APPRAISAL OF
A 21,511 SQUARE FOOT PARCEL OF MIXED USE LAND
IMPROVED WITH A 2,409 SQUARE FOOT BUILDING
LOCATED AT
45 EAST 28TH STREET AND XXX EAST 27TH STREET
RIVIERA BEACH, FLORIDA 33404

FOR

SCOTT EVANS, AICP, EXECUTIVE DIRECTOR
RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY

BY

ROBERT B. BANTING, MAI, SRA
CERT GEN RZ4

AND

BEAU M. ARNOLD
CERT GEN RZ2937

WITH

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

DATE OF INSPECTION: JULY 24, 2019
DATE OF REPORT: AUGUST 6, 2019
DATE OF VALUE: JULY 24, 2019

FILE NO.: 2190347.000
CLIENT REFERENCE: 45 EAST 28TH STREET AND XXX EAST 27TH STREET

August 6, 2019

Mr. Scott Evans, AICP
Executive Director
Riviera Beach Community Redevelopment Agency
2001 Broadway, Suite 300
Riviera Beach, FL 33404

Dear Mr. Evans:

Pursuant to your request, we have personally appraised the real property being a 21,511 square foot parcel of mixed use zoned land. It is currently improved with a 2,409 square foot commercial building located at the northeast corner of the site. The appraisers were not able to gain access to the interior of the building. The exterior exhibited average condition. We have assumed the interior condition to be commensurate with the exterior. The balance of the site is improved with an asphalt parking lot. The parking lot has 29 marked spaces and was found to be in good condition. The entire site is fenced with 6 foot chain-link fencing. The subject property is located on the North side of East 27th Street and south side of East 28th Street, within the municipal limits of the City of Riviera Beach. The property address is 45 East 28th Street and XXX East 27th Street, Riviera Beach, FL, 33404.

The purpose of this narrative appraisal is to estimate the market value of the fee simple estate of the subject property as of July 24, 2019. Additionally we have been asked to provide an estimate of market rent for the property as whole (including the building) and a separate estimate of market rent just for the parking lot. The intended use of the report is to assist the client and intended user in internal decision making. This report has been prepared for no other purpose and for use by no other person or entity than for use by the client for the purpose stated herein. Any other use of this appraisal is considered a misuse and thus the appraisers will not be held responsible for any outcome associated with use by another entity or for another purpose.

Extraordinary Assumptions

This appraisal involves the use of an extraordinary assumption. An extraordinary assumption assumes uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions assumes something to be true that at the time of the appraisal date is known to be contrary. The use of an extraordinary assumption in appraisal practice can have significant impacts on value conclusions.

An extraordinary assumption was used in the process of this appraisal as follows:

The appraisers were not able to gain access to the interior of the building. The exterior exhibited average condition. We have assumed the interior condition to be commensurate with the exterior.

Scott Evans, AICP
Page 2
August 6, 2019

We have utilized the sales comparison approach to value, the most common method used for valuing properties such as the subject property.

As a result of our analysis, we have developed an opinion that the market value of the fee simple estate (as defined in the report), subject to the definitions, certifications, and limiting conditions set forth in the attached report, as of July 24, 2019 was:

MARKET VALUE (ENTIRE PROPERTY):	**$340,000**
ANNUAL MARKET RENT INCLUDING BUILDING:	**$23,800**
ANNUAL MARKET RENT PARKING LOT ONLY:	**$14,950**

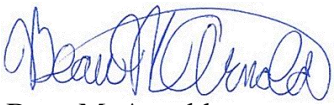
The following presents our analysis and conclusions in a narrative appraisal report. This letter must remain attached to the report, which contains 87 pages plus related exhibits, in order for the value opinion set forth to be considered valid. Your attention is directed to the General Limiting Conditions contained within this report.

Respectfully submitted,

ANDERSON & CARR, INC.



Robert B. Banting, MAI, SRA
Cert Gen RZ4



Beau M. Arnold
Cert Gen RZ2937

RBB/BMA:cmp

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Qualifications for Robert B. Banting, MAI, SRA, Cert Gen RZ4
Qualifications for Beau M. Arnold, Cert Gen RZ2937
Addendum:

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Client:	Scott Evans, AICP, Executive Director Riviera Beach Community Redevelopment Agency
Intended User:	Riviera Beach CRA
Taxpayer of Record:	PC Florida Holdings, LLC
Property Rights Appraised:	Fee Simple Estate
Special Assumptions Reference:	None
Extraordinary Assumptions:	The appraisers were not able to gain access to the interior of the building. The exterior exhibited average condition. We have assumed the interior condition to be commensurate with the exterior.
Hypothetical Conditions:	None
Unusual Market Externality:	None
Location:	Site is located on the North side of East 27th Street and south side of East 28th Street, within the municipal limits of the City of Riviera Beach
Site/Land Area:	The subject site contains 21,511 square feet or 0.49 acres.
Improvements:	
Year Built:	1971
Condition:	Average
Building Size:	2,409 square feet
FAR:	0.11
Zoning:	DC - Downtown Core and DR - Downtown Residential by Riviera Beach
Land Use Plan:	DMU - Downtown Mixed Use by Riviera Beach
Flood Zone & Map Reference:	Zone X (unshaded), Community Panel Number 12099C0391F, effective date of October 5, 2017
Census Tract:	0012.00

Current Use:	Storage/Parking
Highest and Best Use:	Commercial
Exposure Time:	6 to 12 months
Marketing Time:	6 to 12 months
Estimated Property Values:	
Value via Cost Approach:	N/A
Value via Income Capitalization Approach:	N/A
Value via Sales Comparison Approach:	$340,000
MARKET VALUE:	**$340,000**
MARKET RENT INCLUDING BUILDING:	**$23,800 per year**
MARKET RENT PARKING LOT ONLY:	**$14,950 per year**
Date of Inspection:	July 24, 2019
Date of Report:	August 6, 2019
Date of Value:	July 24, 2019
Appraisers:	Robert B. Banting, MAI, SRA Cert Gen RZ4 Beau M. Arnold Cert Gen RZ2937

CERTIFICATION

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

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

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

I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three year period immediately preceding acceptance of this assignment.

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

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

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

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

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

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

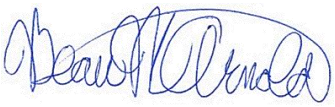
Beau M. Arnold and Robert B. Banting, MAI, SRA have made a personal inspection of the property that is the subject of this report.

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

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



Robert B. Banting, MAI, SRA
Cert Gen RZ4



Beau M. Arnold
Cert Gen RZ2937

GENERAL LIMITING CONDITIONS

1. Unless otherwise stated, the value appearing in this appraisal represents our opinion of the market value or the value defined as of the date specified. Values of real estate are affected by national and local economic conditions and consequently will vary with future changes in such conditions.

2. Possession of this report or any copy thereof does not carry with it the right of publication nor may it be used for other than its intended use. The physical report(s) remains the property of the appraiser for the use of the client. The fee being charged is for the analytical services only. The report may not be copied or used for any purpose by any person or corporation other than the client or the party to whom it is addressed, without the written consent of an officer of the appraisal firm of Anderson & Carr, Inc. and then only in its entirety.

3. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations efforts, news, sales or other media without written consent and approval of an officer of Anderson & Carr, Inc. nor may any reference be made in such public communication to the Appraisal Institute or the MAI, SRA or SRPA designations.

4. The appraiser may not divulge the material contents of the report, analytical findings or conclusions, or give a copy of the report to anyone other than the client or his designee, as specified in writing except as may be required by the Appraisal Institute, as they may request in confidence for ethics enforcement or by a court of law or body with the power of subpoena.

5. Liability of Anderson & Carr, Inc. and its employees is limited to the fee collected for the appraisal. There is no accountability or liability to any third party.

6. It is assumed that there are no hidden or unapparent conditions of the property, sub-soil, or structures which make it more or less valuable. The appraiser assumes no responsibility for such conditions or the engineering which might be required to discover these facts.

7. This appraisal is to be used only in its entirety. All conclusions and opinions concerning the analysis which are set forth in the report were prepared by the appraisers whose signatures appear on the appraisal report. No change of any item in the report shall be made by anyone other than the appraiser and the appraiser and firm shall have no responsibility if any such unauthorized change is made.

8. No responsibility is assumed for the legal description provided or other matters legal in character or nature, or matters of survey, nor of any architectural, structural, mechanical, or engineering in nature. No opinion is rendered as to the title which is presumed to be good and merchantable. The property is valued as if free and clear of any and all liens and encumbrances and under responsible ownership and competent property management unless otherwise stated in particular parts of the report.

9. No responsibility is assumed for accuracy of information furnished by or from others, the clients, their designee, or public records. We are not liable for such information or the work of subcontractors. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit when possible. All are considered appropriate for inclusion to the best of our knowledge and belief.

10. The contract for appraisal, consultation or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser or those assisting the preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal in full or in part; nor engaged in post-appraisal consultation with client or third parties, except under separate and special arrangement and at an additional fee.

11. The sketches and maps in this report are included to assist the reader and are not necessarily to scale. Various photos, if any, are included for the same purpose and are not intended to represent the property in other than actual status as of the date of the photos.

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

13. If applicable, the distribution of the total valuation of this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal, no matter how similar and are invalid if so used.

14. No environmental or impact studies, special market studies or analysis, highest and best use analysis study or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report. Anderson & Carr, Inc. reserves the unlimited right to alter, amend, revise or rescind any of the statements, findings, opinions, values, estimates or conclusions upon any previous or subsequent study or analysis becoming known to the appraiser.

15. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in this appraisal report.

16. The value estimated in this appraisal report is gross without consideration given to any encumbrance, lien, restriction, or question of title, unless specifically defined. The estimate of value in the appraisal report is not based in whole or in part upon the race, color, or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

17. It is assumed that the property conforms to all applicable zoning, use regulations, and restrictions unless a nonconformity has been identified, described, and considered in this appraisal report.

18. It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the opinion of value contained in this report is based.

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

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

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

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

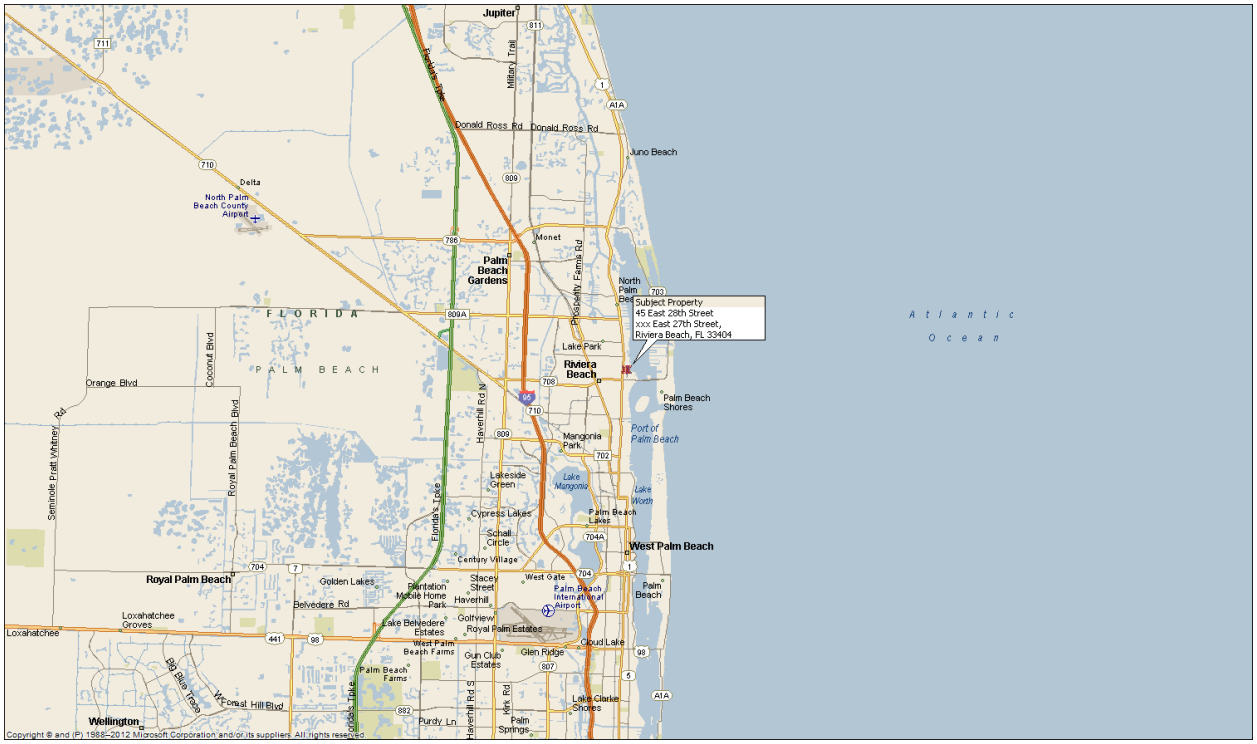
EXTRAORDINARY ASSUMPTIONS

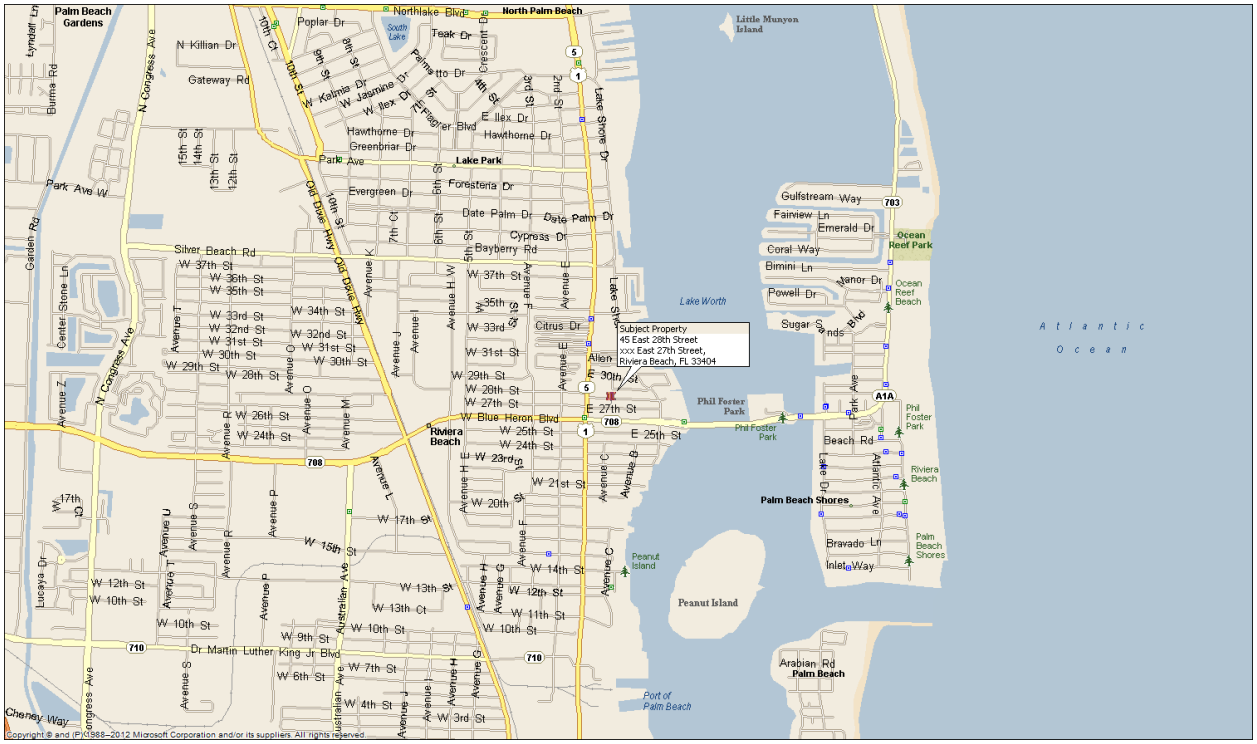
The appraisers were not able to gain access to the interior of the building. The exterior exhibited average condition. We have assumed the interior condition to be commensurate with the exterior.

HYPOTHETICAL CONDITIONS

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

AREA/LOCATION MAPS





AERIAL PHOTOGRAPHS






Subject Property


Subject Property

SUBJECT PROPERTY PHOTOS (TAKEN JULY 24, 2019)



Looking west on East 27th Street, subject is on the right



Subject looking north from East 27th Street



Subject parking lot looking northwest from the southeast corner



Subject parking lot looking northeast from the southwest corner



Subject parking lot looking north from the south end



Looking west on 28th Street, subject is on the left



Subject looking southeast from East 28th Street



Subject parking lot looking south from the north end



Subject building looking south from 28th Street



East side of subject building looking southwest



West side of subject building looking east



South side of subject building looking north

PURPOSE AND DATE OF VALUE

The purpose of this appraisal is to estimate the market value, fee simple estate, of the subject property as of July 24, 2019. Additionally we have been asked to provide an estimate of market rent for the property as whole (including the building) and a separate estimate of market rent just for the parking lot.

PROPERTY APPRAISED

The subject is a 21,511 square foot parcel of mixed use zoned land. It is currently improved with a 2,409 square foot commercial building located at the northeast corner of the site. The appraisers were not able to gain access to the interior of the building. The exterior exhibited average condition. We have assumed the interior condition to be commensurate with the exterior. The balance of the site is improved with an asphalt parking lot. The parking lot was found to be in good condition. The entire site is fenced with 6 foot chain-link fencing. The subject property is located on the North side of East 27th Street and south side of East 28th Street, within the municipal limits of the City of Riviera Beach. The property address is 45 East 28th Street and XXX East 27th Street, Riviera Beach, Florida 33404.

LEGAL DESCRIPTION

The legal description for the subject property was taken from the most recent deed for the subject property, recorded in OR Book 26858, Page 1026.

Lots 5 and 6, INLET SHORES PLAT NO. 2, according to the Plat thereof on file in the office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, in Plat Book 20, Page 71.

Lot 39, LEE-WOOD PARK, an addition to the Town of Riviera Beach, Florida, according to the plat thereof on file in the office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, in Plat Book 20, Page 94.

Lot 38, LEE-WOOD PARK, an addition to the Town of Riviera Beach, Florida, according to the plat thereof on file in the office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, recorded in Plat Book 20, Page 94.

DISCLOSURE OF COMPETENCY

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

INTENDED USE AND USER

The intended use of this report is to assist the client and intended user in internal decision making. The intended user of the report is Riviera Beach CRA.

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

CLIENT

Mr. Scott Evans, AICP
Executive Director
Riviera Beach Community Redevelopment Agency
2001 Broadway, Suite 300
Riviera Beach, FL 33404

DEFINITIONS

Market Value

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

Extraordinary Assumption

An assignment specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market trends; or integrity of data used in an analysis. (USPAP, 2018-2019 ed.). The use of an extraordinary assumption in appraisal practice can have significant impacts on value conclusions.

An extraordinary assumption was used in the process of this appraisal as follows:

The appraisers were not able to gain access to the interior of the building. The exterior exhibited average condition. We have assumed the interior condition to be commensurate with the exterior.

PERSONAL PROPERTY, FURNITURE, FIXTURES AND EQUIPMENT

This appraised value does not include the personal property, furniture, fixtures, and equipment (FF&E), if any, used in the operation of the intended use of the property.

PROPERTY RIGHTS APPRAISED

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

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

TYPICAL BUYER PROFILE

The typical purchaser of the subject would be either an owner user or an investor that would purchase the site to hold for future redevelopment when the local market warrants. The sales comparison approach to value reflects the actions of typical buyers within this market.

SCOPE OF ASSIGNMENT

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

We note that the subject property was found to have excess land that is not needed to support the functionality of the existing building improvements. The FAR of the total property is 0.11 which is not typical in the market. Therefore, we have valued the subject property in two pieces. First we valued the building and land (11,751, square feet) associated with the PCN 56-43-42-28-17-00-0380. This parcel equates to an overall FAR of 0.21 which while on the lower side, is much more typical in the market. We valued this parcel using sales of improved commercial properties. Secondly we valued the land associated with the PCN 56-43-43-28-13-000-0050, which contains 9,960 square feet. We valued this parcel using vacant commercial land sales.

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

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

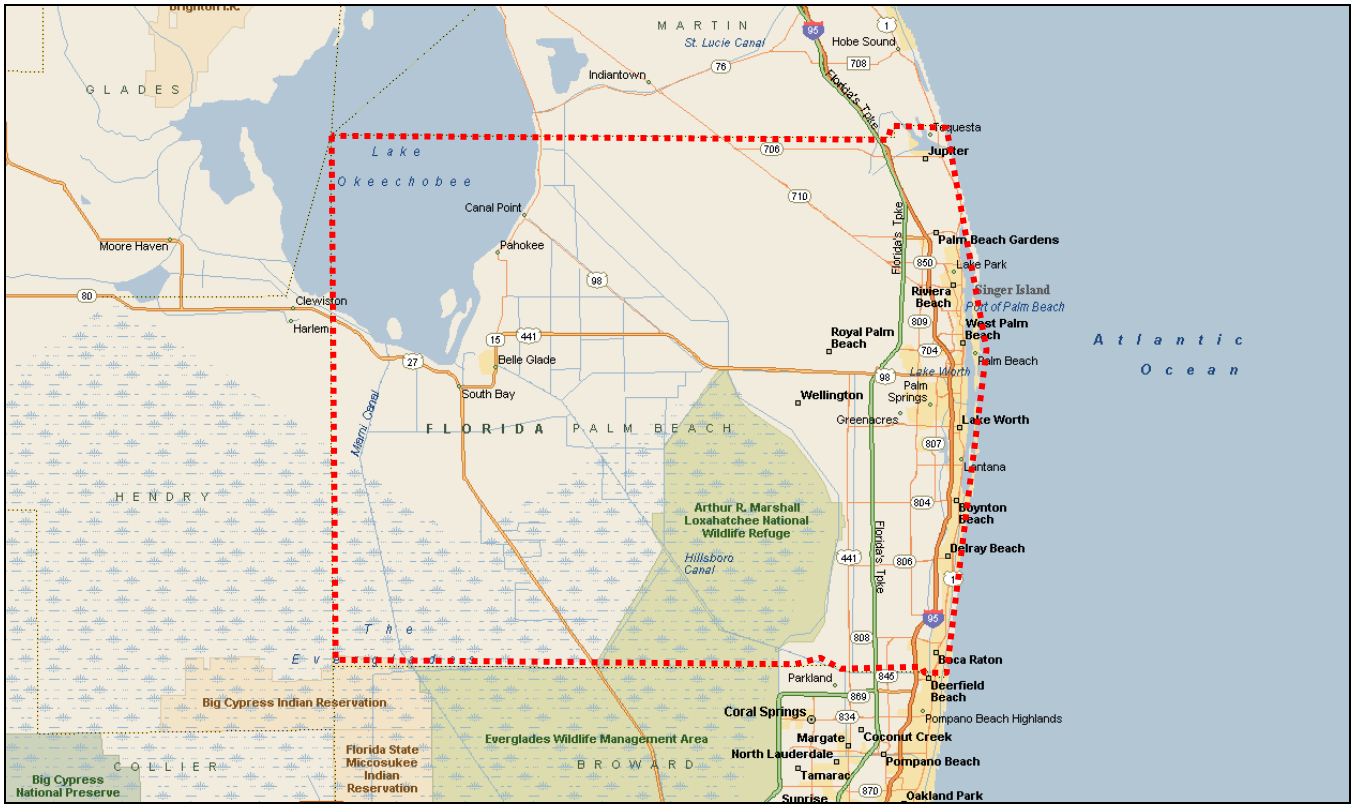
We inspected the interior and exterior of the subject property and the exterior of the comparables. Physical data pertaining to the subject property was obtained from an inspection of the premises and public information sources such as the Palm Beach County Property Appraiser's records. Other data pertaining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

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

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

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

PALM BEACH COUNTY SUMMARY



Geography

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

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

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

Miami-Dade, Broward and Palm Beach Counties are known as the "Gold Coast". This area is approximately 110 miles from north to south, but only 20 miles wide at its widest points. This is the second longest urbanized area in the United States, just behind the New York Metropolitan area.

Transportation

Vehicular Travel

Interstate 95 is a major north/south thoroughfare that connects Palm Beach County to the southeastern and northeastern portions of the state, and then continues along the Eastern Seaboard to Maine. Florida's Turnpike also passes through the county and provides connections to Miami-Dade and Broward Counties to the south and Orlando to the north, connecting with I-75 around Leesburg, FL. Other north/south highways include A1A, U.S. Highway 1, Congress Avenue, Military Trail and U.S. 441. A1A connects the coastal communities along the eastern edge of the county while U.S. 441 connects the more western communities such as Wellington and Jupiter Farms. There are numerous local east/west roadways with Southern Boulevard and Blue Heron Boulevard providing access to the most western portions of the county including Belle Glade, as well as Florida's West Coast.

Airport

Palm Beach International Airport (PBI) is centrally located 2.5 miles from downtown West Palm Beach and adjacent to I-95 providing air service for communities throughout Palm Beach County. PBI opened in 1988 and has expanded over the past 30 years. There are currently fourteen major airlines operating with numerous domestic flights and international flights to the Bahamas and Canada. The airport's growth necessitated a direct access overpass interchange with I-95 which significantly improved ingress and egress for the airport. Palm Beach County is also home to four commercial executive airports.

Rail Service and Transit

There are two main rail corridors in Palm Beach County, the Florida East Coast railway and CSX railway, partially owned by the Florida Department of Transportation to run the Tri-Rail commuter trains. AmTrak is a passenger train than runs throughout the county connecting passengers to other parts of the country. Brightline, the express intercity high-speed rail system runs service between Miami and West Palm Beach with a single intermediate stop in Ft. Lauderdale. It began service in May 2018, with an extension from West Palm Beach to Orlando via Melbourne planned to open in late 2021. Palm Tran is Palm Beach County's public transportation provider for fixed route passenger bus service. It also operates Palm Tran CONNECTION and provides paratransit services for qualified users. Local municipalities and Tri-rail provide various trolley and shuttle services throughout Palm Beach County.

Port of Palm Beach and Intracoastal Waterway

The Port of Palm Beach is located in Riviera Beach, FL and is an independent taxing authority district with a five member Board of Commissioners. It has an annual cargo tonnage of 5.1 and passenger traffic of 550,000. It is the fourth busiest container port of Florida's 14 deep water ports and 18th in the United States. Unlike most ports in the US, the Port of Palm Beach is an export port, with approximately 80% of its cargo being exported. The majority of the cargo goes to support the island nations of the Caribbean, supplying 60% of everything consumed in the Bahamas. It is home to Bahamas Paradise Cruise Line offering two day cruises to Grand Bahama Island. The Intracoastal Waterway represents one of Palm Beach County's most identifiable marine destinations. Roughly 43 miles of waterway serve as a regional connector between 23 of the county's municipalities.

Economy

The unemployment rate in Palm Beach County reached a peak of 12 percent in July 2010. As of March 2019, the unemployment rate was 3.4 percent with a net annual change of -0.3 percent according to the U.S. Bureau of Labor Statistics. Tourism is the county's leading industry, employing over 70,000 people and generating about two billion dollars annually. The other multi-billion dollar industries are construction and agriculture. All three industries experienced some decline due to economic conditions from 2007 until the middle of 2011. The economy began to stabilize in mid-2011 and these industries have continued to experience signs of recovery into 2019.

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

The largest employer in Palm Beach County is the Palm Beach County School Board, the tenth largest school district in the United States, with over 22,000 employees and a $3 billion dollar budget for the 2018-2019 school year. Palm Beach County employment by industry is shown in the following table.

PALM BEACH EMPLOYMENT BY INDUSTRY IN THOUSANDS

	Current Jobs		Current Growth		10 Yr Historical		5 Yr Forecast	
NAICS Industry	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	21	0.4	3.16%	1.82%	2.21%	0.51%	-0.06%	0.13%
Trade, Transportation and Utilities	118	1.0	1.35%	1.10%	1.80%	1.03%	0.91%	0.47%
Retail Trade	80	1.2	0.60%	0.03%	1.74%	0.77%	0.81%	0.34%
Financial Activities	43	1.2	3.73%	1.28%	1.82%	0.87%	0.52%	0.45%
Government	64	0.7	1.92%	0.46%	-0.31%	-0.03%	0.80%	0.78%
Natural Resources, Mining and Construction	39	1.1	4.12%	3.88%	2.62%	1.57%	1.27%	0.35%
Education and Health Services	104	1.0	3.00%	2.10%	2.77%	2.09%	0.45%	0.34%
Professional and Business Services	117	1.3	3.43%	2.52%	3.35%	2.41%	1.16%	0.93%
Information	11	0.9	-2.29%	-0.01%	0.86%	-0.12%	0.65%	0.46%
Leisure and Hospitality	93	1.3	4.76%	2.34%	2.87%	2.38%	0.36%	0.42%
Other Services	33	1.3	-1.51%	1.23%	2.08%	0.89%	0.83%	0.24%
Total Employment	**644**	**1.0**	**2.69%**	**1.70%**	**2.19%**	**1.29%**	**0.75%**	**0.51%**

Source: Oxford Economics
LQ = Location Quotient

Commercial Real Estate

Industrial

Leasing- The vacancy rate for Palm Beach County has always tracked below the national average and is close to all-time lows which can be attributed to modest construction and strong net absorption over the cycle.

Rent- Rent growth has been stable over the last year and is currently at 4.9%. The most expensive properties tend to center around Boca Raton in the south end of the county and Palm Beach Gardens/Jupiter in the north. Rent growth should continue to maintain a healthy rate in the near term.

Construction- Construction has picked up in recent years and new supply is expected to increase moderately over the next few years with 530,000 SF still under construction.

Sales- Investors have taken an active interest in industrial space and sales volume has increased quickly in the cycle. Sales volume in 2018 was somewhat subdued compared to prior years, but 2019 is off to a good start.

Overview

Palm Beach Industrial

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	12 Mo Rent Growth
386 K	65.8 K	3.2%	4.9%

Strong household growth across Palm Beach has fueled the demand for logistics space. Vacancies are close to all-time lows, the result of years of solid absorption and just modest construction. Despite tight vacancies that are below the national average, rent growth has been below the national average for most of the cycle. Palm Beach County has also become a more popular metro for investment in the past few years, and pricing has surpassed $120/SF.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	41,093,694	3.1%	$10.91	6.1%	(35,612)	0	514,410
Specialized Industrial	10,143,860	2.1%	$10.75	6.1%	130,754	0	0
Flex	11,754,505	4.4%	$14.52	6.3%	(39,913)	0	15,000
Market	**62,992,059**	**3.2%**	**$11.55**	**6.2%**	**55,229**	**0**	**529,410**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.4%	5.7%	3.8%	11.3%	2009 Q3	2.6%	2005 Q4
Net Absorption SF	65.8 K	747,897	351,333	2,176,501	2005 Q3	(1,889,397)	2009 Q3
Deliveries SF	386 K	803,449	558,508	1,780,894	2002 Q1	9,060	2013 Q2
Rent Growth	4.9%	2.0%	2.4%	6.0%	2001 Q1	-4.3%	2009 Q4
Sales Volume	$375 M	$169.8M	N/A	$397.3M	2019 Q1	$35.6M	2010 Q1

Office

Leasing- The vacancy decline in Palm Beach County has been one of the most dramatic in Florida this cycle. In fact, vacancy compression here has ranked among the best metros nationally.

Rent- At nearly $32 per SF, office rents are higher in Palm Beach County than other Florida markets outside of Miami. Rent growth has been solid and remains above the national average.

Construction- Deliveries have been sparse in this cycle and less than 100,000 SF delivered in 2018. Construction activity has picked up and the North and South Towers in North Palm Beach will bring about 224,000 SF to the market.

Sales- Investment has picked up considerably across the metro specifically in the Boca Raton and Delray submarkets as investors attempt to capitalize on the improving economy and healthy fundamentals.

Overview

Palm Beach Office

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	12 Mo Rent Growth
364 K	(22.4 K)	10.2%	5.1%

For the majority of the cycle, Palm Beach has had strong and consistent demand, and a relatively low level of construction over the cycle has limited supply-side pressure. Office-using employment growth continues to be a driving force behind the economic improvement across the metro, concentrated in the business hubs of Boca Raton and West Palm Beach. Consequently, landlords have been able to push rents, and rent growth has been outperforming the national average.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	13,238,338	12.8%	$40.41	15.5%	13,899	106,957	722,331
3 Star	27,645,336	10.2%	$30.21	13.4%	(141,884)	0	41,900
1 & 2 Star	15,045,209	8.0%	$26.42	9.3%	(16,497)	0	2,000
Market	**55,928,883**	**10.2%**	**$31.72**	**12.8%**	**(144,482)**	**106,957**	**766,231**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.2%	11.7%	10.1%	17.4%	2010 Q3	6.5%	2000 Q1
Net Absorption SF	(22.4 K)	611,845	465,023	2,119,474	2004 Q4	(1,171,726)	2008 Q1
Deliveries SF	364 K	805,685	498,763	2,684,789	2008 Q4	27,005	2012 Q2
Rent Growth	5.1%	2.2%	2.2%	9.1%	2016 Q3	-8.0%	2009 Q4
Sales Volume	$652 M	$590.9M	N/A	$1.3B	2015 Q2	$101.6M	2009 Q4

Retail

Leasing- Palm Beach County remains one of the top metros in the National Index for population growth, combined with median household growth above the national median, should translate into increased retail spending that will continue to support long-term demand.

Rent- Rent growth has been slow but is in line with the national average. The Palm Beach submarket, which encompasses most of the coastal retail property, has the highest retail asking rents in the metro at over $60/SF, indicating an enormous premium for retail space on or near the beach.

Construction- Palm Beach has historically been active in retail development, but this cycle has been much more moderate, adding less than 400,000 SF last year. Development is forecast to uptick slightly over the next few years.

Sales- Sales activity and pricing continues to fall. While overall pricing in 2018 averaged less that $200/SF, the highest prices are generated in the urban core of Palm Beach with a few sales surpassing $1,000/SF.

Overview

Palm Beach Retail

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	12 Mo Rent Growth
497 K	87.3 K	4.6%	1.4%

Palm Beach has traditionally been an attractive retail market due to strong demographics. And employment growth has been concentrated in higher-income jobs, which should help spur median household income growth in conjunction with the rising population of wealthy retirees. Landlords have capitalized on these factors by raising rents. Retail space is slightly more expensive in Palm Beach than in Fort Lauderdale, but rents are significantly less than Miami's. Fundamentals have been performing well, and retail vacancies are down in Palm Beach and across all of South Florida.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	10,064,275	1.5%	$31.47	2.1%	54,347	48,750	22,834
Power Center	3,831,545	4.7%	$30.00	6.0%	(5,205)	0	0
Neighborhood Center	30,934,091	5.5%	$25.87	7.8%	48,909	0	9,000
Strip Center	5,176,355	5.8%	$24.39	6.0%	9,686	0	0
General Retail	30,347,422	4.3%	$26.55	5.8%	(49,692)	25,080	420,659
Other	514,221	8.1%	$29.19	10.3%	5,420	0	0
Market	**80,867,909**	**4.6%**	**$26.94**	**6.2%**	**63,465**	**73,830**	**452,493**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.4%	5.9%	5.1%	8.7%	2010 Q1	3.4%	2006 Q1
Net Absorption SF	87.3 K	577,991	428,761	1,869,615	2008 Q2	(1,104,462)	2009 Q3
Deliveries SF	497 K	839,127	574,457	2,614,236	2007 Q3	150,240	2014 Q1
Rent Growth	1.4%	1.6%	1.1%	7.0%	2017 Q1	-5.8%	2009 Q3
Sales Volume	$664 M	$600.4M	N/A	$1.5B	2015 Q3	$136.7M	2009 Q3

Multi-Family

Vacancy- Strong demand has allowed vacancies to compress below the historical average. The metro is forecast to grow at one of the fastest rates in the country.

Rent- Palm Beach continues to experience some of the strongest rent growths in SF. The affluence of this metro may help maintain higher rents despite supply-side pressure. Recently the best rent growth has been in Boca Raton and Delray, two of the metro's most expensive submarkets.

Construction- Palm Beach has been one of the fastest growing metros in the country this cycle, growing by about 30%. Development reached a cyclical high in 2018 when 2,600 units came on line.

Sales- Investors seeking quality assets are making moves in Palm Beach with over $1 billion in annual transactions over the past three years. Average pricing is now close to $210,000/unit.

Overview

Palm Beach Multi-Family

12 Mo. Delivered Units	12 Mo. Absorption Units	Vacancy Rate	12 Mo. Asking Rent Growth
1,604	2,504	6.6%	2.9%

Strong employment and population trends have enticed developers to be quite active in Palm Beach, with apartment inventory increasing by almost 30% this cycle. Although 2018 was one of the heaviest years in the metro's history for supply additions, strong demand has allowed vacancies to compress. Another wave of construction is set to hit the market in the near term, but healthy economic indicators should keep vacancies near the historical average. Rent growth continues to improve and is projected to stay strong in 2019. Investors are flooding into this high-growth market, with sales surpassing $1 billion each year since 2016.

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	26,836	8.2%	$1,867	$1,846	28	0	2,460
3 Star	25,365	5.3%	$1,476	$1,467	(17)	0	430
1 & 2 Star	12,149	6.0%	$1,076	$1,068	(6)	0	0
Market	**64,350**	**6.6%**	**$1,617**	**$1,603**	**5**	**0**	**2,890**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-1.6%	7.9%	6.8%	10.1%	2009 Q1	5.3%	2014 Q3
Absorption Units	2,504	1,140	1,290	3,529	2018 Q3	(233)	2006 Q3
Delivered Units	1,604	1,257	1,435	2,948	2017 Q2	0	2011 Q4
Demolished Units	17	53	62	285	2010 Q1	0	2018 Q4
Asking Rent Growth (YOY)	2.9%	2.4%	1.5%	6.8%	2006 Q3	-3.2%	2008 Q4
Effective Rent Growth (YOY)	3.5%	2.4%	1.5%	6.8%	2006 Q3	-3.2%	2008 Q4
Sales Volume	$1.2 B	$527.0M	N/A	$1.9B	2018 Q2	$62.6M	2009 Q1

Residential Real Estate

PALM BEACH COUNTY

Local Market Update

MARCH 2019

SINGLE FAMILY HOMES	03/19	03/18	% CHANGE
Closed Sales	1,521	1,669	-8.9%
Closed Sales (Paid In Cash)	499	625	-20.2%
Median Sale Price	$350,000	$348,000	0.6%
Median % Original List Price Received	94.3%	94.7%	-0.4%
Median Days to Contract	62 Days	56 Days	10.7%
Inventory (Active Listings)	7,959	7,335	8.5%
Months Supply of Inventory	5.7	5.1	11.8%

TOWNHOUSES/CONDOS	03/19	03/18	% CHANGE
Closed Sales	1,205	1,347	-10.5%
Closed Sales (Paid In Cash)	730	846	-13.7%
Median Sale Price	$175,000	$177,000	-1.1%
Median % Original List Price Received	93.5%	93.6%	-0.1%
Median Days to Contract	51 Days	52 Days	-1.9%
Inventory (Active Listings)	6,756	6,738	0.3%
Months Supply of Inventory	6.0	6.1	-1.6%

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

Palm Beach United States

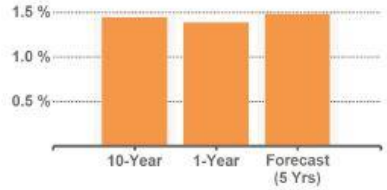
Source: Oxford Economics

DEMOGRAPHIC TRENDS

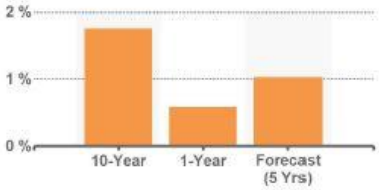
	Current Level		Current Change		10-Year Change		Forecast Change (5 Yrs)	
Demographic Category	Metro	U.S.	Metro	U.S.	Metro	U.S.	Metro	U.S.
Population	1,503,837	328,856,938	1.4%	0.7%	1.4%	0.7%	1.5%	0.7%
Households	558,689	121,149,391	1.2%	0.6%	0.9%	0.7%	1.4%	0.6%
Median Household Income	$127,159	$96,583	2.7%	3.5%	3.6%	2.8%	2.7%	3.2%
Labor Force	739,124	163,421,406	0.6%	1.1%	1.8%	0.6%	1.0%	0.4%
Unemployment	3.3%	3.8%	-0.9%	-0.2%	-0.7%	-0.5%	-	-

Source: Oxford Economics

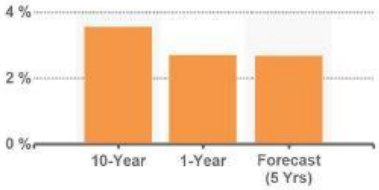
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



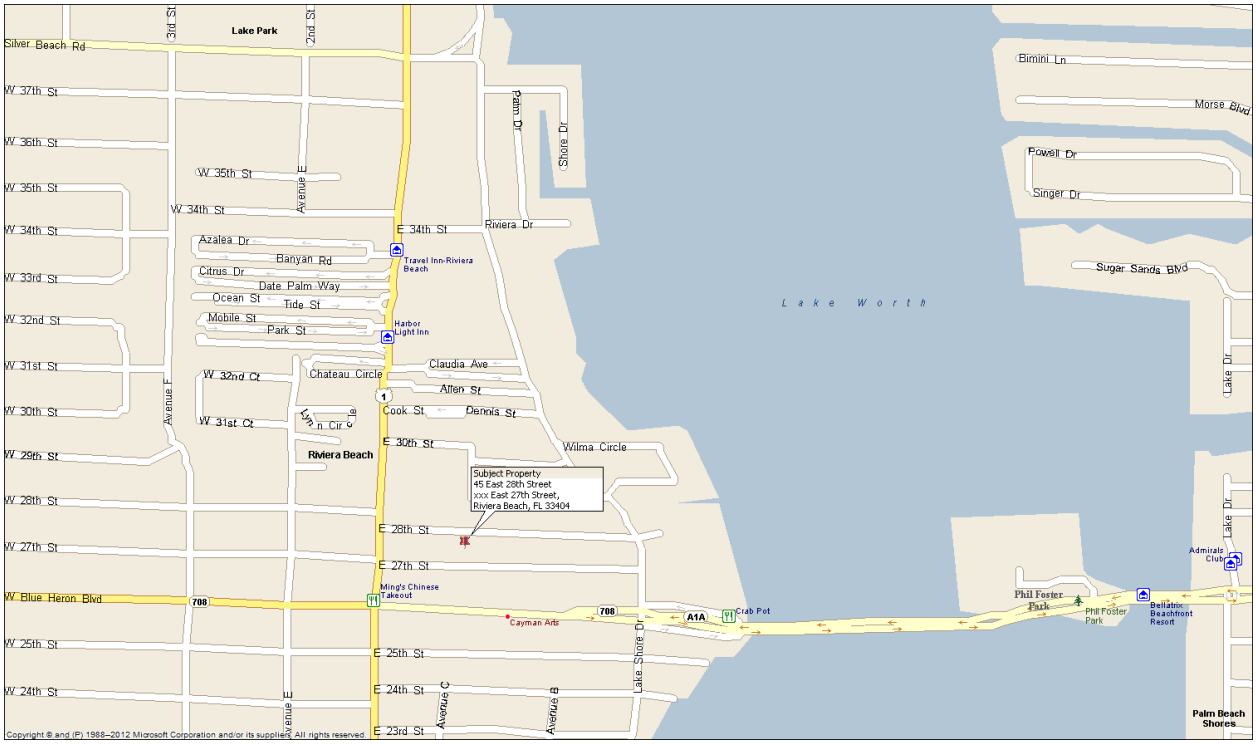
Source: Oxford Economics

Conclusion

Some of the factors that fed Palm Beach County's past growth diminished in 2007 with a decline in the national economy which included reduced home prices and high unemployment. This trend continued until the middle of 2011 when signs of stabilization began to emerge. In the fourth quarter 2011, sales activity began to show signs of recovery. A slow but steady rebound in the market has continued into the first quarter of 2019.

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

NEIGHBORHOOD SUMMARY



The subject property is located in an area of Palm Beach County, in the town of Riviera Beach. The general neighborhood is residential with older single-family homes, condominium projects and duplex type units in well-established neighborhoods. Commercial and retail uses can be found on the major east/west and north/south roadways through this area. The neighborhood is bounded by Silver Beach Road to the north, the Intracoastal Waterway to the east, Blue Heron Boulevard to the south and Broadway/US Highway 1 to the west.

Blue Heron Boulevard has an interchange with Interstate 95, and also provides access to a barrier island known as Singer Island to the east. Access characteristics are considered good. The primary north-south artery through the neighborhood is Broadway, also known as US Highway 1. The area is more or less fully developed with a mixture of commercial, retail, and residential uses.

The general area is known for being within close proximity to Singer Island, as well as several newer strip malls with trendy dining and shopping establishments. Additionally, the area contains several marinas with popular dining and entertainment establishments. Singer Island has been a popular tourist destination for decades and the Blue Heron Bridge is one of two bridges which provide access to the barrier island.

Inventory Analysis	Prior 7-12 Months 7/30/2018 - 1/29/2019	Prior 4-6 Months 1/30/2019 - 4/29/2019	Current - 3 Months 4/30/2019 - 7/30/2019
Total # of Comparable Sales (Settled)	9	6	5
Absorption Rate (Total Sales/Months)	1.50	2.00	1.67
Total # of Active Listings	10 (Active on 1/29/2019)	10 (Active on 4/29/2019)	13 (Active on 7/30/2019)
Months of Housing Supply (Total Listings / Ab. Rate)	6.67	5	7.78
Median Sale & list Price, Dom, Sale/List %	**Prior 7-12 Months**	**Prior 4-6 Months**	**Current - 3 Months**
Median Comparable Sale Price	260,000	358,750	295,000
Median Comparable Sales DOM	93	156	83
Median Comparable List Price	431,500	369,850	382,900
Median Comparable Listings DOM	233.5	163	84
Median Sale Price as % of List Price	94.00 %	95.00 %	97.00 %

As illustrated in the chart above, median sales prices for single family dwellings in the neighborhood have remained stable over the prior twelve months, days on the market have remained stable and the percentage of the final sales prices expressed as a percentage of the asking price has also increased. All of these factors are indications that the subject is located in an improving market and demand has remained strong for this type of inventory.

Overall, the general locale is a desirable residential location based on proximity to Singer Island and the built-out nature of the area. It is centrally located with good access to I-95, and is within close proximity to a beach and other dining and shopping establishments. Like most of the county, property values in the area had seen significant declines through the end of the prior decade. However, the declines appear to have moderated since the end of 2010 and it appears that trends are now building positive momentum. Saving another downturn in the economy both shorter- and longer-term value trends are expected to be positive.

PROPERTY DATA

Taxpayer of Record

PC Florida Holdings, LLC

Palm Beach County Property Control Number(s)

56-43-42-28-17-000-0380; 56-43-42-28-13-000-0050

Assessed Value and Taxes for 2018

The following information was taken from the Palm Beach County Property Appraiser's and Tax Collector's web sites.

2018 SUBJECT ASSESSMENTS & TAXES									
Parcel ID	Appraised Value			Assessed and Taxable Values			Taxes		
	Land	Improvements	Total Market Value	Assessed Value	Exemption Amount	Taxable Value	Ad Valorem Tax	Non Ad Valorem Tax	Total Tax
56-43-42-28-17-000-0380	$78,379	$141,822	$220,201	$220,201	$0	$220,201	$4,759	$475	$5,234
56-43-42-28-13-000-0050	$65,099	$6,718	$71,817	$71,817	$0	$71,817	$1,552	$0	$1,552
Totals	$143,478	$148,540	$292,018	$292,018	$0	$292,018	$6,311	$475	$6,786

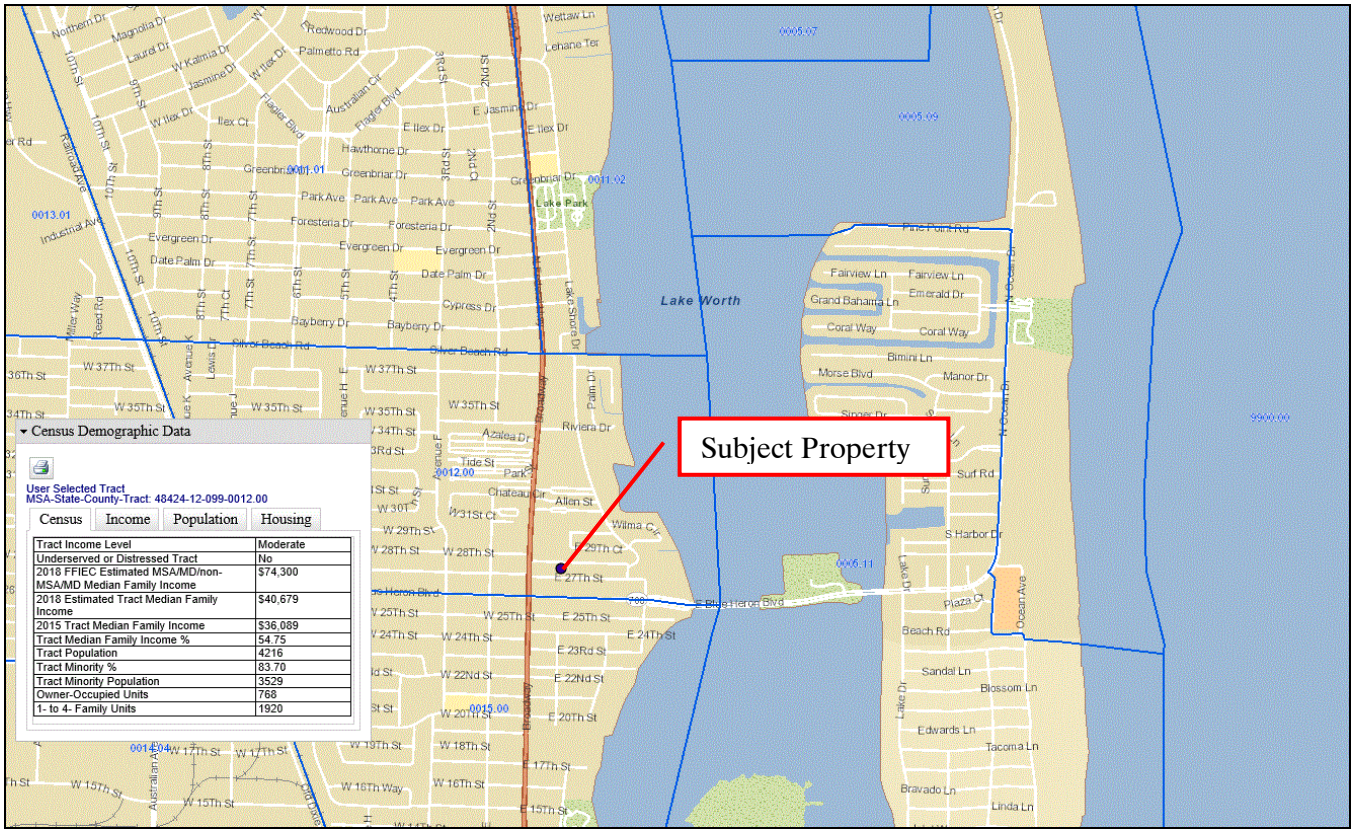
A typical informed buyer would recognize the possibility of a reassessment following a sale of the property and the possibility that taxes could change as a result, if the assessed value is substantially different than the true market value.

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

Census Tract

The subject property is located in census tract 0012.00.

Census Tract Map

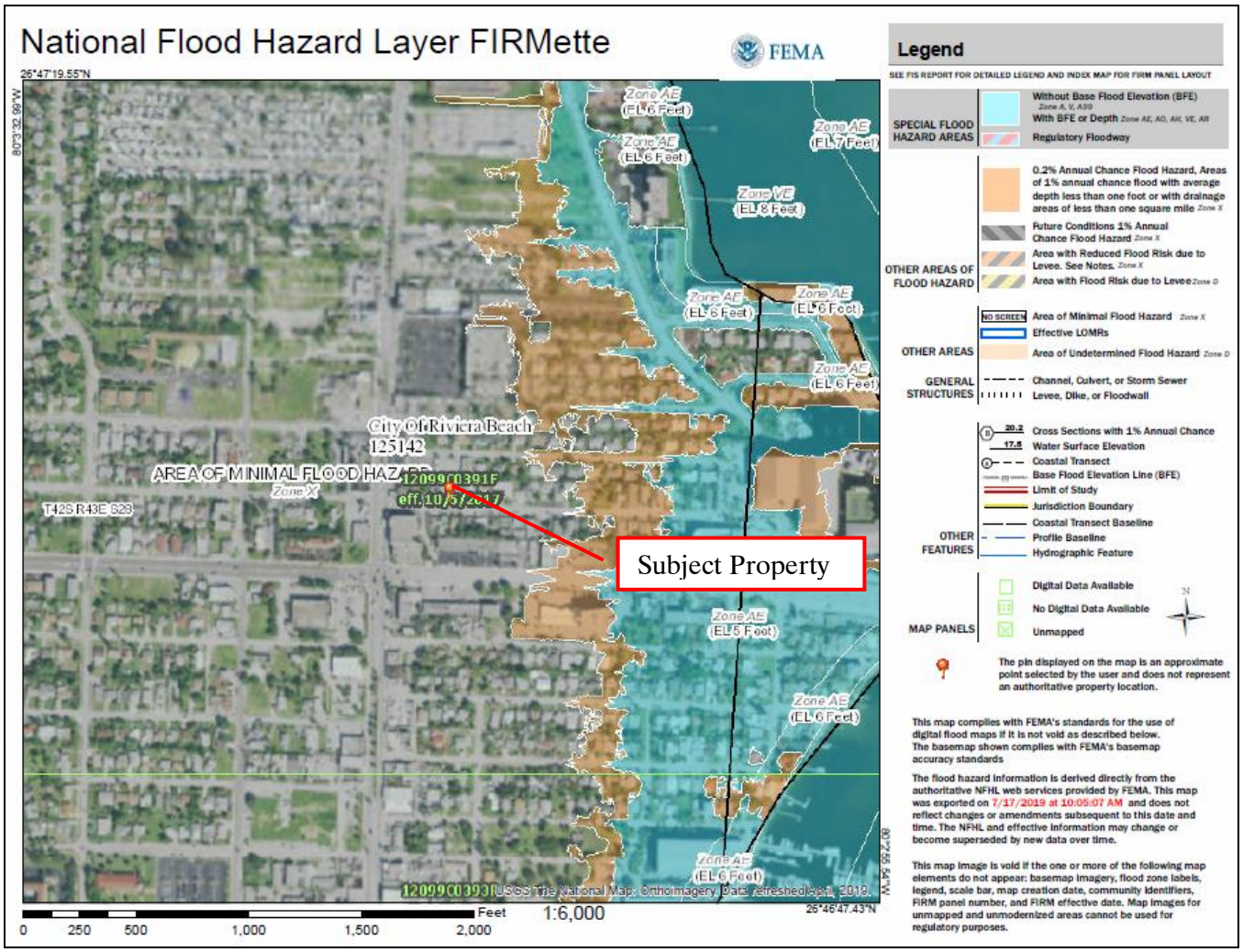


Flood Zone Designation

The subject property is located on the National Flood Insurance Program Map on Community Panel Number 12099C0391F, effective date of October 5, 2017. The subject appears to lie in an area designated as Zone X (unshaded).

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

Flood Map



Zoning and Future Land Use

The subject property's use is dictated by the Riviera Beach Zoning Code and Comprehensive Plan. The Riviera Beach zoning and future land use maps indicate the subject property has a zoning designation of DC - Downtown Core and DR - Downtown Residential with an underlying land use designation of DMU - Downtown Mixed Use. Per the City zoning code:

The purpose and intent of the downtown districts is to guide the redevelopment of the Community Redevelopment Area of Riviera Beach and the surrounding properties into a vibrant downtown that:

(1) Provides a variety of housing types to accommodate a diverse population;

(2) Establishes a "park once" environment by providing a mix of uses within a pedestrian-friendly environment;

(3) Maintains and enhances a continuous, inter-connected network of pedestrian- and bicycle-friendly streets that effectively links transit stations, bike paths, sidewalks, buildings, open spaces, and the waterfront;

(4) Provides public open space in the form of civic parks, plazas, and greens;

(5) Maintains and enhances public access to the waterfront; and

(6) Encourages investment by accommodating new development at a range of scales including individual infill buildings and large redevelopment projects.

(7) Maintains and improves real and perceived safety as a key component of walkability and sustainability.

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

Concurrency

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

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

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

Utilities

The following utilities are available to the subject property: Municipal water and sewer, electricity, and telephone.

Subject Property Sales History

The appraisers have not been provided with a title abstract on the property appraised nor have they conducted a title search of their own. The Palm Beach County Property Appraiser's records indicate that the subject property last sold on June 12, 2014 for a price of $165,000. This sale was recorded in Palm Beach County OR Book and Page 26858/1026.

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

Site Analysis

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

Location

The subject property is located on the North side of East 27th Street and south side of East 28th Street, within the municipal limits of the City of Riviera Beach. The property address is 45 East 28th Street and XXX East 27th Street, Riviera Beach, Florida 33404.

Size and Shape

We have relied on the site size for the property from the Palm Beach County Property Appraiser's records. The site is an irregular shaped parcel of land having roughly 150 front feet along the south side of East 28th Street and roughly 100 front feet along the north side of East 27th Street. The total subject site area is approximately 21,511 square feet or 0.494 acres.

Topography and Drainage

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

Access

Access is via curb cuts on the north side of East 27th Street and the south side of East 28th Street

Easements or Encroachments

Typical utility easements are believed to exist. A survey that would delineate the boundaries of any potentially detrimental easements or encroachments was not made available to the appraisers. The appraisers did not note any such conditions during our on-site inspection, nor did the property owner disclose any. We have no reason to believe that there are any easements or encroachments on the property that would affect its use in such a way as to have a negative impact on value.

Soil/Environmental Conditions

We have not been provided with nor have we commissioned a soil or sub-soil condition report. The appraisers have no reason to believe that there may be hazardous materials stored and used at the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

Site Improvement Analysis

Site improvements include asphalt paved parking lot, 6 foot chain-link perimeter fencing and pole mounted site lighting

Building Improvement Analysis

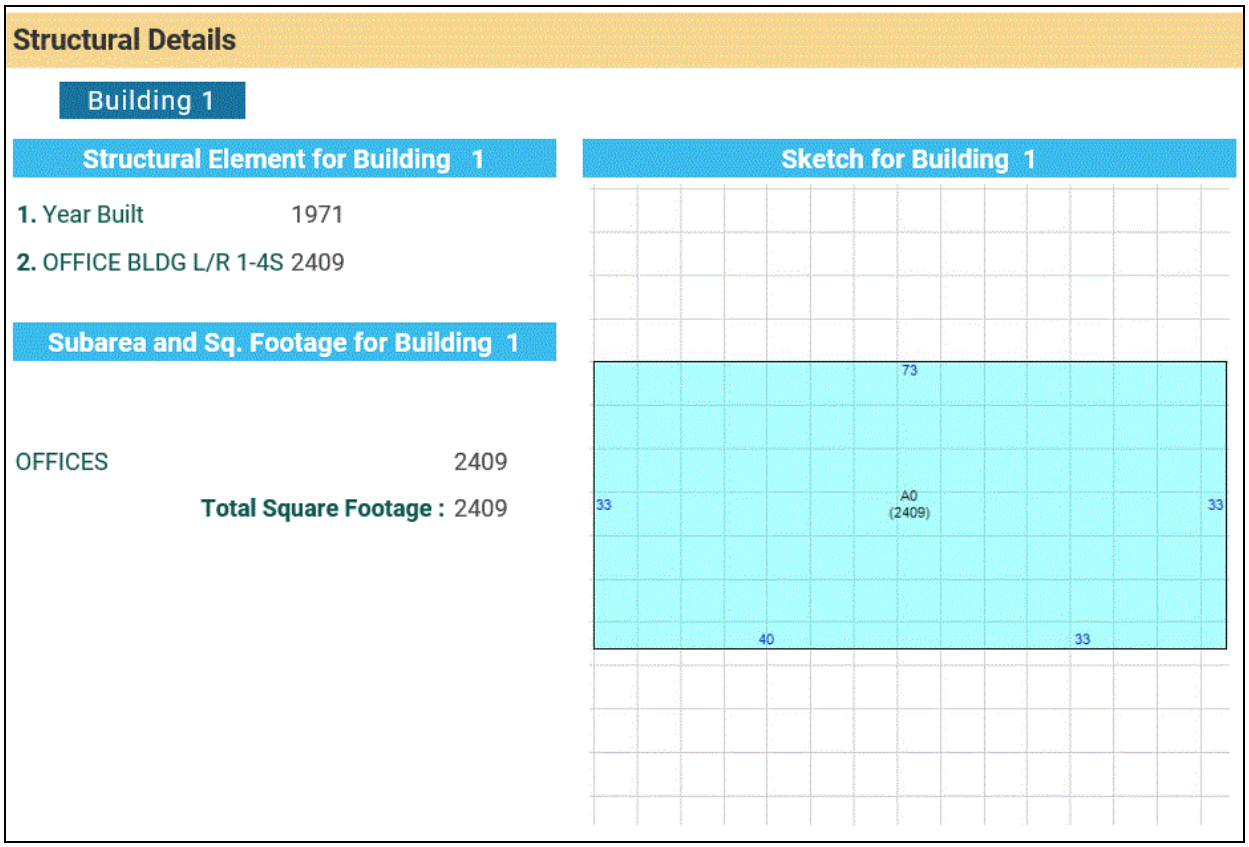
We have relied upon a personal inspection of the building as well as the Palm Beach County Public Records for the following building description.

Year Built:	1971
Building Area:	2,409 square feet
Site Area:	21,511 square feet
FAR/Lot Coverage:	0.11/11%
Foundations:	Concrete slab on grade
Basic Construction:	Concrete block
Exterior Finish	Stucco and face brick
Roof Support/Covering:	Flat roof, (the covering was not inspected, however, it is assumed to be typical built-up or membrane type covering in good working condition)
Doors:	Hollow core metal entrance doors
Windows:	Glass block
Floors:	Assumed to be commercial grade carpet and or tile
Ceiling:	Assumed to be drop acoustic tile
Interior walls:	Assumed to be finished drywall
Lighting:	Assumed to be adequate
Electric service:	Assumed adequate for current use
Plumbing:	Assumed adequate for the current and other typical uses, owner indicates there is one restroom
Heating and Cooling:	Central air conditioning
Parking:	Parking is super-adequate for the size of the building with 29 marked spaces or roughly 1 space for 83 square feet of building. City code requires 1 space per 200 square feet for retail uses and 1 space per 300 square feet for office uses.

Building Comments/ Condition:	Property appeared to be in average overall condition. No signs of any significant deferred maintenance were noted during the appraisers' exterior inspection. The appraisers were not able to gain access to the interior of the building. We have assumed the interior condition to be commensurate with the exterior.
Functional Utility:	The subject properties lack of windows and a typical storefront cause it to suffer from some functional obsolescence, compared to other competing properties in the market.
Economic/External Obsolescence:	The property does not appear to be suffering from any external/economic obsolescence.

Building Area Calculations / Floor Plan

The appraisers have not measured the building improvements. We have performed our analysis utilizing the building sketches and square footages available from the County Property Appraiser's records; copies of which are provided below.



HIGHEST AND BEST USE

The Appraisal Institute defines highest and best use as follows:

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

The analysis of highest and best use normally applies these considerations in a three step process, involving the analysis of the highest and best use of the site as if vacant, determination of the ideal improvement, and a comparison of the existing improvement with the ideal improvement, in order to estimate the highest and best use as improved.

As Vacant

The subject site is of sufficient size and configuration that it could physically support numerous uses, limited only by the fact that such uses must be legal, reasonable, probable, and a logical continuation of surrounding uses within the subject property's neighborhood. The subject is zoned DC - Downtown Core and DR - Downtown Residential with a land use designation of DMU - Downtown Mixed Use. Any number of uses would be legally possible. It is located in an area that is developed with a variety of uses.

In consideration of the site's location, land use classification, zoning and surrounding uses, the highest and best use for the subject, as if vacant, would be development with some type of commercial or mixed use building in keeping with the zoning, land use, and neighborhood uses.

As Improved

In the process of researching the subject market, the appraisers have determined that the subject improvements are substantial enough and in good enough condition that they add value to the site and it would not be economically justified to remove them at the present time. That said the subject does have excess land that could support additional development.

In consideration of the subject's location, land use classification, zoning, surrounding uses and type and condition of current improvements, the highest and best use for the subject is the current utilization of the existing improvements with the possibility of additional development in the future.

EXPOSURE AND MARKETING TIME

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

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

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

The CoStar Group reported the historical marketing times (exposure time) for 62 office and retail properties under 10,000 square feet in size in Palm Beach County from January 1, 2018 through the date of value. The marketing time ranged from roughly 0.7 months to 64.1 months with an average of 8.4 months and a median of 4.9. We note that the Costar data can be skewed by many properties that were significantly overpriced by unmotivated sellers and/or were not properly marketed and languished on the market for several years. We believe if appropriately priced and marketed, the subject would sell in the lower portion of the time frame range exhibited by the CoStar data.

Considering the preceding, as well as sales that have taken place in the local market, and assuming a prudent pricing strategy, we estimate an exposure time of 6 to 12 months. Looking forward, we feel this would be a reasonable estimate for marketing time as well.

SALES COMPARISON APPROACH (PARCEL 56-43-42-28-17-000-0380 - 45 EAST 28TH STREET)

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

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

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

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

SALE NO. 1 - 3309 Old Dixie Highway, Riviera Beach, FL 33404
AC File No.: 2170247 ID: 909515



OR Book/Page: 28608/1436 Type: Retail
Sale Status: Sale Sub-Type: Single Tenant (Retail)

Date:	September 26, 2016
Grantor:	Teresa Turkustani
Grantee:	Maritza Cifuentes Cadavid
Legal:	Long legal in Lots 4, 5, and 6, Block 2, Addis Ababa, Plat Book 18, Page 99, Palm Beach County, Florida
Folio No.:	56-43-42-29-05-002-0040
Location:	Northwest corner of Old Dixie Highway and West 33rd Street 1/2 mile north of Blue Heron Boulevard, Riviera Beach
Zoning:	CG - General Commercial by City of Riviera Beach
Utilities:	Water, electricity, municipal sewer

Site Size:	Square Feet: 15,382	Acres: 0.353
	Shape: Irregular	Street Frontage (Ft.): 115
Improvements:	Gross Bldg. SF: 2,014	Year Built: 1973
	Stories: 1	No. of Bldgs.: 1
	Condition: Below average	
	Parking: On-site, adequate	
	Air Conditioning: None	
	Construction: CBS	
FAR:	0.13	
Use:	Use at Time of Sale: Vacant	
	Intended Use: Retail	
	Highest and Best Use: Retail	
Verification:	Source: Gregory Lekanides via MLS, Deed	
	Relationship: Listing Broker	
	Conditions of Sale: Arm's-length	
	Verified By: Gary Orr	
	Date: July 26, 2017	
Sales History:	$10, September 1026, OR 28608/1434; $1, April 2003, OR 15357/1558	
Sales Price:	$165,000	
Price/SF Building:	$81.93	
Financing:	$90,000 PMM	

Comments:

This is the sale of a freestanding retail building. It sold in below average condition with open interior but in 2015 had a new roof installed, including decking. The property was listed for $225,000 and sold after about 15 months on the market. The buyer fixed up the property and opened a small convenience / grocery store in the building.

SALE NO. 2 - 1601 Broadway, Riviera Beach, FL 33404
AC File No.: 2170247 ID: 909514



OR Book/Page: 28872/1095 Type: Retail
Sale Status: Sale Sub-Type: Single Tenant (Retail)

Date:	January 31, 2017
Grantor:	Joseph C. Smith Trust
Grantee:	Zacree, LLC
Legal:	The south 44.5 feet of Lot 5, less the East 5 feet road right-of-way, Block 6, Inlet Grove, Plat Book 8, Page 14, Palm Beach County, Florida
Folio No.:	56-43-42-33-04-006-0051
Location:	Northwest corner of Broadway and West 16th Street about 1/2 mile south of Blue Heron Boulevard, Riviera Beach
Zoning:	DC - Downtown Commercial by City of Riviera Beach
Utilities:	Water, electricity, municipal sewer

Site Size:	Square Feet: 4,960	Acres: 0.114
	Shape: Rectangular	Street Frontage (Ft.): 44
Improvements:	Gross Bldg. SF: 2,134	Year Built: 1948
	Stories: 1	No. of Bldgs.: 1
	Condition: Below average	
	Parking: On-site, adequate	
	Air Conditioning: Central air	
	Construction: CBS	
FAR:	0.43	
Use:	Use at Time of Sale: Retail	
	Intended Use: Retail	
	Highest and Best Use: Retail	
Verification:	Source: John Tracy via MLS, Deed	
	Relationship: Listing Broker	
	Conditions of Sale: Arm's-length	
	Verified By: Gary Orr	
	Date: July 26, 2017	
Sales History:	$100, January 2007, OR 21315/1908; $105,000, January 1973, OR 2250/1459	
Sales Price:	$215,000	
Price/SF Building:	$100.75	
Financing:	Cash	

Comments:

This is the sale of a freestanding retail building. The front design would lend itself to two tenants but it had been fully occupied by Webb Cleaners. The property was listed in 2015 for $419,000 but never sold. It was listed again in early 2016 at this same price and went under contact after about three months on the market but did not close until January 2017. The building remains vacant with a gutted interior.

SALE NO. 3 - 5900 Broadway, West Palm Beach, FL 33407
AC File No.: 2180355 ID: 910139



OR Book/Page: 29882/0100 Type: Office
Sale Status: Sale Sub-Type: Single Tenant Professional

Date:	May 25, 2018
Grantor:	Robert Desjean, TR
Grantee:	5900 Building, LLC
Legal:	Knowles Court Amnd Plat Lots 2 to 18, Lot 17 (Less West 7.5 feet & Trglr Parcel Broadway R/Ws) & Lot 18 (Less 7.5 feet Broadway R/W) & North Palm Beach Plat 3 PB 6, Page 39 Lots 32 thru 35 (Less West 8 feet Broadway R/W) Block 48, Palm Beach County, Florida
Folio No.:	74-43-43-04-03-000-0170
Location:	Southeast corner of Broadway and 59th Street in West Palm Beach, Florida
Zoning:	BMUDTII - Broadway Mixed Use District Type II by West Palm Beach
Utilities:	Municipal water and sewer, electricity, and telephone

Site Size:	Square Feet: 21,062	Acres: 0.484
	Shape: L	Street Frontage (Ft.): 209
Improvements:	Gross Bldg. SF: 4,189	Year Built: 1962
	Stories: 1	No. of Bldgs.: 1
	Condition: State of disrepair	Parking: On-site, adequate
	Air Conditioning: Central air	
	Construction: CBS	
FAR	0.20	
Use:	Use at Time of Sale: Office	
	Intended Use: Office	
	Highest and Best Use: Commercial	
Verification:	Source: Laura Allen with Southdale Properties, Inc.	
	Relationship: Listing agent	
	Conditions of Sale: Arm's-length	
	Verified By: K. Doran	
	Date: July 26, 2018	
Sales History:	No arm's length transactions in the previous five years	
Sales Price:	$480,750	
Price/SF Building:	$114.76	
Financing:	Cash to seller	

Comments:

The recorded sale price was $400,000; however, the property was in poor condition and useable as purchased. The reported cost to renovate was $80,750. Therefore, the adjusted sale price is $480,750. This property was on the market for 126 days prior to contract with an asking price of $599,900. It was listed the previous year for $750,000 and was on the market 365 days before the listing expired on 08/03/2017. The seller had just foreclosed on the property before listing it. The building has various roof leaks that damaged the interior. Additionally, the air conditioning was turned off for some time causing a mold issue. After renovations, the buyer plans to offer it for lease. Anderson Carr, Inc. appraised this property in July 2018.

Average Daily Traffic Counts
2016 Broadway: 23,139

SALE NO. 4 - 4305 Broadway, West Palm Beach, FL 33407
AC File No.: 2180355 ID: 910142



OR Book/Page: 29950/0153 Type: Office
Sale Status: Sale Sub-Type: Single Tenant Professional

Date:	June 20, 2018
Grantor:	Lexicon, LLC
Grantee:	Rodimiro De Jesus Juarez Galindo and Iglesia Evangelica Centro Americano Nueva Jerusalem, Inc.
Legal:	Lot 5, 6 and 7, except the East seven feet thereof, and all of Lot 9, Block 20, of North Palm Beach Plat No. 2, in Plat Book 6, Page 89, Palm Beach County, Florida.
Folio No.:	74-43-43-04-05-029-0050
Location:	Northwest quadrant of Broadway and 42nd Street with frontage on both in West Palm Beach, Florida
Zoning:	BMUDII - Broadway Mixed Use District Type II by West Palm Beach
Utilities:	Municipal water and sewer, electricity, and telephone

Site Size:	Square Feet: 11,455	Acres: 0.263
	Shape: L	Street Frontage (Ft.): 75
Improvements:	Gross Bldg. SF: 3,675	Year Built: 1958
	Stories: 1	No. of Bldgs.: 1
	Condition: Good	Parking: On-site, adequate
	Air Conditioning: Central air	
	Construction: CBS	
FAR	0.32	
Use:	Use at Time of Sale: Church	
	Intended Use: Church	
	Highest and Best Use: Commercial	
Verification:	Source: Bruce Harrington	
	Relationship: Seller	
	Conditions of Sale: Arm's-length	
	Verified By: K. Doran	
	Date: July 31, 2018	
Sales History:	No transactions in the previous five years	
Sales Price:	$495,000	
Price/SF Building:	$134.69	
Financing:	Cash to seller	

Comments:

The tenant of 14 years purchased the property after another contract to purchase fell through. The tenant/buyer is a small church group that was leasing the property for $2,500 per month or $8.16 per square foot net. The recorded sale price is $500,000; however, there was a $5,000 closing cost concession. Therefore, the sale price was adjusted to $495,000. Although the building has been occupied by a single user, the building has multiple entrances and could be used as multi-tenant property.

Average Daily Traffic Counts
2016 Broadway: 23,139

SALE NO. 5 - 1011 South Dixie Highway, Lake Worth, FL 33460
AC File No.: 2190133.000 ID: 910618



OR Book/Page: 30036/0030 Type: Retail
Sale Status: Sale Sub-Type: Single Tenant (Retail)

Date:	August 2, 2018
Grantor:	Opagroup International, Inc.
Grantee:	Y&T Holdings II, LLC
Legal:	Lot 6 and the South 1/2 of Lot 5 (less the east 2 feet of each), Block 285, Townsite of Lucerne, Plat Book 2, Page 29, Palm Beach County, Florida
Folio No.:	38-43-44-21-15-285-0051
Location:	West side of South Dixie Highway, roughly 130 feet south of 10th Avenue South, Lake Worth
Zoning:	MU-Dixie - Mixed Use - Dixie by Lake Worth
Utilities:	Municipal water and sewer, electricity, and telephone

Site Size:	Square Feet: 9,893 Shape: Irregular	Acres: 0.227 Street Frontage (Ft.): 75
Improvements:	Gross Bldg. SF: 1,946 Stories: 1 Condition: Below average Parking: On-site, adequate Air Conditioning: None Construction: CBS	Year Built: 1959 No. of Bldgs.: 1
FAR:	0.20	
Use:	Use at Time of Sale: Commercial Intended Use: Commercial Highest and Best Use: Commercial	
Verification:	Source: Loopnet listing, MLS, public records Relationship: Loopnet listing, public records Conditions of Sale: Arm's-length Verified By: B. Arnold Date: March 25, 2019	
Sales History:	Previously sold for $175,000 in July 2002, recorded in County OR Book 13971, Page 1305	
Sales Price:	$198,000	
Price/SF Building:	$101.75	
Financing:	Seller provided a 4 year balloon mortgage in the amount of $150,000 at a rate of 5% interest.	

Comments:

Property was a convenience store sometime in the past. As of on-site inspection on March 21, 2019 the property was unoccupied and it appears to have been vacant for some time.

SALE NO. 6 - 2800 Broadway, Riviera Beach, FL 33404
AC File No.: 2190333.000 ID: 910887



OR Book/Page: 30628/1589 Type: Retail
Sale Status: Sale Sub-Type: Single Tenant (Retail)

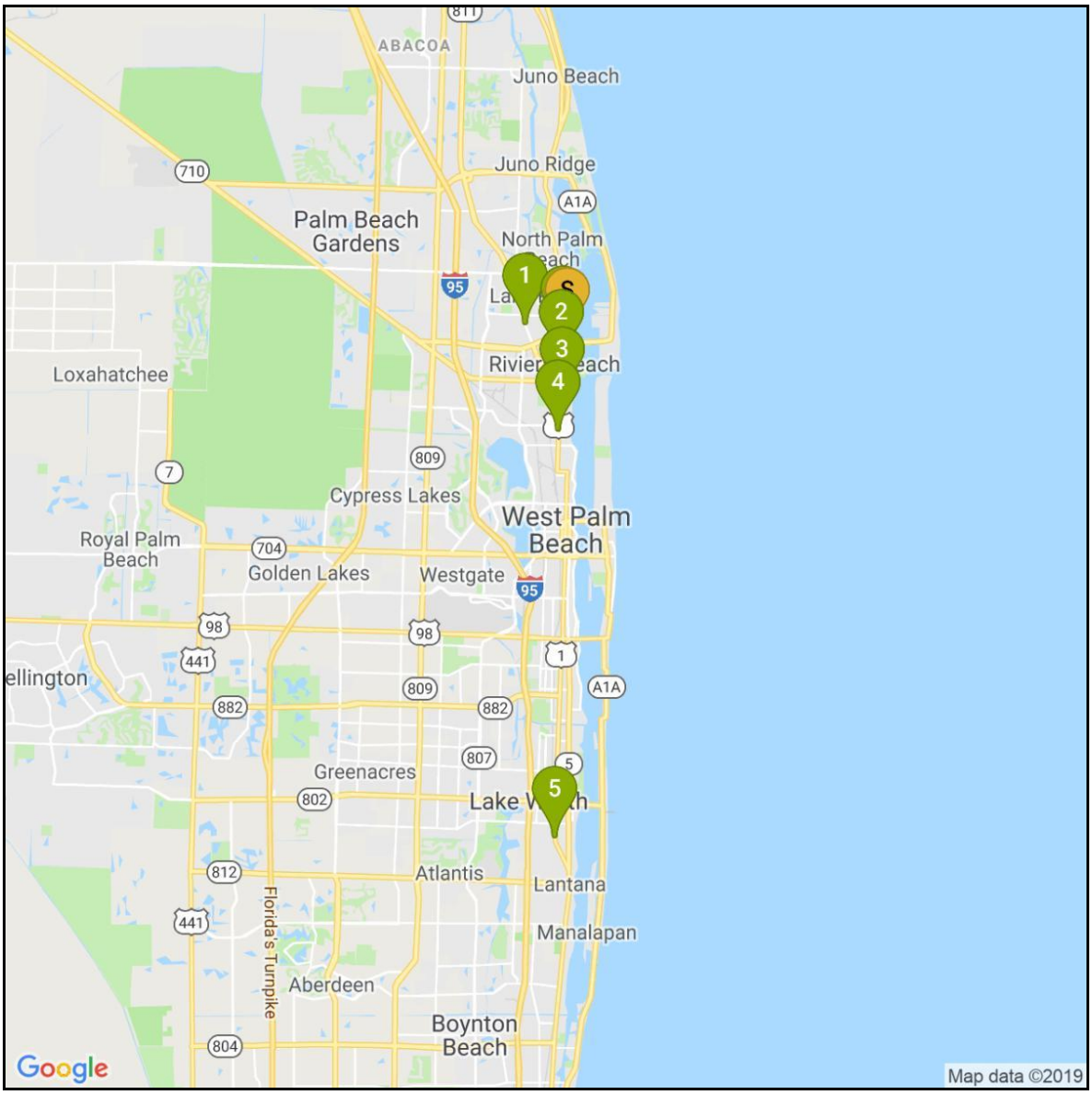
Date:	May 13, 2019
Grantor:	4595, LLC
Grantee:	Redhook Company, LLC
Legal:	Lots 1 and 2, Lee-Wood Park, according to the Plat thereof, as recorded in Plat Book 20, Page 94, excepting therefrom a strip of land across the West end of Lots 1 and 2, same being 4.4 feet wide at the South Boundary of Lot 2 and 4.8 feet wide at North Boundary of Lot 1, Public Records of Palm Beach County, Florida.
Folio No.:	56-43-42-28-17-000-0010
Location:	Northeast corner of Broadway and East 28th Street, Riviera Beach.
Zoning:	DC - Downtown Core by City of Riviera Beach
Utilities:	Municipal water and sewer, electricity, and telephone

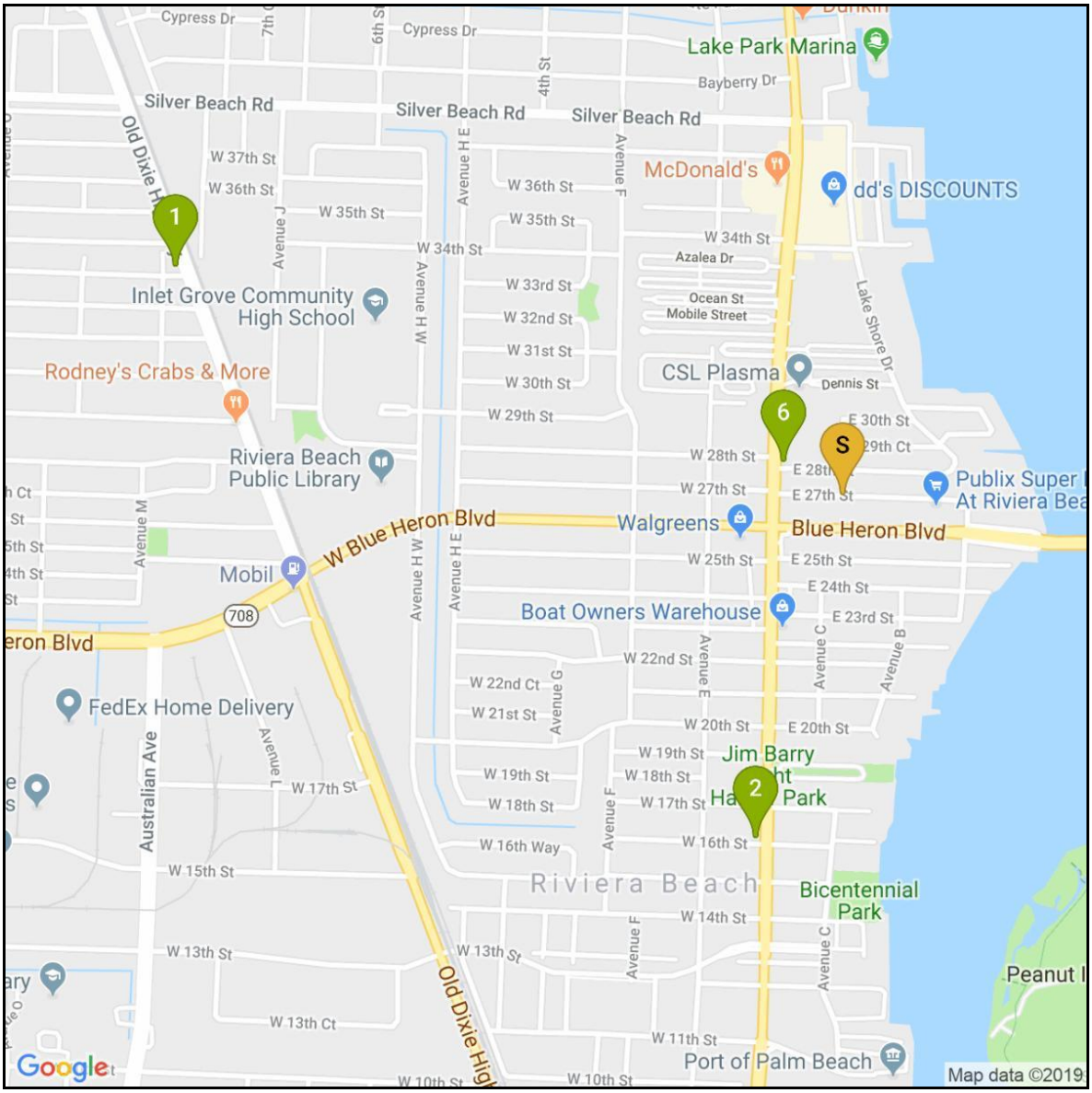
Site Size:	Square Feet: 7,471	Acres: 0.171
	Shape: Rectangular	Street Frontage (Ft.): 80
Improvements:	Gross Bldg. SF: 1,903	Year Built: 1955
	Stories: 1	No. of Bldgs.: 1
	Condition: Average	
	Parking: On-site, adequate	
	Air Conditioning: Central air	
	Construction: CBS	
FAR:	0.25	
Use:	Use at Time of Sale: Single user retail/office	
	Intended Use: Single user retail/office	
	Highest and Best Use: Existing use	
Verification:	Source: Wayne Ceber	
	Relationship: Seller	
	Conditions of Sale: Arm's-length	
	Verified By: R. Mickle	
	Date: July 11, 2019	
Sales History:	Previously sold for $217,000 in August 2016, recorded in County OR Book 28500 Page 01559.	
Sales Price:	$285,000	
Price/SF Building:	$149.76	
Financing:	Cash to seller	

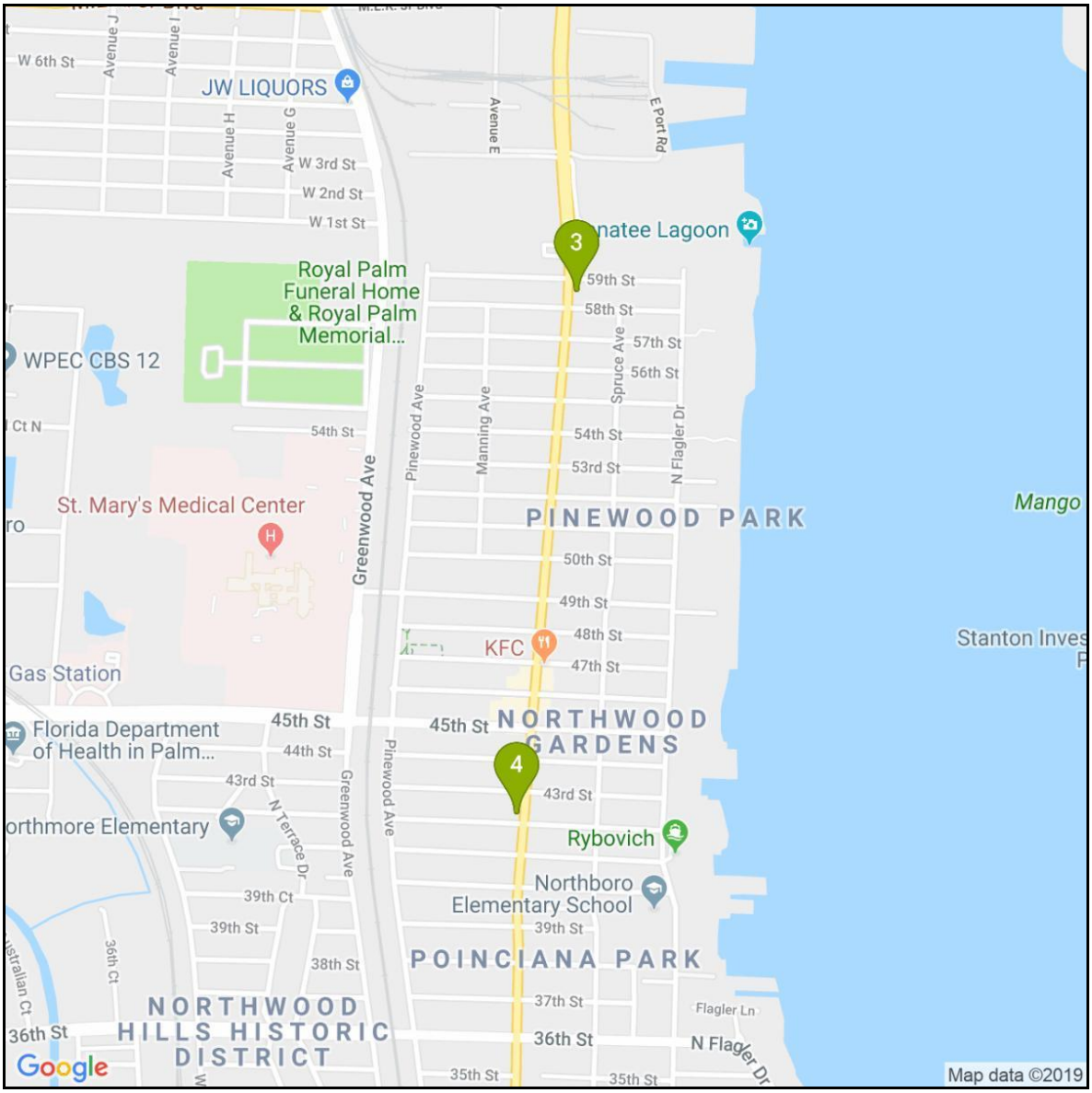
Comments:

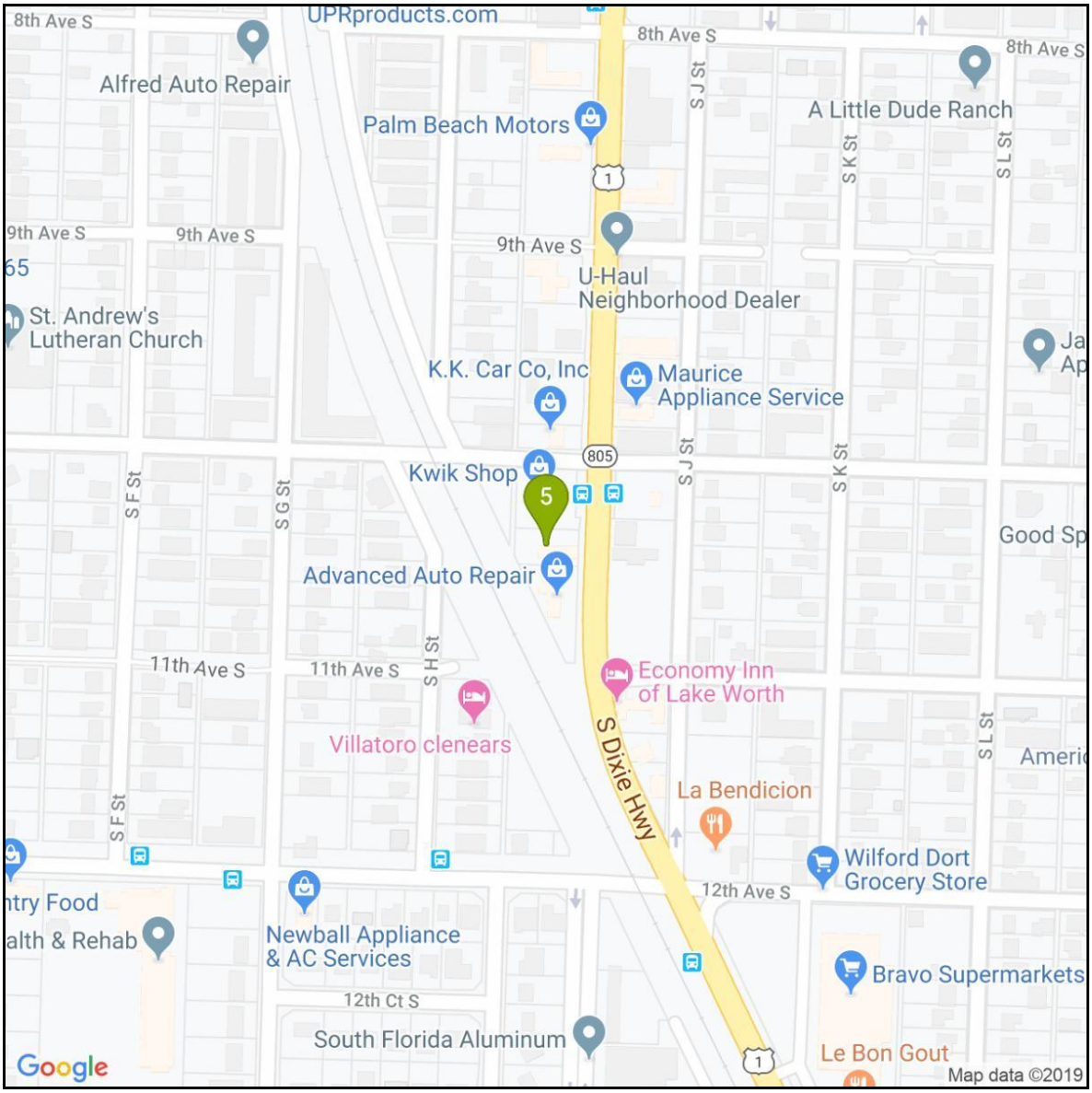
This is the sale of a single user retail/office building. The property was reported to have been renovated in 2016.

Comparable Sales Location Maps




Cypress Dr
Lake Park Marina
Bayberry Dr
Silver Beach Rd
Old Dixie Hwy
W 37th St
W 36th St
W 35th St
W 34th St
W 33rd St
W 32nd St
W 31st St
W 30th St
W 29th St
Avenue J
Avenue H E
Avenue F
McDonald's
dd's DISCOUNTS
Azalea Dr
Ocean St
Mobile Street
Lake Shore Dr
Inlet Grove Community High School
Rodney's Crabs & More
CSL Plasma
Dennis St
E 30th St
E 29th Ct
W 28th St
E 28th St
W 27th St
E 27th St
Riviera Beach Public Library
Publix Super At Riviera Bea
Walgreens
Blue Heron Blvd
W Blue Heron Blvd
Avenue M
Avenue H W
Mobil
708
W 25th St
E 25th St
E 24th St
E 23rd St
Boat Owners Warehouse
W 22nd St
W 22nd Ct
W 21st St
Avenue G
Avenue E
Avenue C
Avenue B
FedEx Home Delivery
Australian Ave
Avenue L
W 20th St
E 20th St
W 19th St
W 18th St
W 17th St
Jim Barry
Park
W 16th Way
W 16th St
W 15th St
Riviera Beach
Bicentennial Park
W 14th St
W 13th St
Avenue F
Avenue C
Peanut I
W 13th Ct
W 11th St
Port of Palm Beach
W 10th St
Google
Map data ©2019
1
2
6
S


W 6th St
Avenue J
Avenue I
JW LIQUORS
Avenue H
Avenue G
W 3rd St
W 2nd St
W 1st St
Avenue E
E Port Rd
3
natee Lagoon
Royal Palm
Funeral Home
& Royal Palm
Memorial...
59th St
58th St
57th St
56th St
Spruce Ave
WPEC CBS 12
Ct N
54th St
Pinewood Ave
Manning Ave
54th St
53rd St
N Flagler Dr
St. Mary's Medical Center
Greenwood Ave
PINEWOOD PARK
Mango
50th St
49th St
48th St
KFC
47th St
Stanton Inves
Gas Station
45th St
45th St
NORTHWOOD
GARDENS
Florida Department
of Health in Palm...
44th St
43rd St
4
43rd St
Pinewood Ave
N Terrace Dr
Greenwood Ave
orthmore Elementary
Rybovich
Northboro
Elementary School
39th Ct
39th St
39th St
36th Ct
38th St
POINCIANA PARK
37th St
Flagler Ln
NORTHWOOD
HILLS HISTORIC
DISTRICT
36th St
36th St
N Flagler Dr
Google
35th St
35th St
Map data ©2019


8th Ave S
UPRproducts.com
Alfred Auto Repair
Palm Beach Motors
A Little Dude Ranch
S J St
S K St
S L St
9th Ave S
U-Haul
Neighborhood Dealer
St. Andrew's
Lutheran Church
K.K. Car Co, Inc
Maurice
Appliance Service
Kwik Shop
805
S F St
S G St
Advanced Auto Repair
11th Ave S
S H St
Economy Inn
of Lake Worth
Villatoro clenears
S Dixie Hwy
La Bendicion
Wilford Dort
Grocery Store
12th Ave S
Newball Appliance
& AC Services
Bravo Supermarkets
12th Ct S
South Florida Aluminum
Le Bon Gout
Google
Map data ©2019

SALES SUMMARY TABLE								
Sale No. Date	OR Bk Page	Property Address	Land Area SF Acres	Year Built	Bldg. SF	FAR	Sale Price	Price/SF of Bldg.
1 Sep-16	28608 1436	3309 Old Dixie Highway Riviera Beach	15,382 0.35	1973	2,014	0.13	$165,000	$81.93
2 Jan-17	28872 1095	1601 Broadway Riviera Beach	4,960 0.11	1948	2,134	0.43	$215,000	$100.75
3 May-18	29882 0100	5900 Broadway West Palm Beach	21,062 0.48	1962	4,189	0.20	$480,750	$114.76
4 Jun-18	29950 0153	4305 Broadway West Palm Beach	11,455 0.26	1958	3,675	0.32	$495,000	$134.69
5 Aug-18	30036 0030	1011 South Dixie Highway Lake Worth	9,893 0.23	1959	1,946	0.20	$198,000	$101.75
6 May-19	30628 1589	2800 Broadway Rivieria Beach	7,471 0.17	1955	1,903	0.25	$285,000	$149.76
Subj. Jul-19	N/A	45 East 28th Street Riviera Beach	11,751 0.27	1971	2,409	0.21	N/A	N/A

Sales Summary and Discussion

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

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

Property Rights

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

Conditions of Sale

All sales were reportedly market oriented. No adjustment consideration for conditions of sale was necessary.

Financing

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

Market Conditions

The sales occurred over the period from September 26, 2016 to May 13, 2019. The date of value is July 24, 2019. The market has shown improving market conditions over this time period. We have applied an upward adjustment of 0.5% per month (rounded down to the nearest full month) to account for rising prices.

Location

The subject property is located at 45 East 28th Street in Riviera Beach. In general the subject's lack of direct frontage on a main arterial is inferior to all of the comparables. That said, other locational factors can be offsetting to some degree. Comparables 2 through 6 have all been given some degree of downward adjustment for location with comparables 2 and 6 receiving the largest adjustment for their corner locations. Comparable 1 was found overall, not to warrant an adjustment for location.

Size

Generally, larger properties will sell for a somewhat lower price per square foot of building than smaller ones, and vice versa, when all else is equal. The sales in this data set do not appear to follow this pattern and no adjustment is warranted.

Quality/Condition/Appeal

This consideration takes into account differences in quality of construction, the property's physical condition and overall appeal. The subject property was reportedly built in 1971. The condition of the subject buildings improvements is assumed to be average. The property suffers from some functional issues in that it does not have any windows or a traditional store front, it is also reported to have limited partitioning on the interior. Overall comparables 1, 2 and 5 were seen to warrant some upward adjustment for condition. Comparables 3, 4 and 6 all warranted some degree of downward adjustment for condition/appeal.



FAR/Lot Coverage/Parking

The most significant factors involving lot coverage are the existence of excess land and the availability of on-site parking. We note that we have addressed the subject's excess land separately in this report. This sales comparison approach is being done based on 0.21 FAR. Neither the subject nor any of the comparables have excess land and all have on-site parking. That said, comparable 2 with an FAR of 0.43 has some more constrained parking and has received a small upward adjustment.

Zoning/Land Use

The subject property has a zoning designation of DC - Downtown Core and DR - Downtown Residential by Riviera Beach with an underlying future land use of DMU - Downtown Mixed Use by Riviera Beach.

Though they may vary by municipality, all of the comparables have similar mixed use or commercially oriented designations that allow for similar uses as would be contemplated on the subject. No adjustment is warranted.

QUANTITATIVE SALES ADJUSTMENT CHART - PRICE/SF GROSS BUILDING AREA													
Sale Date	Property Address	Gross Bldg. SF	Price/ Gross Building SF	Financing/ Adj. Price/ Gross Bldg. SF	Conditions of Sale/ Adj. Price/ Gross Bldg. SF	Market Conditions/ Adj. Price/ Gross Bldg. SF	Location	Building Size	Quality/ Cond/ Appeal	FAR/Lot Coverage/ Parking	Zoning/ Land Use	Final Combined Adjustment	Overall Indication
1	3309 Old Dixie Highway	2,014	$81.93	0%	0%	17%	0%	0%	10%	0%	0%	10%	$104.99
Sep-16	Riviera Beach			$81.93	$81.93	$95.44							
2	1601 Broadway	2,134	$100.75	0%	0%	15%	-25%	0%	10%	5%	0%	-10%	$103.82
Jan-17	Riviera Beach			$100.75	$100.75	$115.36							
3	5900 Broadway	4,189	$114.76	0%	0%	7%	-15%	0%	-10%	0%	0%	-25%	$91.67
May-18	West Palm Beach			$114.76	$114.76	$122.22							
4	4305 Broadway	3,675	$134.69	0%	0%	7%	-15%	0%	-15%	0%	0%	-30%	$100.41
Jun-18	West Palm Beach			$134.69	$134.69	$143.45							
5	1011 South Dixie Highway	1,946	$101.75	0%	0%	6%	-15%	0%	10%	0%	0%	-5%	$101.98
Aug-18	Lake Worth			$101.75	$101.75	$107.34							
6	2800 Broadway	1,903	$149.76	0%	0%	1%	-25%	0%	-10%	0%	0%	-35%	$98.32
May-19	Rivieria Beach			$149.76	$149.76	$151.26							
Subj.	45 East 28th Street	2,409	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Jul-19	Riviera Beach												

Conclusion

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

The unadjusted range of value indicated by the sales is roughly $81.92 to $149.76 per square foot of building area. The preceding quantitative comparison chart shows the value range for the subject property after adjustment based on a price per square foot of building area to be from $91.67 to $104.99 with a mean of $100.20. Considering all of the salient factors discussed previously and prevailing market conditions, the appraisers feel a conclusion in the middle portion of the indicated range is most appropriate. Given the preceding data and discussions, it is concluded that the market reflects a value per square foot of building area for the subject property of $100 as of July 24, 2019. Total value is calculated as follows:

2,409 Square Feet @ $100 per Square Foot =	$240,900
Rounded To:	
INDICATED MARKET VALUE VIA SALES COMPARISON:	**$240,000**
(Parcel 56-43-42-28-17-000-0380 - 45 East 28th Street)	

SALES COMPARISON APPROACH (PARCEL 56-43-42-28-13-000-0050 - XXX EAST 27TH STREET)

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

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

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

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

SALE NO. 1 - 28 West 15th Street, Riviera Beach, FL 33404
AC File No.: 2190003.000 ID: 910414



OR Book/Page: 29247/1889 Type: Land
Sale Status: Sale Sub-Type: Commercial

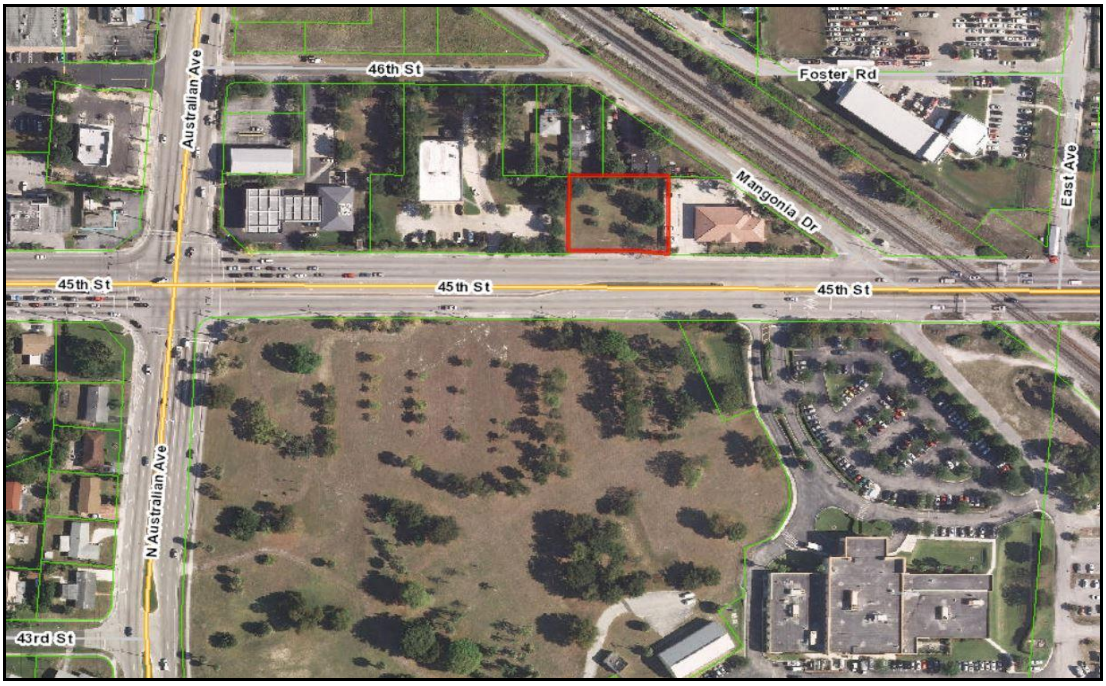
Date:	July 24, 2017
Grantor:	Gerald Properties LLC
Grantee:	1501 Broadway LLC
Legal:	Lot 7, Block 5, Inlet Grove, Plat Book 8, Page 14, Palm Beach County, Florida
Folio No.:	56-43-42-33-04-005-0070
Location:	North side of West 15th Street, roughly 166 feet west of Broadway, Riviera Beach
Zoning:	DC - Downtown Core by Riviera Beach
Land Use:	DMU - Downtown Mixed Use
Utilities:	Municipal water and sewer, electricity, and telephone

Site Size:	Square Feet: 6,538 Acres: 0.150 Shape: Rectangular Street Frontage (Ft.): 50 Topography/Elevation: Level, near road grade
Use:	Use at Time of Sale: Vacant Intended Use: Commercial Highest and Best Use: Commercial
Verification:	Source: William Beck, public records Relationship: Buyer Conditions of Sale: Arm's-length Verified By: B. Arnold Date: January 5, 2019
Sales History:	Previously sold for $350,000 in May 2006, recorded in County OR Book 20349 Page 139
Sales Price:	$72,500
Price/SF Land:	$11.09
Price/Acre:	$483,333
Financing:	None recorded

Comments:

Buyer owns the adjacent boat sales and repair facility to the east fronting Broadway. Property was purchased for expansion. The seller is related to Viking Yachts who had purchased the property as a speculative investment in 2006, at which time it was improved with a single-family home. At that time Viking was assembling property in the area with the anticipation of a large-scale redevelopment project in the area. The redevelopment failed to materialize and the buyer approached the seller about purchasing the property.

SALE NO. 2 - 1119 45th Street, Mangonia Park, FL 33407
AC File No.: 2170332 ID: 909636



OR Book/Page: 29319/1153 Type: Land
Sale Status: Sale Sub-Type: Commercial

Date:	August 25, 2017
Grantor:	Evelyn Rodberg
Grantee:	High Tower Construction, Inc.
Legal:	Lots 82, 83, and 84, Roebucks Subdivision, OR Plat Book 20, Page 12, Palm Beach County, Florida, less the southerly 23 feet for the 45th Street road right-of-way
Folio No.:	44-43-43-05-08-000-0820
Location:	North side of 45th Street about 1/10 of a mile east of Australian Avenue, Mangonia Park
Zoning:	CL - Commercial Limited by Town of Mangonia Park
Land Use:	Commercial
Utilities:	Water, electricity, municipal sewer

Site Size:	Square Feet: 18,693 Acres: 0.429 Shape: Rectangular Street Frontage (Ft.): 150 Topography/Elevation: Level, near road grade
Use:	Use at Time of Sale: Vacant Intended Use: Commercial Highest and Best Use: Commercial
Verification:	Source: John Brackett, John Brackett Real Estate Relationship: Listing Broker Conditions of Sale: Arm's-length Verified By: Gary Orr Date: October 6, 2017
Sales History:	$90,000, May 1983, OR 3952/0157
Sales Price:	$157,000
Price/SF Land:	$8.40
Price/Acre:	$365,967
Financing:	$117,600 PMM with Boyer Realty (short term balloon mortgage)

Comments:

This is the sale of a vacant tract of land that the seller has marketed for a number of years. Most recently it was listed in 2015 for $169,900 but did not sell. This sale took place after listing the property for $175,000. The tract is located between an auto parts store and a small medical office with the county mental health facility across the street. It was purchased for investment purposes with the broker stating that the buyer may eventually develop the site with a fast food restaurant.

SALE NO. 3 - 5111 Broadway, West Palm Beach, FL 33407
AC File No.: 2180188, 2180511 ID: 909972



OR Book/Page: 29363/1253 Type: Land
Sale Status: Sale Sub-Type: Commercial

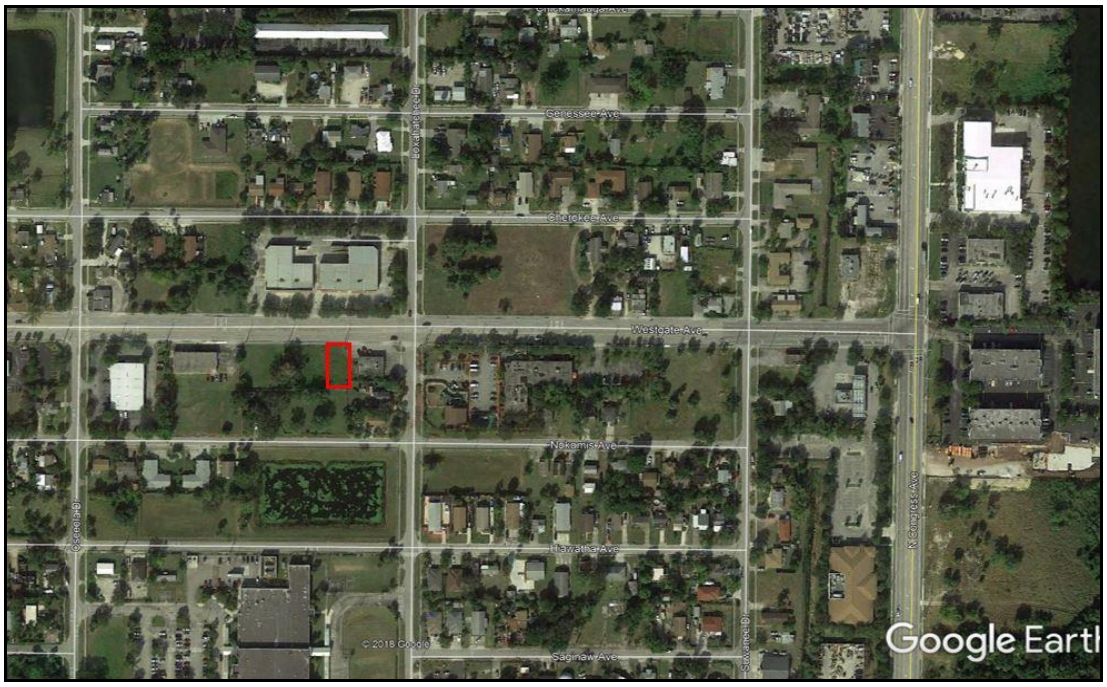
Date:	September 19, 2017
Grantor:	5111 Broadway, LLC
Grantee:	Fineca Investments, LLC
Legal:	Lots 1-4, Block 58, North Palm Beach Plan No. 4, recorded in Plat Book 7, Page 71, Palm Beach County, Florida
Folio No.:	74-43-43-04-08-058-0010
Location:	Southwest corner of Broadway and 51st Street, 5 blocks north of 45th Street, West Palm Beach
Zoning:	BMUDTII - Broadway Mixed Use District Type II by West Palm Beach
Land Use:	Commercial
Utilities:	Water and electricity

Site Size:	Square Feet: 9,840	Acres: 0.225
	Shape: Square	Street Frontage (Ft.): 100
	Topography/Elevation: Level, near road grade	
Use:	Use at Time of Sale: Vacant	
	Intended Use: Commercial	
	Highest and Best Use: Commercial	
Verification:	Source: Public Records, Co-Star, MLS	
	Relationship: Public Records	
	Conditions of Sale: Arm's-length	
	Verified By: Z. Rossetti	
	Date: April 19, 2018	
Sales History:	$66,800, July 2013, OR 26169/00753	
Sales Price:	$118,000	
Price/SF Land:	$11.99	
Price/Acre:	$524,444	
Financing:	Cash to seller	

Comments:

This is the sale of a vacant commercial parcel situated on Broadway in West Palm Beach. The property was previously developed with a small commercial building. Although none of the parties involved in this transaction could be reached to comment on the sale, at the time of the write up, the property is was listed for lease on a net basis at $0.20/SF of land per month, or $2,000/month. The owner will also build to suit. This property was originally listed for $139,900 which was reduced to $119,000 prior to selling after 143 days on the market.

SALE NO. 4 - Westgate Avenue, West Palm Beach, FL 33409
AC File No.: 2180349 ID: 910122



OR Book/Page: 29781/1722 Type: Land
Sale Status: Sale Sub-Type: Commercial

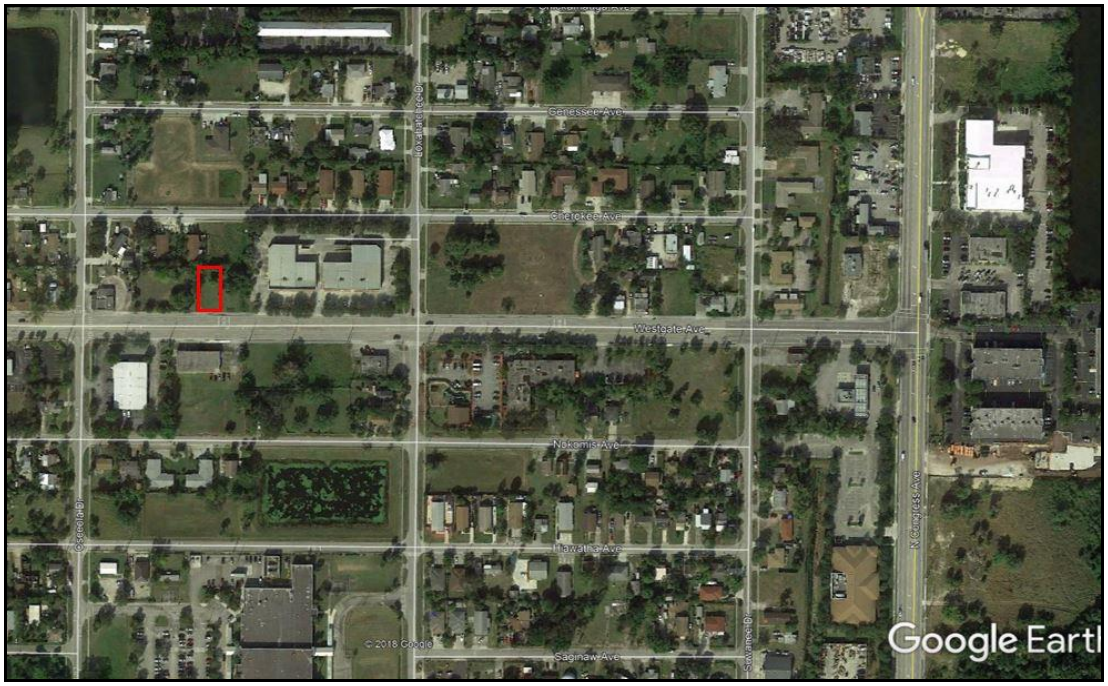
Date:	April 12, 2018
Grantor:	Stanley J. Kilbas
Grantee:	360 Westgate, LLC
Legal:	Lots 24 and 25, Block 35, Westgate Estates, Plat Book 8, Page 38, Palm Beach County, Florida
Folio No.:	00-43-43-30-03-035-0240
Location:	South side of Westgate Avenue two blocks west of North Congress Avenue, West Palm Beach
Zoning:	CG - General Commercial by Palm Beach County
Land Use:	Commercial High/8
Utilities:	Water, electricity, municipal sewer

Site Size:	Square Feet: 5,754 Acres: 0.132 Shape: Rectangular Street Frontage (Ft.): 50 Topography/Elevation: Level, near road grade
Use:	Use at Time of Sale: Vacant Intended Use: Investment Highest and Best Use: Commercial
Verification:	Source: Christopher J. Aumente, Palm Beach County Realty Group Relationship: Listing Broker Conditions of Sale: Arm's-length Verified By: Gary Orr Date: July 17, 2018
Sales History:	$10, May 2008, OR 22687/1084
Sales Price:	$35,000
Price/SF Land:	$6.08
Price/Acre:	$265,152
Financing:	Cash

Comments:

This vacant lot was listed for $35,000 and sold after 7 days on the market. It was purchased by the adjoining vacant landowner for assemblage / investment. The buyer is a local plumber whose shop is on Westgate Avenue and who owns other properties in the area. The broker stated the listing generated several interested parties and that the sale took place after a lower offer fell through. The adjoining 11,508 square foot lot was acquired in January 2018 for $4.69 per square foot.

SALE NO. 5 - 2551 Westgate Avenue, West Palm Beach, FL 33409
AC File No.: 2180349 ID: 910124



OR Book/Page: 29878/1550 Type: Land
Sale Status: Sale Sub-Type: Commercial

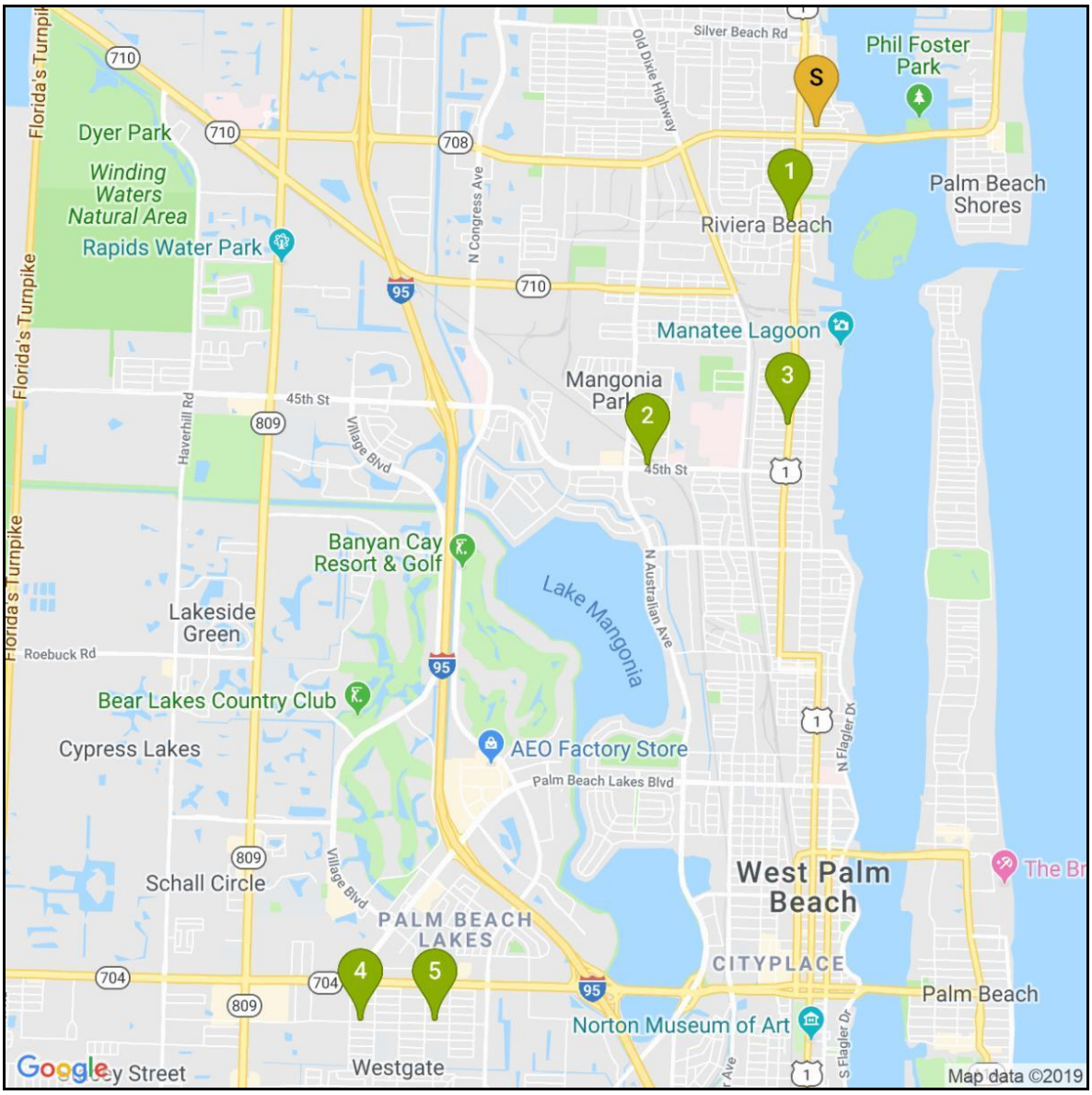
Date:	May 22, 2018
Grantor:	James Price
Grantee:	Edison Lora
Legal:	Lots 41, 42, and the West 10 feet of 43, Block 29, Westgate Estates, Plat Book 8, Page 38, Palm Beach County, Florida
Folio No.:	00-43-43-30-03-029-0410
Location:	North side of Westgate Avenue two blocks west of North Congress Avenue, West Palm Beach
Zoning:	CG - General Commercial by Palm Beach County
Land Use:	Commercial High/8
Utilities:	Water, electricity, municipal sewer

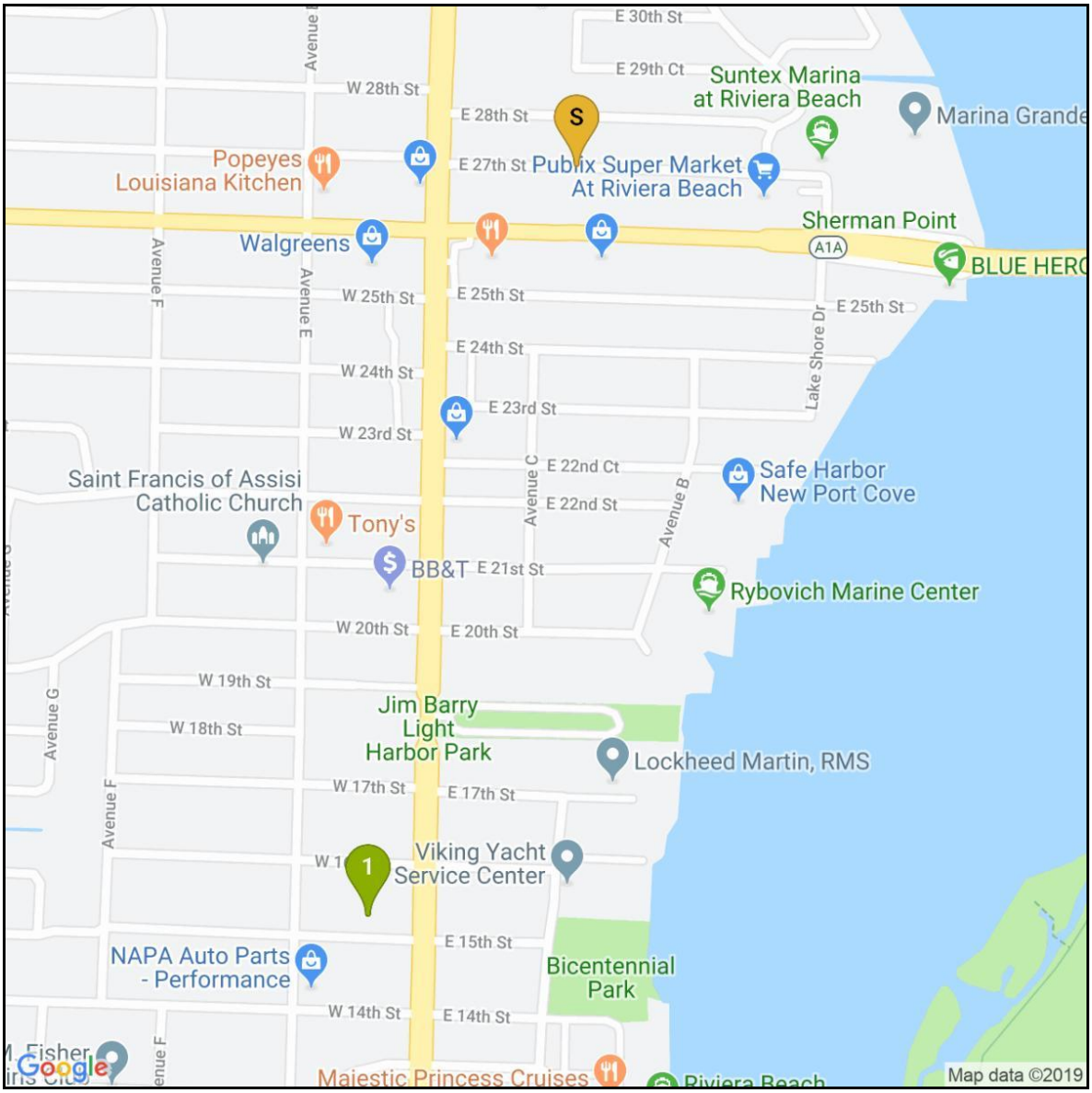
Site Size:	Square Feet: 6,900 Acres: 0.158 Shape: Rectangular Street Frontage (Ft.): 60 Topography/Elevation: Level, near road grade
Use:	Use at Time of Sale: Vacant Intended Use: Investment Highest and Best Use: Commercial
Verification:	Source: Helen McCulloch, Keller Williams Preferred Relationship: Listing Broker Conditions of Sale: Arm's-length Verified By: Gary Orr Date: July 17, 2018
Sales History:	$100, January 1976, OR 2506/0203
Sales Price:	$54,000
Price/SF Land:	$7.83
Price/Acre:	$341,772
Financing:	Cash

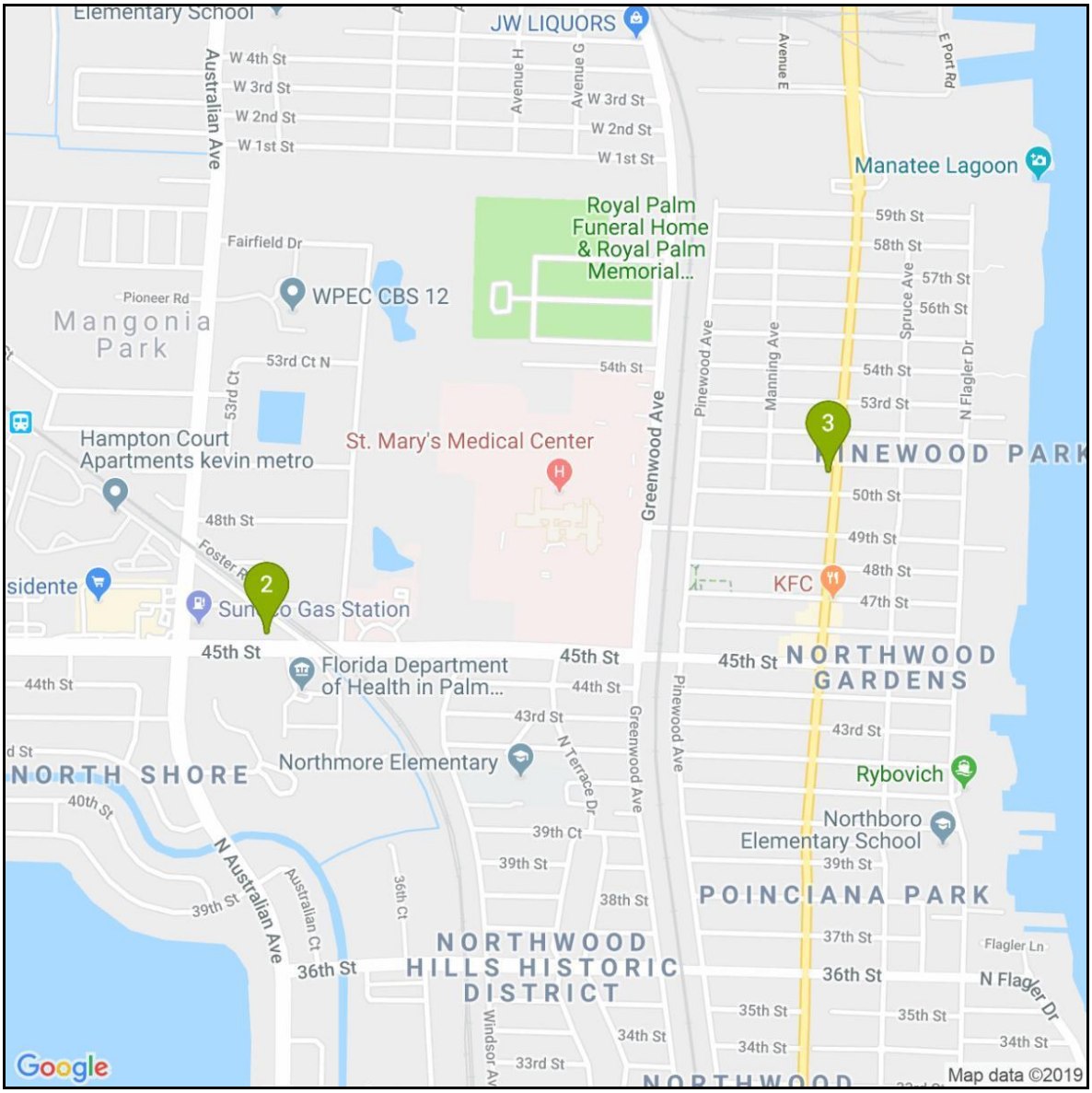
Comments:

This property was listed for $59,000 and sold after 78 days on the market. The buyer intends to build a small, two bay, auto repair/body shop on the property.

Comparable Sales Location Map




E 30th St
E 29th Ct
Suntex Marina at Riviera Beach
Marina Grande
W 28th St
E 28th St
S
Popeyes Louisiana Kitchen
E 27th St
Publix Super Market At Riviera Beach
Sherman Point
A1A
Walgreens
BLUE HERO
Avenue F
Avenue E
W 25th St
E 25th St
E 25th St
Lake Shore Dr
E 24th St
W 24th St
E 23rd St
W 23rd St
E 22nd Ct
Safe Harbor New Port Cove
Saint Francis of Assisi Catholic Church
Tony's
E 22nd St
Avenue C
Avenue B
BB&T
E 21st St
Rybovich Marine Center
W 20th St
E 20th St
W 19th St
Avenue G
Jim Barry Light Harbor Park
W 18th St
Lockheed Martin, RMS
W 17th St
E 17th St
Avenue F
Viking Yacht Service Center
1
E 15th St
NAPA Auto Parts - Performance
Bicentennial Park
W 14th St
E 14th St
Google
Majestic Princess Cruises
Riviera Beach
Map data ©2019


Elementary School
JW LIQUORS
W 4th St
W 3rd St
W 2nd St
W 1st St
Australian Ave
Avenue H
Avenue G
Avenue E
E Port Rd
Manatee Lagoon
Royal Palm Funeral Home & Royal Palm Memorial...
Fairfield Dr
WPEC CBS 12
Pioneer Rd
Mangonia Park
53rd Ct N
53rd Ct
54th St
59th St
58th St
57th St
56th St
Spruce Ave
N Flagler Dr
Pinewood Ave
Manning Ave
Greenwood Ave
Hampton Court Apartments kevin metro
St. Mary's Medical Center
3
PINEWOOD PARK
50th St
49th St
48th St
47th St
KFC
48th St
Foster Rd
2
Sunoco Gas Station
45th St
Florida Department of Health in Palm...
44th St
43rd St
N Terrace Dr
NORTH SHORE
Northmore Elementary
NORTHWOOD GARDENS
Rybovich
40th St
Northboro Elementary School
39th Ct
39th St
38th St
POINCIANA PARK
N Australian Ave
Australian Ct
36th Ct
37th St
Flagler Ln
36th St
N Flagler Dr
NORTHWOOD HILLS HISTORIC DISTRICT
35th St
Windsor Ave
34th St
33rd St
Google
Map data ©2019

SALES SUMMARY TABLE					
Sale No. Date	OR Bk Page	Property Address	Land Area SF Acres	Sale Price	Price/SF of Land
1 Jul-17	29247 1889	28 West 15th Street Riviera Beach	6,538 0.15	$72,500	$11.09
2 Aug-17	29319 1153	1119 45th Street Mangonia Park	18,693 0.43	$157,000	$8.40
3 Sep-17	29363 1253	5111 Broadway West Palm Beach	9,840 0.23	$118,000	$11.99
4 Apr-18	29781 1722	Westgate Avenue West Palm Beach	5,754 0.13	$35,000	$6.08
5 May-18	29878 1550	2551 Westgate Avenue West Palm Beach	6,900 0.16	$54,000	$7.83
Subj. Jul-19	N/A	XXX East 27th Street Riviera Beach	9,760 0.22	N/A	N/A

Sales Summary and Discussion

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

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

Property Rights

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

Conditions of Sale

All sales were reportedly market oriented. No adjustment consideration for conditions of sale was necessary.

Financing

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

Market Conditions

The sales occurred over the period from July 24, 2017 to May 22, 2018. The date of value is July 26, 2019. The market has shown stable market conditions for vacant land over this time period. No adjustment is warranted.

Location

The subject property is located at East 28th Street in Riviera Beach. Comparables 4 and 5 are located in an inferior area and are adjusted upward. Comparable 3 is adjusted downward for having direct frontage on a main arterial.

Size

Generally, larger properties will sell for a somewhat lower price per square foot of land than smaller ones, and vice versa, when all else is equal. The sales in this data set do not appear to follow this pattern and no adjustment is warranted.

Site Conditions

Properties of all different shapes can typically be developed. Some properties, however, allow for a more efficient development of the site providing for the maximum development intensity. Neither the subject nor the comparables appear be impacted by their shape in such a manner as to limit their development. Another factor considered here is the existence of any physically detrimental site conditions such as contamination or muck. Neither the subject nor any of the comparables were known to suffer from any detrimental site conditions.

Zoning/Land Use

The subject property has a zoning designation of DC - Downtown Core by City of Riviera Beach with an underlying future land use of C - Commercial by City of Riviera Beach.

Though they may vary by municipality, all of the comparables have similar commercial and redevelopment-oriented designations that allow for similar uses as the subject. No adjustment is warranted.

QUANTITATIVE SALES ADJUSTMENT CHART - PRICE/LAND SF												
Sale Date	Property Address	Land SF	Price/ Land SF	Financing/ Adj. Price/ Land SF	Conditions of Sale/ Adj. Price/ Land SF	Market Conditions/ Adj. Price/ Land SF	Location	Land Size	Site Conditions	Zoning/ Land Use	Final Combined Adjustment	Overall Indication
1 Jul-17	28 West 15th Street Riviera Beach	6,538	$11.09	0% $11.09	0% $11.09	0% $11.09	0%	0%	0%	0%	0%	$11.09
2 Aug-17	1119 45th Street Mangonia Park	18,693	$8.40	0% $8.40	0% $8.40	0% $8.40	0%	0%	0%	0%	0%	$8.40
3 Sep-17	5111 Broadway West Palm Beach	9,840	$11.99	0% $11.99	0% $11.99	0% $11.99	-10%	0%	0%	0%	-10%	$10.79
4 Apr-18	Westgate Avenue West Palm Beach	5,754	$6.08	0% $6.08	0% $6.08	0% $6.08	25%	0%	0%	0%	25%	$7.60
5 May-18	2551 Westgate Avenue West Palm Beach	6,900	$7.83	0% $7.83	0% $7.83	0% $7.83	25%	0%	0%	0%	25%	$9.78
Subj. Jul-19	XXX East 27th Street Riviera Beach	9,760	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Conclusion

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

The unadjusted range of value indicated by the sales is roughly $6.08 to $11.99 per square foot of land area. The preceding quantitative comparison chart shows the value range for the subject property after adjustment based on a price per square foot of land area to be from $7.60 to $11.09 with a mean of $9.53. Considering all of the salient factors discussed previously and prevailing market conditions, the appraisers feel a conclusion in the middle portion of the indicated range is most appropriate. Given the preceding data and discussions, it is concluded that the market reflects a value per square foot of land area for the subject property of $10.00 per square foot as of July 24, 2019. Total value is calculated as follows:

9,760 Square Feet @ $10.00 per Square Foot =	$97,600
Rounded To:	
INDICATED MARKET VALUE VIA SALES COMPARISON: (Parcel 56-43-42-28-13-000-0050 - XXX East 27th Street)	**$100,000**

TOTAL VALUE CALCULATION

Value of Parcel 56-43-42-28-17-000-0380 - 45 East 28th Street	$240,000
Value of Parcel 56-43-42-28-13-000-0050 - XXX East 27th Street	$100,000
TOTAL MARKET VALUE ESTIMATE:	**$340,000**

ESTIMATE OF MARKET RENT

This section of our analysis is intended to establish the market rental rate of the subject property.

Market Rent Estimate for Parking Lot Excluding Building

Our research indicates that escalation clauses in long term leases are standard in this market. For the purposes of this analysis, we have assumed that the lease will have escalation clauses that increase the rent for inflation every five years to keep in line with market. Additionally, the lease is assumed to be net to the lessor with the lessee paying all expenses associated with construction, maintenance, insurance and potential taxes.

Typical new ground leases are structured with the anticipation that the tenant will construct a significant improvement on the site which has a tendency to lessen the risk associated with the income stream. This is because a tenant who has invested a large sum of money in developing a property is less likely to walk away from that investment and is most likely to keep paying the ground rent as per the lease.

In the case of the subject situation, the anticipated improvements are limited to surface parking which increases the risk associated with the income stream. This is due to the fact that the financial investment is not so significant that the tenant would incur a great financial loss if they were to walk away. That said, the risk is somewhat mitigated in the subject situation due to the fact that the anticipated tenant would be a municipal entity.

To estimate the annual land rental rate or ground lease rate for the subject property, we have researched the market for rental rates and overall rates of return on similar properties. We were not able to find adequate direct land lease rental rates of similar properties. However, we did find market rates of return on several land leased properties. Additionally, we surveyed capitalization rates from national survey data. Together these rates of return can be used to estimate an annual rental rate for the subject property based on the underlying land value that we have established in the previous section of this appraisal.

The following pages summarize the data utilized along with our analysis and conclusion of an appropriate rate of return and ultimately an annual market land rent for the subject property.

National Survey Data

The appraisers have consulted several authoritative national real estate survey publications for information pertaining to overall capitalization rates (OAR's) in the net lease and ground lease market.

PwC

PwC Real Estate Investor Survey, in the edition of the publication for Second Quarter 2019, listed an average OAR for net leased investment properties in the nationwide market at 6.6%, which they say is down from 6.77% in the prior quarter. The overall range was listed at 5.0% to 8.50%. We note that there data includes all number of property types, some which such as office and industrial tend have generally higher OARs than retail properties like the subject.

In their market synopsis, PwC indicated that most market participants see the market conditions favoring sellers over buyers. They indicate that over the next 6 months 50% of investors foresee cap rates holding steady, while 33% expect increases and 17% expect decreases.

Boulder Group

Another source researched by the appraisers for capitalization rate information was the Boulder Group, a leading investment real estate firm based out of Chicago. The Boulder group is one of the only firms in the country to focus solely on 1031 exchanges and net leased investments. In their second quarter 2019 Net Lease Market Report they indicate asking rates for single tenant net leased properties nationwide as follows:

Sector	Q1 2019 (Previous)	Q2 2019 (Current)	Basis Point Change
Retail	6.27%	6.23%	-4
Office	7.10%	7.07%	-3
Industrial	7.00%	6.99%	-1

We note that the subject would be considered to fall in under the retail sector of their research. In their market overview they comment: "With downward pressure on cap rates in all three sectors, the spread between asking and closed cap rates saw a decline when compared to the prior quarter. The spread between asking and closed cap rates decreased by 14, 6 and 7 basis points for retail, office and industrial net lease properties respectively. This illustrates the current competitive marketplace for net lease properties." and " Investor demand for the net lease market should exceed transaction volume expectations initially forecast for 2019 with sale velocity increasing as the year progresses. Cap rates in the net lease sector should experience downward pressure, but remain relatively stable throughout 2019. Accordingly, net lease property investors will carefully monitor the capital markets and the effect on pricing as the market expects multiple rate cuts from the Federal Reserve in 2019 and 2020.

Calkain

Calkain is a boutique commercial real estate firm focusing on single tenant net lease investment services. Focused on becoming the leading provider of all things net lease, they have expanded their services to include Advisory, Capital Markets, Asset Management and Research. They offer various research reports throughout the year focused on different aspects of the net leased market. In their first quarter 2019 Cap Rate Report, published May 2019 they offer the following summary various sectors in the net lease market.

Sectors	Q4 2018					Q1 2019					Avg Cap Rates (bps)	Lease Years (Rem)
	Avg Cap Rate	Low	High	Avg Lease Years	Sample Size	Avg Cap Rate	Low	High	Avg Lease Years	Sample Size		
Automotive	6.55%	4.96%	9.50%	9.9	51	6.58%	4.77%	16.00%	9.4	47	2.9	(0.6)
Bank	5.93%	3.82%	9.43%	9.5	31	6.16%	4.00%	9.30%	7.9	33	23.3	(1.6)
Big-Box	7.27%	5.29%	8.80%	8.9	21	6.69%	1.06%	9.62%	8.5	27	-58.3	(0.4)
Casual Dining	6.64%	4.75%	9.25%	12.5	48	6.32%	3.70%	10.00%	11.7	55	-31.6	(0.8)
C-Store	5.86%	4.50%	9.67%	12.4	23	5.60%	3.67%	9.00%	13.8	31	-26.1	1.3
Dollar Store	7.25%	5.50%	9.50%	9.9	76	7.43%	1.35%	9.83%	9.3	66	17.7	(0.6)
Educational	8.15%	6.75%	10.46%	9.6	10	7.24%	6.30%	9.62%	7.2	13	-91.2	(2.4)
Medical	6.73%	5.39%	9.25%	8.1	15	6.77%	5.25%	8.44%	8.8	11	4.3	0.8
Pharmacy	6.09%	4.75%	8.05%	13.9	49	6.43%	4.41%	12.32%	12.2	51	34.3	(1.7)
QSR	5.65%	4.00%	10.25%	13.7	134	5.63%	1.83%	9.84%	12.4	123	-1.7	(1.3)
Other Retail [1]	6.25%	4.44%	13.00%	10.5	46	6.81%	4.85%	9.35%	11.1	47	56.1	0.6
Average	**6.58%**			**10.8**		**6.52%**			**10.2**		**-6.4**	**(0.6)**
Total Sample Size					**504**					**504**		

[1] *Other retail includes retailers who don't otherwise neatly fit into one of the above categories such as grocery stores, cellular stores, mattress stores, and fitness centers.*

They comment that: "The end of the year was marked by stagnant cap rates, quarter over quarter, and a tendency toward caution about deals. This was attributable to many factors, both directly and indirectly tied to the market, ranging from interest-rate fluctuations to the impact of a government shutdown. But the government is up and running again, the Fed has backed off of toying with interest rates (which now approach 2016 levels) and transactions are ticking up."

Local Direct Sales Abstraction

We were able to gather data on net leased properties in the subject market that sold in the recent past. We believe that these cap rates are sufficiently reliable to be used along with the other method listed to estimate the subject's OAR.

The data used is shown in the following table.

LOCAL MARKET DERIVED OAR'S				
Sale Date OR Bk/Pg CIN	Property Address	Sale Price	OAR	Comments
Feb-2018 29640/1996	4595 South Military Trail, Lake Worth	$3,020,000	5.28%	Newly constructed NNN leased free standing Dollar General store
Mar-2018 29705/1494	341-345 NE 3rd Street, Delray Beach	$760,000	6.00%	1,0680 SF strip center, YB 1969 renovated 2006, good condition
Jul-2018 1151796057	3234 North Andrews Avenue, Oakland Park	$2,500,000	5.33%	7,650 SF free standing OReilly Autoparts, YB 2016
Aug-2018 115363398	3061 North Federal Highway, Fort Lauderdale	$4,300,000	6.25%	5,269 SF strip center, 1978, recently renovated,tenants inlcude VaporFi, Smoothi King, Ticket Clinic and Mobileluv
Nov-2018 115451918	850 West Cypress Creek Road, Fort Lauderdale	$4,323,090	5.50%	4,600 SF two tenant retail building, YB 2017, Starbuck and Fuzzy's Tacos
Dec-2018 115589968	3333 NE 32nd Street, Fort Lauderdale	$780,000	5.00%	3,848 SF, two story retail CBS YB 1964
Apr-2019 30526/1226	4931 South Military Trail, Green Acres	$2,535,000	5.99%	3,915 SF NNN leased Chase Bank Branch w/drive through, YB 2005,
May-2019 30625/0001	3568 Northlake Boulevard, Palm Beach Gardens	$1,457,250	5.62%	724 SF Checkers NNN ground lease, YB 1992
May-2019 30647/1131	3568 Northlake Boulevard, Palm Beach Gardens	$2,788,462	5.19%	2,888 SF NNN leased Burger King, YB 1997, New 20 year sale lease back
		Average	5.57%	

The preceding table shows a range of roughly5.19% to 6.25%.

Indicated Capitalization Rate

The national survey averages range from 6.23% to 6.76%. The local listing data has a range of 5.19% to 6.25% with an average of 5.55%. We note that the local data is composed of better located assets of a generally higher quality than the subject. We believe the subject would rent at rate of return more in line with the national data averages rather than the local data averages. Given the preceding, it appears that the market indicates that a 6.5% rate of return on the land under a long term lease is appropriate.

Cost to Create Parking

Because the subject is improved with a parking lot, we must add the cost of creating the parking to that of the underlying land for which we have already established a value.

We have estimated the cost to create parking based on reference to the Marshall Valuation Service Manual as published by CoreLogic. This is an industry wide cost estimating manual used primarily by real estate appraisers and general cost estimators. Marshal indicates a cost of roughly $1,270 per space to create parking. The subject has 29 parking spaces.

29 parking spaces @ $1,270 per space:	$36,830

Calculation of Rent

First we calculate the area of the parking lot as follows:

Total land area:	21,511 square feet
Less building footprint:	(2,409) square feet
Area for parking lot:	19,102 square feet

Next we apply the $10/per square foot market land value conclusion to the area of the parking lot.

19,102 square feet @ $10.00 per square foot:	$191,020

And add the cost of creating the parking improvements

Land value:	$191,200
Cost to create parking:	$ 36,830
	$228,030
Rounded to:	
Indicated value of improved parking lot:	$230,000

The annual market rental rate for the subject property is therefore calculated as follows:

Indicated value of improved parking lot X 6.50% = Annual Net Rent

Conclusion of Market Rent Excluding Building

$230,000 x 6.5%= $14,950 per year

MARKET RENT ESTIMATE INCLUDING BUILDING

To estimate the market rent for the property as whole including the building, we follow the same methodology as previously discussed. However, instead of applying an appropriate rate of return to just the parking improvements, we apply it to the estimated market value of the whole property, which was previously estimated to be $340,000. Because the rental will now include the building improvements a slightly higher rate of return is required as the improvements physically depreciate, and require more maintenance than land improved with just parking. Based on the market data presented previously and the quality and condition of the building improvements we conclude an appropriate rate of return would be 7%. Market rent is calculated as follows:

Indicated value of whole property including building X 7.0% = Annual Net Rent

Conclusion of Market Rent Including Building

$340,000 x 7.0%= $23,800 per year

QUALIFICATIONS OF APPRAISER
ROBERT B. BANTING, MAI, SRA

PROFESSIONAL DESIGNATIONS - YEAR RECEIVED

MAI - Member Appraisal Institute - 1984
SRA - Senior Residential Appraiser, Appraisal Institute - 1977
SRPA - Senior Real Property Appraiser, Appraisal Institute - 1980
State-Certified General Real Estate Appraiser, State of Florida, License No. RZ4 - 1991

EDUCATION AND SPECIAL TRAINING

Licensed Real Estate Broker - #3748 - State of Florida
Graduate, University of Florida, College of Business Administration, BSBA (Major - Real Estate & Urban Land Studies) 1973
Successfully completed and passed the following Society of Real Estate Appraisers (SREA) and American Institute of Real Estate Appraisers (AIREA) courses and/or exams: Note: the SREA & AIREA merged in 1991 to form the Appraisal Institute.

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

ATTENDED VARIOUS APPRAISAL SEMINARS AND COURSES, INCLUDING:

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

Engaged in appraising and consulting assignments including market research, rental studies, feasibility analysis, expert witness testimony, cash flow analysis, settlement conferences, and brokerage covering all types of real estate since 1972.
President of Anderson & Carr, Inc., Realtors and Appraisers, established 1947
Past President Palm Beach County Chapter, Society of Real Estate Appraisers (SREA)
Realtor Member of Central Palm Beach County Association of Realtors
Special Master for Palm Beach County Property Appraisal Adjustment Board
Qualified as an Expert Witness providing testimony in matters of condemnation, property disputes, bankruptcy court, foreclosures, and other issues of real property valuation.
Member of Admissions Committee, Appraisal Institute - South Florida Chapter
Member of Review and Counseling Committee, Appraisal Institute - South Florida Chapter
Approved appraiser for State of Florida, Department of Transportation and Department Natural Resources.
Instructor of seminars, sponsored by the West Palm Beach Board of Realtors.
Authored articles for The Palm Beach Post and Realtor newsletter.
Real Estate Advisory Board Member, University of Florida.

TYPES OF PROPERTY APPRAISED - PARTIAL LISTING

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

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

QUALIFICATIONS OF APPRAISER
BEAU M. ARNOLD

GENERAL INFORMATION

State-Certified General Real Estate Appraiser RZ2937
State Licensed Real Estate Sales Associate SL3076071

EDUCATION AND SPECIAL TRAINING

Graduate, University of Florida, College of Business Administration,
BSBA (Majors - Real Estate and Management) 1997

Successfully completed and passed the following courses:

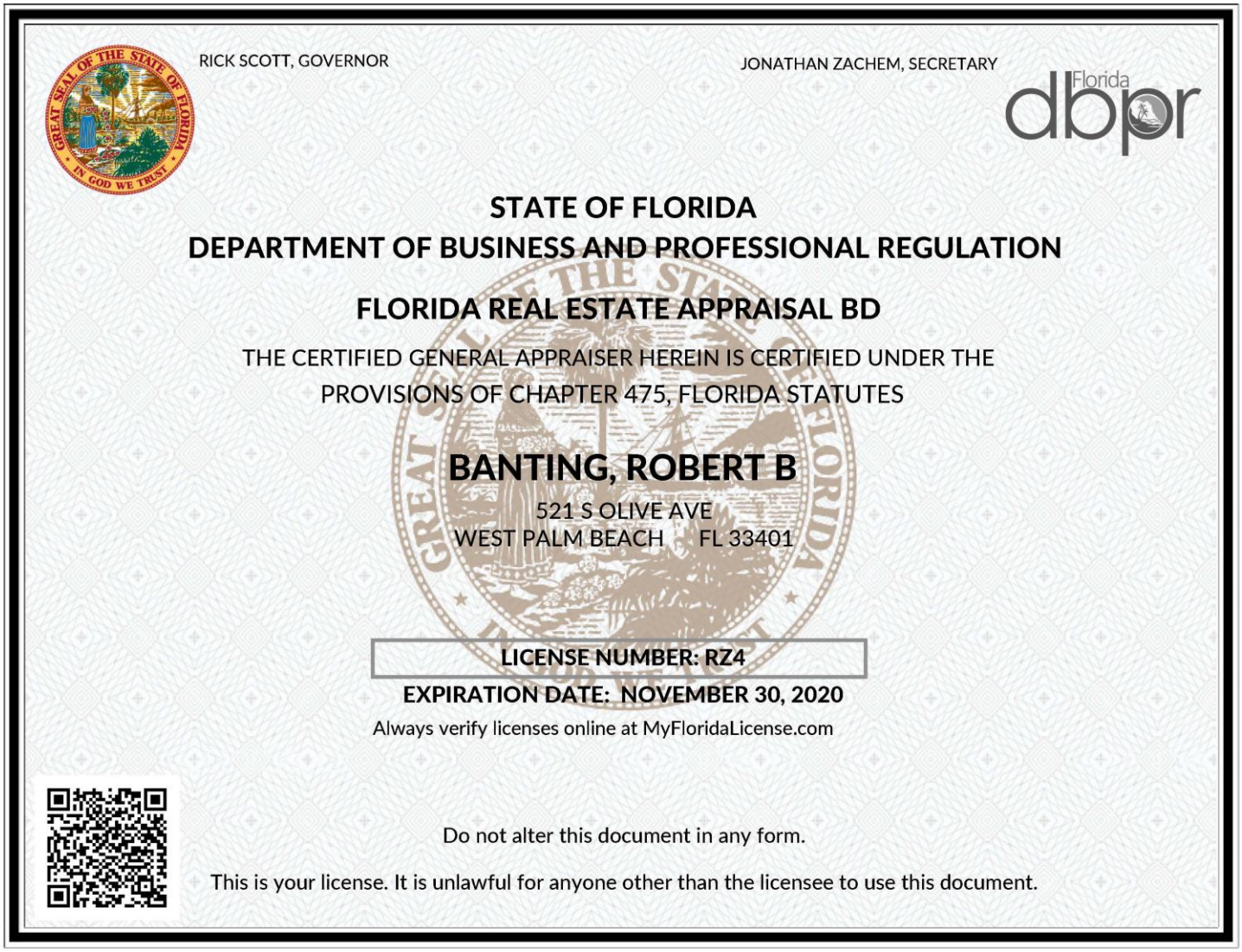
UF:	Real Estate Analysis
UF:	Real Estate Valuation
AI 200R:	Residential Market Analysis and Highest and Best Use
AI 300GR:	Real Estate Finance, Statistics, and Valuation Modeling
AI I310	Basic Income Capitalization
AI I410N:	National Uniform Standards of Professional Appraisal Practice
AI 520:	Highest & Best Use and Market Analysis

Engaged in appraising and researching real estate with Anderson and Carr, Inc. since May of 1997.

TYPES OF PROPERTY APPRAISED

Single Family Homes
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Agricultural Land
Conservation/Environmentally Sensitive Land
Apartment Buildings
Warehouse Buildings
Proposed Construction
Net leased Properties
Restaurants
Houses of Worship
Civic Facilities
Marinas
Rights-of-Way
Leasehold Interests
Condominiums
Multi-Family Land
Industrial Land
Subdivision Land
Public Land
Retail Buildings
Office Buildings
Gas Stations
Special Purpose Properties
Shopping Centers
Schools
Mobile Home Parks
Golf Courses
Easements

Appraiser Licenses



RICK SCOTT, GOVERNOR

JONATHAN ZACHEM, SECRETARY

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DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

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DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD

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PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

ARNOLD, BEAU M

930 CHURCHILL ROAD
WEST PALM BEACH FL 33405

LICENSE NUMBER: RZ2937

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