



**CITYPLACE  
COMMUNITY DEVELOPMENT  
DISTRICT**

**PALM BEACH COUNTY  
REGULAR BOARD MEETING  
MARCH 24, 2025  
4:00 P.M.**

Special District Services, Inc.  
The Oaks Center  
2501A Burns Road  
Palm Beach Gardens, FL 33410

[www.cityplacecdd.org](http://www.cityplacecdd.org)  
561.630.4922 Telephone  
877.SDS.4922 Toll Free  
561.630.4923 Facsimile

**AGENDA**  
**CITYPLACE COMMUNITY DEVELOPMENT DISTRICT**  
Conference Room of Lewis Longman & Walker, P.A.,  
360 S. Rosemary Avenue, Suite 1100  
West Palm Beach, Florida 33401  
**REGULAR BOARD MEETING**  
March 24, 2025  
4:00 p.m.

- A. Call to Order
- B. Proof of Publication.....Page 1
- C. Establish Quorum
- D. Additions or Deletions to Agenda
- E. Comments from the Public for Items Not on the Agenda
- F. Approval of Minutes
  - 1. November 18, 2024 Regular Board Meeting Minutes.....Page 2
- G. Old Business
- H. New Business
  - 1. Consider Resolution No. 2025-01 – Adopting a Fiscal Year 2025/2026 Proposed Budget.....Page 5
  - 2. Consider Approval of Funding Agreement for the Distribution of Excess Increment Revenue for 10 & 15 CityPlace (The “Project”).....Page 12
  - 3. Consider Approval of Plaza Areas Private Use for Eataly’s in the Amount of \$310,000.00.....Page 19
  - 4. Consider Approval of License Agreement for the Utilization of Plaza Area for Retail Tenants Mirroring the Fee Schedule of City of West Palm Beach Resolution # 87-22.....Page 82
  - 5. Consider Approval of B Deck Parking Easement.....Page 86
- I. Administrative Matters
- J. Board Members Comments
- K. Adjourn

Publication Date  
2025-03-14

Subcategory  
Miscellaneous Notices

CITYPLACE COMMUNITY DEVELOPMENT DISTRICT  
NOTICE OF REGULAR BOARD MEETING

NOTICE IS HEREBY GIVEN that the Board of Supervisors of the CityPlace Community Development District (the District) will hold a Regular Board Meeting (the Meeting) at 4:00 p.m. on March 24, 2025, in a Conference Room of the Offices of Lewis, Longman & Walker, P.A. located at 360 S. Rosemary Avenue, Suite 1100, West Palm Beach, Florida 33401.

The purpose of the Meeting is to take any action on matters which may properly come before the Board. The Meeting is open to the public and will be conducted in accordance with the provisions of Florida law relating to community development districts.

A copy of the Agenda for the Meeting may be obtained from the Districts website ([www.cityplacecdd.org](http://www.cityplacecdd.org)) or by contacting the District Manager at (561) 630-4922 and/or toll free at 1-877-737-4922.

One or more Supervisors may participate by telephone; therefore, at the Meeting location there will be a speaker telephone present so that interested persons can attend the Meeting at the above location and be fully informed of the discussions taking place either in person or by telephone communication.

If any person decides to appeal any decision made with respect to any matter considered at this Meeting, such person will need a record of the proceedings and such person may need to ensure that a verbatim record of the proceedings is made at his or her own expense and which record includes the testimony and evidence on which the appeal is based.

In accordance with the provisions of the Americans with Disabilities Act, any person requiring special accommodations or an interpreter to participate at this Meeting should contact the District Manager at (561) 630-4922 and/or toll free at 1-877-737-4922 prior to the date of the meeting.

Meetings may be cancelled from time to time without advertised notice.

CityPlace Community Development District

[www.cityplacecdd.org](http://www.cityplacecdd.org)

03/14/25

CITYPLACE COMMUNITY DEVELOPMENT DISTRICT  
REGULAR BOARD MEETING  
NOVEMBER 18, 2024

**A. CALL TO ORDER**

District Manager Michael McElligott called the November 18, 2024, Regular Board Meeting of the CityPlace Community Development District to order at 4:13 p.m. at the Chamber of Commerce of the Palm Beaches located at 401 North Flagler Drive, West Palm Beach, Florida 33401.

**B. PROOF OF PUBLICATION**

Proof of publication was presented that notice of the Regular Board Meeting had been published in *The Palm Beach Post* on October 22, 2024, and October 29, 2024, as legally required.

**C. SEAT NEW BOARD MEMBERS**

At this point, Mr. Grady was sat as a City Place CDD Board Member being re-elected to his previous held seat # 1. Mr. Tuma was sat as a City Place CDD Board Member being re-elected to his seat # 5. Mr. Pratt was sat as a City Place CDD Board Member being re-elected to his seat # 3, but Mr. Pratt was not present, so he will be administered an oath at the next meeting.

**D. ADMINISTER OATH OF OFFICE & REVIEW BOARD MEMBER RESPONSIBILITIES AND DUTIES**

At this point, Mr. Grady and Mr. Tuma were sworn in by Mr. McElligott. Mr. McElligott also briefly explained the responsibilities and duties as a City Place CDD Board Member.

**E. ESTABLISH A QUORUM**

It was determined that the attendance of Supervisors Stephen Travers, Wendy Link, Ken Tuma, and Dennis Grady constituted a quorum, and it was in order to proceed with the meeting.

Staff in attendance were: District Manager Michael McElligott of Special District Services, Inc.; and District Counsel Bill Capko of Lewis Longman & Walker, P.A.

**F. ELECTION OF OFFICERS**

A **motion** was made by Mr. Link, with a second from Mr. Tuma, to re-elect all officers as they currently serve. The **motion** passed **4-0**.

**G. ADDITIONS OR DELETIONS TO THE AGENDA**

There were no additions or deletions to the agenda.

**H. COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA**

CITYPLACE COMMUNITY DEVELOPMENT DISTRICT  
REGULAR BOARD MEETING  
NOVEMBER 18, 2024

There were no comments from the public for items not on the agenda.

**I. APPROVAL OF MINUTES**

**1. October 2, 2024, Regular Board Meeting & Public Hearing**

Mr. McElligott presented the minutes of the October 2, 2024, Regular Board Meeting and Public Hearing and without comment, Mr. Travers **moved**, and seconded by Mr. Tuma, that the minutes of the October 2, 2024, Regular Board Meeting be approved, as presented. That **motion** carried **4 to 0**.

**J. OLD BUSINESS**

There were no Old Business items to come before the Board.

**K. NEW BUSINESS**

**1. Consider Resolution No. 2024-05 – Adopting a Fiscal year 2023/2024 Amended Budget**

Mr. McElligott introduced Resolution No. 2024-05, entitled:

**RESOLUTION NO. 2024-05**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE CITYPLACE COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING AND ADOPTING AN AMENDED FINAL FISCAL YEAR 2023/2024 BUDGET (“AMENDED BUDGET”), PURSUANT TO CHAPTER 189, FLORIDA STATUTES; AND PROVIDING AN EFFECTIVE DATE.**

Mr. McElligott presented the 2023/2024 Amended Budget. After a brief discussion, Mrs. Link **moved** approval of Resolution No. 2023-07 as presented, Mr. Travers seconded, and the **motion** carried **4-0**.

**L. AUDITOR SELECTION COMMITTEE**

**1. Ranking of Proposals/Consider Selection of an Auditor**

After a discussion by the Board regarding the 1 proposal received, it was decided to go with Grau & Associates. A **motion** was then made by Mr. Tuma, with a second from Mr. Grady to approve the proposal from Grau & Associate. That **motion** carried **4-0**.

**M. ADMINISTRATIVE MATTERS**

CITYPLACE COMMUNITY DEVELOPMENT DISTRICT  
REGULAR BOARD MEETING  
NOVEMBER 18, 2024

Mr. McElligott reminded the Board of the required ethics training by the end of the year.

**N. BOARD MEMBER COMMENTS**

There were no comments from the Board Members.

**O. ADJOURNMENT**

There being no further business to come before the Board, the Regular Board Meeting was adjourned at 4:29 p.m. on a **motion** from Mr. Grady, seconded by Mr. Tuma, and the **motion** carried **4 to 0**.

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Secretary/Assistant Secretary

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Chair/Vice-Chair

**RESOLUTION NO. 2025-01**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE CITYPLACE COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2025/2026; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Board of Supervisors (“Board”) of the CityPlace Community Development District (“District”) is required by Chapter 190.008, *Florida Statutes*, to approve a Proposed Budget for each fiscal year; and,

**WHEREAS**, the Proposed Budget including the Assessments for Fiscal Year 2025/2026 has been prepared and considered by the Board.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE CITYPLACE COMMUNITY DEVELOPMENT DISTRICT THAT:**

**Section 1.** The Proposed Budget including the Assessments for Fiscal Year 2025/2026 attached hereto as Exhibit “A” is approved and adopted.

**Section 2.** A Public Hearing is hereby scheduled for July 28, 2025 at 4:00 p.m. in the Conference Room of Lewis Longman & Walker, P.A., 360 S. Rosemary Avenue, Suite 1100, West Palm Beach, Florida 33401, for the purpose of receiving public comments on the Proposed Fiscal Year 2025/2026 Budget.

**PASSED, ADOPTED and EFFECTIVE** this 24<sup>th</sup> day of March, 2025.

**ATTEST:**

**CITYPLACE  
COMMUNITY DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Secretary/Assistant Secretary

By: \_\_\_\_\_  
Chairman/Vice Chairman

CityPlace  
Community Development District

**Proposed Budget For  
Fiscal Year 2025/2026  
October 1, 2025 - September 30, 2026**



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- IV DETAILED PROPOSED DEBT SERVICE FUND BUDGET (2018)

**PROPOSED BUDGET**  
**CITYPLACE COMMUNITY DEVELOPMENT DISTRICT**  
**FISCAL YEAR 2025/2026**  
**OCTOBER 1, 2025 - SEPTEMBER 30, 2026**

	FISCAL YEAR 2025/2026 BUDGET
<b>REVENUES</b>	
Assessments - Administrative	0
Excess Revenue Funds	1,152,904
Assessments - Maintenance (Palladium)	3,043,770
Parking Revenue (Palladium)	6,045,160
Sponsor & Promotion Revenue (Palladium)	0
Rental Income (Palladium)	85,000
Tenant CAM Reimbursement (Palladium)	0
Interest Income	480
<b>TOTAL REVENUES</b>	<b>\$ 10,327,314</b>
<b>EXPENDITURES</b>	
<b>ADMINISTRATIVE/MAINTENANCE EXPENDITURES</b>	
Supervisor Fees	5,000
Payroll Taxes (Employer)	400
Engineering	5,000
Management Fee	46,044
Legal	70,000
Audit Fees	6,700
Arbitrage Rebate Fee	1,300
Insurance - Liability	62,000
Insurance - Garages	425,000
Legal Advertising	2,500
Bank Service Charges	500
Miscellaneous	2,250
Postage	250
Office Supplies	1,500
Dues & Subscriptions	175
Trustee Fees	9,500
Continuing Disclosure Fee	1,000
Website Management	2,000
Roadway & Sidewalk Maintenance	308,265
Excess Revenue Payment to Palladium	204,000
<b>TOTAL ADMINISTRATIVE/MAINTENANCE EXPENDITURES</b>	<b>\$ 1,153,384</b>
<b>Palladium CDD Property</b>	
<b>MAINTENANCE EXPENDITURES</b>	
Parking Expenses	2,125,000
Administrative	425,000
Payroll	1,483,500
Professional Fees	120,000
Sweeping and Cleaning	425,000
Utilities	400,000
Insurance	440,000
Landscaping And Irrigation	547,900
Contracted Services	80,000
Repairs & Maintenance	175,000
Security	1,250,000
Marketing	1,375,000
Management Fee	200,000
Plaza CDD Property	
Plaza Entertainment	100,000
Signage	27,530
<b>TOTAL MAINTENANCE EXPENDITURES</b>	<b>\$ 9,173,930</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 10,327,314</b>
<b>REVENUES LESS EXPENDITURES</b>	<b>\$ -</b>
County Appraiser & Tax Collector Fee	0
Discounts For Early Payments	0
<b>Excess/ (Shortfall)</b>	<b>\$ -</b>

**Assessments (Administrative) Calculation**

Total Assessment = \$0 (Grossed Up For 4% Early Payment Discounts & 2% County Fees)  
Total Square Footage: 985,458 - Assessment Per Square Feet: \$0.00

**DETAILED PROPOSED BUDGET**  
**CITYPLACE COMMUNITY DEVELOPMENT DISTRICT**  
**FISCAL YEAR 2025/2026**  
**OCTOBER 1, 2025 - SEPTEMBER 30, 2026**

	FISCAL YEAR 2023/2024 ACTUAL	FISCAL YEAR 2024/2025 BUDGET	FISCAL YEAR 2025/2026 BUDGET	COMMENTS
<b>REVENUES</b>				
Assessments - Administrative	404,291	0	0	CDD Expenditures Less Excess Revenue Funds & Interest
Excess Revenue Funds	1,433,509	1,152,904	1,152,904	Excess Revenue Funds Payment
Assessments - Maintenance (Palladium)	2,826,569	3,043,770	3,043,770	\$501,200 Increase From 2023/2024 Budget
Parking Revenue (Palladium)	5,456,461	6,045,160	6,045,160	\$1,000,000 Increase From 2023/2024 Budget
Sponsor & Promotion Revenue (Palladium)	0	0	0	Line Item Eliminated
Rental Income (Palladium)	80,772	85,000	85,000	\$40,000 Increase From 2023/2024 Budget
Tenant CAM Reimbursement (Palladium)	0	0	0	Line Item Eliminated
Interest Income	1,427	480	480	Projected At \$40 Per Month
<b>TOTAL REVENUES</b>	<b>\$ 10,203,029</b>	<b>\$ 10,327,314</b>	<b>\$ 10,327,314</b>	
<b>EXPENDITURES</b>				
<b>ADMINISTRATIVE/MAINTENANCE EXPENDITURES</b>				
Supervisor Fees	1,800	5,000	5,000	Projected At Five Meetings Per Year
Payroll Taxes (Employer)	138	400	400	Projected At 8% Of Supervisor Fees
Engineering	0	5,000	5,000	No Change From 2024/2025 Budget
Management Fee	43,452	44,748	46,044	CPI Adjustment
Legal	83,312	70,000	70,000	FY 24/25 Expenditure Through Jan 25 Was \$13,497
Audit Fees	6,900	7,100	6,700	Accepted Amount For 2024/2025 Audit
Arbitrage Rebate Fee	1,300	1,300	1,300	No Change From 2024/2025 Budget
Insurance - Liability	55,330	62,000	62,000	FY 24/25 Expenditure Was \$57,543
Insurance - Garages	389,899	425,000	425,000	Insurance Estimate
Legal Advertising	1,871	2,750	2,500	\$250 Decrease From 2024/2025 Budget
Bank Service Charges	356	500	500	No Change From 2024/2025 Budget
Miscellaneous	410	2,500	2,250	\$250 Decrease From 2024/2025 Budget
Postage	103	250	250	No Change From 2024/2025 Budget
Office Supplies	1,414	1,500	1,500	No Change From 2024/2025 Budget
Dues & Subscriptions	175	175	175	No Change From 2024/2025 Budget
Trustee Fees	7,344	9,500	9,500	No Change From 2024/2025 Budget
Continuing Disclosure Fee	1,000	1,000	1,000	No Change From 2024/2025 Budget
Website Management	2,000	2,000	2,000	No Change From 2024/2025 Budget
Roadway & Sidewalk Maintenance	284,118	308,661	308,265	FY 24/25 Expenditure Through 2/28/25 Was \$118,789
Excess Revenue Payment to Palladium	0	204,000	204,000	Estimated to be \$17,000 per month
<b>TOTAL ADMINISTRATIVE/MAINTENANCE EXPENDITURES</b>	<b>\$ 880,922</b>	<b>\$ 1,153,384</b>	<b>\$ 1,153,384</b>	
<b>Palladium CDD Property</b>				
<b>MAINTENANCE EXPENDITURES</b>				
	22/23 Actual			
Parking Expenses	2,005,802	2,125,000	2,125,000	No Change From 2024/2025 Budget
Administrative	367,456	425,000	425,000	No Change From 2024/2025 Budget
Payroll	1,375,123	1,483,500	1,483,500	No Change From 2024/2025 Budget
Professional Fees	89,867	120,000	120,000	No Change From 2024/2025 Budget
Sweeping and Cleaning	381,986	425,000	425,000	No Change From 2024/2025 Budget
Utilities	341,924	400,000	400,000	No Change From 2024/2025 Budget
Insurance	401,680	440,000	440,000	No Change From 2024/2025 Budget
Landscaping And Irrigation	486,294	547,900	547,900	No Change From 2024/2025 Budget
Contracted Services	53,530	80,000	80,000	No Change From 2024/2025 Budget
Repairs & Maintenance	143,500	175,000	175,000	No Change From 2024/2025 Budget
Security	1,170,896	1,250,000	1,250,000	No Change From 2024/2025 Budget
Marketing	1,326,530	1,375,000	1,375,000	No Change From 2024/2025 Budget
Management Fee	200,000	200,000	200,000	No Change From 2024/2025 Budget
Plaza CDD Property				
Plaza Entertainment	0	100,000	100,000	No Change From 2024/2025 Budget
Signage	19,214	27,530	27,530	No Change From 2024/2025 Budget
<b>TOTAL MAINTENANCE EXPENDITURES</b>	<b>\$ 8,363,802</b>	<b>\$ 9,173,930</b>	<b>\$ 9,173,930</b>	
<b>TOTAL EXPENDITURES</b>	<b>\$ 9,244,724</b>	<b>\$ 10,327,314</b>	<b>\$ 10,327,314</b>	
<b>REVENUES LESS EXPENDITURES</b>	<b>\$ 958,305</b>	<b>\$ -</b>	<b>\$ -</b>	
County Appraiser & Tax Collector Fee	0	0	0	Two Percent Of Total Assessment Roll
Discounts For Early Payments	0	0	0	Four Percent Of Total Assessment Roll
<b>Excess/ (Shortfall)</b>	<b>\$ 958,305</b>	<b>\$ -</b>	<b>\$ -</b>	

**Assessments (Administrative) Calculation**

**Total Assessment = \$0 (Grossed Up For 4% Early Payment Discounts & 2% County Fees)**  
**Total Square Footage: 985,458 - Assessment Per Square Feet: \$0.00**

**DETAILED PROPOSED DEBT SERVICE FUND (SERIES 2012) BUDGET**  
**CITYPLACE COMMUNITY DEVELOPMENT DISTRICT**  
**FISCAL YEAR 2025/2026**  
**OCTOBER 1, 2025 - SEPTEMBER 30, 2026**

	FISCAL YEAR 2023/2024 ACTUAL	FISCAL YEAR 2024/2025 BUDGET	FISCAL YEAR 2025/2026 BUDGET	COMMENTS
<b>REVENUES</b>				
Interest Income	304,632	500	2,000	Projected Interest For 2025/2026
Tax Incremental Revenues	5,360,279	5,360,279	0	TIF Now Used To Make Series 2018 Payments
Funding From 2012 Reserve Fund	0	0	4,207,875	Reserve Fund To Be Used To Make 2026 Payments
Developer Contributions	0	0	0	TIF Projected To Be More Than P&I Payments
<b>Total Revenues</b>	<b>\$ 5,664,911</b>	<b>\$ 5,360,779</b>	<b>\$ 4,209,875</b>	
<b>EXPENDITURES</b>				
Principal Payments	3,710,000	3,905,000	4,105,000	Principal Payment Due In 2026
Interest Payments	586,000	302,875	102,625	Interest Payments Due In 2026
Excess Revenue Funds Payment	1,433,509	1,152,904	2,250	Estimated Excess Debt Collections Due To General Fund
<b>Total Expenditures</b>	<b>\$ 5,729,509</b>	<b>\$ 5,360,779</b>	<b>\$ 4,209,875</b>	
<b>Excess/ (Shortfall)</b>	<b>\$ (64,598)</b>	<b>\$ -</b>	<b>\$ -</b>	

**Series 2012 Bond Refunding Information**

Original Par Amount =	\$39,890,000	Annual Principal Payments Due =	May 1st
Interest Rate =	5.00%	Annual Interest Payments Due =	May 1st & November 1st
Issue Date =	April 2012		
Maturity Date =	May 2026		
Par Amount As Of 1/1/25 =	\$8,010,000		

**DETAILED PROPOSED DEBT SERVICE FUND (SERIES 2018) BUDGET**  
**CITYPLACE COMMUNITY DEVELOPMENT DISTRICT**  
**FISCAL YEAR 2025/2026**  
**OCTOBER 1, 2025 - SEPTEMBER 30, 2026**

	FISCAL YEAR 2023/2024	FISCAL YEAR 2024/2025	FISCAL YEAR 2025/2026	
REVENUES	ACTUAL	BUDGET	BUDGET	COMMENTS
Interest Income	0	0	500	Projected Interest For 2025/2026
Tax Incremental Revenues	0	0	5,735,491	Projected 2026 TIF - 2025 TIF Was \$5,735,491
Developer Contributions	0	0	0	TIF Projected To Be More Than P&I Payments
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,735,991</b>	
<b>EXPENDITURES</b>				
Principal Payments	0	0	1,730,000	Principal Payment Due In 2026
Interest Payments	0	0	2,389,898	Interest Payments Due In 2026
Excess Revenue Funds Payment	0	0	1,616,093	Estimated Excess Debt Collections Due To General Fund
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,735,991</b>	
<b>Excess/ (Shortfall)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

**Series 2018 Bond Principal & Interest Payments Will Commence In 2026**  
**When Bond Converts In 2026, New Principal Amount Will Be \$56,420,000**

**Series 2018 Bond Information**

Original Par Amount =	\$41,954,466	Annual Principal Payments Due =	May 1st
Interest Rate =	3.65% - 4.5%	Annual Interest Payments Due =	May 1st & November 1st
Issue Date =	November 2018		
Maturity Date =	May 2046		
Par Amount As Of 1/1/25 =	\$41,954,466		

## FUNDING AGREEMENT

**THIS FUNDING AGREEMENT** (this “Agreement”) is made this \_\_ day of \_\_\_\_, 20\_\_ (the “Effective Date”), by and between **CITYPLACE COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special purpose government established pursuant to Chapter 190 of Florida Statutes (together with its successors and assigns, the “District”) and C Block Development, LLC (the “Developer”).

### RECITALS

A. The City of West Palm Beach, Florida, a municipal corporation (the “City”), West Palm Beach Community Redevelopment Agency (the “Agency”), a public body corporate and politic under the laws of the State of Florida established pursuant to Part III of Chapter 163, Florida Statutes, as amended, and the District previously entered into that certain Interlocal Agreement, dated October 9, 1998 (the “Original Interlocal Agreement”), as amended by that certain First Amendment to Interlocal Agreement, dated December 2, 1998 (the “First Amendment”), as amended by that certain Second Amendment to Interlocal Agreement, dated March 8, 1999 (the “Second Amendment”), as amended by that certain Third Amendment to Interlocal Agreement, dated as of March 1, 2012 (the “Third Amendment”), as amended by that certain Fourth Amendment to Interlocal Agreement, dated as of June 1, 2018 (the “Fourth Amendment”), as amended by that certain Fifth Amendment to Interlocal Agreement, dated as of September 1, 2018 (the “Fifth Amendment”), as amended by that certain Sixth Amendment to Interlocal Agreement, dated May 4, 2023 (the “Sixth Amendment,” together with the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, and the Fifth Amendment, collectively, the “Interlocal Agreement”).

B. On December 27, 2018, the City, the Agency, and the District entered into that certain Right-of-Way Improvement and Maintenance Agreement, dated September 16, 2019 (the “Original ROW Agreement”), as amended by that certain First Amendment to Right-of-Way Improvement and Maintenance Agreement, dated September 16, 2019 (the “First ROW Amendment”), as amended by that certain Second Amendment to Right-of-Way Improvement and Maintenance Agreement, dated May 4, 2023 (the “Second ROW Amendment, together with the Original ROW Agreement and the First ROW Amendment, collectively the “ROW Agreement”).

C. The District and Wells Fargo Bank, National Association as Trustee (the “Trustee”) entered into a Master Trust Indenture, dated April 1, 2012 (the “Master Indenture”), as supplemented by that certain First Supplemental Trust Indenture, dated April 1, 2012 (the “First Supplemental Indenture”) with respect to the Series 2012 Bonds referred to therein, as supplemented by that certain Second Supplemental Trust Indenture, dated October 1, 2018 (the “Second Supplemental Indenture”) with respect to the Series 2018 Bonds referred to therein.

D. The First Supplemental Indenture provides that the Agency pay Increment Revenues (as defined in the First Supplemental Indenture) to the Trustee as part of the Pledged Revenues which are the security and source of payment of the principal, redemption price and interest on the Series 2012 Bonds as provided in the First Supplemental Indenture.

E. Pursuant to the Interlocal Agreement, the Agency agreed to transfer the Increment Revenues and Coverage Revenues (as defined in the Second Supplemental Indenture) to the Trustee. In accordance with the Second Supplemental Indenture and the Interlocal Agreement, during the period that the Series 2012 Bonds are outstanding, the Agency will transfer the Increment Revenues and the Coverage Revenues to the Trustee for deposit into the Series 2012 Revenue Account or the Series 2012 Excess Revenue Account, as the case may be, created and established under the First Supplemental Trust Indenture. Pursuant to the ROW Agreement, “Excess Increment Revenues” is defined as excess Increment Revenues on deposit in the Series 2012 Revenue Account or the Series 2012 Excess Revenue Account, as the case may be, as determined by the Trustee in accordance with Section 4.01(b) of the First Supplemental Indenture. After the Series 2012 Bonds are paid or deemed paid pursuant to the Master Indenture and the First Supplemental Indenture, “Excess Increment Revenue” is defined as any available moneys transferred by the Trustee to the District pursuant to the sixth clause of Section 4.02 of the Second Supplemental Indenture for deposit in the District’s general fund after satisfying its annual maintenance and operating costs.

F. After fulfilling its obligations under the ROW Agreement, the District may expend the Excess Increment Revenues for any lawful District purpose, provided the use is also consistent with those uses permitted under Chapter 163, Part III, Florida Statutes and the Interlocal Agreement.

G. The District has approved that certain project as described on Exhibit “A” attached hereto (the “Project”) and has found that the Project benefits all of the lands within the District.

F. The District and the Developer desire to enter into this Agreement whereby the District agrees to distribute Excess Increment Revenues to the Developer to provide funding for the Project as described in this Agreement.

**NOW, THEREFORE**, for and in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, Developer and the District hereby agree as follows:

1. **Recitals and Exhibits.** The District and the Developer acknowledge and agree that the Recitals set forth above are true and correct, and, together with Exhibit “A,” Exhibit “B,” and Exhibit “C” attached hereto, are incorporated herein by this reference.

2. **District Compliance with Interlocal Agreement.** The District acknowledges and confirms that, pursuant Section 4.05(b) to the Sixth Amendment, the District covenanted and agreed to submit an annual report to the Agency (the “Annual Reporting Requirements”) which report shall include the information described in Exhibit “C” attached hereto. The District hereby agrees (a) to comply with the Annual Reporting Requirements and (b) to provide to the Developer copies thereof at the request of the Developer.

3. **Project.** The District and the Developer acknowledge and agree that Excess Increment Revenues available to the District shall be used by the District for the lawful purposes as described in Exhibit “A” attached to the Sixth Amendment (the “Lawful Purposes”). The District and the Developer acknowledge and confirm that the subject matter of the Project is a Lawful Purpose.

4. **Distribution of Excess Increment Revenue.** Upon the District’s receipt from the Trustee on March 15<sup>th</sup> of each year of the Excess Increment Revenues and following the District’s payment of its annual maintenance and operating costs for public improvements, the District covenants and agrees to distribute to the Developer up to [\$95,100,000.00] to fund the initial cost of the Project (the “**Total Construction Costs**”) and then up to [\$5,500,000.00] on an annual basis to attract new businesses to West Palm Beach (the “**Concessions**”) as further outlined in Exhibits “A” & “B”. The Developer acknowledges and confirms that the District’s obligation hereunder to pay the Developer the Payment is subject to the District’s payment of its annual maintenance and operating costs as well as the priority of payments set forth in Exhibit “B” attached hereto (“**Priority of Payments**”). The District shall transfer the Payment according to the Priority of Payments and as directed by the Developer. The Developer represents and warrants to the District that the Developer will use the Payment solely for the costs of the Project. To enable the District to comply with the Annual Reporting Requirements, the Developer agrees to provide evidence of its use of the Excess Increment Revenues for the Project to the District by July 1 of each year. Such evidence of payment shall include receipts of payment, invoices or other such documents as reasonably requested by the District.

5. **Term.** This Agreement shall commence on the Effective Date and shall continue in full force and effect until either the District (a) no longer receives Excess Increment Revenues or (b) ceases to exist, whichever event occurs earlier.

6. **Amendment.** This Agreement may only be amended by a written instrument executed by the parties hereto.

7. **Severability.** In the event any term or provision in this Agreement is determined by appropriate judicial authority to be illegal or otherwise invalid, such provision shall be given its nearest legal meaning or be construed as deleted as such authority determines, and the remainder of the Agreement shall be construed in full force and effect.

8. **Attorneys’ Fees.** The prevailing party in any litigation involving this Agreement shall be entitled to recover from the non-prevailing party all attorneys’ fees and costs incurred in connection with such litigation, whether at arbitration, on appeal or otherwise.

9. **Governing Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. Venue and jurisdiction for any dispute arising under this Agreement shall be exclusively in the courts located in Palm Beach County, Florida.

10. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument.



**IN WITNESS WHEREOF**, the District and the Developer, by and through the undersigned, have entered into this Agreement as of the Effective Date.

The Developer

The District

**C Block Development, LLC**

**CITYPLACE COMMUNITY DEVELOPMENT DISTRICT**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT "A"**

**THE PROJECT**

NAME	DESCRIPTION	COST
15 CityPlace	25 story, [481,000] rentable square feet Class A office building along with a newly constructed public parking garage comprising of one below-grade level and seven at / above grade levels.	Development costs associated with shared parking facilities (50% of total): [\$47,550,000.00]  Annual reimbursement of above market leasing concessions required to attract new businesses to West Palm Beach: [\$2,500,000.00]
10 CityPlace	21 story, [468,000] rentable square feet Class A office building along with a newly constructed public parking garage comprising of one below-grade level and seven at / above grade levels.	Development costs associated with shared parking facilities (50% of total): [\$47,550,000.00]  Annual reimbursement of above market leasing concessions required to attract new businesses to West Palm Beach: [\$3,000,000.00]

\*Costs are estimates as of 02/25/2025 and are subject to change based upon actual costs incurred with construction, design, and required above market leasing concessions required to attract new business to West Palm Beach.

**EXHIBIT "B"**

**PRIORITY OF PAYMENTS**

To the extent such funds are available on annual basis, the District shall make the following payments from Excess Increment Revenues for the following projects designated below, including the Payment, in the following amounts, at the following times and in the following order of priority:

PAYMENT	DATE	PROJECT	AMOUNT
FIRST to C Block Development, LLC for the reimbursement of the total development costs associated with shared parking facilities (as defined in Section 4 as the " <b>Total Construction Costs</b> "); and		10 & 15 CityPlace	[\$95,100,000.00]
SECOND to C Block Development LLC, on an annual basis, the reimbursement of leasing concessions required to attract new businesses to West Palm Beach (as defined in Section 4 as the " <b>Concessions</b> ")		10 & 15 CityPlace	[\$5,500,000.00]

**EXHIBIT "C"**

**ANNUAL REPORTING REQUIREMENTS**

After the District satisfies its obligations identified in the ROW Agreement and before the District's disbursements of Excess Increment Revenue, it shall submit a report to the Agency which report shall include:

- (a) The total amount of Excess Increment Revenue available to the District after it has satisfied its obligations under the ROW Agreement together with the source of funds used to satisfy such obligations; and
- (b) By August 1 of each year, the District shall submit a report to the Agency's executive director of Excess Increment Revenues transferred to the Developer to undertake and carry out redevelopment activities within the Project Area, including the date of the transfer, the amount, a description of the Project, and the estimated time for completion of the Project.

WPBDOCS 11698025 4

AN APPRAISAL OF  
**THE  
HIMMEL THEATRE TENANT'S  
OUTDOOR EASEMENT PARCELS  
LOCATED WITHIN CITYPLACE  
IN THE CITY OF WEST PALM BEACH,  
PALM BEACH COUNTY, FLORIDA**

OUR FILE NUMBER 24-85812-1

PREPARED FOR  
RELATED ROSS

AS OF  
AUGUST 5, 2024

BY  
STEPHEN D. SHAW, MAI, AI-GRS  
CALLAWAY & PRICE, INC.



**Callaway & Price, Inc.**  
Real Estate Appraisers and Consultants  
Licensed Real Estate Brokers  
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**SOUTH FLORIDA**

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**TREASURE COAST**

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**SPACE COAST**

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**CENTRAL FLORIDA**

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September 18, 2024

Mr. Hale W. Johnson  
Associate  
Related Ross  
360 South Rosemary Avenue  
West Palm Beach, FL 33401

Dear Mr. Johnson:

We have made an investigation and analysis of the Himmel Theatre tenant's outdoor easement areas located within the CityPlace lifestyle center in the City of West Palm Beach, Palm Beach County, Florida 33401. The Subject Property will be further described both narratively and legally within the following Appraisal Report.

The purpose of this investigation and analysis was to provide our opinion of the Market Value of the exclusive easements to utilize outdoor easement areas in the CityPlace lifestyle center, as of August 5, 2024. The Subject consists of seven separate outdoor easement areas that are to run from August 2024 through December 2046. The parcels range in size from 112 to 336 square feet for a total of 1,496 square feet with the Himmel Theatre being the beneficiary of the easements.

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

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

Mr. Hale W. Johnson  
Associate  
Related Ross  
September 18, 2024  
Page Two

Based upon the scope of the assignment, our investigation and analysis of the information contained within this report, as well as our general knowledge of real estate valuation procedures and market conditions, it is our opinion that the Market Value of the exclusive easements to utilize the Himmel Theatre tenant's outdoor easement areas in the CityPlace lifestyle center, as of August 5, 2024 was:

**\$310,000**

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

Respectfully submitted,

CALLAWAY & PRICE, INC.

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

Digitally signed by Stephen D. Shaw, MAI, AI-GRS  
DN: cn=Stephen D. Shaw, MAI, AI-GRS,  
o=Cert Gen RZ1192, ou,  
email=s.shaw@callawayandprice.com, c=US  
Date: 2024.09.18 12:07:06 -04'00'

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

**James H.**  
**Mader**

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email=j.mader@callawayandprice.com,  
c=US  
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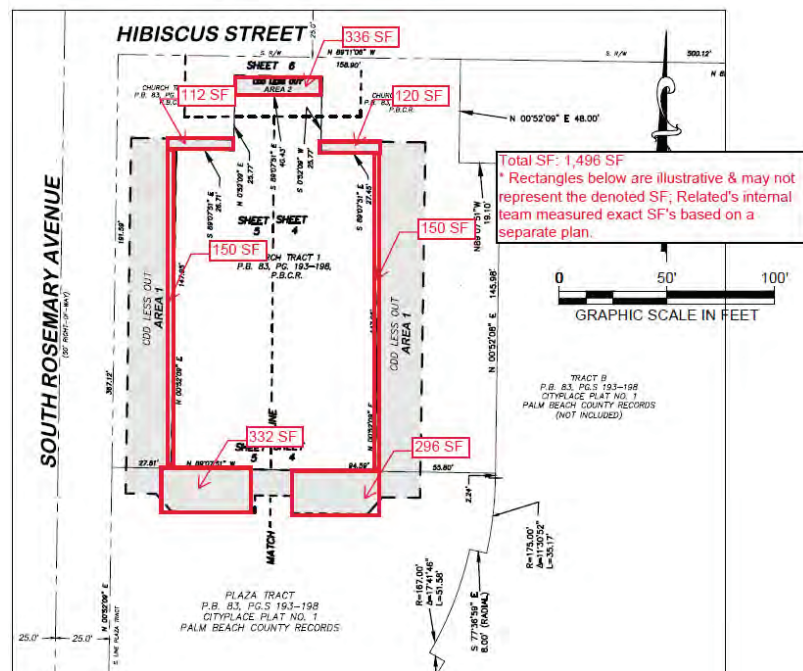
James H. Mader, Associate Appraiser  
Cert Gen RZ832

SDS/JHM/js/24-85812-1  
Attachments



## Executive Summary

PROPERTY TYPE	:	Exclusive easements to utilize outdoor easement areas
PROPERTY ADDRESS (Parent Parcels)	:	620-650 South Rosemary Avenue, West Palm Beach, Florida 33401
LOCATION	:	The Subject is located at the southeast corner of South Rosemary Avenue and Hibiscus Street, in the CityPlace lifestyle center, in the City of West Palm Beach, Palm Beach County, Florida
DATE OF VALUATION	:	August 5, 2024
DATE OF REPORT	:	September 18, 2024
PROPERTY DESCRIPTION	:	
LAND	:	The Subject's parent tract contains a total of 57,704 square feet, or 1.32 acres, more or less according to the Palm Beach County Property Appraiser's Office. The Subject consists of seven separate easement areas (see below) ranging in size from 112 to 336 square feet for a total of 1,496 square feet with the Himmel Theatre being the beneficiary of the easements.







IMPROVEMENTS	:	Minimal site improvements
ZONING -	:	CPD, Commercial Planned Development (CityPlace District), by the City of West Palm Beach, Florida
LAND USE PLAN	:	UCBD, Urban Central Business District, by the City of West Palm Beach, Florida
HIGHEST & BEST USE	:	Continued use of the existing improvements
MARKET VALUE OF THE EXCLUSIVE EASEMENTS TO UTILIZE OUTDOOR EASEMENT AREAS AS OF AUGUST 5, 2024	:	\$310,000



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ADDENDA

Engagement Letter

Qualifications:

Stephen D. Shaw, MAI, AI-GRS

James H. Mader, Associate Appraiser



**CERTIFICATION**

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

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



12. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
13. The reported analyses, opinions and conclusions were developed, and this report was prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
14. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
15. As of the date of this report, Stephen D. Shaw, MAI, AI-GRS has completed the continuing education program for Designated Members of the Appraisal Institute.

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

Digitally signed by Stephen D. Shaw, MAI, AI-GRS  
DN: cn=Stephen D. Shaw, MAI, AI-GRS, o=Cert Gen RZ1192, ou, email=s.shaw@callawayandprice.com, c=US  
Date: 2024.09.18 12:07:22 -04'00'

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

**James H.  
Mader**

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Date: 2024.09.18 12:07:42 -04'00'

James H. Mader, Associate Appraiser  
Cert Gen RZ832



**GENERAL ASSUMPTIONS**

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



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***General Assumptions and Limiting Conditions***

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



**LIMITING CONDITIONS**

1. No hypothetical conditions are part of this appraisal assignment.
2. No extraordinary assumptions are part of this appraisal assignment.
3. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation stachybotrys chartarum (mold), asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, was not called to the attention of, nor did the appraisers become aware of such during their inspection. The appraisers have no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraisers, however, are not qualified to test for such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such proximity thereto that would cause a loss in value. We are unaware of very wet conditions that may have existed for days or weeks which are required to grow mold. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.
4. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraisers have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since the appraisers have no direct evidence relating to this issue, possible noncompliance with the requirements of ADA in estimating the value of the property has not been considered.





TYPICAL VIEW OF HILLMAN THEATER TENANT PARCELS



TYPICAL VIEW OF HILLMAN THEATER TENANT PARCELS



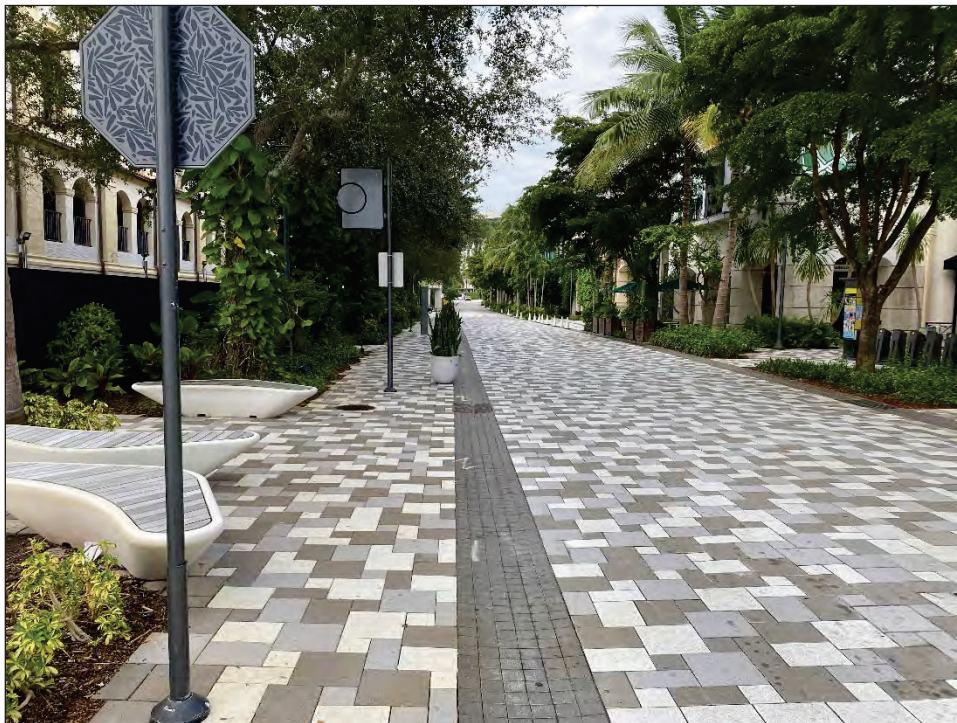
TYPICAL VIEW OF HILLMAN THEATER PARCELS



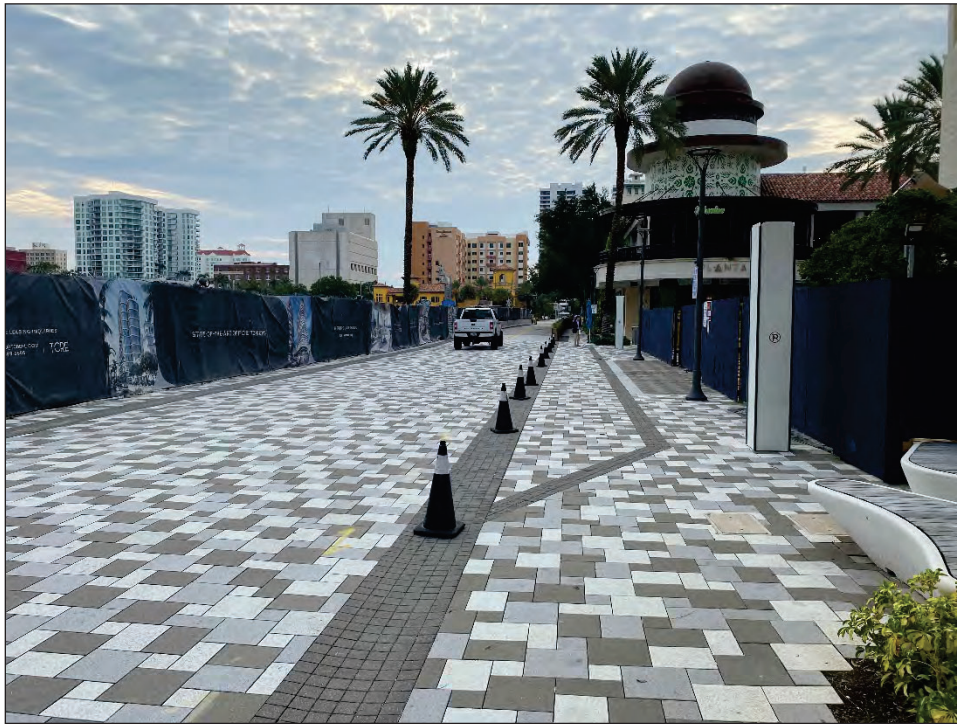
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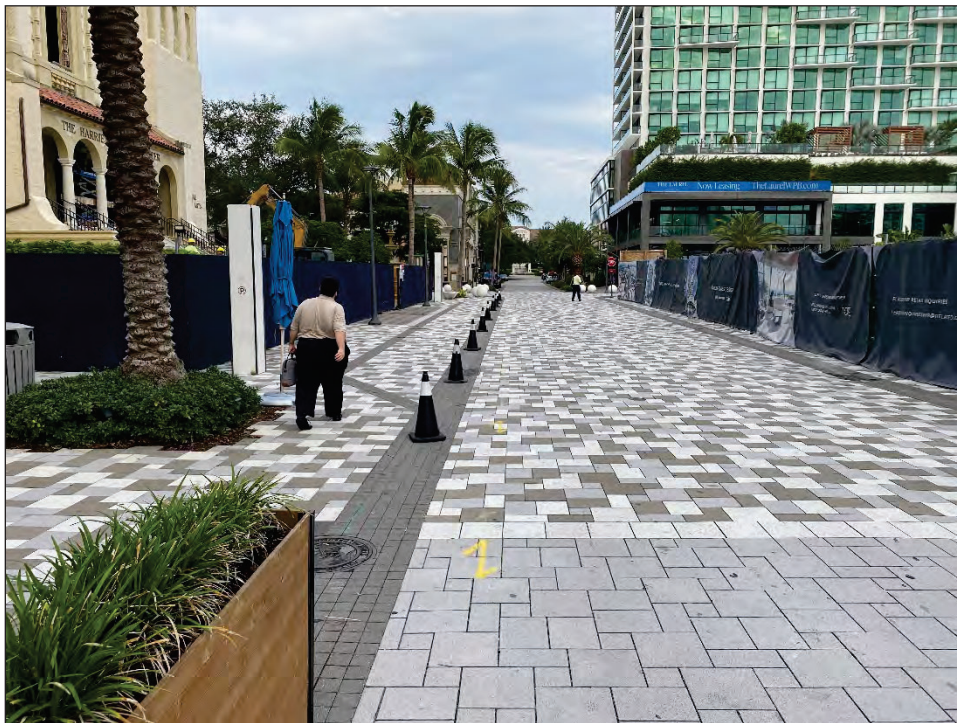
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WITH PARENT PARCEL AT RIGHT



LOOKING SOUTH ALONG SOUTH ROSEMARY AVENUE  
WITH PARENT PARCEL AT LEFT



LOOKING EAST ALONG HIBISCUS STREET WITH PARENT PARCEL AT RIGHT



LOOKING WEST ALONG HIBISCUS STREET WITH PARENT PARCEL AT LEFT



AERIAL VIEW



**DEFINITION OF THE APPRAISAL PROBLEM**

Purpose, Date of Value, and Interest Appraised

The purpose of this investigation and analysis was to provide our opinion of the Market Value of the exclusive easements to utilize outdoor easement areas in the CityPlace lifestyle center, as of August 5, 2024. The Subject consists of seven separate outdoor easement areas that are to run from August 2024 through December 2046. The parcels range in size from 112 to 336 square feet for a total of 1,496 square feet with the Himmel Theatre being the beneficiary of the easements.

Intended Use and User of Appraisal

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

Market Value

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

- a. Buyer and seller are typically motivated;
- b. Both parties are well informed or well advised, and acting in what they consider their own best interests;
- c. A reasonable time is allowed for exposure in the open market;
- d. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

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



Legal Description

Exact legal descriptions for the various easement areas was not available. As best as we could ascertain, the Subject Property is a portion of Church Tracts 1 and 2, and Plaza Tract of CityPlace Plat No. 1, as recorded in Plat Book 83, Page 193, of the Public Records of Palm Beach County, Florida. Further, as best as we can tell, the individual easement parcels are portions of the following folio numbers as obtained from the Palm Beach County Property Appraiser's Office:

Parent Tract Folio Number  
(Address)

74-43-43-21-13-016-0010  
(650 S Rosemary Ave)

74-43-43-21-13-003-0030  
(600 S Rosemary Ave)

74-43-43-21-13-003-0040  
(620 S Rosemary Ave)

Source: Subject owner's acquiring deed of the Parent parcels (and other properties) recorded in Official Record Book 30325, Page 1639, Public Records of Palm Beach County, Florida, and the Palm Beach County Property Appraiser's Office

Leasehold Interest

The Dictionary of Real Estate Appraisal, Seventh Edition 2022, by the Appraisal Institute, defines Leasehold Interest on page 105 as follows:

"The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease."

Leased Fee Interest

The Dictionary of Real Estate Appraisal, Seventh Edition 2022, by the Appraisal Institute, defines Leased Fee Interest on page 105 as follows:

"The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires."



### Easement

The Dictionary of Real Estate Appraisal, Seventh Edition 2022, by the Appraisal Institute, defines Easement on page 58 as follows:

“The right to use another’s land for a stated purpose.”

An easement is a "nonpossessory" property interest that allows the holder of the easement to use property that he or she does not own or possess. An easement doesn't allow the easement holder to occupy the land or to exclude others from the land, unless they interfere with the easement holder's use.

### Exposure Time

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

1. “The time a property remains on the market.”
2. “An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.”

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

Exposure time data on this property type is nonexistent. However, with consideration of the overall economic and real estate market conditions, it is our opinion that the Subject would have had an exposure time of up to 12 months.

### Marketing Time

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

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

“Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, “Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions” address the determination of reasonable exposure and marketing time.”





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### ***Definition of the Appraisal Problem***

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As in most markets, properties that are priced competitively and marketed professionally will sell before others which are not. Based on this, it is our opinion that the Subject Property should have a marketing period of up to 12 months provided the property is listed for sale at market value and is marketed by a competent brokerage firm.



## **SCOPE OF WORK**

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

The first step in the appraisal process involved defining the appraisal problem which included the purpose and date of value, determining the interest being appraised, intended use and user of the appraisal, and identifying the real estate (legal description). This step also determined if the appraisal were subject to any extraordinary assumptions or hypothetical conditions.

The next step involved the inspection of the Subject Property in August 2024 by Stephen D. Shaw, MAI, AI-GRS and James H. Mader. The inspection allowed us to understand the physical components of the Subject Property. In addition to the inspection of the Subject Property, we also began the data-collection process and, subsequently, an analysis of the factors that affect the market value of the Subject Property, including a market area analysis, neighborhood analysis, and property data analysis. We gathered and reviewed information from the Palm Beach County Property Appraiser's Office, the City of West Palm Beach Planning and Zoning Department and the client to understand and describe the Subject Property.

The third step in the process was to determine the Highest and Best Use of the Subject Property as improved. Through the Highest and Best Use analysis, we determined the issues that have an effect on the final opinion of value. To determine the Highest and Best Use, we relied on information obtained from the data-collection process.

The fourth step was the application of the appropriate approaches to value. No approaches were specifically omitted from this appraisal by the client. In order to estimate the Market Value of the Subject, all three conventional approaches to value, the Cost, Sales Comparison and Income Approaches, were considered.

For this report, we are providing the Market Value of the Himmel Theatre tenant's exclusive easements to utilize outdoor easement areas in the CityPlace lifestyle center, as of August 5, 2024. The Subject consists of seven separate outdoor easement areas that are to run from August 2024 through December 2046. The parcels range in size from 112 to 336 square feet for a total of 1,496 square feet with the Himmel Theatre being the beneficiary of the easements. As such, the Cost and Sales Comparison Approaches were not utilized. In the case of the Cost Approach, the Subject consists of various parcels with minimal site improvements and in the



case of the Sales Comparison Approach (as a standalone approach), we could not find sales of parcels subject to easements similar to the Subject.

Likewise, the traditional use of the Income Capitalization Approach was not pertinent to the valuation of easements like the Subject. However, we have utilized portions of the Income Capitalization Approach in our approach to valuing the easement parcels (see following paragraphs).

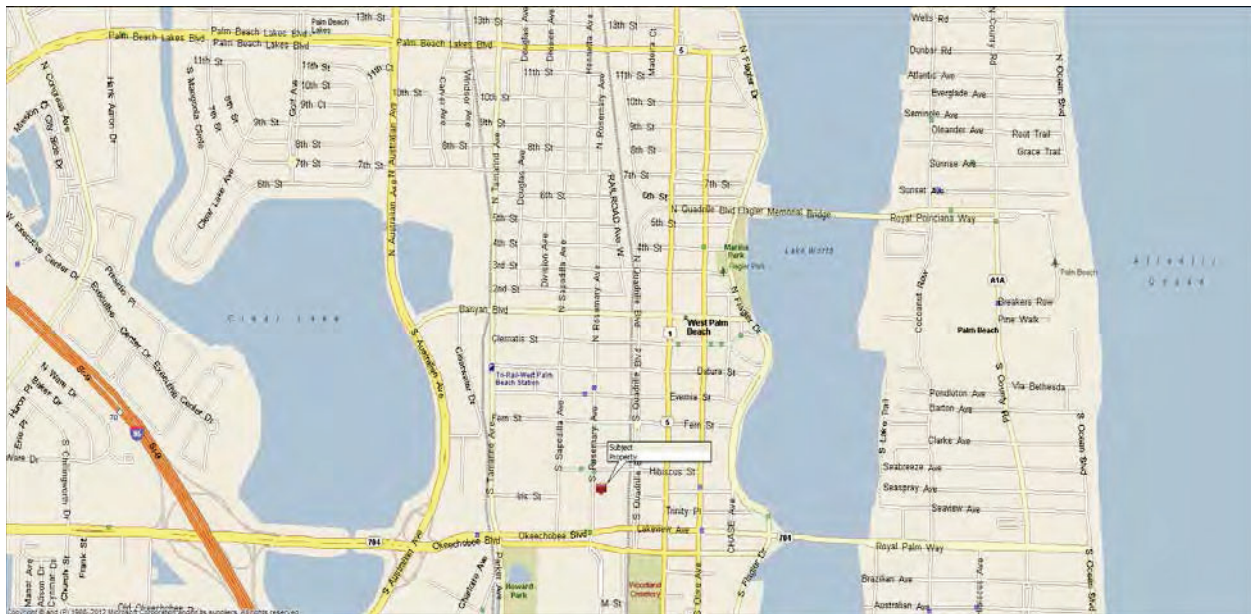
In our opinion, the best way to appraise the value of the Subject easements is to incorporate elements of the Sales Comparison Approach and the Income Capitalization Approach. First, since the easements are a portion of a larger tract of land that is commercially zoned, we will utilize a "sales comparison" to estimate the value of the parent tracts underlying land. Then we will allocate a land value to the Subject's individual easement areas. Next, we will estimate a market-oriented rate of return a property owner would seek to give up some control of the property to other users. In our opinion, the best way of estimating a market-oriented rate of return was to obtain information on sales of land leases and analyze the implied rates of return, or capitalization rates (cap rates) from these sales. In addition, we have considered industry surveys for investor criteria for this property type (net lease investment) for additional support.

After estimating an applicable cap rate, this rate will be applied to the individual easement areas estimated land value which should indicate the annual payment, or "rent" for the use of the land. The annual payments are then discounted over the easement period (in this case up through December 2046) back to a present value to indicate the value to the landowner for granting these easements.



## **NEIGHBORHOOD DATA**

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



The Subject Property is located in downtown West Palm Beach. The general boundaries of the Subject neighborhood are considered to be Palm Beach Lakes Boulevard to the north, the Intracoastal Waterway to the east, Okeechobee Boulevard to the south, and Australian Avenue to the west.

Major traffic east/west thoroughfares through the Subject neighborhood include Palm Beach Lakes Boulevard and Okeechobee Boulevard, with Banyan Street (1st Street) a major east/west connector road. The major north/south thoroughfares are Flagler Drive, Olive Avenue (northbound U.S. Highway 1), S. Dixie Highway (southbound U.S. Highway 1), Quadrille Boulevard, and S. Tamarind Avenue. Palm Beach Lakes Boulevard and Okeechobee Boulevard provide access to Interstate 95, with Okeechobee Boulevard providing access to Florida's Turnpike (west of the neighborhood) and to the Town of Palm Beach to the east. Okeechobee Boulevard is considered the unofficial "gateway" to downtown West Palm Beach. The Subject is situated just north of this "gateway" road.



The downtown area contains a high percentage of commercial and governmental properties, including the county courthouse. The Central Business District (CBD) of downtown West Palm Beach contains a wide variety of property types but is dominated by older commercial and residential structures in the core of the downtown area.

Several major county and city facilities are located east of Dixie Highway including the Palm Beach County Governmental Center, the West Palm Beach City Hall, and the West Palm Beach Public Library. The Palm Beach County Judicial Center is located on the west side of Dixie Highway north of Banyan Street (1st Street). This center contains 870,000 square feet and is the largest court facility in Florida. Federal and State Government office buildings are located to the west of the Judicial Center just west of Georgia Avenue. These buildings include the Federal Courthouse and several state agency buildings.

Also, in the northern part of the neighborhood at the intersection of Palm Beach Lakes Boulevard and Flagler Drive, is Good Samaritan Medical Center, a primary healthcare provider and one of the largest hospitals in Palm Beach County.

The Palm Beach County Convention Center is located along the south side of Okeechobee Boulevard. The Hilton West Palm Beach hotel at the Palm Beach County Convention Center opened in early 2016. Other major downtown developments include CityPlace (formerly called The Square and Rosemary Square), a shopping district anchored by 600,000 square feet of retail and includes residential units along with cultural attractions. This 72-acre project is located on the north side of Okeechobee Boulevard between Sapodilla Avenue and Quadrille Boulevard. The Subject is a portion of this development.

Clematis Street is the historical heart of Downtown West Palm Beach. Starting at Flagler Drive on the Intracoastal Waterway, one can walk west along Clematis Street and find boutiques, nightclubs, live music, restaurants, antique shops and historical landmarks. This neighborhood has been one of the most volatile in Palm Beach County over the recent past.

The high-speed passenger rail, Brightline, with a station between Datura and Evernia Streets on the west side of the FEC Railroad track (west of Quadrille Boulevard), began service from West Palm Beach to Ft. Lauderdale in January 2018. Service from West Palm Beach to Miami opened in May 2018. The rail line recently began service to Orlando in September 2023.

Significant new development is ongoing in the West Palm Beach CBD. Current projects include (but are not limited to) the office and apartment development One West Palm located at 550 Quadrille Boulevard; The Bristol, a recently completed 25-story, 69-unit luxury condominium located at 1100 S. Flagler Drive.



The Cosmopolitan, at corner of Quadrille Blvd. and Gardenia St. is a proposed 18-story, 201-room hotel with Class A office space, and the Old City Hall project, which includes a Marriott Hotel, apartment units and retail space.

Two more projects located on Fern Street are the Alexander Lofts and the 333 Downtown projects. In addition, Related Companies' 360 Rosemary project at the southeast corner of Evernia Street and S. Rosemary Avenue was recently completed in November 2021. The building includes 300,000 square feet of Class A office space in a 20-story structure. Related Companies is also currently developing 575 Rosemary, a 21-story multifamily project located at the northwest corner of S. Rosemary Avenue and Hibiscus Street which will contain 360 units. The project is planned for completion in 2024.

A groundbreaking of Stephen Ross' One Flagler at the foot of the Royal Park Bridge overlooking the Intracoastal Waterway also occurred in November 2021. Upon completion planned for 2024, this 25-story project will include 275,000 square feet of office and restaurant space and a public park.

In addition, the "One West Palm" project is to be located at 550 North Quadrille Boulevard. This mixed-use office tower is under construction and is to be the tallest office building in Palm Beach County, rising 30-stories. The project is to include 200,000+ square feet of office space, together with a luxury hotel complete with a conference facility, indoor pool and tennis courts, an events center and fitness center. The project is estimated to be completed in the 3<sup>rd</sup> or 4<sup>th</sup> quarter of 2023.

Also, the Tower 350 project is under construction on Clearwater Drive across from Evernia Street. This 1.39-acre parcel is being developed with a 22-story mixed-use building to consist of 450 residential units and 7,161 square feet of retail space on the first floor.

In addition, the 372-unit Residences of Palm Beach West is proposed for a 2.6-acre assemblage between Fern and Gardenia Streets, and Quadrille Boulevard and S. Dixie Highway. Upon completion, the 25-story apartment building would include a 28,184-square foot grocery store and a parking and retail podium, in addition to studio and one- to four-bedroom units.

Further, along the north side of Fern Street east of Tamarind Avenue Property, the University of Florida has recently put on hold a planned graduate campus that was planned using public funds and land donated by Palm Beach billionaire Jeff Greene. In August 2022, the Florida legislature approved \$100 million in funding for the campus, contingent on donations of 12 acres of land and an additional \$100 million in other funding. The project was put on hold indefinitely due to a disagreement with Mr. Greene who had pledged to donate five acres of land for the development.



Lastly, the “Nora” district is currently under construction along North Railroad Avenue, between Palm Beach Lakes Boulevard and Seventh Street. This is a new and upcoming area that is planned as a dining, retail and entertainment district. It is the largest planned redevelopment in the City of West Palm Beach since CityPlace was developed. Reportedly, there has been strong interest from both local and national brands for space within the project. It is planned for an early 2025 opening.

### Conclusion

The City of West Palm Beach has been undergoing many changes over the past several years. The increased interest in the downtown area has led to new construction and optimism. Recent announcements of new and proposed construction in the CBD have provided a sense of renewed optimism. The market appears to have stabilized in recent years, but in the longer term, it is our opinion that with the government support and long-term development plans for the area, prices and values will continue to increase as the economy and market conditions strengthen.

Considering the location of the Subject neighborhood in relation to the City of West Palm Beach and the Town of Palm Beach, we expect this area to continue to be active and healthy in terms of economic conditions and real estate uses for the foreseeable future.

Further, it is our opinion that the City of West Palm Beach’s recent moniker as the “Wall Street of the South” has had a substantial impact on the City’s present and foreseeable future. West Palm Beach's transformation into the Wall Street of the South is a result of the city's strategic planning, favorable business environment, infrastructure development, and commitment to creating a high-quality workforce.

By positioning itself as an attractive alternative to traditional financial hubs like New York City, West Palm Beach has successfully attracted new financial institutions and professionals, ultimately fostering economic growth in the region. As it continues to evolve, it is our opinion that the West Palm Beach market area is becoming an influential financial center in the southern United States which bodes well for commercial real estate in the neighborhood.



## PROPERTY DATA

### Location

The Subject is located at the southeast corner of South Rosemary Avenue and Hibiscus Street, within the heart of CityPlace, in the City of West Palm Beach, Palm Beach County, Florida. The street addresses for its parent tract parcels are 600, 620 and 650 North Rosemary Avenue, West Palm Beach, Florida 33401.



### Zoning

The Subject Property is zoned CPD, Commercial Planned Development (CityPlace District), by the City of West Palm Beach, Florida. This zoning category allows a wide variety commercial uses, including the Subject's current use. Reportedly, this classification allows a maximum floor area ratio (FAR) of 2.75, which based on the Subject's parent tract land size (see following page) would permit a maximum of 158,686 square feet of building area ( $57,704 \text{ sqft land} \times 2.75 \text{ FAR} = 158,686 \text{ allowable sqft}$ ). This figure was utilized as one of the units of comparison in estimating the Subject parent tract land value found later in the appraisal.



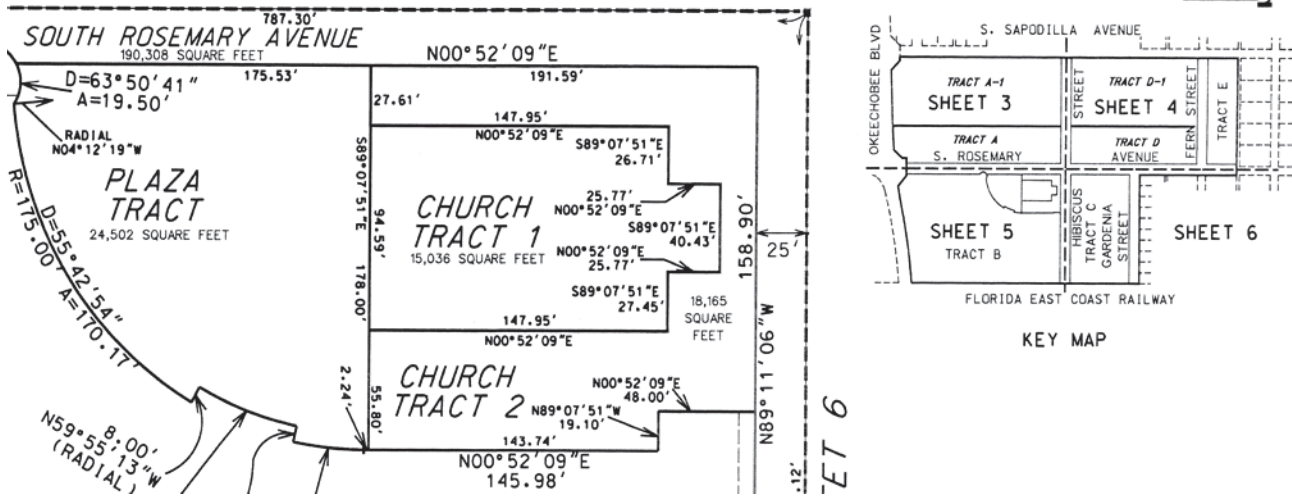


Land Use Plan

The Subject Property is designated UCBD, Urban Central Business District, by the City of West Palm Beach Land Use Plan, which is consistent with the current zoning.

Site Size, Shape and Access – Parent Tracts

The Subject’s parent tract is irregular in shape and contains a total of 57,704 square feet, or 1.32 acres, more or less according to the Palm Beach County Property Appraiser’s Office. It has access from both North Rosemary Avenue and Hibiscus Street.



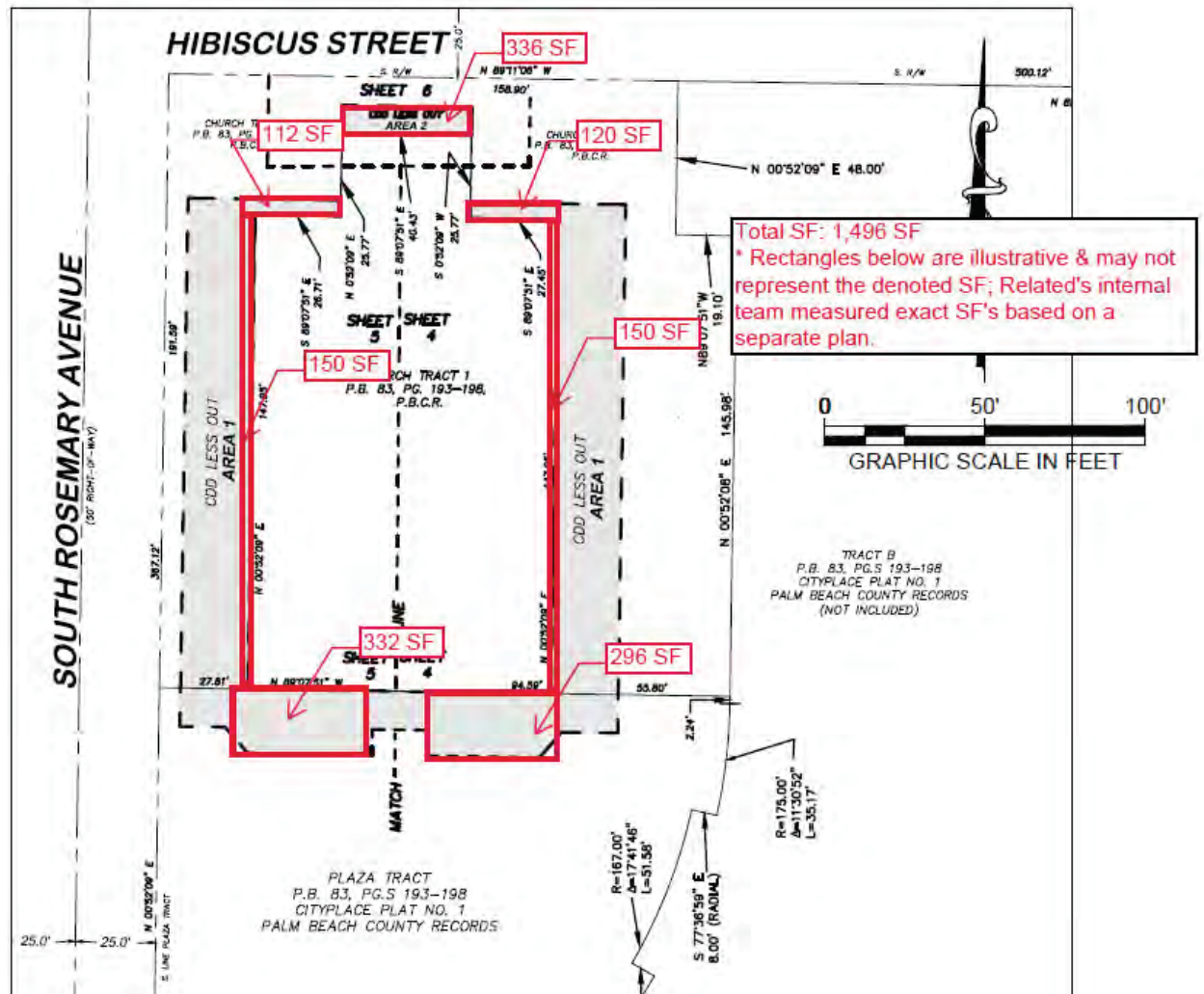
Below is a summary of the Subject Parent tracts and their sizes:

Folio Number (Address)	Land Size in sqft
74-43-43-21-13-016-0010 (650 S Rosemary Ave)	24,010
74-43-43-21-13-016-0020 (650 S Rosemary Ave)	492
74-43-43-21-13-003-0030 (600 S Rosemary Ave)	15,037
74-43-43-21-13-003-0040 (620 S Rosemary Ave)	<u>18,165</u>
<b>Total</b>	<b>57,704</b>



Site Size, Shape and Access – Himmel Theatre Tenant

This parcel consists of seven separate rectangular shaped sites ranging in size from 112 to 336 square feet for a total of 1,496 square feet according to the client. These parcels surround the Harriet Himmel Theater. Access to the Subject is available from North Rosemary Avenue and Hibiscus Street.



Utilities

All public utilities are available to the Subject Property with water and sewer service provided by the City of West Palm Beach, electricity by FPL, and telephone service by AT&T and other providers.



Topography

Our visual inspection revealed that the Subject is basically level and at grade of the surrounding roadways. At the time of inspection, drainage did not appear to be a problem.

Flood Hazard Zone

**Flood Report**

Address (from parcels)	600 S ROSEMARY AVE
FEMA Data Source	DFIRM - Digital Flood Information Rate Map
Inside Special Flood Hazard Area?	OUTSIDE SPECIAL FLOOD HAZARD AREA
Risk Level	MODERATE TO LOW RISK AREAS
Flood Zone(s)	X
Description(s)	X = OUTSIDE FLOODPLAIN
Base Flood Elevation	N/A
NFIP Community Name	City Of West Palm Beach
County	PALM_BEACH
State	Florida
NFIP Community Number	120229
NFIP Map Number or Community Panel Number	12099C0583F
Inside CBRA?	FALSE
CBRA Type	N/A
Map Panel Effective Date	2017-10-05 04:00:00+00
LOMA/LOMR (yes/no)	UNKNOWN - check map
LOMA/LOMR Date	UNKNOWN - check map



Assessed Value and Taxes

Parent Parcels Assessed Value and Taxes CityPlace Easement Parcels, West Palm Beach, Fla Callaway & Price, Inc. 24-85812-1					
Parent Tract Folio Number (Address)	Allocations	2023 Assessed Value	Ad Valorem 2023 Taxes	Non Ad Valorem 2023 Taxes	2023 Total Taxes
74-43-43-21-13-016-0010 (650 S Rosemary Ave)	Land	N/A			
	Improvements	N/A			
	Subtotal	\$100	\$2	\$0	\$2
74-43-43-21-13-016-0020 (650 S Rosemary Ave)	Land	\$60,319			
	Improvements	\$0			
	Subtotal	\$60,319	\$899	\$0	\$899
74-43-43-21-13-003-0030 (600 S Rosemary Ave)	Land	N/A			
	Improvements	N/A			
	Subtotal	\$3,500,000	\$72,108	\$13,163	\$85,271
74-43-43-21-13-003-0040 (620 S Rosemary Ave)	Land	N/A			
	Improvements	N/A			
	Subtotal	\$100	\$2	\$0	\$2
	Totals	\$3,560,519	\$73,011	\$13,163	\$86,174



Property History

According to the Palm Beach County Property Appraiser's office, the current owner of record for the Subject Property is CityPlace Retail, LLC. It has been under this ownership for over 3 years. To the best of our knowledge, the Subject is not listed for sale or under contract as of the appraisal date.

Improvements

The Subject easement parcels appear to be minimally improved with a variety of paver stones, tiles and landscaping.



## **HIGHEST AND BEST USE**

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

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

To estimate the Highest and Best Use of the Subject, we have considered those uses which are legally permissible, physically possible, economically feasible, and maximally productive. Consideration was given to individual features of the land such as size, shape, location, access to roadways, and the availability of utilities. Consideration was also given to the surrounding land uses and the demand for property in the current real estate market.

In cases where properties are improved, the Highest and Best Use of the site "as though vacant" and the Highest and Best Use of the property "as improved" may be different. This is due to the principle of "contribution" which holds that if an improvement adds value to the site over and above land value, the Highest and Best Use of the property is as improved until such time as the improvements add no contributory value to the property.

### Conclusion

It is our opinion that the current improvements (of both the Parent parcels and the Subject) represent the Highest and Best Use of the Subject Property for the following reasons:

1. The existing improvements are a legal use as per the zoning and land use plan designations by the City of West Palm Beach, Florida. They are allowed and permitted to be utilized for their existing use.
2. The physical attributes of the Subject site are obviously sufficient to accommodate the existing uses as they already exist.
3. When determining the financially feasible use of a property "as improved", we must analyze whether the improvements add value to the site over and above the land value itself. The existing improvements are in good condition and have operated as is for many years. The Subject Property appears feasible based on current market conditions and its history. We can conceive of no other alternative use that would justify the razing or radical changing of the existing improvements as of the appraisal date.



4. Therefore, by definition, when the above reasons exist, the Subject improvements represent the Highest and Best and Maximally Productive Use of the Subject Property as improved. The most typical purchaser for the Subject would be an investor.



## **LAND VALUE ANALYSIS**

For this report, we are providing the Market Value of four exclusive easements to utilize outdoor seating/dining easement areas in the CityPlace lifestyle center. As noted, it is our opinion that the best way to appraise the value of the Subject easements is to incorporate elements of the Sales Comparison Approach and the Income Capitalization Approach. First, since the easements are a portion of a larger tract of land that is commercially zoned, we will utilize a "sales comparison" to estimate the value of the parent tracts underlying land. Then we will allocate a land value to the Subject's individual easement areas.

Next, we will estimate a market-oriented rate of return a property owner would seek to give up some control of the property to other users. After estimating an applicable cap rate, this rate will be applied to the individual easement areas estimated land value which should indicate the annual payment, or "rent" for the use of the land. These annual payments are then discounted over the easement period (in this case up through December 2046) back to a present value to indicate the value to the landowner for granting these easements.

In this portion of the appraisal, we will estimate the value of the underlying land of the Subject's parent tracts and the Subject easements themselves. According to the 15th Edition of The Appraisal of Real Estate on page 35, developing an opinion of land value can be considered a separate step in the valuation model or an essential technique for applying certain approaches to value, depending on the defined appraisal problem and on the highest and best use analysis. The relationship between highest and best use and land value may indicate whether an existing use is the highest and best use of the land.

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

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

Usually, the most reliable way to estimate land value is by sales comparison. When few sales are available, however, or when the value indications produced through sales comparison need additional support, procedures like extraction or allocation may be applied. In the case of the Subject Property the only approach used was the sales comparison approach.



### Sales Comparison Approach

The Sales Comparison Approach has as its premise a comparison of the Subject Property with others of similar location, size, utility and use that have sold in the market in the recent past. In order to estimate the Subject's parent tract value, a search was made for recent sales of land in the Subject's market area with similar development potential. Our search was concentrated on properties located within the downtown area of the City of West Palm Beach that are zoned for and/or approved for mixed use development.

The comparables were analyzed and compared to the Subject on a price per square foot of land area, as well as on a price per allowable square foot of building area, based on the Floor Area Ratio (FAR) of each comparable. Typically, land parcels are valued on a price per square foot of land area, however in this market participants often analyze land parcels based on the FAR of each sale. The FAR building area is calculated by multiplying the maximum FAR allowed under the zoning district of the comparable by the square feet of land area.

The individual sales used for this analysis are summarized in chart form, followed by a photo of each sale, a sales location map and a discussion. We have carefully reviewed all of the comparables, and considered each with regard to property rights conveyed, financing, conditions of sale, changing market conditions, location, size, FAR and miscellaneous factors.

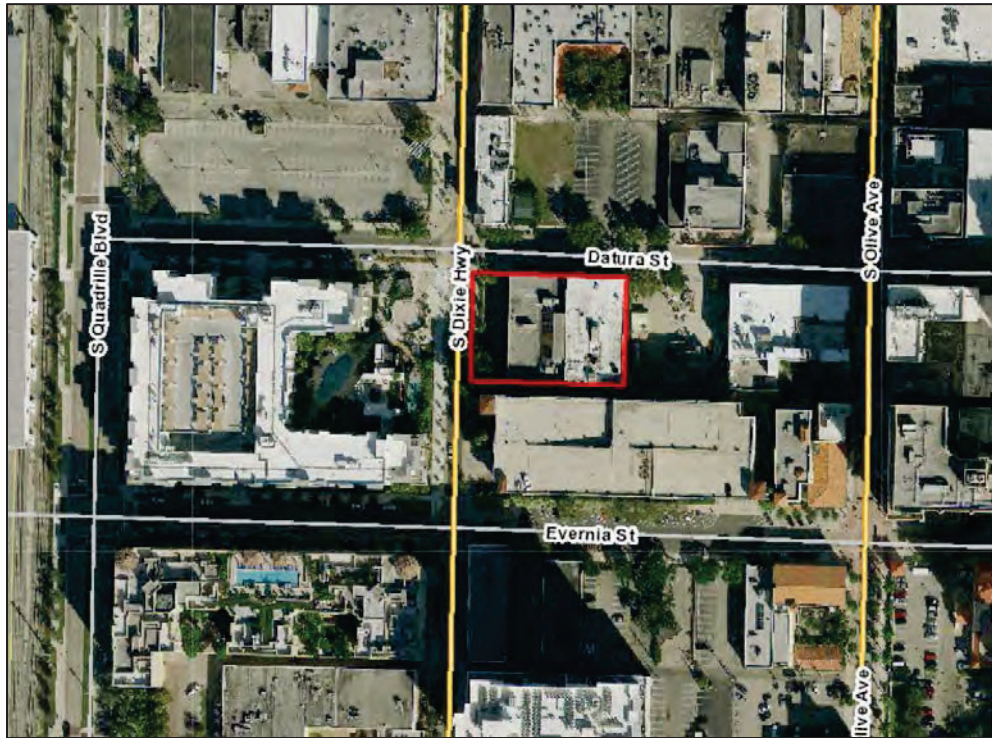




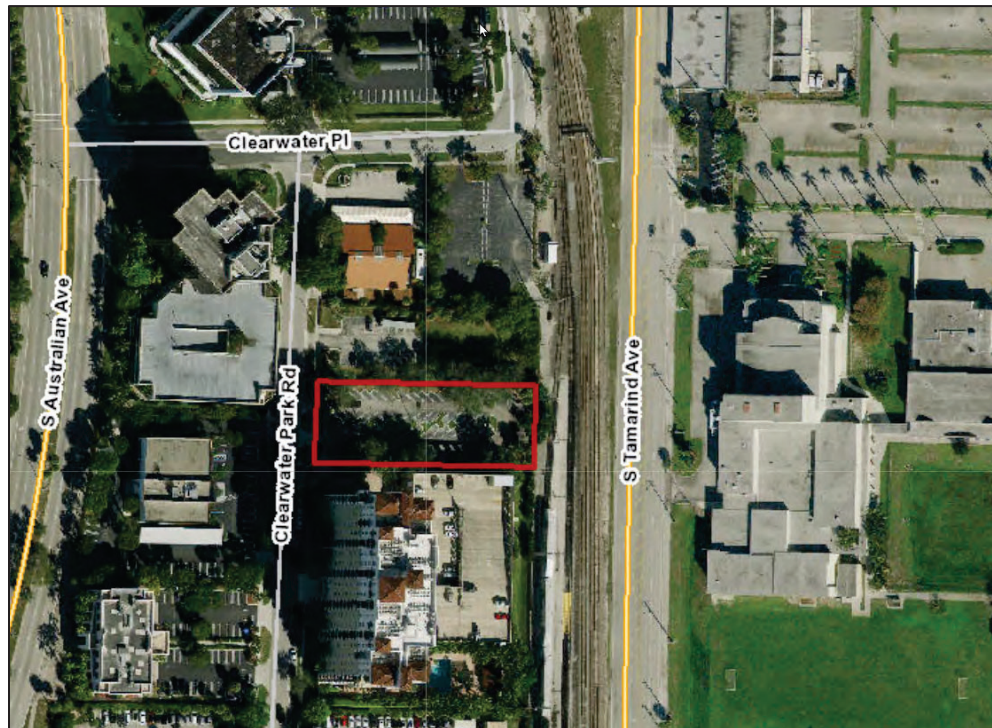
**Discussion of Vacant Land Sales**

Our search revealed six sales of land parcels that were considered to be suitable for direct comparison to the Subject Property. As shown below, the comparable sales indicated non-adjusted values ranging from \$159.84 to \$1,178.56 per square foot of land area, and from \$44.37 to \$168.37 per square foot of allowable building area based on each sale's FAR.

Vacant Sales Summary CityPlace Easement Parcels, West Palm Beach, Fla Callaway & Price, Inc. 24-85812-1							
Sale No ORBK/Pg	1 34803/1749	2 33880/1600	3 33046/1750, et al	4 33170/657	5 33898/621	6 33313/1843	
Location City	<b>Subject Property Parent Tract</b> 324 Datura St West Palm Bch	500 Clearwater Park Road West Palm Bch	611-621 Banyan Street & 612-622 2nd Street (609 2nd Street) West Palm Bch	992 Datura Street West Palm Bch	512 Clematis St West Palm Bch	506-524 Datura Street West Palm Bch	
Tax ID Number	74-43-43-21-13-016-0010 74-43-43-21-13-016-0020 74-43-43-21-13-003-0040	74-43-43-21-01-011-0070	74-43-43-21-12-000-0120	74-43-43-21-01-027-0010 et al (now 74-43-43-21-40-001-0000)	74-43-43-21-01-042-0042 & -0050	74-43-43-21-01-024-0012	74-43-43-21-01-023-0020, et al
Grantor	-	MCM 324 Datura	CSPB Clearwater, LLC	Linga, LLC, et al	Datura Station I, LLC	Clematis Railway LLC	Datura Professional Building, LLC, et al
Grantee	-	New York University	Richman WPB Development Partners LLC	Banyan & Rosemary Acquisition, LLC	Commercial Florida Solana LLC	NL 512, LLC	506 & 524 Datura Owner, LLC
Zoning Land Use Plan	CPD UCBD	QGD-10 UCBD	CLD-25 UCBD	QBD-3 & 5 UCBD	TOD-10 UCBD	CWD-CD UCBD	QBD-10 UCBD
Sale/Appraisal Date	Aug-24	Jan-24	Dec-23	Dec-22	Dec-22	Oct-22	Feb-22
Effective Sale Price	-	\$3,000,000	\$8,400,000	\$15,000,000	\$2,750,000	\$5,300,000	\$9,037,787
Land Size - Sqft	57,704	28,000	27,046	71,926	17,205	18,359	35,679
Land Size - Acre	1.32	0.64	0.62	1.65	0.39	0.42	0.82
Price per Sqft Land	-	\$1,178.56	\$310.58	\$208.55	\$159.84	\$288.69	\$253.31
FAR	2.75	7.00	7.00	2.69 *	2.75	3.50	2.75
Allowable Bldg Sqft	158,686	196,003	189,322	193,481	47,314	64,257	98,117
Price per Sqft Bldg	-	\$168.37	\$44.37	\$77.53	\$58.12	\$82.48	\$92.11
ADJUSTMENT CONSIDERATIONS							
Financing	Market	Market	Market	Market	Market	Market	Market
Adjustment	0%	0%	0%	0%	0%	0%	0%
Adjusted Price/Sqft Land	\$1,178.56	\$310.58	\$208.55	\$159.84	\$288.69	\$253.31	\$92.11
Adjusted Price/Sqft Bldg	\$168.37	\$44.37	\$77.53	\$58.12	\$82.48	\$92.11	\$92.11
Conditions of Sale	Market	Market	Assemblage	Market	Market	Market	Market
Adjustment	0%	0%	-5%	0%	0%	0%	0%
Adjusted Price/Sqft Land	\$1,178.56	\$310.58	\$198.12	\$159.84	\$288.69	\$253.31	\$92.11
Adjusted Price/Sqft Bldg	\$168.37	\$44.37	\$73.65	\$58.12	\$82.48	\$92.11	\$92.11
Market Conditions	Have Improved	Have Improved	Have Improved	Have Improved	Have Improved	Have Improved	Have Improved
Adjustment	5%	5%	15%	15%	15%	20%	20%
Adjusted Price/Sqft Land	\$1,237.48	\$326.11	\$227.84	\$183.81	\$331.99	\$303.97	\$110.53
Adjusted Price/Sqft Bldg	\$176.78	\$46.59	\$84.70	\$66.84	\$94.85	\$110.53	\$110.53
Other Adjustments - Price per Sqft Land							
Location	5%	5%	5%	5%	5%	5%	5%
Size	0%	0%	0%	0%	0%	0%	0%
FAR	-25%	-25%	0%	0%	-5%	0%	0%
Miscellaneous	0%	0%	0%	0%	0%	0%	0%
<b>Net Adjustment</b>	<b>-20%</b>	<b>-20%</b>	<b>5%</b>	<b>5%</b>	<b>0%</b>	<b>5%</b>	<b>5%</b>
<b>Adj Price/Sqft Land</b>	<b>\$989.99</b>	<b>\$260.89</b>	<b>\$239.23</b>	<b>\$193.00</b>	<b>\$331.99</b>	<b>\$319.17</b>	<b>\$319.17</b>
					Minimum - \$/Sqft Land	\$193.00	\$193.00
					Maximum - \$/Sqft Land	\$989.99	\$989.99
					Average - \$/Sqft Land	\$389.04	\$389.04
					Average without high and low	\$287.82	\$287.82
Other Adjustments - Price per Sqft Allowable Bldg							
Location	5%	5%	5%	5%	5%	5%	5%
Size	0%	0%	0%	0%	0%	0%	0%
FAR	25%	25%	0%	0%	5%	0%	0%
Miscellaneous	0%	0%	0%	0%	0%	0%	0%
<b>Net Adjustment</b>	<b>30%</b>	<b>30%</b>	<b>5%</b>	<b>5%</b>	<b>10%</b>	<b>5%</b>	<b>5%</b>
<b>Adj Price/Sqft Bldg</b>	<b>\$229.82</b>	<b>\$60.56</b>	<b>\$88.93</b>	<b>\$70.18</b>	<b>\$104.34</b>	<b>\$116.06</b>	<b>\$116.06</b>
					Minimum - \$/Sqft Bldg	\$60.56	\$60.56
					Maximum - \$/Sqft Bldg	\$229.82	\$229.82
					Average - \$/Sqft Bldg	\$111.65	\$111.65
					Average without high and low	\$94.88	\$94.88
* Based on Actual FAR							



SALE 1



SALE 2





SALE 5



SALE 6



LAND SALES



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### Property Rights Conveyed

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

### Terms of Financing (Cash Equivalency)

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

### Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and seller at the time of conveyance. Within the confirmation process, detailed attention was made to ensure the conditions of each sale. With the exception of Sale 3, the data required no adjustments for this factor, in our opinion. However, Sale 3 was an assemblage of multiple parcels for future development. It is typical for developers to pay a premium for properties involved in assemblages, and we have adjusted this sale downward slightly for this factor.

### Time or Changes in Market Conditions

Market conditions generally change over time and may be caused by inflation, deflation, fluctuations in supply and demand, or other factors. The sales occurred from February 2022 to January 2024. Based on an analysis of the data, and market conditions in general in the downtown area of West Palm Beach, it is our opinion that all of the comparables required upward adjustments for improving market conditions.

### Location

The Subject has a very good location in the City of West Palm Beach at the southeast corner of South Rosemary Avenue and Hibiscus Street, in the heart of the CityPlace lifestyle center. While all of the sales were situated in the downtown area of West Palm Beach, they were considered to have slightly inferior overall locations, and were adjusted upward for this factor.



### Size

The Subject parent tract contains 1.32+/- acres, as compared to the sales that ranged from .39 to 1.65 acres. Typically, larger parcels of land will sell for less per square foot than smaller parcels, all things being equal, and vice versa. However, in redevelopment areas, larger sites are often more desirable. We noted conflicting information regarding a size adjustment and the sales were not adjusted for the size factor. However, we have considered the Subject's size in our final conclusion.

### Floor Area Ratio (FAR)

As discussed in the preceding Property Data section under zoning, the Subject parent tract has a FAR of 2.75 and has the potential to be developed with a maximum building area of 158,686 square feet (57,704 sqft land x 2.75 FAR = 158,686 allowable sqft of building). The market data indicates that these properties are being purchased based on location, assemblage potential, and to some degree FAR development potential.

The comparables had FAR's ranging from 2.69 to 7.00. In the case of the adjustment applied to the price per square foot of land area, a property with a higher FAR would typically sell for more per square foot of land than a parcel with a lower FAR when all other things are equal. The reverse is true for parcels having lower FARs. Sales 1, 2 and 5 had FAR's that were higher than the Subject's FAR, and they have been adjusted downward on the price per square foot of land area basis for their higher FAR, hence higher price per square foot of land area characteristic. The remaining sales did not require an adjustment for this factor.

For the price per square foot of allowable building area, the opposite is true. A parcel of land with a higher FAR will typically sell for less per allowable building square foot than a parcel with a lower FAR, when all other things are equal and vice versa. As noted, Sales 1, 2 and 5 had FAR's that were higher than the Subject, and they have been adjusted upward on the price per square foot of allowable building area for their higher FAR's, hence lower price per square foot of allowable building area characteristic. The remaining sales did not require an adjustment for this factor.

### Land Value Conclusion

As can be seen on the comparable sales chart displayed earlier, after adjustments the comparables indicated values ranging from \$193.00 to \$989.99 per square foot of land area, with an average of \$389.04 per square foot. If the high and low ends of the range are eliminated, the average equated to \$287.82 per square foot of land area.



Sale 1 indicated the highest price per square foot of the data, and appears to have sold well above the indications from the other sales. While we could not determine the reason for this phenomenon, the sale is the most current and is believed to provide some indication of the desirability of the downtown West Palm Beach area for redevelopment. If Sale 1 is eliminated from the data set, the average adjusted price equated to \$268.86 per square foot of land.

Further, after adjustments the comparables indicated values ranging from \$60.56 to \$229.82 per square foot of allowable building area, with an average of \$111.65 per square foot. If the high and low ends of the range are eliminated, the average equated to \$94.88 per square foot of allowable building area. If Sale 1 is eliminated from the data set, the average adjusted price equated to \$88.02 per square foot of allowable building area.

Based on the indications from the comparable sales, and considering the Subject's location, size, FAR and market conditions existing as of the appraisal date, it is our opinion that the indicated Market Value of the Subject parent tract underlying land via the Sales Comparison Approach was approximately \$275.00 to \$300.00 per square foot of land area, and \$90.00 to \$100.00 per square foot of allowable building area. Therefore, our opinion of the Market Value of the Subject parent tract underlying land by the Sales Comparison approach is calculated below:

57,704 sqft land x	\$275.00 /sqft land =	\$15,868,581
57,704 sqft land x	\$300.00 /sqft land =	\$17,311,180
158,686 sqft allowable bldg x	\$90.00 /sqft allowable bldg =	\$14,281,723
158,686 sqft allowable bldg x	\$100.00 /sqft allowable bldg =	<u>\$15,868,581</u>
	Say,	\$15,800,000 Parent Tract Value
	divided by	57,704 Parent Tract Land Area
		\$273.81 Parent Tract Land Value/sqft
	Say,	<u>\$275.00</u> per sqft

As a result of this analysis, it is our opinion that the Subject easement parcels have an estimated land value (as part of the whole) of \$275.00 per square foot of land. We also note that while there are minor site improvements on the parcels, any additional value allocation of these improvements are effectively lost in rounding and no additional value allocation is needed in our opinion.





**ESTIMATED EASEMENT PAYMENTS**

Now that we have estimated the price per square foot of land for the easement parcels, we will estimate a market-oriented rate of return that a property owner would seek to give up some control of the property to the beneficiary of the easement. After estimating an applicable rate, it will be applied to the individual easement areas estimated land value which should indicate the annual payment, or “rent” for the use of the land.

In our opinion, the best way of estimating a market-oriented rate of return was to obtain information on sales of land leases and analyze the implied rates of return, or capitalization rates (cap rates) from these sales. In addition, we have considered industry surveys for investor criteria for this property type for additional support. The chart below summarizes actual land lease investment data for various types of commercial properties in the State of Florida:

NNN Land Lease Capitalization Rates CityPlace Easement Parcels, West Palm Beach, Fla Callaway & Price, Inc. 24-85812-1						
Sale	Tenant	Location	Sale Date	Sale Price	NNN Land Lease Annual Rent	Cap Rate
1	Service Station	Gainesville	July-24	\$5,347,000	\$270,000	5.05%
2	Retail	Port St Lucie	April-24	\$4,119,100	\$164,764	4.00%
3	Medical Office	Englewood	April-24	\$1,600,000	\$100,000	6.25%
4	Retail/Auto	Gibsonston	March-24	\$2,200,000	\$124,960	5.68%
5	Restaurant	Saint Johns	November-23	\$2,577,320	\$125,000	4.85%
6	Retail	Hillsborough Co	November-23	\$1,477,000	\$64,988	4.40%
7	Retail	Loxahatchee	November-23	\$2,100,000	\$88,478	4.21%
8	Bank	Miami	October-23	\$8,100,000	\$392,040	4.84%
9	Service Station	West Palm Beach	July-23	\$8,876,405	\$355,056	4.00%
10	Restaurant	Clearwater	June-23	\$3,850,000	\$165,165	4.29%
11	Restaurant	Tampa	April-23	\$3,268,300	\$133,673	4.09%
					Minimum	4.00%
					Maximum	6.25%
					Average	4.70%
					Average without high and low	4.60%



## *Estimated Easement Payments*

As can be seen, the average of the combined 2023 and 2024 data equated to 4.70%, while the average without the upper and lower ends of the range equated to 4.60%. It is interesting to note that the average indication of the 2024 sales equated to 5.24%, up 86 basis points from the average of the 2023 sales, an indication that rates are increasing for this property type due to inflationary pressures and the uneasiness of investors based on their interpretation of future market conditions.

In addition to this data, we have also considered two investor surveys for additional support. According to the most recent *PWC Real Estate Investor Survey (2<sup>nd</sup> Quarter 2024)*, the indicated capitalization rates for net leased investments ranged from 6.25% to 9.00%, with an average of 7.51%. This is up from the 1<sup>st</sup> Quarter 2024 rate of 7.42% and up from the 2<sup>nd</sup> Quarter 2023 average of 6.73%, again showing the upward pressure on rates for this market.

### NATIONAL NET LEASE MARKET

Second Quarter 2024

	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO	5 YEARS AGO
<b>DISCOUNT RATE (IRR)*</b>					
Range	6.00% – 11.00%	6.00% – 11.00%	6.00% – 10.00%	6.00% – 10.00%	5.00% – 10.00%
Average	8.00%	7.92%	7.75%	7.48%	7.50%
Change (Basis Points)		+ 8	+ 25	+ 52	+ 50
<b>OVERALL CAP RATE (OAR)*</b>					
Range	6.25% – 9.00%	6.25% – 9.00%	6.00% – 8.00%	5.00% – 8.50%	5.00% – 8.50%
Average	7.51%	7.42%	6.73%	6.28%	6.60%
Change (Basis Points)		+ 9	+ 78	+ 123	+ 91

The Robert Watts’ Realty Rates Investor Survey tracks market trends including actual and expected capitalization rates (going in), terminal rates (reversionary), and discount rates. These trends are tracked on a regional and national basis and are generally reflected on an un-leveraged basis. We have utilized land lease rates in this instance. Their most recent 1<sup>st</sup> Quarter 2024 Investor Survey for land lease rates for all types of transactions on a national basis indicated overall capitalization rates as follows:

RealtyRates.com INVESTOR SURVEY - 1st Quarter 2024*						
LAND LEASES						
Property Type	Capitalization Rates			Discount Rates		
	Min.	Max.	Avg.	Min.	Max.	Avg.
Apartments	4.38%	11.28%	8.70%	6.98%	11.78%	9.70%
Golf	5.10%	16.50%	10.81%	7.70%	17.00%	11.81%
Health Care/Senior Housing	5.18%	12.58%	9.30%	7.78%	13.08%	10.30%
Industrial	4.95%	12.28%	9.09%	7.55%	12.78%	10.09%
Lodging	5.30%	16.35%	9.37%	7.90%	16.85%	10.37%
Mobile Home/RV Park	5.00%	14.98%	9.96%	7.60%	15.48%	10.96%
Office	4.95%	12.15%	8.85%	7.55%	12.65%	9.85%
Restaurant	5.40%	18.50%	10.75%	8.00%	19.00%	11.75%
Retail	4.65%	12.38%	9.25%	7.25%	12.88%	10.25%
Self-Storage	4.95%	12.38%	10.13%	7.55%	12.88%	11.13%
Special Purpose	5.34%	18.50%	10.92%	7.77%	20.54%	11.09%
All Properties	4.38%	18.50%	9.74%	6.98%	19.00%	10.62%



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***Estimated Easement Payments***

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The survey's "All Properties" indicators ranged from 4.38% to 18.50% with an average of 9.74%. In the final analysis, we have given consideration to the surveys, but have given greatest weight to the actual ground lease returns from NNN properties in Florida.

Based on the indications shown, it is our opinion that an overall rate of return of 5.75% is reasonable and supportable for the Subject Property. Accordingly, the chart below summarizes our estimate of easement payments for the Subject easement parcels:

Estimated Easement Payments CityPlace Easement Parcels, WPB, Fla Callaway & Price, Inc. 24-85812-1					
Easement Beneficiary	Land Area in sqft	x	Land Value per sqft	=	Land Value x Land Cap Rate = Year 1 Easement Payment
Himmel Theatre Tenant	1,496	x	\$275.00	=	\$411,400 x 5.75% = \$23,656



## **PV OF EASEMENT PAYMENTS – CALCULATION OF EASEMENT VALUES**

Now that the Year 1 easement payments have been estimated, we must discount those payments over the easement period to arrive at the present value of the payments to the property owner for granting the easements to the easement beneficiaries.

### Easement Term (Years), Payment Increases and Expenses

As noted, the easements are estimated to commence on August 1, 2024 and expire on December 31, 2046. For valuation purposes, we have estimated the easement payments will increase by 3% per year over the 22+ year time period. No expenses are deemed necessary to the property owner for these easements over and above what the owner would already pay for the parent tract expenses.

### Discount Rate Support

The discount rate is a real estate metric that represents an investor's (or in this case the Subject owner's) required rate of return on investment. It is used to discount cash flows to a present value. The discount rate has two key aspects: it is the interest rate determining the present value of future cash flows, reflecting the time value of money and the costs of potential missed opportunities, and it represents an investor's minimum expected return, considering the various risks in real estate. In our selection of an appropriate discount rate, we considered the two investor surveys previously discussed:

1. According to PwC Real Estate Investor Survey, 2<sup>nd</sup> Quarter 2024, Institutional-Grade Discount Rates for the National Net Lease Market, showed discount rates ranging from 6.00% to 11.00%, with an average of 8.00%.
2. According to the Robert Watts' Realty Rates Investor Survey, 1<sup>st</sup> Quarter 2024 Discount Rates for the Land Lease market for "All Properties" ranged from 6.98% to 19.00%, with an average of 10.62%.

Considering the Subject Property is anticipated to provide consistent and stable income, with some income growth, has low-recurring capital requirements compared to traditional real estate assets, and reduced income volatility, we have concluded at a discount rate of 9.0% as being reasonable.



**Present Value of Easement Payments – Calculation of Easement Values**

Value Summary

Therefore, based upon the scope of the assignment, our investigation and analysis of the information contained within this report, as well as our general knowledge of real estate valuation procedures and market conditions, it is our opinion that the Market Value of the exclusive easements to utilize outdoor easement areas in the CityPlace lifestyle center, as of August 5, 2024 was as follows:

Valuation Summary CityPlace Easement Parcels, West Palm Beach, Fla Callaway & Price, Inc. 24-85812-1				
<b><u>Assumptions</u></b>				
Term:	Aug-1-24 to Dec-31-46			
Inflation Rate:	3.0% per annum			
Discount Rate:	9.0% per annum			
<b><u>Himmel Theater Tenant</u></b>				
Year	Yr-Mo-Day	Easement Payment	PV Factor @ 9.0%	PV of Easement Payments
1	2024-08-01	\$23,656	1.0000	\$23,656
2	2025-08-01	\$24,365	0.9174	\$22,353
3	2026-08-01	\$25,096	0.8417	\$21,123
4	2027-08-01	\$25,849	0.7722	\$19,960
5	2028-08-01	\$26,624	0.7084	\$18,861
6	2029-08-01	\$27,423	0.6499	\$17,823
7	2030-08-01	\$28,246	0.5963	\$16,842
8	2031-08-01	\$29,093	0.5470	\$15,915
9	2032-08-01	\$29,966	0.5019	\$15,039
10	2033-08-01	\$30,865	0.4604	\$14,211
11	2034-08-01	\$31,791	0.4224	\$13,429
12	2035-08-01	\$32,745	0.3875	\$12,690
13	2036-08-01	\$33,727	0.3555	\$11,991
14	2037-08-01	\$34,739	0.3262	\$11,331
15	2038-08-01	\$35,781	0.2992	\$10,707
16	2039-08-01	\$36,854	0.2745	\$10,118
17	2040-08-01	\$37,960	0.2519	\$9,561
18	2041-08-01	\$39,099	0.2311	\$9,035
19	2042-08-01	\$40,272	0.2120	\$8,537
20	2043-08-01	\$41,480	0.1945	\$8,067
21	2044-08-01	\$42,724	0.1784	\$7,623
22	2045-08-01	\$44,006	0.1637	\$7,204
23	2046-08-01	\$18,886	0.1502	<u>\$2,836</u>
Total PV of Easement Payments				\$308,914
Say,				<u>\$310,000</u>

# **ADDENDA**

# **ENGAGEMENT LETTER**



# Callaway & Price, Inc.

Real Estate Appraisers and Consultants  
Licensed Real Estate Brokers  
www.callawayandprice.com

Please respond to the South Florida office  
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## SOUTH FLORIDA

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## TREASURE COAST

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## SPACE COAST

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## CENTRAL FLORIDA

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Phone (321) 726-0970  
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Cert Gen RZ2085  
c.phillips@callawayandprice.com

July 24, 2024

Hale W. Johnson  
Associate  
Related Ross  
360 South Rosemary Avenue  
Suite 800  
West Palm Beach, Florida 33401

E-Mail: hjohnson@related.com

Dear Mr. Johnson:

We would be pleased to prepare an Appraisal Report on the four outdoor seating areas within the CitiPlace development located at the corner of South Rosemary Avenue and Hibiscus Street in West Palm Beach, Florida. The purpose of our appraisal will be to provide the Market Value of the exclusive easement to utilize the outdoor seating areas until the year 2046.

This report will be prepared for our client and intended user, Related Ross. The intended use is to assist the client for internal purposes. The scope of work performed is specific to the needs of the intended user and the intended use. No other use is intended, and the scope of work may not be appropriate for other uses.

The fee would be . . . . . The fee is due and payable upon delivery of the report. We will provide a PDF of the final report.

We will have the report completed in approximately 2 to 3 weeks from the day we receive your authorization.



Hale W. Johnson  
Associate  
Related Ross  
July 24, 2024  
Page Two

If the above is agreeable to you, please sign below as our authorization and return it so that we may begin work immediately. This agreement is subject to the Agreements and Conditions listed on the attached pages, a copy of which should also be signed and returned to us. Our work will be done in accordance with the Appraisal Institute Code of Ethics and Standards of Professional Practice. Thank you for the opportunity to be of service.

Respectfully submitted,  
  
CALLAWAY & PRICE, INC.



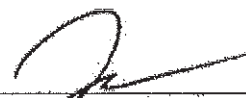
Stephen D. Shaw, MAI, AI-GRS  
Cert.Gen. RZ1192

SDS/js  
Attachments

Client:

Related Ross

Accepted By\Date:

  
Signature \_\_\_\_\_ Date 7/25/24

Name and Title (Printed or Typed):

Jordan Rathlev, Senior Vice President



**CONDITIONS OF AGREEMENT**

1. Premise: The completed report shall comply with the professional and ethical standards of the Appraisal Institute. The report will be addressed to the Client, or, as directed by the Client.
2. Compensation: The fee is due and payable as designated in the contract letter; the retainer is to be sent to the Appraiser along with the signed contract letter, which constitutes authorization to commence the assignment. The Appraiser's/Consultant's compensation is in no event contingent upon a predetermined value or conclusion.
3. Completion Date: Every effort will be made to deliver the report as per the specified date in the contract letter. If delays occur for reasons beyond the control of the Appraiser/Consultant, such as not receiving necessary data requested from the Client in a timely manner, changes in the scope of services of the assignment, acts of God, et cetera, the due date shall be extended.
4. Changes: The Appraiser/Consultant shall, to the best of his ability, complete the assignment in compliance with professional and ethical standards of the appraisal industry. Changes which are not in keeping with these standards will necessitate a new contract letter and renegotiation of the original fee; or billed on a time basis plus the original fee.
5. Cancellation: This agreement may be cancelled by the Client by written notice, or telephone followed by written notice. Appraiser/Consultant shall submit a statement based on professional time and expenses accrued, if applicable, for all services expended to the date of cancellation.
6. Additional Report Copies: Additional copies will be furnished upon request, and prepayment of \$1 per page per report.
7. Collection: All fees and expenses are due upon delivery of the final report. A late charge of 1.5% per month shall be imposed on balances unpaid 30 days after the statement date. If collection efforts become necessary, all costs for same, including court costs and attorney's fees will be added to the balance due. We are currently operating under an agreement with a collection agency which charges us 53.8%. IF THEIR COLLECTION SERVICES ARE REQUIRED, CLIENT'S TOTAL BALANCE DUE WILL BE INCREASED BY 53.8%.
8. Limiting Conditions: This agreement and the completed report shall be subject to the attached Limiting Conditions (also included in said report).




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***Conditions of Agreement***

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9. **Confidential Data:** Data assembled for the assignment will remain the property of the Appraiser/Consultant. Data provided by the Client will be held in file, unless otherwise instructed by the Client, and considered confidential. Appraiser/Consultant is authorized by the Client to disclose the report to appropriate representative of the Appraisal Institute to comply with the Bylaws and regulations of this professional organization.

I hereby agree to the Conditions of Agreement outlined above.

  
\_\_\_\_\_  
Client's Name

  
\_\_\_\_\_  
Date of Acceptance



**LIMITING CONDITIONS**

1. Unless otherwise stated, the value appearing in this appraisal represents the opinion of the Market Value or the Value Defined AS OF THE DATE SPECIFIED. Market Value of real estate is affected by national and local economic conditions and consequently will vary with future changes in such conditions.
2. The value estimated in this appraisal report is gross, without consideration given to any encumbrance, restriction or question of title, unless specifically defined.
3. This appraisal report covers only the property described and any values or rates utilized are not to be construed as applicable to any other property, however similar the properties might be.
4. It is assumed that the title to the premises is good; that the legal description is correct; that the improvements are entirely and correctly located on the property described and that there are no encroachments on this property, but no investigation or survey has been made.
5. This appraisal expresses our opinion, and employment to make this appraisal was in no way contingent upon the reporting of predetermined value or conclusion.
6. No responsibility is assumed for matters legal in nature, nor is any opinion of title rendered. In the performance of our investigation and analysis leading to the conclusions reached herein, the statements of others were relied on. No liability is assumed for the correctness of these statements; and, in any event, the appraiser's total liability for this report is limited to the actual fee charged.
7. Neither all nor any part of the contents of this report (especially any conclusions, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or any of its designations) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without our prior written consent and approval.
8. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. The appraiser assumes no responsibility for such conditions or the engineering which might be required to discover these factors.



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### *Limiting Conditions*

9. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation stachybotrys chartarum (mold), asbestos, polychlorinated biphenyls, petroleum leakage, "Chinese drywall" or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of, nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such proximity thereto that would cause a loss in value. We are unaware of very wet conditions that may have existed for days or weeks which are required to grow mold. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.
  
10. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraiser has 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 appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA in estimating the value of the property has not been considered.

# **QUALIFICATIONS**



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

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### Professional Designations\Licenses\Certifications

Member, Appraisal Institute, MAI Designation #10461  
Member, Appraisal Institute, AI-GRS  
State-certified general real estate appraiser RZ1192  
Florida State Licensed Real Estate Salesman 0495422

### Professional Experience

Principal, Callaway & Price, Inc., since January 1999  
Senior Appraisal Consultant, Callaway & Price, Inc., since July 1997 - December 1998  
Appraisal Consultant, Callaway & Price, Inc., since April 1994  
Associate Appraiser, Pinel & Carpenter, Inc., Orlando, April 1992 - March 1994  
Appraiser/Researcher, Callaway & Price, Inc., September 1987 - March 1992  
Special Magistrate Palm Beach County 1996-2012  
Special Magistrate, Martin County, 2009

### Qualified as an Expert Witness

Palm Beach County, Florida  
Martin County, Florida  
Broward County, Florida  
Sarasota County, Florida  
Miami-Dade County, Florida

### Education

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

#### Appraisal Institute:

Course 101 - An Introduction to Appraising Real Property, 1992  
Course 201 - Principles of Income Producing Properties, 1991  
Course 2-1 - Case Studies in Real Estate Valuation, 1992  
Course 540 - Report Writing and Valuation Analysis, 1993  
Course 2-3 - Standards of Professional Practice Parts A & B, 1991  
Review Theory - General

Numerous seminars sponsored by the Appraisal Institute

### Appraising\Consulting Expertise

Acreage	Medical Office Sites
ACLFs	Surgery Centers
Apartment Complexes	Self-Storage Facilities
Automotive Service Facilities	Office Buildings
Bowling Alleys	Office/Warehouses
Commercial Buildings	Retail Buildings
Condominium Projects	Restaurants
Eminent Domain	Special Purpose Properties
Golf Courses	Shopping Centers
Hospitals	Vacant Commercial Land
Hotels	Vacant Industrial Land
Marinas	Vacant Multifamily Pods
Medical Office Buildings	Vacant Residential Land
Medical Office Condominiums	Vacant Single-Family Subdivisions
Medical Campus Sites	Warehouses



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

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Organizations and Affiliations

Appraisal Institute:

Experience Review Committee

Ethics & Counseling Committee

South Florida Chapter Board of Directors

Business Development Board Palm Beach County, Member





Ron DeSantis, Governor

Melanie S. Griffin, Secretary



**STATE OF FLORIDA  
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

**FLORIDA REAL ESTATE APPRAISAL BD**

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

**SHAW, STEPHEN DAY**

1639 FORUM PLACE  
SUITE 5  
WEST PALM BEACH FL 33401

**LICENSE NUMBER: RZ1192**

**EXPIRATION DATE: NOVEMBER 30, 2024**

Always verify licenses online at [MyFloridaLicense.com](http://MyFloridaLicense.com)



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Professional Designations\Licenses\Certifications

State-certified general real estate appraiser RZ832  
Florida Licensed Real Estate Salesman 0435885

Professional Experience

Appraisal Consultant, Callaway & Price, Inc since February 1985  
Researcher, Callaway & Price, Inc., June 1982 to January 1985

Qualified As An Expert Witness

Palm Beach County, Florida

Education

Bachelor of Business Administration, Marketing Major, Florida Atlantic University  
Florida Real Estate Commission, Course I

Society of Real Estate Appraisers:

An Introduction to Appraising Real Property, 1983  
Principles of Income Property Appraising, 1984  
Applied Income Property Valuation, 1984

American Institute of Real Estate Appraisers:

Appraising Troubled Property, 1992  
Appraisal Theory Update, 1992  
Appraisal Review - Residential Property, 1994  
USPAP Update Core Law for Appraisers, 1994  
Standards of Professional Practice, 1986, 1992, 1994  
Capitalization Theory and Techniques, Part A, 1986  
Capitalization Theory and Techniques, Part B, 1986  
Real Estate Appraisal Principles, 1986  
Basic Valuation Procedures, 1986

Appraising\Consulting Expertise

Acreage	Easements	Road Abandonment
Automobile Dealerships	Groves	RV Parks
Apartment Buildings	Industrial Properties	Shopping Centers
Commercial Buildings	Life Care Facilities	Special Purpose Properties
Condominiums (Individual Units and Total Sellout)	Marinas	Strip Centers
Churches	Mobile Home Parks	Subdivisions/Residential
Country Club/Golf Courses	Motels	Vacant Commercial
Day Care Facilities	Office Buildings	Vacant Residential
Duplexes	Ranches	Warehouses
	Restaurants	



Ron DeSantis, Governor

Melanie S. Griffin, Secretary



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PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

**MADER, JAMES H**

1410 PARK LANE SOUTH SUITE 1  
JUPITER FL 33458

**LICENSE NUMBER: RZ832**

**EXPIRATION DATE: NOVEMBER 30, 2024**

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**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA, AMENDING THE COMPREHENSIVE FEE SCHEDULE FOR SIDEWALK CAFÉ PERMITS; PROVIDING FOR THE EXPIRATION OF EXISTING SIDEWALK CAFÉ PERMITS AND RENEWAL UNDER THE REVISED REGULATIONS; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.**

\* \* \* \* \*

WHEREAS, by Ordinance No. 4936-21, the City of West Palm Beach amended and restated that article of the Code of Ordinances establishing regulations regarding sidewalk café permits; and

WHEREAS, Florida Statutes Sections 166.201 and 166.222 provide authority to municipalities to charge and collect licenses, permits and fees; and

WHEREAS, various sections of the Code of Ordinances authorize fees to be established by resolution of the City Commission; and

WHEREAS, in an effort toward efficiency, transparency, and consistency, by Resolution No. 290-13, the City created a comprehensive fee schedule listing all fees charged by the various departments, as a single source of reference for current fees, and provided for annual review and update of the comprehensive fee schedule; and

WHEREAS, Resolution No. 291-20 sets forth the most recent Comprehensive Fee Schedule of the City; and

WHEREAS, the amended sidewalk café regulations require additional permit review and compliance monitoring; and

WHEREAS, adjustment of the sidewalk café fees will assist with the increased cost to the City for additional permit review and compliance monitoring; as well as to assign a fee to the use of the public right-of-way for sidewalk seating; and

WHEREAS, the City Commission desires to update the City's comprehensive fee schedule for sidewalk café permits.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA, that:**

**SECTION 1:** The City Commission hereby amends the Comprehensive Fee Schedule to amend the City's fees for sidewalk café permits, as follows:

Within the Downtown Master Plan area (DMP):

- Initial Application Fee \$150.00
- Annual Renewal Fee \$50.00
- Annual Usage Fee \$4.00 per square foot in excess of 50 sq. ft.

**RESOLUTION NO. 87-22**

Within Northwood Village and other City-owned rights-of-way:

- Initial Application Fee \$150.00
- Annual Renewal Fee \$50.00
- Annual Usage Fee \$2.00 per square foot in excess of 50 sq. ft.

Applicants with 50 square feet or less of outdoor seating:

- Only pay Initial Application Fee or Annual Renewal Fee, as applicable.

**SECTION 2:** The fees established by this Resolution shall become applicable for all sidewalk café permits issued as of January 10, 2023, and thereafter.

**SECTION 3:** This Resolution amends the Comprehensive Fee Schedule adopted by Resolution No. 291-20, with respect to fees for sidewalk cafes only. The Comprehensive Fee Schedule, except to any extent previously amended, shall remain unchanged and in force and effect.

**SECTION 4:** All sidewalk café permits issued by the City and in effect shall expire on September 30, 2023, subject to renewal.

**SECTION 5:** The fees generated from sidewalk café permits shall be designated and appropriated for the maintenance and cleaning of sidewalks.

**SECTION 6:** The City Clerk is hereby directed to furnish one (1) copy of this Resolution to the Chief Financial Officer, one (1) copy to the Finance Budget Manager, and one (1) copy to the Finance Treasury Manager, after passage.

**SECTION 7:** This Resolution shall become effective as of January 10, 2023.

[SIGNATURES ON FOLLOWING PAGE]

PASSED AND ADOPTED THIS 9TH DAY OF JANUARY, 2023.



**ATTEST:**

X *Jacqueline H. Mobley*

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CITY CLERK  
Signed by: Jacqueline Helena Mobley

**CITY OF WEST PALM BEACH BY  
ITS CITY COMMISSION:**

X *Keith A. James*

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PRESIDING OFFICER  
Signed by: Keith Alan James

**APPROVED AS TO FORM AND  
LEGALITY:**

1/9/2023

X *Nancy Urcheck*

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CITY ATTORNEY  
Signed by: Nancy DeSimone Urcheck

**City Of West Palm Beach - Café / Outdoor Seating License Fee Schedule**

9/17/2024

Application Fee *:	150.00
Renewal Fee *:	50.00
Annual Cost / SF Fee:	4.00
<i>* Fee covers first 50 SF of seating area</i>	
Appraisal SF:	3,710.00
Discount Rate	10.00%

	App / Ren Fee	SF After Fee	Fee / SF	Partial Yr Adj.	Total	Discounted
2024 (Nov.-Dec.)	150.00	3,660.00	4.00	16.7%	2,590	2,590
2025	50.00	3,660.00	4.00	100.0%	14,690	13,355
2026	50.00	3,660.00	4.00	100.0%	14,690	12,140
2027	50.00	3,660.00	4.00	100.0%	14,690	11,037
2028	50.00	3,660.00	4.00	100.0%	14,690	10,033
2029	50.00	3,660.00	4.00	100.0%	14,690	9,121
2030	50.00	3,660.00	4.00	100.0%	14,690	8,292
2031	50.00	3,660.00	4.00	100.0%	14,690	7,538
2032	50.00	3,660.00	4.00	100.0%	14,690	6,853
2033	50.00	3,660.00	4.00	100.0%	14,690	6,230
2034	50.00	3,660.00	4.00	100.0%	14,690	5,664
2035	50.00	3,660.00	4.00	100.0%	14,690	5,149
2036	50.00	3,660.00	4.00	100.0%	14,690	4,681
2037	50.00	3,660.00	4.00	100.0%	14,690	4,255
2038	50.00	3,660.00	4.00	100.0%	14,690	3,868
2039	50.00	3,660.00	4.00	100.0%	14,690	3,517
2040	50.00	3,660.00	4.00	100.0%	14,690	3,197
2041	50.00	3,660.00	4.00	100.0%	14,690	2,906
2042	50.00	3,660.00	4.00	100.0%	14,690	2,642
2043	50.00	3,660.00	4.00	100.0%	14,690	2,402
2044	50.00	3,660.00	4.00	100.0%	14,690	2,184
2045	50.00	3,660.00	4.00	100.0%	14,690	1,985
2046 (Jan-Apr.)	50.00	3,660.00	4.00	33.3%	4,930	606
					<b>316,010</b>	<b>130,245</b>

**CONSIDER APPROVAL OF B  
DECK PARKING EASEMENT**

**TO BE DISTRIBUTED  
UNDER SEPARATE COVER**