:	Commercial site currently improved with a remote bank drive thru teller facility that does not contribute value.
LOCATION	:	Between SE 23 rd Avenue and SE 24 th Avenue, 300' south of E. Atlantic Boulevard in the City of Pompano Beach, Broward County, Florida. The street address is 20 SE 23 rd Avenue, Pompano Beach, FL 33062.
DATE OF VALUATION	:	April 28, 2024
DATE OF REPORT	:	May 15, 2024-Revised
PROPERTY DESCRIPTION:		
LAND	:	Rectangular shaped parcel containing 23,657 square feet or 0.54 acres.
IMPROVEMENTS	:	Former branch bank remote 5-lane bank drive thru facility with a 403 square foot teller station and a canopy area of approximately 1,500 square feet. The property has been owned by Wachovia Bank and/or related financial institutions since the property was originally built in 1973. The improvements have not been in operation for many years and do not contribute to the overall property value in our opinion.
ZONING	:	TO-EOD, Transit Oriented, East Overlay District, by the City of Pompano Beach. The Subject also lies within the CRA boundaries.
LAND USE PLAN	:	TO, Transit Oriented, by the City of Pompano Beach
HIGHEST AND BEST USE	:	Future commercial/mixed-use development.
THE MARKET VALUE OF THE FEE SIMPLE ESTATE OF THE SUBJECT PROPERTY, AS OF APRIL 28, 2024, WAS	:	\$1,850,000



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ADDENDA

Qualifications:

 Stephen D. Shaw, MAI, AI-GRS

 James D. Murray, Jr., MAI



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 report within the three-year period immediately preceding acceptance of this assignment. We did appraise the Subject, however, on March 18, 2021.
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. James D. Murray, Jr. MAI, made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the persons signing this certification.
11. 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.



Certification

12. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
13. 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.
14. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
15. As of the date of this report, Stephen D. Shaw, MAI, AI-GRS, and James D. Murray, Jr., MAI, have completed the continuing education program for Designated Members of the Appraisal Institute.

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

James D. Murray, Jr., MAI
Cert Gen RZ2419



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 report 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.

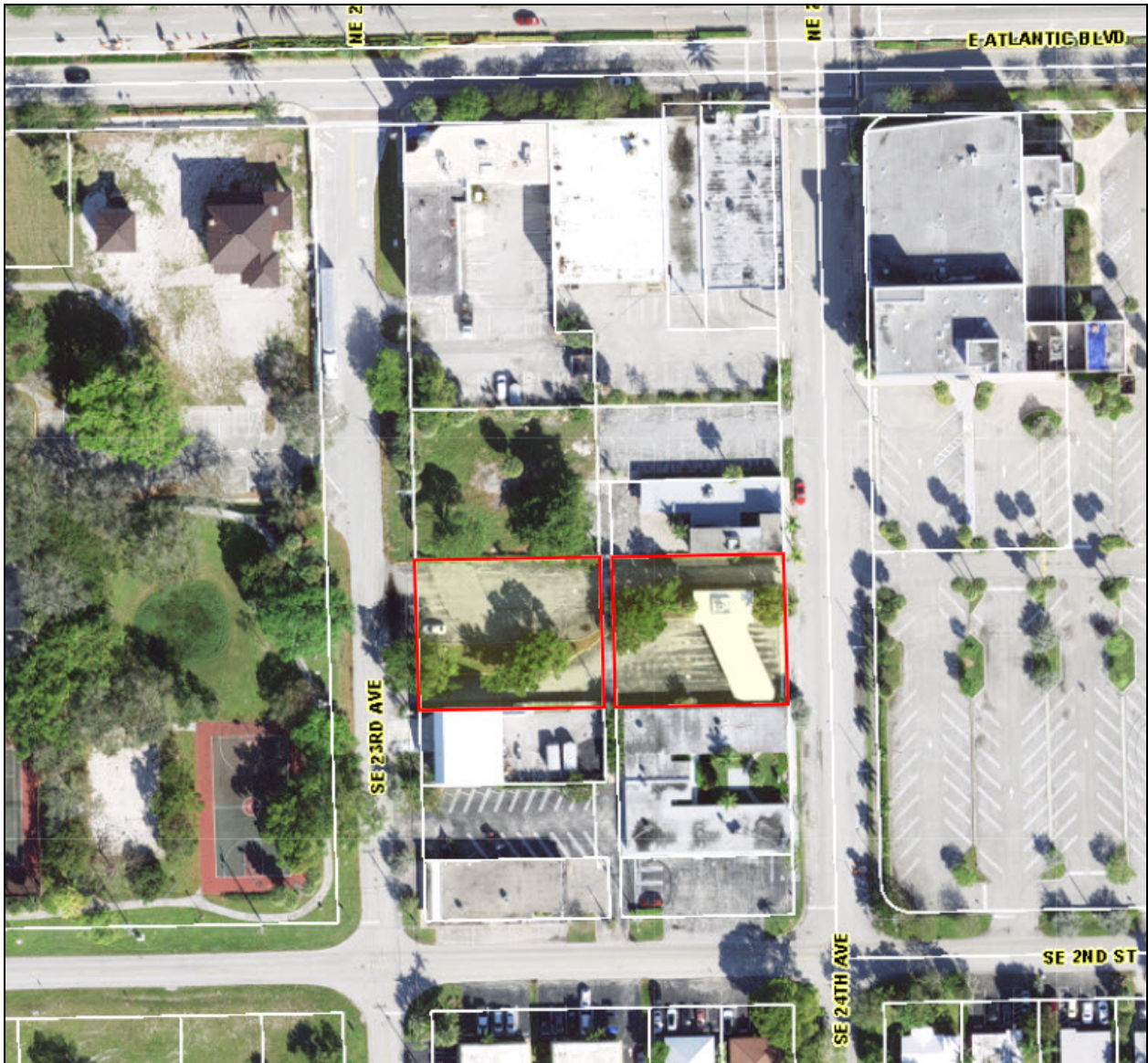


LIMITING CONDITIONS

1. No hypothetical conditions are part of this appraisal assignment.
2. No extraordinary assumptions are part of this 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.
5. A survey of the Subject parcel was not available; therefore, we relied upon the Broward County Property Appraiser's office for the site size. If the site size utilized differs significantly from the actual size, the appraisal may be subject to revision.



Subject Photos



AERIAL VIEW OF THE SUBJECT PROPERTY



VIEW OF SUBJECT FACING WEST FROM SE 24TH AVENUE



VIEW OF SUBJECT PROPERTY FACING SOUTHWEST



Subject Photos



VIEW ALONG SE 24TH AVENUE FACING NORTH (SUBJECT AT LEFT)



VIEW ALONG SE 24TH AVENUE FACING SOUTH



VIEW OF SUBJECT FACING EAST FROM SE 23RD AVENUE



VIEW OF SUBJECT BUILDING FACING EAST



VIEW ALONG SE 23RD AVENUE FACING NORTH



VIEW ALONG SE 23RD AVENUE FACING SOUTH



DEFINITION OF THE APPRAISAL PROBLEM

Purpose, Date of Value, and Interest Appraised

The purpose of this investigation and analysis was to estimate the Market Value of the Fee Simple Estate of the Subject Property, as of April 28, 2024.

Intended Use and User of Appraisal

This report has been prepared for our client and intended user, Pompano Beach CRA. The intended use is to assist in internal purposes. 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 or users.

Legal Description

The Subject Property legal description is listed below.

PINEHURST 5-13 B LOT 20,21 LESS W 8 FOR ALLEY,22 LESS W 8 FOR ALLEY,23 BLK 20

The Subject Property is also known as Broward County Property Appraiser Parcel ID No. 4842-36-01-2382.

Source: Broward County Property Appraiser's Office.

Market Value

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

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



Definition of the Appraisal Problem

- e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

Source: The Interagency Appraisal and Evaluation Guidelines, Federal Register, Volume 75, No. 237, December 10, 2010, Pgs. 61-62.

Fee Simple Estate

The Dictionary of Real Estate Appraisal, Seventh Edition 2022, by the Appraisal Institute, defines Fee Simple Estate on page 73 as follows:

"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."

Exposure Time

The Dictionary of Real Estate Appraisal, Seventh Edition 2022, by the Appraisal Institute, defines Exposure Time on pages 67 - 68 as follows:

1. "The time a property remains on the market."
2. "An opinion, based on supporting market data, of the length of time that 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."

There is a requirement under Standard Two to report exposure time according to the latest USPAP publication. "Exposure Time" is different for various types of property under different market conditions.

We have reviewed the exposure time on the sales contained in the Sales Comparison Approach in this appraisal, as well as other sales and current listings in the market. Based on that data and the current market, it is our opinion that the Subject Property would have had an exposure time of up to 12 months.



Definition of the Appraisal Problem

Marketing Time

The Dictionary of Real Estate Appraisal, Seventh Edition 2022, by the Appraisal Institute, defines Marketing Time on page 116 as follows:

“An opinion of the amount of time to sell a property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes 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.”

As in most markets, properties that are priced competitively and marketed professionally will sell before others which are not. We have reviewed the marketing time on the sales used the Sales Comparison Approach of this appraisal, as well as other sales within our database and current listings in the market. Based on these indications, it is our opinion that the Subject should have a marketing time of up to 12 months.



SCOPE OF WORK

According to the 15th Edition of The Appraisal of Real Estate, page 75, "In the valuation process, the identification of the assignment elements leads directly into the determination of the scope of work of an assignment, i.e., the type and extent of research needed to solve an appraisal problem. Professional valuation standards place the responsibility for determining the appropriate scope of work in an appraisal assignment squarely on the shoulders of the appraiser. The scope of work for an assignment is acceptable if it leads to credible assignment results, is consistent with the expectations of parties who are regularly intended users for similar assignments and is consistent with what the actions of an appraiser's peers would be in the same or a similar assignment.

The scope of work decision is appropriate when it allows the appraiser to arrive at credible assignment results and is consistent with the expectations of similar clients and the work that would be performed by the appraiser's peers in a similar situation."

The first step in the appraisal process is the identification of the appraisal problem which includes the purpose and date of value, determining the interest being appraised, intended use and user of the appraisal, and identifying the real estate (legal description). This step also determines if the appraisal were subject to any extraordinary assumptions or hypothetical conditions, which it was not.

The next step involves the inspection of the Subject Property, which took place in April 2024 by James D. Murray, Jr., MAI. The inspection allows us to understand the physical components of the Subject Property. In addition to the inspection of the Subject Property, we also began the data-collection process and, subsequently, an analysis of the factors that affect the market value of the Subject Property, including property data analysis. We gathered and reviewed information from the Broward County Property Appraiser's Office, the City of Pompano Beach, and our client, to understand and describe the Subject Property.

The third step in the process is a market area analysis and neighborhood analysis to determine the Highest and Best Use of the Subject Property. Through the Highest and Best Use analysis, we determine the issues that have an effect on the final opinion of value. To determine the Highest and Best Use, we rely on information obtained from the data-collection process.

The Subject consists of a 0.54-acre site located on SE 23RD Avenue. The site is currently improved with a remote 5-lane branch bank drive thru facility with a 403 square foot teller station and a canopy area of approximately 1,500 square feet. The property has been owned by Wachovia Bank and/or related financial institutions since the property was originally built in 1973. The improvements have not been in operation for many years and do not contribute to the overall property value in our opinion. Considering this, the value of the Subject is essentially its underlying land value and we will value the Subject in this manner.



The most reliable way to estimate land value is by Sales Comparison. The Sales Comparison Approach has as its premise a comparison of the Subject Property with others of similar utility that have sold in the market in the recent past. To indicate a value for the Subject Property, adjustments are made to the comparables to account for differences from the Subject. When few sales are available, however, or when the value indications produced through Sales Comparison need additional support, alternative techniques like extraction or allocation may be applied. In the case of the Subject Property, the only approach used was the Sales Comparison Approach.

As will be discussed in detail, the Subject site is encumbered by a 10-foot perpetual, nonexclusive easement along its north side. The property owner is obligated to pay taxes on the easement land which cannot be used for building, landscaping, or anything other than an open area for access. Following our conclusion of the Subject value in fee, we will estimate and deduct the diminished value of the site area under the easement.



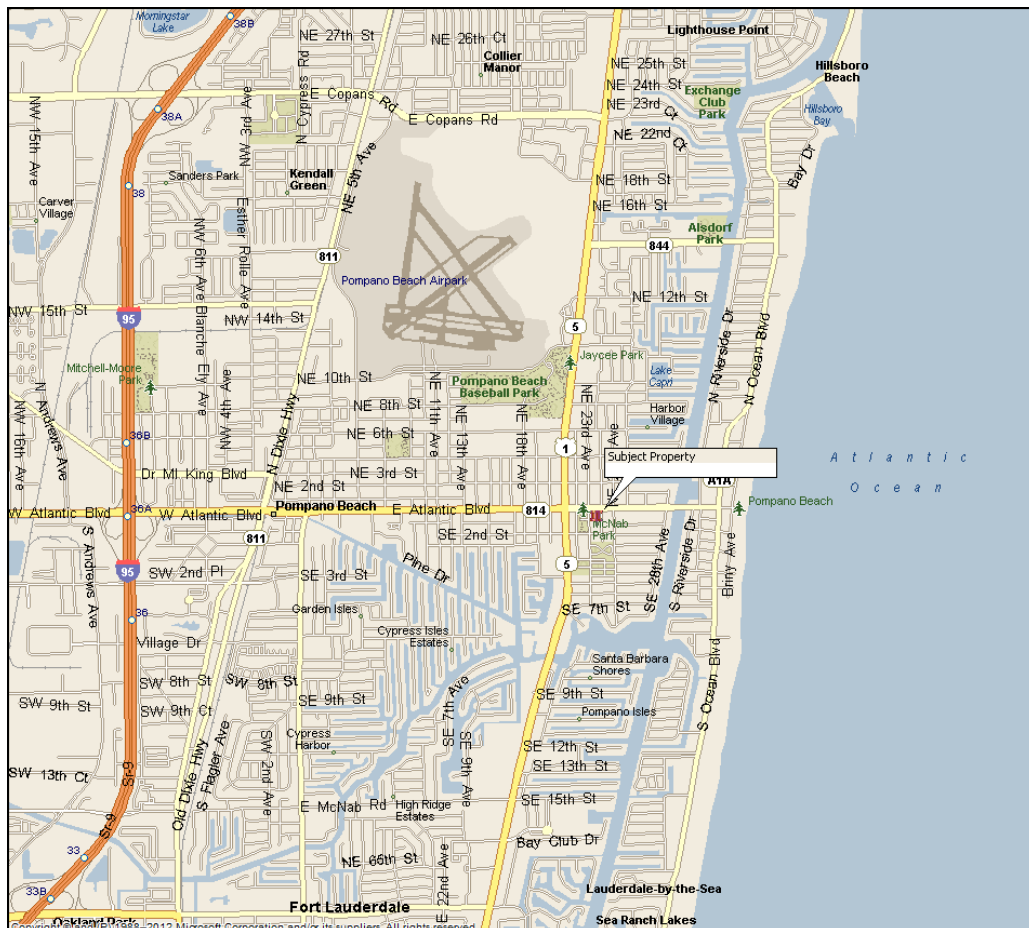
NEIGHBORHOOD DATA

Preface

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."

Neighborhood analysis requires the identification of boundaries. The boundaries may be defined by complimentary land uses, social factors, economic, or physical boundaries. In the case of this appraisal assignment, neighborhood boundaries are identified by physical boundaries and surrounding land uses.

Neighborhood Map





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 American National Bank 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 plan was for the CRA to manage the commercial space in the project. Future development in the “Innovation District” east of I-95 along the north side of E. Atlantic Boulevard where the city is targeting an identifiable downtown core, will include 750,000 square feet of office space, 165,000 square feet of retail, 35,000 of restaurant, 1,500 residential units and two hotels with a combined 420 rooms.

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.



Closer to the Subject 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.

In the vicinity of N. Federal Highway, to the north of E. Atlantic Boulevard, Mayla Residences has recently been completed in a joint development between developer Grover Corlew and the Pompano Beach CRA. The project consists of 355 rental units (including 53 workforce units) in two, eight-story buildings along with 60,000 square feet of ground floor retail space.

Finally, very close to the Subject at 2200 E. Atlantic Avenue, the CRA has relocated the McNab House and garage, built in 1926, to a public park for adaptive reuse as a restaurant and botanical garden. The stated goal of this redevelopment project is to create a destination venue which will have economic impact on a desolate block and surrounding area.

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.

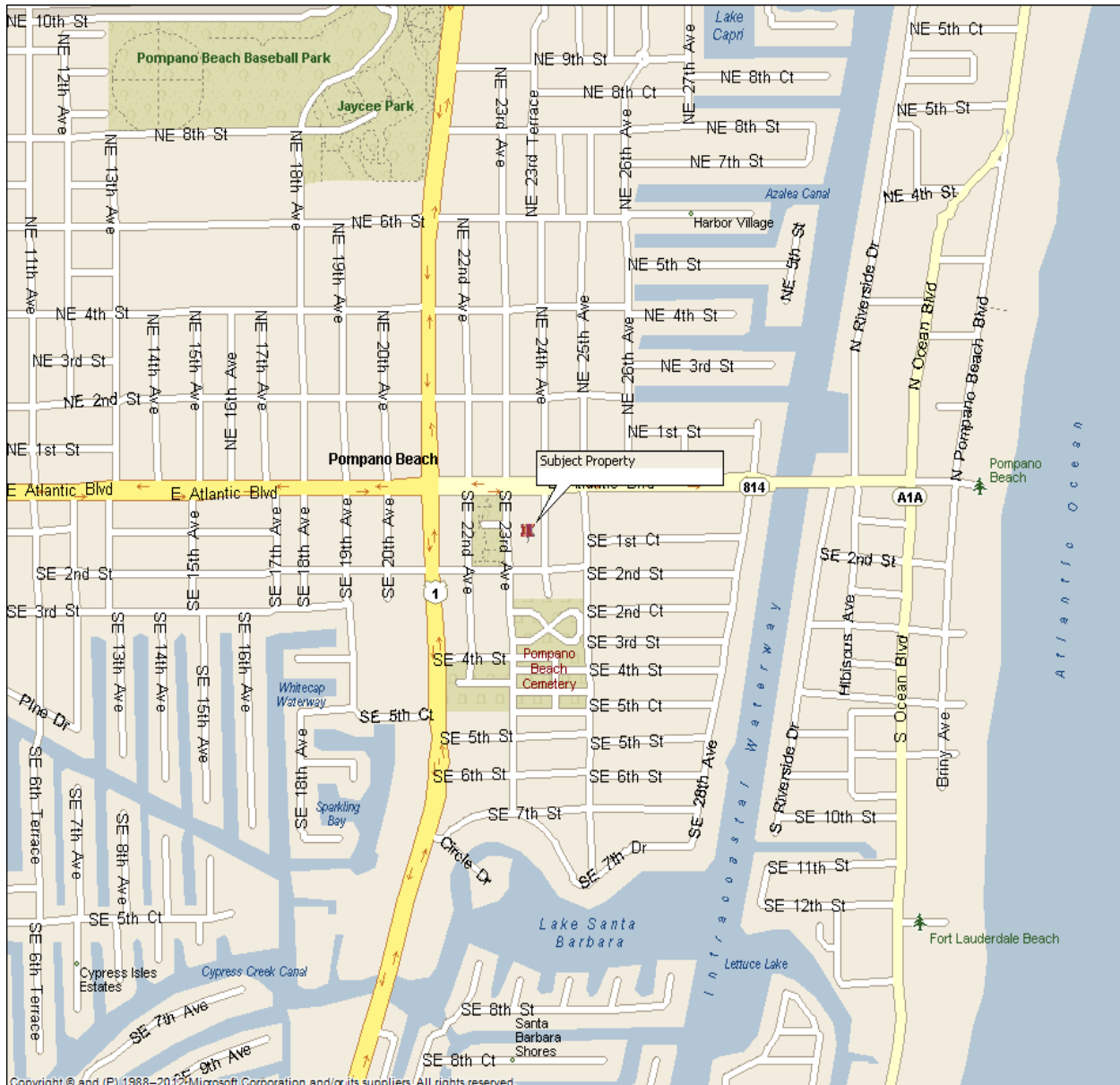


PROPERTY DATA

Location

The Subject Property is located between SE 23rd Avenue and SE 24th Avenue, 300' south of E. Atlantic Boulevard in the City of Pompano Beach, Broward County, Florida. The Subject Property street address is 20 SE 23rd Avenue, Pompano Beach, FL 33062.

Location Map





Zoning

The Subject Property is zoned TO-EOD, Transit Oriented, East Overlay District, 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.

The Subject Property is also located within the East Overlay District. Overlay zoning districts are superimposed over portions of one or more underlying base zoning districts (and perhaps planned development districts or other overlay districts) with the intent of supplementing generally applicable development regulations with additional development regulations that address special area specific conditions, features, or plans while maintaining the character and purposes of the underlying zoning districts. Some overlay zoning districts include standards that modify or supersede standards applied by the underlying base zoning district.



Land Use Plan

The Subject Property is designated TO, Transit Oriented, by the City of Pompano Beach. The current zoning is consistent with this land use designation.

Easements and Deed Restrictions

We have not been provided a survey or title search for the Subject. It is noted that there is an access easement along the north 10 feet of Lot 21, Block 20, Pinehurst. The area under the easement contains 1,130 square feet (10' x 113'). The easement is recorded in O.R. Book 29527, Page 1943 and described below:

A perpetual, non-exclusive easement for vehicular and pedestrian ingress and egress over, across and upon the north 10 feet of Lot 21, Block 20, PINEHURST, according to the plat thereof as recorded in

We will account for this easement in our valuation section of the report. An aerial indicating the location of this easement (outlined in yellow) is shown on the following page.

Site Size, Shape and Access

The Subject is rectangular in shape and contains 23,657 square feet, or approximately 0.54 acres. The site has approximately 100 feet of frontage along the west side of SE 24th Avenue and along the east side of SE 23rd Avenue. The site has a depth of approximately 250 feet, including an abandoned alleyway that bifurcates the site. Access is provided by both SE 23rd Avenue and SE 24th Avenue. The abandoned alleyway does not provide access as it has foliage on it as well as concrete curbing. Access is considered good.

Utilities

Public utilities available to the Subject Property include electricity by FPL, and telephone by AT&T, and/or local carrier. Public water and sewer services are available by the City of Pompano Beach.

Topography

No topographical survey, soil or sub-soil analysis was provided. No apparent drainage issues were noted upon inspection.



Aerial View



Census Tract

2023 FFIEC Geocode Census Report

Address: 20 SE 23rd Ave, Pompano Beach, Florida, 33062
MSA: 22744 - FORT LAUDERDALE-POMPANO BEACH-SUNRISE, FL
State: 12 - FLORIDA
County: 011 - BROWARD COUNTY
Tract Code: 0310.02

Summary Census Demographic Information

Tract Income Level	Middle
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$88,500
2023 Estimated Tract Median Family Income	\$75,544
2020 Tract Median Family Income	\$62,686
Tract Median Family Income %	85.36
Tract Population	4291
Tract Minority %	34.77
Tract Minority Population	1492
Owner-Occupied Units	1063
1- to 4- Family Units	1406



Flood Hazard Zone

Flood Report

Address (from parcels)	20 SE 23RD AVE
FEMA Data Source	DFIRM - Digital Flood Information Rate Map
Inside Special Flood Hazard Area?	INSIDE SPECIAL FLOOD HAZARD AREA
Risk Level	HIGH RISK AREAS
Flood Zone(s)	AH
Description(s)	AH = 100-YEAR FLOODPLAIN
Base Flood Elevation	6
NFIP Community Name	CITY OF POMPANO BEACH
County	BROWARD
State	Florida
NFIP Community Number	120055
NFIP Map Number or Community Panel Number	12011C0376H
Inside CBRA?	FALSE
CBRA Type	N/A
Map Panel Effective Date	2014-08-18 04:00:00+00
LOMA/LOMR (yes/no)	UNKNOWN - check map
LOMA/LOMR Date	UNKNOWN - check map



Assessed Value and Taxes

2023 Assessed Value and Taxes					
Parcel Control Number	Land Assessment	Improvement Assessment	Just Market Value	Assessed SOH Value	Total Taxes
4842-36-01-2382	\$378,510	\$30,230	\$408,740	\$408,740	\$8,732.86
#24-85538					

Property History

The Subject is under the ownership of Wachovia Bank, NA, and has been owned by Wachovia Bank and/or related financial institutions since the property was originally built in 1973. The Subject Property was constructed as a remote drive thru to serve a bank branch. The Subject Property has not been in operation for many years. There have been no other arms-length transactions involving the Subject during the last three years. It is not currently under contract, nor is it listed for sale.



HIGHEST AND BEST USE

The Dictionary of Real Estate Appraisal, Seventh Edition 2022, by the Appraisal Institute defines Highest and Best Use on pages 88 - 89 as follows:

"The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

Conclusion - As Vacant

It is our opinion that the Highest and Best Use of the Subject Property is for commercial or mixed-use redevelopment. The reasons for this conclusion are as follows:

1. The Subject site currently has a zoning of TO-EOD, Transit-Oriented East Overlay District, by the City of Pompano Beach. The Subject site currently has a land use designation of TO, Transit Oriented, by the City of Pompano Beach. This zoning permits a wide variety of commercial and mixed-use development.
2. The Subject has good access and exposure. The Subject is located in an established area in which public utilities, medical facilities and supporting commercial uses and residential neighborhoods are in place. There appears to be no topographical problems that affect the Subject's development potential.

Physically, the Subject is relatively small, but could be developed with a small commercial or mixed-use project. Due to its size, it is probably best suited for assemblage with the other similarly zoned properties which surround it so that a substantial area of land can be developed with a mixed-use project, as envisioned by the TO zoning. Given its liberal mixed-use zoning, a relatively intense development is allowed in the TO district.

3. Of those uses that are both legally permissible and physically possible, we must determine which of these are financially feasible. As long as a potential use has value commensurate with its cost and conforms to the first two tests, the use is financially feasible. Some economic uses of land such as housing may not be income producing in the sense of a commercial property, and economic feasibility is weighed by considering prices and price trends. For income-producing properties, the income analysis for financial feasibility may vary with assignments, but the economic demand for the Subject is a prerequisite to the financial testing alternatives.



Given the uses which are both legally and physically possible, it is our opinion that commercial or mixed-use development could be financially feasible. The Subject is located in an established area that is developed with a variety of commercial and residential properties, all with good access. The commercial and residential real estate markets in Broward County are strong with occupancies and rental rates increasing in recent years and the market is expected to remain generally stable to improving at this time.

4. It is our opinion that the maximum productivity of the Subject would be realized through assemblage with other similar adjacent properties in order to maximize development potential. The most likely buyer of the Subject would be a local or regional developer.

Highest and Best Use – As Improved

As discussed, the Subject site is currently improved with a remote 5-lane branch bank drive thru facility with a 403 square foot teller station and a canopy area of approximately 1,500 square feet. The property has been owned by Wachovia Bank and/or related financial institutions since the property was originally built in 1973. The improvements have not been in operation for many years and are a gross underutilization of the site. The improvements no longer serve any utility for their original use and do not contribute to the overall property value in our opinion. The Highest and Best Use for the Subject as improved is for redevelopment of the site to its maximum potential. Note we will not make a deduction for demolition costs of the limited building improvements as any potential buyer could benefit from any of the existing sitework on the property.



LAND VALUE ANALYSIS

According to the 15th Edition of The Appraisal of Real Estate on page 35, developing an opinion of land value can be considered a separate step in the valuation model or an essential technique for applying certain approaches to value, depending on the defined appraisal problem and on the highest and best use analysis. The relationship between highest and best use and land value may indicate whether an existing use is the highest and best use of the land.

An appraiser can use several techniques to obtain an indication of land value:

- Sales Comparison
- Extraction
- Allocation
- Subdivision Development
- Land Residual
- Ground Rent Capitalization

The most common way to develop an opinion of land value is by sales comparison. When few sales are available, however, or when the value indications produced through sales comparison need additional support, procedures like extraction or allocation may be applied. In the case of the Subject Property, the only approach used was the Sales Comparison Approach.

Sales Comparison Approach

The Subject consists of a 0.54-acre site located on SE 23rd Avenue, an interior roadway in the downtown area of Pompano Beach. A search was made for recent sales of land with development potential similar to the Subject. Our search was concentrated on mixed-use development properties located in the urban Pompano Beach area with similar zoning as the Subject Property.

We analyzed the Subject site and the comparables based on price per square foot of land area basis, as this is the most recognized unit of comparison in this market. All of the comparables were considered with regard to conditions of sale, financing, property rights conveyed, time or market conditions, location, size, site quality, and zoning/approvals. A chart summarizing the comparable sales is shown on the next page followed by a sales location map, details of each sale, and a discussion of our adjustments.

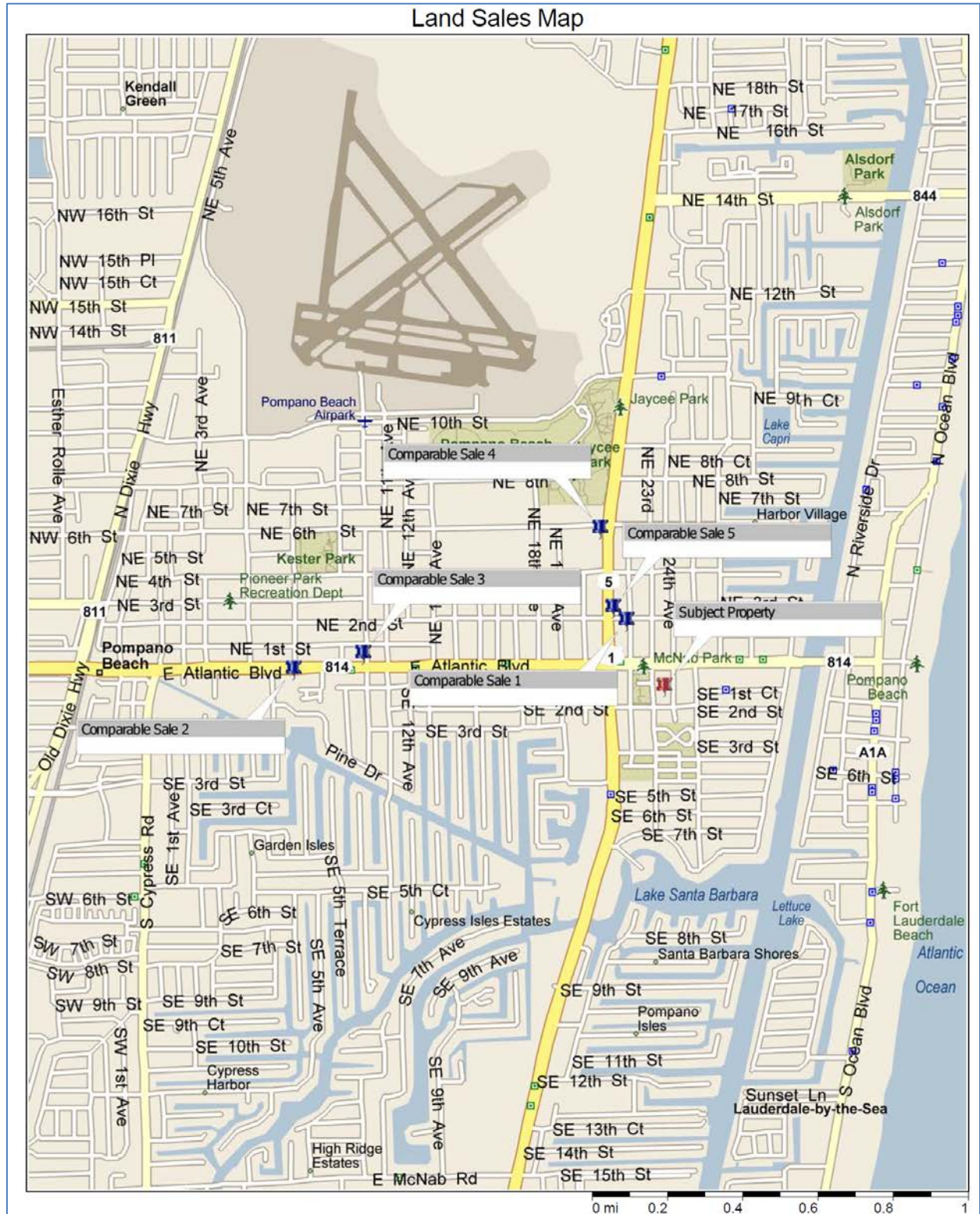


Discussion of Vacant Land Sales

The following chart shows the sales that were considered the most comparable to the Subject. The data is summarized below:

LAND SALES SUMMARY						
Callaway & Price, Inc. #24-85538						
Sale Number	Subject	1	2	3	4	5
Record ID Number	-	11329	11279	11330	11331	11108
O.R. BK/PG	-	119018821	118934487	118767549	118520586	118407126
Location/Address	20 SE 23rd Avenue	31 NE 22nd Avenue	614 E. Atlantic Boulevard	911 E. Atlantic Blvd.	505-599 N. Federal Highway	200 N. Federal Highway
City	Pompano Beach	Pompano Beach	Pompano Beach	Pompano Beach	Pompano Beach	Pompano Beach
Date of Appraisal/Sale	Apr-24	Jul-23	Jun-23	Mar-23	Nov-22	Sep-22
Sale Price	-	\$2,000,000	\$1,000,000	\$3,600,000	\$4,100,000	\$3,100,000
Size (Square Feet)	23,657	19,575	31,799	58,631	48,352	37,122
Size - Acres	0.54	0.45	0.73	1.35	1.11	0.85
Price/Square Foot	-	\$102.17	\$31.45	\$61.40	\$84.79	\$83.51
Zoning	TO-EOD	TO-EOD	TO-EOD	TO-EOD	TO-EOD	TO, Transit Oriented
Conditions of Sale	-	0%	0%	0%	0%	0%
Financing Adjustment	-	0%	0%	0%	0%	0%
Market Condition Adjustment	-	0%	0%	5%	5%	5%
Adjusted Price Per Sq.Ft.	-	\$102.17	\$31.45	\$64.47	\$89.03	\$87.68
<i>Physical Adjustments</i>						
Location/Access/Exposure	-	-10%	-15%	-15%	-10%	-10%
Size	-	0%	0%	0%	0%	0%
Site Quality	-	-5%	30%	-5%	-5%	-5%
Zoning/Approvals	-	0%	0%	0%	0%	0%
Total Physical Adjustment	-	-15%	15%	-20%	-15%	-15%
Adjusted Price Per Sq.Ft.	-	\$86.85	\$36.16	\$51.58	\$75.68	\$74.53

Average \$64.96
 Minimum \$36.16
 Maximum \$86.85
 Median \$74.53





Land Sale No. 1



Property Identification

Record ID	11329
Property Type	Vacant Commercial
Address	31 NE 22nd Avenue, Pompano Beach, Broward County, Florida 33062
Location	West side of NE 22nd Ave., 115'+/- south of NE 2nd Street
Tax ID	4842 36 01 1830
Legal Description	Lots 5, 8 & 9, Blk 14, Pinehurst

Sale Data

Grantor	Between Pelican Investment Group, LLC
Grantee	GLC Pompano 1 LLC
Sale Date	July 28, 2023
Deed Book/Page	119018821
Recorded Plat	5/13
Property Rights	Fee Simple
Marketing Time	1.5 mos.
Conditions of Sale	Market
Financing	Cash to seller
Sale History	\$1.5M in November 2022



Land Sale No. 1 (Cont.)

Verification Confirmed by Jim Murray

Sale Price \$2,000,000

Land Data

Zoning TO-EOD
Topography Cleared, ready to build
Utilities All to site
Shape Rectangular
Land Use TO, Transit Oriented

Land Size Information

Gross Land Size 0.449 Acres, or 19,575 SF
Planned Units 67
Front Footage NE 22nd Avenue
Actual/Planned Building SF 125,000

Indicators

Sale Price/Gross Acre \$4,450,575
Sale Price/Gross SF \$102.17
Sale Price/Planned Unit \$29,851
Sale Price/Planned Bldg. SF \$16.00

Remarks

This is the purchase of a vacant, cleared lot for the proposed development of an eight-story, mixed-use project to consist of 67 apartment units and 1,118 square feet of commercial space in a 125+K square foot building. The developers had proposed the project seeking site plan approvals from the city in February 2024. As proposed, the property will have 86 parking spaces, in addition to co-working space, a fitness center, and a top-floor swimming pool and lounge. If approved, the project was proposed for completion in 2025/2026 and cost approximately \$18M to complete. The site was marketed for 1.5 months at \$2.4M.



Land Sale No. 2



Property Identification

Record ID	11279
Property Type	Vacant Commercial
Address	614 E Atlantic Blvd, Pompano Beach, Broward County, Florida 33060
Location	South side of E Atlantic Blvd, 200' E of SE 6th Ave
Tax ID	4842 01 54 0010
Legal Description	Lengthy

Sale Data

Grantor	614 E Atlantic LLC
Grantee	Bar Atlantic LLC
Sale Date	June 21, 2023
Deed Book/Page	118934487
Property Rights	Fee Simple
Marketing Time	4 months
Conditions of Sale	Market
Financing	Cash to seller
Verification	Confirmed by Nicci Ellefson

Sale Price	\$1,000,000
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Land Data

Zoning	TO-EOD
Topography	Cleared, ready to build
Utilities	All to site
Shape	Rectangular



Land Sale No. 2 (Cont.)

Land Size Information

Gross Land Size 0.730 Acres, or 31,799 SF
Front Footage 100 ft E Atlantic Blvd.

Indicators

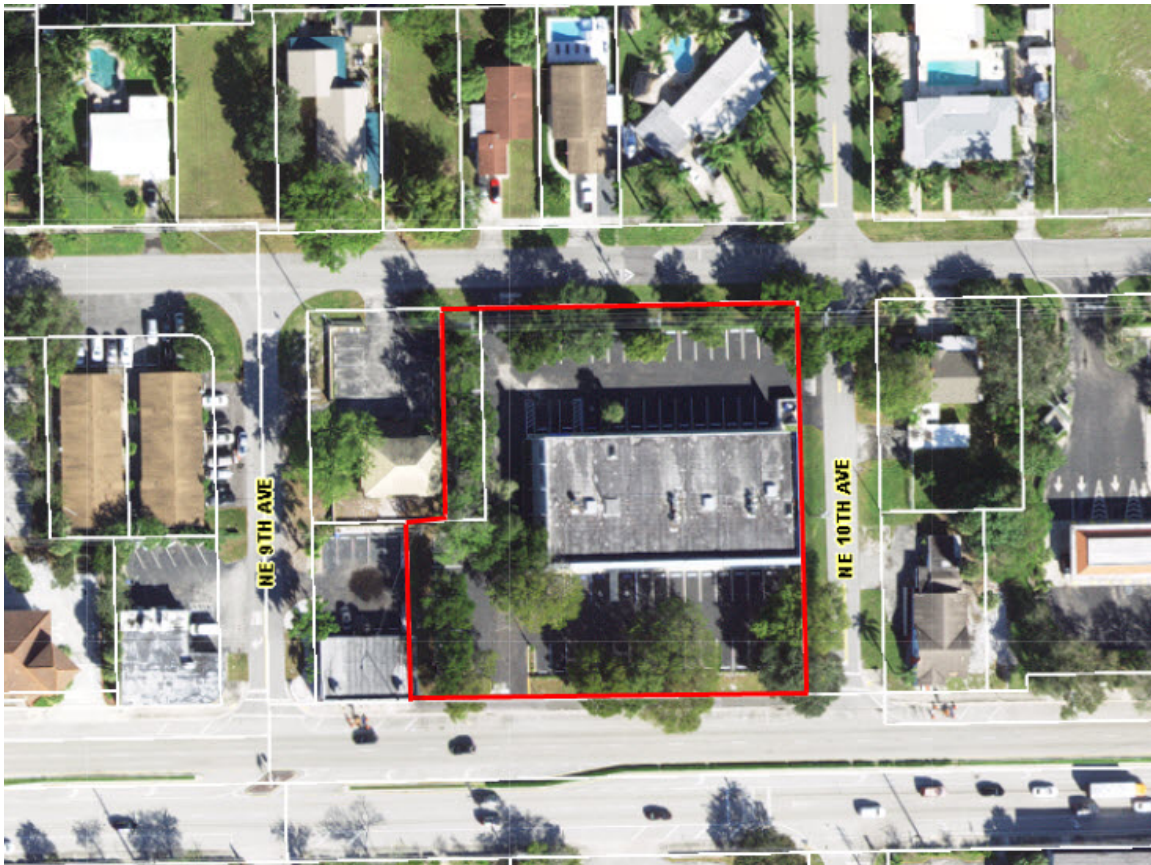
Sale Price/Gross Acre \$1,369,863
Sale Price/Gross SF \$31.45

Remarks

This was an investment sale with the buyer holding for future development.



Land Sale No. 3



Property Identification

Record ID	11330
Property Type	Mixed Use Land
Address	911 E. Atlantic Boulevard, Pompano Beach, Broward County, Florida 33060
Location	NWC of E. Atlantic Blvd. and NE 10th Avenue
Tax ID	4842 36 05 0960; 0990
Legal Description	Lots 1-9 & Lots 15-24, Blk 10, First Addition to Pine Crest

Sale Data

Grantor	911 Atlantic, LLC
Grantee	JSA 911 Pompano, LLC
Sale Date	March 30, 2023
Deed Book/Page	118767549
Recorded Plat	7/34
Property Rights	Leased Fee
Marketing Time	1.5+ yrs.
Conditions of Sale	Market
Financing	Cash to seller



Land Sale No. 3 (Cont.)

Verification Confirmed by Jim Murray

Sale Price \$3,600,000

Land Data

Zoning TO-EOD
Topography Improved with two-story office
Utilities All to site
Shape Irregular
Land Use TO, Transit Oriented

Land Size Information

Gross Land Size 1.346 Acres, or 58,631 SF
Planned Units 78
Front Footage E. Atlantic Blvd.; NE 10th Avenue

Indicators

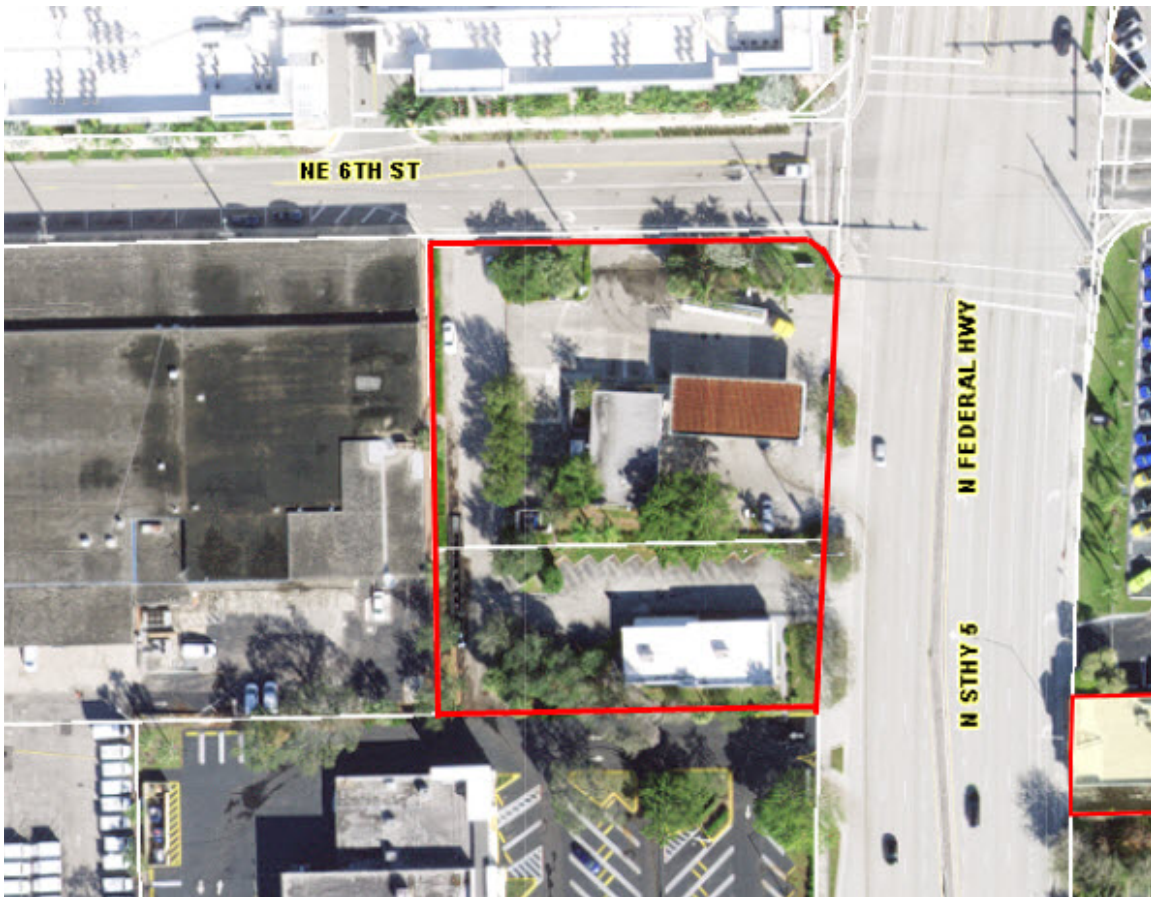
Sale Price/Gross Acre \$2,674,626
Sale Price/Gross SF \$61.40
Sale Price/Planned Unit \$46,154

Remarks

This is the purchase of an improved property for a proposed mixed-use project to contain 78 apartments and 8,212 square feet of ground floor retail. The proposed project will be five stories and also offer ground floor townhomes and two levels of parking. The developers are seeking approvals for the project from the city in November 2023. As of April 2024, the project is advertising space for lease in the existing 25,358 square foot office building on a short-term basis to expire by June 2025.



Land Sale No. 4



Property Identification

Record ID	11331
Property Type	Mixed Use Land
Property Name	Homewood Suites
Address	505-599 N. Federal Highway, Pompano Beach, Broward County, Florida 33060
Location	SWC of N. Federal Hwy. and NE 6th Street
Tax ID	4842 36 00 0440; 0442
Legal Description	Lengthy legal

Sale Data

Grantor	Macmillan Real Estate LLC
Grantee	Hotels of Pompano Beach, LLC
Sale Date	November 14, 2022
Deed Book/Page	118520586
Property Rights	Leased Fee
Marketing Time	14+mos.
Conditions of Sale	Market
Financing	Cash to seller



Land Sale No. 4 (Cont.)

Sale History Verification \$1.075M in August 2020
Confirmed by Jim Murray

Sale Price \$4,100,000

Land Data

Zoning TO-EOD
Topography Improved w/Citgo station and vacant office bldg.
Utilities All to site
Shape Generally rectangular
Land Use TO, Transit Oriented

Land Size Information

Gross Land Size 1.110 Acres, or 48,352 SF
Planned Units 163
Front Footage N. Federal Hwy.; NE 6th Street
Actual/Planned Building SF 225,910

Indicators

Sale Price/Gross Acre \$3,693,663
Sale Price/Gross SF \$84.79
Sale Price/Planned Unit \$25,153
Sale Price/Planned Bldg. SF \$18.15

Remarks

This is the purchase of an improved property for a proposed Homewood Suites hotel to contain 163 room in a nine-story building. The 225,910 square foot project will involve DOT approval for access and ROW modifications and offers three parking levels with a total of 185 parking spaces. At the time of sale, a site plan application was undergoing the City's review process. The existing structures include an operating Citgo station and an adjacent, vacant single-story office building.



Land Sale No. 5



Property Identification

Record ID	11108
Property Type	Commercial
Address	200 N. Federal Highway, Pompano Beach, Broward County, Florida
Location	NE corner of N. Federal Hwy. & SE 2nd Street
Tax ID	4842 36 01 0820
Legal Description	Lots 17, 20 (less W 2.83'), 21-23, Blk 5, Pinehurst

Sale Data

Grantor	SCI Funeral Services of Florida, LLC
Grantee	Archi Group, LLC
Sale Date	September 12, 2022
Deed Book/Page	118407126
Recorded Plat	5/13
Property Rights	Leased Fee
Verification	Confirmed by Art Grady

Sale Price	\$3,100,000
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Land Data

Zoning	TO, Transit Oriented
Land Use	TO, Transit Oriented



Land Sale No. 5 (Cont.)

Land Size Information

Gross Land Size 0.852 Acres, or 37,122 SF
Front Footage 150 ft Federal Hwy; 200 ft SE 2nd Street

Indicators

Sale Price/Gross Acre \$3,637,627
Sale Price/Gross SF \$83.51

Remarks

The site was improved with a funeral home which had been built in 1958. The site was purchased for its land value.



Discussion of Adjustments

Property Rights Conveyed

All the comparables in this analysis were transferred on a Fee Simple Estate or Leased Fee basis, with the buyers receiving full property rights ownership. We are also unaware of any adverse deed restrictions or any other property rights limitations which would have affected the sales. Therefore, no adjustment was considered necessary for property rights conveyed.

Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and seller at the time of conveyance. Within the confirmation process, detailed attention was made to ensure the conditions of each sale. As far as we could determine all of the comparable sales involved arm's-length transactions without the presence of duress or adverse market influences. In the present market of similar properties, assemblages are commonplace and represent typical conditions for redevelopment areas. No adjustments were required for this factor.

Terms of Financing (Cash Equivalency)

The transaction price of one property may differ from that of a similar property due to atypical financing arrangements. In a case where favorable financing is established, a cash equivalency adjustment is often necessary. All of the sales involved either market terms or cash to Grantor. Therefore, no adjustments were made, nor any cash equivalency performed for these sales.

Time or Changes in Market Conditions

The next adjustment considered was for any increase or decrease in value with respect to time. The comparable sales took place between September 2022 and July 2023. Overall market conditions have been improving/appreciating in recent years. In our opinion, market conditions have improved since the dates of Sales 3 through 5. Sales 1 and 2 were recent sales within the past year which did not warrant adjustments for market conditions.

As evidence of improving market conditions, the sales indicated the following price increases based on resale data:

Sale 1 indicates an increase in price from the prior November 2022 sale of 33.3%, or an average of 4.17% per month over the last 8 months;

Also, Sale 5 indicates an increase in price from the prior August 2020 sale of 281.4%, or an average of 10.42% per month over the last 27 months.



Based on this and other similar evidence, Sales 3 through 5 required upward adjustments based on their inferior market conditions at their respective dates of sales.

Location/Frontage

The Subject is located between SE 23rd Avenue and SE 24th Avenue, 300'+/- south of Atlantic Boulevard. The Subject is considered to have a location along interior roadways that do not benefit from high levels of traffic exposure. Sale 1 is similarly located along secondary roadways. However, while its general location is similar in this way to the Subject, this site is located within the first block of Federal Highway, north of Atlantic Boulevard and could be assembled with parcels fronting these major thoroughfares. The Subject's locale southeast of Federal Highway and Atlantic Boulevard has seen less redevelopment activity, although there has been recent interest in nearby parcels. Nonetheless, this sale warranted a downward adjustment as a result.

The remaining sales had superior frontage along the primary commercial thoroughfares of Atlantic Boulevard, Dixie Highway and Federal Highway (U.S 1). These sales warranted downward adjustments based on their superior exposure.

Size

The comparable sales ranged in size from 0.45 acres to 1.35 acres, while the Subject Property contains a total of 0.54 acres. Typically, the larger the property, the lower the price per square foot when all other things are equal. However, in redevelopment areas, larger sites sometimes command a premium as they allow for greater development flexibility. In this instance, no size adjustments were warranted.

Site Quality

The Subject is rectangular in shape and has good development potential. However, the site is improved with remote 5-lane branch bank drive thru facility that has not been in operation for many years and does not contribute to the overall property value. Sales 1 and 3 were considered to have superior site quality relative to the Subject Property as they were vacant, cleared and ready for development. These sales warranted downward adjustments for this factor.

Sale 2 was a deep, narrow site that required an upward adjustment, in our opinion, due to its inferior development potential as compared to the Subject.



Sales 4 and 5 were improved with building structures that would eventually involve costs to demolish and remove, as with the Subject Property. However, unlike the Subject improvements, the comparable sale properties were occupied providing interim lease income while approvals were obtained for redevelopment. As a result, we have applied downward adjustments to each sale as the rental income would serve to offset the costs to clear the sites.

Zoning/Approvals

The Subject site is zoned TO-EOD, Transit Oriented, East Overlay District, by the City of Pompano Beach. This zoning district allows for a wide variety of commercial and mixed-use type developments. The comparable sales were selected due to their similar zoning designations in the downtown area. Therefore, no adjustments for zoning differences were required.

Listings

In an active market where conditions are strengthening, it is helpful to consider current listings of similar, competitive properties.

- 600 E. Atlantic Boulevard is a cleared, rectangular, 0.66-acre site that is being offered for \$2,200,000, or \$77.40 per square foot. This site has superior site quality and exposure (adjacent to Sale 2) as compared to the Subject Property. It is located in very close proximity to the Envy Apartments completed in 2021. It is not located within the CRA boundary. This property sold in February 2020 for \$740,000, or \$26.04 per square foot.
- 609 NW 5th Avenue is a 1.50-acre site consisting of five adjacent vacant parcels on the north side of NW 6th Street. The property does not have major street frontage and is irregularly shaped but with adequate configuration for development. The property is zoned TO-DPOD but does not have approvals for development. The asking price is \$2.4M, or \$36.75 per square foot.
- Adjacent to prior listing at the northeast corner of NW 6th Street and NW 4th Avenue is a rectangular vacant and cleared lot containing 27,438 square feet. This lot is being offered for \$1,249,000, or \$45.52 per square foot. The lot is situated along a secondary street within the CRA boundary, 2.5 blocks west of N. Dixie Highway. The zoning is TO-DPOD.



Conclusion

As can be seen on the comparable sales chart displayed earlier, the sales indicate a wide range of adjusted sales prices from \$37.74 to \$86.85 per square foot of land area, with an average indication of \$65.92 per square foot. The median indication is \$74.53 per square foot. Three of the five sales ranged from \$74.53 to \$86.85 per square foot.

We have considered all of the comparables, we should note that Sale 1 is generally most similar to the Subject in terms of location (secondary frontage) and size. Its adjusted price was \$86.85 per square foot.

Based on these indications and considering the Subject's overall location, it is our opinion that the Subject Property had a Market Value **(prior to the easement deduction)** of approximately \$75.00 to \$85.00 per square foot as of the appraisal date. This indicates a Market Value of \$1,900,000, calculated as follows:

$$\begin{array}{rclclcl} 23,657 & \text{Sq. Ft.} & \times & \$75.00 & /\text{Sq. Ft.} & = & \$1,774,275 \\ & & & \text{to} & & & \\ 23,657 & \text{Sq. Ft.} & \times & \$85.00 & /\text{Sq. Ft.} & = & \$2,010,845 \\ & & & & & & \\ & & & & \text{Say,} & & \mathbf{\$1,900,000} \end{array}$$



Deduction for Easement

As discussed, there is a 10-foot easement along the north side of Lot 21, Block 20, Pinehurst of the Subject. This easement totals approximately 1,130 square feet. The easement as recorded in O.R. Book 29527, Page 1943, is shown below.

A perpetual, non-exclusive easement for vehicular and pedestrian ingress and egress over, across and upon the north 10 feet of Lot 21, Block 20, PINEHURST, according to the plat thereof as recorded in



An easement is defined as an interest in real property that conveys use, but not ownership. It runs with the land and continues to burden the servient estate. Unlike a fee acquisition, a portion of the bundle of rights inherent in the ownership of real estate will remain with the current owner of the Subject Property. The encumbrance of a property will, typically, severely restrict the use to which the property can be put. No permanent structures could be placed within this easement area. The fee owner will still have the full burden of taxation of this easement area yet will not enjoy all of the rights that accompany ownership of real estate.

The bundle of rights concept compares real property ownership to a bundle of sticks. Each stick in the bundle represents a separate right or interest inherent in the ownership. The complete bundle of rights includes the following:

- The right to sell an interest
- The right to lease an interest and to occupy the property
- The right to mortgage an interest



- The right to give an interest away
- The right to do none or all of these things

The full impact of an easement acquisition cannot be estimated until the appraiser determines the loss of present utility, the loss of future utility, the accessory rights to be acquired, and the obligations of the parties. In order to analyze the possible value reduction prompted by the perpetual drainage easement, the following four items were considered.

1. Location of Easement relative to the property's boundaries and site improvements
2. Intensity of easement (affected rights-of-ownership)
3. Highest and best use of the property
4. Impact of the easement (obligation of the parties).

With regard to Item 1, the easement is located along the northern boundary of a portion of the Subject Property and sufficient site area exists to utilize the remainder to its Highest and Best use. The easements' location results in minimal impact.

Intensity of the easement (Item 2) refers to the effect that the easement has on the total bundle of rights inherent in a fee simple estate.

Affected Rights-of-Ownership

- Cannot use this area for buildings or structure
- Cannot use this area for landscaping buffer
- Cannot use this area for surface parking
- Cannot sell, lease, mortgage, or give away this interest

Unaffected Rights-of-Ownership

- Can use this area for setback requirements
- Can use this area to calculate land-to-building ratios
- Can use this area for density allowances
- Can sell, lease, mortgage, or give away the land under the easement

With regard to Item 2, the land is utilized as part of access. The perpetual easement has little impact in that area as the area will likely remain open and no improvements would be placed upon this land area.

With regard to Item 3, the Highest and Best Use of the property will not change as a result of the easement. There is sufficient space associated with the unencumbered land to support a commercial use. With the exception of the easement area, the utility of the unencumbered land is not changed from the utility of the property absent the easement. Therefore, Item 3 has a minimal impact.



Item 4 deals with the obligations of both parties within the easement agreement. This easement is a perpetual easement for access. Therefore, the easement owner owns the easements in perpetuity.

In summary, the property owner is obligated to pay taxes on the easement land. The easement area cannot be used for building, landscaping, or anything other than an open area for access. The fee owner retains a portion of the bundle of rights; however, the perpetual easement is similar to a fee acquisition as the owner of the easement has almost complete use of the property. Therefore, after considering the four items discussed above, it is our opinion, the area under the easement has been diminished in value by 50%.

The Subject's land value was previously estimated in the prior section of this report at \$1,900,000, or approximately \$80.00 per square foot. Value of the easement is estimated as follows:

$$1,130 \text{ SF} \quad \times \quad \$80 / \text{SF} \quad = \quad \$90,400$$

$$\text{Fee Value} \quad \$90,400 \quad \times \quad 50\% \quad = \quad \$45,200$$

Say, \$50,000

Deducting the value of the easement from our value of the Subject as unencumbered indicates a value for the Subject as shown below.

Value of Subject (Unencumbered)	\$1,900,000
Less Easement Value	<u>\$ 50,000</u>
Value of Subject	\$1,850,000

Therefore, it is our opinion that the Market Value of the Subject Property, as of April 28, 2024, was:

\$1,850,000

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

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Golf Courses

Hospitals

Hotels

Marinas

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

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PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

SHAW, STEPHEN DAY

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EXPIRATION DATE: NOVEMBER 30, 2024

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Qualifications – James D. Murray, Jr., MAI

Professional Designations\Licenses\Certifications

Member, Appraisal Institute, MAI Designation #50208
State-certified general real estate appraiser RZ2419
Real Estate Salesperson SL517992, State of Florida

Professional Experience

Appraisal Consultant, Callaway & Price, Inc., from 2004
Commercial Real Estate Analyst, Interbay Funding, 2002 to 2004
Senior Manager, Real Estate Analyst, Ocwen Realty Advisors, 1996 to 2002
Real Estate Appraiser, Assistant Vice President, Landauer Associates, Inc., 1991-1996
Graduate Research Assistant, Real Estate Research Center, University of Florida, 1990-1991
Project Manager, Klusza and Associates, Inc., 1986-1989

Geographic Experience

Throughout Florida

Property Types

Auto Service and Repair	Office/Warehouse
Commercial Condos	Proposed Projects
Day Care Facilities	Restaurants
Mixed Use Properties	Retail
Mobile Home Parks	Self-storage Facilities
Motels/Hotels	Vacant Land
Multifamily Residential	Warehouse Distribution Centers
Office	

Education

Master of Business Administration, Real Estate Concentration, University of Florida
Bachelor of Science, Business Administration, with Honors, University of Florida

Appraisal Institute Courses:

Appraisal Principles	Advanced Applications
Appraisal Procedures	Report Writing and Valuation Analysis
Basic Income Capitalization	Highest and Best Use and Market Analysis
General Applications	
Advanced Income Capitalization	
Standards of Professional Practice (Parts A, B, C)	
Advanced Sales Comparison and Cost Approaches	



Ron DeSantis, Governor

Melanie S. Griffin, Secretary



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MURRAY, JAMES D JR

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