

**Minutes**  
**Town of Lake Park, Florida**  
**Community Redevelopment Agency**  
**Board Meeting**  
**Wednesday, March 7, 2018, 6:30 p.m.**  
**Town Commission Chamber, 535 Park Avenue**

The Community Redevelopment Agency Board met for a regular meeting on Wednesday, March 7, 2018 at 6:30 p.m. Present were Chair Michael O'Rourke, Vice-Chair Kimberly Glas-Castro, Board Members Rhonda "Jo" Brockman, Christine Francois, Erin Flaherty, Anne Lynch, and Roger Michaud, Executive Director John D'Agostino, Agency Attorney Thomas Baird, and Agency Clerk Vivian Mendez.

Agency Clerk Mendez performed the roll call and Chair O'Rourke led the pledge of allegiance.

**Special Presentation/Report:**

**1. Market Study and Branding Analysis for the CRA/Town of Lake Park.**

Kim DeLaney, Treasure Coast Regional Planning Council, Tom Lavash of WTL & Associates and Tom Moriarity of Retail Development Strategies, LLC, presented to the CRA Board (see Exhibit "A").

Chair O'Rourke asked that the Hackathon (see "Smart City" Technology slide) be explained. Ms. DeLaney explained that a Hackathon was a fast pace idea exchange that utilizes technology focused companies and individuals to address technology challenge. Mr. Lavash offered an example of a Hackathon he attended in Washington D.C. Board Member Michaud asked how the technology challenged approach a Hackathon. Ms. DeLaney explained that those that participate in the Hackathon would create an Application (APP) for users to obtain information from the Town depending on the criteria developed for the needs of the community. Board Member Lynch asked how the Town could reach out to Hackathon-ers. Ms. DeLaney stated that through the Palm Beach North Chamber of Commerce they have begun to identify a Hackathon third party of tech savvy individuals. Board Member Francois asked if Town-wide Wifi would be necessary for the event. Ms. DeLaney stated that the Hackathon was usually a three day event and Wifi might not be necessary for the event.

Ms. DeLaney finalized the presentation by explaining the ideas for a Vision and Mission statements. Chair O'Rourke thanked everyone for the presentation. Board Member Brockman asked how could the CRA/Town overcome the public's perception. Ms. DeLaney stated that using Palm Beach County partners, such as the Palm Beach North Chamber of Commerce, they can assist in marketing the CRA/Town. She referred to some of the slides presented earlier as ideas to market the CRA/Town.

Mr. Lavash has worked on revitalizing Downtown's for over 40-years. He suggested hiring a person that sole purpose was revitalizing the Downtown area; do something really well and don't do too many things at the same time; commit to the decision (of hiring a person, or having events on a regular schedule) and allow two to three-year's for the change to occur to assist in changing the public's perspective; lastly was demonstrate results.

**Public Comment:**

Tom Warnke, Surf Museum expressed concern that the Request for Proposal for the use of the 800 Park Avenue building was not published as indicated by staff. Executive Director D'Agostino explained the Request for Proposal process and once the Commission has reviewed the Request for Proposal it would be published. He stated that staff would contact those that have expressed an interest once the Request for Proposal was published.

**Consent Agenda:**

**2. Approval of the Special Call CRA Board Meeting Minutes of December 20, 2017.**

Board Member Brockman expressed that the meeting minutes did not reflect the specific deadlines that were discussed regarding the Request for Proposal. Executive Director D'Agostino stated that staff would review the recording of the meeting and revise the minutes as needed.

**Motion: Vice-Chair Glas-Castro moved to table the consent agenda to the next scheduled CRA Board meeting; Board Member Michaud seconded the motion.**

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Erin Flaherty	X		
Board Member Christiane Francois	X		
Board Member Roger Michaud	X		
Board Member Anne Lynch	X		
Board Member Rhonda "Jo" Brockman	X		
Vice-Chair Kimberly Glas-Castro	X		
Chair Michael O'Rourke		X	

Motion passed 6-1.

**NEW BUSINESS:**

**3. Executive Director's Annual Report.**

Executive Director D'Agostino presented the Annual Report for Fiscal Year 2016/2017 (see pages 2-4 of Exhibit "B").

Board Member Francois asked how much longer it would take before the 801 Park Ave would receive its Certificate of Occupancy. Executive Director D'Agostino explained

what has taken place over the years with the property. He stated that they would continue to work with the property owner to move forward with occupying the building. He suggested that the CRA think strategically about the properties on Park Ave.

**Motion: Board Member Flaherty moved to accept the Annual CRA Report and instruct the Executive Director to forward it to the Town Commission; Vice-Chair Glas-Castro seconded the motion.**

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Erin Flaherty	X		
Board Member Christiane Francois	X		
Board Member Roger Michaud	X		
Board Member Anne Lynch	X		
Board Member Rhonda “Jo” Brockman	X		
Vice-Chair Kimberly Glas-Castro	X		
Chair Michael O’Rourke	X		

Motion passed 7-0.

**4. 940 Park Avenue Appraisal for Consideration to Purchase Property by the CRA**

Executive Director D’Agostino explained the item (see Exhibit “C”). The Board was not interested in purchasing property.

Discussion regarding the 801 Park Avenue building ensued. The CRA was only interested in the possible purchase of the Town Green portion of the 801 Park Avenue property. The Board asked the Executive Director to speak with the owner regarding their interest in selling the vacant lot.

**Motion: Board Member Brockman moved to ask the property owner of 801 Park Ave to sell just the vacant lot portion of the property; Board Member Flaherty seconded the motion.**

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Erin Flaherty	X		
Board Member Christiane Francois	X		
Board Member Roger Michaud	X		
Board Member Anne Lynch	X		
Board Member Rhonda “Jo” Brockman	X		
Vice-Chair Kimberly Glas-Castro	X		
Chair Michael O’Rourke	X		

Motion passed 7-0.

**BOARD MEMBERS COMMENTS:**

**Board Member Francois** had no comments.

**Board Member Brockman** had no comments.

**Board Member Lynch** had no comments.

**Board Member Flaherty** had no comments.

**Board Member Michaud** had no comments.

**Vice-Chair Glas-Castro** had no comments.

**Chair O'Rourke** had no comments.

**ADJOURNMENT**

There being no further business to come before the CRA Board and after a motion to adjourn by Board Member Lynch and seconded by Board Member Michaud, and by unanimous vote, the meeting adjourned at 8:40 p.m.



Chair, Michael O'Rourke



Agency Clerk, Vivian Mendez, CMC



Town Seal

Approved on this 30 of April, 2018

Exhibit "A"



## Lake Park CRA

### Market Study/Branding Findings & Recommendations

*March 2018*

Prepared by Treasure Coast Regional Planning Council

*Project Team included WFL, a and RDS*

*HCB Smart NET Concept Developed in Collaboration with HLC of Palm Beach County*



## *Market Study & Branding Effort*

- Commissioned by Lake Park CRA
- Due Diligence Reviews & Interviews
- Market Assessment
  - Demographic & Economic Profile
  - Real Estate Market Trends & Conditions
  - Market Demand & Absorption Potentials
- Recommended Implementation Strategies
- CRA Mission Statement, Vision & Values





# Market Analysis: Findings



Lake Park CRA Meeting  
March 2018

# Town of Lake Park Market Analysis & Marketing Plan



**WTL+a**

**Real Estate & Economic Advisors**  
Washington, DC

In association with:

**RDS**  
**Retail & Development Strategies**  
Arlington, VA

Prepared for:  
**Town of Lake Park, Lake Park CRA & Treasure Coast Regional Planning Council**

## Market Potentials: Housing



	Average Values	As % of County
Palm Beach County	\$ 327,227	
Palm Beach Gardens	\$ 429,862	131%
North Palm Beach	\$ 409,837	125%
Riviera Beach	\$ 263,641	81%
<b>Lake Park</b>	<b>\$ 203,399</b>	<b>62%</b>

Source: American Community Survey; ESRI Business Analyst; WTL+a, October 2017.

**Lake Park is a Community with  
"Naturally Occurring Affordable Housing"**

## Market Potentials: Housing



### Next 5 Years

- 650 new residents
- 250 new households



### Issues

- Multiple Location Options
  - US1 – High-Rise?
  - Park Avenue
  - Scattered Residential Infill Sites
- Strong Value Prospects
  - Average Household Value is Lowest in PBC



## Market Potentials: Hotel

### Hotel

- Potential for 80-100 room limited-service hotel
- Site-dependent (requires high-visibility, high-traffic road)
- Benefits from waterfront views





## Market Potentials: Retail

### Retail

- Established regional retail destination, but at edges
- Downtown focus on arts & tech, more food & beverage



#### Town-wide Statistics

Total Inventory	1,717,079 SF
Total Vacancy	200,140 SF (11.7%)
US Avg Retail SF/Person	23.5
	(Source: Business Insider, 2017)

Lake Park Avg Retail SF/Person	<b>190.3</b>	<b>8X the US Avg!</b>
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## Market Potentials: Workplace

### Workplace

- Need to maintain both office and industrial
- Encourage professional services downtown (e.g., within HUB)
- 59.5 ac vacant land for redevelopment



# Market Study/Branding: Recommendations



Lake Park CRA Meeting  
March 2018

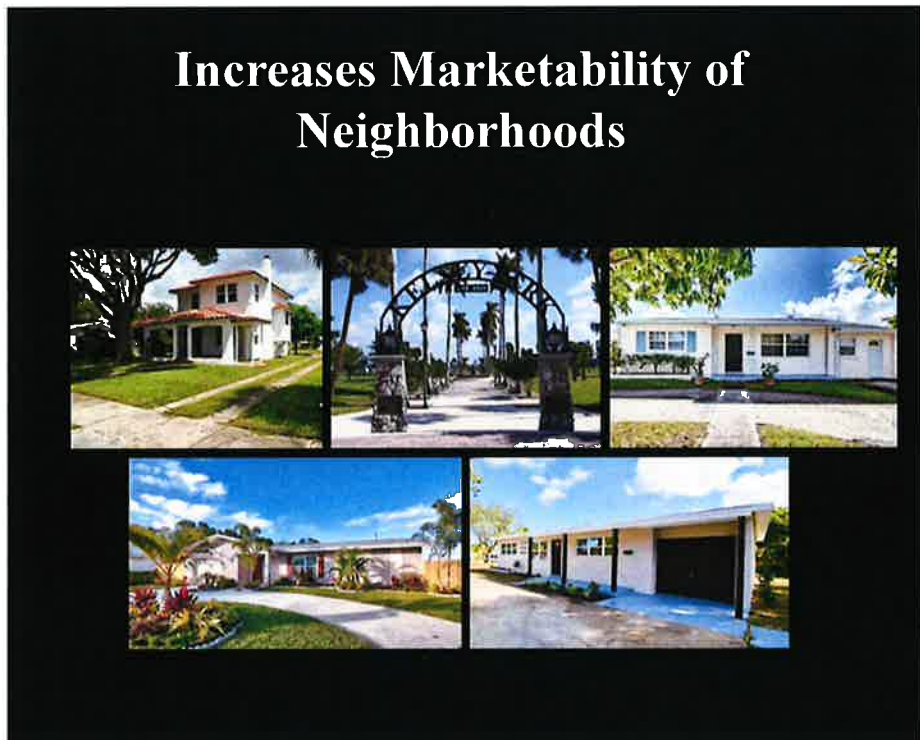
## *HISTORIC LAKE PARK ... Smart & Connected Neighborhoods in a Smart & Connected Region*



## Complement to Lake Park's "Hipster" Trends



## Increases Marketability of Neighborhoods



## Advances Partner Agency Priorities



SMART AND CONNECTED REGION  
ESSENTIAL SERVICES HOUSING



Palm Beach County  
Housing Summit 2017  
SOLUTIONS FOR INCREASING  
ATTAINABLE HOUSING IN  
PALM BEACH COUNTY



Summit: Lack of affordable  
homes in Palm Beach County at  
'crisis' level

... to increase the availability of  
attainable housing throughout  
Palm Beach County for workers  
at all income levels.

## Partners for Grant Funding ...



## Lake Park as a Historic Prototype in a Smart and Connected Region

A - Smart & Connected Downtown

B - Smart & Connected Neighborhoods

C - Smart City Technology Program

D - Smart Data & Programming



### SMART & CONNECTED DOWNTOWN

- A1: Lake Park HUB
  - Collaborative public/private workspace
  - Targeted to Millennials – Complement to Neighborhoods
  - Targeted to Start-Ups, High-Tech, Non-Profits, Small Satellite Office Space
  - Integrated into Town Smart Tech App



## Lake Park HUB: A Collaborative Work Space

**THE WALL STREET JOURNAL**  
**Can't Afford an Office?**  
**Rent a Desk for \$275**  
By Emily Olszewski, October 4, 2013

PALM BEACH TECH

Part Time	Full Time	Dedicated Desk	Private Office
<b>\$75</b> <small>Per Hour</small>	<b>\$200</b> <small>Per Month</small>	<b>\$300</b> <small>Per Month</small>	<b>\$900</b> <small>Per Month</small>
<small>Access 24/7, 365 Days a Year</small>	<small>Access 24/7, 365 Days a Year</small>	<small>Access 24/7, 365 Days a Year</small>	<small>Access 24/7, 365 Days a Year</small>
<small>100 sq. ft. of workspace</small>	<small>200 sq. ft. of workspace</small>	<small>300 sq. ft. of workspace</small>	<small>500 sq. ft. of workspace</small>
<small>100 sq. ft. of storage</small>	<small>200 sq. ft. of storage</small>	<small>300 sq. ft. of storage</small>	<small>500 sq. ft. of storage</small>
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## SMART & CONNECTED DOWNTOWN

### A2: Park Avenue Arts & Tech Cluster

- Build on Historic & Emerging Arts District
- Anchor with Easel Art Supply (materials, classes)
- Targeted Business Recruitment & Expansion
- Complement with Special Events Programming

## Park Avenue Arts Cluster

**Swedish princess to grace Lake Park art gallery opening Friday**



**ARTISTS**  
Palm Beach County  
Art on Park Gallery

A gallery of local artists of all disciplines bringing you original art in a variety of mediums and price points

**DAN REMMEL**  
Solo Exhibition of 30 Paintings  
March 3 - April 30, 2018  
Lake Park Public Library, 529 Park Ave., Lake Park, FL  
Opening Reception, Tuesday, March 6, 6-7 p.m.  
PUBLIC INVITED



**March 2018**

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<p><b>Art on Park</b> 8:00-11:00am 20% off</p>	<p><b>Art on Park</b> 8:00-11:00am 20% off</p>	<p><b>Art on Park</b> 8:00-11:00am 20% off</p>	<p><b>Art on Park</b> 8:00-11:00am 20% off</p>	<p><b>Art on Park</b> 8:00-11:00am 20% off</p>	<p><b>Art on Park</b> 8:00-11:00am 20% off</p>	<p><b>Art on Park</b> 8:00-11:00am 20% off</p>

Kamal Art Society 810 Park Ave Lake Park, FL 33402 861.844.2111 kamsalart@outlook.com



## SMART & CONNECTED DOWNTOWN

**A3: Downtown Residential Development Program**

- Consider Lake Park HUB as Amenity
- Modern, Smaller Footprint Typologies
- Design for Fannie Mae Funding

**A4: Special Events Programs**

- Utilize Town Special Events Coordinator
- Focus on 1-2 events/year focused on arts/music
- Integrate with CRA Community Revitalization Coordinator
- Public/Private Opportunities

**A5: Business Development Toolkit**

- Staff-Led Effort to Assemble Business Resources
- Coordinate with Lender Information
- Include in Marketing Materials

The Back Alley Art Festival at The Lake Park Arts District



## SMART & CONNECTED NEIGHBORHOODS

### B1: Neighborhood Stabilization & Reinvestment Program

- Low-Interest Financing Package from HLC
- Fannie Mae “Homestyle” Loans
- Renovation & Downpayment Assistance
- Weatherization & Energy Efficiency Funding/Rebates
- Design Assistance & Facilitation by Town

### B2: Multi-Family Rehabilitation Program

- Weatherization & Energy Efficiency Funding/Rebates
- FPL Energy Audit/Improvements & DEO/Weatherization Assistance Program



## SMART & CONNECTED NEIGHBORHOODS

### Low-Interest Residential Financing Package

- Partner with Housing Leadership Council of PBC
  - ✓ Weatherization Funds (FPL, FL DEO)
  - ✓ FPL (Energy Efficiency, Power to Serve, Etc.)
  - ✓ Fannie Mae “Homestyle Program” Funds
  - ✓ SHIP Funds (PBC)
  - ✓ Other (TBD)
- Include Town Assistance for Design, Permits & Funding Applications





## SMART & CONNECTED NEIGHBORHOODS

### B3: Model Block Demonstration Project / HGTV

- Low-Interest Financing Package from HLC
- Fannie Mae “Homestyle” Loans
- Renovation & Downpayment Assistance
- Weatherization & Energy Efficiency Funding/Rebates
- Design Assistance & Facilitation by Town

### B4: “Fresh Face” & Façade Improvement Grants

- Similar to Habitat for Humanity “Brush of Kindness”
- Engage Solid Waste Authority for “Paint Your Heart Out”
- Donated Materials, Volunteer & Paid Labor
- Partner with Rebuilding Together
- Concentrate near Model Blocks
- Visible Exterior Improvements

#### FRESH FACE “QUICK FIXES”

- ✓ Exterior Painting
- ✓ Exterior Lighting
- ✓ Roof Cleaning
- ✓ Awnings
- ✓ Landscaping

## SMART & CONNECTED NEIGHBORHOODS



Before



After

Model Block Renovation – “HGTV”-Type Project

## SMART & CONNECTED NEIGHBORHOODS

### B5: Homebuyer Marketing Program

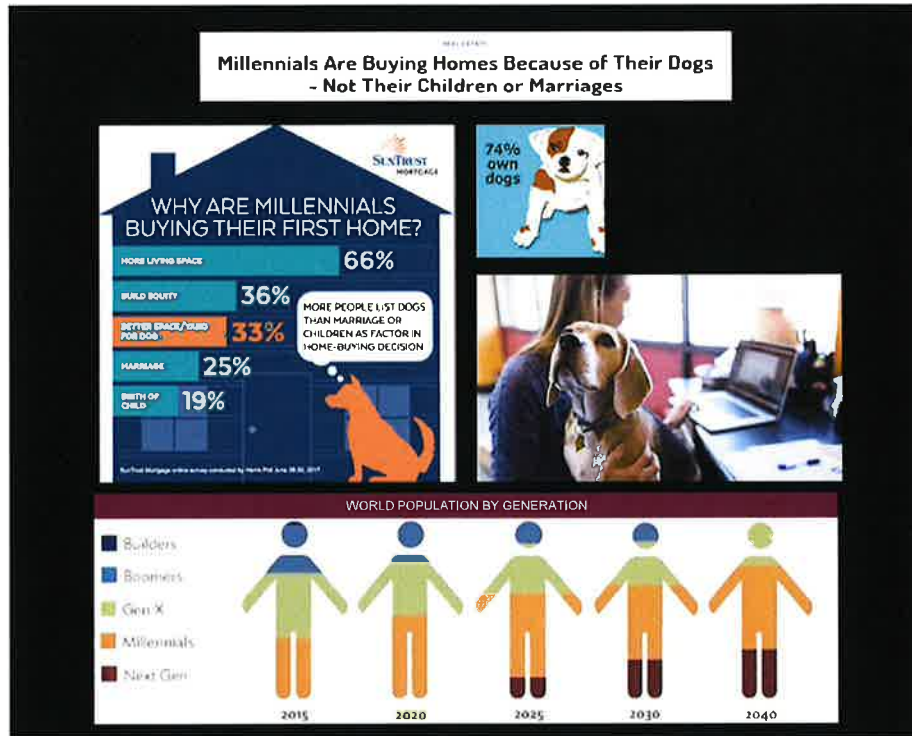
- Develop with HLC & Board of Realtors
- Day-Long Homebuyer Fairs
- Emphasis on Best Coastal Value in Palm Beach North
- Target Millennials & Empty Nesters
- Target “Essential Services Employees”
- Market to Neighboring Municipalities
- Coordinate with Model Block Demonstration Project

Why Rent When You Can Own?  
 Lake Park ...  
 The Best Value in Palm Beach North!

## Marketing to Millennials

**Inc.**

Responsiveness	"The Millennial generation possesses a very strong BS detector. <b>Authenticity</b> is worth its weight in gold."
Adaptive Advertising	"Millennials like to <b>lean forward</b> , using the <b>newest tech</b> and the newest type of services. Marketers should emphasize new thinking and ... <b>cutting edge</b> ."
Appeal to Values	"Millennials' purchasing habits tend to prioritize <b>memorable experiences</b> and social identity."
Don't Sell Products; Sell Your Purpose	"Parents of Millennials want to know a product's features and benefits. Millennials require a second layer. <b>What is your why?</b> How do you <b>impact the world?</b> Lead with your purpose."
Appeal to FOMO and Frugality	"Millennials are all about FOMO (fear of missing out). Offer them a <b>unique experience</b> , event, or special offering, to tap into their drive for being involved and staying in the loop."
Offer Authenticity & Diversity	"Millennials expect <b>authenticity and diversity from everything in their environment</b> . ... this generation most connected to the way nutrition affects their health ... are <b>authentic, forward thinkers and risk takers</b> ..."



## SMART & CONNECTED NEIGHBORHOODS

### B6: Code Enforcement & Community Clean-Ups

- Accelerated Code Enforcement
- Consider CDBG +/-or CRA Funding
- Continue "House of the Month" Club
- Initiate "Clean Up Lake Park" Days (2 x year)
- Engage Solid Waste Authority for "Adopt-A-Spot"
- Reach Out to In-town Corporate Retail



## SMART DATA & PROGRAMS

### C1: Real Estate Inventory

- Collaborate with Commercial Brokers
- Survey Existing Inventory
- Track Market Performance (inventory, vacancies, leasing activity, rents, tenant/business movement, etc.)

### C2: Marketing Program Data Assemblage

- Create Baseline for Tenant/Business Recruiting
- Office: Focus on Small Professional-Serving Businesses
- Retail: Focus on Food/Beverage & Arts/Cultural Products
- Update Data Annually



## SMART DATA & PROGRAMMING

### C3: CRA Annual Work Program

- Annual Goal-Setting and Prioritization
- Focus on 3-Year Window
- Community Renewal & Revitalization Initiatives
- Include Documentation, Research & Data for Events
- Emphasis on Visible Design Improvements

### C4: Public/Private Partnerships

- Package Financial Incentives & Subsidies
- Leverage & Document Private Investment
- Streamline / Accelerate Private Commitments



## “SMART CITY” TECHNOLOGY

### D1: Town-Wide Communications Network

- Wi-Fi Hotspot Coverage
- Real-Time Transportation Data
- Climate & Health Monitoring
- Geolocation & Beacons for Public Safety
- Partnership with Palm Beach County



### D2: Develop “Smart Town” Tech App

- Partnership with Palm Beach North Chamber
- “Hackathon” Idea Exchange for Unique App
- Utilize Communications Network Data & HUB

The mission of a smart city is to integrate information and communication technologies (ICT) into the urban infrastructures to be able to improve the efficiency of key fields such as government services, transport, traffic management, energy, health care, water and waste in order to create a safer, more sustainable and better connected city.

## Lake Park CRA:

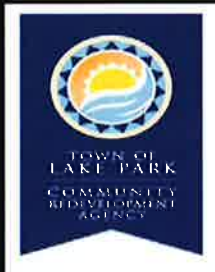
Mission

Vision

Values



Lake Park CRA Meeting  
March 2018



A mission statement describes an organization's purpose and reason for existence. It answers these questions:

*Why do we exist?  
What is the CRA for?*

A vision statement expresses an organization's optimal goal – as it would appear in a future successful state. It creates a mental image of the future state the organization wishes to achieve and provides strategic direction to get there.

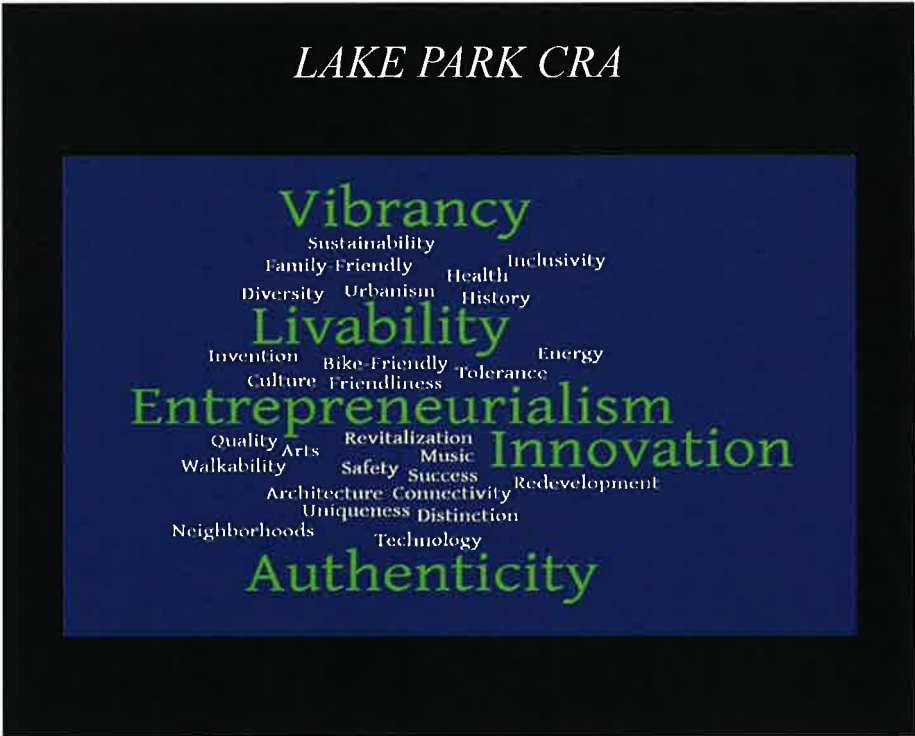
*Where are we headed?  
When we have succeeded, what will that look like?*

Values statements describe what the organization believes in, how it will behave, and informs how it makes decisions and selects priorities. It establishes standards that actions can be assessed against.

*What do we stand for?  
What will we consider when we select priorities?*

**MISSION STATEMENT OF THE  
TOWN OF LAKE PARK**

**TO IMPROVE THE QUALITY OF LIFE FOR ALL TOWN  
STAKEHOLDERS THROUGH THE PROVISION OF  
EFFECTIVE AND EFFICIENT SERVICE DELIVERY WHILE  
MAINTAINING A SMALL TOWN ATMOSPHERE IN AN  
URBAN ENVIRONMENT AND EMBRACING THE SENSE  
OF PLACE AND COMMUNITY THAT MAKES  
THE TOWN OF LAKE PARK SPECIAL**



*LAKE PARK CRA*

MISSION STATEMENT

The Lake Park Community Redevelopment Agency (CRA) is dedicated to revitalizing Lake Park's Downtown District to create a distinctive center for arts, culture, and economic innovation for the Town and surrounding areas.

## *LAKE PARK CRA*

### MISSION STATEMENT

The Lake Park Community Redevelopment Agency (CRA) is dedicated to revitalizing Lake Park's Downtown District to create a distinctive center for arts, culture, and economic innovation for the Town and surrounding areas.

### VISION STATEMENT

We envision a unique, connected, sustainable downtown district that celebrates its authenticity, cultural and artistic diversity, and vibrant economic success and contributes to the overall quality of life in the Town of Lake Park.

## *LAKE PARK CRA*

### MISSION STATEMENT

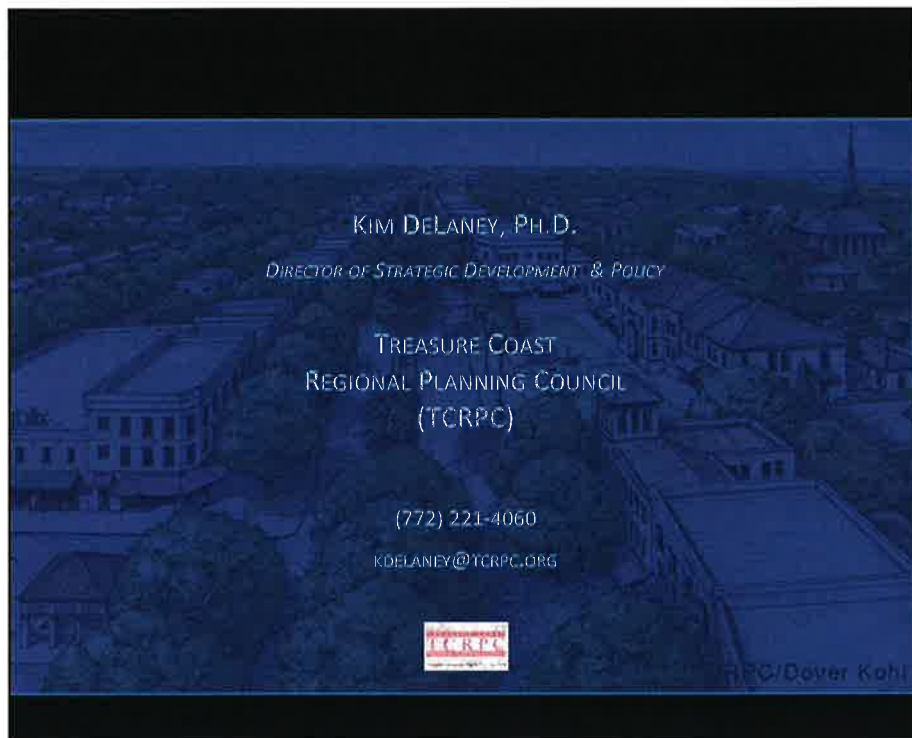
The Lake Park Community Redevelopment Agency (CRA) is dedicated to revitalizing Lake Park's Downtown District to create a distinctive center for arts, culture, and economic innovation for the Town and surrounding areas.

### VISION STATEMENT

We envision a unique, connected, sustainable downtown district that celebrates its authenticity, cultural and artistic diversity, and vibrant economic success and contributes to the overall quality of life in the Town of Lake Park.

LIVABILITY ~ ENTREPRENEURIAL SPIRIT ~ AUTHENTICITY ~ VIBRANCY ~ INNOVATION





*Exhibit "B"*

# ANNUAL REPORT FISCAL YEAR 2016/17



TOWN OF  
LAKE PARK  

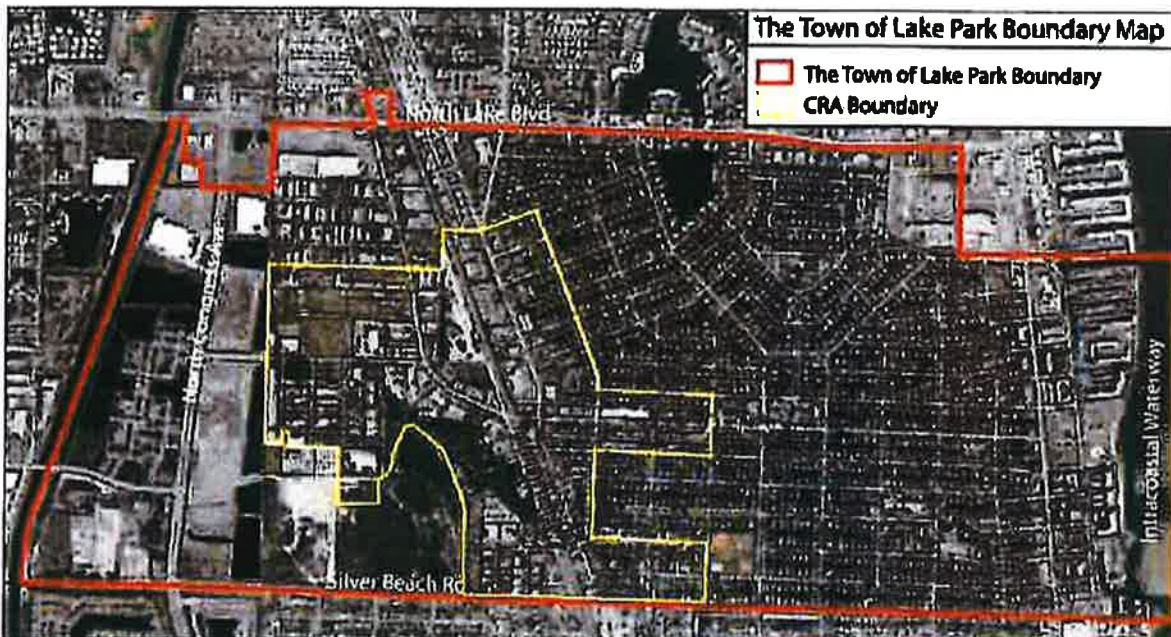
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COMMUNITY  
REDEVELOPMENT  
AGENCY

**TOWN OF LAKE PARK, FLORIDA  
COMMUNITY REDEVELOPMENT AGENCY**

**ANNUAL REPORT FOR FISCAL YEAR 2016/2017**

The Town of Lake Park, one of the earliest master-planned communities in South Florida and retains many of the characteristics of its original plan which was set out by Harry Seymour Kelsey back in 1919. Nearly 80 years later, in 1996, the Town of Lake Park Community Development Agency (CRA) was established. The original CRA plan identified a series of problems and needs, as well as some general opportunities for the designated area. Figure 1 is a map of the Lake Park CRA in context to the physical boundaries of the entire Town of Lake Park.



In January of 2010, the CRA adopted a revised Community Redevelopment Agency Plan in an effort to update the vision for the “downtown” and commercial/industrial areas of the Town.

The following is an update on the previous priorities the Executive Director has pursued this past fiscal year. They include:

- The 940 Park Avenue (Sorota Property) is now for Sale. The Last report to the Board discussed the need to promote the sale of the property. The owner passed away and family members are interested in selling the property. The Executive Director ordered an Appraisal on the property from Anderson & Carr Appraisers. The Market Value Appraisal came in at \$ 750,000.00. If the CRA by vote of the Board of Directors desires to purchase the property from the Sorota Family, purchase price must not exceed the market value price. The Executive Director negotiated a right of first refusal with the family after the passing of Joe Sorota Senior.

- The sale of the Park Avenue Barbeque building located at 754 Park Avenue to Dedicated IT is complete. Dedicated IT will relocate its corporate headquarters to this location. Dedicated IT will employ One Hundred and Eight employees of which fifty to fifty-eight employees will be located at the 754 Park Avenue building. The average salary of \$58,257 is at least 115% above the Palm Beach County average wage. The rehab costs for the building are over One Million Dollars. In addition, the building will house a microbrewery and a restaurant. Next door to the 754 Park Avenue, property is a new gastropub called Brick and Barrel. The CRA's Façade Grant/Construction Program will commit a total of \$400,000 towards façade improvements and construction subsidies over the next five years. The 754 Park Avenue building has remained vacant for well over ten years. In order to bridge the equity gap between the property owners and the Bank the CRA proposed to provide a loan guarantee of \$1,047,000 to Valley National Bank. The terms and conditions of the loan guarantee requires the Town to guarantee the loan amount until the loan to value ratios reach twenty-five percent or five years whichever is sooner. Having a high tech company headquartered on Park Avenue will spur development and provide employees with options for live entertainment at the Brewhouse Gallery and Kelsey Theatre. Lunch and dinner at restaurants like Casper's, Brick and Barrel or any number of specialty shops and food establishments along Park Avenue will also be options for employees working on Park Avenue. Dedicated IT employees will spend money during the day and evening hours.
- Promotion of the Arts is an ongoing effort in the CRA. The Mural event along the back alley of the 700 to 800 block of Park Avenue have attracted over 3,000 attendees in a given weekend. The event has resulted in a temporary economic boom to the local merchants along Park Avenue. Many commercial spaces remain vacant along Park Avenue. Underperforming retail space located along Park Avenue in the CRA district is affecting retail sales across the Town despite large box retail giants like Walmart and Target. The CRA must address empty retail space along Park Avenue. With the addition of fifty to fifty-eight employees, earning an average salary of \$58,257 and the increase in demand for upscale eateries and specialty retail shops along Park Avenue will occur.
- The CRA will focus on developing a live, work and play environment along Park Avenue. Unique types of retail and commercial establishments along Park Avenue should support the concept of a unique downtown, a unique experience and create a primary destination place for millennials and residents to live work and recreate.
- The Focus of the CRA will be on the sale of the 801 Park Avenue property. Sidney Spiegel of Coreslab International owns the property. He purchased the property approximately three to four years ago. The owner is on his third building permit. Despite his third building permit, the property remains about ninety-eight percent complete. The tax obligation is minimal because the owner does not have a certificate of occupancy. The certificate of occupancy requires that the building have water, sewer and electricity for the property to be habitable. Once habitable, property taxes to the CRA will substantially increase. The property is important to the revitalization of the Park Avenue Downtown District. Residential properties along Park Avenue will contribute to the economic viability and stability of the district creating that much sought after live, work and play environment for the CRA.
- Job loss within the CRA continues to be of great concern for the CRA. We must develop a strategy to increase job growth within the CRA by attracting new corporate headquarter type businesses, microbreweries, offices and retail establishments.
- Service sector employment will comprise almost fifty percent of all new jobs in Palm Beach County. The largest gains will be in Health Care, Professional and Business Services, Accommodations and Food Service Sectors. The Focus of the CRA will be to attract those business sectors to the CRA as well.

- The CRA must address its negative image problem to attract new markets, retain and recruit new businesses and improve and strengthen its tax base over the next five to ten years. The branding of the CRA and the Town of Lake Park will support efforts to attract new business markets.

**Balance Sheet as of September 30, 2017:**

For the first time in several years, the CRA will operate with a positive fund balance. Our fund balance improved by \$109,895 leaving the CRA with a positive fund balance of \$76,385 after erasing a negative cash balance of (\$33,510). We must remain good stewards of our public funds and use them to encourage growth and development, expand our CRA tax base and to encourage further development while at the same time reducing slum and blighted conditions in the CRA.

**Summary of Yearly Activities:** During the 2016-2017 Fiscal Year, the Board of Directors discussed a number of initiatives. A summary follows of the items discussed at each of the CRA Meetings and Special meetings of the Board of Directors.

**December 7, 2016 Meeting:** The Board of Directors allowed the 800 Park Avenue Building to continue to be used by the Artists of Palm Beach County and the Board also granted permission for an artist to use the Kiln in the newly established Kiln Room.

The continued use of the 800 building will require the CRA to go out to bid and seek competitive proposals for the reuse of the 800 building. A subsequent follow-up meeting of the Board of Directors discusses in detail use limitations given the bond authorization for the acquisition of the 800 Park Avenue Property as well as explaining in detail the bidding process.

**January 18, 2017 Meeting:** The CRA proposed a license addendum to include the Artists of Palm Beach County for Liability Insurance as it pertains to the 800 Park Avenue property. In the license agreement between the parties, the Artists of Palm Beach County is required to pay for Insurance on the building.

**March 1, 2017 Meeting:** The Board of Directors reviewed and accepted the Executive Director's Annual Report on the preceding year's activities of the CRA. The most important aspect of the March 1, 2017 meeting was the decision of the board to move forward with a CRA Market Analysis/Branding plan to be by the Treasure Coast Regional Planning Council. In order to do so, CRA Staff recommended a budget adjustment for \$55,250 to pay for the market analysis/branding for the CRA and the Town of Lake Park. In order to pay for the market analysis, a total of \$30,250 was transfer request needed to satisfy the \$55,250 expenditure.

**June 7, 2017 Meeting:** Resolution 38-06-17 authorized the Mayor as the Chairman of the Board of Directors of the CRA to sign a Treasure Coast Regional Planning Council Branding and Marketing interlocal Agreement. The Board also approved funding for the Park Avenue Street Improvement Project from the 700 Block of Park Avenue to just before 10<sup>th</sup> Street. The physical enhancement of the roadway including crosswalk improvements and thermoplastic striping was part of the improvements. Further, a drainage pipe under the 700 block of Park Avenue was leaking compromising the foundation of the road. Funds for repair of the drainage pipe came from Stormwater Enterprise Funds.

Florida Surfing Museum came before the board to make a formal request as an organization interested in the reuse of 800 Park Avenue property. The CRA purchased the property through a bond authorization that placed limitations on the use of the building. The use must have a public purpose or benefit and the CRA could only charge a nominal rental fee for the use of the property.

Finally, a date was set for a Special Call meeting for the Approval of the Fiscal Year 2017-0218 operating budget for the CRA. The date is August 2, 2017.

**Special Call Meeting of June 21, 2017:** Resolution 43-06-17 authorizing the Chairman of the Board to sign an Interlocal Agreement to spend \$50,000 appropriated funds for roadway repairs including paver brick, crosswalk brick restoration and other essential repairs between the 700 and 900 block of Park Avenue.

**August 2, 2017 Meeting:** Resolution 62-08-17 was approved establishing the CRA Budget for Fiscal Year 2017-2018. The highlights of the budget included an appropriation of \$100,000 for the 754 Park Avenue property Façade/Construction Grant Program. The request is for a total of \$400,000 over five years. The first three years of the grant are at 100,000 each year the Fourth and Fifth Year are funded at \$50,000.

The budget has funds available for marketing Park Avenue Downtown in Lake Park.

**September 6, 2017 Meeting:** The sole purpose of the meeting was to secure property casualty and liability insurance for the CRA buildings and operations.

**CRA BUSINESSES - Note Verification if they are still in operation has not been conducted.**

**CRA Business Tax Completion List 10/01/2016 thru 09/30/2017**

<b>Business Name</b>	<b>Business Owner Contact Info &amp; Mailing Address</b>	<b>Type of Business</b>	<b>Reason for BTR</b>	<b>Email Address</b>
A & L Auto Sales 1050 Old Dixie Hwy. #1	Alvaro Lemos 183 Pleasantwood Drive Wellington, FL	Vehicle Sales	New Business	<a href="mailto:Ajl78@hotmail.com">Ajl78@hotmail.com</a>
Cawley O'Dell Enterprises, Inc. 804 Old Dixie Hwy., #3	Jeffrey Cawley PO Box 14445 Palm Beach, FL 33408	Office/ware house	Ownership Transfer	<a href="mailto:cawleyodell@bellsouth.net">cawleyodell@bellsouth.net</a>
Classic Auto Brokers 804 Old Dixie Hwy., #1	Gene Johnson 804 Old Dixie Hwy., #1 Lake Park, FL 33403	Vehicle Sales	New Business	<a href="mailto:Joann3372@gmail.com">Joann3372@gmail.com</a>
Suncoast Auto (DBA AAmco Transmission) 1320 10 <sup>th</sup> Street	Charles Daniels 2298 Bay Village Court Palm Beach Gardens, FL 33410	Auto Repair	Ownership Transfer	<a href="mailto:Charlie1bc@aol.com">Charlie1bc@aol.com</a>
Florida Drive Line 1133 Old Dixie Highway, # 10	Michael Confort 1133 Old Dixie Highway, # 10 Lake Park, FL 33403	Auto Repair	New Business	<a href="mailto:Fld.mike@gmail.com">Fld.mike@gmail.com</a>
Rare Monkey Entertainment 955 Park Avenue	Raul Zeballos 4521 PGA Blvd. #480 Palm Beach Gardens, FL 33418	Music Studio	New Business	<a href="mailto:maureen@raremonkeyentertainment.com">maureen@raremonkeyentertainment.com</a>
Auto Remarketing, Inc. 950 Old Dixie #13	Navaar Helmus 950 Old Dixie Hwy., #13 Lake Park, FL 33403	Auto Sales Office	New Business	<a href="mailto:williamhelmus@gmail.com">williamhelmus@gmail.com</a>
GC Cabinet Express 1335 Old Dixie Highway #20	Ronald Conner 1335 Old Dixie Highway #20 Lake Park, FL 33403	Business Office	New Business	<a href="mailto:rll@bellsouth.net">rll@bellsouth.net</a>

**CRA Business Tax Completion List 10/01/2016 thru 09/30/2017**

Ron's Auto Body 1107 Old Dixie Hwy. # B	Ronald Esposito 1107 Old Dixie Hwy. # B Lake Park, FL 33403	Auto Repair	Location Transfer	<a href="mailto:esporab@aol.com">esporab@aol.com</a>
All or Nothing Lake Park Dance 836 Park Avenue	Dominique Franklin 836 Park Avenue Lake Park, FL 33403	Instructiona l Studio	Ownership Transfer	<a href="mailto:delleroofranklin@yahoo.com">delleroofranklin@yahoo.com</a>
Covert Surveillance 705 13 <sup>th</sup> Street, Unit B	JAG Industries PO Box 212754 Royal Palm Beach, FL 33421	Manufact- uring	New Business	<a href="mailto:james@csi-palmbeach.com">james@csi-palmbeach.com</a>
Dial A Rose 700 Old Dixie Highway #111A	Gina Cerise 1837 Pleasant Dr. North Palm Beach, FL 33408	Florist	Location Transfer	<a href="mailto:ginacerise@aol.com">ginacerise@aol.com</a>
Donnini Motor 804 Old Dixie Highway #2	James Donnini 658 W. Indiantown Rd. # 208 Jupiter, FL 33458	Business Office	Location Transfer	<a href="mailto:Oiler20e@aol.com">Oiler20e@aol.com</a>
Five Star Painting 1050 Old Dixie Highway #27	Bryce Boynton 1050 Old Dixie Highway #27 Lake Park, FL 33403	Office Warehouse	New Business	<a href="mailto:bboynton@fivestarpainting.com">bboynton@fivestarpainting.com</a>
PB Jujitsu Club 736 Park Avenue	Jarrold Anderson 601 Heritage Drive #229 Jupiter, FL 33458	Instructiona l Studio	New Business	<a href="mailto:palmbeachjiujitsuclub@gmail.com">palmbeachjiujitsuclub@gmail.com</a>
RDDGA Services 921 Park Avenue	Gregory Marc 921 Park Ave. Lake Park, FL 33403	Business Office	New Business	<a href="mailto:gregorymarc@yahoo.com">gregorymarc@yahoo.com</a>
SoFlo iRepair Phone Repair 726 Park Avenue	Justin Nealis 726 Park Avenue Lake Park, FL 33403	Business Office	New Business	<a href="mailto:flrepair@sofloirepair.com">flrepair@sofloirepair.com</a>
Academy Health Solutions 525 10 <sup>th</sup> Street #501, 503, 507	Mimi Bieda 1650 S Dixie Highway Boca Raton, FL 33432	Professional Office	New Business	<a href="mailto:mimi@buyhererepayhererealestate.com">mimi@buyhererepayhererealestate.com</a>
Tru Brand 1250 Old Dixie Hwy. #2	Bruce Gross 1250 Old Dixie Hwy. Unit 2 Lake Worth, FL 33403	Business Office	New Business	<a href="mailto:Bruceg49@gmail.com">Bruceg49@gmail.com</a>



**CRA Business Tax Completion List 10/01/2016 thru 09/30/2017**

Voice Chocolate 1194 Old Dixie Hwy. #102 & 103	Rich Peterson 302 Sea Oat Drive, Apt. B Juno Beach, FL 33408	Confection- ary	New Business	<a href="mailto:richepeterson@bellsouth.net">richepeterson@bellsouth.net</a>
Kompa Supermarket 910 10th Street	Euclides Jimenez 910 10th Street Lake Park, FL 33403	Grocery Store	Ownership Transfer/ Name Change	n/a
Mane Life Studio 838 Park Ave.	Rakeshia Rogers 838 Park Ave. Lake Park, FL 33403	Beauty Salon	Ownership Transfer/ Name Change	<a href="mailto:Damasterstylist@yahoo.com">Damasterstylist@yahoo.com</a>
Metal Specialist 1200 Old Dixie #13	Sylvester McRae Dr. 1200 Old Dixie #13 Lake Park, FL 33403	Office Warehouse	New Business	<a href="mailto:vetmcrae@gmail.com">vetmcrae@gmail.com</a>
PB Spa Medics LLC 911 Park Ave.	Alice Dudley 911 Park Ave. Lake Park, FL 33403	Beauty Salon	Location Transfer	<a href="mailto:palmbeachspamedics@yahoo.com">palmbeachspamedics@yahoo.com</a>
Sideline Auto 210 10th Street	Nelson Scheerer 210 10 <sup>th</sup> Street Lake Park, FL 33403	Auto Repair	Location Transfer	<a href="mailto:Sidelineauto66@gmail.com">Sidelineauto66@gmail.com</a>
Fosters Business Broker 1194 Old Dixie Hwy. #15	Howard Foster P.O. Box 31266 Palm Beach Gardens, FL 33420	Business Office	Location Transfer	<a href="mailto:Fosterhoward32@gmail.com">Fosterhoward32@gmail.com</a>
HMR Auto Sales 802 Old Dixie #7	Mark Gardner 1401 Old Dixie Hwy. #103 Lake Park, FL 33403	Vehicle Sales Office	Location Transfer	<a href="http://cars@hmrautosales.com">cars@hmrautosales.com</a>
SPG Devices Repair 1200 Old Dixie #6	Peterson Servius 1200 Old Dixie Hwy. #6 Lake Park, FL 33403	Electronic Repair	New Business	<a href="mailto:Lilspg1@yahoo.com">Lilspg1@yahoo.com</a>
Total Image 825 15 <sup>th</sup> Street #3	Faruk Girahovac 5692 Golden Eagle Circle Palm Beach Gardens, FL 33418	Cabinet Manufact- urer	Location Transfer	<a href="mailto:frankhovac@gmail.com">frankhovac@gmail.com</a>

**CRA Business Tax Completion List 10/01/2016 thru 09/30/2017**

Academy of Fine Art 748c Park Ave.	Myrtha Barris 1820 Pleasant Drive Juno Beach, FL 33408	Art Studio	New Business	<a href="mailto:myrthabarris@yahoo.com">myrthabarris@yahoo.com</a>
Cellnet Services 957 Park Ave	Kenson Joseph 7044 Galleon Cove Palm Beach Gardens, FL 33418	Business Office	Location Transfer	<a href="mailto:Kensonj220@gmail.com">Kensonj220@gmail.com</a>
Fox Beauty Lounge 700 Old Dixie #101	Marquis Dowling 941 39 <sup>th</sup> Court West Palm Beach, FL 33407	Beauty Salon	New Business	<a href="mailto:stylesbyfoxx@yahoo.com">stylesbyfoxx@yahoo.com</a>
Gail Marshall Interiors 1183 Old Dixie Hwy.	Gail Schneckner 67 Princewood Lane Palm Beach Gardens, FL 33410	Business Office	New Business	<a href="http://gailmarshallinteriors.com">gailmarshallinteriors.com</a>
Juno Ironcraft 1233 Old Dixie Hwy. #16	John Shea 1233 Old Dixie Highway Lake Park, FL 33403	Office/Warehouse	New Business	<a href="mailto:john@junoiron.com">john@junoiron.com</a>
Keystone Masonry 1001 W. Jasmine	Paul Rosander 1001 W. Jasmine Dr. # J Lake Park, FL 33403	Business Office	Location Transfer	<a href="mailto:office@keystonemasonrysfl.com">office@keystonemasonrysfl.com</a>
Preventive Fire Services 1233 Old Dixie Hwy. #5	Les Trafelet 1233 old Dixie Hwy. # 5 Lake Park, FL 33403	Office/Warehouse	Additional Business	<a href="mailto:tjenkins@preventivefire.com">tjenkins@preventivefire.com</a>
Sunshine Classic Cars 410 Old Dixie Hwy. #8	Nick DeMartino 410 Old Dixie Hwy. #8 Lake Park, FL 33403	Auto Sales Office	New Business	<i>n/a</i>
VE Auto Sales 804 Old Dixie Hwy. #7	Ernestas Vasiliauskas 804 Old Dixie Hwy. #7 Lake Park, FL 33403	Auto Sales Office	Ownership Transfer	<a href="mailto:veautogallery@gmail.com">veautogallery@gmail.com</a>

**CRA Business Tax Completion List 10/01/2016 thru 09/30/2017**

<p><b>Academy of Fine Art and Studio</b> 738C Park Avenue</p>	<p><b>Myrtha Barris</b> 1820 Pleasant Drive Juno Beach, FL 33408</p>	<p><b>Artist's Studio</b></p>	<p><b>New Business</b></p>	<p><a href="mailto:Myrthabarris@yahoo.com">Myrthabarris@yahoo.com</a></p>
<p><b>Ivy and Oak Tattoo Artist Studio</b> 724 Park Avenue</p>	<p><b>Kevin Goff</b> 234 SE Grove Avenue Port St. Lucie, FL 34983</p>	<p><b>Art Studio</b></p>	<p><b>New Business</b></p>	<p><a href="mailto:reinventingkevin@gmail.com">reinventingkevin@gmail.com</a></p>
<p><b>Performance Spine and Sport</b> 1408 N Killian Road, Ste 106</p>	<p><b>Stephen Swaringen</b> 1408 N Killian Road, Ste 106</p>	<p><b>Professional Office</b></p>	<p><b>New Business</b></p>	<p><a href="mailto:performancespinesport@gmail.com">performancespinesport@gmail</a></p>

# TOWN OF LAKE PARK COMMUNITY REDEVELOPMENT AGENCY

**Balance Sheet\***  
As of September 30, 2017

**Statement of Revenues, Expenditures  
and changes in Fund Balance\***  
For the Year Ending September 30, 2017

**Assets**

Cash & Equivalents	\$	375,706
Accounts Receivable	\$	1,687
Notes Receivable	\$	16,199
Due from other funds		-
<b>Total Assets</b>	<b>\$</b>	<b><u>393,592</u></b>

**Liabilities**

Accounts Payable	\$	15,511
Accrued Payroll		-
Due to other funds		301,696
<b>Total Liabilities</b>	<b>\$</b>	<b><u>317,207</u></b>

**Fund Balance**

Restricted		
Unrestricted		76,385
<b>Total Fund Balance</b>	<b>\$</b>	<b><u>76,385</u></b>

Total Liabilities & Fund Balance	<b>\$</b>	<b><u>393,592</u></b>
-------------------------------------	-----------	-----------------------

**Revenue**

Taxes	\$	257,251
Intergovernmental		485,562
Investment Earnings		509
Other		1,633
<b>Total Revenue</b>	<b>\$</b>	<b><u>744,955</u></b>

**Expenses**

Personnel Services	\$	136,087
Operating Expenses		201,795
Grants		-
Transfers		36,530
Debt Service		260,648
<b>Total Expenses</b>	<b>\$</b>	<b><u>635,060</u></b>

**Net change in Fund Balance** \$ 109,895

Fund Balance, beginning	\$	(33,510)
<b>Fund Balance, ending</b>	<b>\$</b>	<b><u>76,385</u></b>

\* Unaudited

Note

Fund Balance improved by:	\$	<b><u>109,895</u></b>
---------------------------	----	-----------------------



**Hometown District**



**Commerce District**



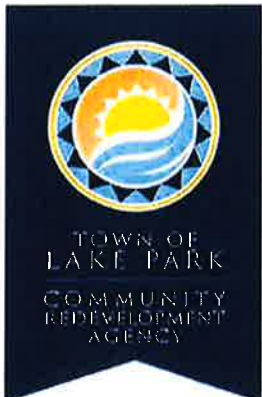
**Arts District**

**MEMBERS OF THE BOARD OF DIRECTORS**

Michael O'Rourke	Chair
Kimberly Glas-Castro	Vice-Chair
Rhonda "Jo" Brockman	Board Member
Erin T. Flaherty	Board Member
Christiane Francois	Board Member
Anne Lynch	Board Member
Roger Michaud	Board Member

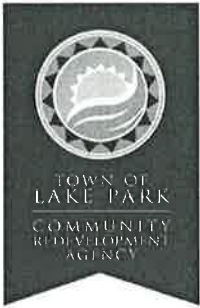
**STAFF OF THE CRA**

John D'Agostino	Executive Director
Thomas J. Baird, Esq.	Agency Attorney
Vivian Mendez, CMC	Agency Clerk



**TOWN OF LAKE PARK  
COMMUNITY REDEVELOPMENT AGENCY**

Town Hall ❖ 535 Park Avenue, Lake Park, FL 33403  
561-881-3304 (Phone) ❖ 561-881-3314 (Fax) ❖ [www.lakeparkcra.com](http://www.lakeparkcra.com)



**CRA  
Agenda Request Form**

**Meeting Date: March 7, 2018**

**Agenda Item No. *Tab 4***

**Agenda Title: 940 Park Avenue Appraisal for Consideration to Purchase Property by the CRA**

- |                                                       |                                                   |
|-------------------------------------------------------|---------------------------------------------------|
| <input type="checkbox"/> SPECIAL PRESENTATION/REPORT  | <input type="checkbox"/> CONSENT AGENDA           |
| <input type="checkbox"/> OLD BUSINESS                 | <input checked="" type="checkbox"/> NEW BUSINESS: |
| <input type="checkbox"/> DISCUSSION FOR FUTURE ACTION | <input type="checkbox"/> OTHER                    |

**Approved by Executive Director:** *John O. D'Agostino* **Date:** *3-1-18*

John O. D'Agostino, Executive Director

Name/Title

<b>Originating Department:</b>  <b>Executive Director</b>	Costs: \$ Funding Source: Acct. # <input type="checkbox"/> Finance _____	<b>Attachments:</b> <ul style="list-style-type: none"> <li>• Anderson Carr Appraisal of Commercial Property located at 940 Park Avenue</li> </ul>
-----------------------------------------------------------------	-----------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------

**Summary Explanation/Background:** The Executive Director has identified the 940 parcel as a key parcel for development along the Park Avenue corridor. This property is an entry point for the West side of Park Avenue. Previous discussion with the Board of Directors focused on possibly purchasing the property and combining the property with the adjacent parcel to create a high-density mixed-use development along the South West Side of Park Avenue. The development may include a request for proposal from area developers for the purchase of the parcel(s) and the design of the parcel to conform to the Master Plan for the CRA along Park Avenue. Part of the Master Plan includes moving the building to the front of the parcel similar to the 801 Park Avenue building.

The Board of Directors accepted the master plan for the CRA. Implementation of the Master Plan is a priority of the Executive Director. Combining the parcel with the Rosita's meat market parcel will encourage a higher and best use development which is necessary to create a entry way development along the West side of Park Avenue.

The purpose of bringing this issue before the Board of Directors is to determine the Board's appetite for purchasing the parcel. If the board is interested in the purchase of the property, staff will formulate a financial plan for such a purchase to occur.

The Executive Director is recommending the Board of Directors move forward with putting together a financial plan for the purchase of 940 Park Avenue in the CRA.

**Recommended Motion: Motion to move forward with assembling a financial plan for the possible purchase of 940 Park Avenue not to exceed the Appraised value of \$750,000.**

**APPRAISAL OF A  
COMMERCIAL PROPERTY  
LOCATED AT  
940 PARK AVENUE  
LAKE PARK, FLORIDA 33403**

**FOR**

**NADIA DI TOMMASO, COMMUNITY DEVELOPMENT DIRECTOR  
TOWN OF LAKE PARK  
COMMUNITY DEVELOPMENT DEPARTMENT**

**BY**

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

**AND**

**GARY K. ORR  
CERT GEN RZ2335**

**WITH**

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

**DATE OF INSPECTION: OCTOBER 27, 2017**

**DATE OF REPORT: NOVEMBER 2, 2017**

**DATE OF VALUE: OCTOBER 27, 2017**

**FILE NO.: 2170330.000**

**CLIENT REFERENCE: SOROTA / 940 PARK AVENUE**





# ANDERSON CARR

APPRAISERS • REALTORS • CONSULTANTS • DEVELOPERS

November 2, 2017

Nadia Di Tommaso  
Community Development Director  
Town of Lake Park  
Community Development Department  
535 Park Avenue  
Lake Park, FL 33403

Dear Ms. Di Tommaso:

Pursuant to your request, we have personally appraised the real property being a commercial property. The subject property is located at the southeast corner of Park Avenue and 10th Street, Lake Park, Florida. The property address is 940 Park Avenue, Lake Park, FL, 33403.

The purpose of this narrative appraisal is to estimate the market value of the fee simple estate of the subject property as of October 27, 2017. The intended use of the report is to assist the client and intended user in establishing a purchase or selling price. This report has been prepared for no other purpose and for use by no other person or entity than for use by the client for the purpose stated herein. Any other use of this appraisal is considered a misuse and thus the appraisers will not be held responsible for any outcome associated with use by another entity or for another purpose.

The subject property is a one story, retail / office strip center built in 1961. The building contains 8,456 square feet and is situated on an 18,783 square foot corner site at the intersection of two secondary commercial roadways. The property has had about \$110,000 worth of improvements over the last year or so but most of the interior was in needed of renovations. The overall condition is fair.

There is only one lease encumbering the subject property and the rental rate is within market norms. Accordingly, the leased fee estate is considered equivalent to the fee simple estate.

The appraisers have not measured the building improvements. Copies of building or floor plans with square footages were requested but were not made available. We have performed our analysis utilizing the building sketches and square footages available from the County Property Appraiser's records and on-site measurements for unit sizes. Dimensions and areas are assumed correct and subject to a qualified experts, such as architect or engineer, drawings/calculations.

We have utilized the income capitalization and sales comparison approaches to value, the most common methods used for valuing properties such as the subject property.

- ESTABLISHED 1947 -

ANDERSON & CARR INC. • 521 S OLIVE AVE., W. PALM BEACH, FL 33401 • 561.833.1661 • ANDERSONCARR.COM



Nadia Di Tommaso  
Page 2  
November 2, 2017

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 October 27, 2017 was:

**MARKET VALUE:** **\$750,000**

The following presents our analysis and conclusions in a narrative appraisal report. This letter must remain attached to the report, which contains 74 pages plus related exhibits, in order for the value opinion set forth to be considered valid. Your attention is directed to the Assumptions and Limiting Conditions contained within this report.

Respectfully submitted,

ANDERSON & CARR, INC.



Robert B. Banting, MAI, SRA  
Cert Gen RZ4



Gary K. Orr  
Cert Gen RZ2335

RBB/GKO:cmp

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

Qualifications for Gary K. Orr, Cert Gen RZ2335



## SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

<b>Client:</b>	Town of Lake Park
<b>Intended User:</b>	Town of Lake Park
<b>Taxpayer of Record:</b>	Joseph A. Sorota, Tr.
<b>Property Rights Appraised:</b>	Fee simple estate and leased fee interest
<b>Special Assumptions Reference:</b>	Building / unit dimensions and sizes (see item 22 on page 6)
<b>Unusual Market Externality:</b>	None
<b>Location:</b>	Southeast corner of Park Avenue and 10th Street, Lake Park, Florida
<b>Site/Land Area:</b>	18,783 square feet / 0.43 acres
<b>Improvements:</b>	
Year Built:	1961
Condition:	Fair
Building Size:	8,456 square feet
<b>FAR:</b>	0.45
<b>Zoning:</b>	PADD (Park Avenue Downtown District) by Town of Lake Park
<b>Land Use Plan:</b>	Downtown by Town of Lake Park
<b>Flood Zone &amp; Map Reference:</b>	Zone X (No Shading), Community Panel Number 12099C0387F, effective date of October 15, 2017
<b>Census Tract:</b>	0011.01
<b>Current Use:</b>	Commercial
<b>Highest and Best Use:</b>	Commercial
<b>Exposure Time:</b>	6 to 12 months
<b>Marketing Time:</b>	6 to 12 months



**Estimated Property Values:**

Value via Cost Approach: N/A  
Value via Income Capitalization Approach: \$725,000  
Value via Sales Comparison Approach: \$800,000

**MARKET VALUE: \$750,000**

**Date of Inspection:** October 27, 2017  
**Date of Report:** November 2, 2017  
**Date of Value:** October 27, 2017

**Appraisers:** Robert B. Banting, MAI, SRA  
Cert Gen RZ4

Gary K. Orr  
Cert Gen RZ2335



**CERTIFICATION**

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

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

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

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

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

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

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

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

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

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

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

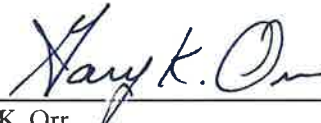
As of the date of this report, Robert B. Banting, MAI, SRA has completed the continuing education program of the Appraisal Institute.

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



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Robert B. Banting, MAI, SRA  
Cert Gen RZ4



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Gary K. Orr  
Cert Gen RZ2335

**ASSUMPTIONS AND LIMITING CONDITIONS**

1. Unless otherwise stated, the value appearing in this appraisal represents our opinion of the market value or the value defined as of the date specified. Values of real estate are affected by national and local economic conditions and consequently will vary with future changes in such conditions.
2. Possession of this report or any copy thereof does not carry with it the right of publication nor may it be used for other than its intended use. The physical report(s) remains the property of the appraiser for the use of the client. The fee being for the analytical services only. The report may not be copied or used for any purpose by any person or corporation other than the client or the party to whom it is addressed, without the written consent of an officer of the appraisal firm of Anderson & Carr, Inc. and then only in its entirety.
3. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations efforts, news, sales or other media without written consent and approval of an officer of Anderson & Carr, Inc. nor may any reference be made in such public communication to the Appraisal Institute or the MAI, SRA or SRPA designations.
4. The appraiser may not divulge the material contents of the report, analytical findings or conclusions, or give a copy of the report to anyone other than the client or his designee, as specified in writing except as may be required by the Appraisal Institute, as they may request in confidence for ethics enforcement or by a court of law or body with the power of subpoena.
5. Liability of Anderson & Carr, Inc. and its employees is limited to the fee collected for the appraisal. There is no accountability or liability to any third party.
6. It is assumed that there are no hidden or unapparent conditions of the property, sub-soil, or structures which make it more or less valuable. The appraiser assumes no responsibility for such conditions or the engineering which might be required to discover these facts.
7. This appraisal is to be used only in its entirety. All conclusions and opinions concerning the analysis which are set forth in the report were prepared by the appraisers whose signatures appear on the appraisal report. No change of any item in the report shall be made by anyone other than the appraiser and the appraiser and firm shall have no responsibility if any such unauthorized change is made.
8. No responsibility is assumed for the legal description provided or other matters legal in character or nature, or matters of survey, nor of any architectural, structural, mechanical, or engineering in nature. No opinion is rendered as to the title which is presumed to be good and merchantable. The property is valued as if free and clear of any and all liens and encumbrances and under responsible ownership and competent property management unless otherwise stated in particular parts of the report.
9. No responsibility is assumed for accuracy of information furnished by or from others, the clients, their designee, or public records. We are not liable for such information or the work of subcontractors. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit when possible. All are considered appropriate for inclusion to the best of our knowledge and belief.

10. The contract for appraisal, consultation or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser or those assisting the preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal in full or in part; nor engaged in post-appraisal consultation with client or third parties, except under separate and special arrangement and at an additional fee.
11. The sketches and maps in this report are included to assist the reader and are not necessarily to scale. Various photos, if any, are included for the same purpose and are not intended to represent the property in other than actual status as of the date of the photos.
12. Unless otherwise stated in this report, the appraisers have no reason to believe that there may be hazardous materials stored and used at the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
13. If applicable, the distribution of the total valuation of this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal, no matter how similar and are invalid if so used.
14. No environmental or impact studies, special market studies or analysis, highest and best use analysis study or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report. Anderson & Carr, Inc. reserves the unlimited right to alter, amend, revise or rescind any of the statements, findings, opinions, values, estimates or conclusions upon any previous or subsequent study or analysis becoming known to the appraiser.
15. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in this appraisal report.
16. The value estimated in this appraisal report is gross without consideration given to any encumbrance, lien, restriction, or question of title, unless specifically defined. The estimate of value in the appraisal report is not based in whole or in part upon the race, color, or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.
17. It is assumed that the property conforms to all applicable zoning, use regulations, and restrictions unless a nonconformity has been identified, described, and considered in this appraisal report.
18. It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the opinion of value contained in this report is based.



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

20. This appraisal report has been prepared for the exclusive benefit of the client and intended users, Town of Lake Park. 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. The appraisers have not measured the building improvements. Copies of building or floor plans with square footages were requested but were not made available. We have performed our analysis utilizing the building sketches and square footages available from the County Property Appraiser's records and on-site measurements for unit sizes. Dimensions and areas are assumed correct and subject to a qualified experts, such as architect or engineer, drawings/calculations.

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

SUBJECT PROPERTY PHOTOS (OCTOBER 23, 2017)



North and west sides of subject



West and south side of subject



North and east side of subject



East and south side of subject



Interior of Unit 101 (former liquor store)



Interior of Unit 101 (former liquor store)



Interior of Unit 102



Interior of Unit 102



Interior of bar / lounge



Interior of bar / lounge



Interior of bar / lounge



Interior of Unit 104



Interior of Unit 104



Interior of Unit 106





Interior of Unit 107



View looking west on Park Avenue with the subject on the left



View looking east on Park Avenue with the subject on the right



View looking north on 10<sup>th</sup> Street with the subject on the right

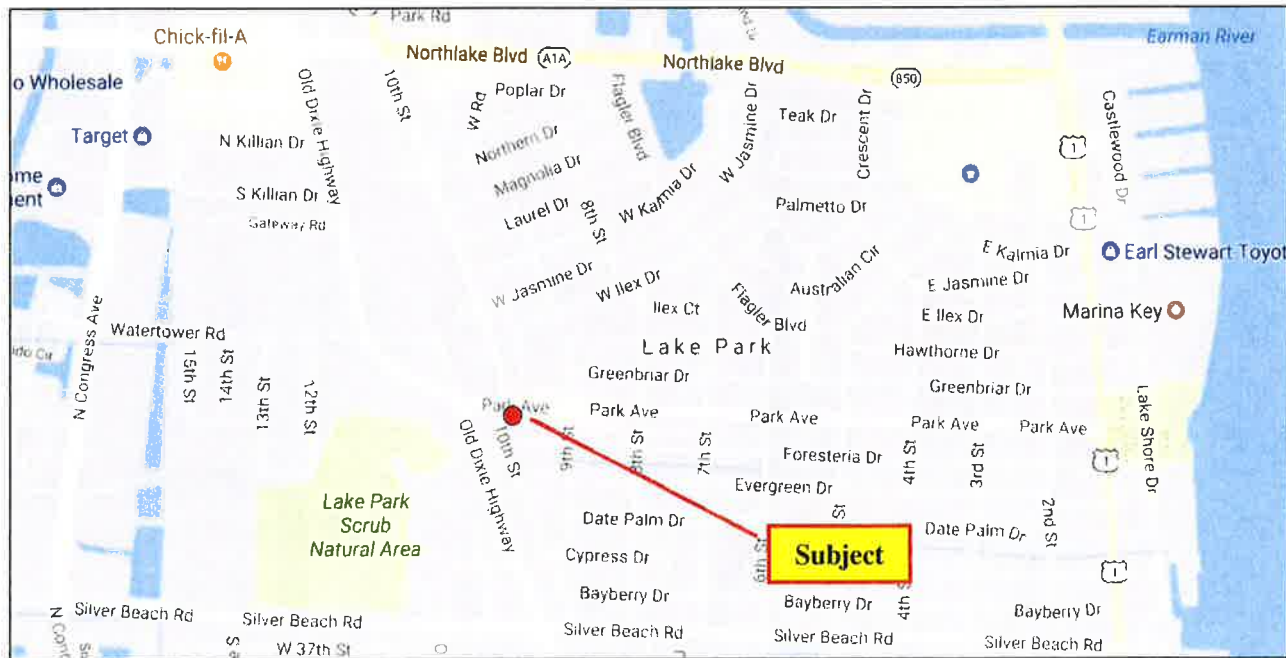
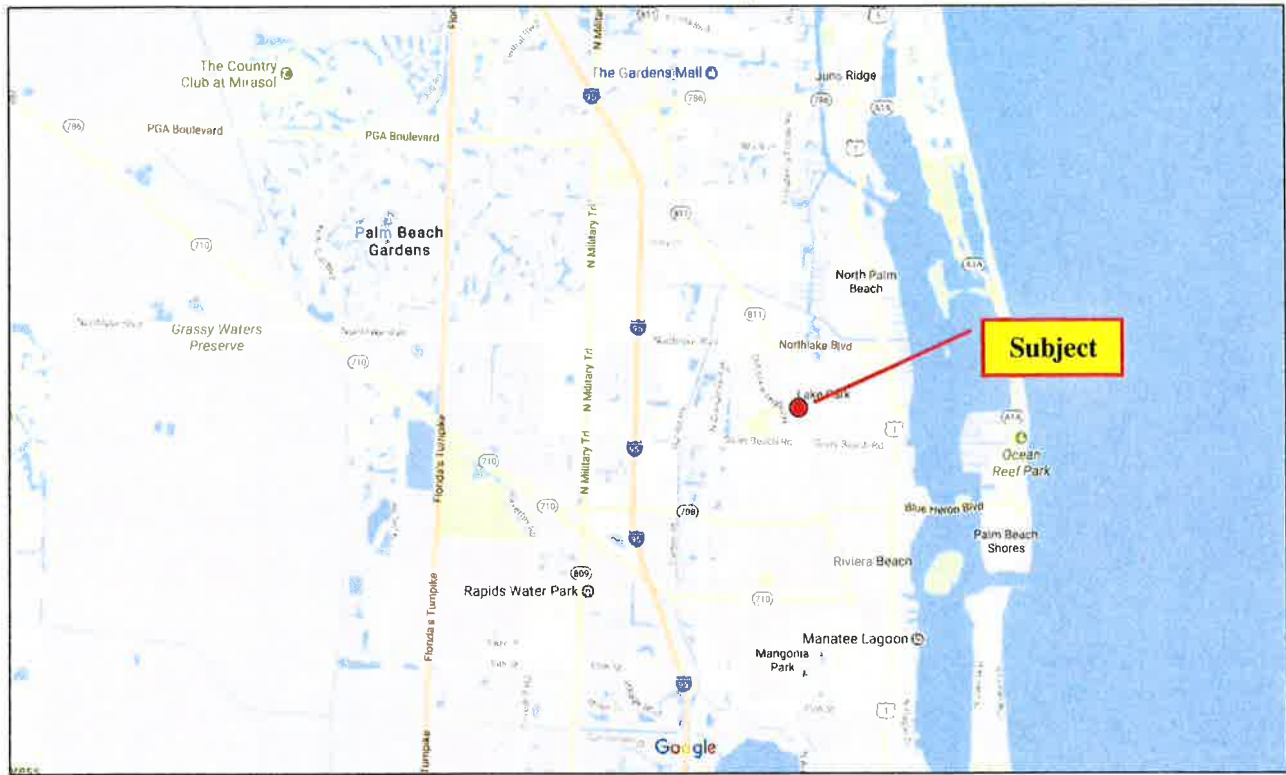


View looking south on 10<sup>th</sup> Street with the subject on the left

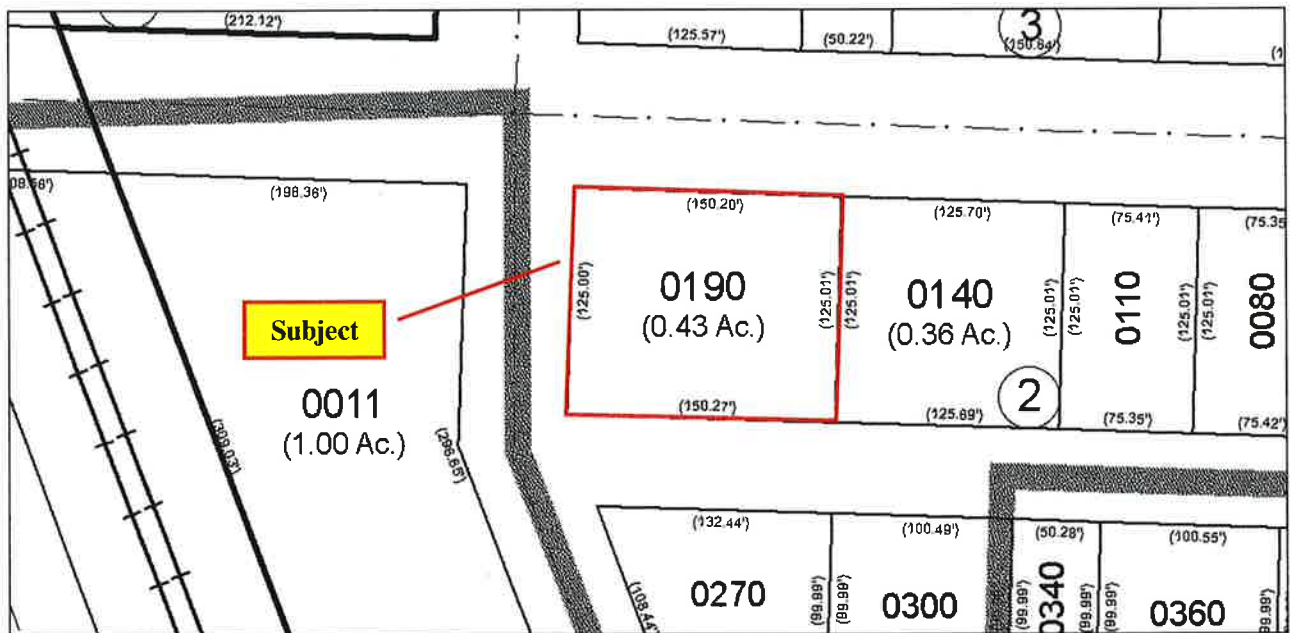
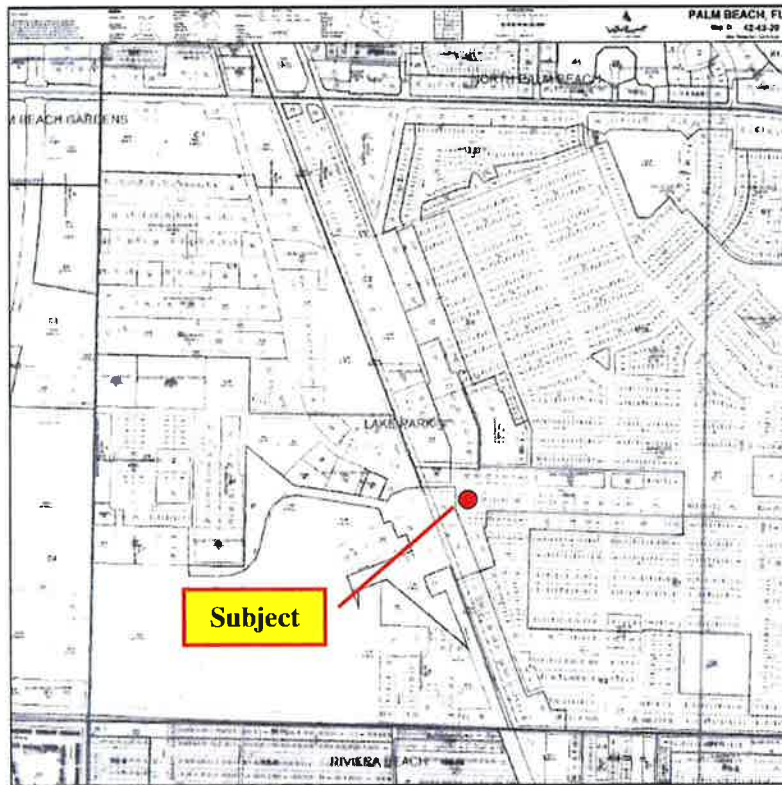


View looking west along the alley at the rear of the subject with the subject on the right

AREA/LOCATION MAPS



PARCEL MAP



AERIAL PHOTOGRAPHS





**PURPOSE AND DATE OF VALUE**

The purpose of this appraisal is to estimate the market value, fee simple estate and leased fee interest, of the subject property as of October 27, 2017.

**PROPERTY APPRAISED**

The subject is a retail / office commercial property situated at the southeast corner of Park Avenue and 10th Street in Lake Park, Florida. The multi-tenant, one story, CBS building was built in 1961 and contains 8,456 square feet. The property address is 940 Park Avenue, Lake Park, Florida 33403.

**LEGAL DESCRIPTION**

Lots 19 through 25, Block 2, Town of Lake Park, Plat Book 8, Page 27, Palm Beach County, Florida (owner's deed – OR 10187/1268).

**DISCLOSURE OF COMPETENCY**

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

**INTENDED USE AND USER**

The intended use of this report is to assist the client and intended user in establishing a purchase or selling price. The intended user of the report is Town of Lake Park.

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**

Town of Lake Park  
Community Development Department  
535 Park Avenue  
Lake Park, FL 33403





## 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).

### 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. The subject property had been owned by the owner of a former bar and liquor store in the subject building. These are now closed. We have not included any liquor licenses that may be or were connected to these businesses.

### PROPERTY RIGHTS APPRAISED

The property rights appraised are those of the fee simple estate and leased fee interest. There is only one lease encumbering the subject property and the rental rate is within market norms. Accordingly, the leased fee estate is considered equivalent to 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).

Leased Fee Interest is defined as a freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease). (The Dictionary of Real Estate Appraisal, 6th ed., Chicago: Appraisal Institute, 2015)

### TYPICAL BUYER PROFILE

In the analysis of comparable sales and in the appraiser's experience with this property type, size, and quality, we believe the typical buyer is a private investor and/or a partial owner user. The property is too small to be of interest to typical institutional buyers. 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 and income capitalization approach to be applicable in this assignment. The appraisers have relied on these approaches in valuing the subject property. These are the approaches a prudent investor would also rely upon in the decision making process.

The cost approach is based on the principle of substitution, i.e. a buyer would pay no more for a property than the cost of acquiring a like site and constructing improvements with the same utility. This approach is most applicable when improvements are new and represent the highest and best use of the property and for special purpose properties when no comparisons are available. The older the improvements, however, the less reliable the approach becomes, due to the difficulty in estimating and supporting depreciation for older improvements. The subject was built in 1961 and has significant depreciation. Depreciation is difficult to isolate and quantify in older buildings and this limits the reliability of the cost approach. The cost approach was not developed because it was not considered necessary for credible assignment results, given the intended use of the appraisal. It is the appraiser's view that a buyer in the case of the subject would not make a purchase decision based on a cost analysis.

In formulating the income approach to value we have reviewed actual historical income, expense and other pertinent data for the subject when available and consulted market surveys such as those produced by PwC, RealtyRates.com and Costar when warranted. Rental data was gathered through the use of one or more online services such as Loopnet.com, Costar.com and the Local MLS. A field search of the local market, review of this office's past appraisal files of similar type properties and discussions with local brokers may have also been used to research rental and other data utilized in preparing the income approach to value.

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 and RealQuest.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.

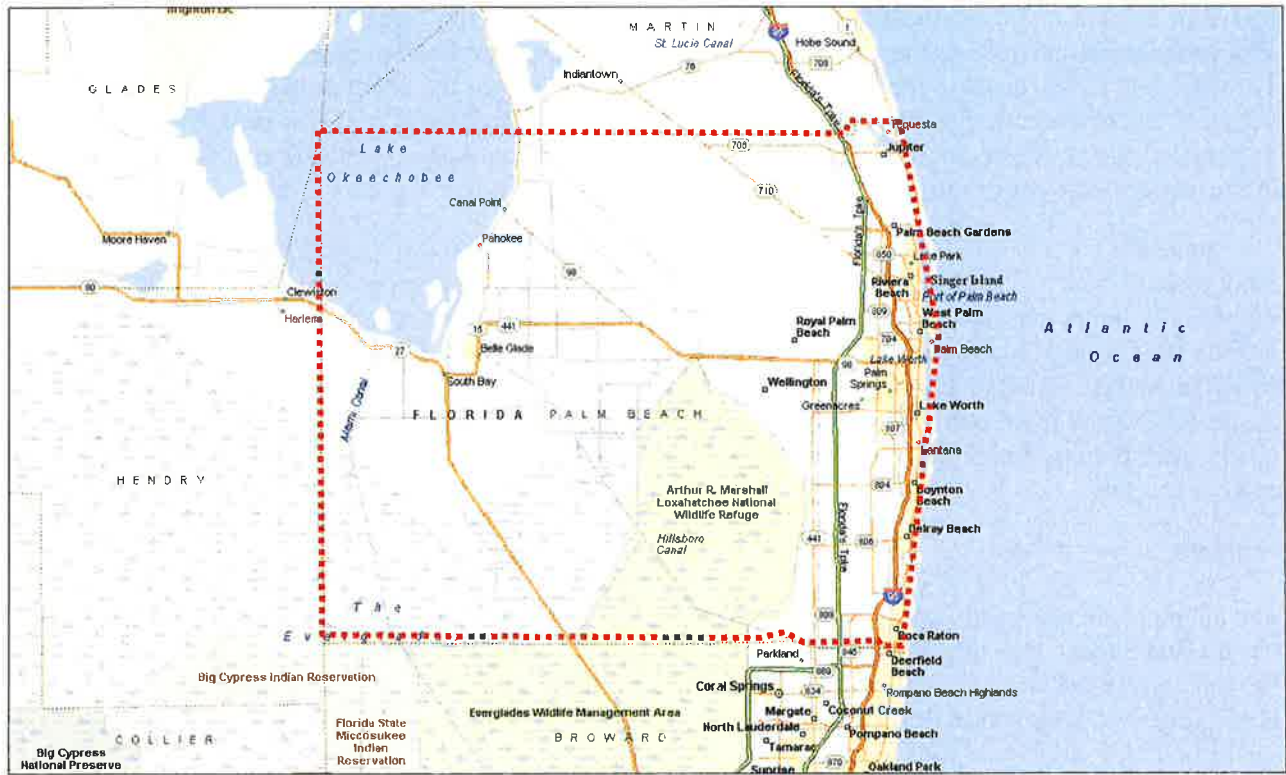
We inspected the interior and exterior of the subject property and the exterior of the comparables. Physical data pertaining to the subject property was obtained from an inspection of the premises and public information sources such as the Palm Beach County Property Appraiser's records. Other data pertaining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

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



**Transportation**

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

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

**Economy**

The unemployment rate in Palm Beach County reached a peak of 12 percent in July 2010. As of May 2017, the unemployment rate was 3.9 percent with a net annual change of -0.5 percent according to the U.S. Bureau of Labor Statistics. Tourism is the county's leading industry, employing over 70,000 people and generating about two billion dollars annually. The other multi-billion dollar industries are construction and agriculture. All three industries experienced some decline due to economic conditions from 2007 until the middle of 2011. The economy began to stabilize in mid-2011 and these industries continued to experience signs of recovery through the first half of 2017

The largest employer in Palm Beach County is the Palm Beach County School Board, the fifth largest school district in Florida and the eleventh largest in the United States, with over 21,000 employees and a \$2.3 billion dollar budget for the 2016-2017 school year. The five largest private sector service producing employers according to the Business Development Board of Palm Beach County are shown in the following table.

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

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



**Residential Real Estate**

The Palm Beach County residential market saw increases in sales price and number of sales from 5/16 to 5/17. Single family housing inventory remained unchanged with a 4.9 months' supply. Townhouses and condos also had increasing values and number of closed sales indicating a positive outlook for the residential market in Palm Beach County for the first half of 2017.

# PALM BEACH COUNTY

## *Local Market Update*

**MAY 2017**

SINGLE FAMILY HOMES	05 2017	05 2016	% CHANGE
Closed Sales	1,768	1,695	<b>4.3%</b>
Closed Sales (Paid In Cash)	646	565	<b>14.3%</b>
Median Sale Price	\$335,000	\$310,500	<b>7.9%</b>
Median % Original List Price Received	94.7%	94.8%	<b>-0.1%</b>
Median Days to Contract	48	43	<b>11.6%</b>
Inventory (Active Listings)	7,224	7,316	<b>-1.3%</b>
Months Supply of Inventory	4.9	4.9	<b>0.0%</b>
TOWNHOUSES/CONDOS	05 2017	05 2016	% CHANGE
Closed Sales	1,420	1,317	<b>7.8%</b>
Closed Sales (Paid In Cash)	867	750	<b>15.6%</b>
Median Sale Price	\$179,500	\$165,000	<b>8.8%</b>
Median % Original List Price Received	93.1%	93.1%	<b>0.0%</b>
Median Days to Contract	55	51	<b>7.8%</b>
Inventory (Active Listings)	6,208	6,203	<b>0.1%</b>
Months Supply of Inventory	5.6	5.4	<b>3.7%</b>

County figures used in this local market update were provided by Florida Realtors®. For a hyper local market update of your community, please consult your local Realtor®, a proud member of the Realtors® Association of the Palm Beaches.

## Commercial Real Estate

According to Marcus & Millichap's *Special Report :Emerging Trends , 4<sup>th</sup> Quarter 2016* there is a positive outlook for 2017. Amidst higher long term interest rates and a steady decline in vacancy rates, the commercial property sectors are performing well. "The 2017 economic outlook points to another positive year for apartment, retail, industrial and office properties, but emerging trends in government policies and global markets will encourage investors to become more tactical in their buying decisions."

Consistent job growth and a resumption of favorable demographic trends are converging to provide momentum in Palm Beach County growth. A growing population of office workers due to job growth, improving housing affordability, expanded options for renters and strengthening job prospects are sparking resurgence in relocations from outside the county. Palm Beach County has experienced a steady pace of employment in fields that serve the older segment of the population including healthcare, retail and wealth management. Hiring in these areas increased the sizable pool of prospective tenants and a consistent flow of new residents into the county. In all, the forecast for Palm Beach County in 2017 is positive.

According to CoStar's mid-year 2017 data, the Palm Beach County commercial real estate market has experienced slight improvement from the end of year 2016 with specifics of each property class as follows.

## Industrial

The Palm Beach County industrial market ended second quarter 2017 with a vacancy rate of 3.5 percent, down from the previous quarter. Rental rates ended the second quarter 2017 at \$10.11 per square foot, an increase over the previous quarter. Net absorption was positive 251,247 square feet in the second quarter 2017. Vacant sublease space increased ending the quarter at 16,773 square feet. A total of five buildings delivered to the market, totaling 306,889 square feet with 217,425 square feet still under construction at the end of the quarter.

### Total Industrial Market Statistics

Mid-Year 2017

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2017 2q	3,255	60,675,488	2,126,460	2,143,233	3.5%	251,247	5	306,889	6	217,425	\$10.11
2017 1q	3,250	60,368,599	2,072,523	2,087,591	3.5%	238,483	3	119,845	7	333,322	\$10.08
2016 4q	3,247	60,248,754	2,193,761	2,206,229	3.7%	514,257	3	329,760	9	430,021	\$9.91
2016 3q	3,245	59,922,962	2,381,226	2,394,694	4.0%	445,157	3	232,651	11	756,494	\$9.72
2016 2q	3,242	59,690,311	2,586,802	2,607,200	4.4%	267,208	1	104,551	13	935,546	\$9.61
2016 1q	3,242	59,594,084	2,759,813	2,778,181	4.7%	251,065	3	359,968	8	625,858	\$9.50
2015	3,239	59,234,116	2,651,910	2,669,278	4.5%	1,321,739	3	745,634	7	626,666	\$9.37
2014	3,237	58,494,572	3,209,842	3,251,473	5.6%	736,759	3	240,400	5	745,634	\$8.92
2013	3,234	58,254,172	3,678,031	3,747,832	6.4%	1,064,668	2	29,960	5	860,400	\$8.64
2012	3,232	58,224,212	4,693,255	4,782,540	8.2%	660,817	1	16,227	2	29,960	\$8.41
2011	3,232	58,225,660	5,244,426	5,444,805	9.4%	838,388	5	272,261	1	16,227	\$8.05
2010	3,229	57,962,635	5,689,847	6,020,168	10.4%	817,536	5	200,423	3	39,261	\$8.20
2009	3,224	57,762,212	6,299,485	6,637,283	11.5%	(1,643,879)	3	32,755	4	189,923	\$8.64
2008	3,221	57,718,009	4,781,667	4,949,201	8.6%	94,415	25	863,220	6	199,278	\$9.60
2007	3,187	56,577,459	3,779,342	3,905,066	6.9%	(717,427)	26	536,343	29	1,040,903	\$10.21
2006	3,145	55,644,060	2,250,535	2,252,240	4.0%	303,893	24	644,589	35	868,658	\$9.75

Source: CoStar Property B



# ANDERSON CARR

## Office

The total vacancy rate for the Palm Beach County office market second quarter 2017 decreased to 11.1 percent. Rental rates averaged \$28.57 per square foot, an increase over the previous quarter. Net absorption for the second quarter 2017 was positive 128,085 square feet. Vacant sublease space increased in the quarter ending at 112,693. A total of two buildings delivered to the market in the quarter totaling 54,800 square feet with 95,625 square feet still under construction at the end of the quarter.

### Total Office Market Statistics

Mid-Year 2017

Period	Existing Inventory		Vacancy			Net	Deliveries		UC Inventory		Quoted
	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	# Blds	Total RBA	# Blds	Total RBA	Rates
2017 2q	2,823	55,264,857	5,998,940	6,111,633	11.1%	128,085	2	54,800	8	95,625	\$28.57
2017 1q	2,821	55,210,057	6,092,153	6,184,918	11.2%	44,537	0	0	10	150,425	\$28.02
2016 4q	2,825	55,216,054	6,157,581	6,235,452	11.3%	157,957	2	36,000	7	130,750	\$27.90
2016 3q	2,822	55,181,806	6,243,342	6,359,161	11.5%	412,293	2	20,384	8	136,750	\$27.72
2016 2q	2,821	55,165,422	6,638,366	6,755,070	12.2%	299,941	2	71,305	6	81,084	\$27.45
2016 1q	2,819	55,094,117	6,883,906	6,983,706	12.7%	10,778	3	20,750	7	135,089	\$26.99
2015	2,817	55,099,368	6,915,446	6,999,735	12.7%	839,056	3	34,014	10	155,839	\$26.97
2014	2,814	55,065,354	7,714,493	7,804,777	14.2%	1,047,777	12	243,848	4	38,764	\$26.14
2013	2,805	54,832,288	8,540,026	8,619,468	15.7%	81,452	5	56,832	11	202,193	\$25.62
2012	2,803	54,937,158	8,733,150	8,805,810	16.0%	618,265	4	128,391	4	64,582	\$25.36
2011	2,803	54,901,590	9,216,624	9,388,507	17.1%	589,135	4	166,840	3	100,901	\$25.64
2010	2,799	54,732,376	9,583,391	9,808,428	17.9%	293,143	8	169,703	4	166,840	\$25.91
2009	2,793	54,570,917	9,517,024	9,940,112	18.2%	(298,496)	15	848,915	7	129,719	\$26.25
2008	2,775	53,572,814	8,190,030	8,643,513	16.1%	427,270	44	2,568,509	20	1,039,603	\$27.92
2007	2,725	50,881,887	6,056,721	6,379,856	12.5%	(794,736)	40	1,307,765	46	3,076,412	\$28.29
2006	2,678	49,378,057	3,998,935	4,091,290	8.3%	808,923	51	1,312,020	52	3,049,525	\$28.86

Source: CoStar Property 2

## Retail

The Palm Beach County retail market did not experience much change in market conditions in the second quarter 2017. The vacancy rate went from 4.2 percent the previous quarter to 4.3 percent in the current quarter. Average quoted rental rates increased from the previous quarter to \$21.74 per square foot per year. Vacant sublease space decreased by (7,235) square feet. The second quarter 2017 net absorption rate was a negative (19,968) square feet. A total of six retail buildings with 65,260 square feet were delivered, with 707,319 square feet still under construction at the end of the quarter.

### Total Retail Market Statistics

Mid-Year 2017

Period	Existing Inventory		Vacancy			Net	Deliveries		UC Inventory		Quoted
	# Blds	Total GLA	Direct SF	Total SF	Vac %	Absorption	# Blds	Total GLA	# Blds	Total GLA	Rates
2017 2q	5,045	79,262,344	3,353,137	3,409,863	4.3%	(19,968)	6	65,260	24	707,319	\$21.74
2017 1q	5,040	79,198,209	3,261,799	3,325,760	4.2%	152,398	14	101,151	23	737,574	\$20.70
2016 4q	5,030	79,128,574	3,357,240	3,408,523	4.3%	378,585	9	82,464	30	792,628	\$20.03
2016 3q	5,023	79,051,540	3,656,178	3,710,074	4.7%	434,492	12	206,218	30	721,394	\$19.89
2016 2q	5,013	78,853,566	3,888,772	3,946,592	5.0%	273,899	4	47,145	37	868,625	\$19.98
2016 1q	5,012	78,835,158	4,123,653	4,202,083	5.3%	313,920	15	135,833	31	360,557	\$19.97
2015	4,998	78,726,575	4,321,957	4,407,420	5.6%	701,397	27	379,937	37	372,293	\$19.18
2014	4,973	78,343,977	4,640,296	4,726,219	6.0%	1,112,834	28	1,011,212	18	244,968	\$18.01
2013	4,945	77,251,045	4,683,570	4,746,121	6.1%	135,410	26	380,074	21	1,026,903	\$17.38
2012	4,927	78,475,363	5,440,551	5,655,029	7.2%	684,963	8	181,529	22	319,692	\$17.38
2011	4,915	78,263,216	5,902,693	6,127,845	7.8%	756,028	11	321,171	1	3,039	\$17.59
2010	4,903	77,887,969	6,445,981	6,509,426	8.4%	298,421	18	306,207	9	221,970	\$18.47
2009	4,884	77,592,376	6,368,660	6,512,254	8.4%	(591,395)	37	856,817	15	259,849	\$20.67
2008	4,841	76,673,306	4,723,987	5,001,789	6.5%	746,583	59	1,768,677	34	855,077	\$20.82
2007	4,762	74,699,917	3,763,973	3,774,983	5.1%	822,371	45	1,093,907	57	1,527,047	\$20.08
2006	4,697	72,918,990	2,801,585	2,816,427	3.9%	1,466,669	66	1,287,435	63	2,112,134	\$18.43

Source: CoStar Property 8



Rental Apartments

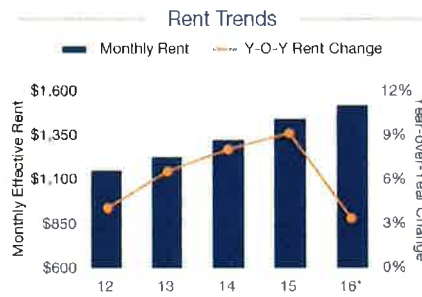
According to *Marcus & Millichap's Multifamily Research Market Report, Palm Beach County, 4<sup>th</sup> quarter 2016*, the Palm Beach County apartment sector entered 2017 holding strong prospects of attaining higher rents for the seventh consecutive year, though with developers adding new apartments in the greatest number of the cycle, the growth is expected to be slower than the previous year. Projected completions for 2017 will likely mark the peak of the current building cycle for apartments, thus the outlook suggests a higher vacancy rate resulting from record new construction will slow rent growth in 2017.

This same report indicates the most significant demographic factor driving the multifamily market in Palm Beach County is the in-migration of the retiree population which largely supports employment in the service sector. Many employed in this sector are part of the younger generation attending local colleges and have a high propensity to rent. Consistent hiring and robust household formation will drive the continued demand for apartments. Nearly 70% of 20-34 year olds live in rental housing and the population of this age group will increase by 1.4 million over the next four years. The labor market is also supported by the growing number of biotech firms located in Palm Beach County. High home prices also contribute to the renter pool. Though rent growth is anticipated to slow due to influx of new properties, this sector is expected to retain a positive outlook for 2017 because of increased demand.

Rents

- The average effective rent climbed 4.9 percent in September from one year earlier to \$1,449 per month. Over the preceding 12 months, the effective rent climbed 7.8 percent.
- The average effective rent was highest in Boca Raton, where a year-over-year increase of 3.5 percent raised the third quarter level to \$1,752 per month. Rent growth accelerated at the greatest pace in the Lake Worth/Greenacres/Welington submarket, climbing 9.5 percent to \$1,287 per month.
- Class A apartments increased rent on average by 5.1 percent year over year to \$1,883 per month. Class C units ended the third quarter with an average rent of \$988 per month, a 3.8 percent climb from last September.

**Outlook:** Higher vacancy resulting from new construction will slow rent growth this year, climbing 3.3 percent to \$1,485 per month. Last year, the average effective rent jumped 9.1 percent.



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 2017.

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 the Town of Lake Park. The town is a small community bordered on the east by the Intracoastal Waterway, on the north by Northlake Boulevard, on the west by the C-17 Canal, and on the south by Silver Beach Road. It is primarily a residential community with intense commercial uses along Northlake Boulevard and Congress Avenue with less intense commercial uses along US 1 and 10<sup>th</sup> Street plus a several block strip of Park Avenue.

The town was started in the 1920's and became well established by the 1940's and 1950's. In general, the homes are primarily around 40 to 60 years old, moderate in size and price range and tend to be typically well maintained. The area includes some multifamily sections with an industrial component off Old Dixie Highway. The town's main street was originally Park Avenue but the main commercial corridors in the area are now Northlake Boulevard, US 1, and Congress Avenue.

The subject property is located at Park Avenue and 10<sup>th</sup> Street. Park Avenue had long been a wide, four-lane street with residential uses in its eastern half and commercial uses in the western half. The road includes the town hall municipal facilities and a large church with school. The subject is situated at the west end of the western commercial strip which extends westward to Old Dixie Highway. This strip was upgraded several years ago being narrowed to two lanes, heavily landscaped with median and a small clock tower installed. The commercial uses are primarily older, dated properties that have been somewhat modernized. The most recent project, a city block sized mixed use development, is only half built-out with a three story building completed in 2007. This building still remains totally vacant and a number of other vacancies were noted in some of the other buildings. 10<sup>th</sup> Street is another several block commercial strip with some vacant tracts and general older buildings.

The subject locale is not a prime commercial location and chiefly serves the immediate residential base. Commercial property values have increased over the past several years but typically lag behind county norms with an above average vacancy rate.

# ANDERSON CARR

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## PROPERTY DATA

### Taxpayer of Record

Joseph A. Sorota, Tr.

### Palm Beach County Property Control Number

36-43-42-20-01-002-0190

### Assessed Value and Taxes for 2017

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

Appraisals		
Improvements \$604,677	Land \$129,415	Total Value \$734,092
Assessed and Taxable Values		
Assessed Value \$726,862	Exemption \$0	Taxable Value \$726,862
Taxes		
Ad Valorem \$16,764	Non Ad Valorem \$6,372	Total Tax \$23,136

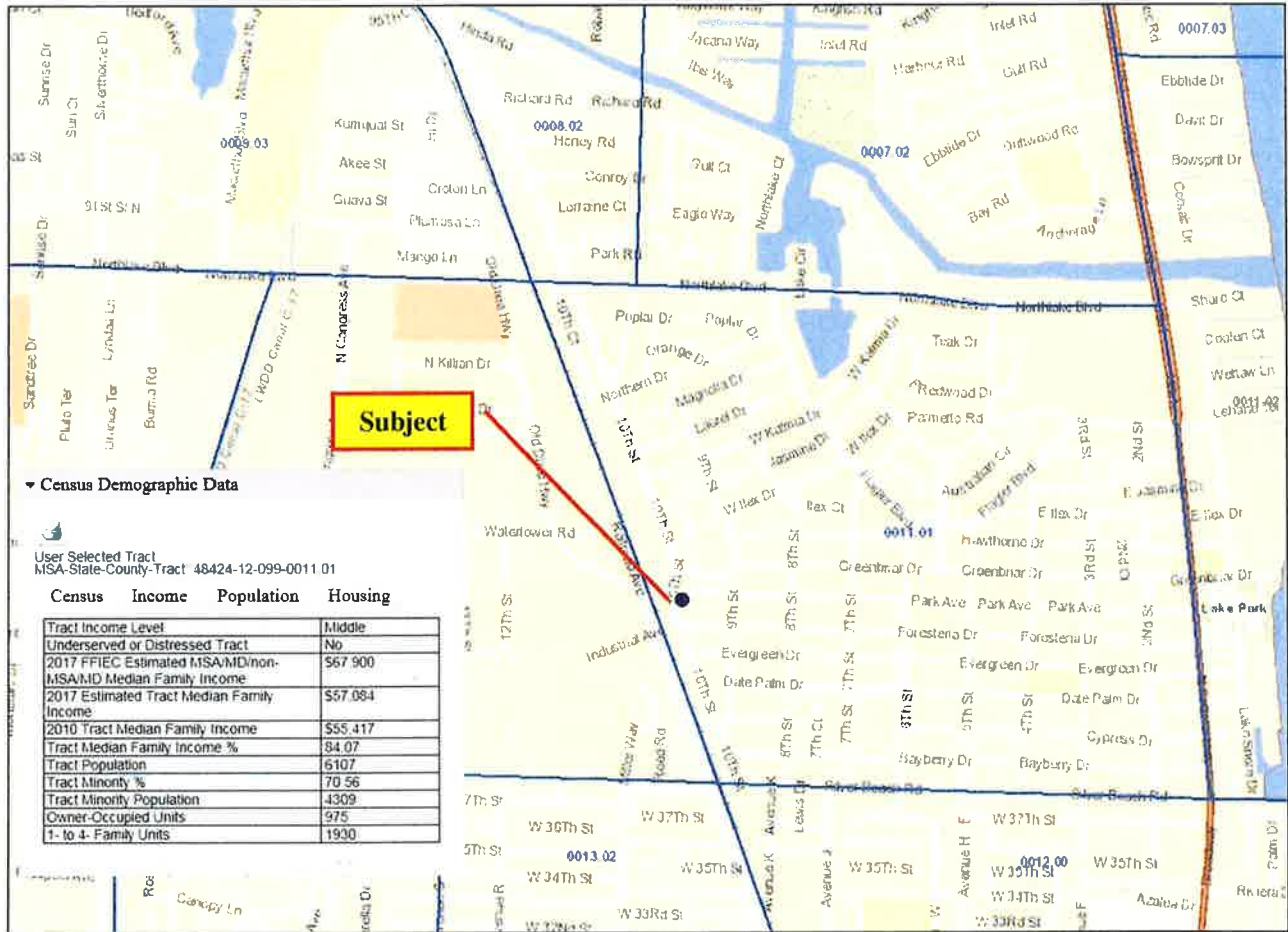
A typical informed buyer would recognize the possibility of a reassessment following a sale of the property and the possibility that taxes could change as a result, if the assessed value is substantially different than the true market value. That said, considering the market value conclusion contained herein, the subject appears to be fairly assessed.

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 0011.01.

Census Tract Map



# ANDERSON CARR

## Flood Zone Designation

The subject property is located on the National Flood Insurance Program Map on Community Panel Number 12099C0387F, effective date of October 15, 2017. The subject appears to lie in an area designated as zone X (No Shading).

Flood Zone X (No Shading) is defined as areas determined to be outside the 500-year flood plain.

## Flood Map



# ANDERSON CARR

## Zoning and Future Land Use

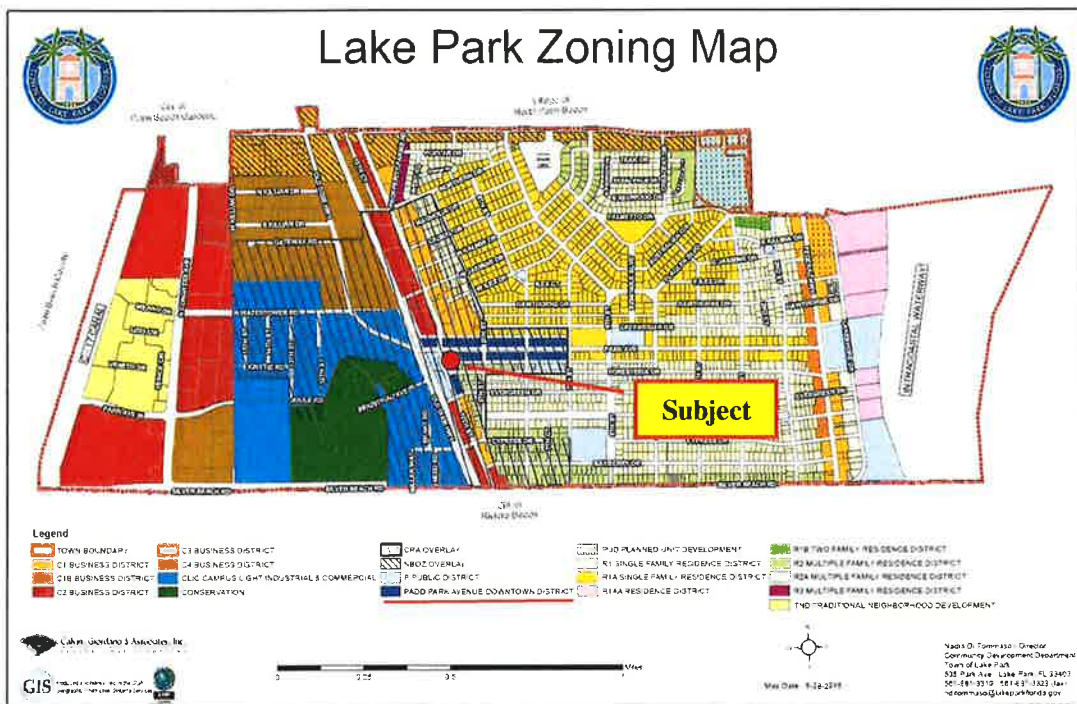
The subject property's use is dictated by the Town of Lake Park Zoning Code and Comprehensive Plan. The Town of Lake Park zoning and future land use maps indicate the subject property has a zoning designation of PADD (Park Avenue Downtown District) with an underlying land use designation of Downtown. The subject is also located within the town CRA district.

Permitted uses under this zoning category generally include, but are not limited to; business / professional / medical / dental offices, medical / dental labs, veterinary offices, numerous personal services shops / markets / studios, a wide range of low intensity retail uses, and governmental offices. Uses are dependent on building size and many include additional conditions / approvals. The subject's current use as medical office is in line with the current zoning as a permitted use and the current zoning is in harmony with the future land use designation.

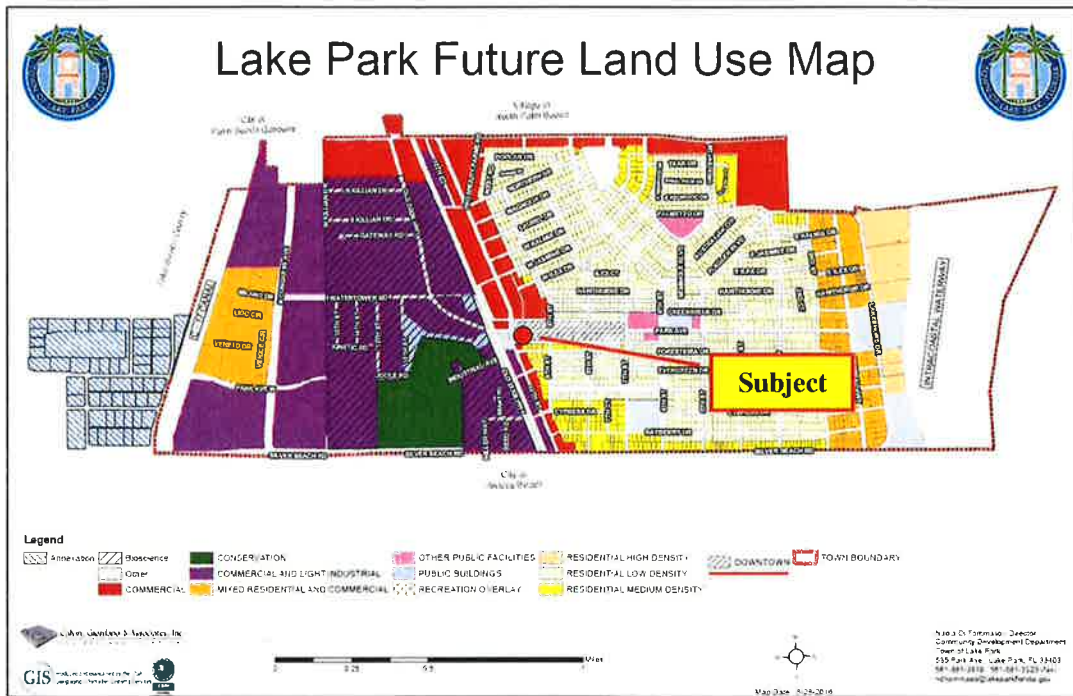
The PADD requires lots to be a minimum of 5,000 square feet with at least a 50 foot width and 100 foot depth. Parking is generally required at 4 to 5 spaces per 1,000 square feet of building area.

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.

## Zoning Map



Land Use Map



Concurrency

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

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

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



## Utilities

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

## Subject Property Sales History

The appraisers have not been provided with a title abstract on the property appraised nor have they conducted a title search of their own. The Palm Beach County Property Appraiser's records indicate that the subject property last sold on January 9, 1998 for a price of \$275,000. This sale was recorded in Palm Beach County OR Book and Page 10187/1268.

The subject is currently listed for sale with Gregory Lekanides of Realty Associates with an asking price of \$950,000. This equates to roughly \$112 per square foot of building. It is being marketed on Loopnet.com as well as CoStar and a sign on the site. The broker stated they have been receiving a number of inquiries and a few offers in the \$700,000 range. Additionally, the owner stated that there has been a lot of interest from the market for renting of the vacant units in the property.

## Site Analysis

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

### Location

The subject property is located at the southeast corner of Park Avenue and 10th Street, Lake Park, Florida. The property address is 940 Park Avenue, Lake Park, Florida 33403.

### Size and Shape

We have relied on the site size for the property from county records and the dimensions from the RealQuest ownership map. The site is a rectangular shaped parcel of land having roughly 150 feet on Park Avenue and approximately 125 feet on 10th Street. The subject site area is approximately 18,783 square feet or 0.431 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 Park Avenue, 10<sup>th</sup> Street, and a 50 foot wide rear alley.





## 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. We have no reason to believe that there are any easements or encroachments on the property that would affect its use in such a way as to have a negative impact on value.

## Soil/Environmental Conditions

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

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

## **Site Improvement Analysis**

Landscaping is restricted to small road frontage grass areas and a few small palms on the north and west sides with asphalt paved surface parking lots on the south and east sides with a total of 15 parking spaces.

## **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:	1961
Building Area:	8,456 square feet
Site Area:	18,783 square feet
FAR/Lot Coverage:	0.45/45%
Foundations:	Concrete block
Basic Construction:	CBS
Exterior Finish	Stucco and red brick facade



## ANDERSON CARR


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Roof Support/Covering:	Built-up membrane over concrete double T beams
Doors:	Aluminum storefront and metal standard doors
Windows:	Fixed glass in metal frame
Floors:	Carpet, ceramic tile, concrete and vinyl tile
Ceiling:	Drop acoustic tile
Interior walls:	Drywall
Lighting:	Fluorescent and incandescent fixtures
Electric service:	Adequate for light commercial and residential uses
Plumbing:	Assumed adequate for the current and other typical uses
Heating and Cooling:	Central heat and air and wall/window units
Fire Detection:	Smoke detectors
Parking:	Asphalt paved surface lots with a total of 15 spaces.
Building Comments/ Condition:	Property appeared to be in fair overall condition. Most of the bays need renovations but the building had a new roof installed recently and was recently painted and the parking lot appears recently sealed and striped. The roof expense was reportedly \$65,000 with another \$28,250 spent on electrical, HVAC, parking lot and general repairs. There was another \$14,260 worth of tenant improvements made to Unit 7. Building unit sizes range from about 350 square feet to 1,848 square feet.
Actual Age:	56 years
Functional Utility:	The property appears to have adequate functional utility and does not appear to suffer from functional obsolescence.
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. Copies of building or floor plans with square footages were requested but were not made available. We have performed our analysis utilizing the building sketches and square footages available from the County Property Appraiser's records and on-site measurements for unit sizes. Dimensions and areas are assumed correct and subject to a qualified experts, such as architect or engineer, drawings/calculations.



**DOROTHY JACKS**  
CFA, AAS  
Palm Beach County Property Appraiser

Homestead Exemption **E-file**



Owner Name: SOROTA JOSEPH TR  
Parcel Control Number: 36-43-42-20-01-002-0190  
Location Address: 940 PARK AVE

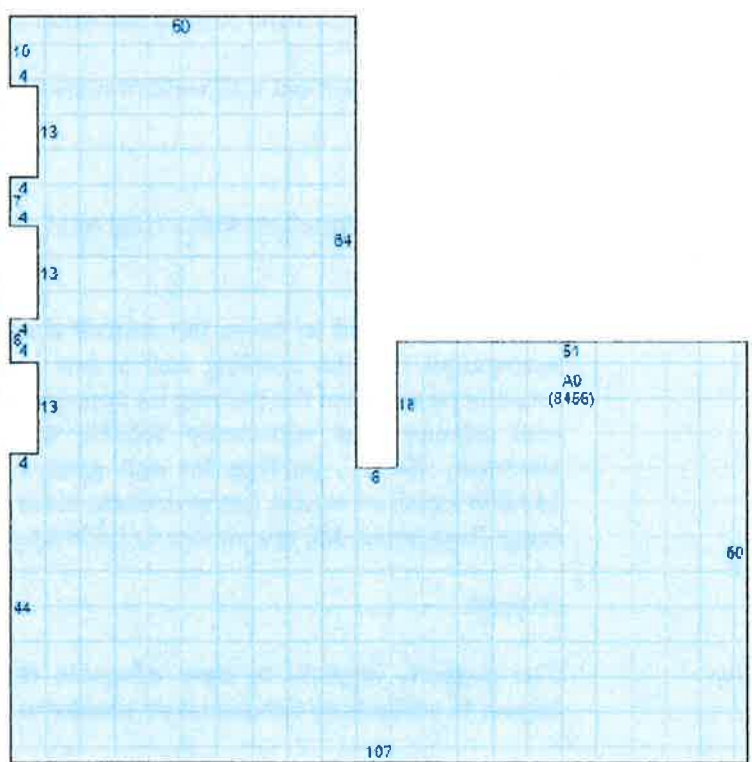
**Structural Element for Building 1**

1. YEAR BUILT	1961
MULTIPLE TENANT RETAIL SAL	8456

**Subarea and Sq. Footage for Building 1**

Code	Sq. Description Footage
MULTIPLE TENANT RETAIL SAL	8456
Total Square Footage	
8456	

**Sketch for Building 1**



**Extra Feature**

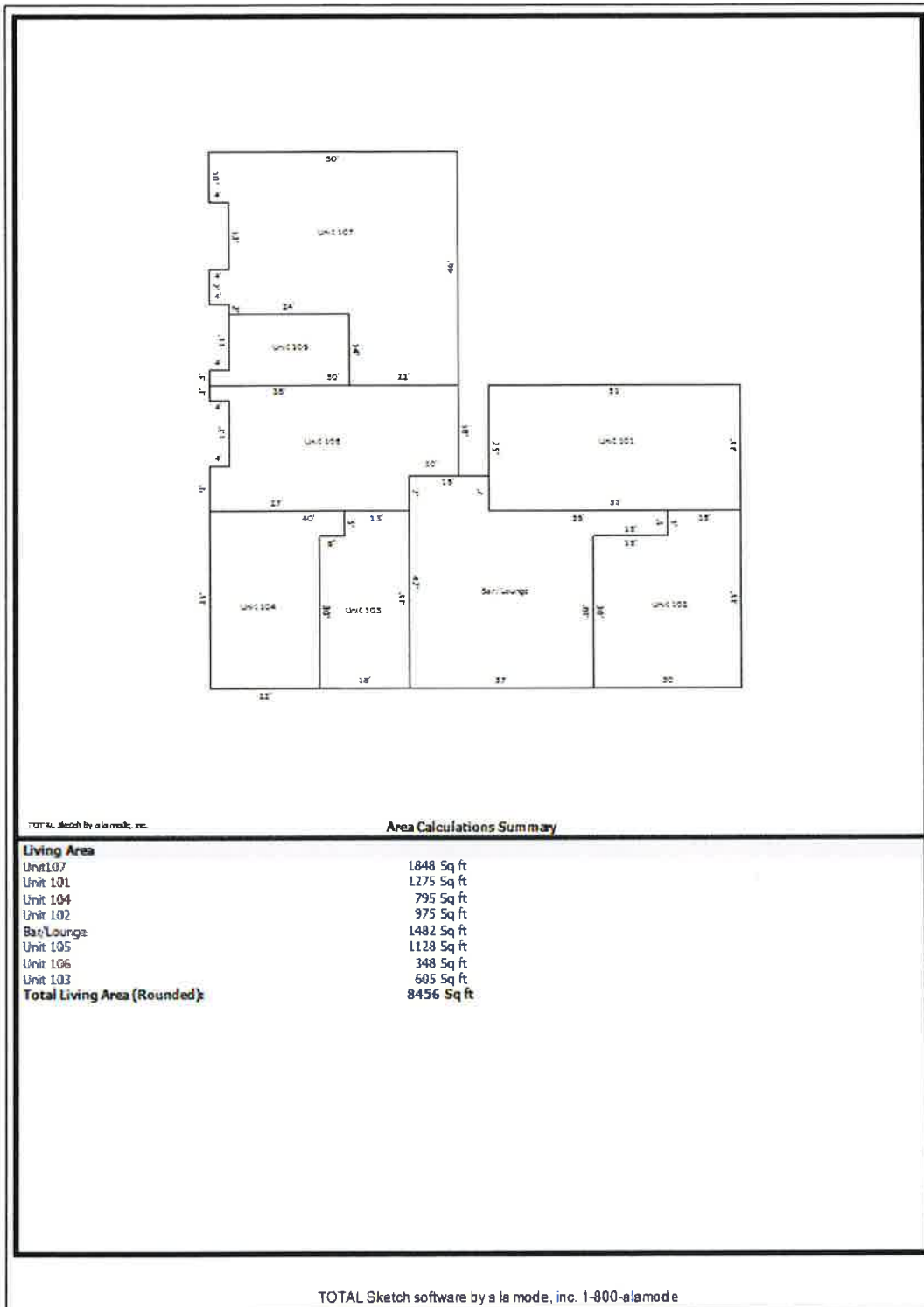
Description	Year Built	Units
PAVING- ASPHALT	1961	3720

Unit may represent the perimeter, square footage, linear footage, total number or other measurement of the feature depending on the feature described.

**Land Details**

Land Line #	Description	Zoning	Front	Depth	Sq. Footage	Acres
1.	COMMERCIAL	PADD	150.26	125.00	18783	0.4312





TOTAL Sketch by a la made, inc.		Area Calculations Summary	
Living Area		Calculation Details	
Unit 104	795 Sq ft	5 × 5 = 25	22 × 35 = 770
Unit 102	975 Sq ft	30 × 30 = 900	5 × 15 = 75
Unit 107	1848 Sq ft	7 × 4 = 28	22 × 14 = 308
		32 × 46 = 1472	10 × 4 = 40
Unit 101	1275 Sq ft	51 × 25 = 1275	
Bar/Lounge	1482 Sq ft	37 × 30 = 1110	12 × 16 = 192
		5 × 36 = 180	
Unit 103	605 Sq ft	18 × 30 = 540	13 × 5 = 65
Unit 106	348 Sq ft	3 × 4 = 12	24 × 14 = 336
Unit 105	1128 Sq ft	18 × 10 = 180	25 × 36 = 900
		4 × 3 = 12	4 × 9 = 36
<b>Total Living Area (Rounded):</b>	<b>8456 Sq ft</b>		

**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 for commercial uses with a correlating commercial land use designation. Any number of commercial uses would be legally possible. It is located in an area that is developed with a variety of mainly retail 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 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.

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 commercial improvements.



## 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).

Credit markets are now showing signs of easing and financing for commercial properties appears to be more readily available at this time. Most properties offered for sale have been exposed on the market for six to twelve months or longer.

In their 3<sup>rd</sup> quarter 2017 issue, PwC Real Estate Investor Survey published by PwC, indicates an average marketing time of 6.1 months for properties in the National Strip Shopping Center market. This is down from 6.2 months in the prior quarter but up from 5.9 months a year ago. The overall range was listed at 2 to 18 months.

The CoStar Group reported the sale of 48 retail properties in Palm Beach County from January 2017 through October 2017 in the 2,500 to 15,000 square foot range where they reported marketing times. The marketing time ranged from 31 to 3,175 days, a mean of 474 days. We note that the Costar data is skewed by a few properties that were significantly overpriced by unmotivated sellers and/or were not properly marketed and languished on the market for several years. A total of 43 of the sales took place within a three year period and reflect a mean marketing time of 312 days or about 10 months.

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.



## INCOME CAPITALIZATION APPROACH

The premise behind the income capitalization approach is that typical investors value a property based upon its ability to generate a net income.

The income capitalization approach is a set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate. (Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., Chicago: Appraisal Institute, 2015).

The definition indicates that there are two methods, which may be applied under this approach: direct capitalization and discounted cash flow (DCF).

Direct capitalization is a method used to convert an estimate of a single year's income expectancy into an indication of value in one direct step, either by dividing the net income estimate by an appropriate capitalization rate or by multiplying the income estimate by an appropriate factor. Direct capitalization employs capitalization rates and multipliers extracted or developed from market data. Only a single year's income is used. Yield and value changes are implied but not identified. (Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., Chicago: Appraisal Institute, 2015).

Direct capitalization involves estimating the market rent, vacancy and collection losses, and expenses by comparing the subject property, with comparable properties, in order to arrive at an estimate of net operating income. The estimated net operating income is then capitalized at a market-oriented rate to estimate value.

Discounted cash flow (DCF) analysis is the procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate. (Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., Chicago: Appraisal Institute, 2015).

We applied the direct capitalization methodology herein. According to the Appraisal Institute's definition, one year's income expectancy can be capitalized at a rate, which reflects a specific income pattern. We derived capitalization rates both from national survey data, and from local sales, based on an analysis of the sale property's actual income and expenses at the time of sale, or on the buyer's estimate of income and expenses, when it could be ascertained. We then applied an appropriate cap rate, derived from the survey and sales data, to an estimate of the subject's net operating income, as if leased at market rent.

The following section of the appraisal describes this approach.



## Rent Discussion

Rents can be quoted either on a gross basis or a net basis. Expenses, including real estate taxes, are passed through to or paid by the tenant on a net rental basis. A gross rental method is where the landlord is responsible for most of the expenses including real estate taxes. The rents in this market were quoted primarily on a gross basis. The subject itself is currently renting on a gross basis. Therefore, we have used gross basis rents in this analysis.

## Subject Lease Summary

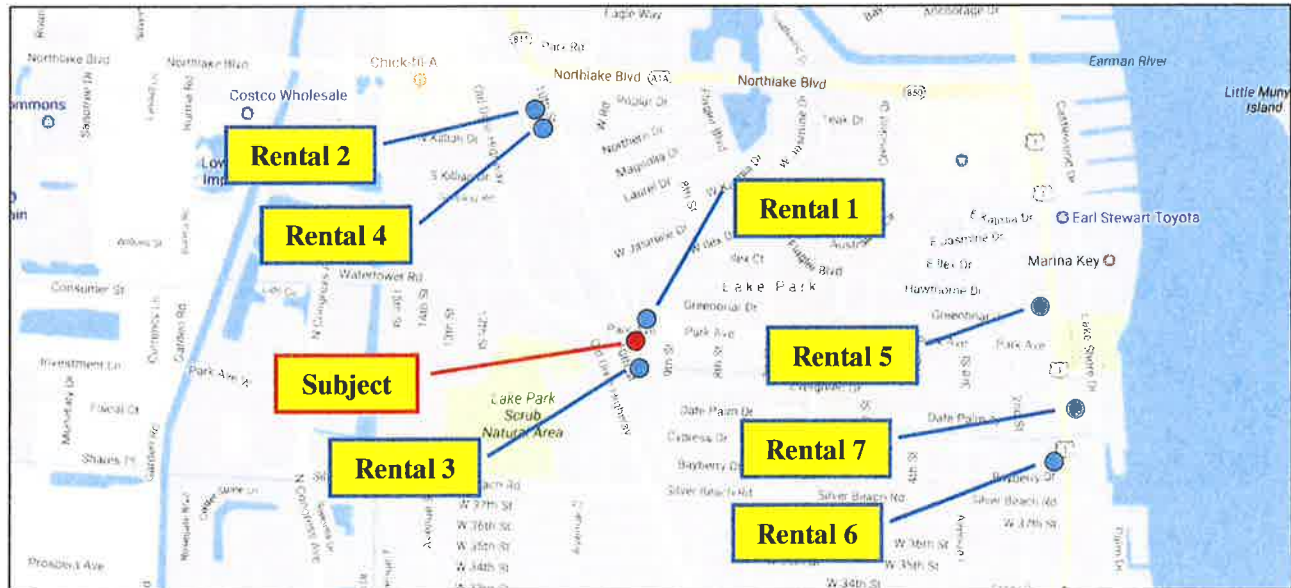
The subject property currently has two tenants. Unit 105 is occupied by a veterinarian who has reportedly been in occupancy for about 30 years. This unit is leased on a month-to-month with a monthly rental of \$1,100 per month on a gross basis or \$11.70 per square foot per year for the 1,128 square foot unit. Unit 107 is under a new lease with a 5 year term through July 2020 with a fixed rental rate of \$2,100 per month or \$13.64 per square foot for the 1,848 square foot unit. This lease includes a three year option at a 4% rate increase. According to the owner two other spaces are in lease discussions for another restaurant and a café. The reported rates are \$950 per month and \$1,700 per month for units 103 (605 square feet) and 104 (795 square feet) on a gross basis with tenants providing their own buildout (unit 104 is a former restaurant). These two spaces would reflect rental rates of \$18.84 and \$25.66 per square foot per year if the lease discussions prove fruitful. The owner stated that a for rent sign on the property was taken down due to an overwhelming number of inquiries and that once a few of the units are actually leased the sign may go back up for the remaining units. The owner also stated that there has been interest in renting the bar but he would like a more upscale user than reopening of the old establishment.

## Rental Survey

We have surveyed rents for similar building space in the subject's market area. These market rental rates were then reconciled to give an indication of a market rental rate for the subject. The rents in this market were quoted on a gross basis. As noted previously, the subject is currently renting on a gross basis and we have analyzed rents on a gross basis in this analysis.

Our rental survey is composed of asking and actual rents as indicated in the summary chart. Actual lease data is often considered proprietary and seldom made available to the public, particularly in an environment as competitive as the subjects. The following table summarizes the data collected in our rent survey followed by a map showing the location of the rent comparables in relation to the subject property.

RENT COMPARABLES SUMMARY TABLE								
Comp. No.	Bldg. Name Address Date of Survey	Building Size Building Type Year Built	Total SF Available Unit sizes	Net Rent Per SF	Pass Through Expenses Per SF	Gross Rent Per SF	Occupancy	Comments
1	947 Park Avenue Lake Park Oct-17	2,250 Office / Retail 1964	2,250 2,250	---	---	\$12.00	0%	Current asking rate for a 1 or 2 unit building.
2	1442 Park Avenue Lake Park Oct-17	6,160 Office / Retail 1962	0 2,200 2,400	---	---	\$8.80 \$9.60	100%	Two of 3 units leased as shown. Third unit is reported below market to a tenant / manager.
3	501 10th Street Lake Park Mar-17	6,984 Office / Retail 1985	0 575 to 1,725	---	---	\$10.43	100%	Seller reported office / retail strip center fully leased at \$500 per bay when sold in March 2017.
4	1400 10th Street Lake Park Mar-17	12,170 Office / Retail 1964 / 1967	5,360 806 to 3,500	---	---	\$13.70 to \$16.30	56%	Asking rates for two office / retail buildings on 10th Street. Higher rate is for smaller space.
5	804 Federal Hwy Lake Park Oct-07	11,200 Office / Retail 1994	0 1,115 and up	---	---	\$10.00	100%	Office / retail strip center, owner stated center is full with rates as shown on a gross basis.
6	200 Federal Hwy Lake Park Oct-07	9,800 Office / Retail 1960	4,430 780 to 1,650	---	---	\$11.27 To \$12.86	55%	Asking rate for office / retail strip center on US 1.
7	405 Federal Highway Lake Park Oct-07	4,500 Office / Retail 1980	2,950 2,950	---	---	\$11.27	34%	Asking rate for office / retail strip center on US 1.
Subject	940 Park Avenue Lake Park Oct-17	8,456 Office / Retail 1961	5,480 1,128 1,848	---	---	\$11.70 \$13.64	35%	Current actual rates for the 2 subject bays rented. Two other small bays reportedly under negotiations at \$18.84/SF and \$25.66/ SF.



## Conclusion of Market Rent

All of the comparable rental data is located within the subject market area. The data clearly shows rental ranges from about \$9.00 to \$16.30 per square foot with the majority of the rentals in the \$10.00 to \$12.00 per square foot range. The data indicates that smaller bays can demand a higher rate.

The two existing subject rentals at \$11.70 and \$13.64 per square foot are well within market norms and will be utilized in our analysis. The higher rate included tenant work while the lower rate is for a long term tenant.

The property owner is reportedly negotiating two new leases on the subject property for small bays with rates of \$18.84 per square foot (605 square foot bay) and \$25.66 per square foot (795 square foot bay). One of the bays is planned for and already setup for a restaurant and the other the tenant plans to remodel for a café. The market data indicates that these rates are above market, even for small bays.

The subject property has a corner location on two secondary commercial roadways. However, the vacant units, including the bar, need renovations. The data indicates a rental rate of \$12.00 per square foot for the larger bays and \$15.00 per square foot to the smaller bays of 1,000 square feet or less. These rates are for the subject units in as is condition and do not include tenant buildout.

## Occupancy

The subject is currently 35% occupied. There was some vacancy noted throughout the area, though some centers were noted to be 100% occupied. Current occupancies among the multi-tenant comparables in our rental survey ranged from vacant to fully occupy. In addition to what we have been able to see directly through our rental survey, we have consulted some national recognized survey providers, RealtyRates, and Costar.

Vacancy from RealtyRates Market Survey (3<sup>rd</sup> quarter 2017), a national real estate information publication, showed vacancy rates for Un-anchored Class A & B Neighborhood, Community, and Strip Retail Centers from a low of 4.4% to 8.2% for four Florida market segments and a vacancy rate of 6.1% for Florida as a region.

The 3<sup>rd</sup> quarter CoStar Retail Statistics for the Palm Beach County market reports a countywide overall vacancy rate of 4.2% for all retail subclass's with the same rate for the North Palm Beach submarket. The rate shown for the Shopping Center subclass in the North Palm Beach submarket is 6.0%.

The subject vacancy rate would be higher than the above as it is not situated on a major roadway, is not a Class A or B center and caters to the local tenant market.

Based on the foregoing, we conclude an investor would utilize a long term vacancy rate of 10% for the subject property.

**Income Formulation**

INCOME FORMULATION				
Potential Gross Income (PGI)				
Unit 105 (Veterarian) / Actual Income	\$1,100	Mo. @	12	Mo.'s \$13,200
Unit 107 (Resturant) / Actual Income	\$2,100	Mo. @	12	Mo.'s \$25,200
Unit 101	1,275	SF @	\$12.00	per SF \$15,300
Unit 102	975	SF @	\$15.00	per SF \$14,625
Bar	1,482	SF @	\$12.00	per SF \$17,784
Unit 103	605	SF @	\$15.00	per SF \$9,075
Unit 104	795	SF @	\$15.00	per SF \$11,925
Unit 106	348	SF @	\$15.00	per SF \$5,220
Total				\$112,329
	Less Vacancy @		10.0% of PGI	- \$11,233
Effective Gross Income (EGI)				\$101,096
<b>Estimated Effective Gross Income (EGI)</b>				<b>\$101,096</b>

**Operating Expenses**

An operating statement was not provided by the property owner or client. We have utilized publicly available information, industry surveys and operating expenses from similar properties contained within our past appraisal files to project expenses for the subject going forward. Following is a discussion of the appraisers' projected expenses.

Real Estate Taxes

As shown in the Assessment and Taxes section of this report, the 2017 tax bill amounts to roughly \$23,136. The taxes can be paid early to incur up to a 4% discount. It is safe to assume that a prudent owner would take advantage of the 4% discount offered for early payment. This is customary in this market. We have projected this expense, going forward, with the discount and rounded to \$22,210 or \$2.63 per square foot of building area.

Insurance

Insurance for retail strip centers should be in the \$0.50 to \$1.25 per square foot of building area range depending on structure type, coverages, and other factors. The owner reports a current expense of \$3,465 per year or \$0.41 per square foot of building area. This, however, does not include full coverage (excludes windstorm). The subject is a concrete building and not in a flood zone. Accordingly, we are including this expense at \$0.50 per square foot of building area for full coverage or \$4,228.

## Utilities

The tenants reportedly pay their own electric, water, and sewer. The owner reports the only utility bill is for the bar, which has been running \$130 per month for water/sewer and \$200 per month for electric. An owner would anticipate some common area utility expense for lawn watering and parking lot lighting. We are including a utility expense for non-tenant items at \$150 per month or \$1,800 per year.

## Repairs and Maintenance, CAM

The only subject property repairs and maintenance data available was for primarily major items made over the past year (see building comments on page 38). The tenant would reportedly be responsible for minor interior repairs but the owner would need to take care of more major items on a continuing basis. This would include landscaping maintenance, parking lot maintenance, and other items such as major electrical and plumbing, and air conditioner work. This category would also need to account for some work when a tenant vacates a unit. Additionally, a prudent investor would not necessarily maintain a reserve for replacement cost but they would need to account for long lived items in their analysis. Accordingly, we are including a repairs and maintenance at \$1,000 per month or \$12,000 per year over the long run.

## Management and Leasing

Professional property management rates are generally 3% to 6% of effective gross income. Some owners self-manage, and pay this fee to themselves or a related company. PwC Real Estate Investor Survey published by PwC reports on different key valuation issues in each of their quarterly reports. In their first quarter, report they include typical management fees being charged by professional property managers. In their most recent first quarter report, 2017, they indicate that investors in the National Strip Shopping Center market have been applying this item at between 1.5% and 6.00% with an average of 3.31%. The publication also reports leasing commissions for this market from 2.00% to 8.00% with a mean of 5.36%. The leasing commission would most likely be much less than the market reports due to tenant retention (the veterinarian tenant has reportedly been in place for about 30 years). Accordingly, we are including a management and leasing expense at 6.00%.

## Legal, Professional, and Miscellaneous Fees

These expenses would include legal fees, accounting fees, appraisal fees, and any other professional services that might be required. These expenses can be substantial in some years because of attorney or appraisal fees, while almost non-existent in others when the building is occupied and operating smoothly. The appraisers have estimated this expense at 1.0% of EGI. In those years where little or no miscellaneous expenses are actually incurred, this would be treated as a reserve for future years.

## Reserves for Replacements

One would not expect to see a reserve for replacement expense with a non-institutional grade property like the subject and, accordingly, we have not included an expense for this category.

Total Expenses

Expenses can vary from year to year. It will also fluctuate with the degree and quality of maintenance. Additionally, the turnover rate can noticeably increase expenses. Many expenses do not fluctuate much with rental rate changes; i.e. - insurance, taxes, lawn service, etc. Thus, if the rental income is less than it could be, the expense ratio will be higher than it should be.

We have estimated the total expenses for the subject at \$47,315 or 46.8% of the Effective Gross Income (EGI). This appears to be in line with the surveyed rates exhibited in the following table.

RealtyRates.com MARKET SURVEY - 3rd Quarter 2017*										
Florida - Class A & B Neighborhood, Community & Strip Retail Centers										
	Jacksonville		Miami/Dade		Orlando		Tampa Bay		Region	
	Anch	Un-Anch	Anch	Un-Anch	Anch	Un-Anch	Anch	Un-Anch	Anch	Un-Anch
<b>Operating Data</b>										
<b>Income</b>										
Asking Rent	\$15.64	\$15.31	\$24.81	\$24.04	\$17.70	\$17.33	\$15.98	\$15.64	\$18.19	\$17.76
Effective Rent	\$13.95	\$13.66	\$22.31	\$21.59	\$15.88	\$15.55	\$14.49	\$14.19	\$16.37	\$15.97
Other Income	\$0.70	\$0.68	\$1.12	\$1.08	\$0.79	\$0.78	\$0.72	\$0.71	\$0.82	\$0.80
Total Income	\$14.65	\$14.34	\$23.42	\$22.67	\$16.68	\$16.33	\$15.22	\$14.90	\$17.18	\$16.77
Vacancy Rate	7.7%	7.5%	4.8%	4.4%	5.9%	5.7%	8.5%	8.2%	6.4%	6.1%
EGI	\$13.52	\$13.27	\$22.30	\$21.68	\$15.69	\$15.39	\$13.93	\$13.68	\$16.08	\$15.74
<b>Expenses</b>										
Total Expenses	\$7.43	\$6.81	\$9.17	\$8.40	\$7.43	\$6.81	\$7.16	\$6.56	\$7.70	\$7.05
Expense Ratio	54.94%	51.31%	41.13%	38.77%	47.36%	44.23%	51.41%	47.95%	47.86%	44.80%
NOI	\$6.09	\$6.46	\$13.13	\$13.27	\$8.26	\$8.58	\$6.77	\$7.12	\$8.39	\$8.69
<b>Investment Data</b>										
Avg Sale Price	\$75	\$78	\$146	\$150	\$88	\$91	\$77	\$79	\$94	\$97
OAR	8.1%	8.3%	9.0%	8.8%	9.4%	9.4%	8.8%	9.0%	9.0%	9.0%
GRM	5.37	5.71	6.54	6.95	5.54	5.85	5.31	5.57	5.73	6.05
EGIM	5.55	5.98	6.55	6.92	5.61	5.91	5.53	5.78	5.83	6.14

\*2nd Quarter 2017 Data

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**Overall Capitalization Rate Selection**

Capitalization is the process of converting income into value. The estimated net operating income is capitalized by dividing it by an appropriate rate (overall cap rate). The cap rate is an expression of the ratio between net operating income and value. This rate typically reflects an investor's expectations from the anticipated net income as well as future appreciation. Generally, the stronger a property's growth prospects are, the lower is the capitalization rate. Likewise, the lower the quality of the risk, the higher the rate. Since properties such as the Subject are typically leveraged, the availability and cost of mortgage funds can have a significant impact on the overall rate analysis.

The overall rate is normally derived via two methods; extraction from the market and investor surveys. These methods are detailed as follows.



## Market Extraction

The equation utilized to extract overall rates directly from market sales is as follows:

$$R_o = I/V$$

R<sub>o</sub> = Overall capitalization rate (OAR)

I = Net income

V = Value (purchase price)

Primarily, a property's location, age, condition, and other risk factors determine cap rates. Newer properties in the best locations have the lowest rates, because the risk is lower, and the potential for appreciation greater, and vice versa. Properties with below market leases will usually have a lower cap rate, reflecting the potential for rent increases on rollover.

We were not able to gather sufficient data on all of the comparable sales utilized in the sales comparison approach to derive overall capitalization rates (OAR). Therefore, we have included capitalization rates from other similar properties that sold in the open market as reported by CoStar plus data from nationally recognized real estate research publications. We believe that these cap rates are sufficiently reliable to determine an appropriate OAR for the subject.

The PwC Real Estate Investor Survey reports OAR's for the National Strip Shopping Center market (3<sup>rd</sup> quarter 2017) from 4.00% to 9.50% with a mean of 6.19%.

The RealtyRates Investor Survey (3<sup>rd</sup> quarter 2017) reports OAR's for Un-anchored Retail Centers on a national level from three methods: Debit Coverage Ratio, Band of Investment, and Surveyed Rates. This data range has a means of 8.80%, 9.84% and 10.91%.

The RealtyRates Market Survey (3<sup>rd</sup> quarter 2017) reports rates on Class A & B Neighborhood, Community, and Strip Retail Centers for four Florida market segments of 8.3%, 8.8%, 9.4%, and 9.0%, with a regional mean of 9.0%.

In addition to the above, we found local sales data from CoStar Group that reported OAR information. This data is shown in the following chart.



MARKET DERIVED OAR'S				
Sale Date	OR Bk/ Page	Property Address	Sale Price	OAR
Jan-16	28062 0068	1901 Broadway Riviera Beach	\$875,000	7.00%
Mar-16	28204 1112	9080 Alternate A1A North Palm Beach	\$650,000	6.24%
May-16	28332 0047	834 So Congress Ave West Palm Beach	\$1,210,000	7.74%
Sep-16	28608 1767	3300 So Dixie Hwy West Palm Beach	\$1,715,000	5.00%
Sep-16	28613 0204	815 Lake Ave Lake Worth	\$1,140,000	7.00%
Jun-17	29173 0672	6299 No Federal Hwy Boca Raton	\$1,500,000	5.50%
Jul-17	29243 1256	5371 10th Ave North Greenacres	\$950,000	8.00%
Aug-17	29297 1116	1405 No Federal Hwy Delray Beach	\$1,700,000	4.27%

The local data reflects an OAR range from 4.27% to 8.00% with a mean of 6.34%. This data is well within the ranges published by the PwC Real Estate Investor Survey and RealtyRates. This data indicates an OAR for the subject of around 7.00% after considering differences in risk for various factors such as location and occupancy.

All of the OAR data indicates a range from about 6.0% to around 9.0% for the subject property. The subject would be considered more of a risk due to location, quality, occupancy, and condition than most of the data and, accordingly, a rate just above the mid-point of the range is warranted.

Based on the forgoing, an OAR for the subject is concluded at 7.50%.





# ANDERSON CARR

## Capitalization Into Value

The following exhibit summarizes our income analysis and capitalization into value as of October 27, 2017.

INCOME CAPITALIZATION				
<b>POTENTIAL GROSS INCOME</b>				
Unit 105 (Veteraria	1,100 Mo. @	12	Mo.'s=	\$ 13,200
Unit 107 (Resturan	2,100 Mo. @	12	Mo.'s=	\$ 25,200
Unit 101	1,275 SF @	\$12.00	per SF=	\$ 15,300
Unit 102	975 SF @	\$15.00	per SF=	\$ 14,625
Bar	1,482 SF @	\$12.00	per SF=	\$ 17,784
Unit 103	605 SF @	\$15.00	per SF=	\$ 9,075
Unit 104	795 SF @	\$15.00	per SF=	\$ 11,925
Unit 106	348 SF @	\$15.00	per SF=	\$ 5,220
Total PGI				\$ 112,329
<b>LESS VACANCY @</b>		10.0%		\$ (11,233)
<b>EFFECTIVE GROSS INCOME</b>				<b>\$ 101,096</b>
<b>EXPENSES</b>			<b>%EGI</b>	<b>\$/SF</b>
RE Taxes		\$ 22,210	22.0%	\$2.63
Insurance		\$ 4,228	4.2%	\$0.50
Utilities		\$ 1,800	1.8%	\$0.21
Repairs and Maintenance		\$ 12,000	11.9%	\$1.42
Legal, Professional & Misc.		\$ 1,011	1.0%	\$0.12
Property Management		\$ 6,066	6.0%	\$0.72
Reserves for Replacements		\$ -	0.0%	\$0.00
Total Expenses		\$ (47,315)	-46.8%	(\$5.60)
<b>NET INCOME</b>		<b>\$ 53,781</b>	<b>53.2%</b>	<b>\$6.36</b>
Net Income Capitalized @		7.50%	=	\$717,085
Rounded to:				
<b>INDICATED VALUE ESTIMATE VIA INCOME ANALYSIS:</b>				<b>\$725,000</b>

Comment: We have not included a discount for rent-up due to the high interest in the property reported by the owner and the moderate rental rate utilized. The owner stated he took the for rent sign down due to an overwhelming amount of calls. The property is about 35% occupied with strong interest in two more units and the bar. Also, poor management by the prior owner, his passing, and repairs made to the building have resulted in a high vacancy rate. Repairs have been made and under proper management the property should have no trouble leasing up to a stabilized level within a short period of time. Additionally, the property has potential for purchase by a partial owner occupant who would prefer some vacant space for their own use and our sales comparison analysis does not indicate an adjustment for rent-up is warranted.



**SALES COMPARISON APPROACH**

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

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

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

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



# ANDERSON CARR

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SALE NO. 1 - 1901-1923 Broadway, West Palm Beach, FL 33404

AC File No.: 2160060

ID: 908511



OR Book/Page: 28062/0068

Type: Retail

Sale Status: Sale

Sub-Type: Multi-Tenant (Retail)

Date: January 14, 2016

Grantor: Hendricks Rentals, Inc.

Grantee: 1901 Broadway, LLC

Legal: The South 1/2 of Lot 18, and all of Lots 19 through 25, Less the East 5 feet thereof, and Lots 26 and 27, Block 5, Northview Plat No. 1 in Plat Book 11, Page 5, Palm Beach County, Florida

Folio No.: 56-43-42-28-21-005-0181, 56-43-42-28-21-005-0260

Location: Northwest corner of Broadway and West 19th Street, West Palm Beach, Florida

Zoning: DC - Downtown Core by West Palm Beach

Utilities: Municipal water and sewer, electricity, and telephone

## ANDERSON CARR

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Site Size:            Square Feet: 20,857            Acres: 0.48  
                          Shape: Rectangular            Street Frontage (Ft.): 146

Improvements:      Gross Bldg. SF: 8,606            Year Built: 1962  
                          Stories: 1                            No. of Bldgs.: 1  
                          Condition: Below average  
                          Parking: On-site, adequate  
                          Air Conditioning: Central air  
                          Construction: CBS

FAR:                    0.41

Use:                    Current Use: Retail  
                          Intended Use: Retail  
                          Highest and Best Use: Commercial

Verification:        Source: John Tracy with The Real Estate Consulting Group, Inc.  
                          Relationship: Listing agent  
                          Conditions of Sale: Arm's-length  
                          Verified By: K. Doran  
                          Date: February 19, 2016

Sales History:        No transactions in the previous five years

Sales Price:           \$875,000

Price/SF Building:   \$101.67

Financing:            Private financing in the amount of \$650,000

Comments:

This property was on the market for approximately 15 months prior to contract with an asking price of \$950,000. The overall condition was described as not well maintained and needing work. The contract date was June 2015 indicating approximately a 7 month escrow period.



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SALE NO. 2 - 406 Federal Highway, Lake Park, FL 33403  
AC File No.: 2160213

ID: 908644



OR Book/Page: 28133/1425  
Sale Status: Sale

Type: Office  
Sub-Type: Multi-Tenant Medical

Date: February 9, 2016  
Grantor: Global Village Properties, Inc.  
Grantee: AJS Realty, LLC  
Legal: Lots 29 through 35, Block 40, Lake Park, Plat Book 8, Page 23, Palm Beach County, Florida  
Folio No.: 3643-42-20-01-040-0290  
Location: Northwest corner of Federal Highway and Date Palm Drive three blocks south of Park Avenue, Lake Park  
Zoning: C1B - Business District by Town of Lake Park  
Utilities: Water, electricity, municipal sewer

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Site Size:            Square Feet: 25,700            Acres: 0.59  
                          Shape: Irregular                    Street Frontage (Ft.): 125

Improvements:      Gross Bldg. SF: 6,742            Year Built: 1972  
                          Stories: 1                            No. of Bldgs.: 1  
                          Condition: Average                Parking: On-site, adequate  
                          Air Conditioning: Central air  
                          Construction: CBS

FAR:                    0.26

Use:                    Current Use: Office  
                          Intended Use: Office  
                          Highest and Best Use: Office

Verification:        Source: Lauren Hunter, Touchstone Web Realty  
                          Relationship: Listing Broker  
                          Conditions of Sale: Arm's-length  
                          Verified By: Gary Orr  
                          Date: May 12, 2016

Sales History:        \$273,100, February 1996, OR 9256/1481

Sales Price:           \$660,000

Price/SF Building:   \$97.89

Financing:            Cash to seller

### Comments:

This is the sale of an 'L' shaped medical office building with front asphalt paved parking lot. The sale included an open area of land containing 6,950 square feet behind the building which would allow for some expansion / additional parking. The property was vacant at the time of sale. It was purchased for use as a pre-school with the buyer to obtain approvals for building renovations / remodeling and redevelopment of the rear land area for playground. The building was in average condition but dated with extensive renovations planned. The property was listed for \$720,000 and sold after 129 days on the market.

# ANDERSON CARR

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SALE NO. 3 - 815 Lake Ave., Lake Worth, FL 33460

AC File No.: 2170100

ID: 909288



OR Book/Page: 28613/0204

Type: Retail

Sale Status: Sale

Sub-Type: Single Tenant (Retail)

Date: September 23, 2016

Grantor: Fred and Mary Chalker, Trustees of Chalker Trust

Grantee: Suga Holding, LLC

Legal: Town of Lake Worth Lots 14 & 15 Block 17, according to the map or plat thereof as recorded in Plat Book 2, Page 29, public records of Palm Beach County, Florida

Folio No.: 38-43-44-21-15-017-0140

Location: South side of Lake Avenue, east of Dixie Hwy., Lake Worth

Zoning: DT - Downtown by City of Lake Worth

Utilities: Water, electricity, municipal sewer

## ANDERSON CARR

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Site Size:                    Square Feet: 6,750                    Acres: 0.16  
                                  Shape: Rectangular                    Street Frontage (Ft.): 50

Improvements:            Gross Bldg. SF: 11,080                    Year Built: 1950  
                                  Stories: 2                                      No. of Bldgs.: 1  
                                  Condition: Average  
                                  Parking: On-site, with 2 spaces, and street  
                                  Air Conditioning: Central air  
                                  Construction: Masonry

FAR:                            1.64

Use:                           Current Use: Single tenant retail  
                                  Intended Use: Single tenant retail  
                                  Highest and Best Use: Single tenant retail

Verification:              Source: David Joseph  
                                  Relationship: Listing Broker  
                                  Conditions of Sale: Arm's-length  
                                  Verified By: Harvel Gray  
                                  Date: April 6, 2017

Sales History:              No transactions in the previous five years

Sales Price:                \$1,140,000

Price/SF Building:        \$102.89

Financing:                Cash to seller

### Comments:

This property was 100% occupied by a single tenant at the time of sale. It was listed on the market for about one year, and closed about two months after the contract date. The property was in average condition and had no deferred maintenance according to the listing realtor. It was sold at 7% overall capitalization rate.



# ANDERSON CARR

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SALE NO. 4 - 501 10th Street, Lake Park, FL 33403

AC File No.: 2170330

ID: 909652



OR Book/Page: 28955/1277

Type: Retail

Sale Status: Sale

Sub-Type: Multi-Tenant (Retail)

Date: March 14, 2017

Grantor: Cromwell Properties Limited Partnership

Grantee: Academy Plaza, LLC

Legal: Lots 16 through 25, Block 1, plus the adjoining West 1/2 of abandoned 9th Court right of way, Kelsey City, Plat Book 8, Page 27, Palm Beach County, Florida

Folio No.: 36-43-42-20-01-001-0160

Location: Northeast corner of 10th Street and Evergreen Drive one block south of Park Avenue, Lake Park

Zoning: PADD - Park Avenue Downtown District by Town of Lake Park

Utilities: Water and electricity

## ANDERSON CARR

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Site Size:            Square Feet: 31,250            Acres: 0.72  
                          Shape: Rectangular            Street Frontage (Ft.): 313

Improvements:    Gross Bldg. SF: 6,984            Year Built: 1985  
                          Stories: 1            No. of Bldgs.: 1  
                          Condition: Average  
                          Parking: On-site, adequate  
                          Air Conditioning: Central air  
                          Construction: CBS

FAR:                    0.22

Use:                    Current Use: Retail  
                          Intended Use: Retail  
                          Highest and Best Use: Retail

Verification:        Source: Michelle Cromwell-Kelly, Cromwell Realty Services  
                          Relationship: Owner  
                          Conditions of Sale: Arm's-length  
                          Verified By: Gary Orr  
                          Date: October 19, 2017

Sales History:        No transactions in the previous five years

Sales Price:            \$475,000

Price/SF Building:    \$68.01

Financing:            \$2,212,000 mortgage from Paradise Bank

Comments:

This is the sale of a dated strip center. The property was not openly marketed and sold to an adjoining property owner. The \$2,212,000 mortgage included several adjoining properties. The center was fully leased at the time with gross rents of \$10.00 per square foot per year for the 575 square foot bays.

# ANDERSON CARR

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SALE NO. 5 - 918 Park Avenue, Lake Park, FL 33403  
AC File No.: 2170330

ID: 909655



OR Book/Page: 29126/1788  
Sale Status: Sale

Type: Retail  
Sub-Type: Multi-Tenant (Retail)

Date: May 23, 2017

Grantor: Serhz Re, LLC

Grantee: M&S Santos

Legal: Lots 8, 9, and 10, Block 2, Kelsey City, Plat Book 8, Page 27, Palm Beach County, Florida

Folio No.: 36-43-42-20-01-002-0080

Location: South side of Park Avenue almost one block east of 10th Street, Lake Park

Zoning: PADD - Park Avenue Downtown District by Town of Lake Park

Utilities: Water, electricity, municipal sewer

# ANDERSON CARR

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Site Size:            Square Feet: 9,425            Acres: 0.22  
                         Shape: Rectangular            Street Frontage (Ft.): 75

Improvements:      Gross Bldg. SF: 5,080            Year Built: 1926  
                         Stories: 2            No. of Bldgs.: 1  
                         Condition: Below average  
                         Parking: On-site, adequate  
                         Air Conditioning: None  
                         Construction: Frame stucco

FAR:                    0.54

Use:                    Current Use: Vacant  
                         Intended Use: Commercial  
                         Highest and Best Use: Commercial

Verification:        Source: Deed, Corporate Docs  
                         Relationship: Public documents  
                         Conditions of Sale: Arm's-length  
                         Verified By: Gary Orr  
                         Date: October 19, 2017

Sales History:        \$220,000, April 2014, OR 26759/1670

Sales Price:            \$286,000

Price/SF Building:    \$56.30

Financing:            Cash to seller

## Comments:

This is the sale of an old historic building. About 10 years ago complete renovations were started but never finished. Renovations included new roof, windows, footers, steel columns, and some structural framing work. Interior layout and finish renovations were never finished. The property was marketed for a number of years and sold in 2012 (\$140,000) and in 2014 (\$220,000) but the interior was never finished.



# ANDERSON CARR

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SALE NO. 6 - 904 Park Avenue, Lake Park, FL 33403

AC File No.: 2170330

ID: 909653



OR Book/Page: 29206/0023

Type: Retail

Sale Status: Sale

Sub-Type: Multi-Tenant (Retail)

Date: June 23, 2017

Grantor: Prestage Farms, Inc.

Grantee: King Fitness of Palm Beach, Inc.

Legal: Lots 1 through 7, Block 2, Kelsey City, Plat Book 8, page 15, Palm Beach County, Florida

Folio No.: 36-43-42-20-01-002-0010

Location: Southwest corner of Park Avenue and 9th Street 1 block east of 10th Street, Lake Park

Zoning: PADD - Park Avenue Downtown District by Town of Lake Park

Utilities: Water, electricity, municipal sewer

# ANDERSON CARR

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Site Size:            Square Feet: 21,991            Acres: 0.51  
                          Shape: Rectangular            Street Frontage (Ft.): 176

Improvements:     Gross Bldg. SF: 9,060            Year Built: 1963  
                          Stories: 1            No. of Bldgs.: 1  
                          Condition: Average  
                          Parking: On-site, adequate  
                          Air Conditioning: Central air  
                          Construction: CBS

FAR:                    0.41

Use:                    Current Use: Retail  
                          Intended Use: Retail  
                          Highest and Best Use: Retail

Verification:        Source: Jim Turney, Signature Properties of the Palm Beaches  
                          Relationship: Listing Broker  
                          Conditions of Sale: Arm's-length  
                          Verified By: Gary Orr  
                          Date: October 19, 2017

Sales History:        \$802,000, September 2003, OR 15825/0393

Sales Price:            \$925,000

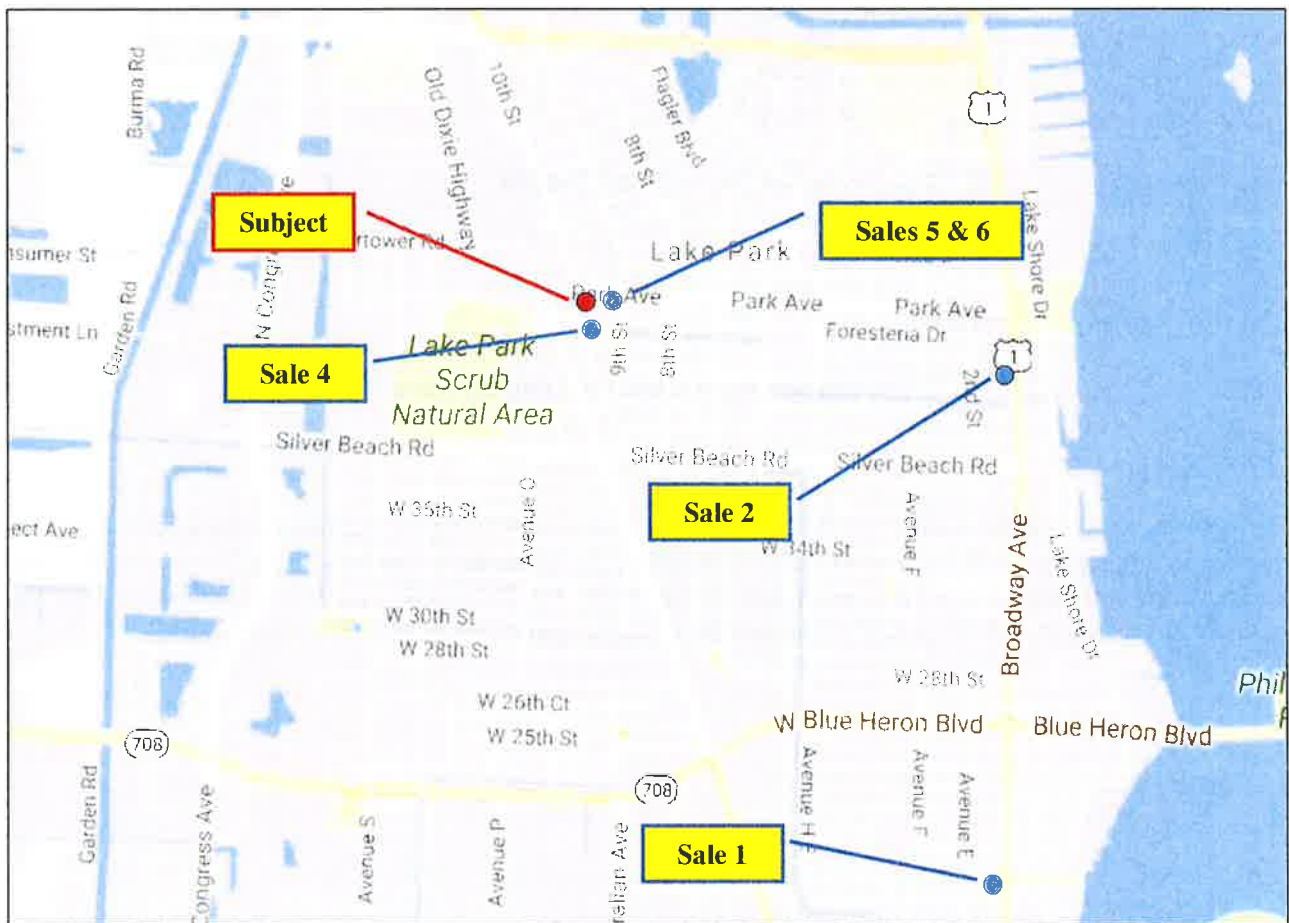
Price/SF Building:   \$102.10

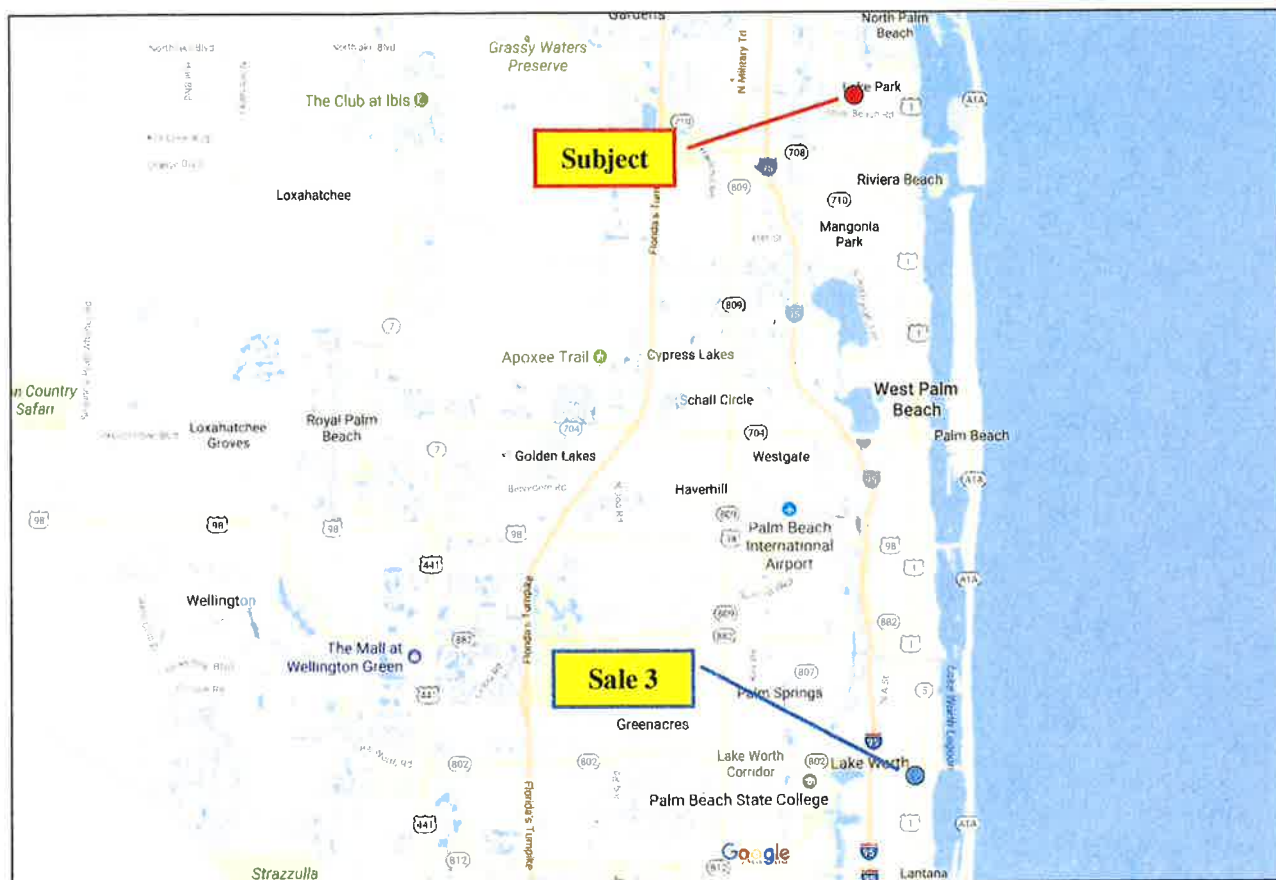
Financing:            \$792,750 mortgage with Floridian Community Bank

Comments:

This is the sale of a strip center with two spaces. The Post Office occupies half the building with the other half being open space with hardwood floors (formerly a dance studio). The building is 54 year old but was modernized and upgraded several years ago. It was listed for \$1,100,000 and sold after 310 days on the market. It was purchased for partial owner use for a fitness gym in the open half of the building.

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 Jan-16	28062 0068	1901 Broadway Riviera Beach	20,857 0.48	1962	8,606	0.41	\$875,000	\$101.67
2 Feb-16	28133 1425	406 Federal Highway Lake Park	25,700 0.59	1972	6,742	0.26	\$660,000	\$97.89
3 Sep-16	28613 0204	815 Lake Ave. Lake Worth	6,750 0.15	1950	11,080	1.64	\$1,140,000	\$102.89
4 Mar-17	28955 1277	501 10th Street Lake Park	31,250 0.72	1985	6,984	0.22	\$475,000	\$68.01
5 May-17	29126 1788	918 Park Avenue Lake Park	9,425 0.22	1926	5,080	0.54	\$286,000	\$56.30
6 Jun-17	29206 0023	904 Park Avenue Lake Park	21,991 0.50	1963	9,060	0.41	\$925,000	\$102.10
Subj. Oct-17	---	940 Park Avenue Lake Park	18,783 0.43	1961	8,456	0.45	---	---





**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 or where leased with rental rates within market norms. 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.





# ANDERSON CARR

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## 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 January 2016 to June 2017. The date of value is October 27, 2017. The market has shown improving market conditions over this time period and the older 2016 sales have been adjusted upward accordingly.

## Location

The subject property is located at the southeast corner of Park Avenue and 10<sup>th</sup> Street in Lake Park. Sale 1 is located on Broadway in Riviera Beach with a similar overall location. Sales 2 and 3 have superior locations and have been adjusted downward for this aspect. Sales 4, 5, and 6 are located very close to the subject but have an inferior location with the subject at the intersection of two secondary commercial locations and have been adjusted upward for this difference.

## 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 as all of the sales and the subject are somewhat similar in size in the 7,000 to 11,100 square foot range 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 1961 and it has not been updated over the years. The condition of the subject improvements is fair. Sale 1 is similar in this aspect. Sale 2 is also similar with the buyer intending to renovate the building. Sale 3 had had some updating over the years but sold in average condition with a small adjustment downward warranted for the differences. Sale 4 is a little newer than the subject but has a dated appeal and sold in average condition with no adjusted warranted for these differences. Sale 5 sold with a mostly gutted interior and an upward adjustment is warranted for this aspect. Sale 6 had been updated over the years and sold in superior condition than the subject with a downward adjusted needed for this difference.

## FAR/Lot Coverage/Parking

The most significant factors involving lot coverage are the existence of excess land and the availability of on-site parking. Neither the subject nor any of the comparables have excess land and all have adequate on-site parking. No adjustments are warranted.



## Zoning/Land Use

The subject property has a zoning designation of PADD (Park Avenue Downtown District) by Town of Lake Park with an underlying future land use of Downtown by Town of Lake Park. Though they may vary by municipality, all of the comparables have similar commercial oriented designations that allow for similar uses as the subject. No adjustment is warranted.

ANDERSON CARR

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 Jan-16	1901 Broadway Riviera Beach	8,606	\$101.67	0% \$101.67	0% \$101.67	15% \$116.92	0%	0%	0%	0%	0%	0%	\$116.92
2 Feb-16	406 Federal Highway Lake Park	6,742	\$97.89	0% \$97.89	0% \$97.89	15% \$112.58	-10%	0%	0%	0%	0%	-10%	\$101.32
3 Sep-16	815 Lake Ave. Lake Worth	11,080	\$102.89	0% \$102.89	0% \$102.89	10% \$113.18	-10%	0%	-5%	0%	0%	-15%	\$96.20
4 Mar-17	501 10th Street Lake Park	6,984	\$68.01	0% \$68.01	0% \$68.01	0% \$68.01	15%	0%	0%	0%	0%	15%	\$78.21
5 May-17	918 Park Avenue Lake Park	5,080	\$56.30	0% \$56.30	0% \$56.30	0% \$56.30	15%	0%	20%	0%	0%	35%	\$76.00
6 Jun-17	904 Park Avenue Lake Park	9,060	\$102.10	0% \$102.10	0% \$102.10	0% \$102.10	15%	0%	-10%	0%	0%	5%	\$107.20
Subj. Oct-17	940 Park Avenue Lake Park	8,456	---	---	---	---	---	---	---	---	---	---	---

**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 \$56.29 to \$102.88 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 \$76.00 to \$116.92 with a mean of \$95.98, rounded to \$95.00. Considering all of the salient factors discussed previously and prevailing market conditions, the appraisers feel a conclusion at the indicated mean 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 \$95.00 as of October 27, 2017. Total value is calculated as follows:

8,456 Square Feet @ \$95.00 per Square Foot =	\$803,320
Rounded To:	
<b>MARKET VALUE VIA SALES COMPARISON:</b>	<b>\$800,000</b>

## CORRELATION AND FINAL VALUE OPINION

Value via Income Capitalization Approach:	\$725,000
Value via Sales Comparison Approach:	\$800,000

The income approach to value was based upon a review of comparable rentals, deductions for reasonably anticipated vacancies and expenses and capitalization of the net income into an indication of value. This approach to value is a good indicator of value for investment type properties where sufficient rental and expense information is available and capitalization rates are sufficient to yield an appropriate rate. We were able to acquire adequate rent comparables from the market and overall rates from local transactions of similar properties. However, historic income and operating expenses for this property were not available. That said, we have appraised similar properties in the past and were able to make reasonable estimates. This approach is typically given more weight by the investor than by an owner/user.

The sales comparison approach to value is a good indicator of value when there is an active market and there are sales for comparison to the subject property. The sales data used within this approach was highly similar and recent making the value indication as reliable as the income approach to value. This approach reflects what buyers and sellers are actually doing in the open market and is typically given more weight by owner users.

In the final analysis, most consideration was given to the income capitalization approach as the subject is an investment type property. It is concluded that the market value of the fee simple estate and leased fee interest for the subject property, as of October 27, 2017 was:

**SEVEN HUNDRED FIFTY THOUSAND DOLLARS  
(\$750,000)**

# QUALIFICATIONS OF APPRAISER ROBERT B. BANTING, MAI, SRA

## PROFESSIONAL DESIGNATIONS - YEAR RECEIVED

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

## EDUCATION AND SPECIAL TRAINING

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

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

## ATTENDED VARIOUS APPRAISAL SEMINARS AND COURSES, INCLUDING:

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

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

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

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

Realtor Member of Central Palm Beach County Association of Realtors

Special Master for Palm Beach County Property Appraisal Adjustment Board

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

Member of Admissions Committee, Appraisal Institute - South Florida Chapter

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

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

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

Authored articles for The Palm Beach Post and Realtor newsletter.

Real Estate Advisory Board Member, University of Florida.

## TYPES OF PROPERTY APPRAISED - PARTIAL LISTING

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

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

**QUALIFICATIONS OF APPRAISER  
GARY K. ORR**

GENERAL INFORMATION

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

EDUCATION AND SPECIAL TRAINING

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

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

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

EMPLOYMENT EXPERIENCE

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

APPRAISAL EXPERIENCE

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

TYPES OF PROPERTY APPRAISED

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

Appraiser Licenses

RICK SCOTT, GOVERNOR

KEN LAWSON, SECRETARY

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

<b>LICENSE NUMBER</b>	
RZ4	

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



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



ISSUED: 09/14/2016

DISPLAY AS REQUIRED BY LAW

SEQ # L1609140002390

RICK SCOTT, GOVERNOR

KEN LAWSON, SECRETARY

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

<b>LICENSE NUMBER</b>	
RZ2335	

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



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

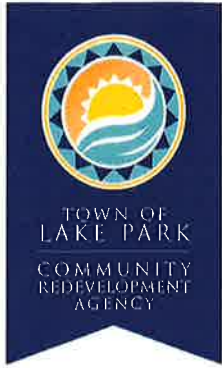


ISSUED: 11/08/2016

DISPLAY AS REQUIRED BY LAW

SEQ # L1611080003353





# AGENDA

**Community Redevelopment Agency Meeting  
 Wednesday, March 7, 2018, 6:30 p.m.  
 Lake Park, Town Hall  
 535 Park Avenue**

<b>Michael O'Rourke</b>	—	<b>Chair</b>
<b>Kimberly Glas-Castro</b>	—	<b>Vice-Chair</b>
<b>Rhonda "Jo" Brockman</b>	—	<b>Board Member</b>
<b>Erin Flaherty</b>	—	<b>Board Member</b>
<b>Christiane Francois</b>	—	<b>Board Member</b>
<b>Anne Lynch</b>	—	<b>Board Member</b>
<b>Roger Michaud</b>	—	<b>Board Member</b>
<b>John O. D'Agostino</b>	—	<b>Executive Director</b>
<b>Thomas J. Baird, Esq.</b>	—	<b>Agency Attorney</b>
<b>Vivian Mendez, CMC</b>	—	<b>Agency Clerk</b>

PLEASE TAKE NOTICE AND BE ADVISED, that if any interested person desires to appeal any decision of the Town Commission, with respect to any matter considered at this meeting, such interested person will need a record of the proceedings, and for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. *Persons with disabilities requiring accommodations in order to participate in the meeting should contact the Town Clerk's office by calling 881-3311 at least 48 hours in advance to request accommodations.*

- A. **CALL TO ORDER/ ROLL CALL**
- B. **PLEDGE OF ALLEGIANCE**
- C. **SPECIAL PRESENTATION/REPORT**  
 1. Market Study and Branding Analysis for the CRA/Town of Lake Park. Tab 1
- D. **PUBLIC COMMENT**  
 This time is provided for addressing items that do not appear on the Agenda. Please complete a comment card and provide it to the Agency Clerk so speakers may be announced. Please remember comments are limited to a TOTAL of three minutes.
- E. **CONSENT AGENDA:** All matters listed under this item are considered routine and action will be taken by one motion. There will be no separate discussion of these items unless a Commissioner or person so requests, in which event the item will be removed from the general order of business and considered in its normal sequence on the Agenda. Any person wishing to speak on an Agenda item is asked to complete

a public comment card located on either side of the Chambers and given to the Town Clerk. Cards must be submitted before the item is discussed.

2. Special Call CRA Board Meeting Minutes of December 20, 2017. Tab 2

F. NEW BUSINESS:

3. Executive Director's Annual Report. Tab 3

4. 940 Park Avenue Appraisal for Consideration to Purchase Property by the CRA. Tab 4

G. EXECUTIVE DIRECTOR REPORT:

H. PUBLIC COMMENT

This time is provided for addressing items that do not appear on the Agenda. Please complete a comment card and provide it to the Agency Clerk so speakers may be announced. Please remember comments are limited to a TOTAL of three minutes.

I. BOARD MEMBER COMMENTS

J. REQUEST FOR FUTURE AGENDA ITEMS:

K. ADJOURNMENT

The next scheduled CRA Board Meeting will be conducted on June 6, 2018.